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REGULAR MEETING  
BOARD OF DIRECTORS  
**THURSDAY, FEBRUARY 23, 2017 – 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. CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Government Code §54956.9 Subdivision (b)  
*Maskay, Inc. d/b/a Eurotech, et al. v. Mid-Peninsula Water District*  
San Mateo County Case No. 536467

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

**5. ACKNOWLEDGEMENTS/PRESENTATIONS - NONE**

**6. CONSENT AGENDA**

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

- A. Approve Minutes for the Special Board Meeting of January 12, 2017, and Regular Board Meeting of January 26, 2017
- B. Approve Expenditures from January 21, 2017 through February 15, 2017

## **7. HEARINGS AND APPEALS - NONE**

## **8. MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COPs (CERTIFICATES OF PARTICIPATION) FINANCING**

- A. Consider Resolution 2017-03 Authorizing the Second Amendment to the Professional Services Contract with the District Engineer, referenced as Contract No. 02-1621-CIP in the amount of \$89,250 for Engineering Design Services related to the Hillcrest Pressure Regulating Station Project
  
- B. Receive Progress Report on 2016 COPs Financing

## **9. REGULAR BUSINESS AGENDA**

- A. Discuss the Concept of a 2-Year Strategic Plan for the MPWD Covering 2017-2018
  
- B. Consider Resolution 2017-04 Authorizing First Amendment to Contract for Professional Services in the total amount of \$100,100 with James Marta & Company for Annual Financial Auditing Services for FYEs June 30, 2018 through June 30, 2022
  
- C. Receive Mid-Year Review of FY 2016/2017 Operating and Capital Budgets and Consider Resolution 2017-05 Approving the Amended Budgets

## **10. MANAGER'S AND BOARD REPORTS**

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

## **11. FUTURE AGENDA ITEMS**

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

## **12. COMMUNICATIONS**

### **13. CLOSED SESSION**

#### **PUBLIC EMPLOYEE PERFORMANCE EVALUATION AND ASSOCIATED NEGOTIATIONS**

Government Code §§54957 and 54957.6

Title: General Manager

### **14. 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: March 23, 2017, at 6:30PM*

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

January 12, 2017  
Belmont, California

1. **OPENING**

**A. Call to Order:**

The special meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Stuebing at 6:09PM.

**B. Establishment of Quorum:**

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

**ABSENT:** Director Zucca

A quorum was present.

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

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

2. **PUBLIC COMMENTS**

None.

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

None.

4. **REGULAR BUSINESS AGENDA**

**A. Receive General Manager's Report on 2016 Strategic Plan Accomplishments**

Consultant Julie Brown, of Julie M. Brown and Associates who has worked for several years now with the Board of Directors on its strategic planning for the MPWD opened the discussion by stating she would like to focus on three main topics over the course of the evening: Retrospect, 2017 Plan, and Setting Priorities.

She then asked General Manager Rudock to reflect on what she considered to be the MPWD's top three 2016 accomplishments in retrospect and General Manager Rudock responded in order:

- CIP financing;
- UWMP; and
- MPWD Personnel Manual.

The Board of Directors shared its key 2016 accomplishments and Ms. Brown charted the following highlights:

- Completion of 2016 CIPs
- Rates Planning Process (capacity charges)
- Employee Personnel Manual

- 51 • Operational Improvements - specifically Alameda and Buckland Tanks
- 52 Capital Projects
- 53 • No major worker's compensation issues – employees seem satisfied, happy
- 54 and valued
- 55 • No significant project over-runs –staff showed expertise, institutional
- 56 knowledge and managed work exceptionally, etc...
- 57 • Staff's handling of Certificates Of Participation (COP) Sale Process for the
- 58 MPWD's CIP, resulting in significant infrastructure dollars received and an
- 59 outstanding credit rating
- 60 • Completion of the Hydraulic Model Process - staff collaboration and
- 61 agreement on priorities
- 62 • Outstanding Communications-to and with board/management, staff,
- 63 customers and other stakeholders
- 64 • Improved relations with City Partners
- 65 • Relationships with Consultants
- 66 • Website

67  
68 **B. Develop Preliminary 2017 Strategic Plan**

69 General Manager Rudock summarized her staff recommendation priorities shortlist.  
70 Twelve (12) items in order of strategic importance were shared and received Board  
71 comments:

- 72 1. CIP/COPs – The Board commented that they would like to see a quarterly
- 73 audit report developed
- 74 2. Coordinate CIPs with Belmont Public Works, its Sewer Replacement CIP
- 75 and create a funding plan – The Board commented that they would like to
- 76 see the development of a Cooperation Agreement between the agencies.
- 77 Director Warden added that approach tactics to date are good; however an
- 78 overall strategy is necessary to achieve success. He further suggested that
- 79 to move things along the Board President should consider reaching out to
- 80 key City leadership via email.
- 81 3. Complete implementation of and transition to Accela/Springbrook Financial
- 82 Management System (FMS), including new accounting and billing systems
- 83 and upgraded MPWD website for online bill-pay
- 84 4. Comply with DDW/SWRCB regulations: Long-Term Urban Water
- 85 Conservation Policy – “A California Way of Life”
- 86 5. Complete Implementation of Sensus Customer Portal
- 87 6. Initiate development of MPWD Financial Control Policy Manual, focusing on
- 88 initial policies for: Debt Management, Reserve-Investment-Purchasing,
- 89 Accounts Payable, Receivables, Billing/Invoicing, Cash disbursement
- 90 (check-writing) policy, Customer billing and credit card management
- 91 7. Renew financial auditor's contract
- 92 8. Coordinate with Belmont Chamber of Commerce for presentation of annual
- 93 “State of the District” address
- 94 9. Update employee job descriptions and present organizational overview to
- 95 Board of Directors regarding staff roles and responsibilities
- 96 10. Review MPWD Personnel Manual for necessary updates/revisions
- 97 11. Complete development of bylaws for Board of Directors
- 98 12. Identify/evaluate MPWD real properties and present report to Board of
- 99 Directors to determine a course of action – Treasurer Ira commented that

100 he would like to see Priority No. 12: merged with those items listed in  
101 Proposed Priority No. 6.  
102

103 Several items not on staff's short list but within the Board's "radar":

- 104 1. Continue work on decreasing per capita costs - General Manager Rudock  
105 advised that she will consult with District Engineer Pakpour with respect  
106 to per capita costs as he has already done research on this.
- 107 2. Cost of services fees – the Board determined that they would like to see  
108 this item moved onto the General Manager's 12 item shortlist of 2017  
109 priorities.  
110

111 General Manager Rudock was asked by Ms. Brown to reflect on 2016 accomplishments  
112 and the associated planning process as a way to refine 2017 activities. She responded  
113 by contrasting the sense of success and achievement felt by all with the shorter than  
114 planned list of completed priorities. Despite the continued efforts at narrowing focus, and  
115 the attention to planning and trainings in an effort to accommodate the desired vital few,  
116 she believes the plan is still too lengthy. Board members responded with the following  
117 comments:  
118

- 119 • All involved need to remember that the Strategic Plan is a road map that  
120 should allow for flexibility when needs or circumstances change.
- 121 • The highly effective communication between Board and staff has resulted in a  
122 Board sense of trust, comfort and a desire to support staff requests for action  
123 plan revisions when justifiable issues have arisen.
- 124 • The Board has appreciated staff responses to requests for detailed oriented  
125 information and clarification of issues when requested.
- 126 • All agreed that the process has improved greatly, and will continue to refine  
127 itself moving forward.  
128

129 Director Warden added for the record that he feels he is never in the dark as far as  
130 communications are concerned and Director Stuebing closed out the topic by sharing  
131 that he feels as a group everyone is becoming better acquainted and more comfortable  
132 with one another.  
133

134 Staff and the Board agreed that the DRAFT 2017 Strategic Plan will be brought back at  
135 the February 2017 Board meeting for review and additional input.  
136

### 137 **C. Consider and Approve 2017 Director Assignments**

138 Director assignments for 2017 were discussed briefly and will remain unchanged with  
139 the exception of Directors Stuebing and Warden's new assignment as HIA  
140 representatives. The Board also discussed a venue change from the District office to the  
141 Belmont Library for the 2017 "State of the District" Address, on which staff will follow up  
142 and report back to the Board.  
143

144 There were no changes to the MPWD's Vision and Mission Statements, or Strategic Goals.  
145

### 146 **D. Other Topics for the Good of the Order**

147 None.  
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5. **ADJOURNMENT**

The meeting was adjourned at 7:59PM.

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DISTRICT SECRETARY

APPROVED:

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BOARD PRESIDENT

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

January 26, 2017  
Belmont, California

1. **OPENING**

**A. Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Stuebing at 6:31PM.

**B. Establishment of Quorum:**

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

**ABSENT:** Directors Warden and Zucca

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 and District Engineer Joubin Pakpour. District Treasurer Jeff Ira was absent.

**C. Pledge of Allegiance** – The Pledge of Allegiance was led by Katie Moorhead, a student at Immaculate Heart of Mary School attending the Board Meeting to participate in the MPWD 2017 Water Awareness Calendar Contest Award Ceremony.

2. **PUBLIC COMMENTS**

None.

3. **ACKNOWLEDGEMENTS/PRESENTATIONS**

**A. Overview of 2017 MPWD Calendar Contest Program and Distribute Calendar to the Board – Tammy Rudock and Jeanette Kalabolas**

**B. Present 2017 MPWD Calendar Contest Awards – President Al Stuebing and Jeanette Kalabolas**

President Stuebing and Jeanette Kalabolas presented the awards for the 2017 annual MPWD water awareness calendar contest. Along with award certificates, the top three winners received gift certificates. The teacher with the most class participation also received a gift certificate. All who participated received a 2017 MPWD calendar.  
Contest winners:

**Grand Prize Winner:** Luke M., 5<sup>th</sup> Grade, Immaculate Heart of Mary School

**Runner-Up Winner:** Gianna H., 5<sup>th</sup> Grade, Immaculate Heart of Mary School

**Runner-Up Winner:** Abbey L., 5<sup>th</sup> Grade, Immaculate Heart of Mary School

**Award for the class with the most participation** – Mrs. Douglas, 5<sup>th</sup> Grade, Immaculate Heart of Mary School. Her class submitted 30 of the 83 entries we received.

**Nine other honorable mention entries chosen:**

1) Emilia S., 3<sup>rd</sup> Grade, Cipriani Elementary School



- 52 2) Katherine M., 3<sup>rd</sup> Grade, Immaculate Heart of Mary School
- 53 3) Noelle M., 4<sup>th</sup> Grade, Nesbit Elementary School
- 54 4) Lucy W., 5<sup>th</sup> Grade, Immaculate Heart of Mary School
- 55 5) Ruby M., 3<sup>rd</sup> Grade, Cipriani Elementary School
- 56 6) Lochlann M., 3<sup>rd</sup> Grade, Immaculate Heart of Mary School
- 57 7) Zachary A., 5<sup>th</sup> Grade, Immaculate Heart of Mary School
- 58 8) Milan P., 5<sup>th</sup> Grade, Immaculate Heart of Mary School
- 59 9) Sara L., 5<sup>th</sup> Grade, Immaculate Heart of Mary School

60  
61 **C. 15-Minute Refreshment Break**

62 A refreshment break immediately followed the awards presentation to congratulate all of  
63 the MPWD calendar contest participants and their families.

64  
65 President Stuebing reconvened the meeting at 6:52PM.

66  
67 **4. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**

68 General Manager Rudock corrected the year at the top of the agenda to reflect 2017.

69  
70 **5. CONSENT AGENDA**

71 **A. Approve Minutes for the Regular Board Meeting of December 15, 2016**

72 **B. Approve Expenditures from December 10, 2016 through January 20, 2017**

73 Director Vella moved to approve the minutes for the Regular Board Meeting of  
74 December 15, 2016, as well as the expenditures from December 10, 2016 through  
75 January 20, 2017. Director Linvill seconded, and it was unanimously approved.

76  
77 **6. HEARINGS AND APPEALS**

78 None.

79  
80 **7. REGULAR BUSINESS AGENDA**

81 **A. Consider Resolution 2017-01 Authorizing a Water Service Agreement between the**  
82 **Mid-Peninsula Water District and Davey Glen – Belmont, LLP for Mixed-Use**  
83 **Development located at 400-490 El Camino Real in Belmont, California**

84  
85 General Manager Rudock gave a brief introduction and then passed the discussion to  
86 Operations Manager Ramirez. He opened by introducing Davey Glen-Belmont, LLP  
87 representative, Chris DeHaan, who was present in the audience. Operations Manager  
88 Ramirez briefly described the development project, which will include a complex with  
89 seventy-three (73) residential units and commercial space.

90  
91 Director Vella inquired how the District would handle access to the meters and  
92 Operations Manager Ramirez advised that a separate room with no public access would  
93 house meters and accompanying transmitters. Director Vella further commented that for  
94 security purposes, access should be limited to key codes if possible, as key entry is too  
95 complicated and unsecure. Operations Manager Ramirez advised that he would take  
96 this direction under consideration, as talks had not yet progressed to this stage.

97  
98 Director Linvill asked if meters would be automatically or manually read. Operations  
99 Manager Ramirez clarified that AMI meters would be installed and transmitted  
100 automatically rather than manually read.

102 District Engineer Pakpour commented that this new development marks a change how  
103 the District works with large multi-family development. MPWD will own the service lateral  
104 to the property line and the land owner will own all water related facilities within their  
105 property but excluding the meters which will be owned by the District.  
106

107 Director Vella replied to District Engineer Pakpour's comment that in an effort to clarify  
108 who is responsible for what during a leak, that staff should consider having signage on  
109 the property clarifying ownership of the lines with accompanying contact info for the  
110 parties responsible in the event of an emergency.  
111

112 General Manager Rudock assured the Board that Operations Manager Ramirez and  
113 staff has been very communicative with the developers to date and she expects good  
114 relations to continue through the remainder of the project.  
115

116 Director Linvill moved to adopt Resolution 2017-01 and Director Vella seconded. Roll  
117 call was taken and it was unanimously approved.  
118

119 **B. Consider Resolution 2017-02 Authorizing a Professional Services Contract with**  
120 **Schaaf and Wheeler Consulting Civil Engineers, in the amount of \$87,610, plus a**  
121 **10% Contingency of \$8,700, for a total Budget of \$96,310, for Engineering Design**  
122 **Services Related to the Water Main Replacement Capital Projects along Francis**  
123 **Avenue, Davey Glen Road and Academy Avenue in Coordination with the City of**  
124 **Belmont and its Sewer Replacement Program**

125 Operations Manager Ramirez reported that three previously developed capital  
126 improvement projects have been identified to coincide with the sewer projects identified  
127 by the City of Belmont. Those projects are on Francis Avenue (15-51), Davey Glen  
128 (15-43) Road and Academy Avenue (15-53).  
129

130 District Engineer Pakpour reported on the Scope of Work (Exhibit 1) provided during the  
131 Board meeting. Staff feels the proposed specifications are reasonable. He also shared  
132 that items 2A and 2B under the fee schedule chart reference survey-related tasks and  
133 item 2E is a potholing place holder, as contractor survey may be required in this area.  
134

135 General Manager Rudock advised that she preferred to push the discussion on financing  
136 these projects until next month, as they could be paid out of the pay-go capital.  
137

138 District Engineer Pakpour concluded explaining why the District opted to piggyback on  
139 the City of Belmont's engineering consultant, Schaaf and Wheeler Consulting. Rather  
140 than duplicating the work, it made sense and would save the District a substantial  
141 amount of money to use the same consultant as the City of Belmont's Sewer projects.  
142 The District is currently working with the City of Belmont to develop a master agreement  
143 for these shared projects which will clarify the financial contributions of each agency.  
144

145 Director Vella commented that working together makes sense. He is also open to  
146 considering the pay-go option for these capital projects related to Belmont's sewer  
147 projects. He asked staff why the District standards were changed from PVC to Ductile  
148 Iron Pipe (DIP).  
149

150 District Engineer Pakpour clarified the change was made during the development to the  
151 District specifications and a white report presented to the board during the December  
152 2013 meeting, which outlined the benefits of both types of pipe. He explained that the

153 current District specifications use DIP West of Caltrain tracks due to its ability to  
154 withstand large forces to ground movement and seismic events. East of the tracks the  
155 District uses PVC for its ability to withstand corrosion.

156  
157 Director Linvill moved to adopt Resolution 2017-01 and Director Vella seconded. Roll  
158 call was taken and it was unanimously approved.

159  
160 **C. BAWSCA Update**

161 Director Vella reported on the result of the election of officers for 2017. Al Mendall from  
162 the City of Hayward was elected chair and Barbara Pierce from the City of Redwood City  
163 was elected vice-chair. He also advised that the Board meeting location would move  
164 from the Foster City Library to the San Mateo Library. The room is smaller but the cost  
165 is considerably less. In addition, the meeting start time has been moved to 6:30PM. He  
166 also reported there was a large audience, due to the Bay-Delta environmental concerns.  
167 Those who spoke were knowledgeable and most shared a view that more water needs  
168 to remain in the rivers for flow purposes rather than be drawn by agencies with water  
169 rights. Steve Ritchie with SFPUC was also present at the meeting. He reported on  
170 precipitation, snowpack and current water supply projections. Director Vella closed by  
171 sharing an interesting Tuolumne River unimpaired flow fact.

172  
173 General Manager Rudock advised the Board that Howard Jones of the HIA approached  
174 her about requesting BAWSCA's CEO Nicole Sandkulla to speak at the March HIA  
175 meeting scheduled for Thursday, March 2, 2017.

176  
177 **8. MANAGER AND BOARD REPORTS**

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

179 General Manager Rudock reported that staff is looking into AB 1661 Sexual Harassment  
180 alternative training options for the Board of Directors. MPWD's water conservation  
181 savings continues to average 24%. She also requested Board direction regarding the  
182 potential for reviewing commercial rate tiers as requested last year by Vice President  
183 Warden. General Manager Rudock reported on a recent rates workshop in Oakland that  
184 she and Administrative Services Manager Pina attended sponsored by ACWA, Raftelis  
185 Financial Consultants, Inc., and Best, Best & Krieger LLP. Good information was shared  
186 and staff is exploring potential options for the MPWD's next financial plan and rates  
187 study.

188  
189 President Stuebing agreed that perhaps it was time to explore other consulting firms for  
190 future rate study services.

191  
192 Regarding Board direction on reviewing or changing commercial rate tiers, District  
193 Counsel Sherman reminded the Board that any rate increases would need to be  
194 compliant with Proposition 218's proportionality requirements. Therefore, any changes  
195 to commercial rates would need to be studied for any impacts on residential rates. As  
196 such, it would be best to study all of the rates at the same time. General Manager  
197 Rudock suggested it should be considered as part of the larger review of MPWD rates  
198 during the next study. The Board agreed.

199  
200 General Manager Rudock informed the Board that the mid-year budget review would be  
201 on the agenda next month. She reminded them that the Employee Appreciation Dinner  
202 has been scheduled for Friday, April 14, 2017 at the Iron Gate Restaurant. She

203 requested that the Board RSVP through District Secretary Pina as soon as possible. In  
204 conclusion she mentioned the following:

- 205
- 206 a) The lawsuit initiated by Samir Shaikh against the MPWD and City of Belmont was
- 207 dismissed by him.
- 208 b) Claims and change orders initiated by R. J. Gordon Construction, Inc., the contractor
- 209 that completed the Alameda de las Pulgas Water Main Replacement project were
- 210 settled for \$55,000. The contractor had requested approximately \$175,000.
- 211 c) Healthcare benefits packages for 2017 were distributed to Directors.
- 212

213 **1. Supplemented by Administrative Services Manager’s Report**

214 District Secretary Pina reported that \$500,000 was transferred to the District’s LAIF  
215 account bringing the new balance to just over \$5 million. She also shared that the  
216 new Springbook billing system is expected to go live in March 2017. General  
217 Manager Rudock added that the MPWD Reserves are fully funded per Board policy  
218 at \$5 million.

219

220 **2. Supplemented by Operations Manager’s Report**

221 District Operations Manager Ramirez reported that maintenance staff was busy over  
222 the holidays due to numerous main breaks. Due to a decrease in demand, four water  
223 storage tanks were taken offline to avoid potential nitrification water quality issues.  
224 They will be cleaned and restored in the spring. Staff has received an official letter  
225 from the state detailing the school lead test program. The District’s Water Quality  
226 Lead Operator Rick Bisio is currently looking into database reporting requirements.

227

228 Director Vella would like to know how much water was lost for the reported main  
229 breaks. District Operations Manager Ramirez explained that there were a few  
230 SFPUC technological glitches in water supply measurements that made it difficult for  
231 staff to determine estimated values of the losses. Director Vella also wondered why  
232 USA tag orders were so high last month. District Operations Manager Ramirez  
233 stated the cause was due to both the City of Belmont and PG&E having a high  
234 volume of projects in the queue.

235

236 **3. Supplemented by District Engineer’s Report**

237 District Engineer Pakpour referenced the Alameda de las Pulgas Water Main  
238 Replacement project settlement of claims and change orders in order to deliver the  
239 project close-out report. As stated by the General Manager, contractor R. J. Gordon  
240 Construction, Inc., agreed to settle its \$175,000 in claims and change orders for  
241 \$55,000. A change order summary was provided under the project update memo  
242 distributed to the Board. Total change orders for the project were approximately 5%  
243 well below the 10% industry underground construction average.

244

245 District Engineer Pakpour further reported that a mandatory pre-proposal meeting  
246 was held for on-call engineering design services for three major water main  
247 replacement capital projects on El Camino Real (15-76), Old County Road (15-75)  
248 and under Highway 101 at Palo Alto Medical Foundation (15-72). The large scale  
249 outreach campaign seemed well received, as eighteen engineering consultants  
250 attended. Contractor statements of qualifications are due February 8, 2017.

