

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, April 11, 2017 - 7:00 p.m.

AGENDA

The Coastside County Water District (CCWD) does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet materials can be provided in a format to accommodate special needs. If you require a copy of the agenda or related materials in an alternative format to accommodate a disability, or if you wish to attend this public meeting and will require special assistance or other special equipment, please call the District at (650) 726-4405 in advance and we will make every reasonable attempt to provide such an accommodation.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the CCWD District Office, located at 766 Main Street, Half Moon Bay, CA at the same time that the public records are distributed or made available to the legislative body.

This agenda and accompanying materials can be viewed on Coastside County Water District's website located at: www.coastsidewater.org.

The Board of the Coastside County Water District reserves the right to take action on any item included on this agenda.

- 1) ROLL CALL**
- 2) PLEDGE OF ALLEGIANCE**
- 3) PUBLIC COMMENT**

At this time members of the public may address the Board of Directors on issues not listed on the agenda which are within the purview of the Coastside County Water District. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Each speaker is allowed a maximum of three (3) minutes and must complete and submit a speaker slip. The President of the Board will recognize each speaker, at which time the speaker should proceed to the podium, give their name and address and provide their comments to the Board.

4) CONSENT CALENDAR

The following matters before the Board of Directors are recommended for action as stated by the General Manager. All matters listed hereunder constitute a Consent Calendar, are considered as routine by the Board of Directors, and will be acted upon by a single vote of the Board. There will be no separate discussion of these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- A. Approval of disbursements for the month ending March 31, 2017:
Claims: \$1,034,131.25; Payroll: \$88,604.75 for a total of \$1,122,736.00 ([attachment](#))
➤ *March 2017 Monthly Financial Claims reviewed and approved by Director Mickelsen*
- B. Acceptance of Financial Reports ([attachment](#))
- C. Approval of Minutes of March 14, 2017 Regular Board of Directors Meeting ([attachment](#))
- D. Approval of Minutes of March 16, 2017 Special Board of Directors Meeting ([attachment](#))
- E. Approval of Minutes of March 29, 2017 Special Board of Directors Meeting ([attachment](#))
- F. Monthly Water Transfer Report ([attachment](#))
- G. Installed Water Connection Capacity and Water Meters Report ([attachment](#))
- H. Total CCWD Production Report ([attachment](#))
- I. CCWD Monthly Sales by Category Report - March 2017 ([attachment](#))
- J. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report ([attachment](#))
- K. Monthly Rainfall Reports ([attachment](#))
- L. S.F.P.U.C. Hydrological Report for the month of February 2017 ([attachment](#))

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

6) GENERAL BUSINESS

- A. Quarterly Financial Review ([attachment](#))
- B. Fiscal Year 2017-2018 Budget Process Timeline - information only ([attachment](#))
- C. Draft Fiscal Year 2017-2018 Operations Budget and Draft Fiscal Year 2017/18 to 2026/27 Capital Improvement Program ([attachment](#))
- D. Fiscal Year 2017/2018 to FY 2022/2023 Financing Plan and Proposed Water Rate Increase; Cost of Service Analysis ([attachment](#))
- E. Schedule a Public Hearing on Proposed Rate Increase and Authorize Issuance of a Notice of Public Hearing and Proposed Rate Increase ([attachment](#))
- F. Professional Services Agreement with Analytical Environmental Services for Pilarcitos Canyon Pipeline Replacement Project Mitigated Negative Declaration ([attachment](#))
- G. Ordinance 2017-01 - Rescinding Resolution 2014-06 which implemented Stage 2 of the Water Shortage Contingency Plan and Ordinance 2016-01, which amended the mandatory water use restrictions and prohibitions under Stage 2 ([attachment](#))

7) GENERAL MANAGER'S REPORT AND MONTHLY INFORMATIONAL REPORTS ([attachment](#))

- SFPUC Final Water Supply Availability Estimate
- A. Superintendent of Operations Report ([attachment](#))

- 8) **DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS**
- 9) **ADJOURNMENT**

**COASTSIDE COUNTY WATER DISTRICT
CLAIMS FOR MARCH 2017**

CHECKS				
<u>CHECK DATE</u>	<u>CHECK NO.</u>	<u>VENDOR</u>	<u>VOID CHECK</u>	<u>AMOUNT</u>
03/07/2017	23789	MUFG UNION BANK N.A.		126,920.72
03/10/2017	23790	A-A LOCK		178.94
03/10/2017	23791	HEALTH BENEFITS ACWA-JPIA		34,925.09
03/10/2017	23792	ACWA/JPIA		21,173.00
03/10/2017	23793	AT&T LONG DISTANCE		85.00
03/10/2017	23794	AUTOMATIC DOOR SYSTEMS, INC.		8,610.00
03/10/2017	23795	BAY AREA AIR QUALITY MGMT DIST		793.00
03/10/2017	23796	BAY AREA AIR QUALITY MGMT DIST		569.00
03/10/2017	23797	CALCON SYSTEMS, INC.		26,408.17
03/10/2017	23798	COMCAST		194.02
03/10/2017	23799	FIRST NATIONAL BANK		1,995.76
03/10/2017	23800	HASSETT HARDWARE		2,262.17
03/10/2017	23801	DUSTIN JAHNS		280.80
03/10/2017	23802	MASS MUTUAL FINANCIAL GROUP		1,724.65
03/10/2017	23803	PACIFIC GAS & ELECTRIC CO.		51.26
03/10/2017	23804	REPUBLIC SERVICES		419.06
03/10/2017	23805	RICOH USA INC		503.07
03/10/2017	23806	SAN FRANCISCO WATER DEPT.		100,307.26
03/10/2017	23807	TEAMSTERS LOCAL UNION #856		1,113.00
03/10/2017	23808	US TELEPACIFIC CORPORATION		1,839.98
03/10/2017	23809	UNITED STATES POSTAL SERV.		600.00
03/10/2017	23810	VALIC		3,195.00
03/27/2017	23811	METER READINGS HOLDING, LLC		14,191.67
03/27/2017	23812	ADP, INC.		282.15
03/27/2017	23813	FRANK YAMELLO		235.00
03/27/2017	23814	ANDREINI BROS. INC.		53,966.04
03/27/2017	23815	AT&T		2,920.37
03/27/2017	23816	AZTEC GARDENS, INC.		190.00
03/27/2017	23817	BADGER METER, INC.		123.00
03/27/2017	23818	BALANCE HYDROLOGICS, INC		9,358.17
03/27/2017	23819	BARTKIEWICZ, KRONICK & SHANAHAN		165.00
03/27/2017	23820	BAY ALARM COMPANY		669.78
03/27/2017	23821	JON BRUCE		227.58
03/27/2017	23822	CALCON SYSTEMS, INC.		45,927.63
03/27/2017	23823	CALIFORNIA URBAN WATER CONSERVATION COUNCIL		2,653.80
03/27/2017	23824	CANYON SPRINGS ENTERPRISES		50,065.96
03/27/2017	23825	CAROLYN STANFIELD		600.00
03/27/2017	23826	CHEVRON/TEXACO UNIVERSAL CARD		1,691.65
03/27/2017	23827	CINTAS FIRST AID & SAFETY		825.00
03/27/2017	23828	COASTSIDE COUNTY WATER DIST.		129.41
03/27/2017	23829	COSTCO WHOLESALE		110.00
03/27/2017	23830	RECORDER'S OFFICE		18.00
03/27/2017	23831	RECORDER'S OFFICE		18.00
03/27/2017	23832	RECORDER'S OFFICE		18.00
03/27/2017	23833	RECORDER'S OFFICE		24.00
03/27/2017	23834	RECORDER'S OFFICE		18.00
03/27/2017	23835	RECORDER'S OFFICE		24.00
03/27/2017	23836	RECORDER'S OFFICE		18.00
03/27/2017	23837	CRESTLINE SPECIALTIES, INC.		331.01
03/27/2017	23838	CURLEY & RED'S INC. BODY SHOP		90.00
03/27/2017	23839	DAL PORTO ELECTRIC		2,064.67
03/27/2017	23840	DATAPROSE, LLC		2,405.35
03/27/2017	23841	ELECSYS INTERNATIONAL CORP		250.00
03/27/2017	23842	ERS INDUSTRIAL SERVICES INC.		860.84
03/27/2017	23843	GARCIA AND ASSOCIATES		6,031.93
03/27/2017	23844	GRAINGER, INC.		2,640.19
03/27/2017	23845	ALANE GRAY		100.00

03/27/2017	23846	HACH CO., INC.	5,845.20
03/27/2017	23847	HMB BLDG. & GARDEN INC.	36.50
03/27/2017	23848	HALF MOON BAY REVIEW	177.63
03/27/2017	23849	HMB CHAMBER OF COMMERCE	460.00
03/27/2017	23850	HANSONBRIDGETT. LLP	4,773.00
03/27/2017	23851	U.S. HEALTHWORKS MEDICAL GROUP, P.C.	215.40
03/27/2017	23852	RICHARD HEADDINGS	100.00
03/27/2017	23853	HF&H CONSULTANTS, LLC	6,147.50
03/27/2017	23854	HUE & CRY, INC.	24.00
03/27/2017	23855	HYDROSCIENCE ENGINEERS, INC.	2,070.00
03/27/2017	23856	IRON MOUNTAIN	630.29
03/27/2017	23857	IRVINE CONSULTING SERVICES, INC.	4,683.82
03/27/2017	23858	DUSTIN JAHNS	163.87
03/27/2017	23859	KENNEDY/JENKS CONSULTANTS	85,062.23
03/27/2017	23860	KINGS MOUNTAIN ARBOR HEALTH & SAFETY	1,950.00
03/27/2017	23861	KANEKO AND KRAMMER CORP	4,080.00
03/27/2017	23862	KOFFLER ELECTRICAL MECHANICAL APPARATUS REPAIR	372.61
03/27/2017	23863	GLENNA LOMBARDI	110.00
03/27/2017	23864	MANAGEMENT PARTNERS, INC	4,000.00
03/27/2017	23865	MASS MUTUAL FINANCIAL GROUP	1,724.65
03/27/2017	23866	METLIFE GROUP BENEFITS	1,710.20
03/27/2017	23867	MISSION UNIFORM SERVICES INC.	231.82
03/27/2017	23868	MONTEREY COUNTY LAB	5,960.00
03/27/2017	23869	NORTHSTAR CHEMICAL	1,388.00
03/27/2017	23870	OFFICE DEPOT	402.81
03/27/2017	23871	ONTRAC	1,233.48
03/27/2017	23872	PACIFIC GAS & ELECTRIC CO.	14,235.61
03/27/2017	23873	PACIFICA COMMUNITY TV	250.00
03/27/2017	23874	PAULO'S AUTO CARE	35.00
03/27/2017	23875	JENNI PICETTI	100.00
03/27/2017	23876	PITNEY BOWES	211.91
03/27/2017	23877	RICOH USA, INC.	328.76
03/27/2017	23878	ROBERTS & BRUNE CO.	7,463.13
03/27/2017	23879	ROGUE WEB WORKS, LLC	301.00
03/27/2017	23880	SAN MATEO CTY PUBLIC HEALTH LAB	614.00
03/27/2017	23881	SENIOR COASTSIDERS	280.00
03/27/2017	23882	SIERRA CHEMICAL CO.	1,357.82
03/27/2017	23883	SOUTHWEST VALVE, LLC	21,619.50
03/27/2017	23884	STOLOSKI & GONZALEZ, INC.	250,420.00
03/27/2017	23885	STRAWFLOWER ELECTRONICS	87.04
03/27/2017	23886	TBSP of LOVE, LLC	350.00
03/27/2017	23887	JAMES TETER	8,031.86
03/27/2017	23888	TYLER TECHNOLOGIES, INC	1,198.00
03/27/2017	23889	UGSI CHEMICAL FEED, INC.	1,138.38
03/27/2017	23890	UPS STORE	52.32
03/27/2017	23891	USA BLUE BOOK	1,012.73
03/27/2017	23892	VALIC	3,195.00
03/27/2017	23893	VERIZON WIRELESS	705.10
03/27/2017	23894	TIMOTHY WHALEN	99.00
03/09/2017	23895	CVE DEMOLITION, INC.	552.66
03/09/2017	23896	NINA OSMON	75.00
03/14/2017	23897	MARY GARCIA	77.76

CLAIMS FOR MONTH OF MARCH 2017

\$980,737.74

WIRE PAYMENTS

<u>MONTH</u>		<u>VENDOR</u>	<u>AMOUNT</u>
03/02/2017	DFT0000040	CalPERS FISCAL SERVICES DIVISION	25,069.57
03/07/2017	DFT0000041	PUB. EMP. RETIRE SYSTEM	12,375.77
03/27/2017	DFT0000042	PUB. EMP. RETIRE SYSTEM	12,395.97
3/31/2017		CREDIT CARD AND BANK FEES	3552.2
		TOTAL WIRE PAYMENTS	<u>\$53,393.51</u>

TOTAL CLAIMS FOR THE MONTH OF MARCH 2017 \$1,034,131.25



Coastside County Water District

Monthly Budget Report Account Summary

For Fiscal: 2016-2017 Period Ending: 03/31/2017

	March Budget	March Activity	Variance Favorable (Unfavorable)	Percent Variance	YTD Budget	YTD Activity	Variance Favorable (Unfavorable)	Percent Variance	Total Budget	
Revenue										
RevType: 1 - Operating										
1-4120-00	Water Revenue	572,939.00	624,102.20	51,163.20	8.93 %	7,492,921.00	7,689,713.09	196,792.09	2.63 %	10,266,127.00
	Total RevType: 1 - Operating:	572,939.00	624,102.20	51,163.20	8.93 %	7,492,921.00	7,689,713.09	196,792.09	2.63 %	10,266,127.00
RevType: 2 - Non-Operating										
1-4170-00	Water Taken From Hydrants	4,165.00	3,600.47	-564.53	-13.55 %	37,485.00	50,040.09	12,555.09	33.49 %	50,000.00
1-4180-00	Late Notice - 10% Penalty	5,997.60	7,981.04	1,983.44	33.07 %	53,978.40	55,067.37	1,088.97	2.02 %	72,000.00
1-4230-00	Service Connections	833.00	1,380.28	547.28	65.70 %	7,497.00	11,634.10	4,137.10	55.18 %	10,000.00
1-4920-00	Interest Earned	0.00	0.00	0.00	0.00 %	2,302.50	3,276.53	974.03	42.30 %	3,070.00
1-4930-00	Tax Apportionments/County Checks	0.00	1,330.89	1,330.89	0.00 %	380,000.00	476,248.84	96,248.84	25.33 %	600,000.00
1-4950-00	Miscellaneous Income	3,082.10	11,177.41	8,095.31	262.66 %	27,738.90	113,692.08	85,953.18	309.87 %	37,000.00
1-4955-00	Cell Site Lease Income	11,969.54	10,352.00	-1,617.54	-13.51 %	107,725.86	112,274.73	4,548.87	4.22 %	143,692.00
1-4965-00	ERAF Refund - County Taxes	0.00	0.00	0.00	0.00 %	200,000.00	325,313.79	125,313.79	62.66 %	200,000.00
	Total RevType: 2 - Non-Operating:	26,047.24	35,822.09	9,774.85	37.53 %	816,727.66	1,147,547.53	330,819.87	40.51 %	1,115,762.00
	Total Revenue:	598,986.24	659,924.29	60,938.05	10.17 %	8,309,648.66	8,837,260.62	527,611.96	6.35 %	11,381,889.00
Expense										
ExpType: 1 - Operating										
1-5130-00	Water Purchased	61,218.00	104,307.26	-43,089.26	-70.39 %	1,957,405.00	1,669,385.15	288,019.85	14.71 %	2,578,474.00
1-5230-00	Nunes T P Pump Expense	2,604.79	3,119.74	-514.95	-19.77 %	23,443.11	26,072.32	-2,629.21	-11.22 %	31,270.00
1-5231-00	CSP Pump Station Pump Expense	111.00	986.00	-875.00	-788.29 %	311,644.00	224,495.09	87,148.91	27.96 %	325,420.00
1-5232-00	Other Trans. & Dist Pump Expense	1,126.00	1,495.45	-369.45	-32.81 %	12,909.00	16,216.63	-3,307.63	-25.62 %	18,020.00
1-5233-00	Pilarcitos Canyon Pump Expense	4,153.00	10,897.85	-6,744.85	-162.41 %	25,460.00	33,340.65	-7,880.65	-30.95 %	26,000.00
1-5234-00	Denniston T P Pump Expense	5,928.00	-1,933.77	7,861.77	132.62 %	46,363.00	35,340.18	11,022.82	23.78 %	85,000.00
1-5242-00	CSP Pump Station Operations	874.65	679.93	194.72	22.26 %	7,871.85	7,250.78	621.07	7.89 %	10,500.00
1-5243-00	CSP Pump Station Maintenance	6,474.00	163.13	6,310.87	97.48 %	17,578.00	18,957.82	-1,379.82	-7.85 %	37,000.00
1-5245-00	Alves/Miramontes Maintenance	0.00	261.70	-261.70	0.00 %	0.00	296.27	-296.27	0.00 %	0.00
1-5246-00	Nunes T P Operations - General	3,434.00	7,063.97	-3,629.97	-105.71 %	44,048.00	46,035.01	-1,987.01	-4.51 %	57,000.00
1-5247-00	Nunes T P Maintenance	12,208.00	3,844.48	8,363.52	68.51 %	68,622.00	55,936.09	12,685.91	18.49 %	80,500.00
1-5248-00	Denniston T P Operations-General	4,188.00	3,482.74	705.26	16.84 %	22,436.00	15,348.13	7,087.87	31.59 %	35,000.00
1-5249-00	Denniston T.P. Maintenance	2,750.00	1,478.47	1,271.53	46.24 %	44,750.00	52,276.05	-7,526.05	-16.82 %	53,000.00
1-5250-00	Laboratory Expenses	3,313.00	8,569.69	-5,256.69	-158.67 %	39,756.00	37,617.14	2,138.86	5.38 %	53,000.00
1-5260-00	Maintenance - General	10,970.61	16,003.74	-5,033.13	-45.88 %	98,735.49	125,124.97	-26,389.48	-26.73 %	131,700.00
1-5260-10	Maintenance - Main Line Breaks	8,330.00	4,603.75	3,726.25	44.73 %	74,970.00	22,235.44	52,734.56	70.34 %	100,000.00
1-5260-11	Maintenance - Paving	4,165.00	0.00	4,165.00	100.00 %	37,485.00	39,220.67	-1,735.67	-4.63 %	50,000.00
1-5261-00	Maintenance - Well Fields	909.00	0.00	909.00	100.00 %	47,273.00	10,978.37	36,294.63	76.78 %	50,000.00

