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REGULAR MEETING  
BOARD OF DIRECTORS  
**THURSDAY, JUNE 28, 2018 – 6:30PM**  
3 DAIRY LANE, BELMONT CALIFORNIA

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**AGENDA**

**1. OPENING**

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

**2. PUBLIC COMMENT**

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

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

**4. ACKNOWLEDGEMENTS/PRESENTATIONS**

- A. Hunter Crawford-Shelmadine – 2018 Graduate of Carlmont High School and Biotech Institute Program
- B. Hanson Bridgett LLP – 60<sup>th</sup> Anniversary

**5. CONSENT AGENDA**

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

- A. Approve Minutes for the Regular Board Meeting on May 24, 2018
- B. Approve Expenditures from May 16, 2018 through June 19, 2018  
(Check sequence legend included in Administrative Services Manager's report.)

**6. HEARINGS AND APPEALS**

None

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

None

**8. REGULAR BUSINESS AGENDA**

- A. Review and Discuss Preliminary Draft of Updated Schedule of MPWD Miscellaneous Fees and Charges, proposed to take effect on January 1, 2019
- B. Review and Discuss Inflationary Adjustments to MPWD Water Capacity Charges and Water Demand Offset Fees, proposed to take effect on October 1, 2018
- C. Review Draft and Consider Resolution 2018-15 Adopting MPWD Rules of the Board

- D. Receive GASB 75 Valuation and OPEB Actuarial Report for MPWD as of July 1, 2017 by Dempsey Filliger & Associates
- E. Consider and Approve the San Mateo County Candidate Policy Form for Special Districts Statewide General Election on November 6, 2018
- F. Review Candidate Information and Cast Ballot in California Special Districts Association Election for Seat A in the Bay Area Network
- G. Receive BAWSCA Update from Vice President Louis Vella

## **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
  - 1. Receive Financial Reports for Month Ended May 31, 2018
- C. Director Reports

## **10. COMMUNICATIONS**

## **11. ADJOURNMENT**

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

### **ACCESSIBLE PUBLIC MEETINGS**

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

***Next Board Meeting: Thursday, July 26, 2018, at 6:30PM***

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

May 24, 2018  
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 Warden at 6:30PM.

B. **Establishment of Quorum:**

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

Director Vella was absent.

A quorum was present.

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

**C. Pledge of Allegiance** – The Pledge of Allegiance was led by Administrative Services Manager Candy Pina.

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. Approve Minutes for the Regular Board Meeting of April 26, 2018

B. Approve Expenditures from April 14, 2018 through May 15, 2018

C. Consider Approve Resolution 2018-10 Placing in Nomination Director Matthew P. Zucca as a Member of the Association of California Water Agencies (ACWA) Region 5 Board

D. Receive Report on Recent Sale of District Surplus Items and Approve Resolution 2018-11 Establishing Surplus Items List 8-02 and Declaring Items in District Inventory and Surplus and Authorize Staff to Sell via GovDeals.com

Director Stuebing moved to approve the Regular Board Meeting of April 26, 2018 minutes, Expenditures from April 14, 2018 through May 15, 2018, Resolution 2018-

10 Placing in Nomination Director Matthew P. Zucca as a Member of the Association of California Water Agencies (ACWA) Region 5 Board, and Resolution 2018-11 Establishing Surplus Items List 8-02 and Declaring Items in District Inventory and Surplus and Authorize Staff to Sell via GovDeals.com. Director Linvill seconded and it was unanimously approved.

**6. HEARINGS AND APPEALS**

None.

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

None.

**8. REGULAR BUSINESS AGENDA**

**A. Consider and Approve MPWD Reorganization effective July 1, 2018 adding three (3) Water System Operator Positions**

General Manager Rudock briefly summarized the background for staff's recommendation to reorganize by adding three (3) new Water System Operators in anticipation of upcoming long-term employee retirements.

Director Stuebing asked General Manager Rudock to confirm his understanding that in due time the District employee total count will return to 18 as these individuals will eventually replace retiring operations employees. General Manager Rudock acknowledged that was the intent.

Director Linvill asked if KOFF and Associates had provided an opinion on staff's recommendation. General Manager Rudock confirmed they had not been engaged for that purpose.

President Warden commented on the impact new hires would have on future budgets. He also asked that staff provide a more in-depth cost analysis report on new hire verse retiree expenses, which staff stated would be provided at a future meeting.

Director Zucca moved to approve the recommended MPWD Reorganization. Director Stuebing seconded and it was unanimously approved.

**B. Review Final Draft MPWD Operating and Capital Budgets for Fiscal Year 2018/2019 and:**

1. Consider Resolution 2018-12 Approving the MPWD FY 2018/2019 Operating Budget; and
2. Consider Resolution 2018-13 Approving the MPWD FY 2018/2019 Capital Budget

Director Stuebing moved to adopt Resolution 2018-12 Approving the MPWD FY 2018/2019 Operating Budget and Resolution 2018-13 Approving the MPWD FY



2018/2019 Capital Budget. Director Linvill seconded and it was unanimously approved.

**C. Review and Discuss Working Draft of MPWD Rules of the Board of Directors**

President Warden reported that the Board committee met with staff to confer on the Rules and shared with the Board their proposed edits. The Board directed District Counsel Sherman to make the agreed revisions and bring it back next month for the Board's review and approval.

**D. Consider and Approve Resolution 2018-14 Declaring as Surplus Property that Real Property owned by the MPWD and Identified by:**

1. Assessor's Parcel Numbers 044-352-050 and 044-353-080 Commonly Known as 1510 Folger Drive in Belmont, California;
2. Assessor's Parcel Number 044-351-040 Commonly Known as 1513-1515 Folger Drive in Belmont, California; and
3. Assessor's Parcel Number 044-321-100 Commonly Known as "F" Street Parcel at the Intersection of El Camino Real and "F" Street in San Carlos, California.

General Manager Rudock provided brief descriptions of the properties. The Board discussed and determined not to declare as surplus Assessor Parcel Numbers 044-352-050 and 044-353-080 commonly known as 1510 Folger Drive in Belmont, CA. The Board further directed staff and District Counsel to begin the local agency outreach required by law for surplus public property for Assessor Parcel Numbers 044-351-040 commonly known as 1513-1515 Folger Drive in Belmont, CA and 045-321-100 commonly known as "F" Street Parcel at the Intersection of El Camino real and "F" Street in San Carlos, CA.

Director Linvill moved to approve the Board's the Resolution as amended. President Warden seconded and it was unanimously approved.

**9. MANAGER AND BOARD REPORTS**

**A. General Manager's Report**

Nothing further than her written report.

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

Nothing further than her written report.

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

Operations Manager Ramirez reported on USA local requests and new development projects. He also shared that the District's valve turning program was set to resume and gave a brief update on the District's and City of Belmont's joint projects.

Director Zucca asked staff if they had ever considered the use of a Computerized Maintenance Management System (CMMS) to help better organize routine maintenance scheduling. Operations Manager Ramirez stated that to date staff has not considered such a system.

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

District Engineer Pakpour provided a brief update on the status of current CIP projects. He also reported that six (6) firms responded to the Request for Proposals (RFPs) for on-call Construction Management and Construction Inspection services, and that the solicitation for the Dekoven tank replacement project would soon be finalized.

Director Zucca asked if it is a legal requirement to adopt resolutions for completed projects. Staff confirmed they would clarify with legal counsel and report back.

**B. Financial Reports**

**Receive Financial Reports for Month Ended February 28, 2018**

General Manager Rudock reported that the MPWD is coming in about 10% higher on revenues and almost on target with expenditures.

**C. Director Reports**

Director Stuebing reported on the San Mateo County Chapter CSDA election results and shared highlights from the ACWA JPIA conference he attended.

Director Zucca shared that he also attended the ACWA JPIA conference and was impressed with the JPIA and its worker's compensation program. He further reported that he attended three (3) ACWA committee meetings.

**10. COMMUNICATIONS**

None.

**11. ADJOURNMENT**

The meeting was adjourned at 7:47PM.

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DISTRICT SECRETARY

APPROVED:

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BOARD PRESIDENT

# Accounts Payable

## Checks by Date - Summary by Check Date

User: candyp  
Printed: 6/19/2018 4:11 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
789	ADPPRFEE	ADP Payroll Fees	05/18/2018	326.08
793	ADPPRFEE	ADP Payroll Fees	05/18/2018	102.49
Total for 5/18/2018:				428.57
1046	STOLOSKI	STOLOSKI & GONZALEZ, Inc.	05/21/2018	375,070.60
1047	HYDROENC	HYDROSCIENCE ENGINEERS INC.	05/21/2018	4,657.89
1048	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	05/21/2018	20,783.44
2035033	WESTYOST	WEST YOST ASSOCIATES	05/21/2018	18,391.93
Total for 5/21/2018:				418,903.86
790	BANKMTO1	Bankcard Mtot Disc	05/22/2018	184.98
Total for 5/22/2018:				184.98
791	ACHRETN	ACH Returns	05/23/2018	51.68
792	ACHRETN	ACH Returns	05/23/2018	154.38
Total for 5/23/2018:				206.06
33504	ACCELA	ACCELA, INC. #774375	05/24/2018	2,926.00
33505	ATT60197	AT&T 60197	05/24/2018	1,279.66
33506	BISIO	RICK BISIO	05/24/2018	522.04
33507	CARQUEST	CARQUEST AUTO PARTS	05/24/2018	35.51
33508	CHESTER	BRENT CHESTER	05/24/2018	556.58
33509	CINTS	CINTAS CORPORATION	05/24/2018	833.98
33510	COMCAST	COMCAST	05/24/2018	581.55
33511	COMCASTB	COMCAST BUSINESS	05/24/2018	632.47
33512	DITWITWT	DITCH WITCH WEST	05/24/2018	4,420.36
33513	DKFSOLUT	DKF SOLUTIONS GROUP, LLC	05/24/2018	470.00
33514	EHWACHS	E.H. WACHS	05/24/2018	19,403.73
33515	EDDCOGRP	EDCCO GROUP, INC	05/24/2018	3,050.00
33516	HOMEDPC	HOME DEPOT	05/24/2018	67.89
33517	M&MBACK	M&M BACKFLOW & METER MAINTENANCE	05/24/2018	3,042.98
33518	MATCOTLS	MATCO TOOLS	05/24/2018	1,041.20
33519	MICHAELI	CHRIS MICHAELIS	05/24/2018	116.00
33520	NOSAJDIS	NOSAJ DISPOSABLES, INC.	05/24/2018	551.34
33521	OFFICEDE	OFFICE DEPOT, INC.	05/24/2018	38.20
33522	OREILLYA	OREILLY AUTO PARTS, INC.	05/24/2018	125.06
33523	PACOFFIC	PACIFIC OFFICE AUTOMATION	05/24/2018	299.09
33524	PG&E	PG&E CFM/PPC DEPT	05/24/2018	2,894.99
33525	PIT71896	PITNEY BOWES 371896	05/24/2018	123.50
33526	PRECISE	PRECISE, INC.	05/24/2018	10,283.52
33527	RANDB	ROBERTS & BRUNE CO. INC.	05/24/2018	6,819.53
33528	SFWATER	SAN FRANCISCO WATER DEPT	05/24/2018	437,831.60

Check No	Vendor No	Vendor Name	Check Date	Check Amount
33529	SMELECTR	SAN MATEO ELECTRIC SUPPLY	05/24/2018	25.40
33530	SCOTSMAN	WILLIAMS SCOTSMAN	05/24/2018	537.91
33531	SFPUCWAT	SFPUC WATER QUALITY	05/24/2018	1,650.00
33532	STEPFORD	STEPFORD BUSINESS, INC.	05/24/2018	1,520.00
33533	TAPMASTR	TAP MASTER, INC	05/24/2018	1,650.00
33534	UPS	UPS	05/24/2018	9.73
33535	VALLEYOL	VALLEY OIL COMPANY	05/24/2018	1,973.76
33536	VERIZON	VERIZON WIRELESS	05/24/2018	890.34
Total for 5/24/2018:				506,203.92
783	CALPERS	CALPERS	05/25/2018	2,730.44
784	CALPERS	CALPERS	05/25/2018	9,302.08
785	HEALTH EQ	Health Equity	05/25/2018	200.00
786	ICMACONT	ICMA contributions	05/25/2018	2,073.08
787	ADPPAYRL	adp	05/25/2018	10,286.52
788	ADPPAYRL	adp	05/25/2018	4,991.09
Total for 5/25/2018:				29,583.21
778	CALPERS	CALPERS	05/31/2018	7,796.35
779	HEALTH EQ	Health Equity	05/31/2018	1,262.08
780	ICMACONT	ICMA contributions	05/31/2018	716.24
781	ADPPAYRL	adp	05/31/2018	37,019.01
782	ADPPAYRL	adp	05/31/2018	14,313.25
33537	UB*00172	A&D CONSTRUCTION	05/31/2018	1,605.20
33538	UB*00143	ELIZABETH ABELL	05/31/2018	4.16
33539	UB*00163	MATTHEW ASHCRAFT	05/31/2018	3.38
33540	UB*00144	DELORES BEECHER	05/31/2018	12.20
33541	UB*00171	CHARLES BLANCHARD	05/31/2018	102.60
33542	UB*00158	CHRISTOPHER BORTOLOTTI	05/31/2018	25.80
33543	UB*00167	HAMBIR CHAVAN	05/31/2018	8.98
33544	UB*00139	MICHELLE CHUN	05/31/2018	59.90
33545	UB*00145	HELEN CONAGHAN	05/31/2018	2.60
33546	UB*00152	DAVID DANG	05/31/2018	90.10
33547	UB*00149	AUDRA DEL CARLO	05/31/2018	2.34
33548	UB*00160	RICHARD G. DELUCCHI, JR.	05/31/2018	35.24
33549	UB*00168	LEENA DUGGER	05/31/2018	18.58
33550	UB*00173	MOJ FARHANGIAN	05/31/2018	9.80
33551	UB*00155	WILLIAM FOWLER	05/31/2018	5.00
33552	UB*00136	FRESCH, LLC	05/31/2018	424.83
33553	UB*00147	GOLDEN SUN BAKERY	05/31/2018	205.28
33554	UB*00169	GUS GRECO	05/31/2018	165.00
33555	UB*00150	BRIAN JABLONSKI	05/31/2018	38.70
33556	UB*00148	LAURA KEOSIAN	05/31/2018	12.20
33557	UB*00009	DEVI KHANNA	05/31/2018	51.68
33558	UB*00165	BEN KONG	05/31/2018	137.14
33559	UB*00154	SUSAN LAFLAMME	05/31/2018	21.00
33560	UB*00153	RON LAZZAROTTI	05/31/2018	16.20
33561	UB*00161	STEVE LEFCZIK	05/31/2018	35.80
33562	UB*00164	JENNIFER MACKIE	05/31/2018	72.15
33563	UB*00115	NANDITA MANTENA	05/31/2018	100.00
33564	UB*00151	RANDY MCCAUGHAN	05/31/2018	24.00
33565	UB*00156	BRANDON NEWELL	05/31/2018	21.80
33566	UB*00159	NAMQUYEN NGUYEN	05/31/2018	36.20
33567	UB*00146	ANNE PEARSON	05/31/2018	44.64
33568	UB*00170	VICTORIA SANDERS	05/31/2018	8.22

Check No	Vendor No	Vendor Name	Check Date	Check Amount
33569	UB*00166	NANCY J STOCK	05/31/2018	51.68
33570	UB*00157	WALLAU REMODELING	05/31/2018	4.63
33571	UB*00162	QIANYI ZHOU	05/31/2018	17.80
33572	ATT60197	AT&T 60197	05/31/2018	20.27
33573	UB*00174	ALEX CHAN	05/31/2018	1,279.46
33574	CUEMAMEI	CUEMA	05/31/2018	400.00
33575	HOMEDPC	HOME DEPOT	05/31/2018	5.08
33576	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	05/31/2018	500.00
33577	PG&E	PG&E CFM/PPC DEPT	05/31/2018	13,188.83
33578	PINA	CANDY PINA	05/31/2018	536.00
33579	RANDB	ROBERTS & BRUNE CO. INC.	05/31/2018	1,846.35
33580	RUDOCK	TAMMY RUDOCK	05/31/2018	77.00
33581	TAPMASTR	TAP MASTER, INC	05/31/2018	825.00
33582	WULHANC	WULFF, HANSEN & CO.	05/31/2018	2,500.00
33583	YOUNG	HENRY YOUNG	05/31/2018	773.81
Total for 5/31/2018:				86,533.56
33590	ACWA5661	ACWA JPIA	06/06/2018	45,292.81
33591	ATT60197	AT&T 60197	06/06/2018	20.27
33592	BLUELINE	BLUELINE RENTAL	06/06/2018	985.29
33593	DAVIDSON	JOHN T. DAVIDSON OR DBA JRocket77	06/06/2018	6,939.82
33594	DEMSEYFI	DEMSEY, FILLIGER & ASSOCIATES, L	06/06/2018	3,000.00
33595	K119OFCA	K-119 OF CALIFORNIA INC.	06/06/2018	20.00
33596	LINCOLNL	LINCOLN LIFE	06/06/2018	200.00
33597	LYNGSOMA	LYNGSO GARDEN MATERIAL INC	06/06/2018	17.40
33598	OFFICEDE	OFFICE DEPOT, INC.	06/06/2018	20.75
33599	PACWEST	PACIFIC WEST SECURITY, INC.	06/06/2018	16.39
33600	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	06/06/2018	8,838.38
33601	RCSHAYCO	R. C. SHAY & CO., INC.	06/06/2018	1,800.00
33602	RANDB	ROBERTS & BRUNE CO. INC.	06/06/2018	2,607.64
33603	STANDINS	STANDARD INSURANCE COMPANY	06/06/2018	969.00
33604	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	06/06/2018	385.00
Total for 6/6/2018:				71,112.75
799	WFBUSCAR	WELLS FARGO BUSINESS CARD	06/13/2018	7,183.66
801	WFBUSCAR	WELLS FARGO BUSINESS CARD	06/13/2018	11,160.72
33605	ACCELA	ACCELA, INC. #774375	06/13/2018	3,004.00
33606	ACWAJPIA	ACWA/JPIA	06/13/2018	45,308.81
33607	ATT60197	AT&T 60197	06/13/2018	39.82
33608	BAAQMD	BAY AREA AIR QUALITY MGMT DIST.	06/13/2018	215.00
33609	BPLANDSC	BAY POINTE LANDSCAPE	06/13/2018	3,600.00
33610	CINTS	CINTAS CORPORATION	06/13/2018	882.06
33611	GRANITE	GRANITE ROCK, INC.	06/13/2018	284.93
33612	HANSONBR	HANSON, BRIDGETT	06/13/2018	6,298.00
33613	GEKAPLAN	GEORGINA KAPLAN	06/13/2018	200.00
33614	KOFFASSO	KOFF & ASSOCIATES INC	06/13/2018	5,850.00
33615	LINCOLNL	LINCOLN LIFE	06/13/2018	200.00
33616	MHN	MHN	06/13/2018	45.54
33617	OFFICEDE	OFFICE DEPOT, INC.	06/13/2018	120.41
33618	OFFICTEM	OFFICE TEAM	06/13/2018	488.00
33619	PACESUPL	PACE SUPPLY CORP	06/13/2018	344.39
33620	PACOFFIC	PACIFIC OFFICE AUTOMATION	06/13/2018	36.51
33621	PG&E	PG&E CFM/PPC DEPT	06/13/2018	44.48
33622	PINA	CANDY PINA	06/13/2018	100.00
33623	PRECISE	PRECISE, INC.	06/13/2018	1,237.04

Check No	Vendor No	Vendor Name	Check Date	Check Amount
33624	ISRAELSO	ISRAEL SOLER	06/13/2018	300.00
33625	SBRECYCL	SOUTH BAY RECYCLING	06/13/2018	588.00
33626	USPOSTAL	U S POSTAL SERVICE	06/13/2018	266.00
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Total for 6/13/2018:				87,797.37
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Report Total (139 checks):				1,200,954.28
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## ***AGENDA ITEM NO. 8.A.***

DATE: June 28, 2018

TO: Board of Directors

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

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**SUBJECT: REVIEW AND DISCUSS PRELIMINARY DRAFT OF UPDATED SCHEDULE OF MPWD MISCELLANEOUS FEES AND CHARGES, PROPOSED TO TAKE EFFECT ON JANUARY 1, 2019**

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### **RECOMMENDATION:**

Discuss Preliminary Draft of Updated Schedule of MPWD Miscellaneous Fees and Charges, and proposed effective date of January 1, 2019.

### **FISCAL IMPACT:**

To be determined. This will be the initial discussion on the MPWD miscellaneous fees and charges, so it will depend upon which fees/charges are updated, eliminated, or added. Once the schedule is nearer being finalized, staff will be in a better position to estimate what might be expected as revenues from these services provided by the MPWD.

### **BACKGROUND:**

The MPWD's Miscellaneous Fees and Charges are included in Attachment A to the MPWD Water Service Ordinance No. 103, which is attached for reference. Staff believes the Miscellaneous Fees and Charges have not been analyzed, reviewed, and/or considered for discussion with the Board since 2005.

### **DISCUSSION:**

Over the past few months, staff has worked with consultant, Dan Bergmann of IGService on the cost-of-service study of the miscellaneous fees and charges. Attached is Mr. Bergmann's preliminary report dated June 20, 2018 and draft fee schedule.

The draft fee schedule differentiates between an existing fee and proposed new or updated fee, as well as staff's recommendation for proposed fees. Mr. Bergmann will introduce the cost-of-service analysis utilized for determining the proposed fees and/or validating current fees, and staff will summarize the proposed fees and seeks input from the Board. Most

notable for discussion purposes among the proposed new fees will be the customer service fees, including the credit/debit card fees, billing account late charge, 48-hour notice, shutoff/reinstatement of service, and after-hours service call. Staff will also share its preliminary plans for implementation of the new fees, tentatively planned to become effective on January 1, 2019.

Please note that the labor charges toward the bottom of the schedule reflect “none” as a current fee, because they are not memorialized on the formal fee schedule. But, staff has utilized and charged actual labor costs for many distinguishable services such as service installations, inspections, development project reviews, etc., per policy. Upon reflection at this report’s preparation, staff believes it would be better to propose “actual cost” for these labor costs so that this fee schedule wouldn’t have to be updated every time personnel costs might change throughout a fiscal year.

As Mr. Bergmann stated in his report, the private fire protection charges for residential and commercial services continue to be “under review” and we should have more to report and discuss next month regarding these fees.

Finally, the MPWD Water Service Ordinance 103 will need to be revised in various sections as a result of any added, deleted, or changed fee, or to better explain the fee(s). Staff will work with District Counsel on this task after it receives direction from the Board.

Attachment: MPWD Attachment A to Water Service Ordinance No. 103  
Miscellaneous Fee Study Preliminary Report by Dan Bergmann of IGService dated June 20, 2018

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BOARD ACTION: A PPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

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





## **WATER SERVICE ORDINANCE 103**

### ***ATTACHMENT A***

## **SCHEDULE OF RATES AND FEES**

### **I. ACCOUNT OPENING CHARGES**

- A. Application for Regular or Temporary Water Service \$10

### **II. SERVICE CONNECTION CHARGES**

Service connections to the Mid-Peninsula Water District (MPWD) system require payment of a Meter Charge, Service Line and Installation Charge, Water Capacity Charge, and Water Demand Offset Charge. Charges are based upon the size of the service connection.

- A. Meter Charge – CURRENT ACTUAL COST

- B. Service Line and Installation Charge – CURRENT ACTUAL COST

An advance deposit will be required for service connections in the amount of the MPWD's estimate of the total cost to install. Any excess of actual installed costs shall be refunded to applicant. Any shortfall between the MPWD's estimate and actual installed costs shall be paid by the applicant prior to water service being activated.

### C. Water System Capacity Charge

WATER SYSTEM CAPACITY CHARGES				
<b>RESIDENTIAL</b>		<u>Water Demand<sup>1,2</sup></u>		<u>Capacity Charge</u>
<i>Charge applies per residential dwelling unit</i>		-	-	-
<b>Single Family Detached Dwelling Unit</b>		200	gpd	\$9,375
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>				
<b>Multi-Family Dwelling Unit</b>		120	gpd	\$5,625
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
<b>OTHER CONNECTIONS</b>				
<i>Charge applies based on meter size</i>		-	-	-
<u>Meter Size</u>	<u>Meter Capacity Ratio<sup>3</sup></u>	<u>Water Demand<sup>4</sup></u>		<u>Capacity Charge</u>
Up to 3/4"	1.00	200	gpd	\$9,375
1"	1.67	333	gpd	15,625
1-1/2"	3.33	667	gpd	31,250
2"	5.33	1,067	gpd	50,000
3"	10.00	2,000	gpd	93,750
4"	16.67	3,333	gpd	156,250
6"	33.33	6,667	gpd	312,500
8"	53.33	10,667	gpd	500,000
<p>1 Single family residential demand based on average water use in 2013/14 reduced to account for 10% additional conservation.</p> <p>2 Multi-family demand estimated at 60% of single family detached water demand accounting for minimal to no outdoor irrigation and reduced average occupancy per dwelling unit.</p> <p>3 Based on standard American Water Works Association meter capacities.</p> <p>4 Demand conservatively estimated based on 200 gpd multiplied by meter capacity ratio.</p>				

*Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.*

#### D. Water Demand Offset Charge

WATER DEMAND OFFSET CHARGES				
	UWMP Water Shortage Response Stages			
	Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction	Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset	25%	50%	75%	100%
<b>RESIDENTIAL</b>				
<i>Charge applies per residential dwelling unit</i>				
<b>Single Family Detached Dwelling Unit</b>				
	\$633	\$1,217	\$1,800	\$2,383
<i>Applies to residential dwelling units served by meters up to 1-inch.</i>				
<b>Multi-Family Dwelling Unit</b>				
	\$380	\$730	\$1,080	\$1,430
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
<b>OTHER CONNECTIONS</b>				
<i>Charge based on meter size</i>				
<u>Meter Size</u>				
Up to 3/4"	\$633	\$1,217	\$1,800	\$2,383
1"	1,055	2,028	3,000	3,972
1-1/2"	2,110	4,057	6,000	7,943
2"	3,376	6,491	9,600	12,709
3"	6,330	12,170	18,000	23,830
4"	10,550	20,283	30,000	39,717
6"	21,100	40,567	60,000	79,433
8"	33,760	64,907	96,000	127,093

#### E. Temporary Water Service Connection for Construction

\$1,610

### III. MONTHLY SERVICE AND COMMODITY CHARGES

MPWD WATER RATES EFFECTIVE JULY 1, 2018			
Current Rates			Rates Effective July 1, 2018
<b>Fixed Monthly Charges</b>			
<i>Billed based on meter size</i>			
<u>Meter</u>	<u>Meter Ratio</u>		
5/8"	1.00	\$24.00	<b>\$26.00</b>
1"	1.50	36.00	<b>39.00</b>
1 1/2"	2.50	60.00	<b>65.00</b>
2"	4.00	96.00	<b>104.00</b>
3"	6.00	144.00	<b>156.00</b>
4"	10.00	240.00	<b>260.00</b>
6"	25.00	600.00	<b>650.00</b>
<b>Water Consumption Charges</b>			
<i>Billed based on monthly metered water use (\$/hcf)</i>			
<u>Residential Rate Tiers</u>			
Tier 1	0 - 2 hcf	\$5.62	<b>\$5.69</b>
Tier 2	3 - 8 hcf	8.22	<b>8.44</b>
Tier 3	9 - 20 hcf	9.82	<b>10.29</b>
Tier 4	Over 20 hcf	11.42	<b>12.14</b>
<u>Commercial Rate Tiers</u>			
Tier 1	0 - 5 hcf	\$7.57	<b>\$7.57</b>
Tier 2	Over 5 hcf	8.67	<b>8.89</b>
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.			

Pursuant to the Government Code, the MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

#### IV. WATER SHORTAGE EMERGENCY RATES

Water Shortage Emergency Rates may be implemented by authorization of MPWD's Board of Directors up to the maximum levels shown on the table below, which correspond with a 50% cutback in water demand from usage in 2013.

Maximum Water Shortage Emergency Rates					
Maximum rates effective on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019
<b>WATER SHORTAGE EMERGENCY RATES (CONSUMPTION CHARGES)</b>					
<i>Billed based on monthly metered water use (\$/hcf)*</i>					
<u>Single Family Residential Rate Tiers</u>					
Tier 1	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	9.90	10.57	11.15	11.72	12.14
Tier 3	11.88	12.71	13.43	14.23	14.83
Tier 4	13.86	14.85	15.72	16.74	17.53
<u>All Other Rate Tiers</u>					
Tier 1	\$9.24	\$9.70	\$10.07	\$10.50	\$10.79
Tier 2	10.56	11.17	11.69	12.33	12.81

\* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Based on same levels of water use per tier as shown in MPWD Water Rates table.

#### V. PRIVATE FIRE PROTECTION SERVICE CHARGES

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

#### VI. MISCELLANEOUS CHARGES

A. Returned Check	\$25 per returned check
B. Reconnection/Reinstatement of Service	\$40 per reconnection
C. Unauthorized Connection to Fire Hydrant	\$1,000 per connection
D. Unauthorized Hydrant Valve Operation	\$500 per operation
E. Meter Test Deposit	\$200 per test
F. Copy Fee	\$0.10 per page
G. After-Hours Service Call	\$40 per service call

June 20, 2018

Tammy Rudock, General Manager  
Mid-Peninsula Water District

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

Re: Fee Study Preliminary Report

Dear Ms. Rudock:

This report contains preliminary results of my analysis of MPWD's various service fees. The purpose of this report is to provide content for presentation and discussion at the June 28<sup>th</sup> board meeting. "Fees" are charges for services that are separate from Fixed Monthly and Consumption Charges that customers see on monthly bills. Fees reviewed in this work are for situations that tend to be non-recurring, ranging from Applications for Service to rental of hydrant meters. The full list is attached to this report.

We began this work by identifying and consolidating the various fees utilized by MPWD. Subsequently, we worked with management to identify a few new fees that will more fairly distribute costs to District customers. The most significant of these proposed additions are new fees for payment by credit or debit card and certain new late fees.

The basis for each new fee is a calculated estimate of the cost to provide each service. Costs are based mainly on the value of employees' time and the amount of time needed. In some cases, fees are also based on costs incurred by MPWD, such as the cost for card processing charged by banks, or the costs for outside services. Hourly rates used to estimate costs are also shown in the fee schedule at the bottom. Hourly rates include direct and indirect employee costs, plus a small component of overhead costs. Indirect Labor includes medical and retirement benefits, plus employer social security and Medicare costs. District overhead is calculated as six percent of the Subtotal, based on the percentage overhead costs are of total revenue as shown in the 2016/17 Audited Statement. This is done based on the assumption that the cost of District overhead is allocated evenly to each dollar of revenue received.