251

252 **B. Financial Reports**

253 General Manager Rudock reported that the budget is on target with actual operating  
254 revenues coming in about 5% higher than projected, and expenses holding steady at  
255 50% through December 31, 2016.  
256

257 Director Linvill asked staff if the new financial management system offered built in  
258 standard template financial reports. Secretary Pina replied that she believes so and will  
259 report back to the Board.  
260

261 **C. Director Reports**

262 President Stuebing shared that there is a San Mateo County chapter California Special  
263 District Association Meeting coming up. There were no other Director reports.  
264

265 **9. FUTURE AGENDA BUSINESS ITEMS**

266 None.  
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268 **10. COMMUNICATIONS**

269 None.  
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271 **11. CLOSED SESSION**

272 The Board adjourned into Closed Session at 8:22PM to discuss one matter.  
273

274 **A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
275 AND ASSOCIATED NEGOTIATIONS**

276 **Government Code §§54957 and 54957.6**

277 **Title: General Manager**  
278

279 The Board came out of closed session at 8:29PM. District Counsel reported that no action  
280 had been taken.  
281

282 **12. ADJOURNMENT**

283 President Stuebing adjourned the meeting at 8:30PM.  
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290 DISTRICT SECRETARY  
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292 APPROVED:

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295 BOARD PRESIDENT  
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# Accounts Payable

## Checks by Date - Summary by Check Date

User: candyp  
 Printed: 2/16/2017 7:35 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
130	ACHRETN	ACH Returns	01/25/2017	454.02
Total for 1/25/2017:				454.02
31839	RJGORDON	R. J. GORDON CONSTRUCTION, INC.	01/26/2017	55,000.00
Total for 1/26/2017:				55,000.00
131	adprfee	ADP Payroll Fees	01/27/2017	99.83
Total for 1/27/2017:				99.83
118	CALPERS	CALPERS	01/30/2017	7,385.00
119	HEALTHEQ	Health Equity	01/30/2017	734.58
120	ICMACONT	ICMA contributions	01/30/2017	666.24
31840	AIRGAS	AIRGAS, LLC	01/30/2017	120.93
31841	ARBIMANA	ARBI MANAGEMENT	01/30/2017	2.20
31842	ATT60197	AT&T 60197	01/30/2017	1,192.64
31843	AWWA6666	AWWA	01/30/2017	262.00
31844	BPLANDSC	BAY POINTE LANDSCAPE	01/30/2017	2,150.00
31845	BELCHAME	BELMONT CHAMBER OF COMMERCE	01/30/2017	32.00
31846	CGUHLENB	C G UHLENBERG LLP	01/30/2017	1,325.00
31847	CARLHARD	CARLMONT HARDWARE	01/30/2017	71.72
31848	CHESTER	BRENT CHESTER	01/30/2017	253.43
31849	CINTS	CINTAS CORPORATION	01/30/2017	736.77
31850	COMCAST	COMCAST	01/30/2017	260.26
31851	COMCASTB	COMCAST BUSINESS	01/30/2017	628.70
31852	CSEINVES	CSE INVESTMENTS II LLC	01/30/2017	75.00
31853	DONGHONC	HONGJIE DONG	01/30/2017	75.00
31854	DOUDNANC	NANCY DOUD	01/30/2017	250.00
31855	EPESKATH	KATHLEEN & RAYMOND EPES	01/30/2017	8.20
31856	GAVIRLIS	GUS GAVIRLIS	01/30/2017	20.62
31857	HACHCOMI	HACH COMPANY INC	01/30/2017	509.16
31858	HOMEDPC	HOME DEPOT	01/30/2017	469.23
31859	JERECZEK	JIM JERECZEK	01/30/2017	75.00
31860	KIFOOKWA	FOOK WAI KI	01/30/2017	150.00
31861	LAIANGEL	ANGEL LAI	01/30/2017	225.00
31862	SHILEI	SHI LEI	01/30/2017	225.00
31863	LINCOLNL	LINCOLN LIFE	01/30/2017	350.00
31864	LINGXIAO	XIAO LING	01/30/2017	225.00
31865	LOANDY	ANDY LO	01/30/2017	191.94
31866	M&MBACK	M&M BACKFLOW & METER MAINTEN	01/30/2017	3,500.00
31867	MATCOTLS	MATCO TOOLS	01/30/2017	309.97
31868	MINHELEN	HELEN MIN	01/30/2017	232.44
31869	OFFICEDE	OFFICE DEPOT, INC.	01/30/2017	85.44
31870	OFFICTEM	OFFICE TEAM	01/30/2017	1,686.81
31871	OREILLYA	OREILLY AUTO PARTS, INC.	01/30/2017	273.94

Check No	Vendor No	Vendor Name	Check Date	Check Amount
31872	PACWEST	PACIFIC WEST SECURITY, INC.	01/30/2017	196.20
31873	PAYNEAUD	AUDREE PAYNE	01/30/2017	43.46
31874	PENBLDG	PENINSULA BUILDING MATERIALS	01/30/2017	793.74
31875	PINA	CANDY PINA	01/30/2017	40.00
31876	PROFORMA	PROFORMA GRAPHICS, INC.	01/30/2017	2,024.76
31877	PUTTERGI	SEAN PUTTERGILL	01/30/2017	200.00
31878	REIDM	M REID	01/30/2017	125.00
31879	REVELOJA	JANE REVELO	01/30/2017	3,437.08
31880	RANDB	ROBERTS & BRUNE CO. INC.	01/30/2017	4,905.25
31881	ROYCEMON	MONICA ROYCE	01/30/2017	75.00
31882	SCCHAMBE	SAN CARLOS CHAMBER OF COMMER	01/30/2017	173.00
31883	SFWATER	SAN FRANCISCO WATER DEPT	01/30/2017	346,402.40
31884	SAVEVISH	VISHAL SAVE	01/30/2017	225.00
31885	SCHOENST	EDWARD G. SCHOENSTEIN	01/30/2017	93.25
31886	SFPUCFIN	SFPUC FINANCIAL SERVICES	01/30/2017	1,950.00
31887	STANDINS	STANDARD INSURANCE COMPANY	01/30/2017	780.01
31888	STARASSO	STAR & ASSOCIATES TRUST	01/30/2017	75.00
31889	STULGISJ	JOHN STULGIS	01/30/2017	150.00
31890	TEICHERT	TEICHERT CONSTRUCTION	01/30/2017	10.00
31891	VERIZON	VERIZON WIRELESS	01/30/2017	73.68
31892	VOLTATTO	JOSEPH VOLTATTORNI	01/30/2017	75.00
31893	WRIGHTMA	MARY WRIGHT	01/30/2017	75.00
31894	XIOINC	XIO, INC.	01/30/2017	808.00
31895	YAMAMOTI	AKIRA YAMAMOTO	01/30/2017	225.00
Total for 1/30/2017:				387,715.05
121	icmacont	ICMA contributions	02/01/2017	1,823.08
Total for 2/1/2017:				1,823.08
122	HEALTHEQ	Health Equity	02/02/2017	350.00
123	CALPERS	CALPERS	02/02/2017	2,567.15
Total for 2/2/2017:				2,917.15
132	WFBUSCAR	WELLS FARGO BUSINESS CARD	02/07/2017	2,873.54
31896	ACWA5661	ACWA JPIA	02/07/2017	44,233.87
31897	ALTERIS	ALTERIS INSURANCE COMPANY	02/07/2017	10,000.00
31898	ALWAYSON	ALWAYS ON TIME CONCRETE & PLUM	02/07/2017	1,433.00
31899	ATT60197	AT&T 60197	02/07/2017	77.86
31900	BELPOLIC	BELMONT POLICE DEPARTMENT	02/07/2017	50.00
31901	CITYBELM	CITY OF BELMONT	02/07/2017	3,372.00
31902	CORIXWAT	CORIX WATER PRODUCTS (US) INC.	02/07/2017	1,802.63
31903	EHWACHS	E.H. WACHS	02/07/2017	720.46
31904	EEAPSAFE	EEAP THE SAFETY PEOPLE, INC.	02/07/2017	555.00
31905	GFOA	GOVERNMENT FINANCE OFFICERS A	02/07/2017	160.00
31906	GRANITE	GRANITE ROCK, INC.	02/07/2017	734.56
31907	HANSONBR	HANSON, BRIDGETT	02/07/2017	4,820.00
31908	J&CSAFET	J & C SAFETY 1ST FIRE PROTECTION,	02/07/2017	717.50
31909	JAMESCAC	JAMES CACCIA PLUMBING	02/07/2017	638.30
31910	MHN	MHN	02/07/2017	45.54
31911	OFFICEDE	OFFICE DEPOT, INC.	02/07/2017	308.32
31912	OFFICTEM	OFFICE TEAM	02/07/2017	1,143.60
31913	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	02/07/2017	18,222.76
31914	PG&E	PG&E CFM/PPC DEPT	02/07/2017	2,374.88

Check No	Vendor No	Vendor Name	Check Date	Check Amount
31915	POLLARDW	POLLARDWATER, INC.	02/07/2017	146.55
31916	PRECISE	PRECISE, INC.	02/07/2017	614.75
31917	RECOLOGY	RECOLOGY SAN MATEO	02/07/2017	620.05
31918	RICOHPhi	RICOH Philadelphia	02/07/2017	133.50
31919	RICOHUSA	RICOH USA, INC. Pasadena	02/07/2017	849.70
31920	RANDB	ROBERTS & BRUNE CO. INC.	02/07/2017	174.00
31921	SAFETYCE	SAFETY CENTER, INC.	02/07/2017	1,000.00
31922	SFCHRON	SAN FRANCISCO CHRONICLE	02/07/2017	369.20
31923	SFPUCWAT	SFPUC WATER QUALITY	02/07/2017	3,200.00
31924	STATEPLU	STATE PLUMBING AND HEATING SUP	02/07/2017	85.77
31925	STEPFORD	STEPFORD BUSINESS, INC.	02/07/2017	1,400.00
31926	STEVCRKQ	STEVENS CREEK QUARRY, INC.	02/07/2017	450.76
31927	UNLMTOOI	UNLIMITED TOOL & REPAIR, INC.	02/07/2017	591.33
31928	VALLEYOL	VALLEY OIL COMPANY	02/07/2017	1,498.86
31929	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	02/07/2017	385.00
31930	VERIZON	VERIZON WIRELESS	02/07/2017	810.20
31931	VICTORYF	VICTORY FIRE PROTECTION	02/07/2017	900.80
31932	YOUNG	HENRY YOUNG	02/07/2017	50.49
Total for 2/7/2017:				107,564.78
133	ADPPAYRL	adp	02/15/2017	33,264.74
134	ADPPAYRL	adp	02/15/2017	14,050.21
135	ADPPAYRL	adp	02/15/2017	50.49
136	ADPPAYRL	adp	02/15/2017	9,584.64
137	ADPPAYRL	adp	02/15/2017	4,774.55
138	CALPERS	CALPERS	02/15/2017	7,189.93
139	CALPERS	CALPERS	02/15/2017	8,210.42
140	HEALTHEQ	Health Equity	02/15/2017	702.08
141	ICMACONT	ICMA contributions	02/15/2017	666.24
Total for 2/15/2017:				78,493.30
Report Total (112 checks):				634,067.21





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

DATE: February 23, 2017  
TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager

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**SUBJECT: CONSIDER RESOLUTION NO. 2017-03 AUTHORIZING THE SECOND AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACT WITH THE DISTRICT ENGINEER, REFERENCED AS CONTRACT NO. 02-1621-CIP IN THE AMOUNT OF \$89,250, FOR ENGINEERING DESIGN SERVICES RELATED TO THE HILLCREST PRESSURE REGULATING STATION PROJECT**

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**RECOMMENDATION:**

Adopt Resolution 2017-03, which authorizes a second amendment totaling \$89,250 to the District Engineer’s contract for professional engineering design services to construct the Hillcrest Pressure Regulating Station, a project within the MPWD 5-Year CIP FY 2016/2017 through FY 2020/2021, and to be referred to as the Hillcrest Pressure Regulating Station Project.

**FISCAL IMPACT:**

The attached proposal from the District Engineer dated February 9, 2017, proposes to prepare plans, specifications, provide construction support and provide funding for sub-consultants to gather field information for professional services as they relate to a pressure regulating station being constructed near the Hillcrest Meter Station. The total proposal cost is \$89,250. *(The construction cost estimate for this proposed project, including contingency but not engineering, is \$345,000 in 2015 dollars).* Staff does want to point out that the project description, Project 15-87, shows planning, design, and construction support costing an estimated \$65,000, which did not include an \$18,000 estimate for surveying costs. Funding for the District Engineer and sub-consultant services would come from the 2016 COPs Financing via the trustee.

**DISCUSSION:**

The Board adopted a five-year Capital Improvement Plan (CIP) at their June 2016 meeting and also directed staff to develop a “game plan” to execute the improvements. Staff and the District Engineer have developed such a plan that entails developing plans

and specifications in one fiscal year or two, depending on the size of the project, and construction in the following year or two, again depending on the size of the project. Part of the plan also included combining some projects to be efficient and provide an economy of scale for bidding and construction purposes as just discussed.

This second improvement project from the CIP recognizes the need for a pressure regulating station at the SFPUC Hillcrest Meter Station site. The intent is to have this pressure regulating station stabilize the varied pressures from SFPUC that cause operational challenges for staff and have probably contributed to several pipeline ruptures in the Zone 1 area over many years. This project is a high priority with Operations staff. The Project description is attached for reference.

The District Engineer's contract defines any engineering or construction management support greater than \$100,000 as Major Improvement Projects, and requires them to submit a proposal. Nevertheless, staff is presenting this proposal for consideration in its continued commitment to complete transparency during the execution of the MPWD's CIP.

A proposal from the District Engineer was received by staff on February 9, 2017. Their proposal goes on to describe a topographic survey, utility coordination, coordination with the City of Redwood City, plan and specification preparation, process for bid documents, advertisement, construction support and record drawing, their proposed budget, and schedule. The intent is to have plans and specifications ready by the end of this fiscal year and with construction starting around September 2017.

Attachments:                    Resolution 2017-03  
   Proposal from Pakpour Consulting Group dated February 9, 2017  
   Contract No. 02-1621-CIP Second Amendment to Contract for Professional Services  
   Hillcrest Pressure Regulating Station Project Description

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

**RESOLUTION NO. 2017-03**

**AUTHORIZING THE SECOND AMENDMENT TO THE  
PROFESSIONAL SERVICES CONTRACT WITH THE DISTRICT ENGINEER,  
REFERENCED AS CONTRACT NO. 02-1621-CIP, IN THE AMOUNT OF \$89,250,  
FOR ENGINEERING SERVICES RELATED TO  
THE HILLCREST PRESSURE REGULATING STATION PROJECT**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the Mid-Peninsula Water District (District) entered into a contract with Pakpour Consulting Group on June 25, 2015 to provide District Engineer services for the planning, design, construction, management and operation of the District water system (Contract); and

**WHEREAS**, a First Amendment to the Contract (referenced as Contract No. 01-1621-CIP) with the District Engineer for the 2017 Water Main Improvements Project totaling \$292,155 was approved by the Board of Directors on September 22, 2016; and

**WHEREAS**, Section 2.C. of the Contract includes optional services for Major Improvement Projects, defined as improvement projects or construction management services costing over \$100,000; and

**WHEREAS**, the Board of Directors (Board) adopted the MPWD Comprehensive System Analysis and Capital Improvement Program (CIP), FY 2016/2017 Update, and authorized the MPWD 5-Year CIP for Fiscal Years 2016/2017 through 2020/2021 at its May 26, 2016, regular meeting; and

**WHEREAS**, the Hillcrest Pressure Regulating Station Project is derived from the MPWD's 5-Year CIP for Fiscal Years 2016/2017 through 2020/2021; and

**WHEREAS**, the District proposes a Second Amendment to the Contract for the purpose of engaging the District Engineer to prepare plans, specifications, cost estimates and construction support for the Hillcrest Pressure Regulating Station Project.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby authorizes a Second Amendment to the Contract with the District Engineer, referenced as Contract No. 02-1621-CIP, for District Engineer services related to the Hillcrest Pressure Regulating Station Project totaling \$89,250.

REGULARLY passed and adopted this 23rd day of February 2017.

AYES:

NOES:

ABSTAINS:

ABSENCES:

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PRESIDENT, BOARD OF DIRECTORS

ATTEST:

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SECRETARY OF THE BOARD

**CONTRACT NO. 02-1621-CIP**

**SECOND AMENDMENT TO**

**CONTRACT FOR PROFESSIONAL SERVICES**

THIS SECOND AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES, (HEREINAFTER REFERRED TO AS "CONTRACT NO. 02-1621-CIP"), is made as of the 23rd day of February 2017, by and between the MID-PENINSULA WATER DISTRICT (hereinafter referred to as "DISTRICT") and PAKPOUR CONSULTING GROUP, INC. (hereinafter referred to as "ENGINEER").

- A. The Parties entered into a Contract for Professional Services ("Contract") on June 25, 2015, under which Engineer provides professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system, including optional services related to major improvement projects costing over \$100,000.
- B. The DISTRICT desires Engineer to provide support services related to the District's Hillcrest Pressure Regulating Station Project (Project), as more particularly described in the ENGINEER's proposal dated February 9, 2017, a copy of which is attached hereto and incorporated herein as Attachment "A" to this Second Amendment, which services generally include the preparation of plans, specifications, cost estimates and construction support for said Project.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. Under Section 2 of the Contract, the Scope of Services is amended to add the ENGINEER's services described in Attachment "A" to this Second Amendment.
- 2. Under Section 4.3 of the Contract, the Compensation to be paid the ENGINEER for the specified services to be provided pursuant to this Second Amendment is set forth in Attachment "A" to this Second Amendment.
- 3. Except for those changes expressly specified in this Second Amendment, all other provisions, requirements, conditions and sections of the Contract remain in full force and effect.

IN WITNESS WHEREOF, this Second Amendment to the Contract, referenced as Contract No. 02-1621-CIP, is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

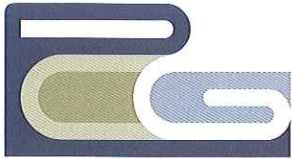
PAKPOUR CONSULTING GROUP, INC.

BY: \_\_\_\_\_  
Tammy A. Rudock, General Manager

BY: \_\_\_\_\_  
Joubin Pakpour, P.E., Principal

APPROVED AS TO FORM:

\_\_\_\_\_  
District Counsel



Pakpour Consulting Group, Inc.

February 9, 2017

10012.19

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

**Subject: Proposal to Prepare Plans, Specifications and Estimate (PS&E) and Design Support  
Hillcrest Pressure Regulating Station (HPRS) Project**

Dear Tammy,

*Pakpour Consulting Group (PCG)* is pleased to provide the following proposal to complete the design and construction support for the Hillcrest Pressure Regulating Station Project.

The Hillcrest Meters Station is one of two connections the Mid Peninsula Water District (District) has with San Francisco Public Utilities Commission (SFPUC) and is located in the City of Redwood City (CRWC). The other connection is near Crystal Springs Reservoir. The Hillcrest Meters Station provides water directly to the District's Zone 1. The existing infrastructure at Hillcrest consists of several meters with no pressure regulating capabilities. The water received at the Hillcrest meters from SFPUC has a history of pressure fluctuations which have caused several large leaks in Zone 1.

The purpose of this project is to install a pressure regulating station (PRV) at or near the Hillcrest meters to regulate the District's Zone 1 pressures. At the same time we will investigate the possibility of an intertie with the CRWC. Preliminary investigation has indicated the most suitable site for the PRV is within a CRWC tank site with the possibility of an intertie.

### **1.0 Topographic Survey and Utility Coordination**

PCG along with a sub-consultant surveyor, Triad Holmes & Associates (THA), will research District, CRWC, County and State records for "As-Built" improvement plans, easements, reports, studies and other data that may be pertinent to the project.

Project Utility Notices will be sent out to all utilities operating in the area informing them of the project, requesting plans of their facilities, and their requirements for construction near them. Plans will be submitted for their review at each task completion. PCG will coordinate with the various utility agencies to resolve potential conflicts.

Topography will be established and tied to horizontal and vertical control by THA to the CRWC's datum. The scope of the survey work will consist of providing reference points, topographic information, establishment and listing of benchmarks and field monuments, site data control, and utility location and invert elevations of existing structures. Existing right-of-way and adjoining property information will be



obtained and shown on the project base map.

**Deliverables:** Topography base map showing information obtained from utilities and CRWC

## **2.0 Meetings and Field Investigation with District and City of Redwood City - 40% Submittal**

PCG will conduct meetings with District and CRWC to develop the design requirements of the PRV and potential interconnection. PCG will coordinate with the District and CRWC the exact location of the PRV vault using City using the base map information obtained in Task Order No 1.

**Deliverables** Meeting minutes

## **3.0 60% Plans**

PCG will submit a 60% progress plans. The design drawings will be prepared in AutoCAD 3D 2013. PCG will coordinate a meeting with the District and CRWC to go over their comments. .

**Deliverables:** 60% plans and meeting minutes

## **4.0 90% Plans, Specifications, and Estimates (PS&E)**

The submitted 60% plans will be carried to 90% completion by adding details, additional notes, and addressing District and other agency comments. PCG will prepare the project specifications will be in Microsoft Word 2007 format and which will be incorporated into the District's "boilerplate" front end documents to produce a final bid documents. Bid quantities will be estimated for each item of work and an overall project cost estimate will be. Unit prices will be determined based on recent bid tabulations from similar projects, job cost media such as Means, and discussions with local contractors. PCG will coordinate a meeting with District and CRWC to go over their comments. Prepare a schedule for bidding, advertisement, award, and construction with the information provided.

**Deliverables:** 90% PS&E and meeting minutes

## **5.0 Final Plans, Specifications, and Cost Estimate (Bid Documents)**

The submitted 90% PS&E will be carried to 100% final plans by incorporating comments from the District and CRWC. Each comment will be reviewed, discussed, and addressed in writing. Appropriate modifications will be made to the plans, technical specifications, and cost estimates. PCG will prepare schedule for bidding, advertisement, award, and construction .

**Deliverables:** Final PS&E

## **6.0 Advertisement/Award Period**

PCG will administer the advertisement and award process on behalf of the District which includes written responses to bidders inquires preparation of contract addenda, and attendance at a pre-bid conference and site visits. After bids are submitted, PCG will collect and compile the information for the District., including check references and requirements of each of the bidders. PCG will determined and recommend the lowest eligible responsible bidder for the project. PCG will administer the approval of contract and issue the Notice to Proceed (NTP) after all the documents have been approved and



executed.

**7.0 Construction Support and Record Drawings**

PCG will provide construction support to the District consisting of reviewing submittal and shop drawings for compliance with the contract documents. PCG will also respond to Request for Information (RFI) during the construction phase, attend progress meetings, and provide on-site inspections at the District’s request.

PCG will prepare and submit Record Drawings (“As Builts”) based upon the Contractor’s marked up plans at the end of the project. The Contractor’s marked up plans will be reviewed by PCG concurrently with the project inspector to ensure an accurate representation of the “As Built” water mains.

**Assumptions**

- Design of the project is based on the assumptions the City of Redwood City will allow the District to install the pressure regulating valve and a emergency interconnection at the tank site.
- All work will limited to the tank site.
- A State Water Resources Control Board (SWRCP) Construction General Permit is not required for this project since the disturbance area is less than one acre .
- The Storm Water Pollution Prevention Plan (SWPPP) document or Qualified SWPPP Practitioners (QSP) project site inspections, monitoring and reporting is not required for the project.
- No arborist coordination is required.
- No landscape architect is required.
- No acquisition of easement is needed for the project
- No temporary construction easement coordination is required.
- No soil or groundwater contamination issues.
- No geotechnical investigation is required.
- Utility agency agreements/ permits/ inspection services not included in the proposal.
- No structural design and plans are included.
- No water main design is part of the proposal.
- No construction management or inspection is required and not part of the scope of work.
- No electrical design is part of the proposal.