Monthly Budget Report

For Fiscal: 2016-2017 Period Ending: 03/31/2017

	March Budget	March Activity	Variance Favorable (Unfavorable)	Percent Variance	YTD Budget	YTD Activity	Variance Favorable (Unfavorable)	Percent Variance	Total Budget	
1-5263-00	Uniforms	145.00	0.00	145.00	100.00 %	9,568.00	7,940.04	1,627.96	17.01 %	10,000.00
1-5318-00	Studies/Surveys/Consulting	12,495.00	21,227.50	-8,732.50	-69.89 %	112,455.00	78,004.90	34,450.10	30.63 %	150,000.00
1-5321-00	Water Resources	3,915.10	730.01	3,185.09	81.35 %	35,235.90	7,597.07	27,638.83	78.44 %	47,000.00
1-5322-00	Community Outreach	4,165.00	2,320.00	1,845.00	44.30 %	37,485.00	8,328.78	29,156.22	77.78 %	50,000.00
1-5381-00	Legal	4,998.00	4,044.20	953.80	19.08 %	44,982.00	56,635.73	-11,653.73	-25.91 %	60,000.00
1-5382-00	Engineering	1,166.20	664.38	501.82	43.03 %	10,495.80	10,358.38	137.42	1.31 %	14,000.00
1-5383-00	Financial Services	0.00	0.00	0.00	0.00 %	14,000.00	8,580.00	5,420.00	38.71 %	20,000.00
1-5384-00	Computer Services	10,437.49	9,300.20	1,137.29	10.90 %	93,937.41	82,860.65	11,076.76	11.79 %	125,300.00
1-5410-00	Salaries/Wages-Administration	84,677.00	68,528.54	16,148.46	19.07 %	846,769.00	674,157.58	172,611.42	20.38 %	1,100,800.00
1-5411-00	Salaries & Wages - Field	93,644.00	83,677.83	9,966.17	10.64 %	936,442.00	921,813.26	14,628.74	1.56 %	1,217,375.00
1-5420-00	Payroll Tax Expense	12,480.00	11,655.27	824.73	6.61 %	124,802.00	111,544.72	13,257.28	10.62 %	162,245.00
1-5435-00	Employee Medical Insurance	35,682.00	32,646.50	3,035.50	8.51 %	305,858.00	296,734.15	9,123.85	2.98 %	412,904.00
1-5436-00	Retiree Medical Insurance	5,205.00	1,239.20	3,965.80	76.19 %	44,361.00	36,603.42	7,757.58	17.49 %	59,976.00
1-5440-00	Employees Retirement Plan	41,025.00	39,047.89	1,977.11	4.82 %	385,179.00	336,707.26	48,471.74	12.58 %	508,256.00
1-5445-00	Supplemental Retirement 401a	0.00	0.00	0.00	0.00 %	0.00	0.00	0.00	0.00 %	33,000.00
1-5510-00	Motor Vehicle Expense	4,723.11	2,618.54	2,104.57	44.56 %	42,507.99	35,216.66	7,291.33	17.15 %	56,700.00
1-5620-00	Office & Billing Expenses	14,225.55	14,840.95	-615.40	-4.33 %	128,029.95	166,571.59	-38,541.64	-30.10 %	170,775.00
1-5625-00	Meetings / Training / Seminars	1,999.20	3,070.10	-1,070.90	-53.57 %	17,992.80	13,245.79	4,747.01	26.38 %	24,000.00
1-5630-00	Insurance	9,996.00	6,605.14	3,390.86	33.92 %	89,964.00	88,461.15	1,502.85	1.67 %	120,000.00
1-5687-00	Membership, Dues, Subscript.	6,164.20	3,373.80	2,790.40	45.27 %	55,477.80	51,399.77	4,078.03	7.35 %	74,000.00
1-5689-00	Labor Relations	499.80	0.00	499.80	100.00 %	4,498.20	0.00	4,498.20	100.00 %	6,000.00
1-5700-00	San Mateo County Fees	1,582.70	0.00	1,582.70	100.00 %	14,244.30	11,241.98	3,002.32	21.08 %	19,000.00
1-5705-00	State Fees	1,332.80	1,362.00	-29.20	-2.19 %	11,995.20	22,134.71	-10,139.51	-84.53 %	16,000.00
	Total ExpType: 1 - Operating:	483,315.20	471,976.18	11,339.02	2.35 %	6,247,029.80	5,462,264.35	784,765.45	12.56 %	8,179,215.00
	ExpType: 4 - Capital Related									
1-5712-00	Debt Service/Existing Bonds 2006B	129,829.00	126,920.72	2,908.28	2.24 %	486,426.00	486,359.58	66.42	0.01 %	486,426.00
1-5715-00	Debt Service/CIEDB 11-099	0.00	0.00	0.00	0.00 %	336,409.00	336,409.49	-0.49	0.00 %	336,409.00
1-5716-00	Debt Service/CIEDB 2016	0.00	0.00	0.00	0.00 %	145,203.00	145,202.41	0.59	0.00 %	145,203.00
	Total ExpType: 4 - Capital Related:	129,829.00	126,920.72	2,908.28	2.24 %	968,038.00	967,971.48	66.52	0.01 %	968,038.00
	Total Expense:	613,144.20	598,896.90	14,247.30	2.32 %	7,215,067.80	6,430,235.83	784,831.97	10.88 %	9,147,253.00
	Report Total:	-14,157.96	61,027.39	75,185.35		1,094,580.86	2,407,024.79	1,312,443.93		2,234,636.00

**COASTSIDE COUNTY WATER DISTRICT
MONTHLY INVESTMENT REPORT
March 31, 2017**

RESERVE BALANCES

CAPITAL AND OPERATING RESERVE	\$3,808,582.41
RATE STABILIZATION RESERVE	\$250,000.00
TOTAL DISTRICT RESERVES	\$4,058,582.41

ACCOUNT DETAIL

ACCOUNTS WITH FIRST NATIONAL BANK (FNB)	
CHECKING ACCOUNT	\$2,162,403.36
CSP T & S ACCOUNT	\$866,369.25
LOCAL AGENCY INVESTMENT FUND (LAIF) BALANCE	\$1,029,109.80
DISTRICT CASH ON HAND	\$700.00
TOTAL ACCOUNT BALANCES	\$4,058,582.41

This report is in conformity with CCWD's Investment Policy.

COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2016-2017

3/31/2017

= still to be committed

Approved CIP Budget FY 16/17	Actual To Date FY16/17	Projected Year-End FY 16/17	Variance vs. Budget	% Completed	Project Status/ Comments
------------------------------------	------------------------------	-----------------------------------	------------------------	----------------	-----------------------------

Equipment Purchases & Replacement

06-03	SCADA/Telemetry/Electrical Controls Replacement	\$ 50,000	\$ 64,071	\$ 130,000	\$ (80,000)	128%	Calcon work directive 16-04 \$126K (Approved Jan 2017 board meeting)
17-02	Forklift for Nunes	\$ 30,000	\$ 14,661	\$ 14,661	\$ 15,339	49%	completed
99-03	Computer Systems	\$ 5,000	\$ 1,053	\$ 5,000	\$ -	21%	
99-04	Office Equipment/Furniture	\$ 3,000		\$ 3,000	\$ -	0%	

Facilities & Maintenance

08-08	PRV Valves Replacement Project	\$ 30,000	\$ 33,684	\$ 33,684	\$ (3,684)	112%	will spend in FY2016-17
09-09	Fire Hydrant Replacement	\$ 40,000	\$ 24,575	\$ 40,000	\$ -	61%	will spend in FY2016-17
09-23	District Digital Mapping	\$ 10,000			\$ 10,000	0%	accounted for in expense
14-14	Pilarcitos Canyon Road Improvements	\$ 65,000	\$ 82,781	\$ 82,781	\$ (17,781)	100%	completed
17-11	Pilarcitos PRV Station Valve Replacement	\$ 45,000		\$ 56,528	\$ (11,528)	0%	Bid approved at the February 2017 Board meeting
09-07	Advanced Metering Infrastructure	\$ 300,000	\$ 164,784	\$ 300,000	\$ -	55%	will spend in FY2016-17
99-01	Meter Change Program	\$ 300,000	\$ 195,383	\$ 300,000	\$ -	65%	will spend in FY2016-17

Pipeline Projects

06-01	Avenue Cabrillo Phase 3B Pipeline Replacement Project	\$ 650,000	\$ 691,644	\$ 691,644	\$ (41,644)	106%	
13-02	Replace 8" Pipeline Under Creek at Pilarcitos Avenue	\$ 100,000	\$ 8,839	\$ 150,000	\$ (50,000)	9%	Approved at January 2017 Board meeting; currently working on acquiring easements for Phase 1 before work can commence
14-26	Replace 2" Pipe in Downtown Half Moon Bay	\$ 500,000	\$ 28,074	\$ 50,000	\$ 450,000	6%	Engineering is near completion. Will go out for bid in April-May timeframe. Work will likely commence in summer - into FY2017-18.

Pump Stations / Tanks / Wells

06-04	Hazen's Tank Replacement	\$ 30,000			\$ 30,000	0%	on hold-evaluate after completion of Bridgeport Pipeline/Denniston PS project
06-03	El Granada Tank #3 Recoating Project	\$ 600,000	\$ 328,096	\$ 700,000	\$ (100,000)	55%	In process (Canyon bid \$683K)
13-11	EG Tank #1 & Tank #2 Emergency Generators	\$ 200,000	\$ 187,629	\$ 187,629	\$ 12,371	94%	Notice of Completion at February 2017 Board meeting
17-03	Pilarcitos Wells 3 and 3A Rehabilitation	\$ 90,000	\$ 105,983	\$ 105,983	\$ (15,983)	118%	Completed
17-05	Crystal Springs Pump Station Motor Controls	\$ 50,000		\$ 47,000	\$ 3,000	0%	Calcon work directives 17-01 and 17-02 approved at February 2017 Board meeting
17-06	Crystal Springs Pump Station Discharge Valve Replacement	\$ 30,000	\$ 560	\$ 30,000	\$ -	2%	will spend in FY2016-17 (Calcon)

Water Supply Development

10-02 & 12-04	Denniston Pump Station & Pipeline Project (formerly Bridgeport Drive Pipeline Replacement Project)	\$ 2,600,000	\$ 819,716	\$ 2,600,000	\$ -	32%	Project is in process (completion scheduled for late June 2017)
17-12	Recycled Water Project Development	\$ 100,000		\$ 100,000	\$ -	0%	no current commitments

Water Treatment Plants

17-01	Nunes Water Treatment Plant Treated Water Meter	\$ 50,000		\$ -	\$ 50,000	0%	Move to FY 2017-18
17-04	Denniston Dam Spillway	\$ 10,000		\$ 10,000	\$ -	0%	will spend in FY2016-17
17-07	Denniston WTP Site Improvements for Erosion Control	\$ 50,000		\$ 50,000	\$ -	0%	will spend in FY2016-17
17-08	Nunes Filter Surface Wash Repairs	\$ 50,000	\$ 25,126	\$ 50,000	\$ -	50%	Approved at January 2017 Board meeting
17-10	Nunes Backwash Pond Sand Replacement	\$ 65,000	\$ 28,194	\$ 29,000	\$ 36,000	43%	will spend in FY2016-17

COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2016-2017

3/31/2017

= still to be committed

		Approved CIP Budget FY 16/17	Actual To Date FY16/17	Projected Year-End FY 16/17	Variance vs. Budget	% Completed	Project Status/ Comments
99-05	Denniston Maintenance Dredging	\$ 35,000	\$ 7,681	\$ 10,000	\$ 25,000	22%	Move to FY 2017-18
FY 16/17 TOTALS		\$ 6,088,000	\$ 2,812,532	\$ 5,776,910	\$ 311,090		

Previous CIP Projects - paid in FY 16/17

14-24	Denniston/San Vicente EIR & Permitting		\$ 37,951	\$ 37,951	\$ (37,951)		
99-02	2017 Customer Service Vehicle		\$ 30,482	\$ 30,482	\$ (30,482)		On FY2015/16 CIP
	Ventura / Washington Pipeline Replacement		\$ 5,775	\$ 5,775	\$ (5,775)		On FY2015/16 CIP
10-01	El Granada Pipeline Final Phase Replacement Project		\$ (1,026)	\$ (1,026)	\$ 1,026		Completed - Refund for Application Fee
PREVIOUS YEAR TOTALS		\$ -	\$ 73,182	\$ 73,182	\$ (73,182)		

UNSCHEDULED ITEMS (CAPITAL EXPENDITURES) FOR CURRENT FISCAL YEAR 16/17

	Mixers for El Granada Tanks #1 and #2		\$ 3,128	\$ 3,128	\$ (3,128)		Completed (\$3K is for installation; Mixers were purchased in 6/2016. Currently conducting study to determine next steps/additional \$\$\$ required.)
	Wavecrest Road Pipeline Extension - CCWD Portion		\$ 169	\$ 20,000	\$ (20,000)		CCWD portion of pipeline - to be completed after hotel pipeline is completed
07-03	Stone Dam/Pilarcitos Canyon Pipeline Project		\$ 32,691	\$ 30,701	\$ (30,701)		SFPUC Plan Review meeting occurred in Jan 2017; awaiting follow up from SFPUC to determine next steps
06-02	Highway One South Pipeline Replacement Project		\$ 557	\$ 557	\$ (557)		
99-02	2017 Ford F-150 Pickup		\$ 22,528	\$ 22,528	\$ (22,528)		Emergency replacement
17-15	Pilarcitos Canyon Emergency Road Repairs (2017)		\$ 86,721	\$ 100,000	\$ (100,000)		2-2017 Emergency - Storm Related Repairs
	Replace 4" Fire Check at District Office		\$ 11,400	\$ 11,400	\$ -		Completed
17-16	Crystal Springs Pump 3 - Column pipes/shafting replacement			\$ 75,000	\$ (75,000)		Urgent replacement - approved at February 2017 Board meeting
	Well Refurbishments; Well #4 New pump and motor		\$ 15,181	\$ 15,181	\$ (15,181)		
13-08	Crystal Springs Pump 1 Motor Replacement			\$ 63,000	\$ (63,000)		Urgent replacement-approved at December 2016 (moved up from 2017/18)
	Administration Building - New Front Doors		\$ 8,610	\$ 8,610	\$ (8,610)		Completed February 2017
					\$ -		

NON-BUDGETED TOTALS \$ - \$ 180,985 \$ 350,105 \$ (338,705)

CIP TOTALS \$ 6,088,000 \$ 3,066,699 \$ 6,200,197 \$ (100,797)

**Legal Cost Tracking Report
12 Months At-A-Glance**

**Acct. No.5681
Patrick Miyaki - HansonBridgett, LLP
Legal**

Month	Admin (General Legal Fees)	Water Supply Develpmnt	Recycled Water	Transfer Program	CIP	Personnel	Water Shortage	Lawsuits	Infrastructure Project Review (Reimbursable)	TOTAL
Apr-16	8,014			900	91	2,640				11,645
May-16	3,616			776		5,438				9,830
Jun-16	3,583		1,540			11,879				17,002
Jul-16	7,269		1,812	392		5,564				15,037
Aug-16	3,412			284	674	18,541				22,912
Sep-16	2,489			603	3,798	7,063				13,953
Oct-16	2,205			784	1,392	677				5,056
Nov-16	1,909		815	757	1,657	677			242	6,057
Dec-16	2,776		513	544	60	478				4,371
Jan-17	3,231			858					604	4,693
Feb-17	3,080			474	1,087					4,641
Mar-17	1,350		695	1,219	1,510					4,773
TOTAL	42,935	0	5,376	7,589	10,269	52,957	0	0	846	119,971

**Engineer Cost Tracking Report
12 Months At-A-Glance**

**Acct. No. 5682
JAMES TETER
Engineer**

Month	Admin & Retainer	CIP	Studies & Projects	TOTAL	Reimbursable from Projects
Apr-16	480	10,650	2,789	13,919	2,789
May-16	2,508	12,863	7,014	22,385	7,014
Jun-16	1,280	4,960	2,191	8,431	2,191
Jul-16	480			480	0
Aug-16	480	14,917		15,397	0
Sep-16	480	8,597		9,077	0
Oct-16	480	17,965		18,445	0
Nov-16	480	12,365	254	13,098	254
Dec-16	480	3,392	2,424	6,296	2,424
Jan-17	480	5,662	4,069	10,210	4,069
Feb-17	1,494	11,649	806	13,949	806
Mar-17	480	7,552		8,032	
TOTAL	9,602	110,571	19,546	139,719	19,546