Calculation of Hourly Rates	Direct Labor	Indirect Labor	Vehicle	Subtotal	District Overhead	Total (rounded)
Administrative Staff	\$33.58	\$22.85	NA	\$56.43	\$3.40	\$60.00
Operations Staff (Business Hours)	\$38.16	\$27.20	\$6.32	\$71.68	\$4.32	\$76.00
Operations Staff (Off Hours)	\$57.24	\$27.20	\$6.32	\$90.76	\$4.32	\$95.00
Executive Staff	\$73.79	\$35.76	\$4.51	\$114.06	\$6.88	\$121.00

Credit and Debit card ("Card") processing fees are introduced in the proposed schedule. Processing fees paid by MPWD are significant, and generally increasing each year as shown in the table below. Cost of service methodology supports assigning costs to customers in proportion to services received. Presently, other customers are subsidizing the cost incurred for those customers paying with Cards.

Fiscal Year	Card Processing Fees Paid by MPWD	Yr/Yr Change
2016/17	\$133,000	15%
2015/16	\$116,000	12%
2014/15	\$104,000	-2%
2013/14	\$106,000	13%
2012/13	\$94,000	

The proposed fee for Card payment is \$3.00 per transaction. The basis for this cost is the three percent service charge assigned to a typical \$100 residential water bill payment. The amount of \$3.00 is proposed rather than three percent for simplicity purposes.

In the month of March 2018, over 200 payments were taken by phone. To more efficiently utilize administrative staff time, and because there are better payment options, customers will be encouraged to move toward online bill pay rather than making payments over the phone. To do so, a proposed fee of \$5.00 is proposed to apply to customers calling to make payments via credit or debit Card, in addition to the \$3.00 Card fee. The basis for the \$5.00 cost is the value of five minutes of administrative staff time. This means that a customer calling the office to pay with a Card would pay \$8.00, whereas a customer calling to pay by electronic funds transfer directly from a bank account would pay only \$5.00.

MPWD currently has no late payment fee. Pursuant to Ordinance #103, Sections 13.1 and 13.4, the consequence for late payment are two notices of nonpayment, followed by termination of service. The second of the notices is a 48-hour door tag delivered by operations staff. The result of this current policy is an excessive amount of notices being issued and delivered from nonpayment. Presently, an average of 120 door tags are delivered each month. To better utilize operations staff, and consistent with cost of service, three changes are proposed as follows.

1. \$10 late payment fee (Admin time)
2. \$50 for issuance of the 48-hour notice (Admin plus one trip to customer)
3. \$90 (increased from \$40) for termination and restoration of service (Admin plus two trips to customer)

These fees aim to change customer behavior such that administrative and operating staff can use time more effectively for the overall customer base. The intent is not to collect the additional fees. Staff is fully prepared to carefully inform customers of the changed payment policy before these new and increased fees are applied. The goal is that no customer will be surprised if they are assigned a late payment or related fee. Staff will also work to educate customers about online payment and will help them when possible. Consequently, the transition to new payment-related fees is recommended to be gradual over several billing cycles.

Beyond the payment-related fees, other changes are somewhat minor. For example, the deposit for a three-inch hydrant meter has been increased from \$1,610 to \$2,500 to more fully cover the value of the meter assembly. For smaller needs, a new option for one-inch hydrant meters has been added at a lower deposit amount of \$550. Another category has been added for "Review, planning, and meeting

time for projects not otherwise covered.” This is to enable the District to recover its costs for significant efforts in projects such as land development. Any counterparty in negotiation with the District will be fully informed of cost estimates for work performed in this category before fees are assigned.

Finally, fees collected for private fire protection are still under review. Presently, the fee for homes with a fire system is \$1.25 per month, and the fee for commercial fire protection is \$6.25 per month. The revenue contribution is less than one-half of one percent of overall revenue. Staff is analyzing the cost-of-service burden on the water system to provide private fire service. More will follow as work progresses.

Sincerely,



Dan Bergmann  
Principal

Attachment: Draft of Master Fee Schedule



Mid-Peninsula Water District Master Fee Schedule			
Category	Current Fee	Proposed Fee	Change or New
Application for Regular or Temporary Service	\$10.00	\$10.00	
Security Deposit	\$25.00	\$0.00	C
Payment with Credit/Debit Card	none	\$3.00	N
Payment with Credit/Debit via Phone	none	\$8.00	N
Payment by Electronic Funds Transfer via Phone	none	\$5.00	N
Late Payment Charge	none	\$10 per month	N
Returned Check	\$25.00	\$25.00	
48 Hour Notice including Door Tag	none	\$50.00	N
Shut-Off/Reinstatement of Service	\$40.00	\$90.00	C
After-Hours Service Call	\$40.00	\$125.00	C
Photocopies, per page	\$0.10	\$0.25	C
Electronic Files via USB Storage Device	none	\$10 per Service	N
Meter Test (Refundable if bad meter)	\$200.00	\$200.00	
Fire Flow Test Report (Actual Cost)	\$900.80 Deposit for Actual Cost	\$500 Deposit for Actual Cost	C
Temporary Construction Water Connection: 1" Meter	none	\$550 dep + Fixed Monthly + Vol	N
Temporary Construction Water Connection: 3" Meter	\$1,610 dep + \$144/mo + Vol	\$2,500 dep + Fixed Monthly + Vol	C
Unauthorized Connection to Fire Hydrant	\$1,000.00	\$1,000.00	
Unauthorized Hydrant Valve Operation	\$500.00	\$500.00	
Commercial Plan Check Review	\$5,000.00	\$5,000.00	
Residential Plan Check Review (3 units or larger)	\$3,000.00	\$3,000.00	
Landscape Plan Check Review	\$400.00	\$400.00	
Review, planning, and meeting time for projects not otherwise covered	none	Actual Cost	N
Labor - Administration	none	\$60.00	N
Labor - Operations Personnel w/Truck (Business Hours)	none	\$76.00	N
Labor - Operations Personnel w/Truck (Off Hours)	none	\$95.00	N
Back Hoe, Dump Truck, Compressor	none	\$113.00	N
Labor - Management	none	\$121.00	N
Labor - Outside Professional Services	none	Cost + 15%	N
Private Fire Protection - Residential	\$1.25	Under Review	
Private Fire Protection - Non-Residential	\$6.25	Under Review	

**DRAFT – June 20, 2018**



## **AGENDA ITEM NO. 8.B.**

DATE: June 28, 2018

TO: Board of Directors

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

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**SUBJECT: REVIEW AND DISCUSS INFLATIONARY ADJUSTMENTS TO MPWD WATER CAPACITY CHARGES AND WATER DEMAND OFFSET FEES, PROPOSED TO TAKE EFFECT ON OCTOBER 1, 2018**

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### **RECOMMENDATION:**

Discuss inflationary adjustments to MPWD Water Capacity Charges and Water Demand Offset Fees and proposed effective date of October 1, 2018.

### **FISCAL IMPACT:**

Here is a summary of the revenues recognized by the MPWD from Water Capacity Charges and Water Demand Offset Fees since implementation in 2015 (and through May 31, 2018):

	Jul '15 - Jun 16	Jul '16 - Jun 17	Jul '17 - May 18	Total
WATER SYSTEM CAPACITY CHARGES	90,625.00	76,875.00	283,109.00	450,609.00
WATER DEMAND OFFSET CHARGES	13,793.00	9,393.00	33,899.00	57,085.00
TOTAL REVENUES	<b>104,418.00</b>	<b>86,268.00</b>	<b>317,008.00</b>	<b>507,694.00</b>

Staff will discuss options for the Board's consideration for proposed inflationary adjustments.

### **BACKGROUND:**

In 2015, the MPWD hired an independent public finance consultant, Bartle Wells Associates (BWA), 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* that was adopted by the Board of Directors per MPWD Ordinance 112 dated April 23, 2015. The fees became effective on May 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 the San Francisco Public Utilities Commission (SFPUC). This is in addition to the new development requirements to comply with current building codes requiring high efficiency water fixtures. Dependent upon the economy and local

development within the MPWD service area, these revenue sources supplement funding available for capital projects and water conservation/education programs and public outreach.

### **DISCUSSION:**

In its 2015 report, BWA recommended that the MPWD review and update its Water Capacity Charges annually or periodically by adjusting the charges by the change in the ENR (Engineering News Records) Construction Cost Index to account for future construction cost inflation. The District Engineer was kind enough as a subscriber to the ENR to provide staff with the ENR Construction Cost Index for San Francisco for the past couple of years, and it is attached for reference.

Also, BWA recommended that the MPWD review and update its Water Demand Offset Fees annually or periodically by adjusting the fees by the U.S. Department of Labor, Bureau of Labor Statistics CPI (Consumer Price Index) change for San Francisco-Oakland-Hayward area. The BLS CPI chart (through April 2018) is also attached for reference.

The MPWD has experienced the impact of increased construction costs as a result of its COP CIP implementation and staff believes it is prudent to review the Water Capacity Charges and Water Demand Offset Fees for inflationary adjustments in order to keep up with increased project expenses.

Staff came up with four (4) alternatives for the Board to consider. The attached tables show the existing fees and charges and the following Options A and B:

1. **Option A: One-Year Adjustment** –
  - A. Adjust the Water Capacity Charges by the ENR Construction Cost Index for San Francisco from December 2016 through December 2017, which was 3.5%; and
  - B. Adjust the Water Demand Offset Fees by the BLS CPI for the San Francisco-Oakland-Hayward area for the 2017 Annual Average, which was 3.2%; or
2. **Option B: Two-Year Adjustment** –
  - A. Adjust the Water Capacity Charges by the ENR Construction Cost Index for San Francisco from December 2016 through December 2017 (3.5%) **PLUS** December 2015 through December 2016 (4.1%); and
  - B. Adjust the Water Demand Offset Fees by the BLS CPI for the San Francisco-Oakland-Hayward area for the 2017 Annual Average (3.2%) **PLUS** the 2016 Annual Average (3.0%); or
3. Utilize a different ENR index and/or BLS CPI period for adjusting the fees and charges; or
4. Do nothing and leave the Water Capacity Charges and Water Demand Offset Fees at the 2015 levels.

Staff recommends Option B for implementation October 1, 2018.

Staff further recommends another annual adjustment review with the Board early next year during the revenue requirements discussion for the FY 2018/2019 budget process to get on a more timely schedule (right after calendar year end when the ENR and BLS CPI schedules should be available).

Attachments: ENR Construction Cost Index – San Francisco (December 2014 through December 2017)  
US DOL BLS CPI for San Francisco-Oakland-Hayward Area (February 2000 through April 2018)  
MPWD Water Capacity Charges Table (Current, Option A, and Option B)  
MPWD Water Demand Offset Fees Table (Current, Option A, and Option B)

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BOARD ACTION: A PPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

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

## Engineering News Records Construction Cost Index - San Francisco

From	To	Construction Cost Index - Annual Change (%)
Dec-16	Dec-17	3.5%
Nov-16	Nov-17	3.8%
Oct-16	Oct-17	3.8%
Sep-16	Sep-17	4.0%
Aug-16	Aug-17	4.2%
Jul-16	Jul-17	1.5%
Jun-16	Jun-17	1.5%
May-16	May-17	1.2%
Apr-16	Apr-17	1.2%
Mar-16	Mar-17	0.4%
Feb-16	Feb-17	3.9%
Jan-16	Jan-17	4.1%
Dec-15	Dec-16	4.1%
Nov-15	Nov-16	3.8%
Oct-15	Oct-16	3.7%
Sep-15	Sep-16	3.7%
Aug-15	Aug-16	3.6%
Jul-15	Jul-16	3.6%
Jun-15	Jun-16	3.5%
May-15	May-16	3.4%
Apr-15	Apr-16	3.6%
Mar-15	Mar-16	3.5%
Feb-15	Feb-16	0.0%
Jan-15	Jan-16	-0.2%
Dec-14	Dec-15	2.2%

U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS  
Western Information Office, 90 7th St., Suite 14-100, San Francisco, CA 94103  
Information Staff (415) 625-2270 / Fax (415) 625-2351

SAN FRANCISCO-OAKLAND-HAYWARD

05/08/18

Consumer Price Index, All Items, 1982-84=100 for All Urban Consumers (CPI-U)

SEMIANNUAL

YEAR	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	1ST HALF	2ND HALF	ANNUAL AVERAGE
1999		169.4		172.2		171.8		173.5		175.2		174.5	170.8	174.2	172.5
2000		176.5		178.7		179.1		181.7		183.4		184.1	177.7	182.6	180.2
2001		187.9		189.1		190.9		191.0		191.7		190.6	188.7	191.1	189.9
2002		191.3		193.0		193.2		193.5		194.3		193.2	192.3	193.7	193.0
2003		197.7		197.3		196.3		196.3		196.3		195.3	196.8	196.1	196.4
2004		198.1		198.3		199.0		198.7		200.3		199.5	198.2	199.5	198.8
2005		201.2		202.5		201.2		203.0		205.9		203.4	201.5	203.9	202.7
2006		207.1		208.9		209.1		210.7		211.0		210.4	207.9	210.6	209.2
2007		213.688		215.842		216.123		216.240		217.949		218.485	214.736	217.361	216.048
2008		219.612		222.074		225.181		225.411		225.824		218.528	221.730	223.804	222.767
2009		222.166		223.854		225.692		225.801		226.051		224.239	223.305	225.484	224.395
2010		226.145		227.697		228.110		227.954		228.107		227.658	226.994	227.944	227.469
2011		229.981		234.121		233.646		234.608		235.331		234.327	232.082	234.698	233.390
2012		236.880		238.985		239.806		241.170		242.834		239.533	238.099	241.201	239.650
2013		242.677		244.675		245.935		246.072		246.617		245.711	243.894	246.152	245.023
2014		248.615		251.495		253.317		253.354		254.503		252.273	250.507	253.463	251.985
2015		254.910		257.622		259.117		259.917		261.019		260.289	256.723	260.421	258.572
2016		262.600		264.565		266.041		267.853		270.306		269.483	263.911	268.777	266.344
2017		271.626		274.589		275.304		275.893		277.570		277.414	273.306	276.542	274.924
2018		281.308		283.422											

Table of over-the-year percent increases. An entry for Feb. 2006 indicates the percentage increase from Feb. 2005 to Feb. 2006.

2000	4.2	3.8	4.2	4.7	4.7	5.5	4.0	4.8	4.5
2001	6.5	5.8	6.6	5.1	4.5	3.5	6.2	4.7	5.4
2002	1.8	2.1	1.2	1.3	1.4	1.4	1.9	1.4	1.6
2003	3.3	2.2	1.6	1.4	1.0	1.1	2.3	1.2	1.8
2004	0.2	0.5	1.4	1.2	2.0	2.2	0.7	1.7	1.2
2005	1.6	2.1	1.1	2.2	2.8	2.0	1.7	2.2	2.0
2006	2.9	3.2	3.9	3.8	2.5	3.4	3.2	3.3	3.2
2007	3.2	3.3	3.4	2.6	3.3	3.8	3.3	3.2	3.3
2008	2.8	2.9	4.2	4.2	3.6	0.0	3.3	3.0	3.1
2009	1.2	0.8	0.2	0.2	0.1	2.6	0.7	0.8	0.7
2010	1.8	1.7	1.1	1.0	0.9	1.5	1.7	1.1	1.4
2011	1.7	2.8	2.4	2.9	3.2	2.9	2.2	3.0	2.6
2012	3.0	2.1	2.6	2.8	3.2	2.2	2.6	2.8	2.7
2013	2.4	2.4	2.6	2.0	1.6	2.6	2.4	2.1	2.2
2014	2.4	2.8	3.0	3.0	3.2	2.7	2.7	3.0	2.8
2015	2.5	2.4	2.3	2.6	2.6	3.2	2.5	2.7	2.6
2016	3.0	2.7	2.7	3.1	3.6	3.5	2.8	3.2	3.0
2017	3.4	3.8	3.5	3.0	2.7	2.9	3.6	2.9	3.2
2018	3.6	3.2							

## Mid-Peninsula Water District Water Capacity Charges

<b>RESIDENTIAL</b>	<b>CURRENT</b>	<b>OPTION A</b>	<b>OPTION B</b>
	<u>Capacity Charge</u>	<u>Capacity Charge</u>	<u>Capacity Charge</u>
<i>Charge applies per residential dwelling unit</i>			
<b>Single Family Detached Dwelling Unit</b>	\$9,375	\$9,703	\$10,043
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>			
<b>Multi-Family Dwelling Unit</b>	\$5,625	\$5,822	\$6,026
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>			
<b>OTHER CONNECTIONS</b>			
<i>Charge applies based on meter size</i>			
<u>Meter Size</u>	<u>CURRENT</u>	<u>OPTION A</u>	<u>OPTION B</u>
	<u>Capacity Charge</u>	<u>Capacity Charge</u>	<u>Capacity Charge</u>
Up to 3/4-inch	\$9,375	\$9,703	\$10,043
1-inch	15,625	\$16,172	\$16,738
1-1/2-inch	31,250	\$32,344	\$33,476
2-inch	50,000	\$51,750	\$53,561
3-inch	93,750	\$97,031	\$100,427
4-inch	156,250	\$161,719	\$167,379
6-inch	312,500	\$323,438	\$334,758
8-inch	500,000	\$517,500	\$535,613
<i>Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.</i>			

## Mid-Peninsula Water District

### Water Demand Offset Charges

		UWMP Water Shortage Response Stages			
		Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction		Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset		25%	50%	75%	100%
<b>RESIDENTIAL</b>					
<i>Charge applies per residential dwelling unit</i>					
<b>Single Family Detached Dwelling Unit</b>	<b>CURRENT</b>	\$633	\$1,217	\$1,800	\$2,383
	<b>OPTION A</b>	\$653	\$1,256	\$1,858	\$2,459
	<b>OPTION B</b>	\$673	\$1,294	\$1,913	\$2,533
<i>Applies to residential dwelling units served by meters up to 1-inch.</i>					
<b>Multi-Family Dwelling Unit</b>	<b>CURRENT</b>	\$380	\$730	\$1,080	\$1,430
	<b>OPTION A</b>	\$392	\$753	\$1,115	\$1,476
	<b>OPTION B</b>	\$404	\$776	\$1,148	\$1,520
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>					
<b>OTHER CONNECTIONS - Charge based on meter size</b>					
<b>Meter Size</b>		<b>CURRENT</b>			
Up to 3/4-inch		633	1,217	1,800	2,383
1-inch		1,055	2,028	3,000	3,972
1-1/2-inch		2,110	4,057	6,000	7,943
2-inch		3,376	6,491	9,600	12,709
3-inch		6,330	12,170	18,000	23,830
4-inch		10,550	20,283	30,000	39,717
6-inch		21,100	40,567	60,000	79,433
8-inch		33,760	64,907	96,000	127,093
<b>Meter Size</b>		<b>OPTION A</b>			
Up to 3/4-inch		653	1,256	1,858	2,459
1-inch		1,089	2,093	3,096	4,099
1-1/2-inch		2,178	4,187	6,192	8,197
2-inch		3,484	6,699	9,907	13,116
3-inch		6,533	12,559	18,576	24,593
4-inch		10,888	20,932	30,960	40,988
6-inch		21,775	41,865	61,920	81,975
8-inch		34,840	66,984	99,072	131,160
<b>Meter Size</b>		<b>OPTION B</b>			
Up to 3/4-inch		673	1,294	1,913	2,533
1-inch		1,121	2,156	3,189	4,222
1-1/2-inch		2,243	4,312	6,378	8,443
2-inch		3,589	6,900	10,204	13,509
3-inch		6,729	12,936	19,133	25,330
4-inch		11,214	21,560	31,889	42,218
6-inch		22,428	43,121	63,778	84,434
8-inch		35,886	68,994	102,044	135,095



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

DATE: June 28, 2018

TO: Board of Directors

FROM: Tammy Rudock, General Manager  
Julie Sherman, District Counsel

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**SUBJECT: REVIEW DRAFT AND CONSIDER RESOLUTION 2018-15 ADOPTING MPWD RULES OF THE BOARD**

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**RECOMMENDATION:**

Adopt Resolution 2018-15 Approving the MPWD Rules of the Board.

**FISCAL IMPACT:**

District Counsel services to date (approximately \$3,500).

**BACKGROUND:**

Governing rules/bylaws for the Board were initially discussed back in 2013, and the Board directed staff and District Counsel to work with the Board's committee to create a working draft for discussion. Director Linvill and President Warden presently make up the Board's committee.

**DISCUSSION:**

The Board's committee presented its input on the working draft of the rules during the May 24<sup>th</sup> regular meeting. That feedback, together with input shared by Directors last month, was incorporated into the attached draft document for the Board's further consideration.

Attachments: Resolution 2018-15  
DRAFT MPWD Rules of the Board of Directors

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BOARD ACTION: A PPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

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



**RESOLUTION NO. 2018-15**

**ADOPTING THE RULES OF THE BOARD**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the Mid-Peninsula Water District ("District") General Manager and District Counsel have developed proposed Rules of the Board, which will govern the Board of Directors' proceedings pursuant to Section 30530 of the California Water Code; and

**WHEREAS**, staff and the Board of Directors discussed the draft Rules of the Board at the May 25, 2018 Board meeting; and

**WHEREAS**, the General Manager recommends the Board of Directors adopt the proposed Rules of the Board, with the understanding that the Rules are not intended, and shall not be construed, to create procedural or substantive rights in any person who is not a member of the Board in the event an action is taken by the Board in a manner that may depart from, or be inconsistent with, the Rules.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Mid-Peninsula Water District that the "Rules of the Board" as documented in Exhibit A, attached hereto and incorporated herein, is hereby adopted.

REGULARLY passed and adopted this 28<sup>th</sup> day of June 2018.

AYES:

NOES:

ABSTAINS:

ABSENCES:

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PRESIDENT, BOARD OF DIRECTORS

ATTEST:

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DISTRICT SECRETARY



## BOARD OF DIRECTORS RULES OF THE BOARD

The Board of Directors ("Board") of the Mid-Peninsula Water District ("MPWD" or "District") hereby adopts these Rules of the Board ("Rules") to govern its proceedings pursuant to Section 30530 of the California Water Code.

These Rules are designed solely to facilitate the handling by the Board of its own affairs. These Rules are not intended, and shall not be construed, to create procedural or substantive rights in any person who is not a member of the Board in the event an action is taken by the Board in a manner that may depart from, or be inconsistent with, these Rules.

### 1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are the President and Vice President.
- 1.2 The President of the Board of Directors shall serve as presiding officer at all Board meetings. The President shall have the same rights as the other members of the Board with regard to voting, introducing motions, resolutions, and ordinances, and participating in any discussion.
- 1.3 In the absence of the President, the Vice President of the Board of Directors shall serve as presiding officer over the Board meeting. If the President and Vice President are both absent, the remaining members shall select one among themselves to act as presiding officer for the meeting.
- 1.4 The President and Vice President of the Board shall be elected annually at the first regular meeting in December and the term of office shall commence immediately upon election and continue for one year or until replaced.
- 1.5 The President shall sign all contracts for the procurement of equipment, supplies, materials or services when the amount to be paid by the District exceeds the spending limits delegated to the General Manager.
- 1.6 The President shall have power to appoint directors to standing and advisory committees of the Board and to designate the chairperson of such committees. With Board approval, the President shall also have power to appoint directors to serve as the representative of the District to

all other groups and organizations, except in cases of appointments that the law requires be made by action of the full Board.

- 1.7 The President shall have such other powers and duties as shall be designated by the Board.

## 2. MEETINGS

- 2.1 All regular and special meetings shall be open and public as required by the Ralph M. Brown Act ("Brown Act").
- 2.2 Regular meetings of the Board of Directors shall commence at 6:30PM on the fourth Thursday of each calendar month at the MPWD offices, 3 Dairy Lane, in Belmont, California unless otherwise directed by the Board of Directors.
- 2.3 Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for their absence.
- 2.4 A majority of the total membership of the Board shall constitute a quorum for the transaction of MPWD business. A majority of the total membership of the Board is sufficient to do business; however, motions must be passed unanimously if only three Board members are in attendance. When there is no quorum for a regular meeting, the President, Vice President, or any Board Member shall adjourn such meeting, or, if no Board Member is present, the District General Manager shall adjourn the meeting.
- 2.5 A roll call vote shall be taken upon votes on ordinances and resolutions (unless such resolutions are on the consent agenda) and any other matters that may be requested by a majority of the Board members, and shall be entered in the minutes of the Board showing those Board Members voting aye, voting no and those abstaining or absent. Unless a Board Member states that they are not voting because of a conflict of interest and steps down from the dais prior to the discussion of the item, his or her silence shall be recorded as an abstention and a vote of abstention shall be recorded as an abstention.

## 3. AGENDAS

- 3.1 The General Manager, in consultation with the Board President and/or Vice President, shall prepare an agenda for each regular and special meeting of the Board of Directors. Any Board Member may contact the General Manager and request an item to be placed on the regular meeting agenda no later than 4:30PM two (2) weeks prior to the meeting date.

The General Manager shall establish an MPWD policy to guide staff in the preparation of meeting agendas.

- 3.2 Public comments on agenda items should be held until the appropriate item is called. Public comment shall be directed to the President of the Board and limited to three (3) minutes unless extended or shortened at the President's discretion. Board members may briefly respond to public comments, however, a discussion should not occur.
- 3.3 Those items on the MPWD agenda, which are considered to be of a routine and non-controversial nature, are placed on the CONSENT AGENDA. These items shall be approved, adopted, and accepted by one motion of the Board of Directors. For example, approval Minutes, approval of Expenditures, minor budgetary items, status reports, contracts for budgeted items, and routine MPWD operations.
  - A. Board Members may request that any item listed under CONSENT AGENDA be removed from the CONSENT AGENDA, and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the CONSENT AGENDA; however, only a member of the Board of Directors can remove an item from the CONSENT AGENDA. Items, which are removed ("pulled") by a Board Member for discussion, will typically be heard after other CONSENT AGENDA items are approved unless the President orders an earlier or later time.
  - B. A Board Member may ask questions on any item on the CONSENT AGENDA. When a Board Member has a minor question for clarification concerning a CONSENT AGENDA item, which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the CONSENT AGENDA. Board Members are encouraged to seek clarifications prior to the meeting, if possible.
  - C. When a Board Member wishes to pull a CONSENT ITEM simply to register a dissenting or abstaining vote, the Board Member shall inform the presiding officer that they wish to register a dissenting or abstaining vote without discussion. These items will be handled along with the rest of the CONSENT AGENDA, and the District Administrative Services Manager or Secretary (hereinafter referred to as "Secretary") will register a "NO" or "ABSTAIN" vote in the minutes.

#### 4. PREPARATION OF MINUTES AND MAINTENANCE OF RECORDINGS

- 4.1 The Secretary shall arrange for minutes of each Board meeting to be prepared. Such minutes need not include the text of ordinances and

resolutions adopted, which shall be recorded in separate volumes by the Secretary. Such minutes are intended to be a summary of discussion and Board action, and shall not be a verbatim transcript of the meeting. Minutes shall reflect roll call votes on all motions approving ordinances and resolutions and the dissenting votes of any director(s) on other motions.

- 4.2 Written materials delivered to the Board at the meeting that were not contained in the Board agenda packet for review by the Board prior to the meeting shall not be included in the meeting minutes.
- 4.3 The Secretary shall attempt to record the names and general place of residence of persons (if voluntarily provided) addressing the Board, the title of the subject matter to which their remarks related, and whether they spoke in support or opposition to such matter.
- 4.4 Whenever the Board acts in a quasi-judicial proceeding, such as in assessment matters, the Secretary shall compile a summary of the testimony of the witnesses.
- 4.5 Any electronic media of an MPWD meeting made for whatever purpose at the direction of the MPWD shall be subject to inspection pursuant to the California Public Records Act. MPWD tape and film records may be erased ninety (90) days after the taping or recording, or as provided in MPWD's record retention policy, which policy shall control.

## 5. COMMITTEES

- 5.1. Standing Committees. The Board may create standing committees that have continuing jurisdiction over a particular subject matter, or a set meeting schedule.
- 5.2. Ad Hoc Committees. The President on his or her own initiative may create ad hoc committees to undertake special assignments on behalf of the Board. An ad hoc committee shall exist until its special assignments are completed or it is disbanded by the President of the Board.

## 6. AUTHORITY OF BOARD MEMBERS

- 6.1 The Board of Directors is the body that directs and authorizes policies for the MPWD. Board Members have no individual authority, and individual Board Members shall not commit the MPWD to any policy, act, or expenditure. Routine matters concerning the operational aspects of the MPWD are to be referred to the General Manager.

- 6.2 Board Members are responsible for monitoring the MPWD's progress in attaining the Board's goals and objectives, while pursuing the Board's mission.
- 6.3 The offices of District General Manager, District Counsel, District Engineer and District Treasurer shall be appointed by the Board of Directors and those appointed individuals shall serve until removed or replaced.

## 7. BOARD MEMBER COMMUNICATIONS

- 7.1 Board Members, by making a request to the General Manager or Secretary, shall have access to information relative to the operations of the MPWD, including but not limited to statistical information, information serving as the basis for certain actions of staff, justification for staff recommendations, etc.
- 7.2 In handling complaints from customers within the MPWD, or other members of the public, Board Members are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the MPWD's response, if any.
- 7.3 When approached by MPWD personnel concerning specific MPWD policy, Board Members should encourage such personnel to direct their inquiries to the General Manager. The chain of command should be followed for personnel matters.
- 7.4 Board Members and the General Manager should develop a working relationship that fosters open communication and discussion about current issues, concerns, and MPWD projects.
- 7.5 When responding to constituent requests or concerns, Board Members should respond in a positive manner and route their questions to the General Manager, or in his/her absence, to the Secretary.

## 8. CONFLICT OF INTEREST

- 8.1 The Board shall adopt a Conflict of Interest Code, which will designate the officials and employees required to file disclosure of economic interest statements on an annual basis.
- 8.2 State conflict of interest rules, the purpose of which is to ensure all public agency actions are taken in the public's interest, apply to the Board. These laws include, but are not limited to, the Political Reform Act and Government Code Section 1090 et. seq. Board members are encouraged to consult with District Counsel for advice regarding such laws.

#### 9. CORRESPONDENCE DISTRIBUTION POLICY

The following correspondence shall be electronically delivered to the Board of Directors or with the monthly agenda packet:

- A. All letters approved by the Board of Directors.
- B. All letters and other documents received by the MPWD that are of an MPWD-wide concern as determined by MPWD staff.

The MPWD General Manager shall establish a policy for receiving, processing, and distribution of MPWD correspondence.