**Proposed Schedule**

<u>Tasks</u>	<u>Tentative Due Dates*</u>
Design Notice to Proceed (NTP) -----	February 17, 2017
Task 1 - Topographic Survey and Utility Coordination -----	March 24, 2017
Task 2 - Meeting with CRWC, District, and SFPUC -----	March 31, 2017
Task 3 - 60% Submittal Plans -----	April 21, 2017
Task 4 - 90 Plans, Specifications, and Estimates (PS&E) -----	May 19, 2017
Task 5 - Final PSE (Bid Documents) -----	June 16, 2017
<b><i>MPWD Board Meeting - Board Approval for Advertisement</i></b> -----	<b><i>June 22, 2017</i></b>





**Proposed Schedule (Continue)**

<u>Tasks</u>	<u>Tentative Due Dates*</u>
Task 6 - Advertisement Period (2 Weeks) / Award -----	June 26, 2017
<b>Pre Bid Meeting</b> -----	<b>July 10, 2017</b>
<b>Bids Due</b> -----	<b>July 25, 2017</b>
Check References/ Bid Analysis -----	July 31, 2017
Recommendation/ Award Board Package -----	August 18, 2017
<b>MPWCD Board Meeting - Award</b> -----	<b>August 24, 2017</b>
Begin Construction -----	September 2017
Task 7 - Construction Support/Record Drawings -----	Sept 2017/Jan 2018

\*Tasks' deadlines are based on the NTP start date of February 17, 2017

**Proposed Budget**

TASK	DESCRIPTION	District Engineer		Project Engineer II		Project Engineer I		TOTALS	
		HR	COST	HR	COST	HR	COST	HRS	COST
	Hourly Rate:		\$155		\$125		\$115		
1.0	Topographic Survey and Utility Coordination	0	\$0	24	\$3,000	0	\$0	24	\$3,000
2.0	Meeting/ Field Investigation (District and City)	24	\$3,720	40	\$5,000	0	\$0	64	\$8,720
3.0	60% Plans	8	\$1,240	64	\$8,000	8	\$920	80	\$10,160
4.0	90% Plans, Specifications, and Estimates (PS&E)	8	\$1,240	120	\$15,000	16	\$1,840	144	\$18,080
5.0	Final Plans (Bid Documents)	16	\$2,480	64	\$8,000	16	\$1,840	96	\$12,320
6.0	Advertisement / Award Period	8	\$1,240	24	\$3,000	0	\$0	32	\$4,240
7.0	Construction Support and Record Drawings	16	\$2,480	64	\$8,000	0	\$0	80	\$10,480
<b>Total Labor</b>		<b>80</b>	<b>\$12,400</b>	<b>400</b>	<b>\$50,000</b>	<b>40</b>	<b>\$4,600</b>	<b>520</b>	<b>\$67,000</b>

Topographic Survey	\$18,000
5% Direct Expense Fee (Mileage, Copies, Plots, Etc.)	\$4,250

<b>Total Design Project Cost</b>	<b>\$89,250</b>
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The total budget for design and prepare the plans, specifications, and estimate including support for CIP #15-87 is **\$89,250.00**.

We look forward to assisting the District with this project. Please do not hesitate to contact me at (925) 224-7717 should you have any questions.

Very truly yours,

**Pakpour Consulting Group, Inc.**



Joubin Pakpour, P.E.  
Principal Engineer

J:\Projects\MPWD - 10012.00\19 - Hillcrest Pressure Regulating Station\Contract\Agency\19-MPWD-Rudock-17.02.09-Hillcrest PRV Proposal Design and Support.docx





## HILLCREST CONNECTION PRESSURE REGULATING STATION

### **PROJECT BACKGROUND**

The District's water is supplied from the SFPUC at two main inlets: the Tunnels Pump Station, located on Canada Road near the Crystal Springs Reservoir, and Hillcrest Meters, located in Redwood City. The Tunnels Pump Station sends water into Zone 8 (the highest zone in the District) and the Hillcrest Meters sends water into Zone 1 (the lowest zone in the District). The Hillcrest Meters connection is a simple connection with a flow meter and has no pressure regulating capabilities. The District has reported multiple pressure fluctuations in Zone 1 due to SFPUC oscillating pressures upstream of the meter. Because of the incapability of regulating pressures downstream of the SFPUC connection, the District has run into operational issues. This project installs a pressure regulating station consisting of multiple pressure reducing valves (PRV) to operate under specific Zone 1 operating conditions. A new vault will be constructed downstream of the Hillcrest Meters and will house up to 3 PRV's, two 6" and one 8". Each PRV will operate under conditions such as low flows, high demands, and under Hannibal Pump Station operation.

### **PROPOSED IMPROVEMENTS**

Install a pressure regulating station at the Hillcrest Meters

### **PROJECT BENEFITS**

The Hillcrest Connection Pressure Regulating Station allows the District to maintain a more constant pressure in Zone 1 and eliminates pressure fluctuations caused by the SFPUC system.

### **PROJECT BUDGET**

Pressure Regulating Station	\$ 250,000
Subtotal Construction	\$ 250,000
Planning, Design, & Construction Support	\$ 65,000
Contingency (±10%)	\$ 30,000
<b>Project Budget</b>	<b>\$ 345,000</b>



Pakpour Consulting Group, Inc.  
5776 Stoneridge Mall Road, Suite 320  
Pleasanton, CA 94588  
925.224.7717 Fax 925.224.7726  
www.pcgengr.com

JOB No.	10012.07
DATE	5/20/16
SCALE	AS NOTED
DRAWN BY	BL
CKD	JP



MID-PENINSULA WATER DISTRICT  
SAN MATEO COUNTY, CALIFORNIA  
3 DAIRY LANE  
BELMONT, CA 94002

**CAPITAL IMPROVEMENT PROGRAM  
HILLCREST REGULATING STATION  
PROJECT 15-87**



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

DATE: February 23, 2017  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager  
Candy Pina, Administrative Services Manager

---

**SUBJECT: RECEIVE PROGRESS REPORT ON 2016 COPs FINANCING**

---

**RECOMMENDATION**

Receive progress report on 2016 COPs financing for the MPWD FY 2016-2021 CIP.

**FISCAL IMPACT**

*From COPs Sources managed by the Trustee*

Delivery Costs estimated at:	\$365,428
Paid through December 31, 2016:	\$197,742

- Trustee expenses are outstanding.
- MPWD legal expenses are outstanding.

Project Funds available: \$19,143,021  
\$1,600 (annually) for Dissemination Agent Professional Services to prepare and submit the required annual Continuing Disclosure reports.

MPWD will submit to recoup engineering design services costs paid for CIP projects totaling \$172,833 (through January 31, 2017).

**DISCUSSION**

Staff committed it would provide comprehensive quarterly reports on the 2016 COP financing for the MPWD FY 2016-2021 CIP, and will do so for the first time during the Board's April 27<sup>th</sup> regular meeting. It will cover the period January 1, 2017 through March 31, 2017. Staff is collaborating with the involved parties on the team (e.g., MFA, the Trustee Bank, Dissemination Agent, District Engineer, etc.) to ensure we start off right!

To date the only COP funds that have been expended are the Issuance Costs that were reported to the Board on December 15, 2016, and are included in the attached Delivery Cost Disbursements Report dated December 21, 2016, totaling \$197,742. There remains one vendor expenditure to recoup from the Issuance Proceeds and that will be

the Hanson Bridgett legal costs incurred by the MPWD during the COP preparation and sale processes. Staff will remit those costs soon to the Trustee.

Moreover, the MPWD will utilize the professional services of a Dissemination Agent, Dan Bergmann, to prepare and submit the required annual Continuing Disclosure reports due by March 31<sup>st</sup>. The cost is \$1,600 for each disclosure report. That letter agreement signed on December 16, 2016 is attached for information.

The following itemized CIP project funds (through January 31, 2017) will be recouped by the MPWD from the COP funds after meeting with Trustee and firming up the payment submittal process.

<b>2016 COPs FUNDED PROJECTS</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>TOTAL</b>
Arthur Road WMR CIP	\$ -	\$ 12,133	\$ 12,133
Folger Road WMR CIP	\$ -	\$ 11,999	\$ 11,999
Karen Road WMR CIP	\$ 45,144	\$ 28,388	\$ 73,532
Hillcrest WMR CIP	\$ 919	\$ 4,165	\$ 5,083
Francis, Academy, Davey Glen WMR CIP	\$ -	\$ 1,759	\$ 1,759
Dekoven Tank CIP	\$ 51,157	\$ -	\$ 51,157
Mezes Road WMR CIP	\$ -	\$ 5,260	\$ 5,260
South Road WMR CIP	\$ -	\$ 11,910	\$ 11,910
<b>COPs FUNDED PROJECTS AMOUNT</b>	<b>\$ 97,219</b>	<b>\$ 75,613</b>	<b>\$ 172,833</b>

Our tentative plan is to continue to work with the Bud Levine at Wulff, Hansen & Co. as Municipal Finance Advisor in order to ensure a smooth transition for the CIP and COP financing requirements and brainstorm about other related financial activities as a result of the financing. Staff is also considering a consultant for the MPWD quarterly financial reporting activities. We intend to vet some ideas with the Board's Financial Audit Committee once we have them organized.

Bud Levine will attend the April 27<sup>th</sup> regular meeting to present the final report on the financing project to the Board.

Attachments: Delivery Costs Disbursement Report dated December 21, 2016  
 Letter Agreement between the MPWD and Dissemination Agent Dan Bergmann  
 Dated December 15, 2016

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

**\$18,570,000**  
**CERTIFICATES OF PARTICIPATION**  
**(2016 Financing Project)**  
**Evidencing the Direct, Undivided Fractional Interests of the**  
**Owners Thereof in Installment Payments to be Made by the**  
**MID-PENINSULA WATER DISTRICT**  
**(San Mateo County, California)**  
**As the Purchase Price for Certain Property Pursuant to an**  
**Installment Sale Agreement with the**  
**Public Property Financing Corporation of California**

**REQUISITION NO. 1**  
**FOR DISBURSEMENT FROM DELIVERY COSTS FUND**

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting General Manager of the Mid-Peninsula Water District, a water district duly organized and existing under the laws of the Constitution and laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized to certify the same on behalf of the District;


(ii) that the undersigned is duly designated as a "District Representative" of the District, as such term is defined in that certain Trust Agreement, dated as of December 1, 2016 (the "Trust Agreement"), by and among The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), the Public Property Financing Corporation of California and the District;

(iii) that, pursuant to Section 3.04 of the Trust Agreement, the undersigned hereby requests the Trustee to disburse from the Delivery Costs Fund established under the Trust Agreement to the payee(s) designated on the attached Exhibit A, the respective sum set forth opposite each payee, for payment or reimbursement of the Delivery Costs (as such term is defined in the Trust Agreement) described on said Exhibit A; and

(iv) that the amounts to be disbursed herein are for Delivery Costs properly chargeable to the Delivery Costs Fund, and have not been the subject of any previous disbursement requisition pursuant to Section 3.04 of the Trust Agreement.

Dated: December 21, 2016

MID-PENINSULA WATER DISTRICT

By   
 Tammy A. Rudock,  
 General Manager

**EXHIBIT A**

**REQUISITION NO. 1  
DELIVERY COSTS DISBURSEMENTS**

<u>Payee Name and Address</u>	<u>Purpose of Obligation</u>	<u>Amount</u>
Public Property Finance Corporation of California c/o Wells Fargo Bank ABA No. 121000248 A/C No. 0801694308	Lessor Fee	\$3,500.00
Wulff, Hansen & Co. c/o Union Bank ABA No. 122000496 A/C No. 8580017496	Municipal Advisor Fee	\$70,000.00
Quint & Thimmig LLP c/o First Republic Bank ABA No. 321081669 A/C No. 80001849224	Special Counsel Fee (\$70,000) and Reimbursable Expenses (\$1,607)	\$71,607.00
Quint & Thimmig LLP c/o First Republic Bank ABA No. 321081669 A/C No. 80001849224	Disclosure Counsel Fee	\$30,000.00
S&P Global Ratings c/o Bank of America ABA No. 0260-0959-3 A/C No. 12334-02500 Ref: Invoice No. 11319607	Rating Agency Fee	\$20,000.00
Elabra c/o First Republic Bank ABA No. 321081669 A/C No. 91400702163 Ref: Invoice No. I-16-222	OS Printing Fee	\$1,135.00
Ipreo LLC c/o JPMorganChase New York, NY ABA No. 021000021 A/C No. 066603161 Ref: Invoice No. 10031009	Electronic Distribution Fee	\$1,500.00

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA  
2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361

INVOICE

DATE: December 12, 2016

TO: Mid-Peninsula Water District

---

INVOICE ITEMIZATION

RE: Seller Fee

TOTAL AMOUNT DUE: \$3,500.00

WIRE INSTRUCTIONS:

Wells Fargo Bank  
ABA #121000248  
23701 Calabasas Road  
Calabasas, CA 91302  
Acct. Name: Public Property Financing Corporation of California  
Acct. No.: #0801694308

TAX ID NUMBER: 33-0463530

**Mid-Peninsula Water District  
Certificates of Participation, Series 2016  
(Financing Project)  
\$20,000,000**

**INVOICE No. 1**

Date: December 15, 2016

To: Mid-Peninsula Water District

Attn: Tammy Rudock General Manager

Subject: Financial Advisory services, including structuring, advising, conducting competitive bid for the sale, and assisting in the closing of the \$20,000,000 Certificates of Participation Series 2016 Financing Project.

Total due: \$70,000.00

Please send wire payment to Wulff, Hansen & Co. (Tax ID # 94-0993720) at the below bank:

Union Bank  
400 California St.  
San Francisco, CA 94104  
ABA# 122000496  
ACCT# 8580017496  
FBO Wulff Hansen & Co

Thank you for the opportunity to provide you with our services. We look forward to working with the District in the future.

Ben H. Levine  
Municipal Advisor

Cc: Chris Charles  
Frank Villegas



# Quint & Thimmig LLP

Attorneys at Law

900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726

Phone: 415/925-4200  
Fax: 415/925-4201

December 21, 2016

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

Re: \$18,570,000 Certificates of Participation (2016 Financing Project), Evidencing Direct, Undivided Fractional Interests of the Owners Thereof in Installment Payments to be Made by the Mid-Peninsula Water District (San Mateo County, California), As the Purchase Price for Certain Property Pursuant to an Installment Sale Agreement with the Public Property Financing Corporation of California

---

## INVOICE

For Legal Services Rendered as Bond Counsel, inclusive of all out-of-pocket expenses, except as shown below	\$70,000.00
<i>Bond Buyer</i> publication of Notice of Intention	<u>1,607.00</u>
TOTAL	<u>\$71,607.00</u>

***Please remit to:***

By mail:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726

By wire:

First Republic Bank  
111 Pine Street  
San Francisco, CA  
ABA No. 321081669  
Account No. 80001849224  
For Credit to: Quint & Thimmig LLP

Our Tax I.D. Number is 94-3263256

# Quint & Thimmig LLP

Attorneys at Law

900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726

Phone: 415/925-4200  
Fax: 415/925-4201

December 21, 2016

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

Re: \$18,570,000 Certificates of Participation (2016 Financing Project), Evidencing Direct, Undivided Fractional Interests of the Owners Thereof in Installment Payments to be Made by the Mid-Peninsula Water District (San Mateo County, California), As the Purchase Price for Certain Property Pursuant to an Installment Sale Agreement with the Public Property Financing Corporation of California

---

## INVOICE

For Legal Services Rendered as Disclosure Counsel, inclusive of all out-of-pocket expenses

\$30,000.00

***Please remit to:***

By mail:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726

By wire:

First Republic Bank  
111 Pine Street  
San Francisco, CA  
ABA No. 321081669  
Account No. 80001849224  
For Credit to: Quint & Thimmig LLP

Our Tax I.D. Number is 94-3263256

0201

MS. TAMMY RUDOCK  
MID-PENINSULA WATER DISTRICT  
3 DAIRY LANE  
BELMONT CA 94002

Description of Services	Amount
101321 ANALYTICAL SERVICES RENDERED IN CONNECTION WITH: US\$19,405,000 Mid-Peninsula Water District, California, Certificates of Participation (2016 Financing Project), dated: Date of Delivery, due: December 01, 2046	\$20,000.00

FOR INQUIRIES PLEASE CONTACT: SREEKANTH MADDALA  
COLLECTIONSUSRATINGS@SPGLOBAL.COM  
PHONE: 1-800-767-1896 EXT #6  
FAX: 1-212-438-5178

For inquiries contact the client services representative listed on this invoice. Do not return it or direct any inquiries about the invoice to credit ratings analysts. S&P Global Ratings maintains a separation of commercial and analytical activities. Please note that our credit ratings analysts are not permitted to communicate, negotiate, arrange or collect credit rating fees.

Please reference invoice or statement number on all checks and wire transfers

This Invoice Due and Payable As Of: 11/16/16

INVOICE TOTAL                     \$20,000.00 USD

Make Checks Payable To:

**S&P Global**  
Ratings

Standard & Poor's Financial Services, LLC  
Federal I.D.: 26- 3740348

Invoice No.: 11319607  
Customer No.: 1000101594  
Invoice Date: 11/16/16

0201

**Billed To:**

MS. TAMMY RUDOCK  
MID-PENINSULA WATER DISTRICT  
3 DAIRY LANE  
BELMONT CA 94002

**Wire Transfer To:**

Please include invoice #  
Bank of America  
S&P Global Ratings  
Account # 12334-02500  
ABA # 0260-0959-3  
Or E-mail: cashapps@spglobal.com

**Remit To:**

S&P GLOBAL RATINGS  
2542 COLLECTION CENTER DRIVE  
CHICAGO, IL 60693

10001015948 11319607 02000000 1 700 10 07 1116 1

TOTAL AMOUNT DUE:
\$20,000.00 USD
AMOUNT ENCLOSED:

Invoice No: I-16-222

**INVOICE**

Date: December 16, 2016

**\$18,570,000**

Client: Mid-Peninsula Water District  
 3 Dairy Lane  
 Belmont, CA 94002

**CERTIFICATES OF PARTICIPATION  
 (2016 Financing Project)**

**Evidencing the Direct, Undivided Fractional Interests of the  
 Owners Thereof in Installment Payments to be Made by the  
 MID-PENINSULA WATER DISTRICT  
 (San Mateo County, California)**

Attention: Ms. Tammy A. Rudock  
[bquint@qtlp.com](mailto:bquint@qtlp.com)

**As the Purchase Price for Certain Property  
 Pursuant to an Installment Sale Agreement with the  
 Public Property Financing Corporation of California**

Printing services:

- Typeset cover
- PDF camera ready copy
- Scan and pdf files such as appendicies
- Unlimited Authors Alterations
- Rush services



Premium Service for this job is based on the above, as needed, and

30 Final Official Statements of                      146 pages, shipped/published on                      December 16, 2016

Internet Posting & Electronic Distribution



Cost of Production for:

Out of State (non-taxable)	\$0.00
In Oakland (taxable)	\$0.00
In California (taxable)	\$974.93
Cost of production	\$974.93
Sales Tax Oakland (9.50%)	\$0.00
Sales Tax California Statewide (7.5%)	73.12
Shipping	86.95
<b>TOTAL:</b>	<b><u><u>\$1,135.00</u></u></b>

0.000% of books, delivered out of CA  
 0.000% of books, delivered in Oakland  
 100.000% of books, delivered in CA

Inquiries: [accounting@elabra.com](mailto:accounting@elabra.com)

When remitting payment to us, you may either send a check to the remittance address at the top of the page, or you may arrange to have the payment wired directly to our account. If wiring the funds, **please call the bank** with the following information.

First Republic Bank  
 San Rafael Office  
 1099 Fourth Street  
 San Rafael  
 800-700-0388

Please reference our  
 Invoice Number: **I-16-222**  
 Account name: **Elabra, Inc.**  
 Account number: **91400702163**  
 ABA/Routing number: **321081669**

<b>Invoice Number</b>	10031009
<b>Date</b>	11/30/2016
<b>Payment Terms</b>	Due Upon Receipt
<b>Customer No.</b>	CAMIDPEN



Ipreo LLC  
Ipreo Data Inc.  
Marketpipe  
CapitalBridge

**Bill To:**

Mid-Peninsula Water District  
Tammy Rudock  
3 Dairy Lane  
P.O. Box 129  
Belmont CA 94002

Federal Tax ID # 47-1492236

\$20,000,000.00  
Mid-Peninsula Water District  
California  
Certificates of Participation

Service(s) Rendered	Description	Amount
ELECTRONIC DISTR. OF POS/OS		\$1,500.00

Please send remittance to:  
Ipreo LLC  
P.O. Box 26886  
New York, NY 10087-6886  
or Via Wire Transfer to:  
JPMorganChase, New York, NY  
ABA # 021000021  
Acct # 066603161  
SWIFT CODE: CHASUS33

<b>Subtotal</b>	\$1,500.00
<b>Sales Tax</b>	\$0.00
<b>Total Due</b>	\$1,500.00

Questions? Email [Acctsrec@ipreo.com](mailto:Acctsrec@ipreo.com)

## LETTER AGREEMENT FOR CONSULTATIVE SERVICES

This Letter Agreement sets forth the agreement and understanding between Mid-Peninsula Water District (District) and Interstate Gas Services, Inc. DBA IGService (IGS) for the purpose of IGS providing annual disclosure assistance related to District's 2016 issuance of Certificates of Participation.

### SCOPE OF SERVICES:

IGS shall serve as Dissemination Agent and prepare the annual Continuing Disclosure reports associated with District's 2016 Financing Project.

District shall provide supporting data necessary to complete each report as requested by IGS, including audited financial statements, additional data necessary to calculate debt service coverage ratios, and all other required data pursuant to the Continuing Disclosure Certificate contained in the Official Statement associated with the 2016 Financing Project.

Completed draft disclosures shall be provided to District for review, discussion, and approval, and thereafter uploaded to Electronic Municipal Market Access (EMMA).

Disclosures shall be completed by March 31<sup>st</sup> of each year.

### FEES:

The fee for the work described in Scope of Services is set at \$1,600 per each disclosure report completed, approved by District, and uploaded to EMMA.

### TERM:

This Agreement commences as of full execution and shall continue until terminated by either party on at least 30 days written notice, except all payments owed shall be made, regardless of termination.