Calcon T&M Projects Tracking
as of 3/31/17

Project No.	Name	Acct No.	Proposal Date	Approved Date	Project Budget	Project Total Billing (thru 6/30/16)	Project Billing FY2016-17	Project Budget Remaining
CAL-13-EMG	Emergency Callout							
CAL-14-EMG	Emergency Callout							
CAL-15-EMG	Emergency Callout						\$790.00	
CAL-17-EMG	Emergency Callout						\$3,435.77	
CAL-13-00	Calcon Project Admin/Miscellaneous							
CAL-13-01	EG Tank 2 Recoating Project		9/30/13	10/8/13	\$8,220.00	\$8,837.50		-\$617.50
CAL-13-02	Nunes Control System Upgrades		9/30/13	10/8/13	\$46,141.00	\$55,363.60		-\$9,222.60
CAL-13-03	Win 911 and PLC Software		9/30/13	10/8/13	\$9,717.00	\$12,231.74		-\$2,514.74
CAL-13-04	Crystal Springs Surge Tank Retrofit		11/26/13	11/27/13	\$31,912.21	\$66,572.54		-\$34,660.33
CAL-13-05						\$0.00		\$0.00
CAL-13-06	Nunes Legacy Backwash System Removal		11/25/13	11/26/13	\$6,516.75	\$6,455.00		\$61.75
CAL-13-07	Denniston Backwash FTW Valves		11/26/13	11/27/13	\$6,914.21	\$9,518.28		-\$2,604.07
CAL-14-01	Denniston Wash Water Return Retrofit		1/28/14	2/14/14	\$13,607.00	\$13,591.60		\$15.40
CAL-14-02	Denniston Calrifier SCADA Data		4/2/14	4/7/14	\$4,125.00	\$4,077.50		\$47.50
CAL-14-03	Nunes Surface Scatter Turbidimeter		4/2/14	4/7/14	\$2,009.50	\$0.00		\$2,009.50
CAL-14-04	Phase I Control System Upgrade		4/2/14	4/7/14	\$75,905.56	\$44,459.14		\$31,446.42
CAL-14-06	Miramar Control Panel		8/28/14	8/28/14	\$37,953.00	\$27,980.71		\$9,972.29
CAL-14-08	SFWater Flow & Data Logger/Cahill Tank		8/20/2014	8/20/2014	\$1,370.00	\$1,372.00		-\$2.00
CAL-15-01	Main Street Monitors					\$6,779.42		-\$6,779.42
CAL-15-02	Denniston To Do List					\$2,930.00		-\$2,930.00
CAL-15-03	Nunes & Denniston Turbidity Meters				\$6,612.50	\$5,833.26	\$6,702.86	\$779.24
CAL-15-04	Phase II Control System Upgrade		6/23/2015	8/11/2015	\$195,000.00	\$164,904.50		\$30,095.50
CAL-15-05	Permanganate Water Flow					\$1,567.15		-\$1,567.15
CAL-16-04	Radio Network		12/9/2016	1/10/2017	\$126,246.11		\$63,996.19	\$62,249.92
CAL-16-05	El Granada Tank No. 3 Recoating		12/16/2016		\$6,904.50		\$405.00	\$6,499.50
CAL-17-01	Crystal Springs Leak Valve Control		2/8/2017	2/14/2017	\$8,701.29		\$560.00	\$8,141.29
CAL-17-02	Crystal Springs Requirements & Addtl Controls		2/8/2017	2/14/2017	\$38,839.50			\$38,839.50
SUBTOTAL					\$626,695.13	\$432,473.94	\$75,889.82	\$129,260.00

Other: Maintenance

Tanks	\$ 3,623.68
Crystal Springs Maintenance	\$ 1,307.26
Nunes Maintenance	\$ 7,185.73
Denniston Maintenance	\$ 29,676.85
Main Office	\$ 2,425.25

TOTAL FY2016/17

\$120,108.59

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING

Tuesday, March 14, 2017

- 1) **ROLL CALL** - Vice-President Bob Feldman called the meeting to order at 7:00 p.m. Present at roll call: Directors Arnie Glassberg, Chris Mickelsen and Ken Coverdell. President Glenn Reynolds was absent.

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; Patrick Miyaki, Legal Counsel; Joe Guistino, Superintendent of Operations; Cathleen Brennan, Water Resources Analyst; JoAnne Whelen, Administrative Assistant/Recording Secretary; and Gina Brazil, Office Manager.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT** - There were no public comments.

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending February 28, 2017:
Claims: \$754,267.67; Payroll: \$87,861.52 for a total of \$842,129.19
➤ *February 2017 Monthly Financial Claims reviewed and approved by Director Glassberg*
- B. Acceptance of Financial Reports
- C. Approval of Minutes of February 14, 2017 Special & Regular Board of Directors Meetings
- D. Monthly Water Transfer Report
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report - February 2017
- H. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report
- I. Monthly Rainfall Reports
- J. Approval for Vice-President Feldman to attend the Association of California Water Agencies (ACWA) Spring Conference in Monterey - May 9th - 12th, 2017
- K. S.F.P.U.C. Hydrological Report for the month of January 2017

Director Glassberg stated that he had reviewed the monthly financial claims and found all to be in order.

ON MOTION BY Director Coverdell and seconded by Director Glassberg, the Board voted by roll call vote, to approve the Consent Calendar in its entirety:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Absent

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

There were no reports of meetings attended or Director comments.

6) GENERAL BUSINESS

A. Fiscal Year 2017-2018 Budget Process Timeline

Ms. Rogren reviewed the proposed timeline schedule for upcoming budget meetings and outreach activities.

B. Draft Fiscal Year 2017-2018 Operations Budget and Draft Fiscal Year 2017/2018 to 2026/2027 Capital Improvement Program

Ms. Rogren introduced discussion of the budget, highlighting some budget to budget comparisons with the Operations Budget, reviewed the current Capital Improvement Program Budget and summarized budget risks and opportunities with respect to water sales, water purchases and electricity and unplanned maintenance and repairs. Brief discussion ensued among the Board members. The Board complimented staff on the comprehensive budget format and presentation

C. Appointment of Director to the Boards of the Bay Area Water Supply and Conservation Agency (BAWSCA) and the Bay Area Regional Water System Financing Authority (RFA)

ON MOTION BY Director Coverdell and seconded by Director Glassberg, the Board voted by roll call vote, to appoint and administer the oath of office to Director Chris Mickelsen to serve on the Board of the Bay Area Water Supply and Conservation Agency:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Absent

ON MOTION BY Director Glassberg and seconded by Director Coverdell, the Board voted by roll call vote, to appoint and administer the oath of office to Director Chris Mickelsen to serve on the Board of the Bay Area Regional Water System Financing Authority (RFA):

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Absent

Patrick Miyaki, District's Legal Counsel, then individually administered to Director Chris Mickelsen the oaths of office for a member of the Board of Directors for both the Bay Area Water Supply and Conservation Agency and the San Francisco Bay Area Regional Water System Financing Authority.

D. Update on California Public Records Act Disclosure Requirements

Mr. Miyaki reported on the California Supreme Court's determination that when a public official or employee uses a personal account to communicate about the conduct of public business, the writings are subject to disclosure under the California Public Records Act, if those writings are not otherwise exempt from the disclosure requirements. Mr. Miyaki further advised that he would be coordinating with Mr. Dickson to review the implications of this decision and the Board would receive updated reports including further guidance in the use of personal accounts and devices for conducting District business.

7) GENERAL MANAGER'S REPORT AND MONTHLY INFORMATIONAL REPORTS

- **Pilarcitos Canyon Emergency Road Repairs** - Mr. Dickson explained that once the road repairs were completed, high creek flows caused by the heavy rains of February 20, 2017 caused extensive additional damage in the canyon, and that a fallen tree had broken the District's plastic temporary Stone Dam pipeline, resulting in another emergency under the District's procurement policy. He advised that Andreini Brothers, supervised by Distribution Supervisor John Davis, worked for several days placing additional rock to prevent further stream bank erosion. Mr. Dickson showed photos of this work, noting that the cost of these emergency repairs, including required environmental monitoring, will be approximately \$65,000. He summarized the total cost of repairing Pilarcitos Canyon damage due to the February storms to be approximately \$100,000.

A. Assistant General Manager's Report

- **ACWA-JPIA Property Insurance Appraisal** - Ms. Rogren reported that the District's asset schedules and associated coverages were confirmed to be in order by the ACWA-JPIA representative and advised that staff had learned that there would be no significant decreases in the District's premium costs if

an increase in deductibles was pursued. Ms. Rogren additionally advised that staff also learned that effective April 1, 2017; the District's coverage will include underground pipelines on the premises or within 1,000 feet of covered assets at no additional charge.

- **SFPUC Annual Meeting** - Ms. Rogren advised that she attended the SFPUC annual meeting on February 16, 2017 where it was announced that there will be no wholesale rate increase in fiscal year 2017/2018.

B. Operations Report - Mr. Guistino highlighted a few recent District events, including storm damage, the California Conservation Corps' recent clearing of the stream at Denniston, and the recent interviews for the vacant Treatment/Distribution Operator position.

C. Water Resources Report - Ms. Brennan provided an informational report and summarized the Draft Water Audits and Water Loss Control Reporting Regulations.

8) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

There were no Director requests for future Board Meeting agenda items.

9) ADJOURNMENT - The meeting was adjourned at 8:26 p.m.

Respectfully submitted,

David Dickson, General Manager
Secretary to the District

Bob Feldman, Vice-President
Board of Directors

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Held at the Senior Coastsiders, 925 Main Street, Half Moon Bay, CA (Rotary Media Room)

Thursday, March 16, 2017

1) **CALL TO ORDER AND ROLL CALL** - David Dickson, General Manger, called the special meeting to order at 8:47 a.m. Present at roll call: Directors Arnie Glassberg, Ken Coverdell, Chris Mickelsen, Vice-President Robert Feldman and President Glenn Reynolds. Additional staff members in attendance were Mary Rogren, Assistant General Manager, Cathleen Brennan, Water Resource Analyst, Patrick Miyaki, Legal Counsel, and JoAnne Whelen, Administrative Assistant, Recording Secretary. Management Partners Facilitators in attendance: Greg Larson, Partner and Patricia Black, Management Analyst.

2) **PLEDGE OF ALLEGIANCE**

3) **PUBLIC COMMENT** - One member of the public, Dr. C. Kennedy, provided brief comments at 9:42 a.m. relating to the importance of water.

4) **SPECIAL ORDER OF BUSINESS: Coastside County Water District Strategic Planning and Priority Setting Retreat**

The workshop included an introduction, followed by a review of the objectives and ground rules, recent accomplishments, refinement of the mission and values, followed by a presentation of the Board member interview results.

Following a brief lunch break, the meeting was reconvened, at which point the facilitators lead discussion of the clarification and selection of the District's top priorities, the identification and discussion of any resource constraints, a discussion of the next steps, followed by an evaluation of the workshop. No Board action was taken.

5) **ADJOURNMENT** - The special meeting was adjourned approximately 2:00 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary to the District

Glenn Reynolds, President
Board of Directors

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Wednesday, March 29, 2017

- 1) **ROLL CALL** - General Manager David Dickson called the special meeting to order at 3:03 p.m. Present at roll call: Directors Arnie Glassberg, Ken Coverdell, Vice-President Robert Feldman and President Glenn Reynolds. Director Chris Mickelsen was absent. Mary Rogren, Assistant General Manager, and Patrick Miyaki, Legal Counsel, were also in attendance.
- 2) **PLEDGE OF ALLEGIANCE**
- 3) **PUBLIC COMMENT** - There were no members of the public in attendance.
- 4) **GENERAL BUSINESS**
 - A. **Work Session - Proposed Draft Fiscal Year 2017-2018 Operations Budget, and Draft Fiscal Year 2017/2018 to 2026/2027 Capital Improvement Program and District Financing Plan**

Ms. Rogren introduced John Farnkopf, Senior Vice-President, and Rick Simonson, Vice President with HF&H Consultants, explaining that they have been assisting staff with the financing model and financing plan. She presented slides summarizing highlights of the Operations Budget, Capital Improvement Program, and District Financing Plan. This was followed by discussion among the Board, staff and the consultants. The District's financing model was utilized to evaluate the impacts of a variety of alternatives to meet the reserve requirements and objectives of the District.
- 5) **ADJOURNMENT** - The special meeting was adjourned at 5:00 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the Board

Glenn Reynolds, President
Board of Directors

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: April 11, 2017

Report

Date: April 6, 2017

Subject: Monthly Water Transfer Report - March 2017

Recommendation:

None. For Board information purposes only.

Background:

At the December 10, 2002 Board meeting and November 18, 2003 Special Board meeting, the Board made several changes to the District's water transfer policy. One of the changes directed the General Manager to approve routine water transfer applications that met the District's criteria as embodied in Resolution 2002-17 and Resolution 2003-19. The General Manager was also directed to report the number of water transfers approved each month as part of the monthly Board packet information.

During the month of March, seven (7) applications to transfer eight (8) -- 5/8" (20 gpm) non-priority water service connections were approved. A spreadsheet reporting these transfers follows this report as well as the approval memorandums from Patrick Miyaki and the confirmation letters from Gina Brazil.

**NON PRIORITY WATER TRANSFERS APPROVED FOR THE 2017 CALENDAR YEAR
MONTH OF MARCH 2017**

DONATING APN	PROPERTY OWNER(S)	RECIPIENT APN	PROPERTY OWNER(S)	# OF CONNECTIONS	DATE
047-144-470	Dennis Doherty	065-206-150	Isabella Trust (Helen J. Carey Trustee)	One -- 5/8"	March 7, 2017
047-231-070	Tom & Lisa McCaffrey	048-134-210	Steve Weed	One and one half (1.5) -- 5/8"	March 7, 2017
047-231-070	Tom & Lisa McCaffrey	048-133-060	John Vidovich	One half (.5) -- 5/8"	March 7, 2017
048-153-280	Steve Weed	064-322-210	Bishop Trust	Two -- 5/8"	March 7, 2017
048-153-280	Steve Weed	048-085-250	Bishop Trust	One -- 5/8"	March 7, 2017
048-153-280	Steve Weed	064-062-560	Bishop Trust	One -- 5/8"	March 7, 2017
048-153-280	Steve Weed	048-013-080	Bishop Trust	One -- 5/8"	March 7, 2017

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One Uninstalled Non-Priority Water Service Connection from Dennis Doherty to Isabella Trust (Helen J. Carey, Trustee)**

Gina, I have reviewed the Application to transfer one 5/8-inch uninstalled non-priority water service connection from property owned by Dennis Doherty (APN 047-144-470 to Isabella Trust (Helen J. Carey, Trustee) (APN 065-206-150).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

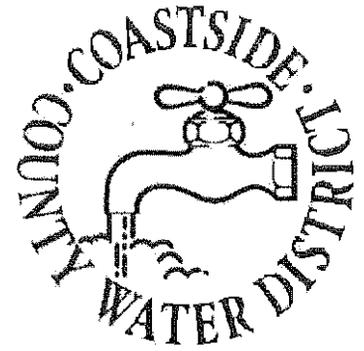
Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:sh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017

Dennis Doherty
P. O. Box 490
Fairfax, CA. 94930



and

Isabella Trust
Helen J. Carey Trustee
2 Isabella Avenue
Atherton, CA 94027

RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owners:

This is official confirmation that the Coasts County Water District has approved your request to transfer one - 5/8" non-priority water service connection. The result of this transfer is as follows:

- APN 047-144-470 has no present right to a water service connection from the Coasts County Water District; and
- APN 065-206-150 now has a one 5/8" (20 gpm) non-priority water service connection assigned to it from the Crystal Springs Project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coasts County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in black ink that reads "Gina Brazil".

Gina Brazil
Office Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One Uninstalled Non-Priority Water Service Connection from Thomas & Lisa McCaffrey to Steven Weed**

Gina, I have reviewed the Application to transfer one 3/4-inch uninstalled non-priority water service connection from property owned by Thomas & Lisa McCaffrey (APN 047-231-070) to Steven Weed (APN 048-134-210).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:slh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 13, 2017



Tom & Lisa McCaffrey
P. O. Box 2384
El Granada, CA 94018-2384

and

Steve Weed
P. O. Box 1394
Menlo Park, CA 94026

RE: Approval - Request for Transfer of Water Service Connection Capacity (Revised)

Dear Property Owner(s):

This is official confirmation that the Coastsidewater District has approved your request to transfer one and one-half (1.5) - 5/8" non-priority water service connections. The result of this transfer is as follows:

- **APN 047-231-070** continues to have the rights to one (1) installed 5/8" Pre-Crystal Springs connection and one (1) - 5/8" (20 gpm) uninstalled non-priority water service connections from the Coastsidewater District; and
- **APN 048-134-210** now has one and one-half (1.5) - 5/8" non-priority uninstalled water service connection assigned to it from the Crystal Springs Project. This parcel also has three and one-half (3.5) - 5/8" existing uninstalled non-priority uninstalled water service connections assigned to it. With approval of this water transfer, this parcel will now have a total of five (5) - 5/8" uninstalled water service connection assigned to it from the Crystal Springs project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coastsidewater District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One half Uninstalled Non-Priority Water Service Connection from Thomas & Lisa McCaffrey to John Vidovich**

Gina, I have reviewed the Application to transfer one half (.5) 5/8-inch uninstalled non-priority water service connection from property owned by Thomas & Lisa McCaffrey (APN 047-231-070) to John Vidovich (APN 048-133-060).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:slh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017

Tom & Lisa McCaffrey
P. O. Box 2384
El Granada, CA 94018-2384

and

John Vidovich
960 N. San Antonio Road, Suite 114
Los Altos, CA 94022



RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owner(s):

This is official confirmation that the Coasts County Water District has approved your request to transfer one-half (.5) - 5/8" non-priority water service connections. The result of this transfer is as follows:

- APN 047-231-070 continues to have the rights to one (1) installed 5/8" Pre-Crystal Springs connection and two and one-half (2.5) -- 5/8" (20 gpm) uninstalled non-priority water service connections from the Coasts County Water District; and
- APN 048-133-060 now has one-half (.5) -- 5/8" non-priority uninstalled water service connection assigned to it from the Crystal Springs Project. This parcel also has one - 5/8" existing non-priority uninstalled water service connection assigned to it. With approval of this water transfer, this parcel will now have a total of one (1) - 3/4" uninstalled water service connection assigned to it from the Crystal Springs project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coasts County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer Two Uninstalled Non-Priority Water Service Connections from Steven Weed to Bishop Trust**

Gina, I have reviewed the Application to transfer two (2) 5/8-inch uninstalled non-priority water service connections from property owned by Steven Weed (APN 048-153-280) to Bishop Trust (APN 064-322-210).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:sh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017



Steve Weed
P. O. Box 1394
Menlo Park, CA 94026

and

Bishop Trust
P. O. Box 23832
Tigard, OR 97281-3832

RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owner(s):