#### 10. EVALUATIONS

The MPWD's General Manager shall be evaluated annually, in accordance with the terms of the General Manager's employment agreement.

#### 11. AMENDMENTS

These Rules may be suspended, amended or repealed at any Board of Directors' meeting by a majority of the members of the Board.



## **AGENDA ITEM NO. 8.D.**

DATE: June 28, 2018  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

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**SUBJECT: RECEIVE GASB 75 VALUATION AND OPEB ACTUARIAL REPORT FOR MPWD AS OF JULY 1, 2017 BY DEMPSEY FILLIGER & ASSOCIATES**

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### **RECOMMENDATION**

Receive the 2017 GASB 75 Valuation OPEB (Other Post-Employment Benefits) Actuarial Report for the MPWD as of July 1, 2017 by Demsey, Filliger & Associates.  
082616

### **FISCAL IMPACT**

A valuation and actuarial report is now required every two (2) years and the last report (as of July 1, 2015) was presented to the Board on August 26, 2016. It was developed by Demsey, Filliger & Associates (DFA).

The attached valuation and actuarial report as of July 1, 2017 was developed for the MPWD by DFA at an expenditure of \$3,000 for their professional services.

Summary of financial results:

<b>MPWD</b>	<b>AS OF JULY 1, 2017</b>	<b>AS OF JULY 1, 2015</b>	<b>DIFFERENCE</b>
Actuarial Liability	\$3,701,360	\$3,627,044	\$ 74,316
Total OPEB Liability	\$2,978,186	\$2,452,610	\$525,576
PARS OPEB Trust	\$ 778,799	\$ 432,917	\$345,882
Net OPEB Liability	\$2,199,387	\$2,019,693	\$179,694

Bottom line: The MPWD's OPEB trust account will be shy approximately \$500,000 once funded (by December 31, 2018) at the 2015 \$2.4 million level. That figure does not include the anticipated return on investment earnings. Staff estimates \$350,000 is a more realistic difference by FYE June 30, 2019 once investment earnings are considered (5.5% ROI). Options for funding can be discussed during next fiscal year's budget process, depending upon available MPWD funds.



## **DISCUSSION**

Highlights from the report:

- Page 1 – The amount of actuarial liability (present value of healthcare benefits expected to be paid by the MPWD for its current and future retirees) is \$3,701,360 as of July 1, 2017.
- Page 2 – The valuation covers benefits for four (4) existing retirees as well as 18 active employees that may become eligible to retire and receive benefits in the future. (Same as in 2015.)

The MPWD's total OPEB liability (present value of benefits accrued through the valuation date if each employee's liability is expensed from hire date until retirement) is \$2,978,186.

- Pages 2-4 – GASB 75 requires a discount rate for financial reporting purposes that reflects the long-term expected rate of return on OPEB plan investments as compared to a yield or index rate for 20-year, tax-exempt general obligations municipal bonds with an average rating of AA or higher. DFA determined a discount rate of 5.50% for GASB 75 reporting purposes.
- Page 6 – Differences from the 2015 valuation are explained, which resulted in the \$525,576 difference between the valuations.
- Page 8 – Sample funding schedules were included, which would be more relevant if the MPWD wasn't in the process of pre-funding its OPEB by December 31, 2018 per Resolution 2018-04.
- Pages 11-15 – Benefit plan provisions, valuation data, actuarial assumptions, and the certification were included.

Attachment: MPWD GASB 75 Valuation by DFA as of July 1, 2017 (dated June 5, 2018)

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

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



June 5, 2018

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

Re: Mid-Peninsula Water District ("District") GASB 75 Valuation

Dear Ms. Rudock:

This report sets forth the results of our GASB 75 actuarial valuation of the District's retiree health insurance program as of July 1, 2017.

In June 2004, the Governmental Accounting Standards Board (GASB) issued its accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 require public employers such as the District to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. In June 2015, GASB released new accounting standards for postretirement benefit programs, GASB 74 and GASB 75, which replace GASB 43 and GASB 45, respectively.

The District selected DFA, LLC (DFA) to perform an actuarial valuation of the retiree health insurance program as of July 1, 2017. This report may be compared with the valuation performed by DFA as of July 1, 2015, to see how the liabilities have changed since the last valuation.

### **Financial Results**

We have determined that the amount of actuarial liability for District-paid retiree benefits is \$3,701,360 as of July 1, 2017. This represents the present value of all benefits expected to be paid by the District for its current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 5.50% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.

This valuation includes benefits for 4 retirees as well as 18 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the valuation date.

When we apportion the \$3,701,360 into past service and future service components under the Entry Age, Level Percent of Pay Cost Method, the Total OPEB Liability is \$2,978,186 as of July 1, 2017. This represents the present value of all benefits accrued through the valuation date if each employee's liability is expensed from hire date until retirement date as a level percentage of pay. The \$2,978,186 is comprised of liabilities of \$2,264,332 for active employees and \$713,854 for retirees.

The District has adopted an irrevocable trust for the pre-funding of retiree healthcare benefits. As of June 30, 2017, the trust balance or Plan Fiduciary's Net Position (GASB 75) is \$778,799.

The Net OPEB Liability, Total OPEB Liability over the Plan Fiduciary's Net Position, is \$2,199,387.

#### **Discount Rate under GASB 75**

For financial reporting purposes, GASB 75 requires a discount rate that reflects the following:

- a. The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return)
- b. A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

The amount of the plan's projected fiduciary net position and the amount of projected benefit payments should be compared in each period of projected benefit payments.

Based on these requirements and the following information, we have determined a discount rate of 5.50% for GASB 75 reporting purposes:

Expected Return on Assets	5.50%
S&P Municipal Bond 20-Year High Grade Rate Index at June 30, 2017	3.13%
GASB 75 Discount Rate	5.50%

## **Net OPEB Expense**

We have determined the following components of the District's Net OPEB Expense for fiscal year 2017-18: Service Cost, Interest Cost, and Expected Return on Assets. The Service Cost represents the present value of benefits accruing in the current year. Interest Cost represents the interest on the Total OPEB Obligation. Expected Return on Assets is the expected return based on a 5.50% investment rate of return. Other components (Deferred Outflows and Inflows) will be determined based on the Net OPEB Obligation as of June 30, 2018.

We summarize the valuation results in the table on the next page. We provide results at three discount rates (the expected return on assets, the S&P Municipal Bond rate index, and the blended GASB 75 rate, discussed above). All amounts are net of expected future retiree contributions, if any.

When the District begins preparation of the June 30, 2018 government-wide financial statements, DFA will be available to assist the District and its auditors in preparing the footnotes and required supplemental information for compliance with GASB 75 (and GASB 74, if applicable).

In the meantime, we are available to answer any questions the District may have concerning the report.

## **Actuarially Determined Contribution**

We have also calculated an actuarially determined contribution representing the Service Cost and a 30-year amortization (as a level percent of pay) of the Net OPEB Liability. We include the results in the table on the next page. We provide results at three discount rates (the expected return on assets, the S&P Municipal Bond rate index, and the GASB 75 rate).

We understand the amount to be contributed to the trust is determined annually by the board of directors.

## Mid-Peninsula Water District

### Net OPEB Liabilities and Expense Under GASB 75 Accrual Accounting Standard

	July 1, 2017 <sup>1</sup>		
	Actuarial Liability	S&P Municipal Bond Rate Index	GASB 75 Blended Rate
Discount Rate	5.50%	3.13%	5.50%
Present Value of Future Benefits			
Active	\$2,987,506	\$5,122,858	\$2,987,506
Retired	713,854	936,489	713,854
Total	\$3,701,360	\$6,059,347	\$3,701,360
Total OPEB Liability (Actuarial Liability)			
Active	\$2,264,332	\$3,566,796	\$2,264,332
Retired	713,854	936,489	713,854
Total	\$2,978,186	\$4,503,285	\$2,978,186
Plan Fiduciary Net Position (Plan Assets)	\$778,799	\$778,799	\$778,799
Net OPEB Liability (Unfunded Actuarial Liability)	\$2,199,387	\$3,724,486	\$2,199,387
Actuarially Determined Contribution			
Service Cost at Year-End	\$100,557	\$181,854	\$100,557
Amortization of Net OPEB Liability <sup>2</sup>	107,186	130,391	107,186
Total	207,743	312,245	207,743

1. When the District begins preparation of the fiscal June 30, 2018 financial statements, DFA will provide separate schedules with supplemental GASB 75 information, including the sensitivity analysis.
  - a. If your auditors recommend that you report June 30, 2018 values, we will prepare the supplemental schedules in July, when June 30 asset values (if applicable) are known and updated municipal bond rates are published.
  - b. Alternatively, if auditors recommend that the District report June 30, 2017 values, we can provide (upon request) supplemental schedules based on this report.
2. 30-year amortization (level percent of pay).

## Mid-Peninsula Water District

### Net OPEB Liabilities and Expense Under GASB 75 Accrual Accounting Standard (Continued)

	July 1, 2017		
	Actuarial Liability	S&P Municipal Bond Rate Index	GASB 75 Blended Rate
Discount Rate	5.50%	3.13%	5.50%
Components of Net OPEB Expense for fiscal year 2018			
Service Cost at Year-End	\$100,557	\$181,854	\$100,557
Interest Cost	161,675	139,737	161,675
Expected Return on Assets	(45,762)	(45,762)	(45,762)
Subtotal	\$216,470	\$275,829	\$216,470
Change in Deferred Outflows <sup>3</sup>			
Change in Deferred Inflows <sup>4</sup>			

3. To be determined based on the Total OPEB Obligation and Plan Fiduciary Net Position as of June 30, 2018.

4. To be determined based on the Total OPEB Obligation and Plan Fiduciary Net Position as of June 30, 2018.

### **Differences from Prior Valuation**

The most recent prior valuation was completed as of July 1, 2015 by DFA. The AL (Accrued Liability) as of that date was \$2,452,610, compared to \$2,978,186 as of July 1, 2017. In this section, we provide a reconciliation between the two numbers so that it is possible to trace the AL from one actuarial report to the next.

Several factors have caused the AL to change since 2015. The AL increases as employees accrue more service and get closer to receiving benefits. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. To summarize, the most important changes were as follows:

1. An increase in the AL of \$116,045 resulting from an update to our valuation software; the update allows us to track experience more precisely over time;
2. An increase of \$53,508 resulting from population experience (terminations, retirements, and mortality) different than expected;
3. A decrease of \$351,412 resulting from changes in healthcare premiums different than expected;
4. An increase of \$349,303 resulting from a change in the actuarial cost method from Projected Unit Credit to Entry Age, Level Percent of Pay, as required by GASB 75.

The estimated changes to the AL from July 1, 2015 to July 1, 2017 are as follows:

<b>Changes to AL</b>	<b>AL</b>
AL as of July 1, 2015	<b>\$2,452,610</b>
Passage of time	358,132
Update in actuarial system	116,045
Change in census	53,508
Change in premium rates	(351,412)
Change in cost method	<u>349,303</u>
AL as of July 1, 2017 <sup>1</sup>	<b>\$2,978,186</b>

1. Based on a discount rate of 5.50%.

## **Funding Schedules**

There are many ways to approach the pre-funding of retiree healthcare benefits. In the *Financial Results* section, we determined the annual expense for all District-paid benefits. The expense is an orderly methodology, developed by the GASB, to account for retiree healthcare benefits. However, the GASB 75 expense has no direct relation to amounts the District may set aside to pre-fund healthcare benefits.

The table on the next page provides the District with three alternative schedules for funding (as contrasted with expensing) retiree healthcare benefits. The schedules all assume that the retiree fund earns, or is otherwise credited with, 5.50% per annum on its investments, a starting trust value of \$778,799 as of July 1, 2017, and that contributions and benefits are paid mid-year.

The schedules are:

1. A level contribution amount for the next 20 years.
2. A level percent of the Unfunded Accrued Liability.
3. A constant percentage (3%) increase for the next 20 years.

We provide these funding schedules to give the District a sense of the various alternatives available to it to pre-fund its retiree healthcare obligation. The three funding schedules are simply three different examples of how the District may choose to spread its costs.

By comparing the schedules, you can see the effect that early pre-funding has on the total amount the District will eventually have to pay. Because of investment earnings on fund assets, the earlier contributions are made, the less the District will have to pay in the long run. Of course, the advantages of pre-funding will have to be weighed against other uses of the money.

The table on the following page shows the required annual outlay under the pay-as-you-go method and each of the above schedules. **The three funding schedules include the "pay-as-you-go" costs; therefore, the amount of pre-funding is the excess over the "pay-as-you-go" amount.**

## **Treatment of Implicit Subsidy**

We exclude the implicit subsidy from these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the liabilities shown in the first section of this report. If the District's premium structure changes in the future to explicitly charge under-age 65 retirees for the full actuarial cost of their benefits, this change will be offset by a lowering of the active employee rates (all else remaining equal), resulting in a direct reduction in District operating expenses on behalf of active employees from that point forward. For this reason, among others, we believe that pre-funding of the full GASB liability would be redundant.



**Mid-Peninsula Water District**

**Sample Funding Schedules (Closed Group)**

**Starting Trust Value of \$778,799 as of July 1, 2017**

<b>Fiscal Year</b>	<b>Pay-as-you-go</b>	<b>Level Contribution for 20 years</b>	<b>Level % of Unfunded Liability</b>	<b>Constant Percentage Increase</b>
<b>Beginning</b>				
2017	\$63,036	\$216,906	\$413,859	\$170,089
2018	71,770	216,906	356,370	175,192
2019	76,059	216,906	308,447	180,448
2020	85,336	216,906	268,375	185,861
2021	96,893	216,906	235,076	191,437
2022	104,061	216,906	207,517	197,180
2023	114,849	216,906	184,600	203,095
2024	128,869	216,906	165,675	209,188
2025	143,297	216,906	150,159	215,464
2026	156,365	216,906	137,465	221,928
2027	179,132	216,906	127,047	228,586
2028	191,981	216,906	118,724	235,443
2029	199,115	216,906	111,836	242,507
2030	219,519	216,906	105,977	249,782
2031	236,818	216,906	101,212	257,275
2032	244,090	216,906	97,218	264,993
2033	256,039	216,906	93,628	272,943
2034	268,717	216,906	90,412	281,132
2035	284,554	216,906	87,462	289,566
2036	287,104	216,906	84,712	298,252
2037	295,080	0	81,920	0
2038	309,279	0	79,123	0
2039	316,828	0	76,320	0
2040	325,984	0	73,406	0
2041	337,588	0	70,361	0
2042	344,521	0	67,159	0
2043	346,721	0	63,761	0
2044	353,917	0	54,067	0
2045	350,472	0	45,513	0
2046	348,354	0	38,316	0
2047	347,907	0	32,261	0
2048	339,773	0	27,167	0
2049	330,237	0	22,881	0
2050	325,594	0	19,275	0
2055	286,672	0	8,209	0
2060	230,248	0	3,532	0
2065	166,905	0	1,544	0
2070	105,621	0	689	0

Note to auditor: when calculating the employer OPEB contribution for the year ending on the statement date, we recommend multiplying the actual District-paid premiums on behalf of retirees by a factor of 1.0757 to adjust for the implicit subsidy.

### **Actuarial Assumptions**

To perform the valuation, the actuary must make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. Our assumptions are based on a standard set of assumptions we have used for similar valuations, modified as appropriate for the District. Retirement rates are based on recent District retirement patterns.

The discount rate of 5.50% is based on our best estimate of expected long-term plan experience for funded plans such as the District's. As discussed above, for financial reporting purposes under GASB 75, a discount rate of 5.50% reflects the required blend between discount and municipal bond rates. The healthcare trend rates are based on our analysis of recent District experience and our knowledge of the healthcare environment.

A complete description of the actuarial assumptions used in the valuation is set forth in the "Actuarial Assumptions" section.

### **Projected Annual Pay-as-you go Costs**

As part of the valuation, we prepared a projection of the expected annual cost to the District to pay benefits on behalf of its retirees on a pay-as-you-go basis. These numbers are computed on a closed group basis, assuming no new entrants, and are net of retiree contributions. Projected pay-as-you-go costs for selected years are as follows:

<b>FYB</b>	<b>Pay-as-you-go</b>
2017	\$63,036
2018	71,770
2019	76,059
2020	85,336
2021	96,893
2022	104,061
2023	114,849
2024	128,869
2025	143,297
2026	156,365
2030	219,519
2035	284,554
2040	325,984
2045	350,472
2050	325,594
2055	286,672
2060	230,248
2065	166,905
2070	105,621

### **Implicit Subsidy and ASOP 6**

When premiums charged for retiree healthcare are lower than expected claims, an implicit subsidy is realized. This occurs, for example, when pre-Medicare retirees are afforded medical coverage at the same rates as active employees.

Actuarial Standard of Practice No. 6 (ASOP 6), revised in May 2014, provides guidance in measuring OPEB obligations and determining periodic costs or actuarially determined contributions. The standard specifies that in (almost all instances), the actuary must include the value of this implicit subsidy in the GASB 45/75 liabilities.

This valuation reflects the value of the implicit subsidy equal to \$209,682.

### **Certification**

The actuarial certification, including a caveat regarding limitations of scope, if any, is contained in the "Actuarial Certification" section.

We have enjoyed working with the District on this project and are available to answer any questions you may have concerning any information contained herein.

Sincerely,  
DFA, LLC

A handwritten signature in blue ink, appearing to read 'Carlos Diaz', is positioned above the printed name.

Carlos Diaz, ASA, EA, MAAA  
Actuary

## **Benefit Plan Provisions**

Mid-Peninsula Water District provides health benefits for employees and qualified dependents (and for retirees and their dependents) through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). Nine plan options are available: five Anthem options (Anthem Blue Cross Classic Plan (PPO), Advantage PPO, CalCare HMO, Value HMO, and Consumer Driven Health Plan) and four Kaiser North plans (Kaiser HMO, Senior Advantage, Value HMO, and Consumer Driven Health Plan). Employees and retirees also receive dental and vision coverage through ACWA. Retirees must enroll in Medicare Parts A and B once they become eligible to do so, and the retirees are then moved into a corresponding Medicare Supplement plan under ACWA.

Before January 1, 2017, to be eligible to retire with District-paid health benefits, an employee must have attained age 55 and completed 20 years of service with the District and retired from the District under CalPERS. Benefits vary by tier as follows:

Tier 1 (hired prior to June 27, 2008): 100% of medical, dental and vision premiums paid by the District for the lifetime of the retiree and the retiree's spouse, surviving spouse, domestic partner or surviving domestic partner at the time the retiree terminates employment.

Tier 2 (hired between June 27, 2008 and September 26, 2014): 100% of the medical, dental and vision premiums paid by the District for the lifetime of the retiree, with the dollar amount frozen at the time of retirement. Spousal coverage is not provided.

Tier 3 (hired on or after September 26, 2014): 50% of the medical, dental, and vision premiums for the lifetime of the retiree only, with the dollar amount frozen at the time of retirement. Spousal coverage is not provided.

For retirements on or after January 1, 2017, the District's contribution is limited to the lowest cost health plan offered, with the retiree paying the cost of a more expensive plan if selected. The eligibility provisions changed for all three tiers to the later of age 50 and 15 years of service. For retirees with fewer than 20 years of service at retirement, the District will contribute 75% of the amounts described above. The freeze in the year of retirement will no longer affect Tier 2 retirees.

The District's General Manager becomes eligible for 100% District-paid benefits for her lifetime only, after completion of 7 1/2 years of service with the District.

## Valuation Data

### Active and Retiree Census

#### Age distribution of retirees included in the valuation

Age	Total
Under 50	0
50-54	0
55-59	0
60-64	1
65-69	1
70-74	0
75-79	0
80-84	0
85-89	0
90+	<u>2</u>
All Ages	4
Average Age	77.7

#### Age/Years of service distribution of active employees included in the valuation

Years→	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
<u>Age</u>									
<25	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0
35-39	0	0	1	2	0	0	0	0	3
40-44	0	0	0	1	0	0	0	0	1
45-49	0	1	2	0	1	0	0	0	4
50-54	0	0	0	1	1	0	0	0	2
55-59	2	0	1	1	0	1	0	0	5
60-64	2	0	0	1	0	0	0	0	3
65+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
All Ages	4	1	4	6	2	1	0	0	18

Average Age: 50.8  
Average Service: 14.3

## Actuarial Assumptions

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date:	July 1, 2017
Actuarial Cost Method:	Entry Age, Level Percent of Pay
Discount Rate:	
Accrued Liability	5.50% per annum
GASB 75	5.50% per annum
Return on Assets:	5.50% per annum
Salary Increases:	3.00% per annum
Pre-retirement Turnover:	According to Crocker-Sarason Table T-5 less mortality. Sample rates are as follows:

Age	Turnover (%)
25	7.7%
35	6.3
45	4.0
55	0.9

Pre-retirement Mortality: RP-2014 Employee Mortality, without projection. Sample deaths per 1,000 employees are as follows:

Age	Males	Females
25	0.48	0.17
35	0.52	0.29
45	0.97	0.66
55	2.79	1.67

Post-retirement Mortality: RP-2014 Healthy Annuitant Mortality, without projection. Sample deaths per 1,000 retirees are as follows:

Age	Males	Females
55	5.74	3.62
60	7.78	5.19
65	11.01	8.05
70	16.77	12.87
75	26.83	20.94
80	44.72	34.84
85	77.50	60.50
90	135.91	107.13

<p align="center"><b>Actuarial Assumptions (Continued)</b></p>
--

Claim Cost per Retiree or Spouse:

Age	Medical/Rx	Dental/Vision
50	\$10,839	\$811
55	12,565	811
60	14,567	811
64	16,395	811
65	4,532	811
70	4,883	811
75	5,260	811

Retirement Rates:

Age	Percent Retiring
50	2.0%
51	3.0
52	4.0
53	5.0
54	6.0
55	8.0
56	10.0
57	12.0
58	14.0
59	16.0
60	18.0
61	20.0
62	21.0
63	22.0
64	24.0
65	100.0

\* The percentage refers to the probability that an active employee who has reached the stated age will retire within the following year.

Trend Rate:

Healthcare costs were assumed to increase according to the following schedule:

FYB	Medical/Rx	Dental/Vision
2017	6.0%	4.0%
2018+	5.0	4.0

Percent of Retirees with Spouses:

Future Retirees: 70% of future retirees were assumed to have spouses. Female spouses assumed three years younger than male spouses. Current Retirees: Based on actual spousal data. Eligible Tier 1 surviving spouses are assumed to elect survivor coverage.

## Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Mid-Peninsula Water District ("District") as of July 1, 2017.

The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District, and (when applicable) trust statements prepared by the trustee and provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 74 and GASB 75, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits.

Throughout the report, we have used unrounded numbers, because rounding and the reconciliation of the rounded results would add an additional, and in our opinion unnecessary, layer of complexity to the valuation process. By our publishing of unrounded results, no implication is made as to the degree of precision inherent in those results. Clients and their auditors should use their own judgment as to the desirability of rounding when transferring the results of this valuation report to the clients' financial statements.

The undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:



Carlos Diaz, ASA, EA, MAAA  
Actuary





### ***AGENDA ITEM NO. 7.E.***

DATE: June 28, 2018  
TO: Board of Directors  
FROM: Tammy Rudock  
General Manager

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**SUBJECT: CONSIDER AND APPROVE THE SAN MATEO COUNTY CANDIDATE POLICY FORM FOR SPECIAL DISTRICTS STATEWIDE GENERAL ELECTION ON NOVEMBER 6, 2018**

---

#### **RECOMMENDATION**

Finalize and approve the San Mateo County Candidate Policy Form for Special Districts Statewide General Election on November 6, 2018.

#### **FISCAL IMPACT**

None.

#### **DISCUSSION**

Attached is the San Mateo County Candidate Policy Form and Administrative Contact & Incumbent List Form from Mark Church, Chief Elections Officer & Assessor-County Clerk-Recorder, for the November 6, 2018 Special Districts Statewide General Election.

Two policy decisions are required:

1. Whether a candidate's statement will be limited to 200 or 400 words; and
2. Whether the candidate or the MPWD will pay for the candidate statement.

For the last election on November 3, 2015, the MPWD Board determined that the candidate's statement would be limited to 400 words, and the candidate would pay for the candidate statement.

The completed forms need to be returned no later than July 5, 2018.

Attachments: San Mateo County Candidate Policy Form and  
Administrative Contact & Incumbent List Form

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

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



OFFICE OF  
**ASSESSOR-COUNTY CLERK-  
RECORDER & ELECTIONS**  
COUNTY OF SAN MATEO

**MARK CHURCH**  
CHIEF ELECTIONS OFFICER &  
ASSESSOR-COUNTY CLERK-RECORDER

**Candidate Policy Form for Special Districts  
November 6, 2018  
Statewide General Election**

**Please complete and return this form by July 5, 2018 (EC §10509, §10522)**

Our District Board adopts the following policies effective for the November 6, 2018 Statewide General Election:

1. The *number of members* to be elected to the Governing Board/Board of Directors for a  
**4-year term:** \_\_\_\_\_

Names of incumbents currently holding these seats:

_____	_____
_____	_____

2. The *number of members* to be elected to the Governing Board/ Board of Directors for a  
**2-year term** (if applicable to fill balance of an unexpired term): \_\_\_\_\_

Name(s) of incumbent(s) currently holding or who previously held and has vacated this seat(s):

_____	_____
_____	_____

3. The word limit for a candidate statement will be (EC §13307):

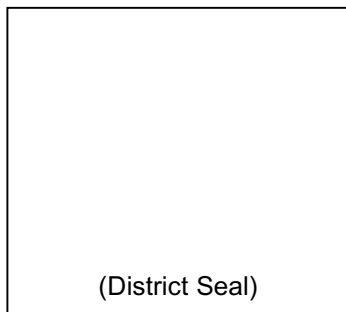
☐ 200-word statement

☐ 400-word statement

4. The cost of the candidate's statement sent to each voter will be paid by (EC §13307):

☐ District

☐ Candidate



\_\_\_\_\_  
Signature of the General Manager or Administrator and Date

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Official District Name (**to be used on official ballot**)



OFFICE OF  
**ASSESSOR-COUNTY CLERK-  
RECORDER & ELECTIONS**  
COUNTY OF SAN MATEO

**MARK CHURCH**  
CHIEF ELECTIONS OFFICER &  
ASSESSOR-COUNTY CLERK-RECORDER

**Administrative Contact & Incumbent List Form  
for the November 6, 2018  
Statewide General Election**

**Official District Name** \_\_\_\_\_

**Primary Administrative Contact**

Name \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail \_\_\_\_\_

**Secondary Administrative Contact**

Name \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail \_\_\_\_\_

**Complete List of Incumbent Board of Directors/Officers - Circle Appointed or Elected**

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_

Name \_\_\_\_\_ Most Recent Date Appointed/Elected \_\_\_\_\_



***AGENDA ITEM NO. 8.F.***

DATE: June 28, 2018  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

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**SUBJECT: REVIEW CANDIDATE INFORMATION AND CAST BALLOT IN CALIFORNIA SPECIAL DISTRICTS ASSOCIATION ELECTION FOR SEAT A IN THE BAY AREA NETWORK**

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**RECOMMENDATION:**

Cast candidate ballot in California Special Districts Association (CSDA) election for Seat A in the Bay Area Network.

**FISCAL IMPACT:**

None.

**DISCUSSION:**

Attached is the CSDA electronic ballot notice for the Bay Area Network Seat A election, the ballot itself, and the candidate information for the Board's review and consideration.

Attachments: CSDA Ballot Notice and Ballot dated June 18, 2018 and related Candidate Information

---

BOARD ACTION: A PPROVED:\_\_\_\_ DENIED:\_\_\_\_ POSTPONED:\_\_\_\_ STAFF DIRECTION:\_\_\_\_

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

**Tammy Rudock**

---

**Subject:** 2018 Board of Directors Election - Voting

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**From:** On Behalf Of Neil McCormick-CSDA  
**Sent:** Monday, June 18, 2018 8:00 AM  
**To:** Tammy Rudock  
**Subject:** 2018 Board of Directors Election - Voting

Dear Tammy Rudock / BAY AREA NETWORK:

Your district is a CSDA Regular Member in good standing and, as the main contact on file for the district, you are receiving this official electronic ballot to cast one vote on behalf of your district in CSDA's 2018 Board of Director's election for Seat A in BAY AREA NETWORK. It is up to each district to determine their own process in terms of selecting a candidate to vote for in the election. In some cases the main contact will cast the vote solely while in others it is brought to the full Board of Directors for discussion and selection with the vote then cast by the main contact.

You may view and print candidate information through the above link, but must cast your vote electronically through the system. **The deadline to cast your district's vote is August 10, 2018.**

Ballots will be counted and confirmed on August 13.

Should you have any questions, please feel free to contact Beth Hummel at CSDA – 916-442-7887 or [bethh@csda.net](mailto:bethh@csda.net)

Thank you!

**CSDA**  
Online Voting

**CSDA**

**California Special  
Districts Association**

*Districts Stronger Together*

[Home](#)[How It Works](#)[Logout Tammy Rudock](#)

## Electronic Ballot - 2018 CSDA Board of Directors Election, (Seat A) Bay Area Network

### Please vote for your choice

Choose **one** of the following candidates:

- Robert Silano (Incumbent)
- Catharine Benediktsson
- Chad Davisson, SDA
- Akintunde Okupe
- Jan Palajac

☐ **Robert Silano** [\[view details\]](#)

☐ **Catharine Benediktsson** [\[view details\]](#)

☐ **Chad Davisson** [\[view details\]](#)

☐ **Akintunde Okupe** [\[view details\]](#)

☐ **Jan Palajac** [\[view details\]](#)



California Special  
Districts Association  
*Districts Stronger Together*

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Robert Silano  
District/Company: Menlo Fire Protection District  
Title: Director  
Elected (Appointed) Staff: (prior Elected)  
Length of Service with District: 2011

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

2017 - Current Board of Directors  
Committee(s) Financial and Legislative

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

NO

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

LAFCo representative for Fire District

4. List civic organization involvement:

FBI National Academy Associates  
Association of Former Federal Narcotics Agents

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.

**Robert Silano, Director**  
**Menlo Park Fire Protection District**

A public safety professional, Mr. Silano has over 45 years of combined law enforcement and emergency management experience. Presently, Mr. Silano is an Intelligence Officer as a Senior National Security Intelligence Analyst for the Northern California Regional Intelligence Center in San Francisco, CA. In the past, he served as the Chief of Threat Intelligence assigned to the Northern California Regional Intelligence Center, representing the California Emergency Management Agency. The NCRIC is one of 77 DHS Fusion Centers specializing in research involving the terrorism threat and emergency management situations as it relates to law enforcement, fire, public health, emergency services and the private industry.

Currently holds a "TOP SECRET" Federal Government Clearance.