### INDEPENDENT CONTRACTOR:

In performing under this Agreement, IGS shall act at all times as an independent contractor. IGS shall not make any commitment or incur any charge or expense in the name of District.

IGS expressly agrees, acknowledges, and stipulates that neither this Agreement nor the performance of its obligations or duties thereunder shall ever result in IGS, or anyone employed by IGS, being:

- A. An employee, agent, servant or representative of District; or
- B. Entitled to any benefits from District, including, without limitation, pension, profit sharing, accident insurance, or health, medical, life, or disability insurance benefits or coverage, to which employees of District are entitled.

The sole and only compensation and/or benefit of any nature to which IGS shall be entitled are the payments provided for herein. District shall have no direction or control of IGS or its employees and agents except in the results to be obtained subject to District's right to review/inspect the services. The actual performance and supervision of all services shall be by IGS, but the services shall meet the approval of District.

**SOCIAL SECURITY AND WAGE TAX LIABILITY/WORKER'S COMPENSATION INSURANCE:**

IGS agrees to pay timely and to accept exclusive liability for the payroll taxes, contributions for unemployment compensation insurance, old age benefits, social security, and any other payments now or hereafter imposed by the Government of the United States or by any state or political subdivision thereof, which are measured by the wages, salaries or other remuneration paid to IGS' employees. IGS agrees to indemnify District and save it free and harmless from and against any and all taxes, contributions, and/or payments imposed by law upon IGS. IGS will at all times carry and provide worker's compensation insurance coverage for its employees.

**ASSIGNMENTS AND SUBCONTRACTS:**

This Agreement and all duties and obligations described hereunder are personal in nature. Accordingly, IGS shall not assign this Agreement or any portion thereof or subcontract to another party.

**PAYMENT:**

IGS shall bill District on a monthly basis for work completed. District shall pay bills from IGS within 30 days after receipt.

**CONTACT INFORMATION:**

Communication between IGS and District shall be directed to the address and contact information shown below. Formal communication and notices shall be in written form. The Parties accept email as a communication tool.

Mid-Peninsula

Mid-Peninsula Water District  
3 Dairy Lane  
Belmont, CA 94002  
Attn: Tammy Rudock  
General Manager  
Email: [tammyr@midpeninsulawater.org](mailto:tammyr@midpeninsulawater.org)

IGService

IGService  
15 Shasta Lane  
Walnut Creek, CA 94597  
Attn: Dan Bergmann  
Principal  
Office Phone 925-946-9090  
Email: [dan@igservice.com](mailto:dan@igservice.com)

**ATTORNEYS FEES:**

In the event either party commences legal action in the courts to enforce or interpret any of the terms of this Agreement, the prevailing party in such action shall be entitled to an award of its reasonable attorney's fees and costs.

**INDEMNITY:**

IGS shall defend, indemnify and hold harmless the District and all District employees and agents from all claims, liabilities and actions filed against them in the courts or otherwise, which result from IGS' work or actions hereunder. District shall defend, indemnify and hold harmless IGS, its employees and agents from all claims, liabilities and actions filed against them in the courts or otherwise, which result from the District's actions hereunder.

If the above conditions and terms meet with your approval, please sign below.

**Mid-Peninsula Water District:**

By: Tammy A. Riddock Date 12/15/16  
Name: Tammy A. Riddock  
Title: General Manager

**Interstate Gas Services, Inc. DBA IGService**

By: Dan Bergmann Date 12/15/16  
Dan Bergmann, P.E.  
Principal  
Interstate Gas Services, Inc. DBA IGService





**AGENDA ITEM NO. 9.A.**

DATE: February 23, 2017  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

---

**SUBJECT: DISCUSS THE CONCEPT OF A 2-YEAR STRATEGIC PLAN FOR THE MPWD COVERING 2017-2018**

---

**RECOMMENDATION:**

Discuss the concept of a 2-year Strategic Plan for the MPWD covering 2017-2018.

**FISCAL IMPACT:**

None.

**DISCUSSION:**

A Special Meeting of the Board of Directors was held on January 12<sup>th</sup> as a strategic planning session for 2017. Julie Brown facilitated the planning session.

Staff met with the Board President on February 7<sup>th</sup> and discussed an idea for development of a 2-year strategic plan in order to realistically accomplish the identified actions. Staff also met with Julie Brown on February 10<sup>th</sup> and she agreed that the MPWD has excelled in its growth and development so that it would make sense to consider a multi-year plan in order to achieve success.

Staff wanted to talk about the idea with the Board before drafting the plan documents for consideration. They will be brought to the Board next month for review.

---

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

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



**AGENDA ITEM NO. 9.B.**

DATE: February 23, 2017  
TO: BOARD OF DIRECTORS  
FROM: CANDY PINA, ADMINISTRATIVE SERVICES MANAGER

---

**SUBJECT: CONSIDER RESOLUTION 2017-04 AUTHORIZING FIRST AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES IN THE TOTAL AMOUNT OF \$100,100 WITH JAMES MARTA & COMPANY FOR ANNUAL FINANCIAL AUDITING SERVICES FOR FYEs JUNE 30, 2018 THROUGH JUNE 30, 2022**

---

**RECOMMENDATION**

Approve Resolution 2017-04 approving the Board's Financial Audit Committee's recommendation to extend the contract with James Marta & Company for Annual Financial Auditing Services to the MPWD for Fiscal Years 2017/2018 through 2021/2022.

**FISCAL IMPACT**

The proposed auditing fees for James Marta & Company (dated December 7, 2016 and attached to the First Amendment to the Contract for Professional Services as Exhibit "A"):

For the Year Ended June 30, 2018	\$18,850
For the Year Ended June 30, 2019	\$19,425
For the Year Ended June 30, 2020	\$20,000
For the Year Ended June 30, 2021	\$20,600
For the Year Ended June 30, 2022	\$21,225

**DISCUSSION**

The Board's Financial Audit Committee recommended that the MPWD extend James Marta & Company's contract for an additional five years based on the positive working relationship, performance, and deliverables over these past several years. Staff agrees with this recommendation.

Attachments: Resolution 2017-04  
First Amendment to Contract for Professional Services  
James Marta & Company LLP Audit Fees Proposal

---

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

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

**RESOLUTION NO. 2017-04**

**AUTHORIZING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACT  
WITH JAMES MARTA & COMPANY, IN THE TOTAL AMOUNT OF \$100,100,  
FOR ANNUAL FINANCIAL AUDITING SERVICES  
COVERING DISTRICT FISCAL YEARS 2018, 2019, 2020, 2021, AND 2022**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the MID-PENINSULA WATER DISTRICT (DISTRICT) entered into a contract with JAMES MARTA & COMPANY on July 31, 2013 to provide annual financial auditing services covering DISTRICT Fiscal Years 2013, 2014, 2015, 2016, and 2017; and

**WHEREAS**, the Financial Audit Review Committee for the Board of Directors has been actively involved each year with staff, JAMES MARTA & COMPANY and the DISTRICT's financial auditing process and recommended that the DISTRICT continue its professional relationship with JAMES MARTA & COMPANY for another 5-year term as a result of their positive performance; and

**WHEREAS**, the DISTRICT proposes a First Amendment to the Professional Services Contract for the purpose of engaging JAMES MARTA & COMPANY to provide annual financial auditing services for DISTRICT Fiscal Years 2018, 2019, 2020, 2021, and 2022.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby authorizes a First Amendment to the Contract with JAMES MARTA & COMPANY to provide annual financial auditing services for DISTRICT Fiscal Years 2018, 2019, 2020, 2021, and 2022.

REGULARLY passed and adopted this 23rd day of February 2017.

AYES:  
NOES:  
ABSTAINS:  
ABSENCES:

\_\_\_\_\_  
PRESIDENT, BOARD OF DIRECTORS

ATTEST:

\_\_\_\_\_  
BOARD SECRETARY

**FIRST AMENDMENT TO  
CONTRACT FOR PROFESSIONAL SERVICES**

THIS FIRST AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES is made as of the 23rd day of February 2017, by and between the MID-PENINSULA WATER DISTRICT (hereinafter referred to as "DISTRICT") and JAMES MARTA & COMPANY (hereinafter referred to as "CONSULTANT").

- A. The Parties entered into a Contract for Professional Services ("Contract") on July 31, 2013, under which CONSULTANT provides professional financial auditing services covering the DISTRICT's fiscal years 2013, 2014, 2015, 2016, and 2017.
- B. The DISTRICT desires CONSULTANT to provide continued professional financial auditing services covering the DISTRICT's fiscal years 2018, 2019, 2020, 2021, and 2022, as more particularly described in CONSULTANT's proposal dated December 7, 2016, a copy of which is attached hereto and incorporated herein as Attachment "A" to this First Amendment.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. Under Section 2 of the Contract, the Scope of Services is amended to add the CONSULTANT's services described in Attachment "A" to this First Amendment.
- 2. Under Section 4 of the Contract, the Compensation to be paid the CONSULTANT for the specified services to be provided pursuant to this First Amendment is set forth in Attachment "A" to this First Amendment.
- 3. Except for those changes expressly specified in this First Amendment, all other provisions, requirements, conditions and sections of the Contract remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment to the Contract for Professional Services is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

JAMES MARTA & COMPANY

BY: \_\_\_\_\_  
Tammy A. Rudock, General Manager

BY: \_\_\_\_\_  
David Becker, Partner

APPROVED AS TO FORM:

\_\_\_\_\_  
District Counsel



**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting, Auditing, Consulting, and Tax*

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December 7, 2016

Board of Directors  
Mid-Peninsula Water District  
Belmont, California

We are pleased to confirm our understanding of the arrangements for our audit of the financial statements of Mid-Peninsula Water District for June 30, 2018 through 2022.

This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call to discuss this letter before you sign it.

**Scope of Work**

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mid-Peninsula Water District as of June 30, 2018, and for the year then ended and the related notes to the financial statements, which collectively comprise Mid-Peninsula Water District's basic financial statements as listed in the table of contents and provide assistance with the preparation of the financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

Accounting principles generally accepted in the United States of America and Governmental Accounting Standards require that management's discussion and analysis, schedule of funding progress for other postemployment benefits, schedule of District's proportionate share of the net pension liability and schedule of pension contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI.

We are not aware of any other supplementary information other than RSI that will accompany Mid-Peninsula Water District's basic financial statements.

### **The Objective of an Audit**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and Governmental Accounting Standards and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with U.S. generally accepted auditing standards (GAAS) and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraph(s). If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **General Audit Procedures**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), *Government Auditing Standards* issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement and are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. As such, our audit will involve performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and will include tests of the accounting records of Mid-Peninsula Water District and other procedures we consider necessary. The procedures we determine necessary will depend on our "auditor's" judgment and will be based, in part, on our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

### **Internal Control Audit Procedures**

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected by our firm, even though our audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors that come to our attention, and we will inform you, or the appropriate level of management, of any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

In making our risk assessments, we will consider internal controls relevant to the preparation and fair presentation of your entity's financial statements in order to design audit procedures that are appropriate in the circumstances. However, our audit procedures are not designed for the purpose of expressing an opinion on the effectiveness of your entity's internal control. We will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

### **Compliance with Laws and Regulations**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Mid-Peninsula Water District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

## **Management Responsibilities**

As part of our engagement, we may advise you about appropriate accounting principles and their application; however, management acknowledges and understands that the final responsibility for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America remains with you. As such, management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Other management responsibilities include maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

By your signature below, you also acknowledge that you are responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes having appropriate programs and controls in place to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the company that involves management, employees who have significant roles in internal control, and others where fraud could have a material impact on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the company received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the company complies with applicable laws and regulations. You agree that management will confirm its understanding of its responsibilities as defined in this letter to us in a management representation letter.

Management's responsibilities also include designating qualified individuals with the skill, knowledge, and experience to be responsible and accountable for overseeing financial statement preparation and any other nonattest services we perform as part of this engagement, as well as evaluating the adequacy and results of those services and accepting responsibility for them.

You further acknowledge and understand that management is responsible for providing us with access to all information management is aware of that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters; for the accuracy and completeness of the information that is provided to us; and for informing us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements. This responsibility also includes providing us with any additional information that we may request from management for the purpose of the audit; as well as allowing us unrestricted access to individuals within the organization from whom we may determine it necessary to obtain audit evidence, including access to your designated employees who will type all confirmations we request.



## **Reporting**

We expect to issue a written report upon completion of our audit of Mid-Peninsula Water District's basic financial statements. Our report will be addressed to the board of directors of Mid-Peninsula Water District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph, decline to express an opinion, or withdraw from the engagement.

We also will issue a written report on internal control over financial reporting and compliance with laws, regulations and provisions of grants and contracts upon completion of our audit.

## **Other**

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

## **Provisions of Engagement Administration, Timing and Fees**

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

We expect to begin our audit in September and to complete and issue our report no later than October 31<sup>st</sup> each year.

David Becker is the engagement partner for the audit services specified in this letter. His responsibilities include supervising James Marta & Company LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our liability as auditors shall be limited to the period covered by our audit and shall not extend to later periods for which we are not engaged as auditors.

## **Record Retention**

It is our policy to keep records related to this engagement for 7 years. However, James Marta & Company LLP does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the 7 year period James Marta & Company LLP shall be free to destroy our records related to this engagement.

### **Fees**

Our fee for the audit will be \$18,850, \$19,425, \$20,000, \$20,600 and \$21,225 for the years ending June 30, 2018, 2019, 2020, 2021 and 2022, respectively. We will bill you on a monthly basis for our services and invoices are payable upon presentation. Unpaid fee balances 30 days overdue will bear interest at 18 percent per annum. This fee is based upon the assumption that the closing journal entries will be made and accounting will be finalized and closed before the year end audit fieldwork. Additional time and billing charges will incur if accounting service is provided for closing or reconciling accounting records.

Whenever possible, we will attempt to use your personnel to assist in the preparation of schedules and analyses of accounts. We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Our initial fee estimate assumes we will receive the aforementioned assistance from your personnel and unexpected circumstances will not be encountered. In the event that the GASB, FASB, AICPA, GAO, OMB, or the State of California issues additional standards or audit procedures that require additional work during the audit period, we will discuss these requirements with you before proceeding further. Before starting the additional work, we will prepare an estimate of the time necessary, as well as the fee for performing the additional work. Our fee for addressing the additional requirements will be at our standard hourly rates for each person involved in the additional work.

In the event we are required to respond to discovery requests, subpoenas, and outside inquiries, we will first obtain your permission unless otherwise required to comply under the law. Our time and expense to comply with such requests will be charged at our standard hour rates in addition to the stated contract.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the governing board the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;

- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of James Marta & Company LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available pursuant to authority given to any regulator by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of James Marta & Company LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to any regulator. They may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

### **Mediation Provision**

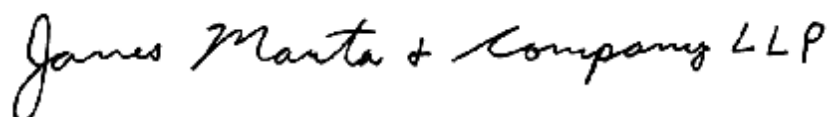
Disputes arising under this agreement (including scope, nature, and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Several technical accounting and auditing words and phrases have been used herein. We presume you to understand their meaning or that you will notify us otherwise so that we can furnish appropriate explanations.

We have attached a copy of our latest external peer review report of our firm for your consideration and files.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. This letter will continue in effect until canceled by either party.

Respectfully,

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Mid-Peninsula Water District

Authorized Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**AGENDA ITEM NO. 9.C.**

DATE: February 23, 2017  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager  
Candy Pina, Administrative Services Manager  
Rene Ramirez, Operations Manager

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**SUBJECT: RECEIVE MID-YEAR REVIEW OF FY 2016/2017 OPERATING AND CAPITAL BUDGETS AND CONSIDER RESOLUTION 2017-05 APPROVING THE AMENDED BUDGETS**

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**RECOMMENDATION**

Receive Mid-Year Review of FY 2016/2017 Operating and Capital Budgets and adopt Resolution 2017-05 approving the amended budgets.

**FISCAL IMPACT**

**OPERATING BUDGET**

- ✓ Net change in projected TOTAL OPERATING REVENUES of \$10,000 (from \$11,488,120 to \$11,498,120).
- ✓ Net change in projected TOTAL OPERATING EXPENDITURES of \$493,567 (from \$10,856,950 to \$11,350,517), as a result of COP Debt Service Payment due May 15<sup>th</sup> totaling \$508,267.
- ✓ Net change in projected OPERATING SURPLUS/TRANSFER TO CAPITAL of \$483,567 (from \$631,170 to \$147,603). *[Please note that the ACTUAL NET TRANSFERS TO CAPITAL (through January 31, 2017) is higher at \$958,962, but that figure does not include the \$508,267 DEBT SERVICE payment.]*

**CAPITAL BUDGET**

Staff has proposed an AMENDED CAPITAL BUDGET FOR FY 2016/2017 as attached.

A little over \$1 million remains unencumbered. Staff's proposal includes:

- \$243,708 for the Alameda de las Pulgas Water Main Replacement Project;
- \$600,000 for the AMI Meter Change-Out Program; and
- \$215,000 for the Capital Outlay Program.

Furthermore, staff recommends the addition of the following project:

- \$100,000 for Engineering Design Services for Water Main Replacement Capital Projects along Francis Avenue, Davey Glen Road, and Academy Avenue in Coordination with the City Of Belmont and its Sewer Replacement Program

**The total of the proposed projects for the Amended FY 2016/2017 CAPITAL BUDGET is \$1,158,708.**

Projected funds from the following projects were freed up:

- Karen Road Water Main Replacement (\$100,000), because it is part of the 2016 COPs Financing;
- The Folger Pump Station Demolition project (\$50,000), because it will be considered in conjunction with the review of that property. The actual expenditures through January 31, 2017, totaling \$9,119 will be transitioned and charged to Miscellaneous Capital Outlay/Projects; and
- The Alameda de las Pulgas Water Main Replacement project (\$456,292), because it is completed, as reported last month.

**DISCUSSION**

Attached are the proposed Amended Operating and Capital budgets. Projected budget revisions for FY 2016/2017 are highlighted in gray in the second column.

Simply put, there are minor shifts among Operating account line items and staff added the DEBT SERVICE 2016 COPs account line item since the first payment is due on May 15, 2017 in the amount of \$508,267.

**OPERATING BUDGET PROJECTION HIGHLIGHTS (>\$10,000)**

<b>ACCOUNT #</b>	<b>HIGHLIGHT</b>
4102	\$10,000 - Increased interest earnings because the MPWD LAIF reserve funds balance has increased significantly and are earning more interest.
6306	\$12,000 – Decreased Washing Machine Rebates, which have been discontinued by PG&E, so BAWSCA and the MPWD are winding down their programs as well.
6402	\$15,000 – Decreased M&R – Pumping expenses, which have not been as high as projected.
6802	\$20,000 – Decreased Gov’t Fees & Licenses, because they are not coming in as projected.
6710	\$15,000 – Increased credit card service fees because they are coming in a bit higher than projected. More customers are using their debit and credit cards for payments.
7101	\$10,000 – Decreased Prof Serv – District Counsel expenditures because they are lower than projected.

7102	\$20,000 – Decreased Prof Serv – District Engineer expenditures because they, too, are lower than projected. The majority of the District Engineer’s work is associated with the CIP.
7204	\$12,000 – Increased Employee Travel/Training because it is higher than projected. There have been a couple of comprehensive “hands-on” operational training sessions this year.
9011	Debt Service 2016 COPs is brand new because the first payment in the amount of \$508,267 is due on May 15, 2017.

**AMENDED CAPITAL BUDGET PROJECTION HIGHLIGHTS**

- \$243,708 for the Alameda de las Pulgas Water Main Replacement Project;
- \$600,000 for the AMI Meter Change-Out Program;
- \$215,000 total for the Capital Outlay Program (as shown on attachment); and
- \$100,000 for Engineering Design Services for Water Main Replacement Capital Projects along Francis Avenue, Davey Glen Road, and Academy Avenue in Coordination with the City Of Belmont and its Sewer Replacement Program.

Last month, the District Engineer presented a final report on the Alameda de las Pulgas Water Main Replacement Project since it had been completed following the settlement of outstanding contractor claims and change orders.

There are 3,870 AMI meters left to change out in Zone 1 and include both residential and commercial units. The total remaining cost to complete the AMI change-out program was estimated by staff to be \$1.9 million. Completing the program will achieve improved accuracy and water commodity revenues, reduced meter reading tasks on that might equate to potential staffing level reduction through attrition, operational efficiencies because all customers will be on AMI and have access to immediate water use and leak alarms and staff will have improved data for regulatory reporting.

The \$100,000 for the engineering design services related to the coordinated Belmont projects will ultimately lead to budgeting the construction costs for two of the three projects next fiscal year. One of the projects, Davey Glen Road Water Main Improvements, is currently identified within the MPWD’s 5-year CIP and will be funded with the 2016 COP funds. Staff will submit to recoup the expenses for the engineering design and construction management services for the project as well.

Attachments: Resolution 2017-05  
Proposed Amended FY 2016/2017 Operating and Capital Budgets

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

**RESOLUTION NO. 2017-05**

**APPROVING THE  
AMENDED OPERATING AND CAPITAL BUDGETS  
FOR FISCAL YEAR 2016/2017**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, staff developed a mid-year review of the Operating and Capital Budgets for Fiscal Year 2016/2017 and presented to the Board of Directors on February 23, 2017; and

**WHEREAS**, staff proposed amendments to the Operating Budget for Fiscal Year 2016/2017, which involved adjustments among account line items and the addition of an account line item for the Debt Service 2016 COPs expense and payment due May 15, 2017 in the amount of \$508,267, and recommended it for approval; and

**WHEREAS**, staff proposed a revised Capital Budget for Fiscal Year 2016/2017, and recommended it for approval:

1. \$243,708 for the Alameda de las Pulgas Water Main Replacement Project;
2. \$600,000 for the AMI Meter Change-Out Program;
3. \$215,000 total for the Capital Outlay Program; and
4. \$100,000 for Engineering Design Services for Water Main Replacement Capital Projects along Francis Avenue, Davey Glen Road, and Academy Avenue in Coordination with the City Of Belmont and its Sewer Replacement Program.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby approves an Amended Operating Budget for the Fiscal Year 2016/2017:

<i>TOTAL OPERATING REVENUES</i>	<i>\$11,498,120</i>
<i>TOTAL OPERATING EXPENDITURES</i>	<i>\$11,350,517</i>
<i>NET TRANSFER TO CAPITAL</i>	<i>\$ 147,603</i>



**BE IT FURTHER RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby approves an Amended Capital Budget for the Fiscal Year 2016/2017 in the amount of \$1,158,708 (from \$1,565,000).