This is official confirmation that the Coastside County Water District has approved your request to transfer two - 5/8" non-priority water service connections. The result of this transfer is as follows:

- APN 048-153-280 continues to have the rights to five (5) -- 5/8" (20 gpm) uninstalled non-priority water service connections from the Coastside County Water District; and
- APN 064-322-210 This parcel already has one -5/8" (20 gpm) uninstalled non-priority water service connection assigned to it. With approval of this application, this parcel will have a total of three (3) --5/8" (20 gpm) uninstalled non-priority water service connection assigned to it from the Crystal Springs Project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coastside County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in black ink that reads "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One Uninstalled Non-Priority Water Service Connections from Steven Weed to Bishop Trust**

Gina, I have reviewed the Application to transfer one 5/8-inch uninstalled non-priority water service connection from property owned by Steven Weed (APN 048-153-280) to Bishop Trust (APN 048-085-250).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:sih

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017

Steve Weed
P. O. Box 1394
Menlo Park, CA 94026

and

Bishop Trust
P. O. Box 23832
Tigard, OR 97281-3832



RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owner(s):

This is official confirmation that the Coastside County Water District has approved your request to transfer one - 5/8" non-priority water service connection. The result of this transfer is as follows:

- **APN 048-153-280** continues to have the rights to four (4) - 5/8" (20 gpm) uninstalled non-priority water service connections from the Coastside County Water District; and
- **APN 048-085-250** now has a one 5/8" (20 gpm) non-priority water service connection assigned to it from the Crystal Springs Project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coastside County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in cursive script that reads "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One Uninstalled Non-Priority Water Service Connections from Steven Weed to Bishop Trust**

Gina, I have reviewed the Application to transfer one 5/8-inch uninstalled non-priority water service connection from property owned by Steven Weed (APN 048-153-280) to Bishop Trust (APN 064-062-560).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:slh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017

Steve Weed
P. O. Box 1394
Menlo Park, CA 94026

and

Bishop Trust
P. O. Box 23832
Tigard, OR 97281-3832



RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owner(s):

This is official confirmation that the Coastside County Water District has approved your request to transfer one - 5/8" non-priority water service connection. The result of this transfer is as follows:

- APN 048-153-280 continues to have the rights to three (3) - 5/8" (20 gpm) uninstalled non-priority water service connections from the Coastside County Water District; and
- APN 064-062-560 now has a one 5/8" (20 gpm) non-priority water service connection assigned to it from the Crystal Springs Project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coastside County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

Memorandum

TO: Gina Brazil
FROM: Patrick T. Miyaki
DATE: March 7, 2017
RE: **Application to Transfer One Uninstalled Non-Priority Water Service Connections from Steven Weed to Bishop Trust**

Gina, I have reviewed the Application to transfer one 5/8-inch uninstalled non-priority water service connection from property owned by Steven Weed (APN 048-153-280) to Bishop Trust (APN 048-013-080).

The Application is generally in order and satisfies the requirements of the District's General Regulations Regarding Water Service, Section U, Transfer of Uninstalled Water Service Connection Rights.

Please do not hesitate to contact me if you have any questions or want to discuss this matter in more detail.

PTM:slh

cc: David Dickson, General Manager
Patrick T. Miyaki

March 7, 2017



Steve Weed
P. O. Box 1394
Menlo Park, CA 94026

and

Bishop Trust
P. O. Box 23832
Tigard, OR 97281-3832

RE: Approval - Request for Transfer of Water Service Connection Capacity

Dear Property Owner(s):

This is official confirmation that the Coastside County Water District has approved your request to transfer one - 5/8" non-priority water service connection. The result of this transfer is as follows:

- APN 048-153-280 continues to have the rights to two (2) -- 5/8" (20 gpm) uninstalled non-priority water service connections from the Coastside County Water District; and
- APN 048-013-080 now has a one 5/8" (20 gpm) non-priority water service connection assigned to it from the Crystal Springs Project.

Please be advised that the City Council of the City of Half Moon Bay has taken the position that the transfer of a water service connection meets the definition of "development" so as to require a coastal development permit from the City. Applicants are advised to investigate this issue further with the City of Half Moon Bay Planning Department if applicable. The Coastside County Water District, in approving this application, does not make any representations or warranties with respect to further permits or approvals required by other governmental agencies, including the City of Half Moon Bay.

Sincerely,

A handwritten signature in cursive script that reads "Gina Brazil".

Gina Brazil
Office Manager

cc: David Dickson, General Manager

**COASTSIDE COUNTY WATER DISTRICT
Installed Water Connection Capacity & Water Meters**

FY 2017

Installed Water Connection Capacity	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
HMB Non-Priority													
0.5" capacity increase													0
5/8" meter	1	1			3					1			6
3/4" meter					1					2			3
1" meter				1									1
1 1/2" meter													0
2" meter													0
3" meter				1									1
HMB Priority													
0.5" capacity increase													0
5/8" meter				1	1								2
3/4" meter													0
1" meter													0
1 1/2" meter													0
2" meter													0
County Non-Priority													
0.5" capacity increase													
5/8" meter		1	2	1		1							5
3/4" meter													0
1" meter													0
County Priority													
5/8" meter													0
3/4" meter													0
1" meter									1				1
Monthly Total	1	2	2	4	5	1	0	0	0	3	0	0	19

5/8" meter = 1 connection
 3/4" meter = 1.5 connections
 1" meter = 2.5 connections
 1.5" meter = 5 connections
 2" meter = 8 connections
 3" meter = 17.5 connections

Installed Water Meters	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
HMB Non-Priority	1	1		20	4.5					4			30.5
HMB Priority				1	1								2
County Non-Priority		1	2	1		1							5
County Priority									1.5				1.5
Monthly Total	1	2	2	22	5.5	1	0	0	1.5	4	0	0	39

Fiscal Year 2017 Water Service Installations

FY 2017

APN	Name	Install Address	City/Community	Meter Size	Type	Date Installed	Notes
056-081-380	Nava, Kenneth & Yvonne	694 Terrace Ave	HMB	5/8"	dom	25-Jul-16	with 1" fire
047-218-150	Engdahl, Maxine	640 Ferdinand	EG	5/8"	dom	5-Aug	with 1" fire
064-321-120	Jones, Lani and Greg	371 Magnolia St	HMB	5/8"	dom	11-Aug	with 1" fire
048-013-090	Philomena LLC	114 Magellan Ave.	Miramar	5/8"	dom	27-Sep	with 1" fire
047-062-170	DaRosa, Tom	431 Sonora Ave.	EG	5/8"	dom	28-Sep	1" fire installed 10/6/16
047-221-070	Sanchez, Cesar	435 Avenue Del Oro	EG	5/8"	dom	3-Oct	with 1" fire
056-502-080	Oceanview Foundation	1001 Main Street	HMB	1"	irr	4-Oct	
056-502-080	Oceanview Foundation	1001 Main Street	HMB	3"	dom	4-Oct	
056-116-120	Gray, Kenneth	419 Correas Street	HMB	5/8"	dom	11-Oct	failed well
047-071-230	McKee, Patrick and Barbara	139 Madrona Ave.	EG	5/8"	dom	1-Nov	failed well
064-052-320	McGregor, Paul	220 Myrtle Street	HMB	5/8"	dom	8-Nov	with 1" fire
066-600-270	Carnoustie LLC	119 Carnoustie Dr	HMB	3/4"	dom	24-Oct	
048-121-160	Ralston, Randy	2805 Champs Elysee	HMB	5/8"	dom	15-Nov	with 1" fire
056-056-020	McGregor, Paul	456 Grand Blvd.	HMB	5/8"	dom	10-Nov	with 1" fire
056-141-710	Negrete, Sal	460-462 Oak Ave.	HMB	5/8"	second	7-Dec	
047-287-260	Machado, Doug	917 PalmaSt.	EG	5/8"	dom	14-Dec	with 1" fire
047-175-060	McCaffery, Tom	338 San Pedro	EG	1"	fire	23-Mar	remodel
047-082-010	Barbara's Fish Trap	281 Capistrano Rd	EG	1"	dom	28-Mar	increased capacity from original 5/8" meter
056-058-350	TDR Properties	345 Belleville Blvd	HMB	5/8"	dom	6-Apr	with 1" fire
066-600-300	Carnoustie LLC	125 Carnoustie Dr	HMB	3/4"	dom	3-Apr	with 2" fire
066-600-280	Carnoustie LLC	121 Carnoustie Dr	HMB	3/4"	dom	3-Apr	with 2" fire

TOTAL CCWD PRODUCTION (MG) ALL SOURCES- FY 2017

	CCWD Sources			SFPUC Sources		RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
	DENNISTON WELLS	DENNISTON RESERVOIR	PILARCITOS WELLS	PILARCITOS LAKE	CRYSTAL SPRINGS RESERVOIR			
JUL	1.58	15.50	0.00	37.11	7.05	61.24	4.36	56.88
AUG	2.55	10.84	0.00	4.40	51.18	68.97	4.12	64.85
SEPT	2.28	10.35	0.00	0.00	45.04	57.67	3.37	54.30
OCT	0.49	1.71	0.00	0.00	57.09	59.29	1.76	57.53
NOV	0.01	1.13	10.91	0.00	26.92	38.97	2.15	36.82
DEC	0.00	13.01	13.18	0.00	17.59	43.78	2.05	41.73
JAN	0.00	2.32	18.25	0.00	14.98	35.55	2.24	33.31
FEB	0.00	0.00	23.75	4.01	0.64	28.40	3.72	24.69
MAR	0.43	5.18	25.41	13.01	0.19	44.22	3.33	40.89
APR								
MAY								
JUN								
TOTAL	7.34	60.04	91.50	58.53	220.68	438.09	27.11	410.98
% MONTHLY TOTAL	0.97%	11.71%	57.46%	29.4%	0.43%	100.00%	7.53%	92.47%
% ANNUAL TO DATE TOTAL	1.7%	13.7%	20.9%	13.4%	50.4%	100.0%	6.19%	93.8%
Local vs Imported-month	99.6%	0.43%	CCWD vs SFPUC- month		70.1%	29.9%		
Local vs Imported-annual	49.6%	50.4%	CCWD vs SFPUC- annual		36.3%	63.7%		
	Local Source	Imported Source						

12 Month Running Treated Total 574.28

TOTAL CCWD PRODUCTION (MG) ALL SOURCES- FY 2016

	DENNISTON WELLS	DENNISTON RESERVOIR	PILARCITOS WELLS	PILARCITOS RESERVOIR	CRYSTAL SPRINGS RESERVOIR	RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
JUL	0.00	0.00	0.00	0.00	57.33	57.33	2.57	54.76
AUG	0.00	0.00	0.00	0.00	62.00	62.00	2.07	59.93
SEPT	0.00	0.00	0.00	0.00	59.07	59.07	2.93	56.14
OCT	0.00	0.00	0.00	0.00	56.60	56.60	2.44	54.16
NOV	0.00	0.00	2.07	0.00	42.44	44.51	2.45	42.06
DEC	0.00	12.51	9.44	0.00	17.68	39.63	3.03	36.60
JAN	0.00	11.84	15.14	0.00	10.96	37.94	2.67	35.27
FEB	0.00	17.51	11.08	7.89	3.27	39.75	2.19	37.56
MAR	0.05	9.33	13.85	15.86	0.11	39.20	3.21	35.99
APR	0.00	18.08	13.24	10.30	1.96	43.58	3.26	40.32
MAY	0.00	24.01	2.70	33.79	4.03	64.53	3.92	60.62
JUN	1.45	18.80	0	39.29	7.69	67.23	4.87	62.36
TOTAL	1.50	112.08	67.52	107.13	323.15	611.37	35.60	575.77
% TOTAL	0.2%	18.3%	11.0%	17.5%	52.9%	100.0%	5.82%	94.2%

 denotes estimated due to faulty SFPUC meter

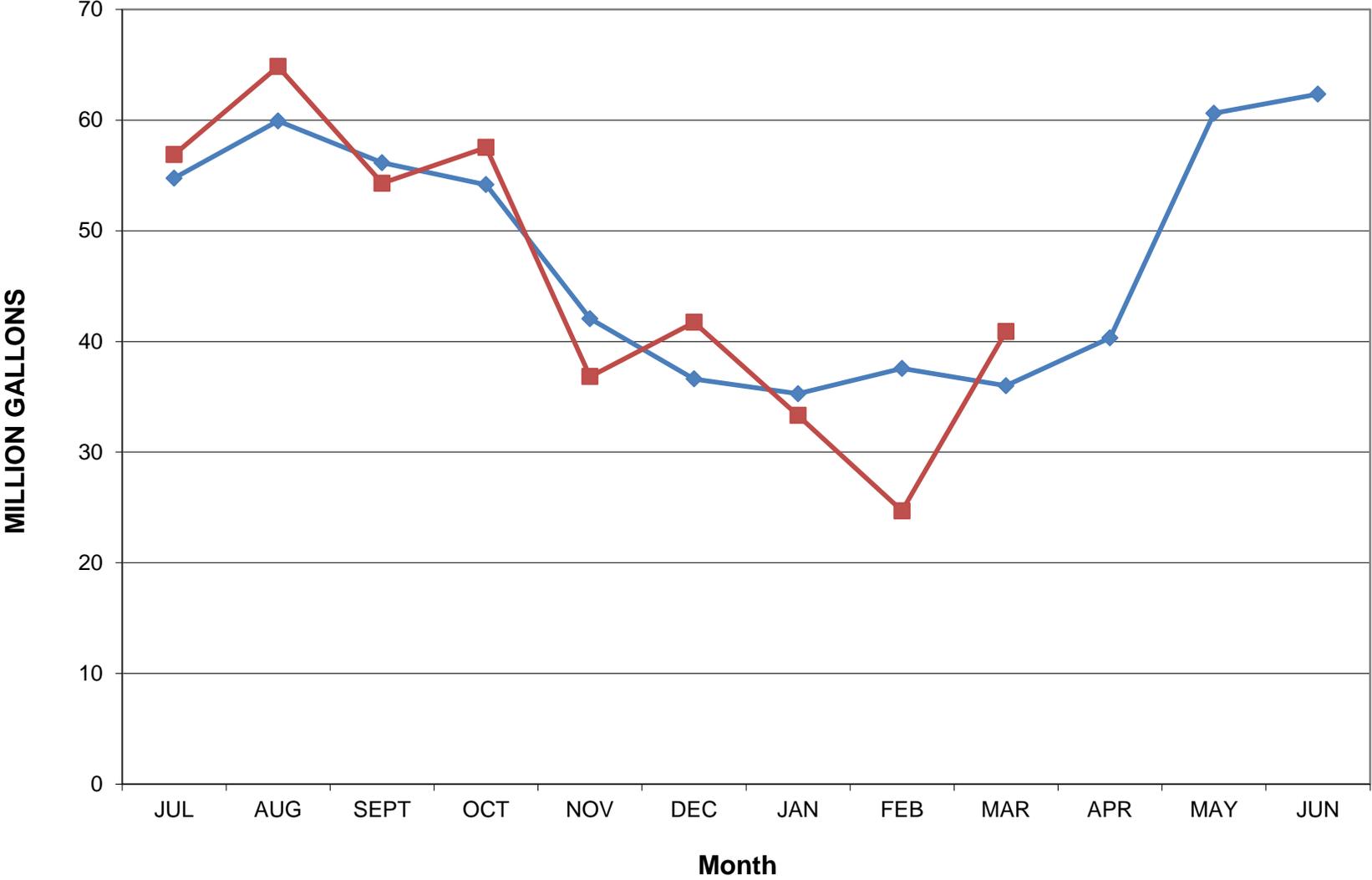
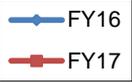
COASTSIDE COUNTY WATER DISTRICT