As an elected official, Director Silano serves on the Menlo Park Fire Protection District in San Mateo County. In that capacity, he serves on the Communications and Emergency Preparedness Committees. Additional duties include, being a voting member of the Board of Directors for the California Special Districts Association, Bay Area Network, serving on their Legislative and Financial Committees.

As a private safety professional, Mr. Silano has served in various capacities within Emergency Management, Loss Prevention, Security Operations and Corporate Investigations. He holds positions on three (3) company boards of directors.

In the past, Mr. Silano has had experience in domestic and international operations as a former U.S. Department of Justice Special Agent with the Drug Enforcement Administration. Former Special Agent Silano has held positions as a City of Miami Police Officer, Task Force Commander, Police Instructor, Supervisory Special Agent, and a Senior Manager with the U.S. Department of Justice, DEA. He holds a Baccalaureate and Master's Degrees, and is a graduate of the FBI National Academy Session 158.





California Special  
Districts Association

Districts Stronger Together

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Catharine Benediktsson  
District/Company: Sanitary District #5, Marin County  
Title: Director  
Elected/Appointed/Staff: Elected by the district board  
Length of Service with District: 17 years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

no, taken courses in past / workshops

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

not recently - was head of nationwide  
environmental group for FAA, Chief: Amy Alaska  
Environment

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

have worked with LAFCo.

4. List civic organization involvement:

none except homeowners association

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**



California Special  
Districts Association  
*Districts Stronger Together*

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Chad Davisson

District/Company: Ironhouse Sanitary District

Title: General Manager

Elected/Appointed/Staff: Executive Staff

Length of Service with District: 3-years

**1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

On behalf of the District I am very involved with CSDA. Attend annual conferences, received SDA certification, completed the SRLF Leadership Academy, obtained District of Distinction (Platinum Level), Excellence in Transparency, provide local chapter program committee support. I attend the GM Leadership Conferences and volunteer as a mentor at the "so... you want to be a GM" coaching events. Participate in the CSDA Awards program.

**2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

I am very involved with California Association of Sanitation Agencies (CASA) participating on the State Legislative Committee, member of the WaterReuse Association, member of the Water Environment Federation (WEF). Highly active in California Water Environment Association (CWEA), speaking at events, receiving several awards and attending local and state conferences.

**3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

Support Contra Costa LAFCo, provide assistance on technical matters and municipal service reviews. Chair of the East CC County Water Management Association. Participate in the Western Recycled Water and the Bay Area Biosolids Coalitions.

**4. List civic organization involvement:**

Provide leadership to the Bay Area Consortium of Waster/Wastewater Education (BACWWE) to address career development and industrywide succession planning. I teach a variety of water and wastewater courses. On the planning committee of General Manager Roundtable group across the Bay Area. Member of Community Advisory Group for Water Rate Setting in Vallejo.

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**

**Chad Davisson, SDA, General Manager  
Ironhouse Sanitary District**

My name is Chad Davisson and I am the General Manager of Ironhouse Sanitary District. I am running for the California Special District Association (CSDA) Director, Seat A – Bay Area Network.

I am very proud to have dedicated my 30-year career in water and wastewater to serving my local community through special districts and local government. I began my career at a special district and have since have earned a degree in Public Administration and an MBA from Saint Mary's College of California. I am fortunate to have had the opportunity to work in several special districts throughout California.

Through my background with special districts, I recognize the importance and value of supporting CSDA. I have a vast understanding of special district needs and as a CSDA Board Member, I will use my experience and expertise to further enrich services that benefit CSDA members.

My goal as General Manager is to provide Ironhouse Sanitary District and its constituents with complete and open public transparency utilizing best management practices. Under my leadership, the District was awarded District of Distinction (Platinum Level) accreditation and the District Transparency Certificate of Excellence. I have received the CSDA Special District Administrator certification and completed the SDLF Leadership Academy.

I actively attend and mentor special district professionals at CSDA's General Manager Leadership Summit coaching events. I am proud to say that Ironhouse staff members have received CSDA awards for their outstanding performance. I am also proud to support CSDA's local (Contra Costa County) chapter.

If elected, I will work diligently to ensure CSDA's continued success. I will apply my experience, commitment and leadership to be effective, efficient, and responsive to special district needs.

Please consider me for the upcoming election for Director, Seat A - Bay Area Network.



California Special  
Districts Association  
*Districts Stronger Together*

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Akintunde Okupe

District/Company: East Palo Alto Sanitary District

Title: General Manager

Elected/Appointed/Staff: Akintunde Okupe

Length of Service with District: 6 months

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

Workshops & conferences

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

No

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

LAFCO

4. List civic organization involvement:

None

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**



**California Special  
Districts Association**  
*Districts Stronger Together*

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

**Name:** Jan Palajac

**District/Company:** Livermore Area Recreation and Park District (LARPD)

**Title:** Director of the Board

**Elected/Appointed/Staff:** Elected

**Length of Service with District:** Elected November 2016 to a 4 yr Term

- 1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

Special District Leadership Academy Graduate (Spring 2017)

Certificate of Recognition in Special District Governance (Fall 2017)

CSDA Annual Conference (2017 & 2018); CSDA Legislative Days (2018)

- 2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

CARPD Annual Conference (2017 & 2018)

CPRS (California Parks and Recreation Society), member over 15 yrs

ASLA (American Society of Landscape Architects), Northern California Chapter, member 25 yrs

- 3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

Livermore Downtown Inc (2017 & 2018)

Key to the City (Livermore) (Spring 2018)

- 4. List civic organization involvement:**

Sr. Landscape Architect, City of San Jose (2000-2017)

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**

**Jan Palajac, Director**  
**Livermore Area Recreation and Park District**



I am very interested in becoming a member of the CSDA Board of Directors. I am in my first term (2016-2020) as an elected Director of the Livermore Area Recreation and Park District. During my first year in office, I attended the Special District Leadership Academy, the CSDA Annual Conference, and the California Association of Parks and Recreation District (CARPD) Annual Conference. I also received a Recognition in Special District Governance certificate from CSDA.

After 17 years as a landscape architect managing park and trail projects for the City of San Jose, I retired last year. While at San Jose, I successfully worked very closely with a number of municipal, county, state and federal agencies as well as other stakeholders to construct nationally recognized trail projects. To stay current with the latest professional practices, I attended and was a speaker at several state and nationwide professional conferences.

I believe the communication skills I developed while at San Jose, my enthusiasm, and my commitment to CSDA's mission to promote good governance through professional development, advocacy and other services for special districts will enable me to effectively represent you on the Bay Area Network. Thank you for your support.



TO: Board of Directors

FROM: Tammy A. Rudock  
General Manager

DATE: June 28, 2018

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## MANAGER'S REPORT

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### **FOLLOW-UP FROM 05/24/18 REGULAR BOARD MEETING**

- Director Zucca submitted his ACWA Region 5 Board candidate application and supporting MPWD Resolution 2018-10. Staff submitted the Board's recommendation letter.
- The updated MPWD Employment Application is with District Counsel for a final legal review. The ACWA JPIA had recently updated its application so the MPWD was fortunate to have a good template from which to work.
- The FY 2018/2019 MPWD Operating and Capital Budgets will be organized into a budget document and distributed to the Board at next month's regular meeting and posted to the website.
- Staff is working with District Counsel on the surplus real property directions from the Board and should have a report next month.

### **MPWD EMPLOYEES ASSOCIATION**

Labor negotiations are underway between Management and the MPWD Employees Association.

### **PARS PENSION RATE STABILIZATION PROGRAM (PRSP)**

We have a final legal review by District Counsel in process of the PRSP implementation documents with PARS. Staff anticipates having it in place by July 31, 2018.

### **MPWD UNFUNDED ACCRUED PENSION LIABILITY**

Staff worked with CalPERS and confirmed its transition to the "15-Year Fresh Start" for payment of its UAL (Unfunded Accrued Liability). Reference the attached verification from CalPERS dated June 2018. Next month, the MPWD will remit its lump-sum annual UAL payment to CalPERS in the amount of \$136,604, rather than payroll period installments, which saves the MPWD 3.5% annually. Also, recall that with this transition to a 15-year amortization schedule (from the default 30 years) for payment of its UAL to CalPERS that the MPWD will save a total of approximately \$1.0 million in interest. Next fiscal year the annual payment will come from the PRSP.

### **SFPUC WHOLESALE CUSTOMER MEETING ON JUNE 21, 2018**

A summary presentation will be delivered to the Board covering highlights from the SFPUC meeting, and PowerPoint slides are attached including water supply graphics and project photos.

### **SAN MATEO PLAIN CASGEM**

Staff will provide an update on the San Mateo Plain CASGEM (California State Groundwater Elevation Monitoring). CASGEM was developed by the Department of Water Resources (DWR) in 2009 as a voluntary locally-managed program of regular monitoring to track seasonal and long-term trends in groundwater elevations. Staff has been attending meetings along with other San Mateo County and BAWSCA water suppliers. Charles Ice, Groundwater Supervisor, for San Mateo County Environmental Health has been facilitating an engaged process for the past 12-18 months as the County completed its basin assessment. Attached are excerpts (Cover page, Executive Summary, and Section 2.0 with cited figures) from the 388-page June 2018 draft assessment developed by a team of consultants led by EKI Environment & Water.

Basins throughout the state are ranked high-, medium-, low-, or very low-priority. Basins ranking high- or medium-priority are subject to SGMA (Sustainable Groundwater Management Act) pursuant to Water Code Section 10720.

The San Mateo Plan basin was ranked a low-priority basin and subject only to CASGEM, until the DWR recently released its 2018 DRAFT SGMA Basin Prioritization and upgraded it to a medium-priority basin, thereby triggering a SGMA. The DWR comment period deadline was July 18, 2018, until we banded together after a conference call and requested data and a 60-day extension from DWR. A 30-day extension was granted by the DWR until August 20, 2018, and they are supposed to provide the relevant data that justified the change in basin priority.

Why does this involve the MPWD? Because the MPWD is a water supplier within the basin, among 43 groundwater sustainability agency-eligible entities within the San Mateo Plain basin, and while we presently do not rely on groundwater from the basin, there could be a time in the future when it might be needed. Depending upon the DWR's final 2018 basin prioritization, there will likely be future considerations for the Board regarding the MPWD's involvement (including financial). SGMA requires formation of a Groundwater Sustainability Agency (GSA) and development of a Groundwater Sustainability Plan (GSP). DWR will require GSA creation and GSP development within five (5) years if the basin is prioritized as medium-priority. Stay tuned...

### **WATER CONSERVATION SUMMARY**

Water consumption for May 2018 was down 28% when compared to 2013.

The R-GPCD (Residential-Gallons per Capita per Day) was 90.4 (compared to 122.7 in 2013).

Cumulative water savings from July 1, 2017 through May 31, 2018 (compared to 2013) was -17.4%.



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

#### **JULY 26, 2018**

- Review proposed MPWD Miscellaneous Fees and Charges and implementation plan.
- Consider inflationary adjustments to Water Capacity Charges and Water Demand Offset Fees.
- Consider Notice of Completion for FY 2017/2018 CIP.
- Establish Appropriations Limit.
- Consider/Approve budgeted annual professional services agreements.
- Receive BAWSCA report.

#### **AUGUST 23, 2018**

- Consider/Approve updated MPWD Miscellaneous Fees and Charges and implementation plan effective January 1, 2019.
- Receive progress report on MPWD Strategic Plan for 2017-2018.
- Review and approve Conflict of Interest Code (every even-numbered year).
- Review Annual Report on Fiscal Year Reimbursements over \$100 to Employees.
- Annual review of Catalog of Enterprise Systems.

#### **SEPTEMBER 27, 2018**

- Receive annual General Manager's progress report for FYE June 30, 2018.
- Receive BAWSCA report.

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#### **UPCOMING MEETINGS/EVENTS**

HIA Meeting (Belmont): *No meetings in July and August.*

BAWSCA Water Management Meeting (Foster City): July 12, 2018

CSDA Annual Conference and Exhibition Showcase (Indian Wells): September 24-27, 2018

ACWA JPIA 2018 Fall Conference & Exhibition (San Diego): November 26-30, 2018

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



**California Public Employees' Retirement System**  
**Actuarial Office**  
P.O. Box 942709  
Sacramento, CA 94229-2709  
TTY: (916) 795-3240  
(888) 225-7377 phone – (916) 795-2744 fax  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

## June 2018

Business Partner Name: MID-PENINSULA WATER DISTRICT  
CalPERS ID: 3764984881  
Rate Plan: MISCELLANEOUS PLAN  
Rate Plan ID: 3250

### Re: Decision to Fresh Start Liability Over a 15-Year Period

Dear Business Partner:

This letter is in response to your decision to reduce the amortization period on your unfunded accrued liability to a fifteen-year period. This request would result in a "Fresh Start", wherein all liability bases from your 6/30/16 valuation would be merged into a single "Fresh Start" base that would then be amortized over a period of fifteen years.

**If you are aware of others interested in this information (i.e. payroll staff, county court employees, port districts, etc.), please inform them.**

A comparison of the changes to your unfunded liability payment resulting from this action is displayed below. The information displayed in this letter is based on the unfunded liability shown on page 9 of your June 30, 2016 valuation report.

The information contained in the June 30, 2016 annual valuation report reflects the benefit provisions and member data as of June 30, 2016. The valuation report is appropriate for reporting and disclosure purposes.


Shown below is a comparison of changes to your plan's unfunded liability assuming enactment of a 15-year fresh start. This includes a comparison of the changes to your required employer contribution for 2018-19. This action will not change your 2017-18 or 2018-19 Normal Cost contribution.

**Please note that there will be no changes to your 2017-18 unfunded liability contribution.**

Valuation as of June 30, 2016	Before Fresh Start	After Fresh Start
<b><u>Projected UAL Balance as of 6/30/2018</u></b>		
Total Unfunded Liability Balance	\$ 1,556,268	\$ 1,556,268
<b><u>2018-2019 Employer Contributions</u></b>		
Base Total Normal Cost for Formula	15.794%	15.794%
Surcharge for Class 1 Benefits		
None	0.000%	0.000%
Phase out of Normal Cost Difference	<u>0.000%</u>	<u>0.000%</u>
Plan's Total Normal Cost	15.794%	15.794%
Formula's Expected Employee Contribution Rate	<u>6.902%</u>	<u>6.902%</u>
Employer Normal Cost Rate	8.892%	8.892%
2018-2019 Employer Unfunded Liability payment	<b>\$ 131,007</b>	<b>\$ 141,552</b>

Required Employer Contribution		Fiscal Year
Employer Normal Cost Rate		2018-19
<b>Plus Either</b>		<b>8.892%</b>
<b>1) Monthly Employer Dollar UAL Payment</b>	<b>\$</b>	<b>11,796.00</b>
<b>Or</b>		
<b>2) Annual Lump Sum Prepayment Option</b>	<b>\$</b>	<b>136,604</b>
<p><i>The total minimum required employer contribution is the <b>sum</b> of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) <b>plus</b> the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.</i></p>		

If you have questions, please call (888) CalPERS (225-7377).



JULIAN ROBINSON, FSA, EA, MAAA  
Senior Pension Actuary, CalPERS

# Welcome

Operated by the San Francisco Public Utilities Commission

## San Francisco Public Utilities Commission Regional Water System Wholesale Customer Meeting June 21, 2018



# Water Supply and Deliveries

## Reservoir Storage

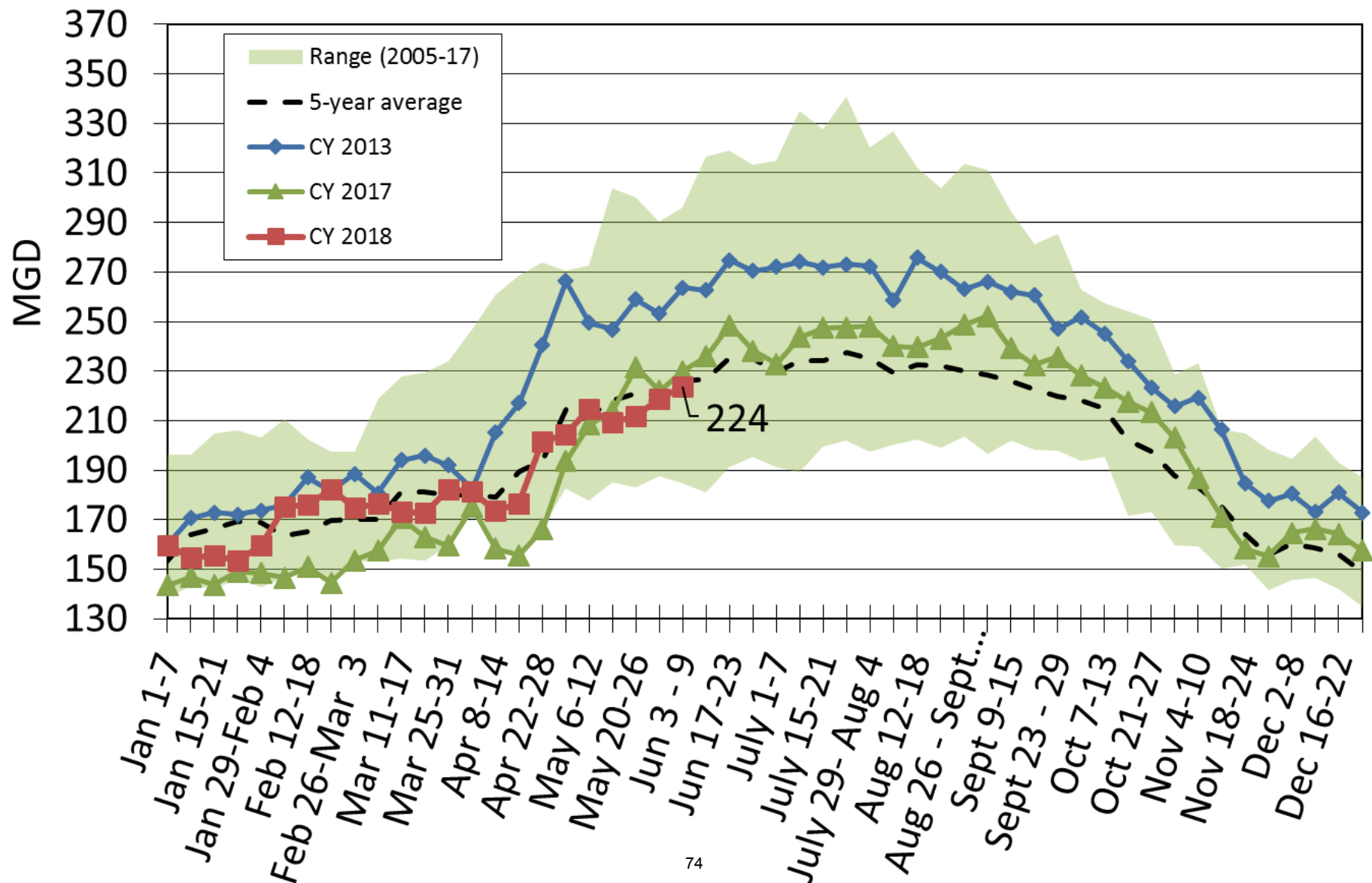
	Current Storage (AF)	Storage Capacity (AF)	Percent of Capacity (%)	Storage One Year Ago (AF)	Long-term Median on this Date <sup>1</sup> (AF)	LT Median, Percent of Capacity (%)
<u>Tuolumne System</u>						
Hetch Hetchy	360,756	360,360	100.1%	306,454	347,834	96.5%
Cherry	251,059	273,500	91.8%	208,257	261,164	95.5%
Eleanor	26,630	27,113	98.2%	23,076	25,960	95.7%
Water Bank (As of Jun 26)	570,000	570,000	100.0%	570,000	541,961	95.1%
<b>Total Tuolumne Storage</b>	<b>1,208,445</b>	<b>1,230,973</b>	<b>98.2%</b>	<b>1,107,787</b>	<b>1,107,787</b>	<b>90.0%</b>
<u>Local System</u>						
Calaveras <sup>2</sup>	24,561	96,670	25.4%	29,523	50,116	51.8%
San Antonio	49,054	50,637	96.9%	38,252	45,504	89.9%
Crystal Springs <sup>2</sup>	54,993	58,309	94.3%	46,271	50,224	86.1%
San Andreas	15,857	19,027	83.3%	18,199	17,029	89.5%
Pilarcitos	2,811	3,069	91.6%	2,792	2,774	90.4%
<b>Total Local Storage</b>	<b>147,276</b>	<b>227,711</b>	<b>64.7%</b>	<b>135,037</b>	<b>165,647</b>	<b>72.7%</b>
<b>Total System Storage</b>	<b>1,355,721</b>	<b>1,458,684</b>	<b>92.9%</b>	<b>1,242,824</b>	<b>1,273,434</b>	<b>87.3%</b>
<b>Total without Water Bank</b>	<b>785,721</b>	<b>888,684</b>	<b>88.4%</b>	<b>672,824</b>	<b>800,605</b>	<b>90.1%</b>



----- Provisional Data Subject to Revision -----

# Total Deliveries

(Source: SFPUC Regional Water System Meters)



# Pipeline Inspection Program Facts

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- Total of 227 Miles of Pipeline in inspection program
- 26 of 227 Miles of PCCP pipeline in system. Inspected at least every 10 years.
- 201 of 227 Miles of Non-PCCP pipe to be inspected every 20 years.
- $26 + 26 + 201 = 253$  miles of pipeline to be inspected between now and 2035.
- Average around 13 miles a year.

## Pipelines to be Inspected By End of Fiscal Year (July 1 2017 - June 30, 2018)

Pipeline	Section	Scheduled Inspection Date	Material	Year Built	Diameter	Miles to be Inspected
San Andreas Pipeline 1 (limited sections due to access issues)	P10 to Baden	11/1/2017	Steel	1898	44	4.41
Crystal Springs Pipeline 3	L30 to L41K	11/16/2017	PCCP	1971	60	3.61
Crystal Springs Pipeline 3	P48 to L59K	11/16/2017	PCCP	1987	60	2.54
Upper Alameda Creek Tunnel	Upper Alameda Creek to Calaveras Reservoir	1/16/2018	Concrete Lined Tunnel	1931	5'6" x 6'6"	1.85
Bay Division Pipeline 3 & 4 Crossover Pipeline	I-680	5/30/2018	Steel	2014	78	0.41
Crystal Springs Bypass Pipeline	G34 to G41	6/28/2018	PCCP	1970	96	0.81

**Miles of Pipeline Inspected = 13.62**





## Pipelines Scheduled to be Inspected Next Fiscal Year (July 1 2018 - June 30, 2019)

Pipeline	Section	Scheduled Inspection Date	Material	Year Built	Diameter	Miles to be Inspected
San Andreas Pipeline 2	R60 to CDD	10/1/2018	Lock-bar / Steel	1927-1928	54	1.70
San Andreas Pipeline 1 (reinspect with acoustic tool and CCTV camera)	P10 to Baden	10/1/2018	Steel	1898	44	N/A
Bay Division Pipeline 3	C30 to C40	4/1/2019	Steel	1952	72-78	8.19
Bay Division Pipeline 2	B60 to B70	4/1/2019	Steel	1935	66	3.97

**Miles of Pipeline Scheduled to be Inspected = 13.86**



# Calaveras Dam Replacement

Active Treatment  
System

Disposal  
Site

Left Abutment  
(Observation Hill)

Upper Spillway Chute

Intake Tower

Existing Dam  
(Cofferdam)

New  
Dam  
Axis

Lower Spillway  
Chute

Stilling  
Basin

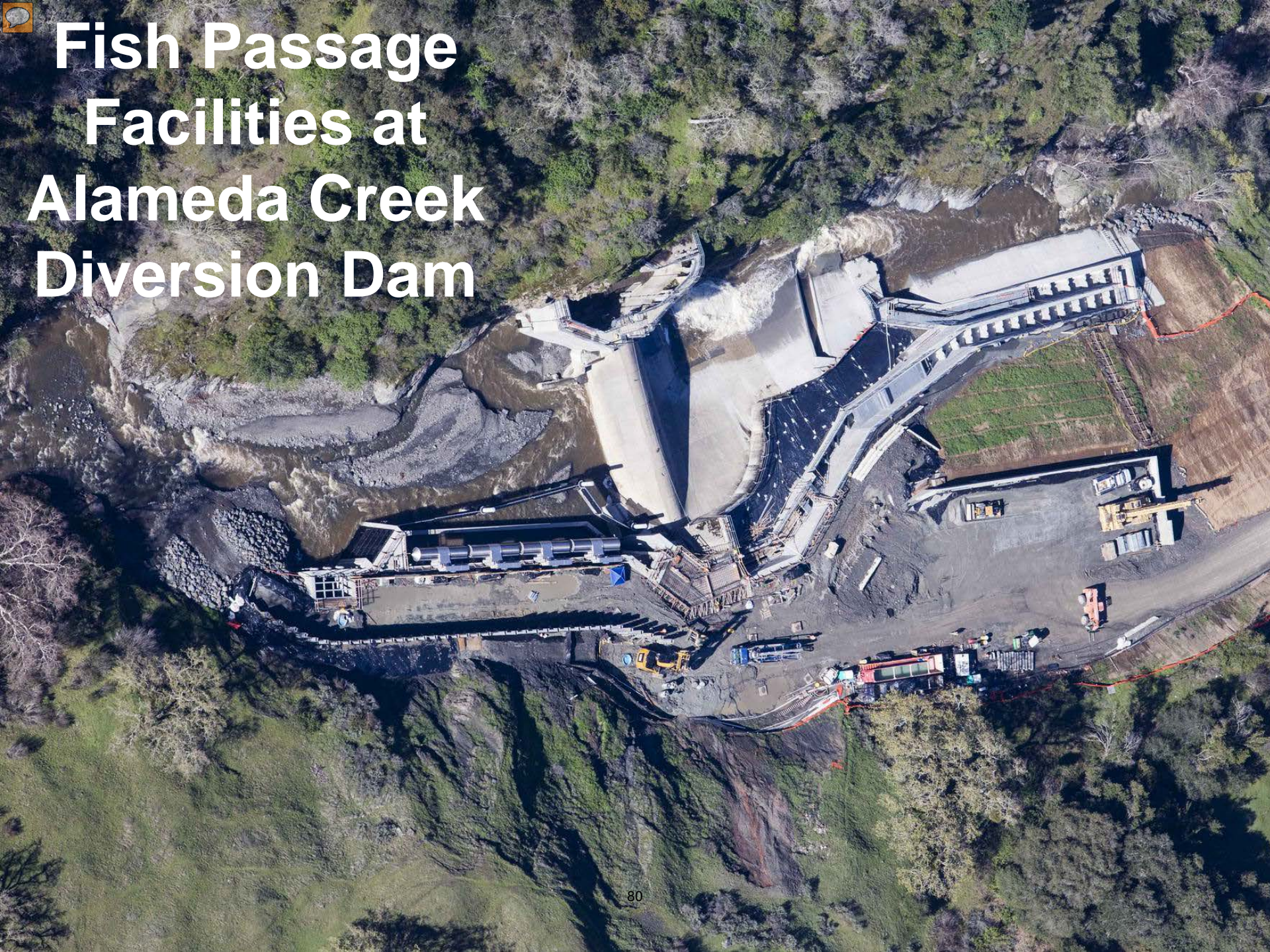
Borrow  
Area B

Right Abutment





# Fish Passage Facilities at Alameda Creek Diversion Dam









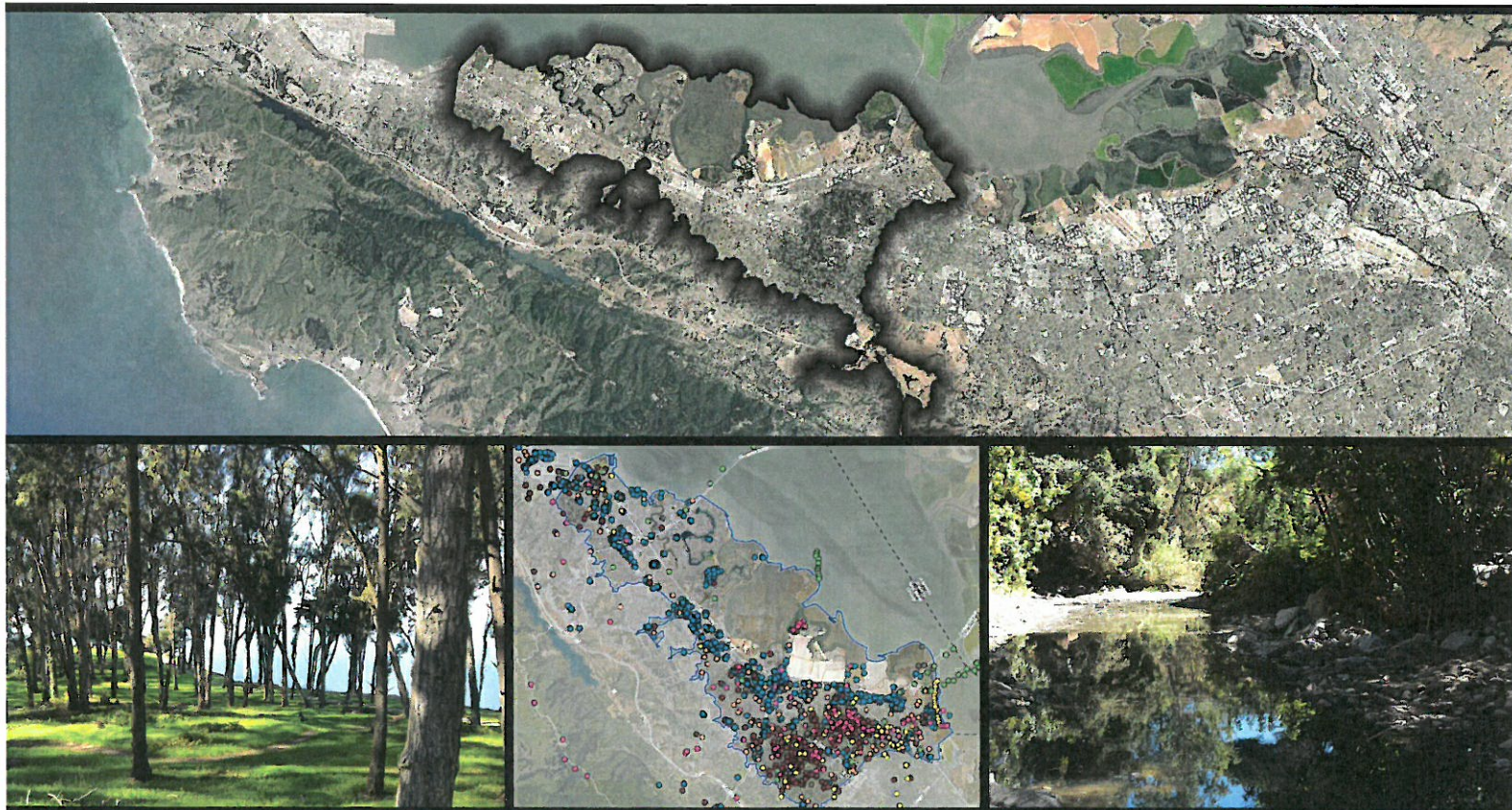
# Regional Groundwater Storage and Recovery





# San Mateo Plain Groundwater Basin Assessment

Public Review Draft  
JUNE 2018





## EXECUTIVE SUMMARY

This report summarizes efforts conducted by EKI Environment & Water Inc. (formerly Erler & Kalinowski, Inc.), Todd Groundwater, and HydroFocus, Inc. (the “Project Team”) on behalf of the County of San Mateo (County) for the County’s San Mateo Plain Groundwater Basin Assessment (Project). The Project was conducted by the County, with support from the Project Team, to comprehensively evaluate the San Mateo Plain Groundwater Subbasin (Basin), as defined by the California Department of Water Resources (DWR) (**Figure ES-1**). The Project is the first of its kind in the Basin, and was funded by Measures A and K (half-cent sales taxes approved by San Mateo County voters in November 2012 and November 2016, respectively, to support San Mateo County’s quality of life). The Project began with Phase 1 in April 2016 and concludes with submission of this report to the County Board of Supervisors.