**BE IT FURTHER RESOLVED** that as a result of the Amended Capital Budget the total amount of \$147,603 as projected Operating Surplus will be transferred to Capital Reserves (rather than \$631,170).

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

REGULARLY PASSED AND ADOPTED this 23<sup>rd</sup> day of February 2017, by the following vote:

AYES:

NOES:

ABSENT:

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President, Board of Directors

ATTEST:

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District Secretary

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

Target YTD % 58.3%
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DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROJECTED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER/ PROJECTED BUDGET)	Target YTD % Y-T-D % OF PROJECTED BUDGET
<b>OPERATING REVENUE</b>						
WATER COMMODITY CHARGES	8,100,000	-	8,100,000	5,272,121	2,827,879	65.1%
FIXED SYSTEM CHARGES	2,663,720	-	2,663,720	1,561,001	1,102,719	58.6%
FIRE SERVICE CHARGES	14,400	-	14,400	9,356	5,044	65.0%
SERVICE LINE & INSTALLATION CHARGES	25,000	-	25,000	1,813	23,187	7.3%
WATER SYSTEM CAPACITY CHARGES	200,000	-	200,000	-	200,000	0.0%
WATER DEMAND OFFSET CHARGES	10,000	-	10,000	-	10,000	0.0%
MISCELLANEOUS CHARGES	10,000	-	10,000	9,782	218	97.8%
INTEREST REVENUE - LAIF	10,000	10,000	20,000	14,476	5,524	72.4%
LEASE OF PHYSICAL PROPERTY	200,000	-	200,000	85,481	114,519	42.7%
PROPERTY TAX REVENUE	255,000	-	255,000	198,398	56,602	77.8%
<b>TOTAL OPERATING REVENUE</b>	<b>11,488,120</b>	<b>10,000</b>	<b>11,498,120</b>	<b>7,152,428</b>	<b>4,345,692</b>	62.2%
<b>OPERATING EXPENDITURES</b>						
SALARIES & WAGES	1,668,500	-	1,668,500	930,406	738,094	55.8%
PAYROLL TAXES & BENEFITS	1,163,800	-	1,163,800	612,733	551,067	52.6%
PURCHASED WATER	4,976,000	-	4,976,000	3,167,630	1,808,370	63.7%
OUTREACH & EDUCATION	133,900	(17,000)	116,900	780	116,120	0.7%
M&R - OPS SYSTEM	398,250	(20,000)	378,250	168,737	209,513	44.6%
M&R - FACILITIES & EQUIPMENT	162,000	-	162,000	70,166	91,834	43.3%
MAJOR MAINTENANCE	12,000	-	12,000	591	11,409	4.9%
OFFICE SUPPLIES & EQUIPMENT	326,750	21,750	348,500	161,107	187,393	46.2%
MEMBERSHIP & GOV FEES	217,500	(20,000)	197,500	94,415	103,085	47.8%
BAD DEBT & CLAIMS	37,000	-	37,000	16,921	20,079	45.7%
UTILITIES	288,300	4,600	292,900	150,349	142,551	51.3%
PROFESSIONAL SERVICES	501,950	(28,050)	473,900	231,764	242,136	48.9%
TRAINING/TRAVEL & RECRUITMENT	31,000	14,000	45,000	22,920	22,080	50.9%
RESTRICTED EARNINGS*	(10,000)	30,000	20,000	14,476	5,524	72.4%
RESERVES	-	-	-	-	-	N/A
DEBT SERVICE 2016 COPs	-	508,267	508,267	-	508,267	0.0%
DEPRECIATION	950,000	-	950,000	550,472	399,528	57.9%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>10,856,950</b>	<b>493,567</b>	<b>11,350,517</b>	<b>6,193,466</b>	<b>5,157,051</b>	54.6%
<b>OPERATING REVENUE LESS EXPENDITURES</b>	<b>631,170</b>	<b>(483,567)</b>	<b>147,603</b>	<b>958,962</b>	<b>(811,359)</b>	649.7%
<b>NET TRANSFERS TO CAPITAL</b>	<b>(631,170)</b>	<b>483,567</b>	<b>(147,603)</b>	<b>(958,962)</b>	<b>811,359</b>	649.7%
<b>NET RESULTS OF OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**MID PENINSULA WATER DISTRICT  
PROPOSED AMENDED BUDGET FOR YEAR 2016/2017**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROPOSED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER) PROJECTED BUDGET)	Target YTD % 58.3%
							Y-T-D % OF PROJECTED BUDGET
4010	WATER COMMODITY CHARGES	8,100,000		8,100,000	5,272,121	2,827,879	65.1%
4020	FIXED SYSTEM CHARGES	2,663,720		2,663,720	1,561,001	1,102,719	58.6%
4030	FIRE SERVICE CHARGES	14,400		14,400	9,356	5,044	65.0%
4050	SERVICE LINE & INSTALLATION CHARGES	25,000		25,000	1,813	23,187	7.3%
4060	WATER SYSTEM CAPACITY CHARGES	200,000		200,000	-	200,000	0.0%
4070	WATER DEMAND OFFSET CHARGES	10,000		10,000	-	10,000	0.0%
4090	MISCELLANEOUS CHARGES	10,000		10,000	9,382	618	93.8%
4102	Interest Revenue- LAIF	10,000	10,000	20,000	14,476	5,524	72.4%
4100	INTEREST REVENUE	10,000	10,000	20,000	14,476	5,524	72.4%
4201	Lease of Physical Property	200,000		200,000	85,481	114,519	42.7%
4202	Property Tax Revenue	255,000		255,000	198,398	56,602	77.8%
4208	Landscape Plan Permit Review	-		-	400	(400)	N/A
4200	OTHER REVENUE	455,000	-	455,000	284,279	170,721	62.5%
4000	TOTAL OPERATING REVENUE	11,488,120	10,000	11,498,120	7,152,428	4,345,692	62.2%
6011	Salaries & Wages	1,575,000		1,575,000	883,789	691,211	56.1%
6012	Director Compensation	11,000		11,000	3,900	7,100	35.5%
6010	GROSS REGULAR WAGES	1,586,000	-	1,586,000	887,689	698,311	56.0%
6021	Overtime Labor	45,500		45,500	22,451	23,049	49.3%
6022	Standby Labor	37,000		37,000	20,266	16,734	54.8%
6020	SUB-TOTAL SALARY & WAGES	1,668,500	-	1,668,500	930,406	738,094	55.8%

**MID PENINSULA WATER DISTRICT  
PROPOSED AMENDED BUDGET FOR YEAR 2016/2017**

<b>Target YTD %</b>
58.3%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROPOSED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER) PROJECTED BUDGET)	Y-T-D % OF PROJECTED BUDGET
6031	FICA/Medicare PR Tax	131,500		131,500	61,337	70,163	46.6%
6038	ACWA Health Care	320,000		320,000	184,613	135,387	57.7%
6039	ACWA Dental	31,000		31,000	14,499	16,501	46.8%
6040	ACWA Vision	4,350		4,350	2,523	1,827	58.0%
6041	ACWA Life/AD&D	4,200		4,200	2,456	1,744	58.5%
6042	Standard LDL/SDL Disability	12,400		12,400	5,923	6,477	47.8%
6043	Workers' Comp Insurance	50,400		50,400	21,343	29,057	42.3%
6044	Unemployment	1,000		1,000	-	1,000	0.0%
6045	CALPERS Retirement - ER 2%@55	235,000		235,000	110,763	124,237	47.1%
6046	Retirees' ACWA Health Care	56,000		56,000	36,506	19,494	65.2%
6047	Directors' ACWA Health Care	108,000		108,000	65,085	42,915	60.3%
6049	Medical Reimbursement	1,000		1,000	364	636	36.4%
6050	Employee Service Recognition	7,000		7,000	1,146	5,854	16.4%
6051	Safety Incentive Program	7,200		7,200	5,000	2,200	69.4%
6052	Uniforms	24,750		24,750	16,229	8,521	65.6%
6053	PARS OPEB Expense	170,000		170,000	84,946	85,054	50.0%
6060	Net Pension Expense	-		-	-		
<b>6030</b>	<b>SUB-TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,163,800</b>	<b>-</b>	<b>1,163,800</b>	<b>612,733</b>	<b>551,067</b>	<b>52.6%</b>
<b>6000</b>	<b>PERSONNEL COSTS</b>	<b>2,832,300</b>	<b>-</b>	<b>2,832,300</b>	<b>1,543,139</b>	<b>1,289,161</b>	<b>54.5%</b>
<b>6101</b>	<b>SFPUC Treated Water</b>	<b>4,500,000</b>	<b>(58,856)</b>	<b>4,441,144</b>	<b>2,851,151</b>	<b>1,589,993</b>	<b>64.2%</b>
<b>6102</b>	<b>BAWSCA (Debt Service Surcharges)</b>	<b>476,000</b>		<b>476,000</b>	<b>277,347</b>	<b>198,653</b>	<b>58.3%</b>
<b>6104</b>	<b>SFPUC Water Service Charge</b>	<b>-</b>	<b>58,856</b>	<b>58,856</b>	<b>39,132</b>	<b>19,724</b>	<b>66.5%</b>
<b>6100</b>	<b>PURCHASED WATER</b>	<b>4,976,000</b>	<b>-</b>	<b>4,976,000</b>	<b>3,167,630</b>	<b>1,808,370</b>	<b>63.7%</b>
6301	Water Conservation Program	7,200		7,200	904	6,296	12.6%
6302	School Conservation Program	7,200		7,200	178	7,022	2.5%
6303	Public Outreach & Education	25,750		25,750	7,076	18,674	27.5%
6305	HET (High Efficiency Toilet) Rebates	24,750	(5,000)	19,750	(9,974)	29,724	-50.5%
6306	Washing Machine Rebates	25,750	(12,000)	13,750	(4,103)	17,853	-29.8%
6307	Lawn-Be-Gone Rebates	38,100		38,100	6,026	32,074	15.8%

**MID PENINSULA WATER DISTRICT**  
**PROPOSED AMENDED BUDGET FOR YEAR 2016/2017**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROPOSED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER) PROJECTED BUDGET)	Target YTD % 58.3%
							Y-T-D % OF PROJECTED BUDGET
6308	Rain Barrels Rebates	5,150		5,150	673	4,477	13.1%
6300	<b>OUTREACH/EDUCATION</b>	133,900	(17,000)	116,900	780	116,120	0.7%
6401	Water Quality	67,000		67,000	39,912	27,088	59.6%
6402	Pumping	78,250	(15,000)	63,250	10,673	52,577	16.9%
6403	Storage Tanks	15,000	(5,000)	10,000	-	10,000	0.0%
6404	Mains/Distribution	100,000		100,000	56,330	43,670	56.3%
6405	Meters & Service	30,000		30,000	12,269	17,731	40.9%
6406	Fire Hydrants	31,000		31,000	23,995	7,005	77.4%
6407	Regulator Stations	6,000		6,000	78	5,922	1.3%
6408	Safety	32,000		32,000	7,234	24,766	22.6%
6409	SCADA Maintenance	15,000		15,000	6,025	8,975	40.2%
6410	Generator Maintenance	24,000		24,000	12,222	11,778	50.9%
6400	<b>M&amp;R - OPS SYSTEMS</b>	398,250	(20,000)	378,250	168,737	209,513	44.6%
6501	M&R-Buildings&Grounds	93,000		93,000	35,768	57,232	38.5%
6502	M&R- Equipment&Tools	21,000		21,000	9,998	11,002	47.6%
6503	M&R- Vehicles & Large Equipment	19,000		19,000	12,842	6,158	67.6%
6504	M&R - Fuel	29,000		29,000	11,557	17,443	39.9%
6500	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	162,000	-	162,000	70,166	91,834	43.3%
6601	Cathodic Protection Survey	12,000		12,000	241	11,759	2.0%
6602	Leak Detection Survey	-		-	350	(350)	N/A
6600	<b>MAIOR MAINTENANCE</b>	12,000	-	12,000	591	11,409	4.9%
6701	Office Supplies	18,000	(3,000)	15,000	6,441	8,559	42.9%
6702	Insurance- Liability/Vehicles/Excess	87,750		87,750	37,181	50,569	42.4%
6704	Postage	3,250	4,750	8,000	5,734	2,266	71.7%
6705	Printing/Print Supplies	13,000	2,000	15,000	8,792	6,208	58.6%
6706	Equipment Services/Maintenance	56,750		56,750	12,357	44,393	21.8%
6707	Computer Supplies & Upgrades	11,750	3,000	14,750	7,421	7,329	50.3%
6708	Security & Safety	10,750		10,750	1,912	8,838	17.8%
6709	Miscellaneous Fees	500		500	16	484	3.3%
6710	Customer Credit Card Service Fees	125,000	15,000	58 140,000	81,253	58,747	58.0%

**MID PENINSULA WATER DISTRICT**  
**PROPOSED AMENDED BUDGET FOR YEAR 2016/2017**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROPOSED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER) PROJECTED BUDGET)	Target YTD % 58.3%
							Y-T-D % OF PROJECTED BUDGET
6700	<b>OFFICE SUPPLIES &amp; EQUIP</b>	326,750	21,750	348,500	161,107	187,393	46.2%
6801	Dues & Publications	39,500		39,500	22,547	16,953	57.1%
6802	Gov't Fees & Licenses	73,250	(20,000)	53,250	11,824	41,426	22.2%
6803	BAWSCA Membership Assessments	68,750		68,750	41,585	27,165	60.5%
6804	Env Health - Cross Connection Inspection	31,000		31,000	17,500	13,500	56.5%
6805	Software Licenses	5,000		5,000	960	4,040	19.2%
6800	<b>MEMBERSHIP &amp; GOV FEES</b>	217,500	(20,000)	197,500	94,415	103,085	47.8%
6901	Bad Debt	7,000		7,000	3,199	3,801	45.7%
6902	Claims	30,000		30,000	13,722	16,278	45.7%
6900	<b>BAD DEBT &amp; CLAIMS</b>	37,000	-	37,000	16,921	20,079	45.7%
7001	Utilities-Internet/Cable	7,500	4,600	12,100	7,041	5,059	58.2%
7002	Utilities-Cellular Telephones	11,850		11,850	6,018	5,832	50.8%
7003	Utilities-Electric-Pumping	220,000		220,000	108,656	111,344	49.4%
7004	Utilities-Electric-Bldgs&Grounds	24,000		24,000	14,509	9,491	60.5%
7005	Utilities-Telephones	17,500		17,500	10,470	7,030	59.8%
7006	Utilities-Sewer - NPDES	7,450		7,450	3,655	3,795	49.1%
7000	<b>UTILITIES</b>	288,300	4,600	292,900	150,349	142,551	51.3%
7101	Prof Serv - District Counsel	100,000	(10,000)	90,000	40,780	49,220	45.3%
7102	Prof Serv - District Engineer	100,000	(20,000)	80,000	35,379	44,621	44.2%
7103	Prof Serv - IT	19,750		19,750	12,943	6,807	65.5%
7104	Prof Serv- Annual Finance Audit	20,000	(2,300)	17,700	17,700	-	100.0%
7106	Prof Serv- Accounting & Payroll	21,750		21,750	14,085	7,665	64.8%
7107	Prof Serv- Customer Billing	72,250		72,250	40,103	32,147	55.5%
7109	Prof Serv - Answering Svs	4,500	4,250	8,750	5,364	3,386	61.3%
7110	Prof Serv - Miscellaneous	160,000		160,000	64,210	95,790	40.1%
7111	Prof Serv - District Treasurer	3,700		3,700	1,200	2,500	32.4%
7100	<b>PROFESSIONAL SERVICES</b>	501,950	(28,050)	473,900	231,764	242,136	48.9%
7201	Director Travel	5,000		5,000	-	5,000	0.0%

**MID PENINSULA WATER DISTRICT  
PROPOSED AMENDED BUDGET FOR YEAR 2016/2017**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROPOSED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	ACTUAL/ (OVER) PROJECTED BUDGET)	Target YTD % 58.3%
							Y-T-D % OF PROJECTED BUDGET
7202	Director Expense	1,000		1,000	125	875	12.5%
7203	Elections	-		-	-	-	N/A
7204	Employee Travel/Training	20,000	12,000	32,000	18,717	13,283	58.5%
7205	Meetings Expense	5,000	2,000	7,000	4,078	2,922	58.3%
<b>7200</b>	<b>TRAINING &amp; TRAVEL</b>	<b>31,000</b>	<b>14,000</b>	<b>45,000</b>	<b>22,920</b>	<b>22,080</b>	<b>50.9%</b>
7302	Restricted Earnings Expense - Interest LAIF	(10,000)	30,000	20,000	14,476	5,524	72.4%
<b>7300</b>	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>(10,000)</b>	<b>30,000</b>	<b>20,000</b>	<b>14,476</b>	<b>5,524</b>	<b>72.4%</b>
8001	Working Reserves: Capital	-	-	-	-	-	N/A
8002	Working Reserves: Operating	-	-	-	-	-	N/A
<b>8000</b>	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>
9010	DEPRECIATION	950,000	-	950,000	550,472	399,528	57.9%
9011	DEBT SERVICE 2016 COPs	-	508,267	508,267	-	508,267	0.0%
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>8,024,650</b>	<b>493,567</b>	<b>8,518,217</b>	<b>4,650,327</b>	<b>3,867,890</b>	<b>54.6%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>10,856,950</b>	<b>493,567</b>	<b>11,350,517</b>	<b>6,193,466</b>	<b>5,157,051</b>	<b>54.6%</b>
<b>NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL</b>		<b>631,170</b>	<b>(483,567)</b>	<b>147,603</b>	<b>958,962</b>	<b>(811,359)</b>	<b>649.7%</b>

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

Target YTD % 58.3%
Y-T-D % OF PROJECTED BUDGET

DESCRIPTION	FISCAL YEAR FY 2016-2017 BUDGETED	PROJECTED BUDGET REVISIONS FY2016/2017	FISCAL YEAR FY 2016-2017 PROPOSED	ACTUAL 7/1/2016- 1/31/2017	REMAINING BALANCE/ (OVER PROJECTED BUDGET)	Y-T-D % OF PROJECTED BUDGET
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>						
AMI Meter Change Out Program	500,000	100,000	600,000	2,188	597,812	0.4%
Engineering Design Services for WMR Belmont Sewer COORD	-	100,000	100,000	28,388	71,612	N/A
Folger Pump Station Demolition - CIP (A)	50,000	(50,000)	-	-	(9,119)	18.2%
Alameda de las Pulgas Water Main Replacement Project - CIP	700,000	(456,292)	243,708	243,708	(0)	34.8%
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,250,000</b>	<b>(306,292)</b>	<b>943,708</b>	<b>274,284</b>	<b>966,597</b>	22.7%
<b>CAPITAL OUTLAY</b>						
Financial Management System (FMS) - Comprehensive Replacement	95,000	-	95,000	26,779	68,221	28.2%
Implementation of Sensus Consumer Portal	70,000	-	70,000	64,855	5,145	92.7%
Miscellaneous Capital Outlay/Projects (A)	50,000	-	50,000	26,125	32,993	34.0%
<b>CAPITAL OUTLAY TOTAL</b>	<b>215,000</b>	<b>-</b>	<b>215,000</b>	<b>117,759</b>	<b>106,359</b>	50.5%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,465,000</b>	<b>(306,292)</b>	<b>1,158,708</b>	<b>392,044</b>	<b>1,072,956</b>	26.8%
DEPRECIATION	950,000	-	950,000	550,472	399,528	57.9%
TRANSFER FROM OPS	631,170	(483,567)	147,603	958,962	(811,359)	151.9%
TRANSFER (TO)/FROM CAPITAL RESERVES	(116,170)	177,275	61,105	(1,117,391)	1,178,496	961.9%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,465,000)	306,292	(1,158,708)	(392,044)	(766,664)	26.8%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	N/A

(A) Moved Folger Pump Station Demolition actual costs of \$9,118.52 which appears on the Jan 31, 2017 Financials to Miscellaneous Capital Outlay/Projects for Mid-Year Budget Review Proposed.





TO: Board of Directors  
FROM: Tammy A. Rudock  
General Manager  
DATE: February 23, 2017

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## MANAGER'S REPORT

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### **FOLLOW-UP FROM 01/26/17 REGULAR BOARD MEETING**

- ✓ Calendar contest awards were delivered to the student recipients that were unable to attend the Board meeting.
- ✓ The Water Service Agreement between the MPWD and Davey Glen – Belmont, LLP, has been executed for the Mixed-Use Development at 400-490 El Camino Real in Belmont. All MPWD fees were paid by the developer as well.
- ✓ The Shaaf and Wheeler Professional Service Contract was executed and staff is working with them on coordination of the MPWD water main replacement projects with the City of Belmont Sewer Replacement Program.

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

Per the Board's direction last month, the MPWD monthly progress report on water conservation progress will be condensed to summary bullet points:



The report due February 15<sup>th</sup> to the SWRCB was timely submitted. January's total water consumption was 73,026 units. The reduction (compared with January 2013) measured -13.3%.



Last month's R-GPCD was 58.9 (as compared to January 2013 R-GPCD of 66.3).



Cumulative water reduction equals 22.4% for 2016/2017 (compared to 2013).



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

The SWRCB extended the water conservation drought regulations through May 2017 when they will meet again to discuss it.

### **SFPUC ANNUAL MEETING WITH WHOLESALE CUSTOMERS AND BAWSCA**

Staff will provide a summary presentation during the Board meeting.

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

#### MARCH 2017

- Consider Contract(s) for Professional Services with On-Call Water Main Engineering Design Consultants.
- Consider preliminary revenue requirements and proposed water rate adjustments for FY 2017/2018.
- Discuss preliminary DRAFT Operating Budget for FY 2017/2018.
- Discuss preliminary DRAFT Capital Budgets for FY 2017/2018.
- Consider proposed Reimbursement Agreement between the MPWD and the California High-Speed Rail Authority.
- Receive BAWSCA report.

#### APRIL 2017

- SPECIAL MEETING (as necessary):
  - Water rates workshop.
- REGULAR MEETING:
  - Approve water rate adjustments effective July 1<sup>st</sup>. (Required 30-day notice to ratepayers.)
  - Review working DRAFT Operating Budget for FY 2017/2018.
  - Review working DRAFT Capital budget for FY 2017/2018.
  - Review working DRAFT COPs CIP Budget for FY 2016/2017 through FY 2021/2022.
  - Approved General Manager annual performance assessment process and tool.

#### May 2017

- Consider final DRAFT Operating Budget for FY 2017/2018.
- Consider final DRAFT Capital Budgets for FY 2017/2018.
- Receive BAWSCA Report.