Predicted vs Actual Production - All Sources FY 17

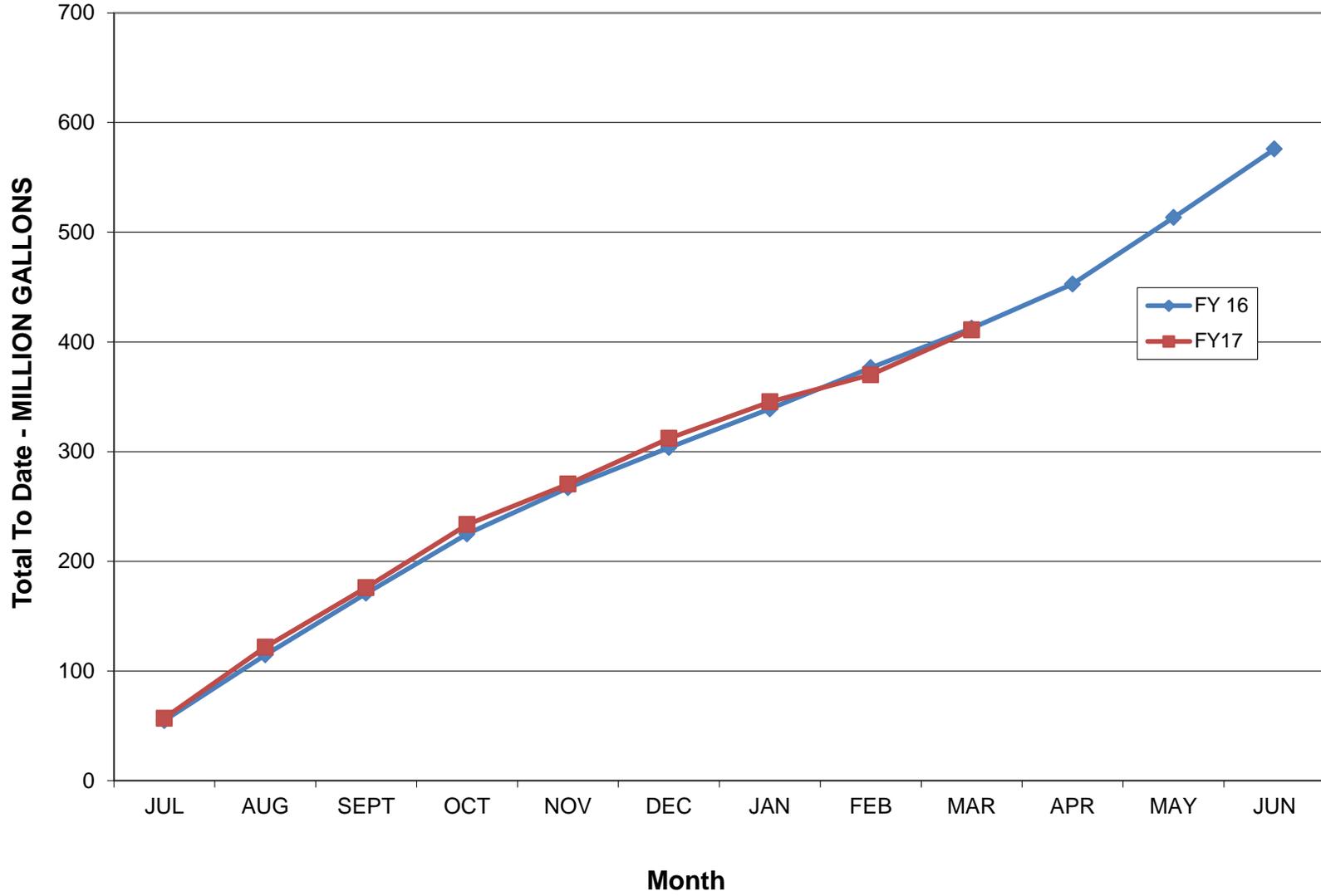
	Denniston Surface			Denniston Wells			Pilarcitos Wells			Pilarcitos Surface			SFWD CSP			SFWD Total	
	Actual MG	Predicted MG	pred-act	Actual MG	Predicted	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG
Jul-16	15.50	0.00	-15.50	1.58	0.00	-1.58	0.00	0.00	0.00	37.11	0.00	-37.11	9.62	57.30	47.68	46.73	57.30
Aug-16	10.84	0.00	-10.84	2.55	0.00	-2.55	0.00	0.00	0.00	4.40	0.00	-4.40	51.18	61.04	9.86	55.58	61.04
Sep-16	10.35	0.00	-10.35	2.28	0.00	-2.28	0.00	0.00	0.00	0.00	0.00	0.00	45.04	67.77	22.73	45.04	67.77
Oct-16	1.71	0.00	-1.71	0.49	0.00	-0.49	0.00	0.00	0.00	0.00	0.00	0.00	57.09	66.27	9.19	57.09	66.27
Nov-16	1.13	0.00	-1.13	0.01	0.00	-0.01	10.91	4.94	-5.97	0.00	0.00	0.00	26.92	45.33	18.41	26.92	45.33
Dec-16	13.01	12.49	-0.52	0.00	0.00	0.00	13.18	16.46	3.28	0.00	16.64	16.64	17.59	0.00	-17.59	17.59	16.64
Jan-17	2.32	12.49	10.17	0.00	0.00	0.00	18.25	17.20	-1.05	0.00	8.98	8.98	14.98	0.00	-14.98	14.98	8.98
Feb-17	0.00	12.49	12.49	0.00	0.00	0.00	23.75	19.45	-4.30	4.01	8.98	4.96	0.64	0.00	-0.64	4.65	8.98
Mar-17	5.18	12.64	7.46	0.43	0.00	-0.43	25.41	19.45	-5.96	13.01	5.31	-7.70	0.19	0.00	-0.19	13.20	5.31
Apr-17			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	30.37
May-17			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	34.11
Jun-17			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	0.00
MG Totals	60.04	50.11	-9.93	7.34	0.00	-7.34	91.50	77.49	-14.01	58.53	39.91	-18.63	223.25	297.70	74.46	281.78	402.09

	Actual non SFPUC	Predicted non SFPUC	Actual SFPUC	Predicted SFPUC	TOTAL Actual	TOTAL Predicted	TOTAL Pred-act
	158.88	127.60	281.78	337.61	440.66	465.21	24.55
% Total	36.06%	27.43%	63.94%	72.57%	94.72%		

Monthly Production FY 16 vs FY 17



Cumulative Production FY 16 vs.FY17



Plant Water Use*			Non Revenue Water					2017		MG	
	Denniston Plant	Nunes Plant	Total	Main Flushing	Main Breaks	Fire Dept	Miscellaneous	Denniston Holding Pond	Autoflush	Tank Level Difference	Total
JAN	1.070	1.430	2.500	0.000	0.040	0.000	0.024	0.000	0.139	-0.553	2.150
FEB	0.000	1.770	1.770	0.000	0.0003	0.000	2.000	0.000	0.024	-0.099	3.695
MAR	0.370	1.800	2.170	0.000	0.403	0.000	0.090	0.157	0.024	0.487	3.331
APR											0.000
MAY											0.000
JUN											0.000
JUL											0.000
AUG											0.000
SEP											0.000
OCT											0.000
NOV											0.000
DEC											0.000
TOTAL	1.44	5.00	6.44	0.00	0.44	0.00	2.11	0.16	0.19	-0.16	9.18

**Coastside County Water District Monthly Sales By Category (MG)
FY2017**

	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	MG to Date
RESIDENTIAL	19.638	39.197	19.950	34.540	16.008	28.428	17.071	24.825	12.670				212.33
COMMERCIAL	3.731	3.032	3.597	2.698	2.969	2.321	2.599	1.930	2.766				25.64
RESTAURANT	1.745	1.569	1.937	1.353	1.596	1.260	1.343	0.975	1.405				13.18
HOTELS/MOTELS	3.004	3.420	2.778	2.425	2.239	1.857	2.048	1.700	2.288				21.76
SCHOOLS	0.659	0.754	0.723	0.722	0.332	0.223	0.131	0.470	0.238				4.25
MULTI DWELL	2.572	2.697	2.403	2.659	2.161	2.671	2.377	2.503	2.403				22.45
BEACHES/PARKS	0.579	0.500	0.406	0.343	0.206	0.120	0.153	0.097	0.198				2.60
AGRICULTURE	5.160	5.131	4.784	7.124	5.950	4.090	4.353	4.155	5.704				46.45
RECREATIONAL	0.242	0.282	0.221	0.220	0.186	0.211	0.185	0.192	0.214				1.95
MARINE	0.498	0.524	0.638	0.391	0.501	0.565	0.464	0.418	0.462				4.46
IRRIGATION	1.538	3.239	2.703	2.395	0.471	0.406	0.377	0.199	0.304				11.63
RAW WATER	10.081	8.593	9.711	8.440	0.141	2.079	0.000	0.000	0.004				39.05
Portable Meters	0.099	0.895	0.404	0.496	0.299	0.155	0.094	0.083	0.141				2.67
TOTAL - MG	49.55	69.83	50.25	63.81	33.06	44.39	31.19	37.55	28.80	0.00	0.00	0.00	408.43

Non Residential Usage	29.907	30.637	30.304	29.266	17.053	15.958	14.124	12.723	16.127	0.000	0.000	0.000	
Running 12 Month Total									559.04				
12 mo Residential									291.15				
12 mo Non Residential									267.89				
Total	#VALUE!	559.04	#VALUE!	#VALUE!	#VALUE!								

FY 2016

	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	MG to Date
RESIDENTIAL	16.404	36.028	19.921	35.811	17.330	26.355	15.604	26.528	14.252	23.645	17.277	37.908	287.06
COMMERCIAL	5.667	3.049	3.291	2.591	2.874	2.085	2.685	2.306	2.777	1.976	3.822	2.684	35.81
RESTAURANT	1.461	1.871	1.921	1.486	1.462	1.132	1.530	1.254	1.523	1.034	1.946	1.354	17.98
HOTELS/MOTELS	2.439	3.397	3.086	2.502	2.528	1.985	2.440	2.164	2.352	2.035	3.535	2.573	31.04
SCHOOLS	0.530	0.619	0.782	0.830	0.536	0.261	0.194	0.297	0.309	0.221	0.791	0.688	6.06
MULTI DWELL	1.815	2.930	2.426	2.736	2.135	2.387	2.422	2.558	2.155	2.127	2.922	2.786	29.40
BEACHES/PARKS	0.413	0.498	0.673	0.352	0.287	0.158	0.162	0.153	0.178	0.141	0.356	0.429	3.80
AGRICULTURE	4.342	5.487	4.794	5.120	5.653	3.664	3.549	4.523	5.588	4.971	7.473	4.559	59.72
RECREATIONAL	0.173	0.263	0.209	0.206	0.158	0.153	0.161	0.166	0.154	0.153	0.245	0.220	2.26
MARINE	0.491	0.592	0.680	0.425	0.397	0.260	0.328	0.278	0.373	0.442	0.652	0.445	5.36
IRRIGATION	4.941	6.605	5.648	1.765	0.612	0.396	0.137	0.158	0.187	0.376	4.553	4.927	30.31
RAW WATER	3.736	6.878	6.416	5.393	5.210	1.716	1.513	1.471	1.147	0.902	2.631	7.195	44.21
Portable Meters	0.697	1.057	0.560	0.687	0.518	0.144	0.066	0.099	0.122	0.141	0.231	0.254	4.58
TOTAL - MG	43.11	69.27	50.41	59.90	39.70	40.69	30.79	41.96	31.12	38.16	46.43	66.02	557.58

Non Residential Usage	26.706	33.246	30.486	24.093	22.371	14.340	15.187	15.428	16.865	14.519	29.156	28.114	
Running 12 Month Total													
12 mo Residential	1.37	4.37	6.03	9.01	10.46	12.65	13.95	16.17	17.35	19.32	20.76	23.92	
12 mo Non Residential	2.23	5.00	7.54	9.54	11.41	12.60	13.87	15.15	16.56	17.77	20.20	22.54	
Total	3.59	9.37	13.57	18.56	21.87	25.26	27.82	31.32	33.91	37.09	40.96	46.46	

MONTH _____

Coastside County Water District Monthly Discharge Report

EMERGENCY MAIN AND SERVICE REPAIRS

ID	Date Reported Discovered	Date Repaired	Location	Pipe Class	Pipe Size & Type	Estimated Water Loss (Gallons)*	Environmental Damage? Y/N**	If Yes chlorine residual after dechlor	Equipment Costs	Material Costs	Employee hours		Labor Costs	Total Costs
											Staff	Hours		
1	2/28/2017	3/2/17	1070 Main Street HMB											Plus Andreini's bill
				S	1" PL	43,200	N	N	\$2,000.00	\$600.00	3	10	\$1,650	
2	3/26/2017	3/26/2019	1 Miramontes Point Road											
				M	12" DI	360,000	N	N	\$1,700.00	\$650.00	4	8.5	\$2,550	\$4,900.00
3	1/3/1900	3/29/2019	401 Medio											
				S	1" PL	200	N	N	\$600.00	\$700.00	3	4	\$600	\$1,900.00
4														
5														
6														
7														
8														
Totals						403,400			\$4,300.00	\$1,950.00	10	22.5	\$4,800	\$11,050.00

*includes 1,000 gallons for mains to daylight plus 1,000 gallons to flush mains or 100 gallons to flush services ** If Yes, include photos of damage Staff x hours = 225

MONTH												
PLANNED PLANT OR TANK DISCHARGE AND NEW WATER LINE FLUSHING REPORT										OTHER DISCHARGES		
	Date	Project/Location	Pipe Size & Type	Estimated Water Flushed (Gallons)	Chlorine Residual after dechlor	pH	Flow Rate (gal/min)	Duration of Discharge (minutes)	Total Volumes (gallons)			
1									Flushing Program			
2									Reservoir Cleaning			
3									Automatic Blowoffs	24000		
3									Dewatering Operations	157000		
4									Other (includes flow testing)			
DEWATERING OPERATIONS GREATER THAN 350,000 GALLONS (requires prenotification to CWRCB)										Number of planned or emergency discharges greater than 50,000 gallons		
	Date	Location	Volume	pH			Chlorine Residual after dechlor			Duration (min)	2	
				5 min	20 min	end	5 min	20 min	end			
1												
2												
ANNUAL REPRESENTATIVE MONITORING												
	Date	Location	Volume (gal)	pH	Chlorine Residual after dechlor (ppm)						PLANNED DISCHARGES GRAND TOTAL (MG)	
1											181,000	

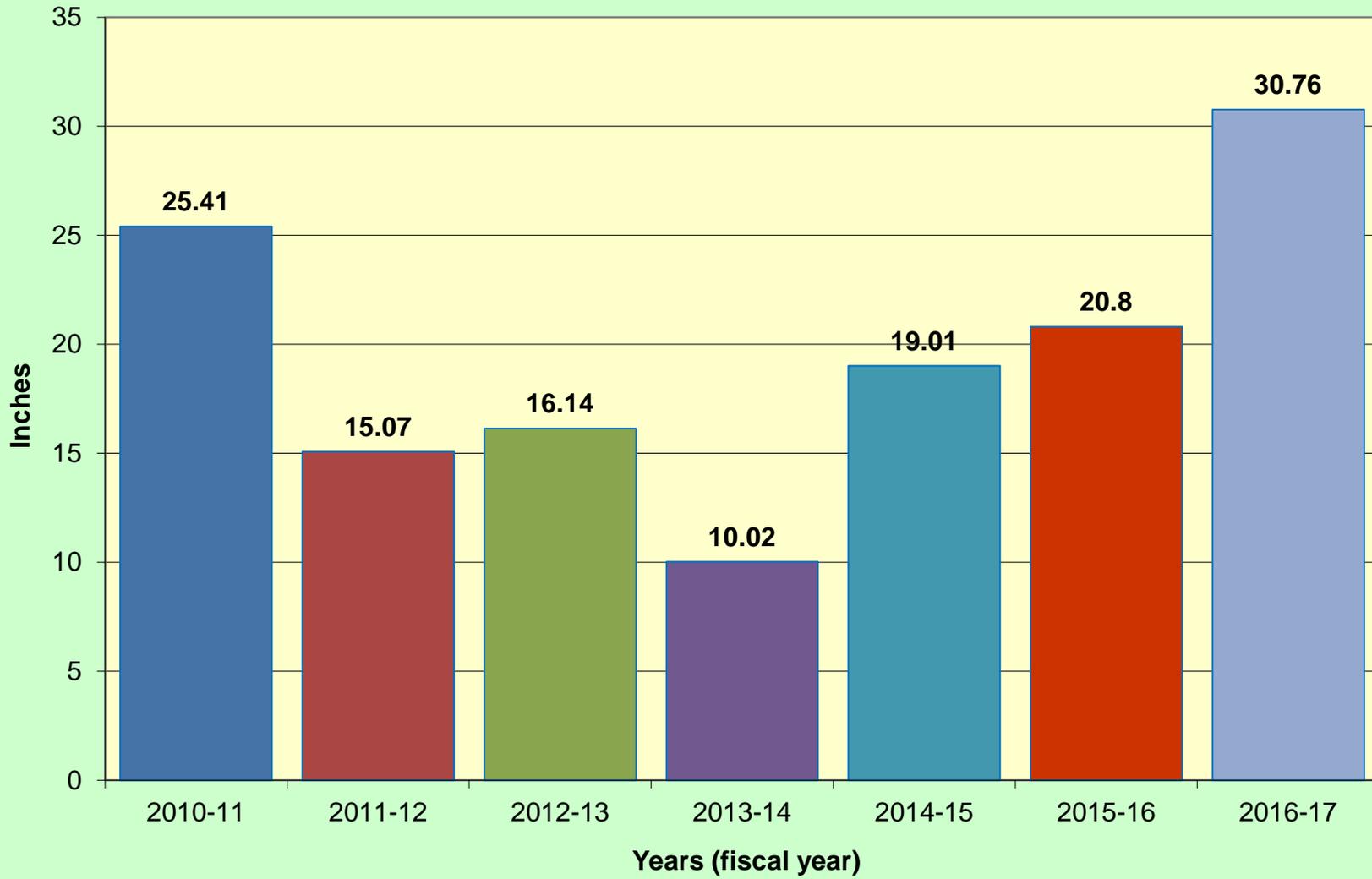
Coastside County Water District
 766 Main Street
 July 2016 - June 2017