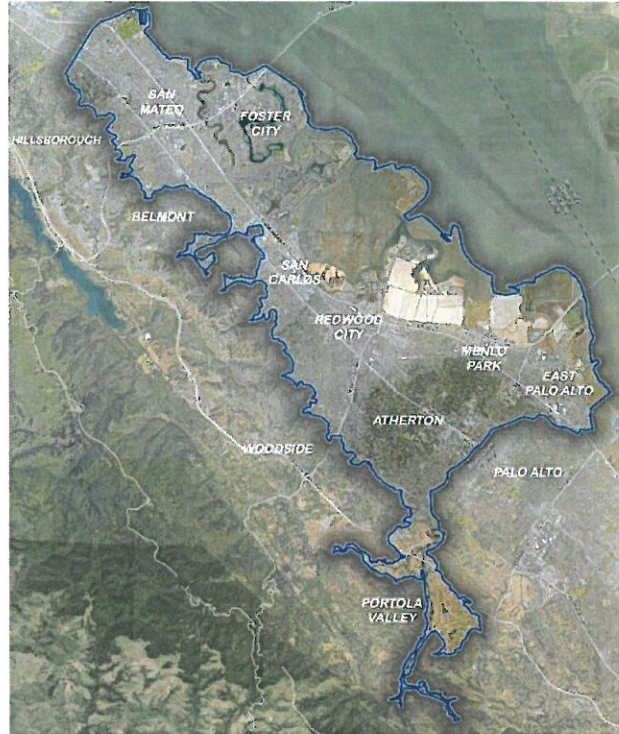


Figure ES-1. San Mateo Plain Groundwater Subbasin

The primary objectives of the Project as they relate to the Basin are to:

1. Increase public knowledge,
2. Evaluate hydrogeologic and groundwater conditions,
3. Identify potential impacts of sea level rise and climate change,
4. Evaluate potential impacts to groundwater quality and quantity, and
5. Develop potential groundwater management strategies.

As part of this Project, frequent public Stakeholder Workshops were conducted to engage Basin stakeholders and solicit feedback on the approach and results of the Project. Nine Stakeholder Workshops were hosted over the course of the Project. The County also held one-on-one and small group meetings with interested Basin stakeholders throughout the Project. This stakeholder engagement process is described in detail in Section 3.0.

The County has developed a website to serve as a repository for information and materials developed throughout the Project. More information about the Project can be obtained from the San Mateo Plain Project Website at: <http://www.smcsustainability.org/smplain>.



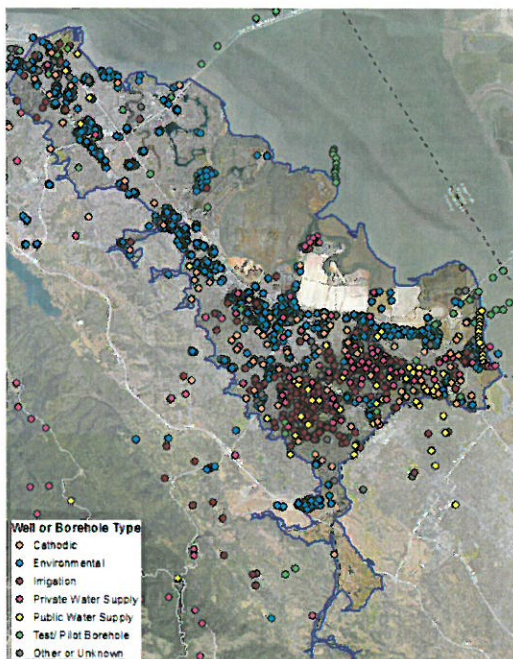
## Basin Overview

The Basin encompasses approximately 37,708 acres<sup>1</sup> and is located along the eastern edge of the San Francisco Peninsula between San Francisco Bay and the Santa Cruz Mountains (**Figure ES-1**). The Basin is part of a larger regional groundwater system that includes groundwater basins in Alameda and Santa Clara Counties. A bedrock high delineates the northern end of the Basin (near Hillsborough and San Mateo) and the southern end of the Basin is generally defined by the San Mateo-Santa Clara County line, which is coincident with San Francisquito Creek. Small portions of the Basin extend into Santa Clara County.

Thirteen cities overly portions of the Basin, and land use within the Basin is almost entirely urban, supporting a total population of 292,000. There are also 13 different local water suppliers within the Basin, consisting of a combination of cities, water districts, mutual water companies, and investor-owned utilities.

Groundwater production within the Basin for potable and non-potable supply is relatively limited, as the primary water supply source since the 1960s has been imported Hetch Hetchy water. Groundwater levels have increased since the 1960s and currently the Basin is in a relatively full and stable condition. However, available data indicate that during historical periods of high groundwater production, groundwater levels in the Basin dropped significantly and negative

impacts including seawater intrusion and subsidence were observed. The recent historic drought, coupled with renewed interest in groundwater development within the Basin, has increased local interest in better understanding the Basin and evaluating the extent to which increased groundwater development can be pursued, while mitigating potential negative impacts, or “undesirable results.”



**Figure ES-2. Wells and Boreholes with Available Data**

## Review and Compilation of Existing Data

A major emphasis of the Project is to assemble and analyze the available data for the Basin to support subsequent detailed studies of Basin characteristics and interactions. Data collected to date include: geology, soils, groundwater levels and quality, topography, climate, surface hydrology, water use and wastewater production, land cover/use, and political/jurisdictional subdivisions within the

<sup>1</sup> Basin area is based on the June 2014 Final CASGEM Groundwater Basin Prioritization Results.

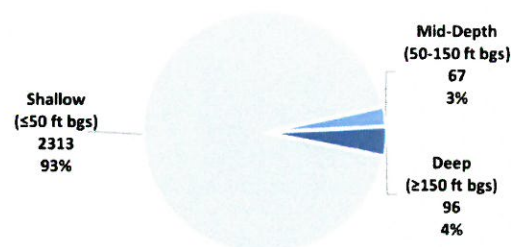


Basin. These data have been compiled, as appropriate, into a comprehensive Microsoft Access database and related ESRI ArcGIS geodatabase (together, the “Project database”) that is used to support the technical analyses being conducted as part of this Project (**Figure ES-2**). Basin-specific data developed as part of this Project have been made publicly available in the form of geospatial map “layers” and tabular data on the County’s virtual data sharing site “San Mateo County GIS Open Data” located at <http://data-smcmaps.opendata.arcgis.com/> (search: “groundwater” or “San Mateo Plain”).

The data collection effort consolidated a significant amount of data for the Basin, including well construction records for more than 3,700 wells and boreholes, nearly 60,000 water level measurements, and over 500,000 analytical chemistry records (see **Table ES-1**, **Figure ES-2**). The vast majority of water level and water quality data are associated with shallow wells located at current or historical chemical contamination cleanup and investigation sites throughout the Basin. As shown on **Figure ES-3**, over 90 percent of the available water level data were from shallow wells that are less than 50 feet deep. In general, the majority of the geologic, water level, and water quality data that span both shallow and deeper aquifer zones in the Basin are limited to the southern portion, focused largely around the Menlo Park, Atherton, and East Palo Alto areas.

**Table ES-1. Available Groundwater Data**

Type of Data	Data Availability
Well and Borehole Records	~3,800 wells/boreholes
Wells with Screened Interval Data	~1,100 wells
Water Level Measurements	59,000+ records from ~2,500 wells
Analytical Chemistry Data	500,000+ records from ~1,900 wells
Aquifer Test Data	48 wells



**Figure ES-3. Depth of Wells Within the Basin With One or More Water Level Measurements**

### Basin Water Quality

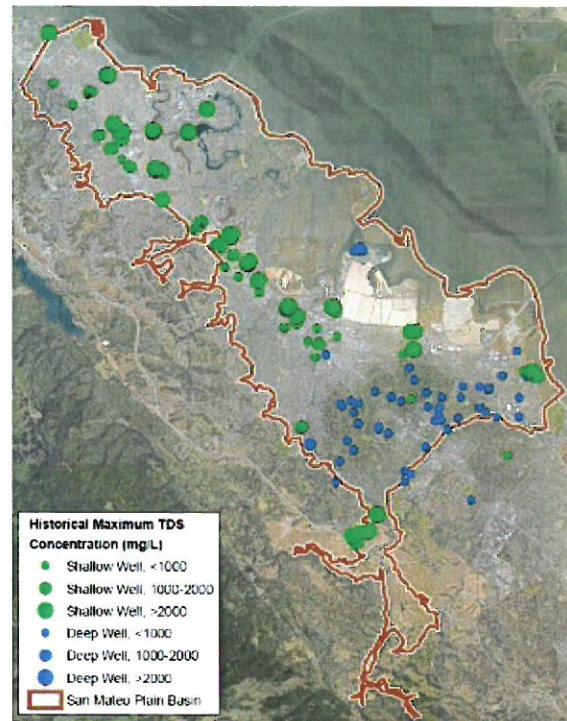
In order to understand the general water quality and any significant variations or trends within the Basin, available water quality data were analyzed spatially, vertically, and temporally. In general, groundwater within the Basin was found to be of sufficient quality for municipal and irrigation supply, albeit with some level of treatment potentially required depending on the well location, depth, and intended use of the produced water.

Total dissolved solids (TDS) data, summarized on **Figure ES-4**, provide a general representation of inorganic water quality throughout the Basin. In general, deep wells are characterized by lower TDS concentrations than shallower wells. Many of the shallow wells exceed the recommended California drinking water standard, or recommended secondary maximum contaminant level



(SMCL, based on consumer-acceptance), for TDS of 500 milligrams per liter (mg/L), with several wells exceeding 2,000 mg/L; the upper secondary consumer-acceptance-based MCL is 1,000 mg/L. However, time series data exhibit generally stable trends in TDS and chloride over the past 30 years in both shallow and deep wells, indicating that water quality is not being significantly degraded.

Most wells have concentrations exceeding the SMCLs for iron (0.3 mg/L) and manganese (0.05 mg/L), suggesting that elevated concentrations of these naturally occurring constituents may be ubiquitous and require treatment for municipal use. Detections of other potential constituents of concern were limited, spatially variable and primarily focused in the shallow zone (e.g., at known chemical remediation sites).



**Figure ES-4. TDS Concentrations**

Groundwater quality was also evaluated using geochemical plotting techniques to discern groundwater similarities and potential sources, and to evaluate any time trends for wells that would illustrate, for example, progressive seawater intrusion. In general, the Trilinear and Schoeller diagrams prepared for this study show that Basin groundwater quality reflects the varying influence and interaction of groundwater sources of recharge (including local stream and rainfall recharge, imported Hetch Hetchy water and return flow, and near-shore seawater intrusion in the shallow zone), plus the potential influence of groundwater released from local sediments. The evaluation further showed that available data for specific wells tends to cluster, revealing no significant variations or trends over time.

### **Hydrogeologic Conceptual Model**

A hydrogeologic conceptual model was developed to characterize the Basin geology and flow system (i.e., interactions of groundwater with other water sources within the Basin and with neighboring basins). The Basin is bounded by the Santa Cruz Mountains on the west, by the Westside Basin on the north, by the Santa Clara Subbasin to the south, and by the Niles Cone and East Bay Plain Subbasins across San Francisco Bay to the east. The principal groundwater-bearing formations of the Basin are unconsolidated to semi-consolidated Quaternary-aged alluvium composed of gravel, sand, silt, and clay. In general, based on the depth to bedrock and the ground surface elevation, the alluvium is thinner in the higher elevations in the western part of the Basin and thickens towards San Francisco Bay. Various alluvial structures were deposited by streams draining the uplands. The most significant, and most studied, alluvial fan was formed by San

Francisquito Creek in the southern part of the Basin and is commonly referred to as the “San Francisquito Cone.”

Regional groundwater flow within the Basin is generally from west-southwest to east-northeast, from the edge of the Santa Cruz Mountains towards the San Francisco Bay. Eight geologic cross-sections, including two longitudinal cross-sections and six lateral cross-sections, were constructed to depict the thickness and distribution of alluvial aquifer sediments and to delineate the hydrostratigraphy within the Basin. In addition, two regional cross-sections were constructed to illustrate the connections between the Basin and the adjacent groundwater basins. A sample lateral cross-section, covering the southern portion of the Basin, is provided as **Figure ES-5**. The cross-sections generally show interbedded fine- and coarse-grained layers; this aquifer and aquitard framework reflects the dynamic depositional environment and affects groundwater flow paths, providing a form of protection against sea water intrusion and vertical migration of contamination. In general, the groundwater system is unconfined in the higher elevations, and confined or semiconfined by thicker Bay Mud sequences at lower elevations closer to San Francisco Bay.

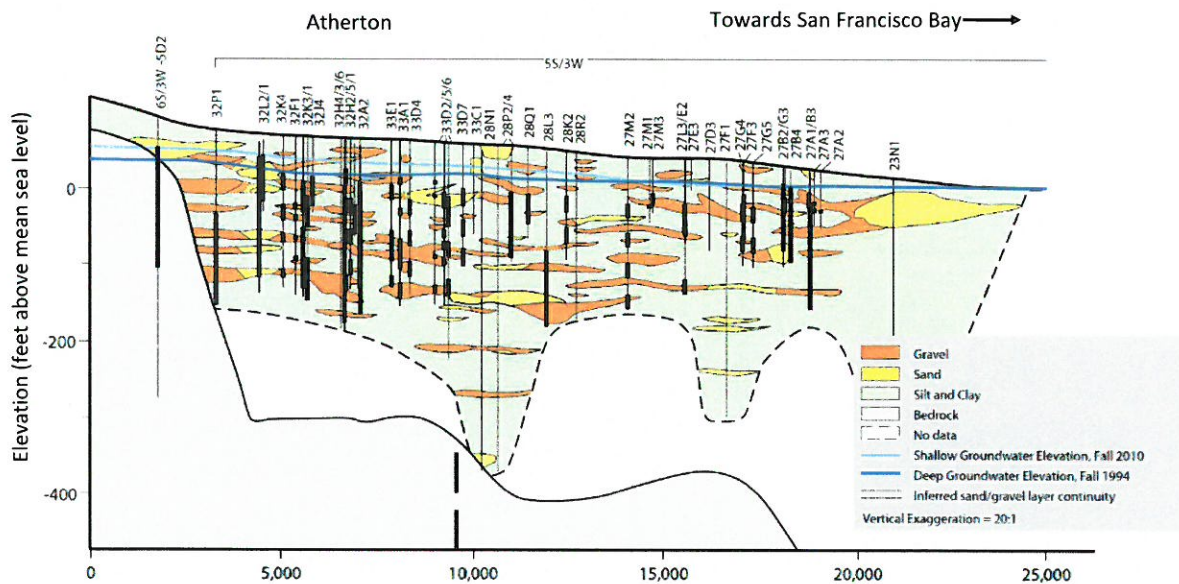


Figure ES-5. Sample Basin Cross-Section



## Basin Water Balance

A water balance was developed to describe and quantify the current inflows to and outflows from the Basin. As summarized in **Table ES-2**, inflows and outflows to the Basin average about 7,900 acre-feet per year (AFY) under current land and water use conditions. The largest sources of recharge are deep percolation of rain and applied irrigation water in irrigated areas, deep percolation of rain in non-irrigated areas, percolation from creeks, and water pipe leaks.

The largest outflows are subsurface outflow to creeks and into and beneath San Francisco Bay, groundwater pumping for water supply, and groundwater infiltration into sewers. The balance between total inflows and total outflows reflects an assumption that there is no long-term change in storage; this assumption is supported by the fact that available water level data show that the Basin is currently in a stable and relatively “full” condition. Subsurface outflow was estimated as the residual in the water balance and was divided between groundwater discharge to creeks and wetlands and groundwater discharge to or beneath San Francisco Bay.

**Table ES-2. Water Balance Summary**

Parameter	Estimated Water Balance (AFY)	
	Average	Plausible Range
<b>Inflows</b>		
Dispersed Recharge	4,800	3,300 to 9,000
Stream Percolation	1,300	800 to 2,000
Bedrock Inflow	600	100 to 1,000
Santa Clara Subbasin	1,200	500 to 2,000
Seawater intrusion	0	0
<b>Total Inflow</b>	<b>7,900</b>	<b>--</b>
<b>Outflows</b>		
Wells	3,500	2,100 to 5,700
Riparian Evapotranspiration	100	50 to 150
Seepage to Sewers, Creeks, and Tidal Wetlands	3,600	2,500 to 5,300
Outflow to San Francisco Bay	500	300 to 1,000
Westside Basin	200	-100 to 200
<b>Total Outflow</b>	<b>7,900</b>	<b>--</b>

## San Mateo Plain Groundwater Flow Model

The San Mateo Plain Groundwater Flow Model (SMPGWM) was developed to quantify water balances, hydrologic interconnections, and hydrologic responses to changes in recharge, pumping, climate, and sea level. The SMPGWM used as its starting point the existing Bay Area Water Supply and Conservation Agency (BAWSCA) Strategy Groundwater Model, which was then re-parameterized and calibrated using newly available information extracted from other existing groundwater models in the region and detailed Basin-specific information from the Project database. The SMPGWM simulates transient conditions during the period 1992 through 2015, because the largest set of water level measurement data is available for this period and because the time period overlaps the simulation periods of the numerical models used for the adjacent groundwater basins.

The SMPGWM was calibrated by adjusting aquifer storage properties (specific storage) to match seasonal and longer-term trends in measured water levels to obtain satisfactory agreement



between model-calculated and measured water levels, and to generally corroborate the Basin Water Balance.

The SMPGWM utilizes a regional grid that captures hydraulically-connected portions of adjacent basins, thereby enabling the model to characterize groundwater flow throughout the San Francisco Bay Area in a way that could not be achieved solely with local models. The vertical distribution of water-bearing and non-water-bearing sediment deposits is represented in the SMPGWM by six model layers. Texture maps, such as that shown on **Figure ES-6**, were constructed for each model layer based on lithologic descriptions from boring logs, and provide the basis for representing spatial variability in horizontal and vertical hydraulic conductivity in the model.

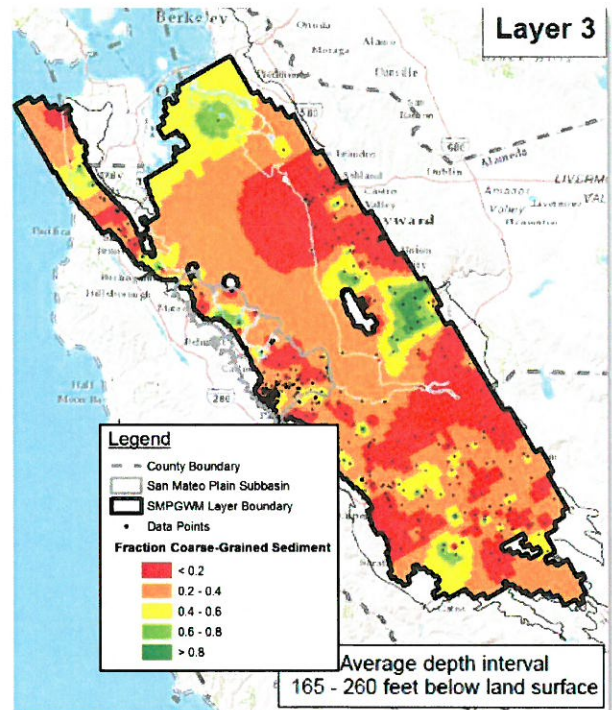


Figure ES-6. SMPGWM Layer 3 Texture Map

The model-calculated water balance for the Basin estimates that inflows and outflows to the Basin total 7,800 AFY, which is 100 AFY less than the Basin water balance described in Section 7.0 and summarized in **Table ES-2**. The difference does not indicate a model deficiency, but rather reflects, among other things, the use of different time periods and differences in the apportionment of subsurface flows across Basin boundaries by the two methods.

### Evaluation of the Risk of Potential Undesirable Results

Currently conditions in the Basin are stable; however, the data indicate that, in the past, higher groundwater pumping rates in the Basin resulted in some negative impacts to the Basin (e.g., land subsidence and seawater intrusion). A qualitative analysis was therefore conducted to assess the potential impacts to groundwater quantity and quality within the Basin, in the event that future groundwater recharge decreases and/or groundwater pumping increases beyond an as-of-yet determined sustainable threshold. The qualitative risk analysis considered the Basin's vulnerability to the following undesirable results:

- *Decline in Groundwater Levels and Storage* – The risk of a chronic decline in water levels and groundwater storage is believed to be low due to (a) the availability of Hetch Hetchy water, and (b) the environmental review and permitting process required for new production wells.



- *Land Subsidence* – Land subsidence has occurred in the Basin historically. However, as long as future water levels are not drawn down below historical low levels, it is anticipated that the risk of inelastic (irreversible) land subsidence is minimal.
- *Seawater intrusion* – Seawater intrusion has occurred in adjacent basins and represents a threat to the Basin. While current groundwater levels are high enough to mitigate the risk for seawater intrusion, the risk would increase if water levels in the deep aquifer were to fall below sea level and sea water was able to migrate into the deep aquifer.
- *Impacts to Interconnected Surface Water* – An analysis of surface water-groundwater interactions in the Basin suggests that increased use of groundwater in the Basin could potentially affect baseflow in certain, hydraulically-coupled sections of San Francisquito and San Mateo Creeks, with potential implications for certain listed aquatic species such as steelhead trout.
- *Salt and Nutrient Loading* – The largest source of salt loading to the Basin is likely irrigation, although use of low-TDS Hetch Hetchy water for irrigation minimizes the impact. The effects of landscape fertilization on nutrient loading have been observed in the form of elevated nitrate concentrations detected in some Basin wells.
- *Point-Source Contamination* – Point-source contamination exists within the Basin and is addressed through remediation efforts required by regulatory drivers and oversight.
- *Cross-Contamination between Shallow and Deep Aquifers* – Migration of contaminants from the shallow aquifer to the deep aquifer can occur where cross-connecting wells allow movement from shallow to deeper zones and where sediments are dominated by coarser material. Potential cross-connecting wells have been documented in the southwestern portion of the Basin near Menlo Park and Atherton.
- *Sea Level Rise* – The threat of seawater intrusion can be exacerbated not only by reduced aquifer recharge or increased groundwater pumping, but by sea level rise as well. This remains an issue to be monitored closely as additional groundwater development occurs in the Basin over time, coupled with anticipated climate change impacts.

Based on this qualitative analysis, there is the possibility for undesirable results to occur in the Basin with changes in pumping conditions.

#### Initial Evaluation of Basin Management Options

One of the ways to address and/or mitigate the potential to incur the undesirable results discussed above is to conduct proactive groundwater basin management.

Groundwater basin management is generally composed of two components: (1) institutional management, and (2) physical management. *Institutional* management refers to the governance structures, laws, and policies that define how groundwater is managed within a basin. *Physical* management refers to the projects and programs that are implemented within a basin to achieve certain management objectives (e.g., operation of injection/extraction wells to create a hydraulic barrier against seawater intrusion).



Given the recent drought, the local interest in groundwater development, and the passage of the Sustainable Groundwater Management Act of 2014 (SGMA), one of the objectives of this Project was to better understand what groundwater management options were being employed in other similarly sized and used basins throughout California, and what relevance, if any, such approaches had for the Basin.



Figure ES-7. Inventory of Groundwater Management Strategies Used throughout California

As part of this evaluation, various institutional groundwater management options were inventoried – everything from unmanaged to basin adjudication, with local examples presented, as applicable (see **Figure ES-7**). For example, groundwater is managed actively in each of the adjacent groundwater basins, and these different management approaches were examined for potential relevance to the Basin. Two of the adjacent basins, the Niles Cone Subbasin across the San Francisco Bay to the east and the Santa Clara Subbasin to the south, are managed by Special Act Districts that have exclusive groundwater management authority within their basins under SGMA. The East Bay Plain Subbasin, also across the Bay to the east, is voluntarily managed by the East Bay Municipal Utility District and the City of Hayward. The most directly relevant analogues to the Basin are the Westside Basin and several smaller basins throughout California wherein entities within a basin have partnered to voluntarily manage groundwater, in large part to avoid undesirable results or to support the development of managed aquifer recharge projects.

The physical management options identified in this initial analysis similarly were intended to present the full spectrum of options that may (or may not) be applicable to the Basin. Various elements of physical management options were inventoried, including water sources, delivery methods, recharge options, pumping regulations, and options to protect groundwater quality. Some of these options were more quantitatively evaluated using the SMPGWM and the associated constraints analysis, as described below. Additional work and coordination are needed to better understand the extent to which any of the identified physical management



solutions would be viable or desired by entities within the Basin, or the extent to which they can be developed as regional and multi-benefit projects.

#### Scenario Evaluations Using the San Mateo Plain Groundwater Flow Model

The SMPGWM was employed to evaluate the effects of various changes on groundwater conditions, specifically to quantify the risks of undesirable results and/or the benefit of the potential groundwater management options identified above and in Sections 9.0 and 10.0.

1) Baseline

2) Baseline + Climate

3) Baseline + Climate Change + Urban  
Demand Pumping Increase

4) Baseline + Climate Change + Urban Demand Pumping  
Increase + Implementation of Recharge Projects

The Project Team utilized significant feedback received from stakeholders and consideration of the overall Project objectives to develop a set of four scenarios to model. The scenarios represent a stepwise approach that allows for evaluation of incremental effects relative to the “baseline” condition, and are

Figure ES-8. Scenarios Evaluated using the SMPGWM

illustrated on **Figure ES-8**. Parameterizations for each scenario were developed to reflect reasonable potential conditions. These scenarios were informed by projections of future conditions resulting from climate change, including sea level rise projected by the National Research Council (NRC, 2012) and seawater inundation due to sea level rise predicted by the California Ocean Protection Council (2013). Constraints analyses were also performed to identify areas of the Basin with high potential for being used for potential future groundwater pumping (**Figure ES-9**) and high potential for effective recharge projects.

Model results indicate relatively stable groundwater level trends for the four modeled scenarios. Increased pumping demand under Scenario 3 represents a more stressed condition than the other scenarios, and results in the greatest decrease in groundwater levels; however, even locations within the area of focused increased pumping show a decrease of only about 15 feet over 25 years.

The model-calculated water budget results indicate an annual change in storage for the four modeled scenarios of between 0 and -200 AFY. This amount does not suggest a significant level of overdraft. Even under the most “stressed” condition (Scenario 3), where pumping for urban water supply is nearly doubled relative to current conditions, the Basin does not exhibit a substantial long-term decrease in storage that would indicate overdraft conditions, because of the recharge that occurs across Basin boundaries. A change in storage of -200 AFY represents about 2.5 percent of the total annual water budget and less than 0.02 percent of total storage.

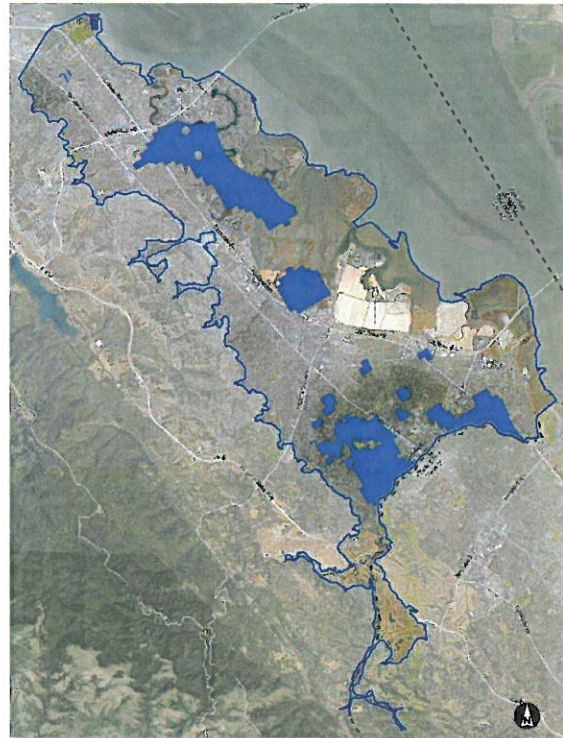
Due to its location directly adjacent to San Francisco Bay, the potential for salt water/seawater intrusion exists and there is historical evidence that it has occurred in the Basin. Under the stressed conditions of Scenario 3, the groundwater levels at the low point (end of) the simulation period include large areas with groundwater levels below sea level, which may create conditions conducive to migration of seawater into the Basin. It is, however, uncertain whether the water quality in the deep aquifer zone that enters the Basin from the east is saline or not, and the



shallow zone retains a condition of net outflow to the east due to seepage. It is therefore possible that the Basin could operate under conditions where groundwater levels dip below sea level, either temporarily or more continuously, without resulting in “significant and unreasonable” seawater intrusion.

The SMPGWM includes the ability to simulate land subsidence. However, results indicate a negligible amount of subsidence for all scenarios. While parameterization of the subsidence package is challenging due to uncertainty in pre-consolidation heads and elastic and inelastic storage coefficients, these results should be considered qualitative, yet they indicate that land subsidence is likely not a major concern under simulated conditions, given that such inelastic subsidence has previously occurred in the Basin.