## MEETINGS

<b>DATE</b>	<b>EVENT</b>
January 25 <sup>th</sup>	Claims/Change Orders Negotiation Meeting with John Johnson, President of R. J. Gordon Construction Company, Inc.
January 26 <sup>th</sup>	Attended annual Labor and Employment Law Client Seminar in San Francisco sponsored by Hanson Bridgett.
February 1 <sup>st</sup> – 3 <sup>rd</sup>	Attended Session Two of the JPIA Leadership Essentials Training in Costa Mesa.
February 7 <sup>th</sup>	Attended San Mateo County Chapter CSDA Meeting in Redwood City.
February 8 <sup>th</sup>	Received and started review of submittals from engineering design consultants in response to the MPWD's On-Call Water Main RFQ.
February 9 <sup>th</sup>	Attended Belmont's "State of the City" Address at Water Dog Tavern.  Attended safety session with staff and facilitated GM rap session.
February 10 <sup>th</sup>	Met with Julie Brown to discuss MPWD 2017 Strategic Plan.
February 13 <sup>th</sup>	Met with staff and Bud Levine to discuss coordination of MFP activities.  Attended the WaterNow Alliance Workshop: <i>Conservation a CA Way of Life</i> at Santa Clara Valley Water District.
February 14 <sup>th</sup>	Participated with staff and the District Engineer team for a debriefing meeting on the Alameda de las Pulgas Water Main Replacement Project.  Met with the Operations Manager and District Engineer to discuss reviews of submittals from engineering design consultants in response to the MPWD's On-Call Water Main RFQ.
February 15 <sup>th</sup>	Participated with staff in a "lunch and learn" kickoff meeting for the Classification Study and KOFF & Associates project leader.  Signed the final development plans for 400-490 El Camino Real mixed-use project.
February 16 <sup>th</sup>	Attended the SFPUC Annual Meeting with Wholesale Customers and BAWSCA in Millbrae.

### UPCOMING MEETINGS/EVENTS

BAWSCA Water Management Meeting (Foster City): March 2, 2017

HIA Meeting (Belmont): March 2, 2017

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

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

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

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

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



TO: Board of Directors  
 FROM: Candy Pina  
 DATE: February 23, 2017

**ADMINISTRATIVE SERVICES MANAGER'S REPORT**

**CONFERENCES, TRAINING, & MEETINGS:**

- 1) Misty Malczon/Candy Pina: 02/01,15,22/17 – Weekly conference call with Kimberly at Springbrook regarding billing system
- 2) Misty Malczon: 02/13/17 – Meeting with Ed Wakefield (ROA) printer replacement options
- 3) Candy Pina/  
Tammy Rudock: 02/13/17 – Meeting with Bud Levine regarding COP reporting
- 4) All staff: 02/15/17 – Classification Study with Koff & Associates Employee Session
- 5) Jeanette Kalabolas: 02/15/17 – “Save our Water” webinar
- 6) Candy Pina: 02/16/17 – Meeting with Jennifer Dermon, CPA and District Treasurer representative, to review financial reporting for month
- 7) Jeanette Kalabolas: 02/22/17 – BayWork’s Mobile Tour

**FINANCIAL REPORTING:**

- 1) Schedule of Cash and Investments:

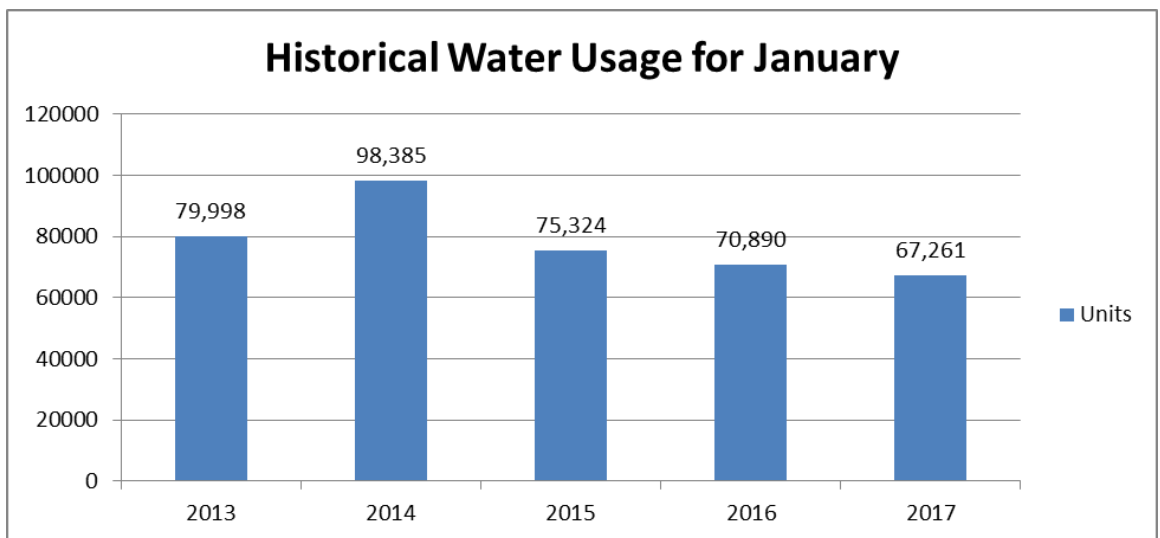
<b>SCHEDULE OF CASH AND INVESTMENTS</b>		
<b>CASH ACCOUNT</b>	<b>BALANCE @ 01/31/17</b>	<b>BALANCE 02/15/17</b>
PETTY CASH	400	400
CASH DRAWER	200	200
WELLS FARGO CHECKING	\$ 78,172	\$ 203,209
LAIF	\$ 5,068,454	\$ 5,068,454
<b>TOTAL</b>	<b>\$ 5,147,226</b>	<b>\$ 5,272,263</b>

Month End Balance of PARS/OPEB for December 2016 (January 2017 report not available): \$670,671.06. An overall decrease in Net Earnings of \$3,944.29 was reported.

<b>MPWD RESERVE FUNDS</b>				
<b>Reserve Account</b>	Balance @ 01/31/2015	Balance @ 01/31/2016	Balance @ 01/31/2017	Budget for Reserve Policy
Capital Reserves	\$ 1,234,676	\$ 1,295,326	\$ 2,568,454	\$ 2,500,000
Emergency Reserves	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Working Capital Reserves	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 3,734,676</b>	<b>\$ 3,795,326</b>	<b>\$ 5,068,454</b>	<b>\$ 5,000,000</b>

2) Water Revenue Report:

<b>WATER REVENUES for FISCAL YEAR 2016/2017</b>					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	111,110	851,106.50	205,631.47	1,056,737.97	1,242.50
AUG	113,341	952,329.97	224,247.06	1,176,577.03	1,240.00
SEP	112,591	947,559.51	224,661.20	1,172,220.71	1,248.75
OCT	101,247	843,144.88	224,835.59	1,067,980.47	1,248.75
NOV	76,838	620,687.41	224,770.69	845,458.10	1,650.67
DEC	66,486	528,797.12	224,159.45	752,956.57	1,256.25
JAN	67,261	535,555.46	225,127.94	760,683.40	1,258.75
<b>TOTAL</b>	<b>648,874</b>	<b>5,279,180.85</b>	<b>1,553,433.40</b>	<b>6,832,614.25</b>	<b>9,145.67</b>



**SPRINGBROOK PROGRESS:**

Springbrook continues to work on the billing system conversion. In March, Springbrook staff will be in the office training MPWD staff on the new system. Parallel processing will be done to insure all information is correctly pulled over and the new system is functioning correctly before go-live occurs. We will again have on-site post go-live refresher training the first week in April. Lastly, we will be scheduling an additional three days of on-site training for all staff on reporting tools.

**SPRINGBROOK IMPLEMENTATION SCHEDULE - PRELIMINARY**

DATE		Task	Work Complete
Start	End		
4/11/2016	4/13/2016	Overview training for Finance - Billing System and Chart of Accounts	x
5/9/2016	5/13/2016	Finance Conversion - General Ledger and Accounts Payable data review	x
8/8/2016	8/12/2016	Finance Go Live	x
8/22/2016	8/24/2016	Project Management Set-up and go-live	x
9/5/2016	9/15/2016	Bank Reconciliation Configuration and go-live	x
9/5/2016	9/15/2016	Ancillaries - AR - setups	x
9/19/2016	9/19/2016	Fixed Assets - Go Live	x
1/11/2017	11/19/2017	Utility Billing Data Conversion	x
3/6/2017	3/10/2017	Utility Billing - On-Site Parallel Processing	
3/27/2017	3/31/2017	Utility Billing - On-Site Go Live	
4/3/2017	4/7/2017	Utility Billing - Post Go Live Refresher Training	

**TEAM BUILDING ACTIVITIES:**

The Classification Study with Koff & Associates Employee Session was an activity which is going to create team building as we work together to accomplish the same goal of defining our roles here at MPWD. This will be on-going.

Birthdays continue to be celebrated.



TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager  
DATE: February 23, 2017

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## **OPERATIONS REPORT – January 2017**

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### **Projects:**

- No change here - through December staff has installed a total of 513 AMI meters throughout Zone 1 with 1 left to fit. The last meter is at a site where there is ongoing litigation and we are holding off until the issue is settled. Their water is still metered;
- Going to have the No. 1 Tunnels Pump pulled for repairs to correct a vibration issue;
- Received Board approval to move forward with engineering of three (3) pipe replacement projects on Davey Glen, Francis and Academy that coincide with sewer rehabilitation projects in same streets by City. Both City and District using same engineer;
- Begin construction process for Autobahn Motors water services;
- Customer Portal - we are getting closer. Background graphics to let customers know they are at the District's portal were sent to Sensus. Staff continues to work with Sensus Metering and Continentals Utility Billing to set up files for the new Sensus AMI customer portal conversion.

### **Maintenance:**

- Responded to and completed 239 USA (underground service alerts) requests and identified infrastructure before digging in the streets or easements. Last month we marked 227 locations. An average month is approximately 140 requests;
- Changed out 2 failed AMI transmitters, and returned for repair under full warranty;
- Replaced one (1) old style meter with an AMI meter following customer request;
- Continue with meter maintenance (cleaning and clearing around meter boxes) and intertie maintenance (cleaning up vaults and installing/replacing pressure gauges);
- Read meters in zones without AMI;
- Continue with efforts to move water in areas with dead-ends to improve water quality during wet weather events;

- Because of very wet month, staff spent a lot of time flushing water from dead-end mains to improve water quality. We were not able to patch previous sites of repair or new service due to the wet weather, but in some places staff did go back and replace very wet top course with drier material;
- Completed maintenance on all 13 pump control valves and continue to exercise water system pressure regulating valves;
- As part of pump maintenance, all pumps have had their oil replaced to proper level and lubricated. (FYI - lubrication is a regular maintenance item, while oil replacement occurs annually);
- Collected a requisite 44 water samples for bacteriological testing – all samples were normal and showed no signs of coliform bacteria;
- Water system dead-ends continued to be monitored for disinfectant residual, and where needed, we flowed water into landscapes, street sweepers or sewer flushing trucks versus monitoring for discharge into the storm water systems to improve water quality; and
- Monitoring for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring.

**System Repairs:**

Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
No Repairs	Necessary	In	January!!!	

**Development:**

- Staff is currently working with developers on 22 development projects:

**Mixed Use Commercial/Residential:**

- o 576-600 El Camino Real – currently reviewing their plans; and
- o 400-490 El Camino Real – plans signed, preconstruction meeting scheduled.

**Commercial:**

- o 539 Harbor Blvd. – updated installation quote;
- o 700 Island Parkway – work scheduled for February;
- o 1201 Shoreway Road – currently reviewing their plans;
- o 1477 El Camino Real – currently reviewing their plans;
- o 699 Ralston Ave. – currently reviewing their plans; and
- o 2525 Buena Vista – currently reviewing their plans.

**Residential/Multi-Family:**

- o 1807 Bayview – Installation complete;
- o 1001 Notre Dame – currently reviewing their plans;



- 2828 Monte Cresta – installation scheduled;
- 905 South Rd - currently reviewing their plans;
- 1221 Elmer St – installation complete, awaiting backflow certification;
- 10 Notre Dame Place - currently reviewing their plans;
- 1906 Bishop – installation scheduled;
- 1919 Oak Knoll Dr. – currently reviewing their plans;
- 1942 Bayview – currently reviewing their plans;
- 1557 Vine St. – installation complete;
- 2904-2906 San Juan – fees paid, awaiting scheduling;
- 796 Miramar Terrace - currently reviewing their plans;
- Bishop Road development – currently reviewing plans; and
- 1320 Talbryn Lane development – awaiting plans.

**Administration:**

- Seven members of Operations participated in a week-long hands-on backflow prevention class here on District property, six (6) will be attempting to attain state certification;
- All Operations staff attended a day-long safety class on Trench and Excavation Safety;
- Participated in discussions regarding a RFQ for On-Call Engineering services to support the CIP;
- Active participation in a mandatory pre-proposal meeting with over 20 people representing engineering firms and potential sub-consultants for District's On-Call Engineering RFQ;
- Made certain to post responses timely to questions received from consultants interested in the On-Call Engineering RFQ;
- Attended meeting with Schaaf & Wheeler to discuss District's engineering needs for its part of the joint District/City project in order for Schaaf & Wheeler to prepare a proposal for Board consideration at January meeting;
- Met with City PW Department staff during quarterly meeting. Main topic of discussion was joint City/District project; their sewer rehabilitation and our water pipeline improvements in three (3) specific areas: Davey Glen (CIP 15-43), Francis (CIP 15-51) and Academy (15-53). We shared a draft agreement with City for their review and had preliminary discussion on projects, common costs, and how to move forward;
- Invited to, and attended a City preconstruction meeting for their sewer improvement project that had been awarded in the fall;
- Met with Deputy Fire Marshal Iverson to discuss weed abatement and District's CIP;
- Attended day long Annual Labor and Employment Client Seminar provided by Hansen Bridget in SF; and
- Continued to actively manage power use during pumping operations.



TO: Board of Directors  
FROM: Joubin Pakpour, P.E.  
District Engineer  
DATE: February 23, 2017

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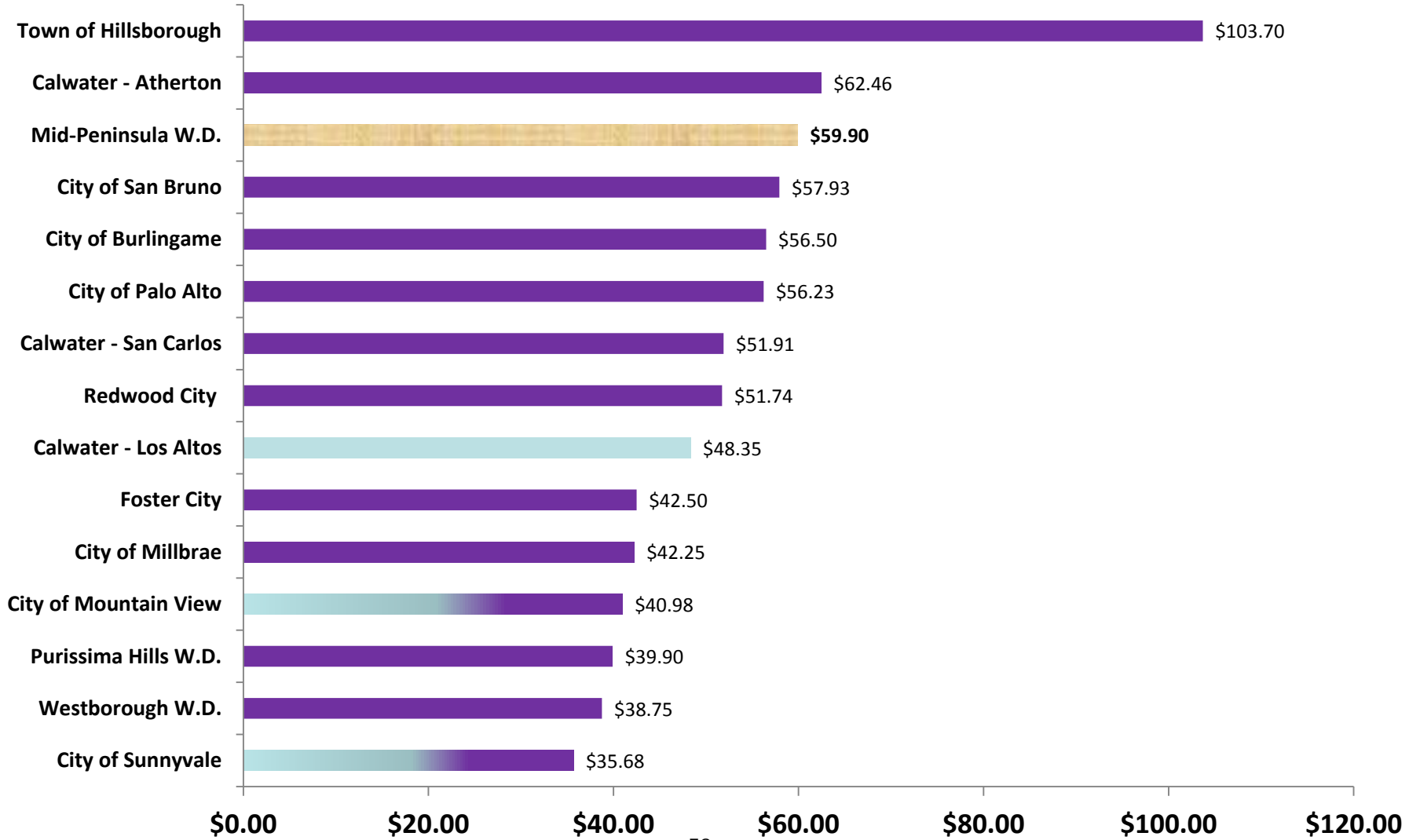
## DISTRICT ENGINEER'S REPORT

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The Board had requested any recent rate surveys accomplished locally. Staff replied that it had received rate comparison information from the District Engineer last November 2016. Attached are the rate comparison graphs created by the District Engineer and he will discuss the findings at the Board meeting.

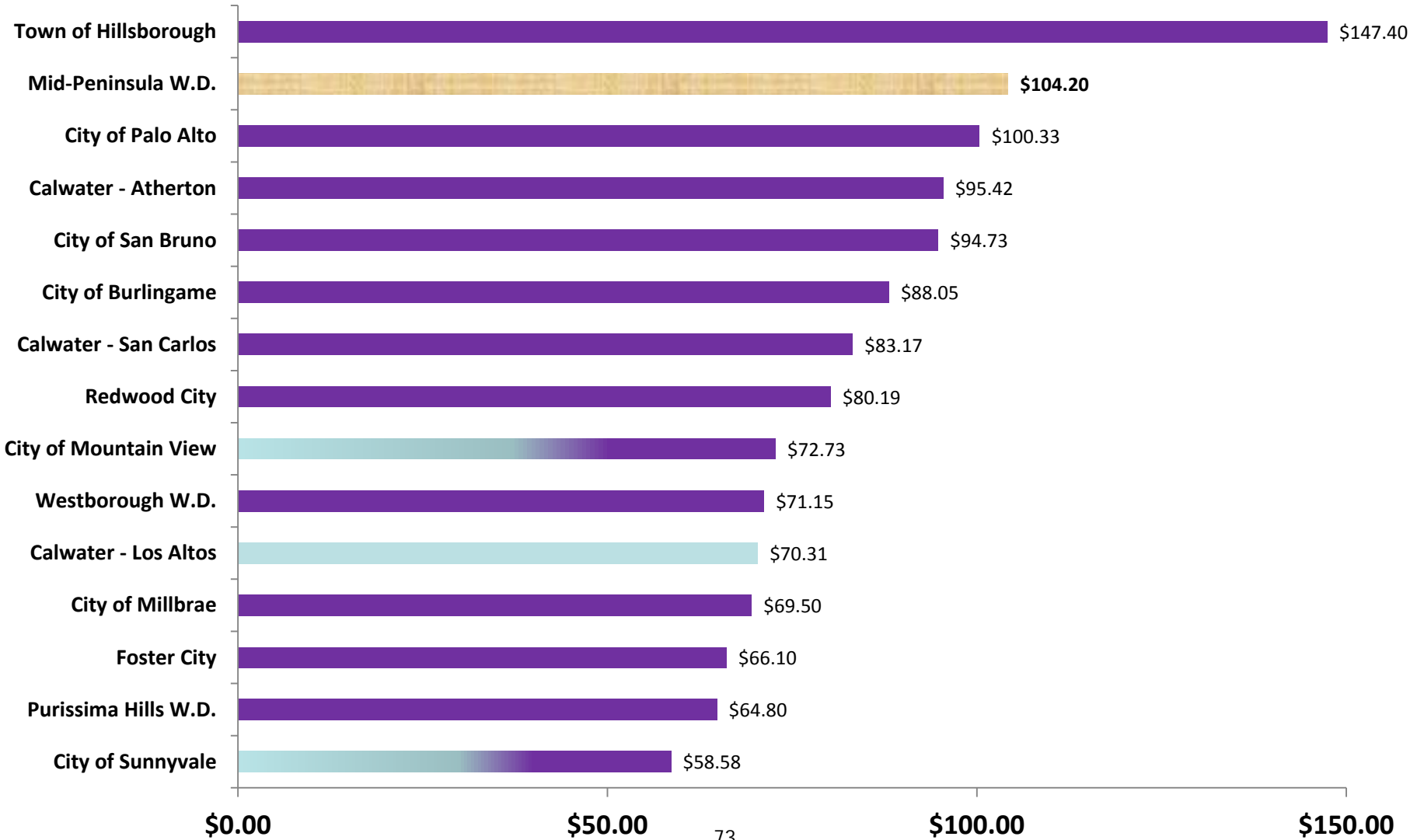
# Comparison of Water Bills using Other Agencies' Rates in the Area Residential Annual Average & Winter Usage – 5 CCF

(Actual Annual Average Usage Was 6.69 CCF and Winter Usage Was 5.14 CCF)