District Office
 Rainfall in Inches

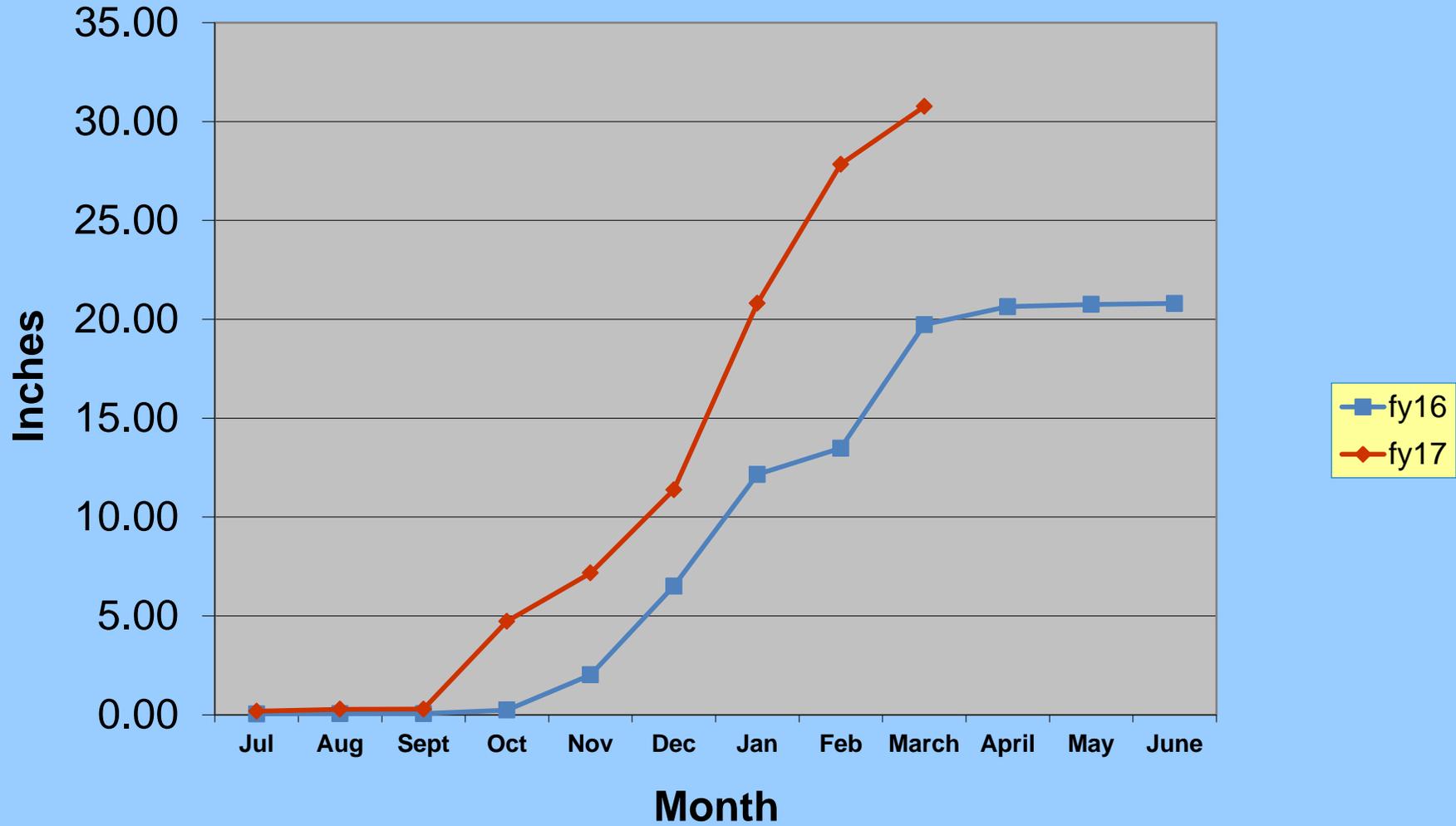
	2016						2017					
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
1	0	0	0.01	0	0.2	0.01	0.04	0.01	0.03			
2	0	0	0	0	0.01	0	0.15	0.14	0			
3	0	0	0	0.01	0	0	1.06	0.49	0.01			
4	0.01	0	0	0	0	0.01	0.41	0.1	0.47			
5	0.04	0.04	0	0.01	0.01	0	0.01	0.24	0.56			
6	0	0	0	0.01	0.02	0.01	0	0.48	0.15			
7	0.02	0	0	0	0	0.26	0.55	0.81	0.08			
8	0.06	0	0	0	0	0.27	0.92	0.39	0			
9	0.01	0.01	0	0	0.01	0.11	0.35	0.35	0.01			
10	0	0	0	0	0.01	1.06	1.09	0.32	0			
11	0	0	0	0	0.01	0.01	0.04	0.19	0.01			
12	0	0.01	0	0	0	0	0.35	0.15	0.01			
13	0	0	0	0	0.01	0.09	0	0.03	0			
14	0	0	0	0.56	0	0.08	0.01	0	0			
15	0.01	0.01	0	0.62	0.01	1.48	0.01	0	0.01			
16	0	0.01	0	0.96	0	0	0	0.34	0.03			
17	0	0.01	0	0.01	0.01	0	0	0.66	0			
18	0.01	0.01	0	0	0	0	0.92	0.44	0			
19	0	0	0	0	0.23	0	0.38	0.04	0			
20	0	0	0	0	0.31	0	1.28	0.75	0.3			
21	0	0	0	0.01	0	0	0.31	0.37	0.52			
22	0	0	0	0.01	0.25	0	0.8	0.16	0.2			
23	0.01	0	0	0.01	0.06	0.81	0.73	0.14	0.12			
24	0	0	0	0.07	0.01	0.01	0.01	0.2	0.09			
25	0	0	0	0	0	0	0.01	0.09	0.07			
26	0	0	0	0	0.84	0	0	0.06	0.09			
27	0	0	0	0.6	0.25	0	0	0.05	0.05			
28	0	0	0	0.38	0.15	0	0	0.03	0.04			
29	0	0	0	0.06	0	0	0		0.04			
30	0	0	0	1.08	0.04	0	0		0.02			
31	0.01	0		0.04		0	0		0.01			
Mon.Total	0.18	0.10	0.01	4.44	2.44	4.21	9.43	7.03	2.92	0.00	0.00	0.00
Year Total	0.18	0.28	0.29	4.73	7.17	11.38	20.81	27.84	30.76	30.76	30.76	30.76

Rain Totals

Fiscal Years 11 - 17



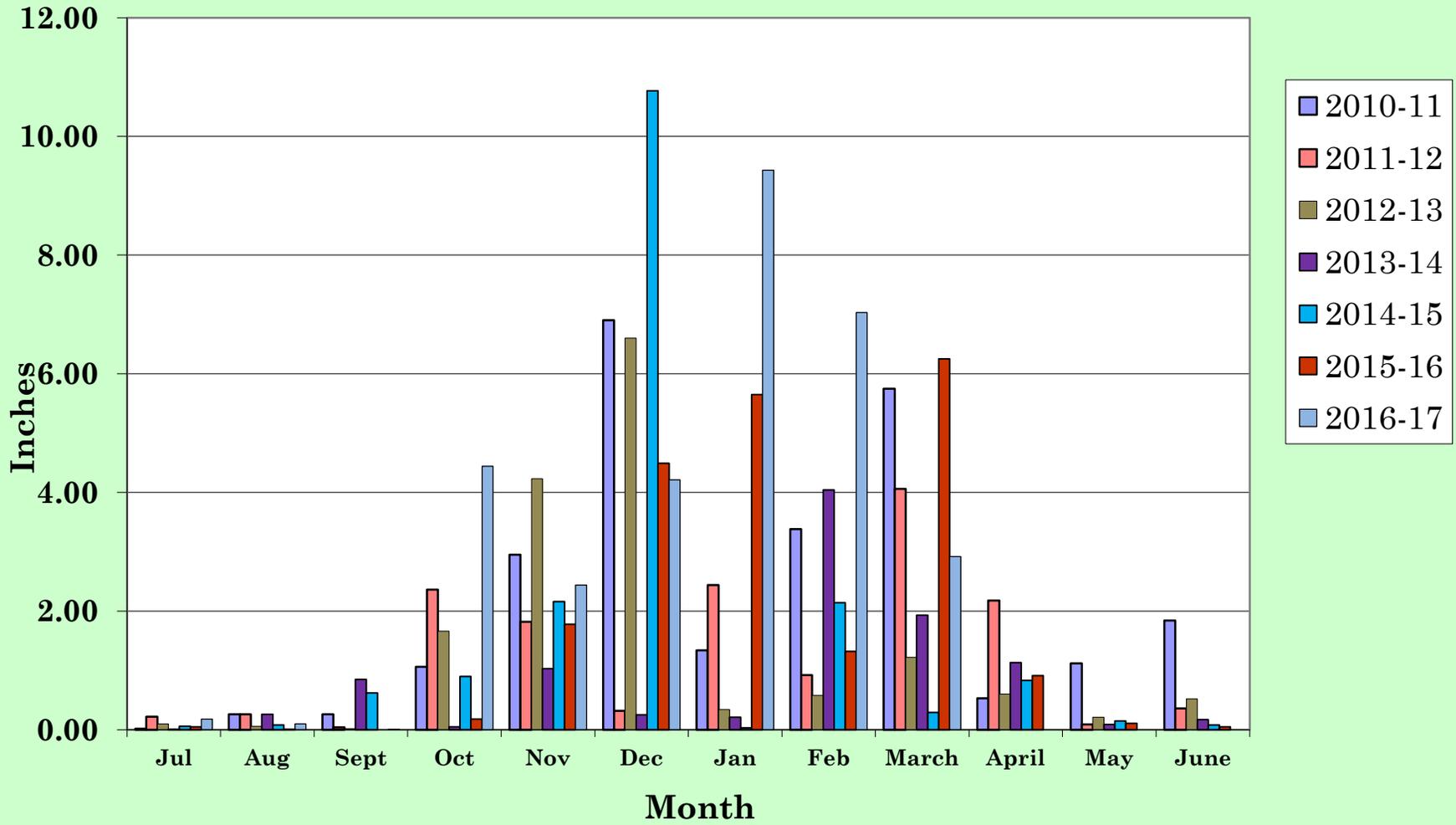
Rainfall Total Comparison Fiscal Years 16 and 17



Coastside County Water District

Rainfall by Month

Fiscal Years 11 - 17



MONTHLY CLIMATOLOGICAL SUMMARY for MAR. 2017

NAME: CCWD weather station CITY: STATE:
 ELEV: 80 ft LAT: 37° 18' 00" N LONG: 122° 18' 00" W

TEMPERATURE (°F), RAIN (in), WIND SPEED (mph)

DAY	MEAN TEMP	HIGH	TIME	LOW	TIME	HEAT DEG DAYS	COOL DEG DAYS	RAIN	AVG WIND SPEED	HIGH	TIME	DOM DIR
1	49.3	63.8	3:30p	38.2	2:30a	15.7	0.0	0.03	2.0	12.0	4:00p	ENE
2	52.3	68.7	2:30p	41.3	2:00a	13.0	0.3	0.00	2.5	15.0	11:30a	ENE
3	50.2	60.1	11:00a	39.2	6:00a	14.8	0.0	0.01	1.3	12.0	1:30p	ENE
4	53.7	60.2	3:00p	49.2	6:30a	11.3	0.0	0.47	2.6	19.0	9:30p	WSW
5	47.4	52.5	3:30p	39.7	11:00p	17.6	0.0	0.56	3.8	21.0	3:30a	W
6	48.8	58.9	1:30p	39.7	12:30a	16.2	0.0	0.15	1.5	12.0	3:30p	WSW
7	49.8	61.5	3:30p	39.5	6:30a	15.2	0.0	0.08	1.2	11.0	5:00p	E
8	54.4	64.8	11:30a	46.7	5:30a	10.6	0.0	0.00	1.9	14.0	1:00p	E
9	54.8	63.2	2:30p	47.5	2:30a	10.2	0.0	0.01	0.8	10.0	12:00p	WNW
10	55.8	72.0	3:00p	47.8	5:00a	9.6	0.4	0.00	0.7	12.0	3:00p	ESE
11	54.0	63.2	4:00p	46.3	4:00a	11.0	0.0	0.01	1.0	14.0	3:30p	W
12	55.0	66.8	12:00p	45.4	6:00a	9.6	0.0	0.01	1.0	14.0	5:00p	SE
13	59.8	80.5	4:00p	42.3	4:30a	8.4	3.2	0.00	2.1	16.0	1:00p	E
14	58.4	74.5	1:30p	48.8	5:30a	7.8	1.1	0.00	0.8	9.0	2:30p	W
15	54.5	59.3	3:00p	51.4	4:00a	10.5	0.0	0.01	0.6	12.0	3:30p	WSW
16	55.9	61.3	1:30p	45.5	12:00m	9.1	0.0	0.03	1.1	13.0	4:00p	WNW
17	53.1	66.1	2:00p	41.2	7:00a	12.0	0.0	0.00	0.7	9.0	4:00p	E
18	53.7	66.2	1:30p	46.1	4:00a	11.3	0.0	0.00	0.9	13.0	4:00p	E
19	54.2	59.3	12:00p	49.5	12:30a	10.8	0.0	0.00	0.8	10.0	12:30p	WSW
20	57.4	64.2	2:30p	51.6	2:00a	7.6	0.0	0.30	2.0	17.0	2:30p	SSW
21	59.9	66.6	2:00p	56.6	8:30a	5.2	0.1	0.52	4.2	23.0	1:30a	WSW
22	55.1	59.6	3:00p	51.8	7:00a	9.9	0.0	0.20	2.4	15.0	1:00a	WNW
23	54.4	60.3	2:30p	51.4	6:30a	10.6	0.0	0.12	1.9	13.0	1:30a	W
24	54.2	56.8	5:30p	50.7	11:30p	10.8	0.0	0.09	2.5	22.0	10:00a	SSW
25	54.4	60.9	4:00p	48.5	7:30a	10.6	0.0	0.07	1.5	13.0	4:30p	WNW
26	55.3	63.4	2:00p	49.3	3:30a	9.7	0.0	0.09	1.9	14.0	5:00p	WSW
27	54.5	59.7	2:00p	47.1	12:00m	10.5	0.0	0.05	2.5	22.0	3:30p	NE
28	54.0	64.6	4:30p	43.4	7:00a	11.0	0.0	0.04	1.9	17.0	4:30p	WNW
29	54.1	61.8	3:30p	45.4	7:30a	10.9	0.0	0.04	1.8	16.0	12:30p	W
30	54.6	59.6	1:30p	46.7	12:00m	10.4	0.0	0.02	3.2	20.0	6:00p	NE
31	55.5	62.8	3:00p	44.4	1:30a	9.5	0.0	0.01	2.9	18.0	4:00a	NE
	54.1	80.5	13	38.2	1	341.4	5.1	2.92	1.8	23.0	21	W

Max >= 90.0: 0
 Max <= 32.0: 0
 Min <= 32.0: 0
 Min <= 0.0: 0

Max Rain: 0.56 ON 03/05/17

Days of Rain: 17 (>.01 in) 7 (>.1 in) 0 (>1 in)

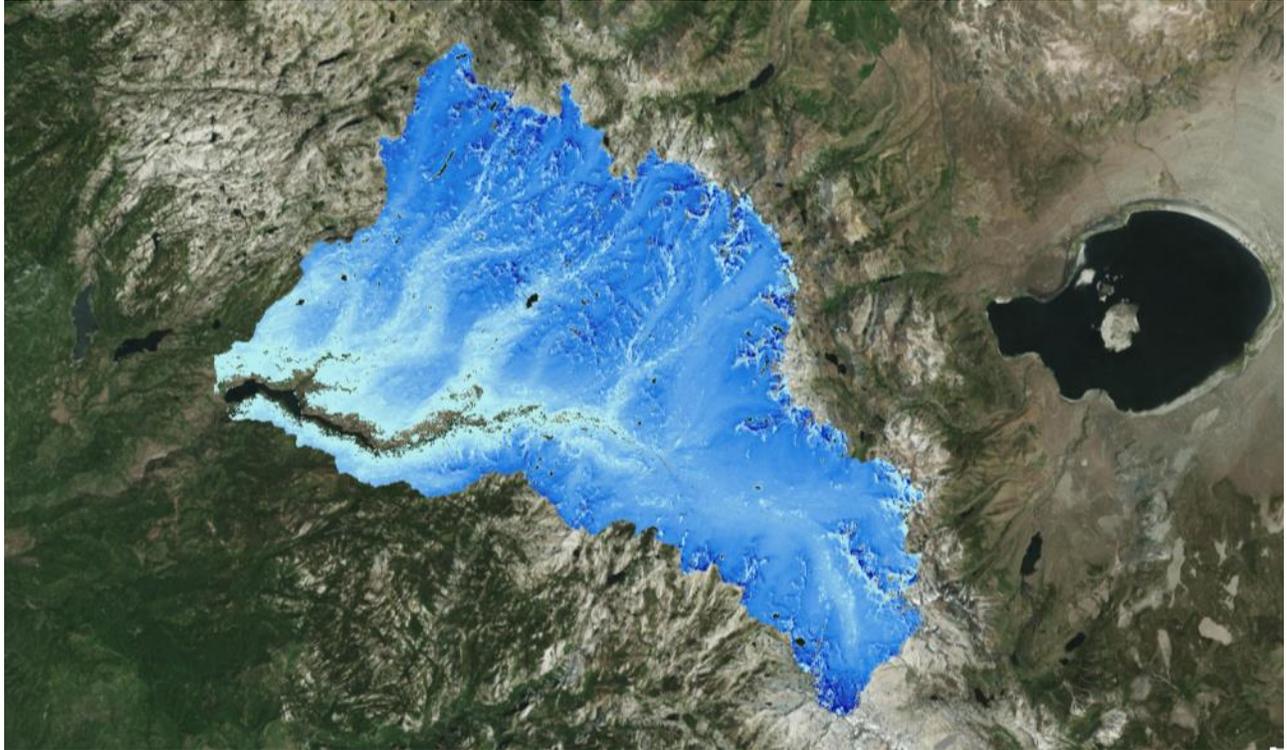
Heat Base: 65.0 Cool Base: 65.0 Method: Integration

San Francisco Public Utilities Commission

Hydrological Conditions Report

For February 2017

J. Chester, C. Graham, A. Mazurkiewicz, & M. Tsang, March 7, 2017



The Airborne Snow Observatory flew the Tuolumne Basin in February, providing us with the above map of snow depth through the Hetch Hetchy Watershed. Snow depths of up to 30 ft deep were measured in some high elevation canyons. At our Snow Survey sites, snow depths over 200 inches were measured. Nearly 1 million acre-feet of water is estimated to be currently stored as snow in the Hetch Hetchy Watershed.

Current Tuolumne System and Local Bay Area storage conditions are summarized in Table 1.

Reservoir	Current Storage		Maximum Storage		Available Capacity		Percentage of Maximum Storage
	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	
Tuolumne System							
Hetch Hetchy ¹	309,258		340,830		31,572		90.7%
Cherry ²	236,821		268,810		31,989		88.1%
Lake Eleanor ³	21,588		21,495		0		Full
Water Bank	570,000		570,000		0		Full
Tuolumne Storage	1,137,667		1,201,135		63,561		94.7%
Local Bay Area Storage							
Calaveras ⁴	53,834	17,542	96,824	31,550	42,990	14,008	55.6%
San Antonio	50,499	16,455	50,496	16,454	0	0	Full
Crystal Springs	52,166	16,998	58,377	19,022	6,211	2,024	89.4%
San Andreas	18,631	6,071	18,996	6,190	365	119	98.1%
Pilarcitos	2,895	943	2,995	976	100	32	96.7%
Total Local Storage	178,025	58,010	227,688	74,192	49,666	16,182	78.2%
Total System	1,137,692		1,428,823		113,131		92.1%

¹ Maximum Hetch Hetchy Reservoir storage with drum gates de-activated.

² Maximum Cherry Reservoir storage with flash-boards removed.

³ Maximum Lake Eleanor storage with flash-boards removed.

⁴ Available capacity does not take into account current DSOD storage restrictions.