None of the scenarios modeled indicated a significant change in the amount of inflow to the Basin from recharge from creeks, including San Francisquito Creek, San Mateo Creek, and the multiple smaller creeks. San Francisquito Creek is a primary source of recharge to the Basin, but most leakage from the creek to the aquifer occurs in the upper reaches of the creek. In these areas, the water table is below the bottom of the streambed and hydraulically disconnected from water flowing in the creek. As such, the leakage rate under these conditions is determined by the water level in the creek, the elevation of the bottom of the streambed, and the hydraulic conductivity of the streambed deposits beneath the creek and is not sensitive to changes in the water table. Therefore, these preliminary results suggest that impacts of groundwater management/ development activities, if sited and managed appropriately, are not likely to be significant.



**Figure ES-9. Example Constraints Analysis – Areas of Potential Increased Groundwater Production**

While the modeled scenario results indicated relatively sustainable groundwater conditions under the modeled scenarios, this evaluation does not substitute for the more refined analysis of potential impacts that is necessary on a project-by-project basis as part of an environmental review and project development process.

### **Potential Future Activities**

Groundwater basins in California are subject to the requirements of SGMA if they are designated by DWR as a Medium or High priority basin. The initial basin priorities were based upon the California Statewide Groundwater Elevation Monitoring (CASGEM) Basin Prioritization Process,



which was completed in June 2014. As part of this process, DWR assigned a priority ranking of Very Low, Low, Medium, or High to each of the 517 groundwater basins in California. At this time, DWR determined that groundwater use within the Basin was lower than the 2,000 AFY threshold to be considered Low, Medium, or High priority (“the groundwater reliance exemption”) and ranked it as a Very Low priority basin, exempting it from mandatory SGMA compliance.

In May 2018, DWR issued an addendum to the Bulletin 118 Interim Update, which included draft, updated basin priority rankings. The addendum proposed changing the Basin’s priority ranking from Very Low to Medium priority. Based on the currently available schedule, these priority rankings are expected to be finalized by the California Water Commission in October 2018 following a 60-day comment period. Depending on the final outcome of the proposed DWR priority rankings, the Basin may no longer be subject to the groundwater reliance exemption and could be formally reprioritized as a Medium priority basin. If adopted, such a reprioritization would mean that the Basin would be subject to the requirements of SGMA, which will include, among other things, the establishment of one or more Groundwater Sustainability Agencies (GSAs) by October 2020 and the development of a basin-wide Groundwater Sustainability Plan (GSP) by October 2023. In the event that this occurs, this Report can serve as the foundation for the development of a GSP.

The Basin does not currently have a Monitoring Entity that monitors groundwater levels and is not participating in the CASGEM program. Compliance with CASGEM is potentially an important consideration for the Basin in the future (especially if it is formally re-prioritized as Medium priority) and could be an important first step in setting the Basin up for long-term sustainable management and funding. Among other things, one or more agencies would have to assume responsibility as a Monitoring Entity and establish a data collection, storing, and sharing framework that would satisfy DWR requirements.

Recognizing the importance and benefits of CASGEM compliance, the County hosted a meeting in January 2018 to discuss the matter with representatives of stakeholder agencies within the Basin and in the surrounding basins. Based on the initial feedback from meeting attendees and follow-up discussions with the remaining entities, there is strong interest among agencies in the Basin for some form of collaboration towards achieving CASGEM compliance.

Multiple agencies in the Basin are evaluating and planning for the increased use of recycled water. A result of this planning process may be a comprehensive response to salt and nutrient loading in the Basin through the development of a salt and nutrient management plan (SNMP). Water recycling provides benefits of a locally-managed supply and reliability during drought. It also allows the replacement of high quality, imported water with non-potable water for landscaping and other non-potable uses. However, use of recycled water in lieu of surface water or local groundwater source entails salt and nutrient loading. Recognizing this, the SWRCB developed its Recycled Water Policy, which requires the development of an SNMP. An SNMP would include, among other things, a description of a conceptual hydrogeologic model, identification of all salt and nutrient sources, assessment of salt and nutrient loading, analysis of

fate and transport, evaluation of the assimilative capacity of local groundwater for key constituents, and identify implementation measures to monitor and manage salt and nutrient loading. This Report can serve as a foundation to support the development of an SNMP for the Basin.



## 2.0 BASIN OVERVIEW

The San Mateo Plain Groundwater Subbasin, shown on **Figure 1-1**, is one of four subbasins of the Santa Clara Valley Groundwater Basin, as defined by DWR. The Basin encompasses approximately 37,708 acres and is located along the eastern edge of the San Francisco Peninsula between San Francisco Bay and the Santa Cruz Mountains.<sup>2</sup> The Basin occupies a structural trough that is filled with unconsolidated alluvial sediments. At the northern end of the Basin (near Hillsborough and San Mateo), bedrock is present at shallow depths between the Coast Ranges and Coyote Point, a bedrock hill at the San Francisco Bay shoreline. The southern end of the Basin is defined by the San Mateo-Santa Clara County line. The line follows San Francisquito Creek, which flows more or less down the middle of its alluvial fan.

The total population within the Basin is approximately 292,000. As shown on **Figure 2-1**, there are 13 cities and unincorporated areas in the two counties overlying portions of the Basin. Land use is almost entirely urban, as discussed further in Section 6.1.4. Parts of the historical tidal marshes were diked, filled, and converted to urban uses as early as 1873, based on the earliest detailed and reliable topographic map available (State Geological Survey of California, 1873). However, even today large areas remain as marshes or salt evaporation ponds. Urban land uses extend westward from the coastal plain into the upland parts of the local watersheds.

There are 13 water suppliers within the Basin,<sup>3</sup> consisting of a combination of cities, water districts, mutual water companies and investor-owned utilities (see **Figure 2-2**). Groundwater production within the Basin for potable and non-potable supply has been relatively limited for the last several decades, as the primary water supply source has been Hetch Hetchy water purchased from the San Francisco Public Utilities Commission (SFPUC) and accessed via the Regional Water System (RWS). The only municipal water suppliers within the Basin that currently utilize groundwater as a potable supply source are two mutual water companies that are located in the southern portion of the Basin: the Palo Alto Park Mutual Water Company (PAPMWC) and the O'Connor Tract Co-Operative Water Company (O'Connor Tract CWC). Some institutions and private landowners within the Basin also use groundwater for domestic or landscape irrigation purposes, particularly in the southern portion of the Basin. The water balance presented in Section 7.0 estimates that total groundwater production within the Basin is currently about 2,300 acre-feet per year (AFY).

As shown on **Figure 2-3**, 12 wastewater agencies collect and treat wastewater within the Basin. Currently, the City of Redwood City is the only major user of tertiary-treated recycled water

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<sup>2</sup> Minor changes to the southern Basin boundary were made by DWR in the Bulletin 118 – Interim Update, in Fall 2016. The figures and information herein are based on the original Basin boundaries.

<sup>3</sup> If California Water Service Bear Gulch District and California Water Service Mid-Peninsula District are counted separately, there are 14 water suppliers within the Basin.

within the Basin, although numerous entities are considering expanding the use of recycled water within the Basin, even potentially for direct and/or indirect potable reuse (DPR/IPR).

Groundwater pumping in the Basin is presently much less than it was in the past. The general history of pumping began with negligible amounts prior to 1850, increasing with population growth and development until the 1960s, after which most users switched to newly available imported water supplies (i.e., Hetch Hetchy water). Historical information indicates that during these past periods of high groundwater production, groundwater levels in the Basin dropped significantly and negative impacts such as salt-water intrusion and land subsidence were observed.

As described herein, groundwater levels have increased since the 1960s and currently the Basin is in a stable condition (i.e., groundwater inflows are roughly equivalent to groundwater outflows). The recent historic drought, coupled with renewed interest in groundwater development within the Basin, has increased local interest in better understanding the Basin and evaluating the extent to which increased groundwater development can be pursued, while mitigating potential negative impacts, or “undesirable results.”<sup>4</sup>

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<sup>4</sup> Section 10721(w) of the Sustainable Groundwater Management Act of 2014 defines “undesirable results” as one or more of the following effects caused by groundwater conditions occurring throughout the basin:

- (1) Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon. Overdraft during a period of drought is not sufficient to establish a chronic lowering of groundwater levels if extractions and recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.
- (2) Significant and unreasonable reduction of groundwater storage.
- (3) Significant and unreasonable seawater intrusion.
- (4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.
- (5) Significant and unreasonable land subsidence that substantially interferes with surface land uses.
- (6) Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water.





Path: X:\B60024\Maps\2016\B60024\_Fig1\_1\_SMPSubbasinLoc.mxd

#### Legend

- San Mateo Plain Subbasin
- County Boundary
- Major Road

#### Notes

1. All locations are approximate.

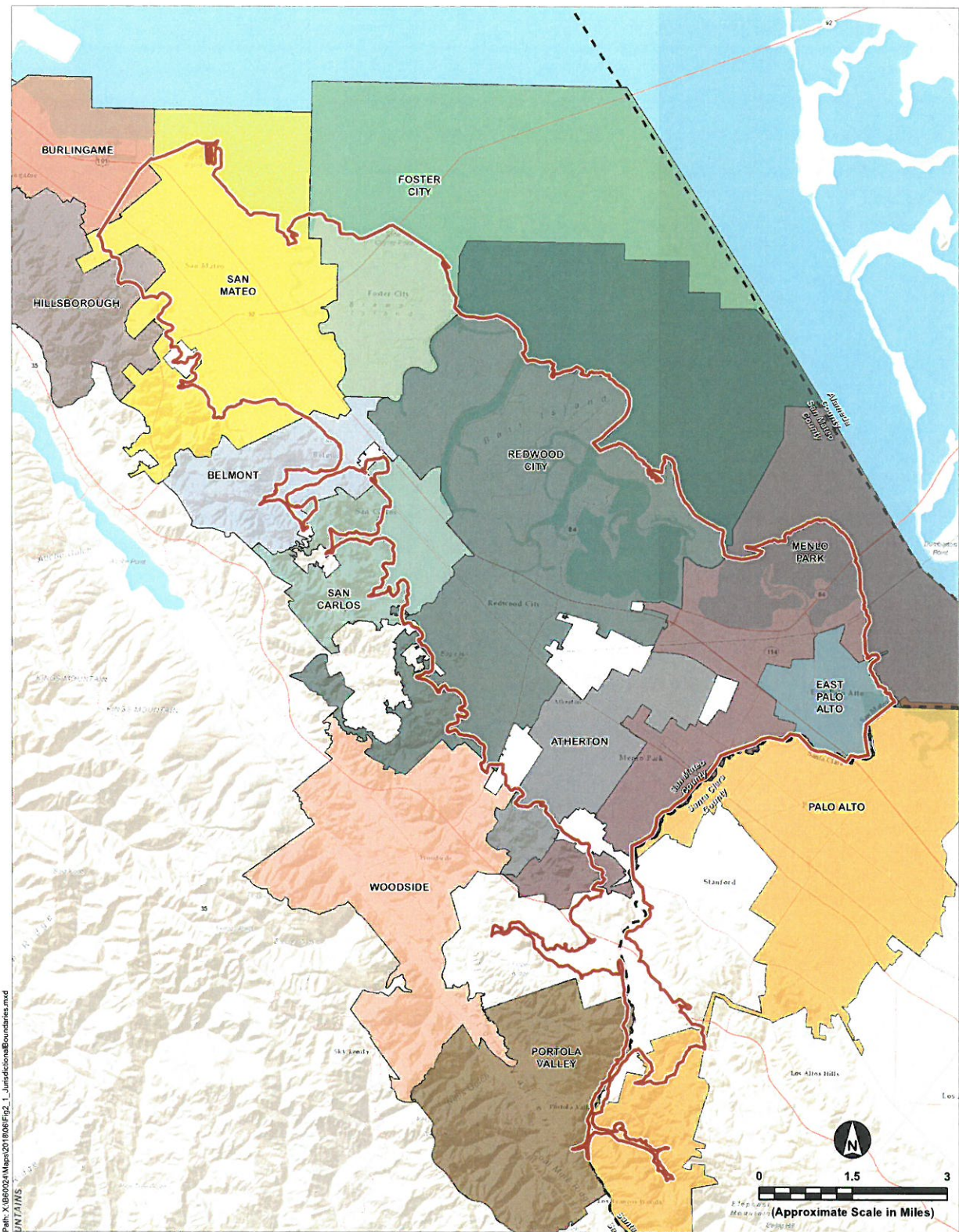
#### Sources

1. Subbasin boundary: DWR CASGEM Online System – Public Portal, accessed 2 November 2015.
2. Aerial imagery: Google Earth Pro, accessed 19 April 2016.



**San Mateo Plain  
Groundwater Subbasin**  
San Mateo Plain Groundwater Subbasin  
San Mateo County, California  
June 2018  
EKI B60024.00  
Figure 1-1



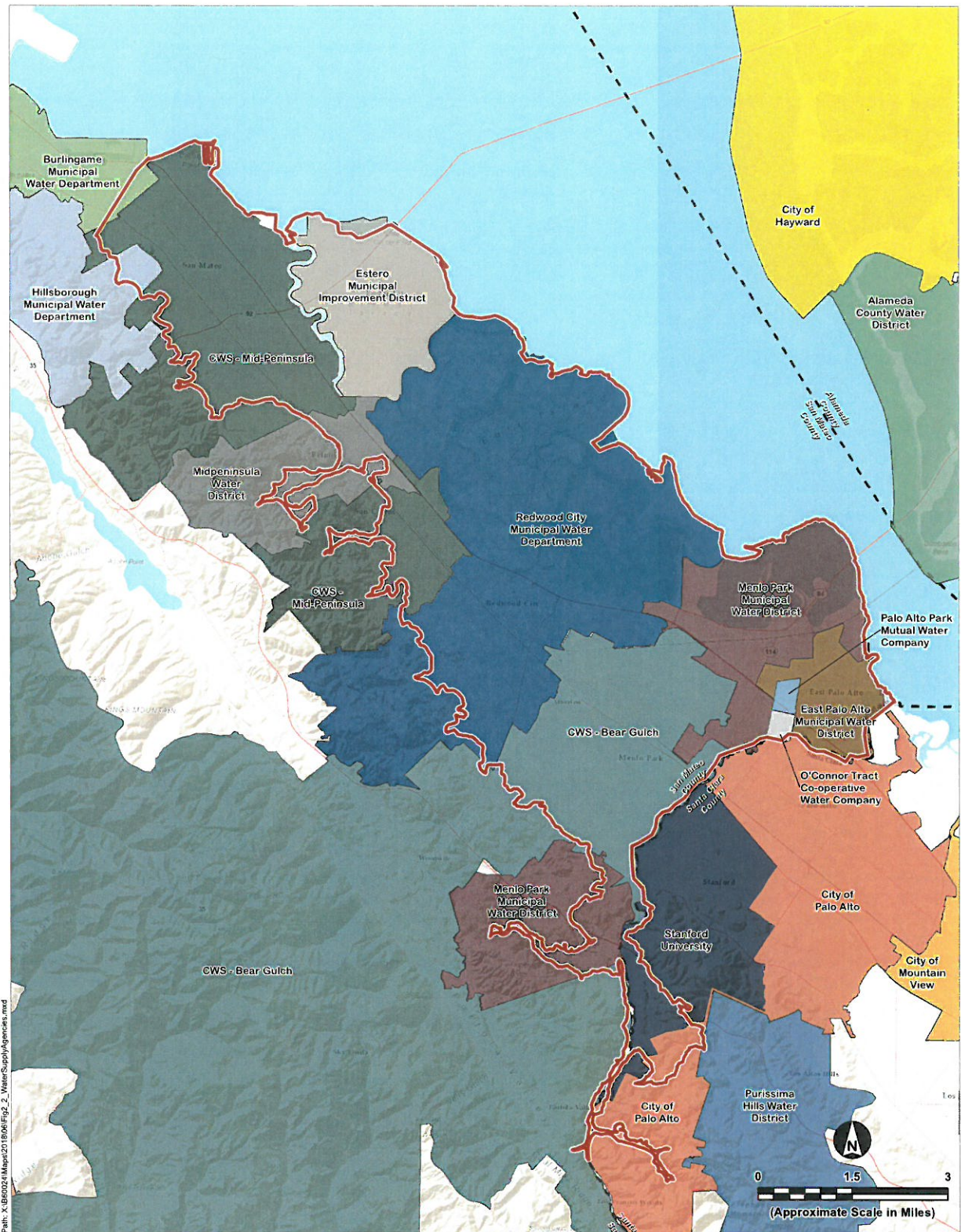


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UNTATMS



**Jurisdictional Boundaries**  
 San Mateo Plain Groundwater Subbasin  
 San Mateo County, California  
 June 2018  
 EKI B60024.00  
 Figure 2-1





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#### Legend

San Mateo Plain Subbasin

County Boundary

#### Water Service Areas

Alameda County Water District

Burlingame Municipal Water Department

CWS - Bear Gulch

CWS - Mid-Peninsula

City of Hayward

City of Mountain View

City of Palo Alto

Coastside County Water District

East Palo Alto Municipal Water District

Estero Municipal Improvement District

Hillsborough Municipal Water Department

Menlo Park Municipal Water District

Midpeninsula Water District

O'Connor Tract Co-operative Water Company

Palo Alto Park Mutual Water Company

Purissima Hills Water District

Redwood City Municipal Water Department

Stanford University

#### Notes

1. All locations are approximate.

#### Abbreviations

CWS = California Water Service Company

SFPUC = San Francisco Public Utilities Commission

#### Sources

1. Water Service Areas: SFPUC, CWS, and City of Menlo Park, obtained 5 May 2016.

2. Basemap: Esri's World Reference and World Terrain Base, accessed 6 June 2018.



#### Water Supply Agencies

San Mateo Plain Groundwater Subbasin

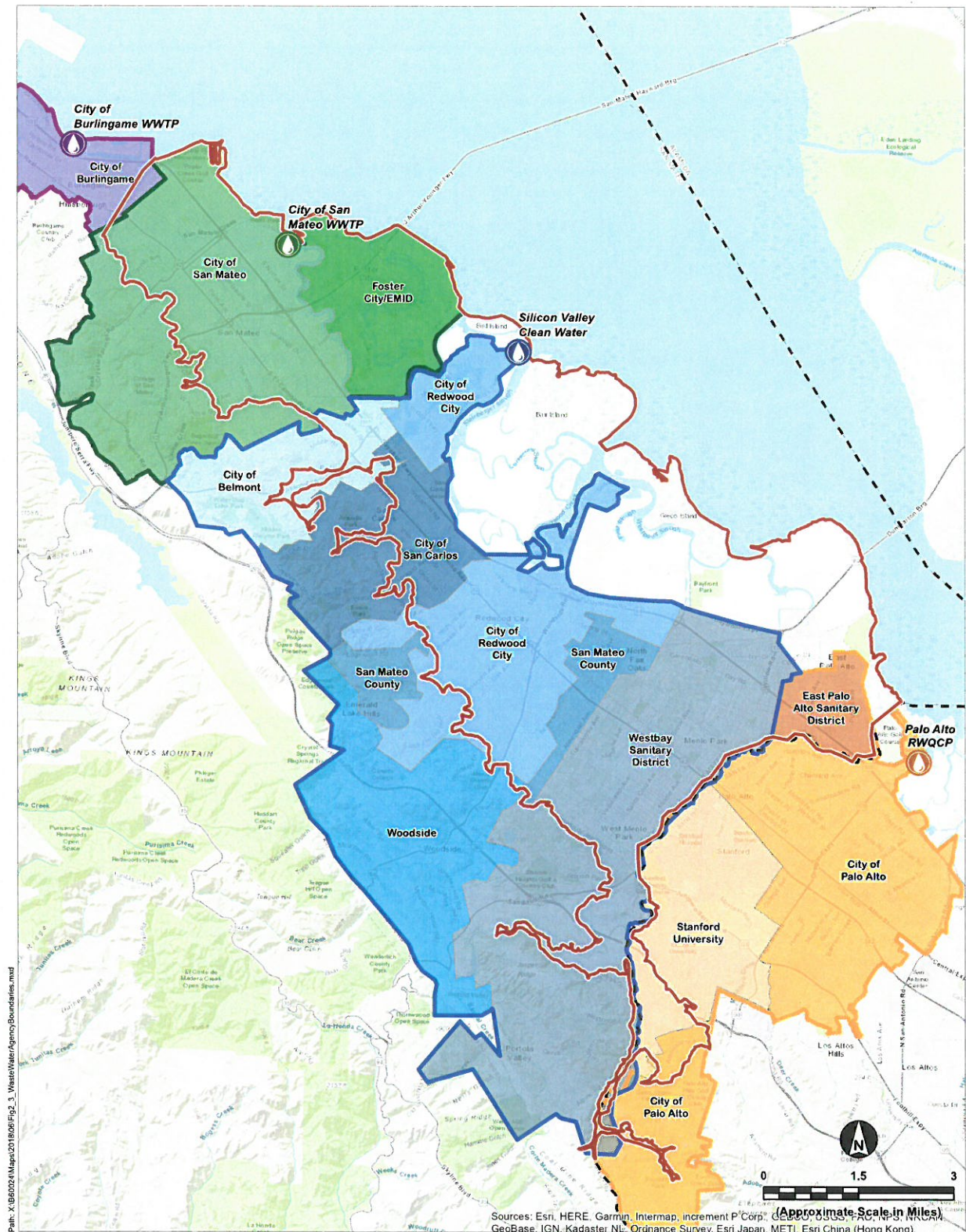
San Mateo County, California

June 2018

EKI B60024.00

Figure 2-2





### Wastewater Treatment and Collection Agencies

San Mateo Plain Groundwater Subbasin  
 San Mateo County, California

June 2018

EKI B60024.00

Figure 2-3



TO: Board of Directors

FROM: Candy Pina

DATE: June 28, 2018

## ADMINISTRATIVE SERVICES MANAGER'S REPORT

### FINANCIAL REPORTING:

1) **Schedule of Cash and Investments:**

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 05/31/18	BALANCE @ 06/19/18
PETTY CASH	\$400	\$400
CASH DRAWER	\$200	\$200
WELLS FARGO CHECKING	\$127,465	\$127,465
LAIF	\$6,547,072	\$6,547,072
BNY INSTALLMENT ACCOUNT	\$366,324	\$366,324
<b>TOTAL</b>	<b>\$7,041,461</b>	<b>\$7,041,461</b>

PARS OPEB TRUST FUNDING SCHEDULE		
	PAYMENT MADE	BALANCE
TRUST FUNDING TOTAL		\$1,500,000
March 31, 2018	\$375,000	\$1,125,000

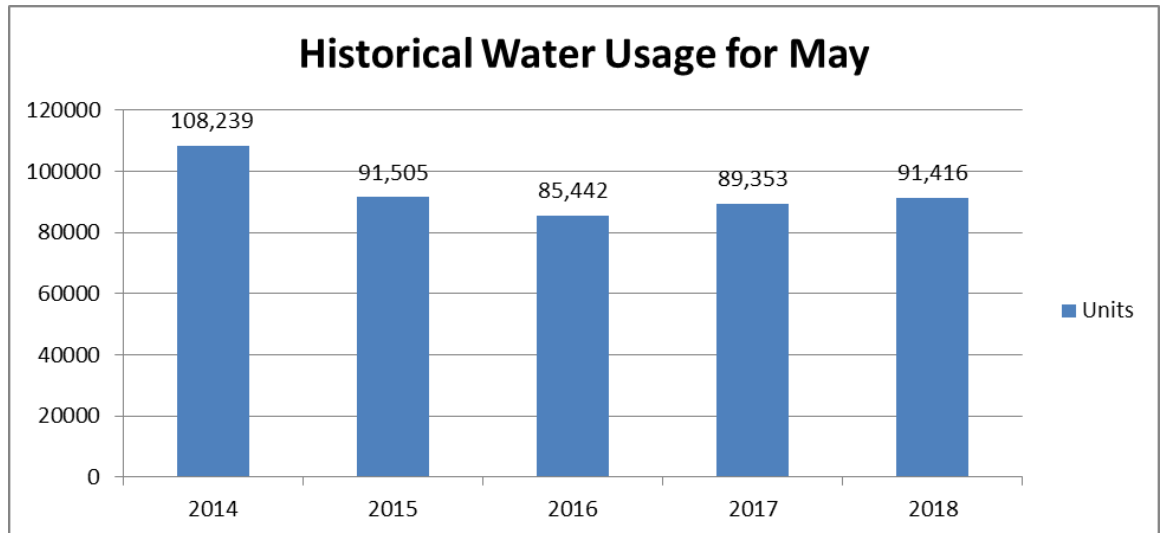
**Pars Opeb Trust Fund Schedule:** Quarterly Payments of \$375,000 to be paid on June 30, 2018; September 30, 2018, and December 31, 2018

**Month End Balance** of PARS/OPEB for April 2018 (May 2018 report not available): \$962,309.  
Total Net Losses of \$1,469 were reported. Net Earnings FY17/18 to date total \$24,401.

Reserve Account	Balance @ 5/31/2016	Balance @ 05/31/2017	Balance @ 05/31/2018	Budget for Reserve Policy
Capital Reserves			\$ 1,447,072	\$ 1,500,000
Working Capital Reserves			\$ 1,500,000	\$ 1,500,000
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 4,055,161</b>	<b>\$ 4,990,511</b>	<b>\$ 2,947,072</b>	<b>\$ 3,000,000</b>
Committed Capital Pay-Go			\$ 500,000	\$ 500,000
PARS OPEB Liability			\$ 1,500,000	\$ 1,500,000
PARS PRSP Pension Liability			\$ 1,600,000	\$ 1,600,000
<b>APPROVED RESERVE EXP</b>			<b>\$ 3,600,000</b>	<b>\$ 3,600,000</b>
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 4,055,161</b>	<b>\$ 4,990,511</b>	<b>\$ 6,547,072</b>	<b>\$ 6,600,000</b>

2) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2017/2018					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	117,761	991,425	221,480	1,212,904	1,263
AUG	124,029	1,058,493	221,539	1,280,032	1,263
SEP	127,050	1,086,960	221,731	1,308,691	1,263
OCT	117,970	969,367	220,229	1,189,596	1,270
NOV	100,278	842,728	221,252	1,063,980	1,258
DEC	76,510	597,628	221,492	819,121	1,276
JAN	85,964	649,486	221,521	871,007	1,271
FEB	74,590	563,551	220,748	784,299	1,277
MAR	71,713	574,400	223,925	798,325	1,276
APR	69,291	551,631	220,858	772,489	1,269
MAY	91,416	733,492	220,875	954,367	1,280
<b>TOTAL</b>	<b>1,056,572</b>	<b>8,619,160</b>	<b>2,435,651</b>	<b>11,054,811</b>	<b>13,966</b>



**CONFERENCES, TRAINING, & MEETINGS:**

- 1) Candy Pina: 06/05/18 – Meeting with Ryan Miller with Aston Carter about Springbrook Talent
- 2) Candy Pina: 06/07-08/18 – Leadership Essentials Class in Costa Mesa
- 3) Candy Pina: 06/12/18 – Meeting with Dan Bergmann regarding fees
- 4) Candy Pina: 06/20/18 – Meeting with Jen Dermon regarding Month End Close
- 5) Candy Pina: 06/21/18 - SFPUC Wholesale Customers Emergency Exercise

**TEAM BUILDING ACTIVITIES:**

We continue to celebrate birthdays.

**LEGEND FOR MONTHLY EXPENDITURES REPORT:**

3-digit checks: EFT checks

4-digit checks: Trustee BNY disbursements from COP Project Fund

5-digit checks: Vendor checks





TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: June 28, 2018

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## **OPERATIONS REPORT – May**

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### **Projects:**

- Staff was finally able to replace the last meter in Zone 1 located on Industrial Road;
- This month, staff was finally in a position to install AMI meters in either Zone 2 or 3 - they installed 73;
- Held a construction progress meeting with Stoloski & Gonzalez attended by District Engineer and District staff as the 2017 Water Main Replacement Project approaches completion;
- Met with representatives from California Water Service to talk about a shared intertie along Shoreway Road that is proposed for replacement as a part of capital project 04-1621-CP to gather information on their infrastructure and desired improvements to the intertie as design work progresses;
- In combination with District Engineer, staff held a pre-proposal meeting for interested consultants interested in providing On-Call construction management services during the capital improvement program – statements of qualification were due on June 12;
- Attended and participated in the kick-off meeting for the joint capital project with the City of Belmont and contractor K.J. Woods, Inc., which will construct water and sewer improvements on Davey Glenn, Francis Avenue/Court and Academy and Belburn Avenues;
- Participating and attending the weekly construction meetings for the joint capital project with the City and contractor;
- Constructed a new 1-inch service upgrade for 2280 Bayview;
- Tapped the water main on El Camino Real for the new development at 640 El Camino Real; and
- Tapped a new 6-inch fire service at 400 Industrial Road.

### **Maintenance:**

- Responded to and completed 272 USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements. Last month we marked 231 locations, which was 18% more than last month and indicative of the level of effort staff has put out regularly the past couple of years to keep up with development in the community;

- Read meters in zones without AMI;
- Spent several days cleaning up around residential meter sites and painting fire hydrants;
- Collected a requisite 55 water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;
- Continued to routinely monitor water system dead-ends continued for disinfectant residual; and
- Monitored for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring. One of two tanks at the following tank sites was removed from service for maintenance work and to maintain water quality: Buckland, Exbourne and Dekoven.

#### **System Repairs:**

<b>Date</b>	<b>Location</b>	<b>Event</b>	<b>Material</b>	<b>Installation Date</b>	<b>Estimated Water Loss (Gals.)</b>
<b>No Leaks!</b>					

#### **Development:**

Staff is currently working with developers on 51 development projects:

##### **Mixed Use Commercial/Residential:**

- o 576-600 El Camino Real – Fire and domestic backflows installed, awaiting meter manifold installation;
- o 400-490 El Camino Real – Awaiting meter manifold installation;
- o 1325 Old County Rd. – Currently reviewing plans; letter of intent provided;
- o 800 Belmont Ave. – Contacted by developer tentative plans;
- o 815 Old County Rd. – Contacted by developer tentative plans; and
- o 1300 El Camino Real - Currently reviewing plans, letter of intent requested.

##### **Commercial:**

- o 539 Harbor Blvd. – Updated installation quote;
- o 1201 Shoreway Road – Domestic/Fire services installed awaiting hydrant relocation schedule;
- o 1477 El Camino Real – Currently reviewing their plans;
- o 699 Ralston Ave. – Installation complete;
- o 940 Old County Road - completed;
- o Belmont Ave Parcel APN's – (2) awaiting plans;
- o 1500 Ralston Ave. – Currently reviewing plans;
- o 2200 Carlmont Dr. – Fees paid, schedule pending;
- o 1400 Alameda de las Pulgas – Submittals approved ;
- o 400 Industrial Road – Installations complete, awaiting domestic backflow installation;
- o 2710 Ralston Ave. – Awaiting plans; and

- 617 Mountain View - Currently reviewing their plans.