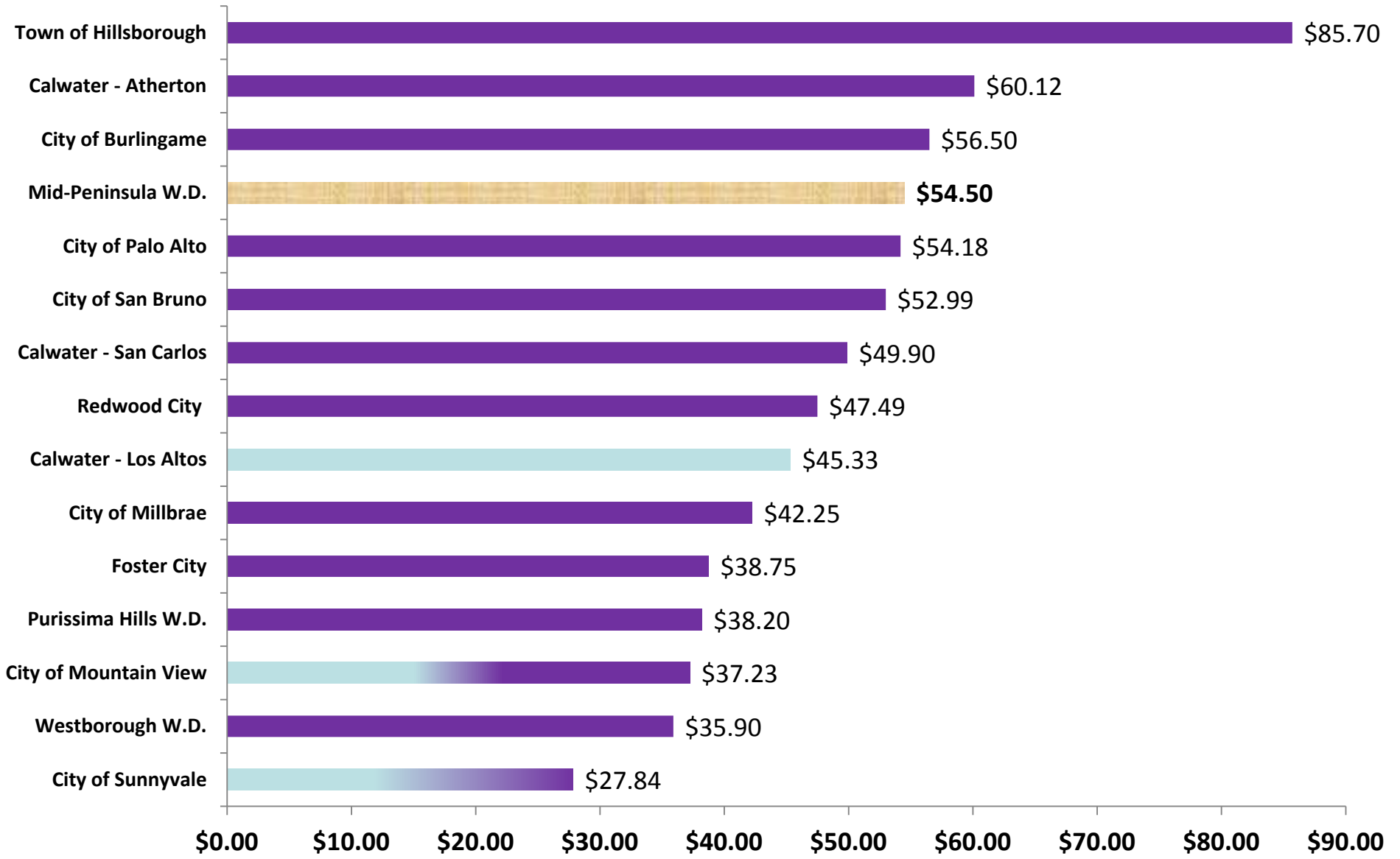
# Comparison of Water Bills using Other Agencies' Rates in the Area Residential Summer Usage – 10 CCF

(Actual Usage Was 7.94 CCF)

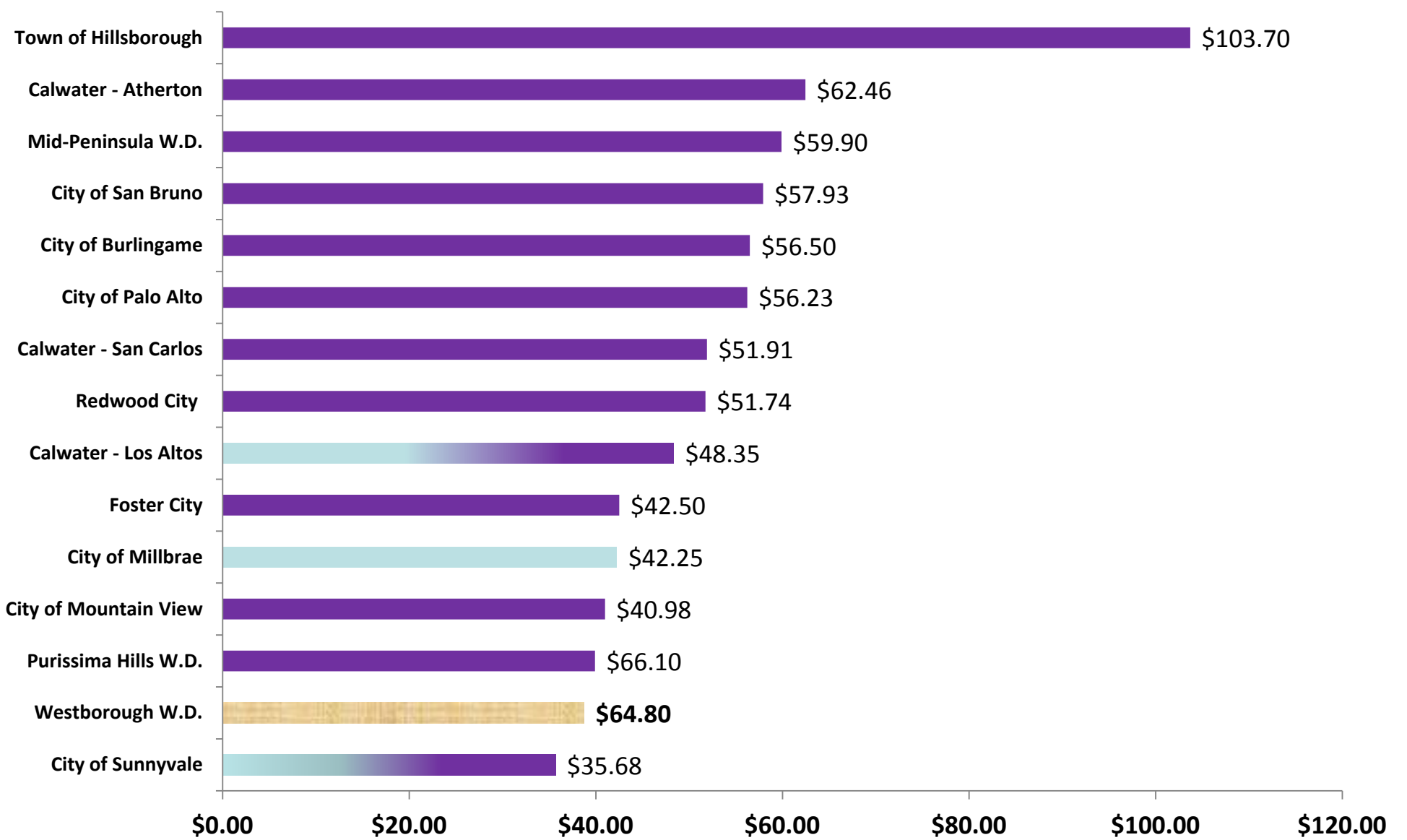


# Comparison of Water Bills using Other Agencies' Rates in the Area

## Residential Annual Average & Winter Usage – 5 CCF

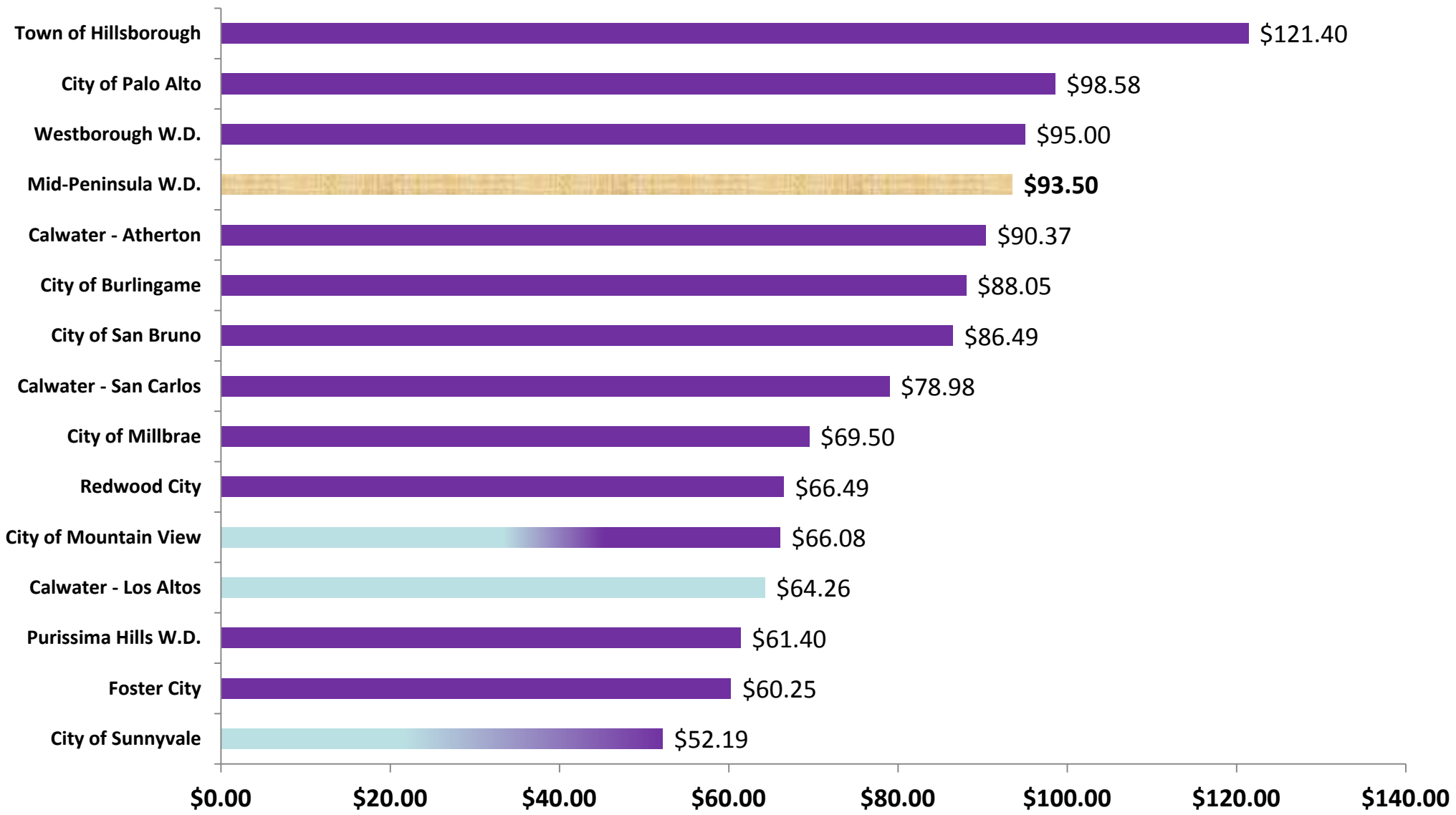


Last Update: October 2015

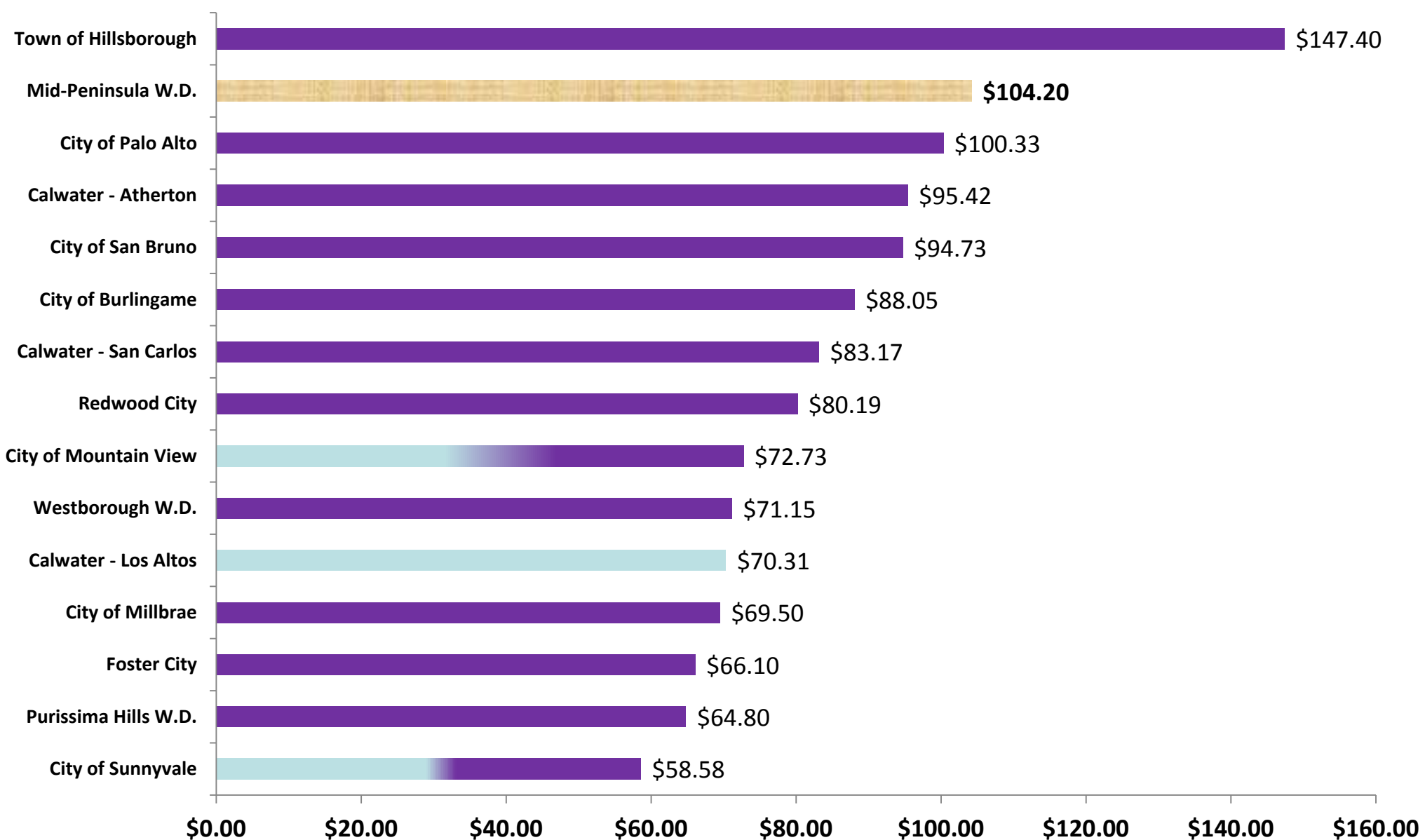


Last Update: November 2016

# Comparison of Water Bills using Other Agencies' Rates in the Area Residential Summer Usage – 10 CCF



Last Update: October 2015



Last Update: November 2016

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

DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/16 1/31/17	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 58.9%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	8,100,000	5,277,242	2,822,758	65.2%
FIXED SYSTEM CHARGES	2,663,720	1,561,001	1,102,719	58.6%
FIRE SERVICE CHARGES	14,400	9,356	5,044	65.0%
SERVICE LINE & INSTALLATION CHARGES	25,000	1,813	23,187	7.3%
WATER SYSTEM CAPACITY CHARGES	200,000	-	200,000	NA
WATER DEMAND OFFSET CHARGES	10,000	-	10,000	NA
MISCELLANEOUS CHARGES	10,000	4,660	5,340	46.6%
INTEREST REVENUE - LAIF	10,000	14,476	(4,476)	144.8%
LEASE OF PHYSICAL PROPERTY	200,000	85,481	114,519	42.7%
PROPERTY TAX REVENUE	255,000	198,398	56,602	77.8%
<b>TOTAL OPERATING REVENUE</b>	<b>11,488,120</b>	<b>7,152,428</b>	<b>4,335,692</b>	62.3%
<b>OPERATING EXPENDITURES</b>				
SALARIES & WAGES	1,668,500	930,406	738,094	55.8%
PAYROLL TAXES & BENEFITS	1,163,800	612,733	551,067	52.6%
PURCHASED WATER	4,976,000	3,167,630	1,808,370	63.7%
OUTREACH & EDUCATION	133,900	780	133,120	0.6%
M&R - OPS SYSTEM	398,250	168,737	229,513	42.4%
M&R - FACILITIES & EQUIPMENT	162,000	70,166	91,834	43.3%
MAJOR MAINTENANCE	12,000	591	11,409	4.9%
OFFICE SUPPLIES & EQUIPMENT	326,750	161,107	165,643	49.3%
MEMBERSHIP & GOV FEES	217,500	94,415	123,085	43.4%
BAD DEBT & CLAIMS	37,000	16,921	20,079	45.7%
UTILITIES	288,300	150,349	137,951	52.2%
PROFESSIONAL SERVICES	501,950	231,764	270,186	46.2%
TRAINING/TRAVEL & RECRUITMENT	31,000	22,920	8,080	73.9%
RESTRICTED EARNINGS	(10,000)	14,476	(24,476)	-144.8%
RESERVES	-	-	-	NA
DEPRECIATION	950,000	550,472	399,528	57.9%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>10,856,950</b>	<b>6,193,466</b>	<b>4,663,484</b>	57.0%
<b>OPERATING REVENUE LESS EXPENDITURES</b>	<b>631,170</b>	<b>958,962</b>	<b>(327,792)</b>	151.9%
<b>NET TRANSFERS TO CAPITAL</b>	<b>(631,170)</b>	<b>(958,962)</b>	<b>327,792</b>	151.9%
<b>NET RESULTS OF OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>OPERATING EXPENDITURES LESS DEPRECIATION</b>	<b>9,906,950</b>	<b>5,642,993</b>	<b>4,263,957</b>	57.0%

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

Target YTD % 58.9%
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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 1/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	WATER COMMODITY CHARGES (A)	8,100,000	5,277,242	2,822,758	65.2%
4020	FIXED SYSTEM CHARGES	2,663,720	1,561,001	1,102,719	58.6%
4030	FIRE SERVICE CHARGES	14,400	9,356	5,044	65.0%
4050	SERVICE LINE & INSTALLATION CHARGES	25,000	1,813	23,187	7.3%
4060	WATER SYSTEM CAPACITY CHARGES	200,000	-	200,000	NA
4070	WATER DEMAND OFFSET CHARGES	10,000	-	10,000	NA
4090	MISCELLANEOUS REVENUES (B)	<u>10,000</u>	<u>4,260</u>	<u>5,740</u>	42.6%
4000	TOTAL WATER AND FEE CHARGES	<u>11,023,120</u>	<u>6,853,673</u>	<u>4,169,447</u>	62.2%
4102	Interest Revenue- LAIF (C)	<u>10,000</u>	<u>14,476</u>	<u>(4,476)</u>	144.8%
4100	INTEREST REVENUE	<u>10,000</u>	<u>14,476</u>	<u>(4,476)</u>	144.8%
4201	Lease of Physical Property	200,000	85,481	114,519	42.7%
4202	Property Tax Revenue (D)	255,000	198,398	56,602	77.8%
4208	Landscape Plan Permit Review	<u>-</u>	<u>400</u>	<u>(400)</u>	NA
4200	OTHER REVENUE	<u>455,000</u>	<u>284,279</u>	<u>170,721</u>	62.5%
4000	TOTAL OPERATING REVENUE	<u>11,488,120</u>	<u>7,152,428</u>	<u>4,335,692</u>	62.3%
6011	Salaries & Wages	1,575,000	883,789	691,211	56.1%
6012	Director Compensation	11,000	3,900	7,100	35.5%
6017	Capital Salaries & Wages	<u>-</u>	<u>50,310</u>	<u>(50,310)</u>	NA
6010	GROSS REGULAR WAGES	<u>1,586,000</u>	<u>937,998</u>	<u>648,002</u>	59.1%
6017	CAPITAL SALARY & WAGES reversed	<u>-</u>	<u>(50,310)</u>	<u>50,310</u>	N/A
6021	Overtime Labor	45,500	22,451	23,049	49.3%
6022	Standby Labor	<u>37,000</u>	<u>20,266</u>	<u>16,734</u>	54.8%
6020	SUB-TOTAL SALARY & WAGES	<u>1,668,500</u>	<u>930,406</u>	<u>738,094</u>	55.8%
6031	FICA/Medicare PR Tax	131,500	61,337	70,163	46.6%
6038	ACWA Health Care	320,000	184,613	135,387	57.7%
6039	ACWA Dental	31,000	14,499	16,501	46.8%
6040	ACWA Vision	4,350	2,523	1,827	58.0%
6041	ACWA Life/AD&D	4,200	2,456	1,744	58.5%
6042	Standard LDL/SDL Disability	12,400	5,923	6,477	47.8%
6043	Workers' Comp Insurance	50,400	21,343	29,057	42.3%
6044	Unemployment	1,000	-	1,000	NA



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

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 1/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6045	CALPERS Retirement - ER 2%@55	235,000	110,763	124,237	47.1%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	25,918	(25,918)	N/A
6046	Retirees' ACWA Health Care	56,000	36,506	19,494	65.2%
6047	Directors' ACWA Health Care	108,000	65,085	42,915	60.3%
6049	Medical Reimbursement	1,000	364	636	36.4%
6050	Employee Service Recognition	7,000	1,946	5,054	27.8%
6051	Safety Incentive Program	7,200	4,200	3,000	58.3%
6052	Uniforms	24,750	16,229	8,521	65.6%
6053	PARS OPEB Expense	170,000	84,946	85,054	50.0%
6030	<b>SUB-TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,163,800</b>	<b>638,651</b>	<b>525,149</b>	54.9%
6054	<b>CAPITAL PAYROLL TAXES &amp; BENEFITS</b>	-	(25,918)	25,918	N/A
6000	<b>PERSONNEL COSTS</b>	<b>2,832,300</b>	<b>1,543,139</b>	<b>1,289,161</b>	54.5%
6101	SFPUC Treated Water (A)	4,500,000	2,851,151	1,648,849	63.4%
6102	BAWSCA (Debt Service Surcharges)	476,000	277,347	198,653	58.3%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	-	39,132	(39,132)	N/A
6100	<b>PURCHASED WATER</b>	<b>4,976,000</b>	<b>3,167,630</b>	<b>1,808,370</b>	63.7%
6301	Water Conservation Program	7,200	904	6,296	12.6%
6302	School Conservation Program	7,200	178	7,022	2.5%
6303	Public Outreach & Education	25,750	7,076	18,674	27.5%
6305	HET Rebates (E)	24,750	(9,974)	34,724	-40.3%
6306	Washing Machine Rebates (E)	25,750	(4,103)	29,853	-15.9%
6307	Lawn-Be-Gone Rebates	38,100	6,026	32,074	15.8%
6308	Rain Barrel Rebates	5,150	673	4,477	13.1%
6304	<b>TOTAL WATER CONSERVATION REBATES</b>	<b>93,750</b>	<b>(7,378)</b>	<b>101,128</b>	-7.9%
6300	<b>OUTREACH/EDUCATION</b>	<b>133,900</b>	<b>780</b>	<b>133,120</b>	0.6%
6401	Water Quality	67,000	39,912	27,088	59.6%
6402	Pumping	78,250	10,673	67,577	13.6%
6403	Storage Tanks	15,000	-	15,000	NA
6404	Mains/Distribution	100,000	56,330	43,670	56.3%
6405	Meters & Service	30,000	12,269	17,731	40.9%
6406	Fire Hydrants (F)	31,000	23,995	7,005	77.4%
6407	Regulator Stations	6,000	78	5,922	1.3%
6408	Safety	32,000	7,234	24,766	22.6%
6409	SCADA Maintenance	15,000	6,025	8,975	NA
6410	Generator Maintenance	24,000	12,222		
6400	<b>M&amp;R - OPS SYSTEMS</b>	<b>398,250</b>	<b>168,737</b>	<b>229,513</b>	42.4%
6501	M&R-Buildings&Grounds	93,000	35,768	57,232	38.5%
6502	M&R- Equipment&Tools	21,000	9,998	11,002	47.6%
6503	M&R- Vehicles & Large Equipment	19,000	12,842	6,158	67.6%
6504	M&R - Fuel	29,000	11,557	17,443	39.9%

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

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 1/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6500	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	162,000	70,166	91,834	43.3%
6601	Cathodic Protection Survey	12,000	241	11,759	NA
6602	Leak Detection Survey	-	350	(350)	NA
6600	<b>MAJOR MAINTENANCE</b>	12,000	591	11,409	4.9%
6701	Office Supplies	18,000	6,441	11,559	35.8%
6702	Insurance- Liability/Vehicles	87,750	37,181	50,569	42.4%
6703	Postage (G)	3,250	5,734	(2,484)	176.4%
6704	Printing/Printing Supplies	13,000	8,792	4,208	67.6%
6705	Equipment Services/Maintenance	56,750	12,357	44,393	21.8%
6706	Computer Supplies & Upgrades	11,750	7,421	4,329	63.2%
6707	Security & Safety	10,750	1,912	8,838	17.8%
6708	Other Fees	500	16	484	3.3%
6709	Customer Credit Card Svs Fees	125,000	81,253	43,747	65.0%
6700	<b>OFFICE SUPPLIES &amp; EQUIP</b>	326,750	161,107	165,643	49.3%
6801	Dues & Publications	39,500	22,547	16,953	57.1%
6802	Gov't Fees & Licenses	73,250	11,824	61,426	16.1%
6803	BAWSCA Membership Assessments	68,750	41,585	27,165	60.5%
6804	Env Health - Cross Connection Inspection	31,000	17,500	13,500	56.5%
6805	Software License	5,000	960	4,040	19.2%
6800	<b>MEMBERSHIP &amp; GOV FEES</b>	217,500	94,415	123,085	43.4%
6901	<b>Bad Debt</b>	7,000	3,199	3,801	45.7%
6902	Claims	30,000	13,722	16,278	45.7%
6900	<b>BAD DEBT &amp; CLAIMS</b>	37,000	16,921	20,079	45.7%
7001	Utilities-Internet/Cable (H)	7,500	7,041	459	93.9%
7002	Utilities-Cellular Telephones	11,850	6,018	5,832	50.8%
7003	Utilities-Electric-Pumping	220,000	108,656	111,344	49.4%
7004	Utilities-Electric-Bldgs&Grounds	24,000	14,509	9,491	60.5%
7005	Utilities-Telephones	17,500	10,470	7,030	59.8%
7006	Utilities-Sewer - NPDES	7,450	3,655	3,795	49.1%
7000	<b>UTILITIES</b>	288,300	150,349	137,951	52.2%
7101	Prof Serv - District Counsel	100,000	40,780	59,220	40.8%
7102	Prof Serv - District Engineer	100,000	35,379	64,621	35.4%
7103	Prof Serv - IT	19,750	12,943	6,807	65.5%
7104	Prof Serv- Annual Finance Audit (I)	20,000	17,700	2,300	88.5%
7105	Prof Serv - Mngmt Consult	-	-	-	NA
7106	Prof Serv- Accounting & Payroll	21,750	14,085	7,665	64.8%
7107	Prof Serv- Customer Billing	72,250	40,103	32,147	55.5%
7109	Prof Serv - Answering Svs (J)	4,500	5,364	(864)	119.2%
7110	Prof Serv - Miscellaneous	160,000	64,210	95,790	40.1%

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

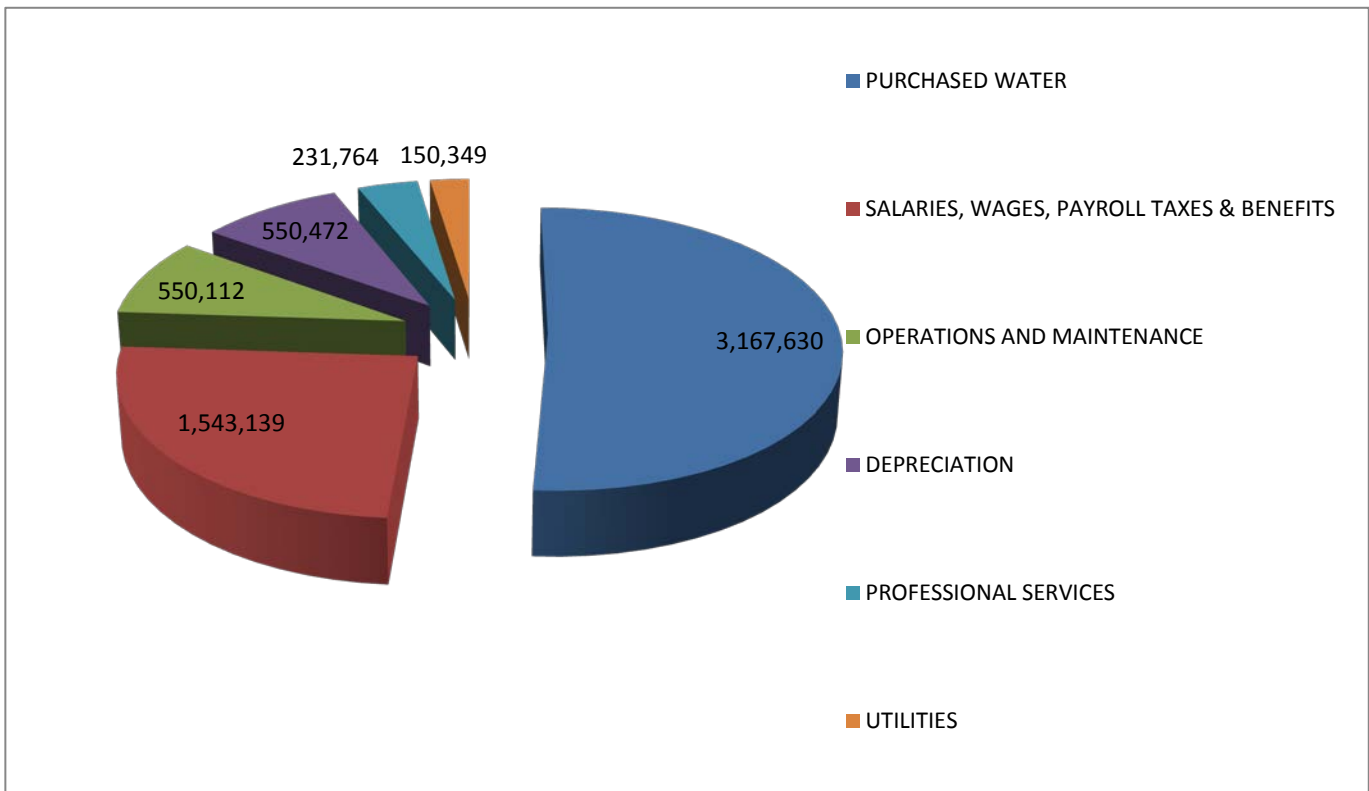
Target YTD % 58.9%
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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 1/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7111	Prof Serv - District Treasurer	3,700	1,200	2,500	32.4%
7100	<b>PROFESSIONAL SERVICES</b>	<b>501,950</b>	<b>231,764</b>	<b>270,186</b>	<b>46.2%</b>
7201	Director Travel	5,000	-	5,000	NA
7202	Director Expense	1,000	125	875	12.5%
7203	Elections	-	-	-	NA
7204	Employee Travel/Training (K)	20,000	18,717	1,283	93.6%
7205	Meetings Expense (L)	5,000	4,078	922	81.6%
7200	<b>TRAINING &amp; TRAVEL</b>	<b>31,000</b>	<b>22,920</b>	<b>8,080</b>	<b>73.9%</b>
7302	Restricted Earnings Expense - Interest LAIF	(10,000)	14,476	(24,476)	-144.8%
7300	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>(10,000)</b>	<b>14,476</b>	<b>(24,476)</b>	<b>-144.8%</b>
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	61,123	-	61,123	NA
8000	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
9010	<b>DEPRECIATION</b>	<b>950,000</b>	<b>550,472</b>	<b>399,528</b>	<b>57.9%</b>
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>8,024,650</b>	<b>4,650,327</b>	<b>3,374,323</b>	<b>58.0%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>10,856,950</b>	<b>6,193,466</b>	<b>4,663,484</b>	<b>57.0%</b>
<b>NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL</b>		<b>631,170</b>	<b>958,962</b>	<b>(327,792)</b>	<b>151.9%</b>

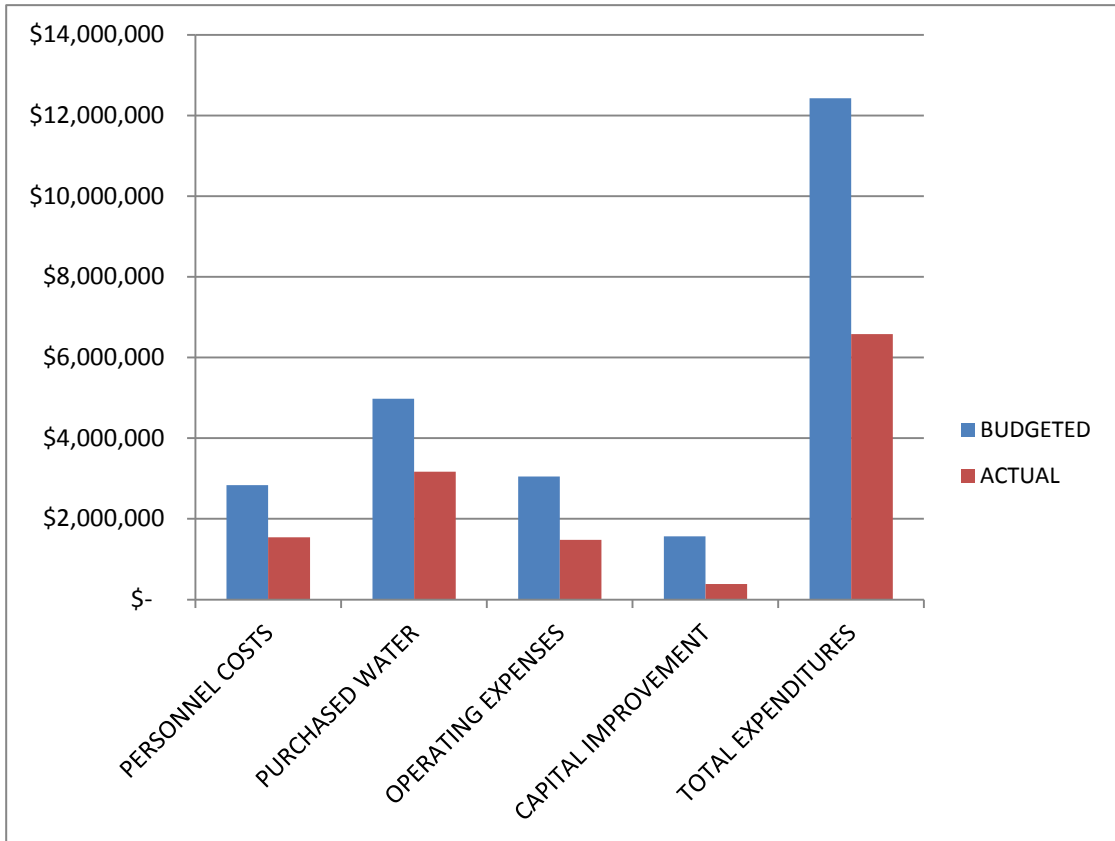
- (A) Water revenues are at 65.1% and water purchases are at 63.4%.
- (B) Cell Tower lease negotiations fee \$3,500.
- (C) Increased reserves generating more interest revenue.
- (D) Property tax revenue received sooner than anticipated.
- (E) Round 3 BAWSCA Grant HET rebates \$16,997; WMRP \$4,133.
- (F) Four fire hydrants purchased totaling \$8,526.
- (G) Under budgeted postage for general mailing.
- (H) Increased service costs not budgeted.
- (I) Audit completed.
- (J) Last fiscal year's bill received in August 2016.
- (K) Increased employee training/professional certification preparation.
- (L) Lunch & Learn meetings and organizational development sessions.

**MID-PENINSULA WATER DISTRICT  
ACTUAL OPERATING EXPENDITURES SUMMARY  
Jan-17**

<b>OPERATING EXPENDITURES</b>	<b>ACTUAL \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	3,167,630	51.1%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	1,543,139	24.9%
OPERATIONS AND MAINTENANCE	550,112	8.9%
DEPRECIATION	550,472	8.9%
PROFESSIONAL SERVICES	231,764	3.7%
UTILITIES	150,349	2.4%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>6,193,466</b>	<b>100%</b>



## 2014/2015 BUDGET vs ACTUAL TOTAL EXPENDITURES Jan-17



	<b>BUDGETED</b>	<b>ACTUAL</b>	<b>BUDGETED % OF TOTAL</b>	<b>ACTUAL % OF TOTAL</b>
<b>TOTAL EXPENDITURES</b>				
PERSONNEL COSTS	\$ 2,832,300	\$ 1,543,139	23%	23%
PURCHASED WATER	\$ 4,976,000	\$ 3,167,630	40%	48%
OPERATING EXPENSES	\$ 3,048,650	\$ 1,482,697	25%	23%
CAPITAL IMPROVEMENT	\$ 1,565,000	\$ 387,879	13%	6%
<b>TOTAL EXPENDITURES</b>	<b>\$ 12,421,950</b>	<b>\$ 6,581,345</b>	<b>100%</b>	<b>100%</b>

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

DESCRIPTION	APPROVED AMENDED FY 2016-2017 BUDGET \$	ACTUAL 7/1/2016 1/31/2017	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 58.9%
				<b>Y-T-D % OF BUDGET</b>
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>				
AMI Meter Change Out Program	500,000	2,188	497,812	0.4%
Karen Road Water Main Replacement - CIP	100,000	28,388	71,612	28.4%
Folger Pump Station Demolition - CIP	50,000	9,119	40,881	18.2%
Alameda de las Pulgas Water Main Replacement Project - CIP	700,000	243,708	456,292	34.8%
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,350,000</b>	<b>283,403</b>	<b>1,066,597</b>	21.0%
<b>CAPITAL OUTLAY</b>				
Financial Management System (FMS) - Comprehensive Replacement	95,000	26,779	68,221	28.2%
Implementation of Sensus Consumer Portal	70,000	64,855	5,145	92.7%
Miscellaneous Capital Outlay/Projects (A)	50,000	12,842	37,158	25.7%
<b>CAPITAL OUTLAY TOTAL</b>	<b>215,000</b>	<b>104,476</b>	<b>110,524</b>	48.6%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,565,000</b>	<b>387,879</b>	<b>1,177,121</b>	24.8%
DEPRECIATION	950,000	550,472	399,528	57.9%
TRANSFER FROM OPS	631,170	958,962	(327,792)	151.9%
TRANSFER (TO)/FROM CAPITAL RESERVES	(16,170)	(1,121,555)	1,105,385	6936.0%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,565,000)	(387,879)	(1,177,121)	24.8%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	N/A

(A) Hallmark Tank Retrofit Project

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

	Jul 16 - Feb 17	Jul 15 - Jan 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · OPERATING REVENUE	6,853,672.68	6,048,142.98	805,529.70	13.32%
4100 · INTEREST INCOME	14,476.00	7,242.05	7,233.95	99.89%
4200 · OTHER INCOME	284,278.92	288,904.62	-4,625.70	-1.6%
Total Income	<u>7,152,427.60</u>	<u>6,344,289.65</u>	<u>808,137.95</u>	<u>12.74%</u>
Expense				
6000 · PERSONNEL COSTS	1,543,138.91	1,503,479.89	39,659.02	2.64%
6100 · PURCHASED WATER	3,167,629.53	2,722,200.27	445,429.26	16.36%
6300 · OUTREACH/EDUCATION	780.03	80,691.75	-79,911.72	-99.03%
6400 · M&R - OPS SYSTEMS	168,737.18	179,838.83	-11,101.65	-6.17%
6500 · M&R - FACILITIES & EQUIPMENT	70,165.54	64,310.92	5,854.62	9.1%
6600 · MAJOR MAINTENANCE	590.74	700.00	-109.26	-15.61%
6700 · OFFICE SUPPLIES & EQUIPMENT	161,106.84	163,101.85	-1,995.01	-1.22%
6800 · MEMBERSHIP & GOV FEES	94,414.89	116,814.71	-22,399.82	-19.18%
6900 · BAD DEBT & CLAIMS	16,921.12	7,584.64	9,336.48	123.1%
7000 · UTILITIES	150,348.52	159,978.56	-9,630.04	-6.02%
7100 · PROFESSIONAL SERVICES	231,764.27	250,363.73	-18,599.46	-7.43%
7200 · TRAINING & TRAVEL	22,919.78	8,265.49	14,654.29	177.3%
Total Expense	<u>5,628,517.35</u>	<u>5,257,330.64</u>	<u>371,186.71</u>	<u>7.06%</u>
Net Ordinary Income	<u>1,523,910.25</u>	<u>1,086,959.01</u>	<u>436,951.24</u>	<u>40.2%</u>
Other Income/Expense				
Other Expense				
9000 · DEPRECIATION	550,472.30	552,997.05	-2,524.75	-0.46%
Total Other Expense	<u>550,472.30</u>	<u>552,997.05</u>	<u>-2,524.75</u>	<u>-0.5%</u>
7302 - RESTRICTED EARNINGS EXPENSE - INTEREST LAIF *	14,476.00	7,242.05	7,233.95	99.9%
Total Restricted Earnings Expense	<u>14,476.00</u>	<u>7,242.05</u>	<u>7,233.95</u>	<u>99.9%</u>
Net Operating Surplus/(Loss)	<u><u>958,961.95</u></u>	<u><u>526,719.91</u></u>	<u><u>432,242.04</u></u>	<u><u>82.1%</u></u>

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

	31-Jan-17	31-Jan-16	\$ Change	% Change
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Total Checking/Savings	5,147,225.59	3,858,832.98	1,288,392.61	33.39%
Total Accounts Receivable	711,163.53	748,358.81	-37,195.28	-4.97%
Other Current Assets				
Inventory <b>(A)</b>	0.00	158,736.70	-158,736.70	-100.0%
Other Current Assets	243,187.98	198,186.43	45,001.55	22.71%
Total Other Current Assets	243,187.98	356,923.13	-113,735.15	-31.87%
<b>TOTAL CURRENT ASSETS</b>	<b>6,101,577.10</b>	<b>4,964,114.92</b>	<b>1,137,462.18</b>	<b>22.91%</b>
<b>FIXED ASSETS</b>				
Fixed Assets	42,011,270.08	41,525,528.71	485,741.37	1.17%
Accumulated Depreciation	-26,314,564.27	-25,406,726.85	-907,837.42	-3.57%
Construction in Progress	1,110,073.98	344,888.74	765,185.24	221.86%
<b>TOTAL FIXED ASSETS</b>	<b>16,806,779.79</b>	<b>16,463,690.60</b>	<b>343,089.19</b>	<b>2.08%</b>
<b>TOTAL OTHER ASSETS</b>	<b>219,777.55</b>	<b>203,461.00</b>	<b>16,316.55</b>	<b>8.02%</b>
<b>TOTAL ASSETS</b>	<b>23,128,134.44</b>	<b>21,631,266.52</b>	<b>1,496,867.92</b>	<b>6.92%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Total Accounts Payable	112,155.63	41,143.48	71,012.15	172.6%
Total Other Current Liabilities <b>(B)</b>	-838,217.48	689,065.95	-1,527,283.43	-221.65%
<b>TOTAL CURRENT LIABILITIES</b>	<b>-726,061.85</b>	<b>730,209.43</b>	<b>-1,456,271.28</b>	<b>-199.43%</b>
<b>TOTAL LONG TERM LIABILITIES (B)</b>	<b>1,346,892.00</b>	<b>1,122,799.45</b>	<b>224,092.55</b>	<b>19.96%</b>
<b>TOTAL LIABILITIES</b>	<b>620,830.15</b>	<b>1,853,008.88</b>	<b>-1,232,178.73</b>	<b>-66.5%</b>
<b>EQUITY</b>				
3000 - Opening Bal Equity	0.00	144.00	-144.00	-100.0%
<b>3800 - RESERVES *</b>	<b>5,068,453.80</b>	<b>3,795,326.04</b>	<b>1,273,127.76</b>	<b>33.55%</b>
3940 - Fund Bal Invest in Util Plant	16,806,779.79	16,467,502.23	339,277.56	2.06%
Net Assets <b>(B)</b>	632,070.70	-484,714.63	1,116,785.33	230.4%
<b>TOTAL EQUITY</b>	<b>22,507,304.29</b>	<b>19,778,257.64</b>	<b>2,729,046.65</b>	<b>13.8%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>23,128,134.44</b>	<b>21,631,266.52</b>	<b>1,496,867.92</b>	<b>6.92%</b>
	<b>Balance @</b>	<b>Balance @</b>	<b>Balance @</b>	<b>Budget for</b>
	<b>Jan 2015</b>	<b>Jan 2016</b>	<b>Jan 2017</b>	<b>Reserve</b>
				<b>Policy</b>
<b>* RESERVES</b>				
Capital Reserves	1,234,676	1,295,326	2,568,454	2,500,000
Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000
Working Capital Reserves	500,000	500,000	500,000	500,000
<b>TOTAL RESERVE FUNDS</b>	<b>3,734,676</b>	<b>3,795,326</b>	<b>5,068,454</b>	<b>5,000,000</b>

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

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