**Residential/Multi-Family:**

- 1829 Oak Knoll – Installation scheduled;
- 10 Notre Dame Place – Pre-construction meeting scheduled;
- 3828 Naughton Ave - Awaiting plans;
- 1919 Oak Knoll Dr. – Currently reviewing their plans;
- 1630 Robin Whipple – Currently reviewing their plans;
- 2720 Belmont Canyon Rd - Currently reviewing their plans;
- 1922 Bayview – Completed;
- 2515 Carlmont Dr. - Currently reviewing their plans;
- 1105 Tahoe – Attended pre-construction meeting, held at the City;
- 2856 San Juan - Plans approved, fee schedule provided;
- 2009 Mezes – Currently reviewing their plans;
- 2723 Monserrat – Currently reviewing their plans;
- 796 Miramar Terrace - Currently reviewing their plans;
- 2114 Cipriani – Currently reviewing their plans;
- Bishop Road development – Payment for install, 1 of 3;
- Talbryn Dr. parcel - Developer requesting system information;
- Ralston Parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane Development- Awaiting connection fees;
- 2689 Comstock – Installed, awaiting backflow installation;
- 3918 Christian Dr. – Plans approved;
- 517 Middlesex Road - Currently reviewing their plans;
- 665 South - Currently reviewing their plans;
- 713 Alameda – Awaiting payment;
- 853 Alameda – Currently reviewing their plans;
- 857 Alameda – Currently reviewing their plans;
- 861 Alameda – Currently reviewing their plans;
- 2723 Wemberly - Currently reviewing their plans;
- 2514 Carmelita – Installation scheduled;
- 3900 Marsten – Currently reviewing their plans;
- 3405 Hillcrest - Awaiting plans;
- 1121 Notre Dame - Currently reviewing their plans; and
- 3900 Christian – Currently reviewing their plans.

**Administration:**

- Getting closer to a renewed uniform services agreement with CINTAS;
- Staff attended the second quarter Joint Water Quality meeting held by the SFPUC;
- Attended a development meeting called by the City of Belmont for a residential project on 1105 Tahoe Drive, which will consist of several custom, high-end modular units;
- Held an Operations staff meeting;



- A couple members of Operations attended a week long backflow class for certification and to potentially become an exam proctor;
- Continued to actively managing five (5) engineering design contracts related to the CIP; and
- Continued to actively manage power use during pumping operations.

## **MEMO**

**Agency:** Mid-Peninsula Water District **Date** June 20, 2018  
**Attn:** Board of Directors  
**Project Name:** Karen, Mezes, Arthur, South & Folger Water Main Improvements **Project No.** 10012.16  
**Reference:** Project Update  
**From:** Joubin Pakpour, P.E. – District Engineer

### **Construction Status**

During May, all tie-ins along Karen Road were completed and the 8-inch Fusible PVC water main is fully in service. All service connections were transferred from the old water main to the new water main and all sites were paved and prepped for slurry seal.

### **Project Schedule**

As of June 1, 2018, 8 out of 175 working days remain on the contract (110 contract days with an additional 65 days for Change Orders No.1, thru No.5), with approximately 3% of the work remaining.

Remaining work includes slurry seal and striping which will be completed in June. After street restoration, the District will walk the site along with the City of Belmont and S&G to finalize the project punchlist.

### **Change Orders**

Enclosed please find Change Order No.5 for \$6,597.70 for additional work during May 2018. Work included an unforeseen site condition, an existing service line repair and installation of an additional fire connection at Dairy Lane. The total change order as of May 31, 2018, is \$45,570.24 representing an approximate 2.2% increase over the original contract amount which is well below the industry average of 10% for underground construction.

**Request for Progress Payment No. 8**

As of May 31, 2018, S&G completed 97% of the contractual work **(\$2,028,557.24)**. Enclosed please find Progress Payment No.8 due S&G for this period for **\$200,113.70** (value of work including change order, less 5% retention). The work performed to date has been satisfactory and payment is recommended.

	Current Month	Total	
Original Contract Amount		\$ 2,055,271.00	
Approved Change Orders	\$6,597.70	\$ 45,570.24	2.2%
<b>Final Contract Amount</b>		<b>\$ 2,100,841.24</b>	
Previous Value of Work Completed		\$ 1,817,911.54	
Previously Paid		\$ 1,727,016.54	
<b>Current Request (Includes Change orders, Less Retention)</b>	<b>\$ 200,113.70</b>	<b>\$ 1,927,130.24</b>	
Retention	\$ 10,532.00	\$ 101,428.00	
Total Value of Work Completed	\$ 210,645.70	\$ 2,028,557.24	97%
Total Remaining on Contract		\$ 72,284.00	3%

**Mid-Peninsula Water District Water District  
Karen, Mezes, Arthur, South and Folger Water Main Improvements  
Project No. 10012.16**

**Change Order No. 5  
Stoloski & Gonzalez, Inc.  
June 19, 2018**

**Item No. 1 – Locating Water Main Leak at Arthur Ave, STA 17+19**

On May 10, 2018, the District requested S&G to pressure test an existing service line at 2108 Arthur Ave to locate a possible leakage. Extra work included associated downtime for pressurizing the service line and locating the leak. This work was performed on a Time and Material (Force Account) basis with the District inspector on site. The District reviewed S&G's total cost for the additional work and determined conformance with the project specifications. This extra work is per S&G's Daily Extra Work Report dated June 18, 2018.

<b>Total Cost of Item No. 1 -</b>	<b>\$ 295.00</b>
<b>Total Increase of Working Days for Item No. 1 -</b>	<b>0 Days</b>

**Item No. 2 – Fire Service at Dairy Lane, STA 10+10**

On May 17, 2018, the District requested S&G to replace the existing fire service connection at Dairy Lane. Extra work included installation of 4" fire service connection. The District reviewed S&G's total cost for the additional work and determined conformance with the project specifications. This extra work is per S&G's Daily Extra Work Report dated June 18, 2018.

<b>Total Cost of Item No. 2 -</b>	<b>\$ 2,198.24</b>
<b>Total Increase of Working Days for Item No. 2 -</b>	<b>1 Day</b>

**Item No. 3 – Concrete in Trench at Karen Road, STA 19+72**

On May 23, 2018, S&G found a concrete block in the water main trench at the intersection of Karen Road and Harbor Boulevard. Extra work included associated downtime to jackhammer and remove the existing concrete block along with a section of AC pipe. This work was performed on a Time and Material (Force Account) basis with the District inspector on site. The District reviewed S&G's total cost for the additional work and determined conformance with the project specifications. This extra work is per S&G's Daily Extra Work Report dated June 18, 2018.

<b>Total Cost of Item No. 3 -</b>	<b>\$ 4,104.46</b>
<b>Total Increase of Working Days for Item No. 3 -</b>	<b>1 Day</b>

<b>Total Cost of Change Order No. 5</b>	<b>\$ 6,597.70</b>
<b>Overall Increase of Working Days for Change Order No. 5 -</b>	<b>2 Days</b>

**Other Terms Remain in Effect**

This Change Order fully resolves all cost and time issues related to the work described above, including any indirect effects or the effect of this Change Order on any other work performed by Stoloski & Gonzalez, Inc. This Change Order does not modify or supersede any provision of the Contract, unless, and only to the extent, explicitly stated in this Change Order.

**Signature Block**

Prepared by:

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Feraydoon Jahanian-Farsi  
District Project Manager  
Pakpour Consulting Group

Reviewed and Approved by:

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Michael Anderson  
District Inspector  
Mid-Peninsula Water District

Reviewed and Approved by:

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Joubin Pakpour, P.E.  
District Engineer  
Pakpour Consulting Group

Reviewed and Approved by:

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Tammy Rudock  
General Manager  
Mid-Peninsula Water District

Reviewed and Approved by:

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Mark Stoloski  
Project Manager  
Stoloski & Gonzalez, Inc.



**Karen, Mezes, Arthur, South Folger Water Main Improvements**  
**Progress Payment No. 08**  
**Breakdown Summary**

<b>Karen Road</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$438,196.00	
Approved Change Orders	\$6,302.70	\$6,622.68	1.5%
<b>Final Contract Amount</b>		<b>\$444,818.68</b>	
Previous Value of Work Completed		\$215,297.98	
Previously Paid		\$204,532.98	
<b>Current Request (Less Retention)</b>	<b>\$198,550.70</b>	<b>\$403,083.68</b>	
Retention	\$10,450.00	\$21,215.00	
Total Value of Work Completed	\$209,000.70	\$424,298.68	95%
Total Remaining on Contract		\$20,520.00	5%

<b>Arthur Avenue</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$553,771.00	
Approved Change Orders	\$295.00	\$4,428.62	0.8%
<b>Final Contract Amount</b>		<b>\$558,199.62</b>	
Previous Value of Work Completed		\$558,883.62	
Previously Paid		\$530,939.62	
<b>Current Request (Less Retention)</b>	<b>\$1,563.00</b>	<b>\$532,502.62</b>	
Retention	\$82.00	\$28,026.00	
Total Value of Work Completed	\$1,645.00	\$560,528.62	100%
Total Remaining on Contract		-\$2,329.00	0%

<b>Folger Drive</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$461,097.00	
Approved Change Orders		\$28,671.02	6.2%
<b>Final Contract Amount</b>		<b>\$489,768.02</b>	
Previous Value of Work Completed		\$464,680.02	
Previously Paid		\$441,446.02	
<b>Current Request (Less Retention)</b>	<b>\$0.00</b>	<b>\$441,446.02</b>	
Retention	\$0.00	\$23,234.00	
Total Value of Work Completed	\$0.00	\$464,680.02	95%
Total Remaining on Contract		\$25,088.00	5%

<b>Mezes Avenue</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$235,278.00	
Approved Change Orders	\$0.00	\$4,505.24	1.9%
<b>Final Contract Amount</b>		<b>\$239,783.24</b>	
Previous Value of Work Completed		\$232,031.24	
Previously Paid		\$220,429.24	
<b>Current Request (Less Retention)</b>	<b>\$0.00</b>	<b>\$220,429.24</b>	
Retention	\$0.00	\$11,602.00	
Total Value of Work Completed	\$0.00	\$232,031.24	97%
Total Remaining on Contract		\$7,752.00	3%

<b>South Road</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$366,929.00	
Approved Change Orders	\$0.00	\$1,342.68	0.4%
<b>Final Contract Amount</b>		<b>\$368,271.68</b>	
Previous Value of Work Completed		\$347,018.68	
Previously Paid		\$329,667.68	
<b>Current Request (Less Retention)</b>	<b>\$0.00</b>	<b>\$329,667.68</b>	
Retention	\$0.00	\$17,351.00	
Total Value of Work Completed	\$0.00	\$347,018.68	94%
Total Remaining on Contract		\$21,253.00	6%

<b>Total (All Projects)</b>	<b>Current</b>	<b>Total</b>	
Original Contract Amount		\$2,055,271.00	
Approved Change Orders	\$6,597.70	\$45,570.24	2.2%
<b>Final Contract Amount</b>		<b>\$2,100,841.24</b>	
Previous Value of Work Completed		\$1,817,911.54	
Previously Paid		\$1,727,016.54	
<b>Current Request (Less Retention)</b>	<b>\$200,113.70</b>	<b>\$1,927,130.24</b>	
Retention	\$10,532.00	\$101,428.00	
Total Value of Work Completed	\$210,645.70	\$2,028,557.24	97%
Total Remaining on Contract		\$72,284.00	3%

Bid	Description	Original Contract Amount				Change Order			Revised Contract Amount			Earned This Period			Prior Billing			Total to Date		
	Original Contract	Unit	Unit Price	Qty.	Total Price	Qty.	Unit Price	Total Price	Qty.	Unit Price	Total Price	Qty.	Amount Earned	%	Qty.	Amount Earned	%	Qty.	Amount Earned	%
1	8" Fusible C900 PVC	LF	\$ 203	972	\$ 197,316.00	0	\$ 203	\$ -	972	\$ 203.00	\$ 197,316.00	64	\$ 12,992.00	7%	926	\$ 187,978.00	95%	990	\$ 200,970.00	102%
2	8-inch Class 350 DIP	LF	\$ 309	1,563	\$ 482,967.00	0	\$ 309	\$ -	1,563	\$ 309.00	\$ 482,967.00	0	\$ -	0%	1633	\$ 504,597.00	104%	1633	\$ 504,597.00	104%
3	10-inch Class 350 DIP	LF	\$ 336	785	\$ 263,760.00	0	\$ 336	\$ -	785	\$ 336.00	\$ 263,760.00	0	\$ -	0%	794	\$ 266,784.00	101%	794	\$ 266,784.00	101%
4	Dairy Lane - Fire Service Tie-in at Sta. 10+00 (Detail A)	LS	\$ 6,500	1	\$ 6,500.00	0	\$ 6,500	\$ -	1	\$ 6,500.00	\$ 6,500.00	1	\$ 6,500.00	100%	0	\$ -	0%	1	\$ 6,500.00	100%
5	Karen Road/O'Neill Avenue - Tie-in to 8" PVC at Sta. 11+79 (Detail B)	LS	\$ 8,500	1	\$ 8,500.00	0	\$ 8,500	\$ -	1	\$ 8,500.00	\$ 8,500.00	1	\$ 8,500.00	100%	0	\$ -	0%	1	\$ 8,500.00	100%
6	Karen Road/O'Neill Avenue - Tie-in to 12" ACP at Sta. 12+12 (Detail C)	LS	\$ 6,500	1	\$ 6,500.00	0	\$ 6,500	\$ -	1	\$ 6,500.00	\$ 6,500.00	1	\$ 6,500.00	100%	0	\$ -	0%	1	\$ 6,500.00	100%
7	Karen Road - Fire Service Tie-in at Sta. 13+97	LS	\$ 7,000	1	\$ 7,000.00	0	\$ 7,000	\$ -	1	\$ 7,000.00	\$ 7,000.00	1	\$ 7,000.00	100%	0	\$ -	0%	1	\$ 7,000.00	100%
8	Karen Road/Harbor Blvd - Tie-in to 12" ACP at Sta. 19+72 (Detail D)	LS	\$ 19,000	1	\$ 19,000.00	0	\$ 19,000	\$ -	1	\$ 19,000.00	\$ 19,000.00	1	\$ 19,000.00	100%	0	\$ -	0%	1	\$ 19,000.00	100%
9	Mezes Avenue - Tie-in to 6" CIP, Sta. 10+00 to 10+15 (Detail E)	LS	\$ 12,000	1	\$ 12,000.00	0	\$ 12,000	\$ -	1	\$ 12,000.00	\$ 12,000.00	0	\$ -	0%	1	\$ 12,000.00	100%	1	\$ 12,000.00	100%
10	Mezes Avenue - Tie-in to 6" CIP, Sta. 13+45 to 13+55 (Detail F)	LS	\$ 10,500	1	\$ 10,500.00	0	\$ 10,500	\$ -	1	\$ 10,500.00	\$ 10,500.00	0	\$ -	0%	1	\$ 10,500.00	100%	1	\$ 10,500.00	100%
11	Mezes Avenue/Lyon Avenue - Tie-in to 4" PVC, Sta. 20+59 to 20+88 (Detail G)	LS	\$ 23,000	1	\$ 23,000.00	0	\$ 23,000	\$ -	1	\$ 23,000.00	\$ 23,000.00	0	\$ -	0%	1	\$ 23,000.00	100%	1	\$ 23,000.00	100%
12	Arthur Avenue - Tie-in to 8" CIP, Sta. 10+00 to 10+10 (Detail H)	LS	\$ 10,900	1	\$ 10,900.00	0	\$ 10,900	\$ -	1	\$ 10,900.00	\$ 10,900.00	0	\$ -	0%	1	\$ 10,900.00	100%	1	\$ 10,900.00	100%
13	Arthur Avenue/Coronet Blvd - Tie-in to 8" CIP at Sta. 10+54 (Detail I)	LS	\$ 15,600	1	\$ 15,600.00	0	\$ 15,600	\$ -	1	\$ 15,600.00	\$ 15,600.00	0	\$ -	0%	1	\$ 15,600.00	100%	1	\$ 15,600.00	100%
14	Arthur Avenue/Covington Road - 6" DIP Modification (Detail J)	LS	\$ 12,700	1	\$ 12,700.00	0	\$ 12,700	\$ -	1	\$ 12,700.00	\$ 12,700.00	0	\$ -	0%	1	\$ 12,700.00	100%	1	\$ 12,700.00	100%
15	Arthur Avenue/Alameda de las Pulgas - Tie-in to 8" CIP at Sta. 20+93 (Detail K)	LS	\$ 16,000	1	\$ 16,000.00	0	\$ 16,000	\$ -	1	\$ 16,000.00	\$ 16,000.00	0	\$ -	0%	1	\$ 16,000.00	100%	1	\$ 16,000.00	100%
16	Middle Road/Notre Dame Avenue - 6"/8" CIP Tie-ins (Detail L)	LS	\$ 29,000	1	\$ 29,000.00	0	\$ 29,000	\$ -	1	\$ 29,000.00	\$ 29,000.00	0	\$ -	0%	1	\$ 29,000.00	100%	1	\$ 29,000.00	100%
17	South Road/Middle Road - 6" CIP Tie-in (Detail M)	LS	\$ 32,000	1	\$ 32,000.00	0	\$ 32,000	\$ -	1	\$ 32,000.00	\$ 32,000.00	0	\$ -	0%	1	\$ 32,000.00	100%	1	\$ 32,000.00	100%
18	South Road/Debbie Lane - 6" CIP Tie-in (Detail N)	LS	\$ 35,400	1	\$ 35,400.00	0	\$ 35,400	\$ -	1	\$ 35,400.00	\$ 35,400.00	0	\$ -	0%	1	\$ 35,400.00	100%	1	\$ 35,400.00	100%
19	South Road/Hainline Drive - 4" CIP Tie-in (Detail O)	LS	\$ 21,000	1	\$ 21,000.00	0	\$ 21,000	\$ -	1	\$ 21,000.00	\$ 21,000.00	0	\$ -	0%	1	\$ 21,000.00	100%	1	\$ 21,000.00	100%
20	South Road/Korbel Way - 4" CIP Tie-in (Detail P)	LS	\$ 18,000	1	\$ 18,000.00	0	\$ 18,000	\$ -	1	\$ 18,000.00	\$ 18,000.00	0	\$ -	0%	1	\$ 18,000.00	100%	1	\$ 18,000.00	100%
21	South Road Vannier Drive - 4" CIP Tie-in (Detail Q)	LS	\$ 18,500	1	\$ 18,500.00	0	\$ 18,500	\$ -	1	\$ 18,500.00	\$ 18,500.00	0	\$ -	0%	1	\$ 18,500.00	100%	1	\$ 18,500.00	100%
22	South Road/College View Way - 8" ACP Tie-in (Detail R)	LS	\$ 22,000	1	\$ 22,000.00	0	\$ 22,000	\$ -	1	\$ 22,000.00	\$ 22,000.00	0	\$ -	0%	1	\$ 22,000.00	100%	1	\$ 22,000.00	100%
23	Folger Drive - Tie-in to 10" DIP, Sta: 10+00 to 10+10 (Detail S)	LS	\$ 6,000	1	\$ 6,000.00	0	\$ 6,000	\$ -	1	\$ 6,000.00	\$ 6,000.00	0	\$ -	0%	1	\$ 6,000.00	100%	1	\$ 6,000.00	100%
24	Folger Drive/Notre Dame Avenue - Tie-in to 6" CIP, Sta. 17+95 to 18+00 (Detail T)	LS	\$ 7,000	1	\$ 7,000.00	0	\$ 7,000	\$ -	1	\$ 7,000.00	\$ 7,000.00	0	\$ -	0%	1	\$ 7,000.00	100%	1	\$ 7,000.00	100%
25	10" Gate Valve	EA	\$ 3,600	5	\$ 18,000.00	0	\$ 3,600	\$ -	5	\$ 3,600.00	\$ 18,000.00	0	\$ -	0%	5	\$ 18,000.00	100%	5	\$ 18,000.00	100%
26	8" Gate Valve	EA	\$ 2,500	42	\$ 105,000.00	0	\$ 2,500	\$ -	42	\$ 2,500.00	\$ 105,000.00	5	\$ 12,500.00	12%	38	\$ 95,000.00	90%	43	\$ 107,500.00	102%
27	8" Fire Service Connection (Assembly)	EA	\$ 17,500	1	\$ 17,500.00	0	\$ 17,500	\$ -	1	\$ 17,500.00	\$ 17,500.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
28	6" Fire Hydrant Assembly	EA	\$ 12,500	12	\$ 150,000.00	0	\$ 12,500	\$ -	12	\$ 12,500.00	\$ 150,000.00	2	\$ 25,000.00	17%	10	\$ 125,000.00	83%	12	\$ 150,000.00	100%
29	Fire Hydrant Bollard	EA	\$ 400	20	\$ 8,000.00	0	\$ 400	\$ -	20	\$ 400.00	\$ 8,000.00	0	\$ -	0%	4	\$ 1,600.00	20%	4	\$ 1,600.00	20%
30	Fire Hydrant Retaining Wall	EA	\$ 3,900	1	\$ 3,900.00	0	\$ 3,900	\$ -	1	\$ 3,900.00	\$ 3,900.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
31	2" Blow-Off Assembly	EA	\$ 4,200	1	\$ 4,200.00	0	\$ 4,200	\$ -	1	\$ 4,200.00	\$ 4,200.00	1	\$ 4,200.00	100%	0	\$ -	0%	1	\$ 4,200.00	100%
32	1" Combination Air Valve	EA	\$ 3,100	1	\$ 3,100.00	0	\$ 3,100	\$ -	1	\$ 3,100.00	\$ 3,100.00	0	\$ -	0%	3	\$ 9,300.00	300%	3	\$ 9,300.00	300%
33	8" PRV Station	LS	\$ 31,000	1	\$ 31,000.00	0	\$ 31,000	\$ -	1	\$ 31,000.00	\$ 31,000.00	0	\$ -	0%	1	\$ 31,000.00	100%	1	\$ 31,000.00	100%

Bid	Description	Original Contract Amount				Change Order			Revised Contract Amount			Earned This Period			Prior Billing			Total to Date		
Item	Original Contract	Unit	Unit Price	Qty.	Total Price	Qty.	Unit Price	Total Price	Qty.	Unit Price	Total Price	Qty.	Amount Earned	%	Qty.	Amount Earned	%	Qty.	Amount Earned	%
34	Anode Test Station	EA	\$ 1,400	11	\$ 15,400.00	0	\$ 1,400	\$ -	11	\$ 1,400.00	\$ 15,400.00	12	\$ 16,800.00	109%	0	\$ -	0%	12	\$ 16,800.00	109%
35	2" Service Connection to Existing Meter	EA	\$ 3,700	1	\$ 3,700.00	0	\$ 3,700	\$ -	1	\$ 3,700.00	\$ 3,700.00	1	\$ 3,700.00	100%	0	\$ -	0%	1	\$ 3,700.00	100%
36	1.5" Service Connection	EA	\$ 3,500	1	\$ 3,500.00	0	\$ 3,500	\$ -	1	\$ 3,500.00	\$ 3,500.00	1	\$ 3,500.00	100%	0	\$ -	0%	1	\$ 3,500.00	100%
37	1" Service Connection with 2" Service line	EA	\$ 3,200	1	\$ 3,200.00	0	\$ 3,200	\$ -	1	\$ 3,200.00	\$ 3,200.00	1	\$ 3,200.00	100%	0	\$ -	0%	1	\$ 3,200.00	100%
38	1" or 5/8" Service Connection	EA	\$ 3,100	68	\$ 210,800.00	0	\$ 3,100	\$ -	68	\$ 3,100.00	\$ 210,800.00	8	\$ 24,800.00	12%	58	\$ 179,800.00	85%	66	\$ 204,600.00	97%
39	Residential PRV	EA	\$ 400	3	\$ 1,200.00	0	\$ 400	\$ -	3	\$ 400.00	\$ 1,200.00	0	\$ -	0%	3	\$ 1,200.00	100%	3	\$ 1,200.00	100%
40	Service Meter Retaining Wall	EA	\$ 1,100	5	\$ 5,500.00	0	\$ 1,100	\$ -	5	\$ 1,100.00	\$ 5,500.00	0	\$ -	0%	5	\$ 5,500.00	100%	5	\$ 5,500.00	100%
41	Abandon Existing Fire Hydrant Assembly	EA	\$ 800	7	\$ 5,600.00	0	\$ 800	\$ -	7	\$ 800.00	\$ 5,600.00	1	\$ 800.00	14%	5	\$ 4,000.00	71%	6	\$ 4,800.00	86%
42	Abandon Existing Gate Valve/Blow-Off	EA	\$ 450	25	\$ 11,250.00	0	\$ 450	\$ -	25	\$ 450.00	\$ 11,250.00	5	\$ 2,250.00	20%	21	\$ 9,450.00	84%	26	\$ 11,700.00	104%
43	Traffic Striping and Markings	LS	\$ 25,000	1	\$ 25,000.00	0	\$ 25,000	\$ -	1	\$ 25,000.00	\$ 25,000.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
44	Type II Slurry Seal	SF	\$ 0.39	120,200	\$ 46,878.00	0	\$ 0.39	\$ -	120,200	\$ 0.39	\$ 46,878.00	0	\$ -	0%	0	\$ -	0%	0	\$ -	0%
45	4" Deeplift Pavement Repair at Karen Road	SF	\$ 12	2,900	\$ 34,800.00	0	\$ 12	\$ -	2,900	\$ 12.00	\$ 34,800.00	3188	\$ 38,256.00	110%	590	\$ 7,080.00	20%	3778	\$ 45,336.00	130%
46	Traffic Control	LS	\$ 45,000	1	\$ 45,000.00	0	\$ 45,000	\$ -	1.00	\$ 45,000.00	\$ 45,000.00	0.15	\$ 6,750.00	15%	0.85	\$ 38,250.00	85%	1	\$ 45,000.00	100%
47	Street Sweeping	EA	\$ 600	36	\$ 21,600.00	0	\$ 600	\$ -	36	\$ 600.00	\$ 21,600.00	3	\$ 1,800.00	8%	8	\$ 4,800.00	22%	11	\$ 6,600.00	31%
	Change Order No.1 (November 1, 2017 thru December 31, 2017)					1	\$ 23,716.83	\$ 23,716.83	1	\$ 23,716.83	\$ 23,716.83	0	\$ -	0%	1	\$ 23,716.83	100%	1	\$ 23,716.83	100%
	Change Order No.2 (January 1, 2018 thru February 28, 2018)					1	\$ 10,802.11	\$ 10,802.11	1	\$ 10,802.11	\$ 10,802.11	0	\$ -	0%	1	\$ 10,802.11	100%	1	\$ 10,802.11	100%
	Change Order No.3 (March 1, 2018 thru March 31, 2018)					1	\$ -	\$ -	1	\$ -	\$ -	0	\$ -	0%	1	\$ -	0%	1	\$ -	0%
	Change Order No.4 (March 1, 2018 thru April 30, 2018)					1	\$ 4,453.60	\$ 4,453.60	1	\$ 4,453.60	\$ 4,453.60	0	\$ -	0%	1	\$ 4,453.60	100%	1	\$ 4,453.60	100%
	Change Order No.4 (May 1, 2018 thru May 31, 2018)					1	\$ 6,597.70	\$ 6,597.70	1	\$ 6,597.70	\$ 6,597.70	1	\$ 6,597.70	100%	0	\$ -	0%	1	\$ 6,597.70	100%
	Contract Amount				\$2,055,271.00			\$45,570.24			\$2,100,841.24									
	Amount Earned												\$210,645.70	10%		\$1,817,911.54	87%		\$2,028,557.24	97%
	Retention (5%)												(\$10,532.00)			(\$90,896.00)			(\$101,428.00)	
	Progress Payment No.1																		(\$135,090.00)	
	Progress Payment No.2																		(\$220,599.00)	
	Progress Payment No.3																		(\$260,757.00)	
	Progress Payment No.4																		(\$142,355.83)	
	Progress Payment No.5																		(\$231,222.11)	
	Progress Payment No.6																		(\$361,921.00)	
	Progress Payment No.7																		(\$375,070.60)	
	Amount Due												\$200,113.70						\$200,113.70	
	Amount Remaining on Contract																		\$72,284.00	3%

Prepared By  
Joubin Pakpour, P.E.  
District Engineer

Amount Remaining on Contract	\$72,284.00	3%
Total Retention Being Held	\$101,428.00	



**Karen, Mezes, Arthur, South & Folger Water Main Improvements  
Mid-Peninsula Water District, Belmont, CA  
May 1, 2018 Thru May 31, 2018**





**Karen, Mezes, Arthur, South & Folger Water Main Improvements**  
**Mid-Peninsula Water District, Belmont, CA**  
**May 1, 2018 Thru May 31, 2018**



May 05, 2018 – Paving (Karen Road)



May 05, 2018 – Paving (Karen Road)



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

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUALS 7/1/2017 5/31/18	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.8%
				Y-T-D % OF BUDGET
<b>OPERATING REVENUE</b>				
WATER COMMODITY CHARGES	8,700,000	8,619,160	80,840	99.1%
FIXED SYSTEM CHARGES	2,663,720	2,435,651	228,069	91.4%
FIRE SERVICE CHARGES	14,000	13,966	34	99.8%
SERVICE LINE & INSTALLATION CHARGES	10,000	76,762	(66,762)	767.6%
MISCELLANEOUS OPERATING	10,000	63,364	(53,364)	633.6%
PROPERTY TAX REVENUE	260,000	302,595	(42,595)	116.4%
<b>TOTAL OPERATING REVENUE</b>	<b>11,657,720</b>	<b>11,511,499</b>	<b>146,221</b>	98.7%
WATER SYSTEM CAPACITY CHARGES	200,000	283,109	(83,109)	141.6%
WATER DEMAND OFFSET CHARGES	10,000	33,899	(23,899)	339.0%
MISCELLANEOUS NON-OPERATING	10,000	120,090	(110,090)	1200.9%
INTEREST REVENUE - LAIF	40,000	64,898	(24,898)	162.2%
INTEREST REVENUE - COP	150,000	176,975	(26,975)	118.0%
LEASE OF PHYSICAL PROPERTY	150,000	140,048	9,952	93.4%
LANDSCAPE PERMIT REVENUE	11,200	17,000	(5,800)	151.8%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>571,200</b>	<b>836,019</b>	<b>(264,819)</b>	146.4%
<b>TOTAL REVENUE</b>	<b>12,228,920</b>	<b>12,347,518</b>	<b>(118,598)</b>	101.0%
<b>OPERATING EXPENDITURES (OP EXP)</b>				
SALARIES & WAGES	1,893,566	1,554,913	338,653	82.1%
PAYROLL TAXES & BENEFITS	1,084,880	826,051	258,829	76.1%
PURCHASED WATER	5,554,624	5,040,098	514,526	90.7%
OUTREACH & EDUCATION	92,400	49,677	42,723	53.8%
M&R - OPS SYSTEM	486,598	507,907	(21,309)	104.4%
M&R - FACILITIES & EQUIPMENT	166,860	125,444	41,416	75.2%
MAJOR MAINTENANCE	30,000	12,376	17,624	41.3%
OFFICE SUPPLIES & EQUIPMENT	317,278	240,964	76,314	75.9%
MEMBERSHIP & GOV FEES	208,613	205,929	2,684	98.7%
BAD DEBT & CLAIMS	17,000	(3,800)	20,800	-22.4%
UTILITIES	306,200	226,986	79,214	74.1%
PROFESSIONAL SERVICES	406,450	372,484	33,966	91.6%
TRAINING/TRAVEL & RECRUITMENT	45,000	36,188	8,812	80.4%
RESTRICTED EARNINGS	216,000	241,873	(25,873)	112.0%
DEBT SERVICE TRUSTEE FEES & EXPENSES	-	1,700	(1,700)	N/A
DEBT SERVICE 2016 COPs	984,950	961,310	23,640	97.6%
<b>TOTAL OP EXP LESS DEPRECIATION (DEPREC)</b>	<b>11,810,419</b>	<b>10,400,100</b>	<b>1,410,319</b>	88.1%
<b>TOTAL OP REVENUE LESS OP EXP &amp; DEPREC</b>	<b>418,501</b>	<b>1,947,419</b>	<b>(1,528,918)</b>	465.3%
DEPRECIATION	900,000	801,427	98,573	89.0%
<b>TOTAL OP REVENUE LESS OP EXP</b>	<b>(481,499)</b>	<b>1,145,991</b>	<b>(1,627,490)</b>	-238.0%
<b>NET TRANSFERS TO CAPITAL</b>	<b>481,499</b>	<b>(1,145,991)</b>	<b>1,627,490</b>	-238.0%
<b>NET RESULTS OF OPERATIONS</b>	<b>119</b>	<b>-</b>	<b>-</b>	

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 5/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD %
					91.8% Y-T-D % OF BUDGET
4010	Water Commodity Charges (A)	8,700,000	8,619,160	80,840	99.1%
4020	Fixed System Charges	2,663,720	2,435,651	228,069	91.4%
4030	Fire Service Charges	14,000	13,966	34	99.8%
4050	Service Line & Installation Charges (B)	10,000	76,762	(66,762)	767.6%
4080	Miscellaneous Operating (C)	10,000	63,364	(53,364)	633.6%
<b>4000</b>	<b>TOTAL WATER CHARGES</b>	<b>11,397,720</b>	<b>11,208,904</b>	<b>188,816</b>	<b>98.3%</b>
4202	Property Tax Revenue (D)	260,000	302,595	(42,595)	116.4%
<b>4200</b>	<b>OTHER OPERATING REVENUE</b>	<b>260,000</b>	<b>302,595</b>	<b>(42,595)</b>	<b>116.4%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>11,657,720</b>	<b>11,511,499</b>	<b>146,221</b>	<b>98.7%</b>
4060	Water System Capacity Charges (E)	200,000	283,109	(83,109)	141.6%
4070	Water Demand Offset Charges (E)	10,000	33,899	(23,899)	339.0%
4090	Miscellaneous - Non Operating (F)	10,000	120,090	(110,090)	1200.9%
4102	Interest Revenue- LAIF (G)	40,000	64,898	(24,898)	162.2%
4103	Interest Revenue-COP Funds (G)	150,000	176,975	(26,975)	118.0%
<b>4100</b>	<b>INTEREST REVENUE</b>	<b>190,000</b>	<b>241,873</b>	<b>(51,873)</b>	<b>127.3%</b>
4201	Lease of Physical Property	150,000	140,048	9,952	93.4%
4208	Landscape Plan Permit Review (H)	11,200	17,000	(5,800)	151.8%
<b>4200</b>	<b>OTHER NON-OPERATING REVENUE</b>	<b>161,200</b>	<b>157,048</b>	<b>4,152</b>	<b>97.4%</b>
<b>4000</b>	<b>TOTAL NON-OPERATING REVENUE</b>	<b>571,200</b>	<b>836,019</b>	<b>(264,819)</b>	<b>146.4%</b>
	<b>TOTAL OPERATING &amp; NON-OP REVENUE</b>	<b>12,228,920</b>	<b>12,347,518</b>	<b>(118,598)</b>	<b>101.0%</b>
6011	Salaries & Wages	1,822,566	1,483,249	339,317	81.4%
6012	Director Compensation	11,000	7,800	3,200	70.9%
<b>6010</b>	<b>GROSS REGULAR WAGES</b>	<b>1,833,566</b>	<b>1,491,049</b>	<b>342,517</b>	<b>81.3%</b>
6017	CAPITAL SALARY & WAGES reversed	-	-	-	
6021	Overtime Labor (I)	30,000	30,013	(13)	100.0%
6022	Standby Labor (I)	30,000	33,852	(3,852)	112.8%
<b>6020</b>	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>1,893,566</b>	<b>1,554,913</b>	<b>338,653</b>	<b>82.1%</b>
6031	FICA/Medicare PR Tax	125,000	102,744	22,256	82.2%
6038	ACWA Health Care	329,600	297,037	32,563	90.1%
6039	ACWA Dental	25,000	23,070	1,930	92.3%
6040	ACWA Vision	4,481	4,031	450	90.0%
6041	ACWA Life/AD&D	4,326	3,864	462	89.3%
6042	Standard LDL/SDL Disability	10,000	9,185	815	91.9%
6043	Workers' Comp Insurance	40,000	30,358	9,642	75.9%
6044	Unemployment	120 1,030	-	1,030	NA

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

					Target YTD % 91.8%
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 5/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6045	CALPERS Retirement - ER 2%@55	275,000	224,286	50,714	81.6%
6046	Retirees' ACWA Health Care	57,680	55,918	1,762	96.9%
6047	Directors' ACWA Health Care	111,240	108,379	2,861	97.4%
6049	Medical Reimbursement	1,030	501	529	48.6%
6050	Employee Service Recognition (J)	10,000	12,660	(2,660)	126.6%
6051	Safety Incentive Program	15,000	5,177	9,823	34.5%
6052	Uniforms	25,493	24,753	740	97.1%
6053	PARS OPEB Expense (K)	50,000	123,848	(73,848)	247.7%
6030	<b>TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,084,880</b>	<b>1,025,810</b>	<b>59,070</b>	94.6%
6054	<b>CAPITAL PAYROLL, TAXES &amp; BENEFITS</b>		(199,759)	199,759	N/A
6000	<b>PERSONNEL COSTS</b>	<b>2,978,446</b>	<b>2,380,964</b>	<b>597,482</b>	79.9%
6101	SFPUC Treated Water (A)	5,000,000	4,519,996	480,004	90.4%
6102	BAWSCA (Debt Service Surcharges)	476,000	448,360	27,640	94.2%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	78,624	71,742	6,882	N/A
6100	<b>PURCHASED WATER</b>	<b>5,554,624</b>	<b>5,040,098</b>	<b>514,526</b>	90.7%
6301	Water Conservation Program	7,200	4,694	2,506	65.2%
6302	School Conservation Program (L)	7,200	22,827	(15,627)	317.0%
6303	Public Outreach & Education	15,000	5,437	9,564	36.2%
6305	HET Rebates	19,750	7,982	11,768	40.4%
6306	Washing Machine Rebates	-	-	-	NA
6307	Lawn-Be-Gone Rebates	38,100	8,523	29,577	22.4%
6308	Rain Barrel Rebates	5,150	215	4,935	4.2%
6304	<b>TOTAL WATER CONSERVATION REBATES</b>	<b>63,000</b>	<b>16,720</b>	<b>46,280</b>	26.5%
6300	<b>OUTREACH/EDUCATION</b>	<b>92,400</b>	<b>49,677</b>	<b>42,723</b>	53.8%
6401	Water Quality	69,010	23,842	45,168	34.5%
6402	Pumping	65,148	21,087	44,061	32.4%
6403	Storage Tanks	10,300	744	9,556	7.2%
6404	Mains/Distribution (M)	200,000	380,597	(180,597)	190.3%
6405	Meters & Service	30,900	6,794	24,106	22.0%
6406	Fire Hydrants	31,930	30,484	1,446	95.5%
6407	Regulator Stations	6,180	5,862	318	94.9%
6408	Safety	32,960	25,100	7,860	76.2%
6409	SCADA Maintenance	15,450	11,392	4,058	73.7%
6410	Generator Maintenance	24,720	2,005	22,715	8.1%
6400	<b>M&amp;R - OPS SYSTEMS</b>	<b>486,598</b>	<b>507,907</b>	<b>(21,309)</b>	104.4%
6501	M&R-Buildings&Grounds	95,790	70,857	24,933	74.0%
6502	M&R- Equipment&Tools	21,630	16,383	5,247	75.7%
6503	M&R- Vehicles & Large Equipment	19,570	18,113	1,457	92.6%
6504	M&R - Fuel	29,870	20,091	9,779	67.3%
6500	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	121 166,860	125,444	41,416	75.2%

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 5/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.8%
					Y-T-D % OF BUDGET
6601	Cathodic Protection Survey		(1,424)	1,424	NA
6602	Leak Detection Survey	30,000	13,800	16,200	NA
6600	<b>MAJOR MAINTENANCE</b>	<b>30,000</b>	<b>12,376</b>	<b>17,624</b>	41.3%
6701	Office Supplies	15,450	5,530	9,920	35.8%
6702	Insurance- Liability/Vehicles	80,000	66,641	13,359	83.3%
6703	Postage	8,240	2,486	5,754	30.2%
6704	Printing/Printing Supplies	10,000	8,141	1,859	81.4%
6705	Equipment Services/Maintenance	20,000	12,663	7,337	63.3%
6706	Computer Supplies & Upgrades	32,000	15,223	16,777	47.6%
6707	Security & Safety	11,073	5,047	6,026	45.6%
6708	Other Fees	515	-	515	NA
6709	Customer Credit Card Svs Fees	140,000	125,233	14,767	89.5%
6700	<b>OFFICE SUPPLIES &amp; EQUIP</b>	<b>317,278</b>	<b>240,964</b>	<b>76,314</b>	75.9%
6801	Dues & Publications (N)	30,685	34,259	(3,574)	111.6%
6802	Gov't Fees & Licenses	29,848	24,246	5,602	81.2%
6803	BAWSCA Membership Assessments	76,000	48,403	27,597	63.7%
6804	Env Health - Cross Connection Inspection	31,930	29,975	1,955	93.9%
6805	Software License (O)	40,150	69,047	(28,897)	172.0%
6800	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>208,613</b>	<b>205,929</b>	<b>2,684</b>	98.7%
6901	Bad Debt (P)	7,000	(3,427)	10,427	-49.0%
6902	Claims (O)	10,000	(373)	10,373	-3.7%
6900	<b>BAD DEBT &amp; CLAIMS</b>	<b>17,000</b>	<b>(3,800)</b>	<b>20,800</b>	-22.4%
7001	Utilities-Internet/Cable	10,000	6,863	3,137	68.6%
7002	Utilities-Cellular Telephones	12,206	9,888	2,318	81.0%
7003	Utilities-Electric-Pumping	226,600	161,489	65,111	71.3%
7004	Utilities-Electric-Bldgs&Grounds	24,720	21,354	3,366	86.4%
7005	Utilities-Telephones	25,000	21,646	3,354	86.6%
7006	Utilities-Sewer - NPDES	7,674	5,746	1,928	74.9%
7000	<b>UTILITIES</b>	<b>306,200</b>	<b>226,986</b>	<b>79,214</b>	74.1%
7101	Prof Serv - District Counsel	75,000	63,838	11,163	85.1%
7102	Prof Serv - District Engineer (C)	65,000	67,179	(2,179)	103.4%
7103	Prof Serv - IT	19,750	18,270	1,480	92.5%
7104	Prof Serv- Annual Finance Audit	19,000	19,050	(50)	100.3%
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll	21,750	14,850	6,900	68.3%
7107	Prof Serv- Customer Billing	72,250	58,309	13,941	80.7%
7109	Prof Serv - Answering Svs	5,000	3,091	1,909	61.8%
7110	Prof Serv - Miscellaneous	125,000	126,097	(1,097)	100.9%
7111	Prof Serv - District Treasurer	3,700	1,800	1,900	48.6%
7100	<b>PROFESSIONAL SERVICES</b>	122 406,450	372,484	33,966	91.6%

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

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 5/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.8%
					Y-T-D % OF BUDGET
7201	Director Travel (R)	5,000	5,602	(602)	112.0%
7202	Director Expense	1,000	-	1,000	NA
7203	Elections	-	-	-	NA
7204	Employee Travel/Training	32,000	26,926	5,074	84.1%
7205	Meetings Expense	7,000	3,660	3,340	52.3%
7200	<b>TRAINING &amp; TRAVEL</b>	<b>45,000</b>	<b>36,188</b>	<b>8,812</b>	<b>80.4%</b>
7302	Restricted Earnings Expense - Interest LAIF & COP (G)	216,000	241,873	(25,873)	112.0%
7300	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>216,000</b>	<b>241,873</b>	<b>(25,873)</b>	<b>112.0%</b>
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	-	-	-	NA
8000	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
9010	<b>DEPRECIATION</b>	<b>900,000</b>	<b>801,427</b>	<b>98,573</b>	<b>89.0%</b>
9011	<b>DEBT SERVICE TRUSTEE FEES &amp; EXPENSES</b>	<b>-</b>	<b>1,700</b>	<b>(1,700)</b>	<b>NA</b>
9012	<b>DEBT SERVICE 2017-2018 COPs (S)</b>	<b>984,950</b>	<b>961,310</b>	<b>23,640</b>	<b>97.6%</b>
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>9,731,973</b>	<b>8,820,562</b>	<b>911,411</b>	<b>90.6%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>12,710,419</b>	<b>11,201,527</b>	<b>1,508,892</b>	<b>88.1%</b>
<b>NET OPERATING SURPLUS/(LOSS)</b>					
<b>TRANSFER TO CAPITAL</b>		<b>(481,499)</b>	<b>1,145,991</b>	<b>(1,627,490)</b>	<b>-238.0%</b>

- (A) Water revenues are at 90.6% and water purchases are at 82.6%. Water revenues is a preliminary number. Revenue does not include the second half of the month.
- (B) Nine (9) meter upgrades & new services closed & revenue recognized accordingly.
- (C) BAWSCA Reimbursements and also Pakpour expenses related to Fire flow tests totaing \$7,308, but there is Misc Income totaling \$7,308 to balance out the expense.
- (D) Receive property tax revenue in Dec 2017 & April 2018
- (E) New Service Installations fees recognized for eight (10) projects.
- (F) Vehicle Damage Reimbursements, Fire Inspection Fees balanced by District Engineering expense, Revenue from vehicle charges on projects,
- (G) LAIF and COP funds generating more interest revenue than expected.
- (H) Plan review revenue for two (2) projects totaling \$10,000 & Landscape review revenue for five (5) projects totaling \$2,000.
- (I) Change in reporting when Comp Time is used.
- (J) Employee appreciation dinner totaling \$5,626.
- (K) PARS expense accrued for month until funding is put in place.
- (L) Water education kit purchased from BAWSCA totaling \$2,611.
- (M) More than expected main breaks occurred: Half Moon Paving & Grading costs total \$222,422.
- (N) Golden State dues totaling \$2,318 and CSDA 2017 Membership dues paid totaing \$570.
- (O) Accela (Springbrook) software license from prior year recognized this year \$15,713.92. This year's license is \$2619/month.
- (P) Reversing Bad Debt sent to collections 4 years ago.
- (Q) Insurance Reimbursement for Claim paid totaling \$6,812.
- (R) ACWA conference totaled \$2,863.
- (S) This includes both interest and principal paid on debt.



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

	Jul 17 - May 18	Jul 16 - May 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
OPERATING REVENUE	11,646,001.73	10,226,867.67	1,419,134.06	13.88%
INTEREST INCOME	241,873.06	40,666.29	201,206.77	494.78%
OTHER INCOME	459,643.27	451,129.21	8,514.06	1.89%
Total Income	12,347,518.06	10,718,663.17	1,628,854.89	15.2%
Expense				
PERSONNEL COSTS	2,380,964.39	2,458,239.86	-77,275.47	-3.14%
PURCHASED WATER	5,040,097.80	4,625,128.53	414,969.27	8.97%
OUTREACH/EDUCATION	49,677.10	31,636.06	18,041.04	57.03%
M&4 - OPS SYSTEMS	507,906.87	243,562.30	264,344.57	108.53%
FACILITIES & EQUIPMENT	125,443.68	69,018.00	56,425.68	81.76%
MAJOR MAINTENANCE	12,376.00	7,935.74	4,440.26	55.95%
OFFICE SUPPLIES & EQUIPMENT	240,963.65	257,898.03	-16,934.38	-6.57%
MEMBERSHIP & GOV FEES	205,929.40	153,081.98	52,847.42	34.52%
BAD DEBT & CLAIMS	-3,800.46	16,205.08	-20,005.54	-123.45%
UTILITIES	226,986.14	221,860.87	5,125.27	2.31%
PROFESSIONAL SERVICES	372,483.87	368,086.65	4,397.22	1.2%
TRAINING & TRAVEL	36,188.38	37,896.62	-1,708.24	-4.51%
Total Expense	9,195,216.82	8,490,549.72	704,667.10	8.3%
Net Ordinary Income	3,152,301.24	2,228,113.45	924,187.79	41.48%
Other Income/Expense				
Other Expense				
DEPRECIATION	801,427.21	833,960.99	-32,533.78	-3.9%
DEBT SERVICE TRUSTEE FEES & EXPENSES	1,700.00	0.00	1,700.00	100.0%
COP Financing Costs	646,309.67	0.00	646,309.67	100.0%
Total Other Expense	1,449,436.88	833,960.99	615,475.89	73.8%
Net Revenue/(Expenses)	1,702,864.36	1,394,152.46	308,711.90	22.1%

**RECONCILIATION TO OPERATING BUDGET**

**Adjustments to Increase Net Operating Surplus**

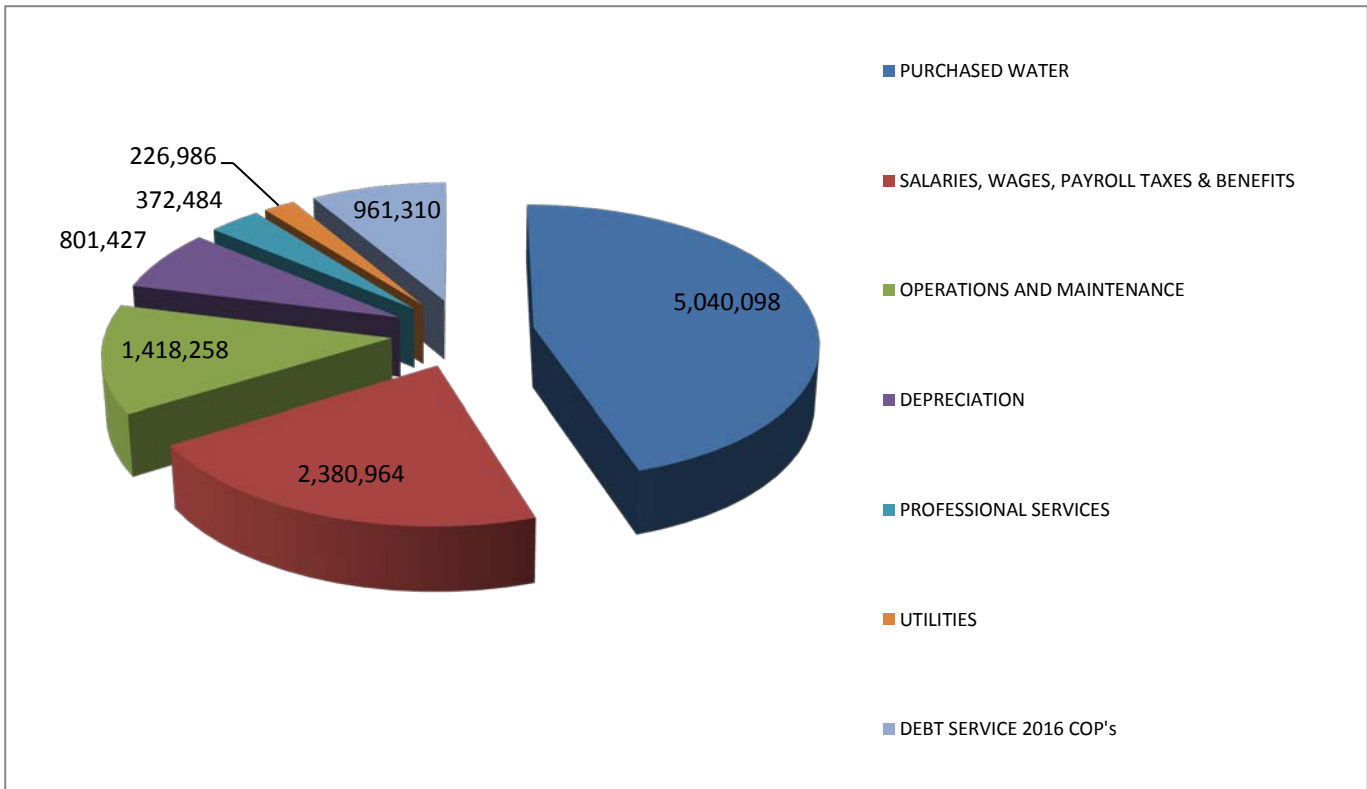
Interest Income - LAIF & COP Interest	-241,873.06
Debt Service Principal Payment	-315,000.00
<b>Total Adjustments to Increase Net Operating Surplus</b>	<b>-556,873.06</b>

**Net Revenue/(Expenses)** 1,702,864.36

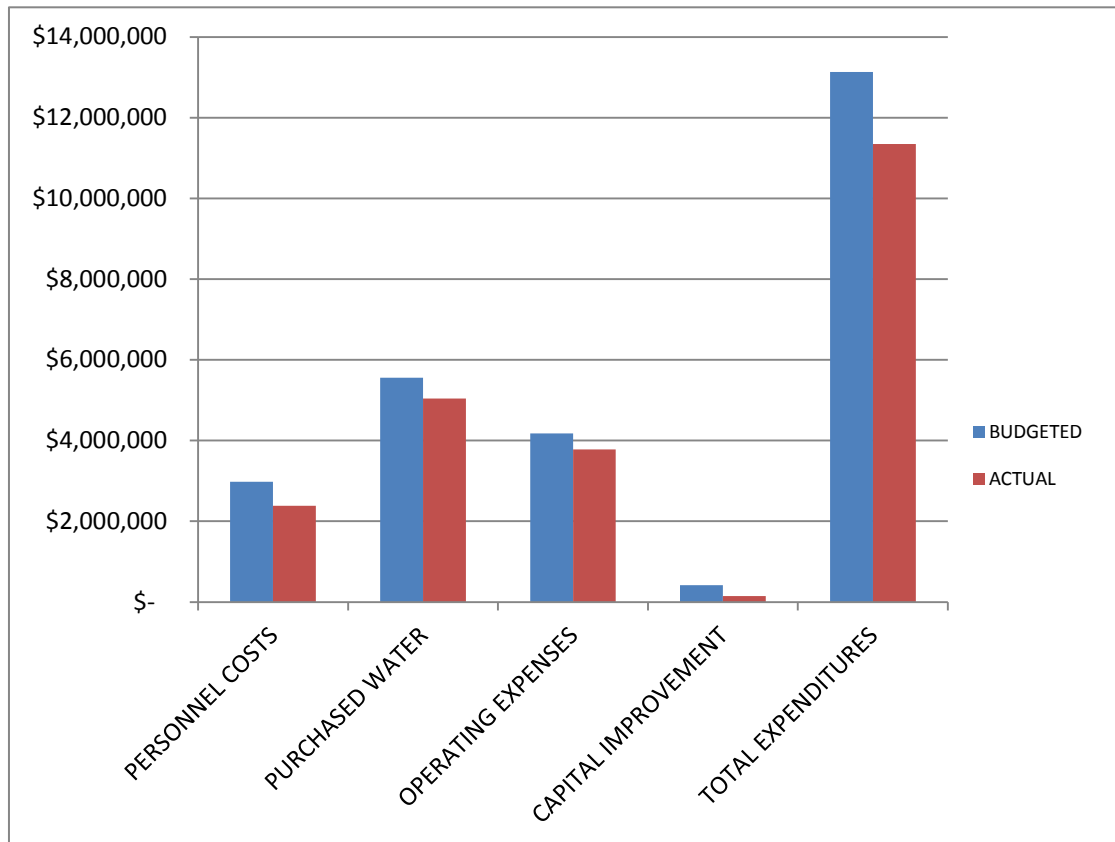
**Net Operating Surplus/(Loss) Transfer to Capital** 1,145,991.30

**MID-PENINSULA WATER DISTRICT**  
**ACTUAL OPERATING EXPENDITURES SUMMARY**  
**May-18**

<b>OPERATING EXPENDITURES</b>	<b>ACTUAL \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	5,040,098	45.0%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	2,380,964	21.3%
OPERATIONS AND MAINTENANCE	1,418,258	12.7%
DEPRECIATION	801,427	7.2%
PROFESSIONAL SERVICES	372,484	3.3%
UTILITIES	226,986	2.0%
DEBT SERVICE 2016 COP's	961,310	8.6%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>11,201,527</b>	<b>100%</b>



## 2017/2018 BUDGET vs ACTUAL TOTAL EXPENDITURES May-18



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
<b>TOTAL EXPENDITURES</b>				
PERSONNEL COSTS	\$ 2,978,446	\$ 2,380,964	23%	21%
PURCHASED WATER	\$ 5,554,624	\$ 5,040,098	42%	44%
OPERATING EXPENSES	\$ 4,177,349	\$ 3,780,465	32%	33%
CAPITAL IMPROVEMENT	\$ 418,504	\$ 143,075	3%	1%
<b>TOTAL EXPENDITURES</b>	<b>\$ 13,128,923</b>	<b>\$ 11,344,602</b>	<b>100%</b>	<b>100%</b>

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR FY 2017-2018  
Capital Projects**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 5/31/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 91.8%
				Y-T-D % OF BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	375,000	30,014	344,986	8.0%
2017 Water Main Replacement CIP (Pay-Go Portion)	-	94,557	(94,557)	N/A
AMI Meter Change Out Program	-	-	0	N/A
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>375,000</b>	<b>124,571</b>	<b>250,429</b>	33.2%
<b>CAPITAL OUTLAY</b>				
Replacement Printer/Scanner/Copier	18,504	18,504	0	100.0%
Miscellaneous Capital Outlay/Projects	25,000	-	25,000	0.0%
<b>CAPITAL OUTLAY TOTAL</b>	<b>43,504</b>	<b>18,504</b>	<b>25,000</b>	42.5%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>418,504</b>	<b>143,075</b>	<b>275,429</b>	34.2%
DEPRECIATION	900,000	801,427	98,573	89.0%
TRANSFER FROM OPS	(481,496)	1,145,991	(1,627,487)	-238.0%
TRANSFER (TO)/FROM CAPITAL RESERVES	-	(1,804,343)	1,804,343	N/A
CAPITAL OUTLAY/CAPITAL PROJECTS	(418,504)	(143,075)	(275,429)	34.2%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	N/A

(A) Purchased Canon Copier to replace leased Ricoh Copier.

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

	31-May-18	31-May-17	\$ Change	% Change
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Total Checking/Savings	7,047,461.62	24,677,756.96	-17,630,295.34	-71.44%
Total COP Funds	16,640,996.10	0.00	0.00	100.0%
Total Accounts Receivable	1,038,246.20	992,510.38	45,735.82	4.61%
Total Other Current Assets	554,496.17	230,183.93	324,312.24	140.89%
<b>TOTAL CURRENT ASSETS</b>	<b>25,281,200.09</b>	<b>25,900,451.27</b>	<b>-619,251.18</b>	<b>-2.39%</b>
<b>FIXED ASSETS</b>				
Fixed Assets	43,817,568.44	43,138,844.54	678,723.90	1.57%
Accumulated Depreciation	-27,269,743.62	-26,598,052.96	-671,690.66	-2.53%
Construction in Progress	3,827,832.87	900,518.57	2,927,314.30	325.07%
<b>TOTAL FIXED ASSETS</b>	<b>20,375,657.69</b>	<b>17,441,310.15</b>	<b>2,934,347.54</b>	<b>16.82%</b>
<b>TOTAL OTHER ASSETS</b>	<b>803,133.00</b>	<b>442,276.00</b>	<b>360,857.00</b>	<b>81.59%</b>
<b>TOTAL ASSETS</b>	<b>46,459,990.78</b>	<b>43,784,037.42</b>	<b>2,675,953.36</b>	<b>6.11%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Total Accounts Payable	114,914.08	564,016.77	-449,102.69	-79.63%
Total Other Current Liabilities	2,444,990.33	903,007.01	1,541,983.32	170.76%
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,559,904.41</b>	<b>1,467,023.78</b>	<b>1,092,880.63</b>	<b>74.5%</b>
<b>LONG TERM LIABILITIES</b>				
Total COP Financing Debt (B)	17,910,000.00	0.00	17,910,000.00	100.0%
Total COP Premium (B)	891,524.90	0.00	891,524.90	100.0%
Total Other Long Term Liabilities (B)	1,765,634.45	20,529,263.95	-18,763,629.50	-91.4%
<b>TOTAL LONG TERM LIABILITIES</b>	<b>20,567,159.35</b>	<b>20,529,263.95</b>	<b>37,895.40</b>	<b>0.19%</b>
<b>TOTAL LIABILITIES</b>	<b>23,127,063.76</b>	<b>21,996,287.73</b>	<b>1,130,776.03</b>	<b>5.14%</b>
<b>EQUITY</b>				
3000 - Opening Bal Equity	0.00	0.00	0.00	0.0%
<b>3800 - RESERVES *</b>	<b>6,547,071.80</b>	<b>4,978,363.47</b>	<b>1,568,708.33</b>	<b>31.51%</b>
3940 - Fund Bal Invest in Util Plant	20,375,657.69	17,435,333.81	2,940,323.88	16.86%
Net Assets (A)	-3,589,802.47	-625,947.59	-2,963,854.88	-473.5%
<b>TOTAL EQUITY</b>	<b>23,332,927.02</b>	<b>21,787,749.69</b>	<b>1,545,177.33</b>	<b>7.09%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>46,459,990.78</b>	<b>43,784,037.42</b>	<b>2,675,953.36</b>	<b>6.11%</b>

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

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