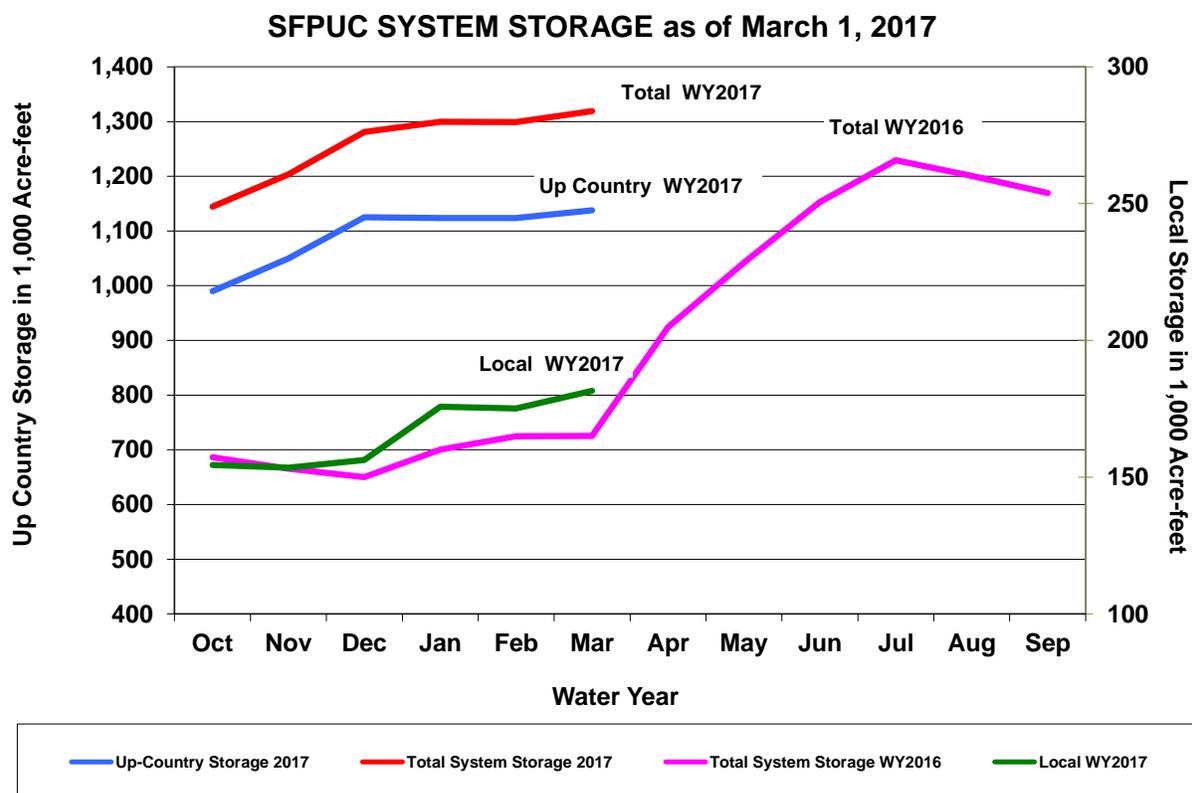


Figure 1: Monthly system storage for Water Year 2017

Hetch Hetchy System Precipitation Index ^{5/}

Current Month: The February 2017 six-station precipitation index was 15.1 inches, or 254.4% of the average index for the month.

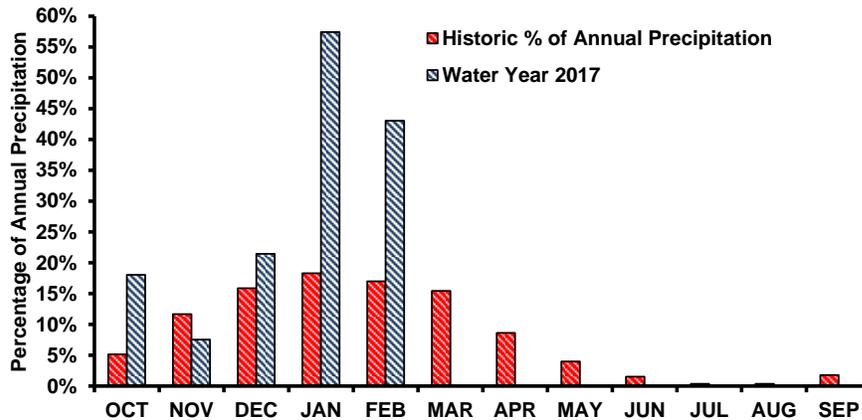


Figure 2: Monthly distribution of the Hetch Hetchy Six-station precipitation index as percent of the annual average precipitation.

Cumulative Precipitation to Date: The accumulated six-station precipitation index for water year 2017 is 53.44 inches, which is 150.2% of the average annual water year total, or 217.0% of average annual to date. Hetch Hetchy received 16.2 inches precipitation in February and a total of 51.46 inches for water year 2017. The cumulative Hetch Hetchy precipitation is shown in Figure 3 in red.

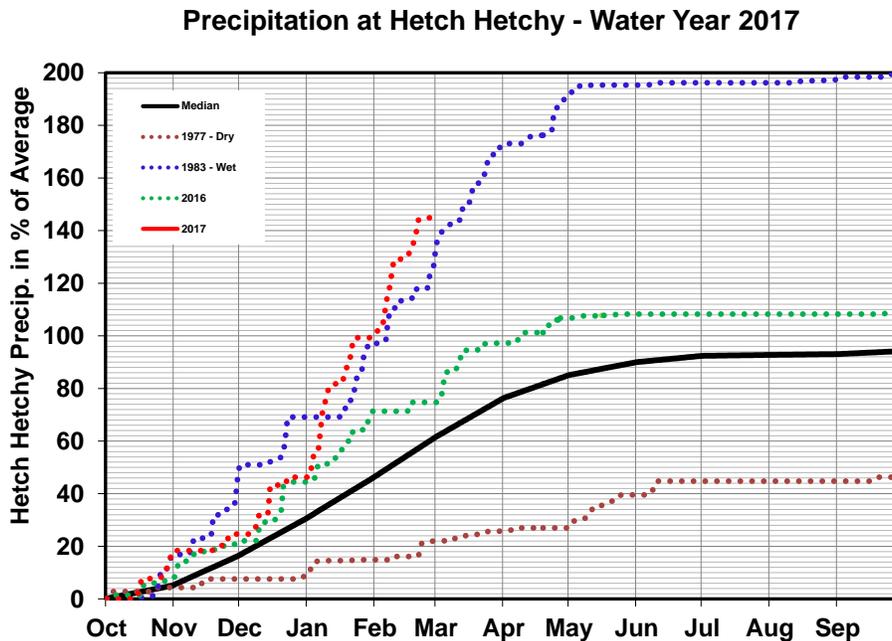


Figure 3: Water year 2017 cumulative precipitation measured at Hetch Hetchy Reservoir through February 28th, 2017. Precipitation at the Hetch Hetchy gauge for wet, dry, median, and WY 2016 are included for comparison purposes.

⁵The precipitation index is computed using six Sierra precipitation stations and is an indicator of the wetness of the basin for the water year to date. The index is computed as the average of the six stations and is expressed in inches and in percent.

Tuolumne Basin Unimpaired Inflow

Unimpaired inflow to SFPUC reservoirs and the Tuolumne River at La Grange as of February 28th, 2017 is summarized below in Table 2.

	February 2017				October 1, 2016 through February 28, 2017			
	Observed Flow	Median ⁶	Average ⁶	Percent of Average	Observed Flow	Median ⁶	Average ⁶	Percent of Average
Inflow to Hetch Hetchy Reservoir	116,943	22,324	25,029	467.2%	339,672	70,997	88,829	382.4%
Inflow to Cherry Reservoir and Lake Eleanor	113,406	22,805	26,535	427.4%	386,926	73,826	96,422	401.3%
Tuolumne River at La Grange	829,422	114,214	141,362	586.7%	1,878,857	312,576	410,559	457.6%
Water Available to the City	695,244	20,399	53,559	1,298.1%	1,383,062	55,984	155,962	886.8%

⁶ Hydrologic Record: 1920 – 2015

Hetch Hetchy System Operations

Draft and releases from Hetch Hetchy Reservoir during the month of February totaled 112,118 acre-feet to meet instream release requirements and reservoir management goals. Precipitation to date and inflows are sufficient to keep Hetch Hetchy Reservoir in Year Type A through January. Hetch Hetchy minimum instream release requirements for February were 60 cfs, and will be 60 cfs for March. Hetch Hetchy inflows have remained high through March, requiring additional valve releases to maintain storage within our seasonal targets (300,000-310,000 acre-feet). March generation and additional releases will be set to balance inflows, with the aim of maintaining Hetch Hetchy Reservoir storage within the seasonal targets.

63,059 acre-feet of draft was made from Cherry Reservoir during the month of February to meet instream release requirements and reservoir management goals. About 3,368 acre-feet of water was transferred via pumping from Lake Eleanor to Cherry Reservoir in February. Pumps were turned off February 13, and are expected to stay off until the end of the runoff season. The required minimum instream release from Cherry Reservoir and Lake Eleanor is 5 cfs in February and March. Cherry storage will be maintained below 248,000 acre-feet via power generation through March. Excessive spill at Lake Eleanor will be managed by maintaining storage less than 15,000 acre-feet through valve releases prior to storm events.

Regional System Treatment Plant Production

The Harry Tracy Water Treatment Plant average production rate for February was 65 MGD. The Sunol Valley Water Treatment Plant average production for the month was 83 MGD.

Local System Water Delivery

The average January delivery rate was 147 MGD which is less than 1% increase above the January delivery rate of 147 MGD.

Local Precipitation

Wet weather continued through February pushing rain fall totals across local watersheds above average for a second consecutive month. The February rainfall summary is presented in Table 3.

Reservoir	Month Total (inches)	Percentage of Average for the Month	Water Year to Date ⁷ (inches)	Percentage of Average for the Year-to-Date ⁷
Pilarcitos	15.46	239 %	51.79	180 %
Lower Crystal Springs	8.67	188 %	32.13	162 %
Calaveras	6.51	172 %	21.88	142 %

⁷ WY 2017: Oct. 2016 through Sep. 2017.

Snowmelt and Water Supply

A series of storm events in January and February have resulted in significant snow accumulation, putting the Tuolumne Basin well at historic snowpack levels to date, well above our seasonal average maximum. Our 10 Station Snow Index (Figure 4) was 165% of April 1 Median Conditions on March 1. The 10 Station Snow Index agreed with the February 1 and March 1 snow surveys, which were at similar values compared to long term averages. Snow accumulation remains above 1983, our record precipitation year. Reservoir inflows have correspondingly been above average, maintaining reservoir storages at or above our seasonal targets for all of February. Increased releases from all reservoirs to manage storage levels resulted in full Water Bank in early January, which has been maintained through the remainder of the month.

With high current storage and a large snowpack, inflows will fill all reservoirs by June/July and maintain full Water Bank through next fall. To manage reservoir storage levels, we anticipate powerdraft in excess of municipal load at all powerhouses through the end of runoff. In addition to significant powerdraft, we expect ecological valve releases and spill at Hetch Hetchy in the order of 400 to 700 TAF during the runoff season.

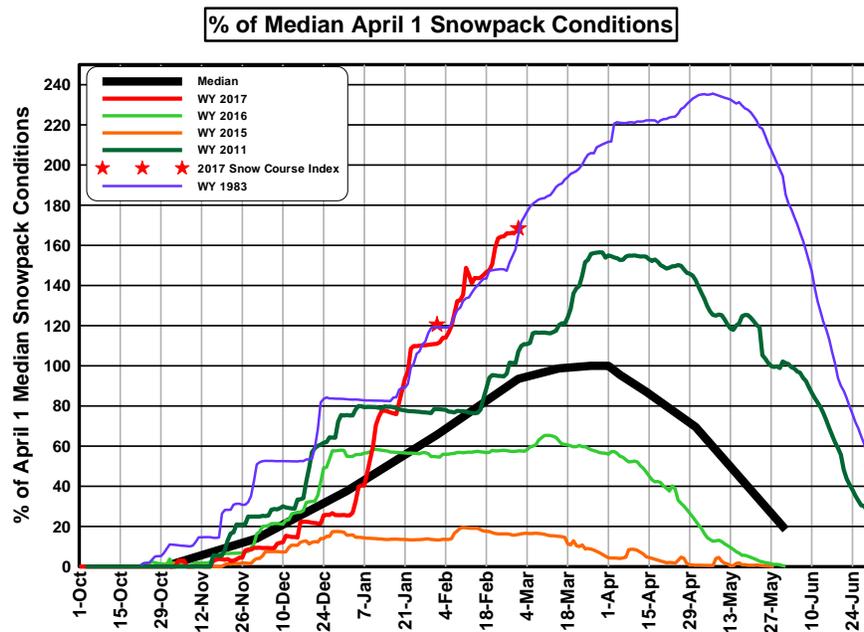


Figure 4: Snowpack conditions as of March 1. Current conditions are well above average to date, and above average seasonal maximum. Snow conditions are above peak 2011 accumulation, the most recent above average year. Snow surveys (red stars) agree with snow pillows (lines), indicating deep and widespread snow accumulation. 1983, the wettest year on record, is included for comparison.

Unimpaired Flow at La Grange & Water Available to the City

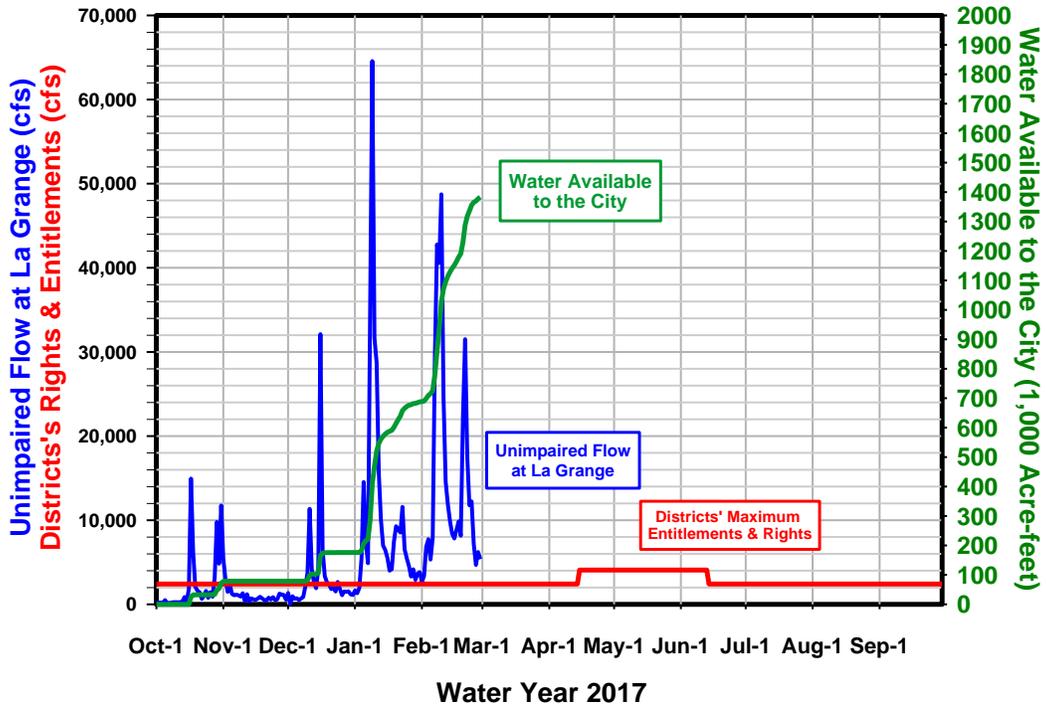


Figure 5: Calculated unimpaired flow at La Grange and the allocation of flows between the Districts and the City. 1,383,062 acre-feet of water has become available to the City during water year 2017. Inflows have exceeded the District Entitlements line since early January.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: April 11, 2017

Report

Date: April 7, 2017

Subject: Quarterly Financial Review

Recommendation:

Information Only.

Background:

The attached Period Budget Analysis summarizes year-to-date revenue and expenses for the first nine months of Fiscal Year 2016-2017. Key highlights include:

- Year-to-date revenue is \$528,000 above budget primarily due to higher water sales (\$197,000); property tax receipts (\$96,000); ERAF Refund (\$125,000); Skylawn electricity reimbursement (\$66,000); hydrant sales (\$13,000), and other miscellaneous income (\$31,000.)
- Year-to-date expenses are \$785,000 under plan, including:
 - Water purchased from SFPUC reflects a savings of \$288,000 due to our continued ability to draw water from Denniston and other local sources.
 - Electricity reflects a savings of \$84,000 due to use of local water sources vs. pumping from Crystal Springs.
 - Personnel costs include \$266,000 savings primarily due to vacant positions and the partial service retirement of the General Manager resulting in a reduction of his salary expenses.
 - Other savings of \$147,000 primarily reflect expense timing as compared to budget.

COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS
31-Mar-17

ACCOUNT	DESCRIPTION	YTD BUDGET	YTD ACTUAL	Variance Favorable (Unfavorable)	% Variance
OPERATING REVENUE					
1-0-4120-00	Water Revenue -All Areas	7,492,921.00	7,689,713.09	196,792.09	2.6%
TOTAL OPERATING REVENUE		7,492,921.00	7,689,713.09	196,792.09	2.6%
NON-OPERATING REVENUE					
1-0-4170-00	Water Taken From Hydrants	37,485.00	50,040.09	12,555.09	33.5%
1-0-4180-00	Late Notice -10% Penalty	53,978.40	55,067.37	1,088.97	2.0%
1-0-4230-00	Service Connections	7,497.00	11,634.10	4,137.10	55.2%
1-0-4920-00	Interest Earned	2,302.50	3,276.53	974.03	42.3%
1-0-4930-00	Tax Apportionments/Cnty Checks	380,000.00	476,248.84	96,248.84	
1-0-4950-00	Miscellaneous Income	27,738.90	113,692.08	85,953.18	309.9%
1-0-4955-00	Cell Site Lease Income	107,725.86	112,274.73	4,548.87	4.2%
1-0-4965-00	ERAF REFUND -County Taxes	200,000.00	325,313.79	125,313.79	0.0%
TOTAL NON-OPERATING REVENUE		816,727.66	1,147,547.53	330,819.87	40.5%
TOTAL REVENUES		8,309,648.66	8,837,260.62	527,611.96	6.3%
OPERATING EXPENSES					
1-1-5130-00	Water Purchased	1,957,405.00	1,669,385.15	288,019.85	14.7%
1-1-5230-00	Pump Exp, Nunes T P	23,443.11	26,072.32	(2,629.21)	-11.2%
1-1-5231-00	Pump Exp, CSP Pump Station	311,644.00	224,495.09	87,148.91	28.0%
1-1-5232-00	Pump Exp, Trans. & Dist.	12,909.00	16,216.63	(3,307.63)	-25.6%
1-1-5233-00	Pump Exp, Pilarcitos Canyon	25,460.00	33,340.65	(7,880.65)	-31.0%
1-1-5234-00	Pump Exp. Denniston Proj.	46,363.00	35,340.18	11,022.82	23.8%
1-1-5242-00	CSP Pump Station Operations	7,871.85	7,250.78	621.07	7.9%
1-1-5243-00	CSP Pump Station Maintenance	17,578.00	18,957.82	(1,379.82)	-7.8%
1-1-5246-00	Nunes T P Operations	44,048.00	46,035.01	(1,987.01)	-4.5%
1-1-5247-00	Nunes T P Maintenance	68,622.00	55,936.09	12,685.91	18.5%
1-1-5248-00	Denniston T.P. Operations	22,436.00	15,348.13	7,087.87	31.6%
1-1-5249-00	Denniston T.P. Maintenance	44,750.00	52,276.05	(7,526.05)	-16.8%
1-1-5250-00	Laboratory Services	39,756.00	37,617.14	2,138.86	5.4%
1-1-5260-00	Maintenance -General	98,735.49	125,421.24	(26,685.75)	-27.0%
1-1-5260-10	Maintenance - Main Line Breaks	74,970.00	22,235.44	52,734.56	70.3%
1-1-5260-11	Maintenance - Paving	37,485.00	39,220.67	(1,735.67)	-4.6%
1-1-5261-00	Maintenance -Well Fields	47,273.00	10,978.37	36,294.63	76.8%

ACCOUNT	DESCRIPTION	YTD BUDGET	YTD ACTUAL	Variance Favorable (Unfavorable)	% Variance
1-1-5263-00	Uniforms	9,568.00	7,940.04	1,627.96	0.0%
1-1-5318-00	Studies/Surveys/Consulting	112,455.00	78,004.90	34,450.10	30.6%
1-1-5321-00	Water Resources	35,235.90	7,597.07	27,638.83	78.4%
1-1-5322-00	Community Outreach	37,485.00	8,328.78	29,156.22	77.8%
1-1-5381-00	Legal	44,982.00	56,635.73	(11,653.73)	-25.9%
1-1-5382-00	Engineering	10,495.80	10,358.38	137.42	1.3%
1-1-5383-00	Financial Services	14,000.00	8,580.00	5,420.00	38.7%
1-1-5384-00	Computer Services	93,937.41	82,860.65	11,076.76	11.8%
1-1-5410-00	Salaries/Wages-Administration	846,769.00	674,157.58	172,611.42	20.4%
1-1-5411-00	Salaries & Wages -Field	936,442.00	921,813.26	14,628.74	1.6%
1-1-5420-00	Payroll Tax Expense	124,802.00	111,544.72	13,257.28	10.6%
1-1-5435-00	Employee Medical Insurance	305,858.00	296,734.15	9,123.85	3.0%
1-1-5436-00	Retiree Medical Insurance	44,361.00	36,603.42	7,757.58	17.5%
1-1-5440-00	Employees Retirement Plan	385,179.00	336,707.26	48,471.74	12.6%
1-1-5445-00	Supplemental Retirement 401a	0.00	0.00	0.00	0.0%
1-1-5510-00	Motor Vehicle Expense	42,507.99	35,216.66	7,291.33	17.2%
1-1-5620-00	Office Supplies & Expense	128,029.95	166,571.59	(38,541.64)	-30.1%
1-1-5625-00	Meetings / Training / Seminars	17,992.80	13,245.79	4,747.01	26.4%
1-1-5630-00	Insurance	89,964.00	88,461.15	1,502.85	1.7%
1-1-5687-00	Membership, Dues, Subscript.	55,477.80	51,399.77	4,078.03	7.4%
1-1-5688-00	Election Expenses	0.00	0.00	0.00	0.0%
1-1-5689-00	Labor Relations	4,498.20	0.00	3,000.00	66.7%
1-1-5700-00	San Mateo County Fees	14,244.30	11,241.98	3,002.32	21.1%
1-1-5705-00	State Fees	11,995.20	22,134.71	(10,139.51)	-84.5%
TOTAL OPERATING EXPENSES		6,247,029.80	5,462,264.35	784,765.45	12.6%
CAPITAL ACCOUNTS					
1-1-5712-00	Debt Svc/Existing Bonds 2006B	486,426.00	486,359.58	66.42	0.0%
1-1-5715-00	Debt Svc/CIEDB 11-099 (I-BANK)	336,409.00	336,409.49	(0.49)	0.0%
1-1-5716-00	Debt Svc/CIEDB 2016 (I-BANK)	145,203.00	145,202.41	0.59	0.0%
TOTAL CAPITAL ACCOUNTS		968,038.00	967,971.48	66.52	0.0%
TOTAL EXPENSES		7,215,067.80	6,430,235.83	784,831.97	10.9%
CONTRIBUTION TO CIP/RESERVES		1,094,580.86	2,407,024.79		

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: April 11, 2017

Report

Date: April 7, 2017

Subject: Fiscal Year 2017-2018 Budget Process Timeline

Recommendation:

None. Information only.

Background:

The attached Budget Process Timeline lays out the proposed schedule for presentation and consideration of the Fiscal Year 2017-2018 Budget and the Fiscal Year 17/18 - 26/27 Capital Improvement Program. Key timeline milestones follow the pattern established over the last two budget cycles, culminating in the public hearing on the budget scheduled for the regular June Board meeting.

Staff will review the budget process and answer any questions the Board may have.

Fiscal Impact:

None.

**Coastside County Water District
BUDGET (CIP and O&M) PROCESS TIMELINE
Fiscal Year 2017-2018**

Description	Date
Staff Internal Budget Review – Distribute O&M Budget Worksheets and Update CIP budget spreadsheet	January 2017
Facilities Committee Meeting – Introduction to CIP Budget Process/Timeline	January 4, 2017
Finance Committee Meeting - Introduction to Budget Process/Timeline	January 9, 2017
Present Budget Timeline for Board approval	January 10, 2017 Regular Board Meeting
Staff Internal Budget Review – Worksheets Due/Review CIP Budget	January 31, 2017
Finance Committee Meeting – Review Draft O&M Budget and CIP	February 8, 2017
Facilities Committee Meeting – Review Draft CIP Budget	February 9, 2017
Present “Draft” O&M Budget and CIP to Board of Directors at Board Meeting	February 14, 2017 Regular Board Meeting
Present “Draft” O&M Budget and CIP to Board of Directors at Board Meeting	March 14, 2017 Regular Board Meeting
Customer Outreach – Website – Posted on News and Public Notices Draft Budget and Finance Plan FY 2018	March 21, 2017
Customer Outreach – E-Newsletter – Shared with Facebook and Twitter Message: Public Meeting Schedule for Budget –Links to Operations Budget and CIP – Value of Water – Image of Infrastructure	March 27, 2017
Budget Work Session with Board of Directors	March 29, 2017 3:00 PM
Present “Draft” O&M Budget and CIP to Board of Directors at Board Meeting – Approve Notice of Rate Increase (Prop 218)	April 11, 2017 Regular Board Meeting
Mail Notice of Rate Increase (Prop 218) – Minimum 45-Day Notice Before Public Hearing	April 17, 2017
Finance Committee Meeting – Review Draft O&M Budget, CIP, and Finance Plan	April/May __, 2017

March 27, 2017

Customer Outreach – E-Newsletter Message: Understanding Budget and Proposed Rate Increase	April 24, 2017
Present & Discuss “Draft” CIP and O&M Budget and Finance Plan	May 9, 2017 Regular Board Meeting
Rate Increase Hearing - Approve O&M Budget and CIP – Approve Rate Increase	June 13, 2017 Regular Board Meeting

March 27, 2017

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: April 11, 2017

Report

Date: April 7, 2017

Subject: Draft Fiscal Year 2017-2018 Operations Budget and Draft Fiscal Year 2017/18 to 2026/27 Capital Improvement Program.

Recommendation:

No Board action required at this time.

Background:

Staff presents for the Board's review the attached draft Fiscal Year 2017-2018 Operations Budget and draft Fiscal Year 2017/18 to 2026/27 Capital Improvement Program (CIP). Staff will make a presentation reviewing budget details.

Highlights:

Budget to Budget Comparison

- FY2018 Budget assumes water sales at current levels of 560 MG, up from the 550 MG planned in the FY2017 Budget. As the rate adjustment is still to be determined, no rate adjustment has been included in the draft budget.
- FY2018 water purchases from SFPUC are \$471,000 less than the FY2017 budget due to an increased use of local sources. SFPUC is currently projecting 0% rate increase for FY2018.
- Total FY2018 Operating Expenses are \$540 above the FY2017 budget.
- The FY2018 budget also includes an additional \$179,000 for debt service for a new (2016) IBank loan.

CIP

- \$30,090,000 total 10 year CIP (FY2018 dollars)
- \$16,415,000 total 5 year CIP (average of \$3,283,000 per year)

Please note that due to the volume of paper, the individual detailed sheets for the Operations Budget are not included in this agenda packet. The individual detailed sheets are available in electronic form on the District's website at www.coastsidewater.org or hard copies may be obtained at the District's office.

Operations & Maintenance Budget - FY 2017-2018

		Proposed Budget FY 17/18	Approved FY 16/17 Budget	FY17/18 Budget		Proj Year End Actual FY 16/17	FY 17/18 Budget		YTD Actual FY 16/17 as of February 28, 2017
Account Number	Description			Vs. FY 16/17 Budget	Budget Vs. FY 16/17 Budget		Vs. FY 16/17 Actual	Budget Vs. FY 16/17 Actual	
				\$ Change	% Change		\$ Change	% Change	
OPERATING REVENUE									
4120	Water Sales (1)	\$10,400,000	\$10,266,127	\$133,873	1.3%	\$10,400,000	\$0	0.0%	\$7,065,610
Total Operating Revenue		\$10,400,000	\$10,266,127	\$133,873	1.3%	\$10,400,000	\$0	0.0%	\$7,065,610
NON-OPERATING REVENUE									
4170	Hydrant Sales	\$50,000	\$50,000	\$0	0.0%	\$55,000	-\$5,000	-9.1%	\$46,440
4180	Late Penalty	\$60,000	\$72,000	-\$12,000	-16.7%	\$60,000	\$0	0.0%	\$47,086
4230	Service Connections	\$10,000	\$10,000	\$0	0.0%	\$12,000	-\$2,000	-16.7%	\$10,254
4920	Interest Earned	\$6,174	\$3,070	\$3,104	101.1%	\$3,500	\$2,674	76.4%	\$3,276
4930	Property Taxes	\$700,000	\$600,000	\$100,000	16.7%	\$700,000	\$0	0.0%	\$474,918
4950	Miscellaneous	\$37,000	\$37,000	\$0	0.0%	\$105,000	-\$68,000	-64.8%	\$102,515
4955	Cell Site Lease Income	\$154,000	\$143,692	\$10,308	7.2%	\$150,000	\$4,000	2.7%	\$101,923
4965	ERAF Refund	\$250,000	\$200,000	\$50,000	25.0%	\$325,314	-\$75,314	-23.2%	\$325,314
Total Non-Operating Revenue		\$1,267,174	\$1,115,762	\$151,412	13.6%	\$1,410,814	-\$143,640	-10.2%	\$1,111,726
TOTAL REVENUES		\$11,667,174	\$11,381,889	\$285,285	2.5%	\$11,810,814	-\$143,640	-1.2%	\$8,177,336
OPERATING EXPENSES									
5130	Water Purchased	\$2,106,991	\$2,578,474	-\$471,483	-18.3%	\$2,260,000	-\$153,009	-6.8%	\$1,565,078
5230	Electrical Exp. Nunes WTP	\$40,280	\$31,270	\$9,010	28.8%	\$38,000	\$2,280	6.0%	\$22,953
5231	Electrical Expenses, CSP	\$318,000	\$325,420	-\$7,420	-2.3%	\$300,000	\$18,000	6.0%	\$223,509
5232	Electrical Expenses/Trans. & Dist.	\$25,440	\$18,020	\$7,420	41.2%	\$24,000	\$1,440	6.0%	\$14,721
5233	Elec Exp/Pilarcitos Cyn	\$32,309	\$26,000	\$6,309	24.3%	\$25,000	\$7,309	29.2%	\$22,443
5234	Electrical Exp., Denn	\$92,220	\$85,000	\$7,220	8.5%	\$90,000	\$2,220	2.5%	\$37,274
5242	CSP - Operation	\$10,500	\$10,500	\$0	0.0%	\$10,500	\$0	0.0%	\$6,571
5243	CSP - Maintenance	\$37,000	\$37,000	\$0	0.0%	\$37,000	\$0	0.0%	\$18,795
5246	Nunes WTP Oper	\$72,000	\$57,000	\$15,000	26.3%	\$70,000	\$2,000	2.9%	\$38,971
5247	Nunes WTP Maint	\$122,500	\$80,500	\$42,000	52.2%	\$85,000	\$37,500	44.1%	\$52,092
5248	Denn. WTP Oper.	\$34,500	\$35,000	-\$500	-1.4%	\$29,000	\$5,500	19.0%	\$11,865
5249	Denn WTP Maint	\$60,000	\$53,000	\$7,000	13.2%	\$70,000	-\$10,000	-14.3%	\$50,798
5250	Laboratory Expenses	\$53,000	\$53,000	\$0	0.0%	\$53,000	\$0	0.0%	\$29,047
5260	Maintenance Expenses	\$291,700	\$281,700	\$10,000	3.5%	\$281,700	\$10,000	3.5%	\$166,008
5261	Maintenance, Wells	\$40,000	\$50,000	-\$10,000	-20.0%	\$40,000	\$0	0.0%	\$10,978
5263	Uniforms	\$10,000	\$10,000	\$0	0.0%	\$10,000	\$0	0.0%	\$7,940
5318	Studies/Surveys/Consulting	\$160,000	\$150,000	\$10,000	6.7%	\$150,000	\$10,000	6.7%	\$56,777
5321	Water Resources	\$37,000	\$47,000	-\$10,000	-21.3%	\$25,000	\$12,000	48.0%	\$6,867
5322	Community Outreach	\$54,700	\$50,000	\$4,700	9.4%	\$50,000	\$4,700	9.4%	\$6,009
5381	Legal	\$110,000	\$60,000	\$50,000	83.3%	\$100,000	\$10,000	10.0%	\$52,591
5382	Engineering	\$100,000	\$14,000	\$86,000	614.3%	\$54,000	\$46,000	85.2%	\$9,694
5383	Financial Services	\$20,000	\$20,000	\$0	0.0%	\$18,000	\$2,000	11.1%	\$8,580
5384	Computer Services	\$144,800	\$125,300	\$19,500	15.6%	\$100,000	\$44,800	44.8%	\$73,560
5410	Salaries, Admin.	\$1,150,980	\$1,100,800	\$50,180	4.6%	\$960,000	\$190,980	19.9%	\$605,629
5411	Salaries - Field	\$1,266,081	\$1,217,375	\$48,706	4.0%	\$1,217,375	\$48,706	4.0%	\$838,135

Operations & Maintenance Budget - FY 2017-2018

Account Number	Description	Proposed Budget FY 17/18	FY17/18 Budget			Proj Year End	FY 17/18 Budget			YTD Actual FY 16/17 as of February 28, 2017
			Approved FY 16/17 Budget	Vs. FY 16/17 Budget \$ Change	Budget Vs. FY 16/17 Budget % Change		Vs. FY 16/17 Actual	FY 17/18 Budget Vs. FY 16/17 Actual		
5420	Payroll Taxes	\$170,555	\$162,245	\$8,310	5.1%	\$150,000	\$20,555	13.7%	\$99,889	
5435	Employee Medical Insurance	\$447,056	\$412,904	\$34,152	8.3%	\$412,904	\$34,152	8.3%	\$264,088	
5436	Retiree Medical Insurance	\$47,215	\$59,976	-\$12,761	-21.3%	\$59,976	-\$12,761	-21.3%	\$35,364	
5440	Employee Retirement	\$544,380	\$508,257	\$36,123	7.1%	\$485,000	\$59,380	12.2%	\$297,659	
5445	SIP 401a Plan	\$35,000	\$33,000	\$2,000	6.1%	\$33,000	\$2,000	6.1%	\$0	
5510	Motor Vehicle Exp.	\$50,700	\$56,700	-\$6,000	-10.6%	\$50,000	\$700	1.4%	\$32,598	
5620	Office & Billing Expenses	\$225,500	\$170,775	\$54,725	32.0%	\$225,000	\$500	0.2%	\$151,731	
5625	Meetings/Training/Seminars	\$24,000	\$24,000	\$0	0.0%	\$24,000	\$0	0.0%	\$10,176	
5630	Insurance	\$120,000	\$120,000	\$0	0.0%	\$115,000	\$5,000	4.3%	\$81,856	
5687	Memberships & Subscriptions	\$75,350	\$74,000	\$1,350	1.8%	\$74,000	\$1,350	1.8%	\$48,026	
5688	Election Expense	\$0	\$0	\$0		\$0	\$0		\$0	
5689	Union Expenses	\$6,000	\$6,000	\$0	0.0%	\$6,000	\$0	0.0%	\$0	
5700	County Fees	\$20,000	\$19,000	\$1,000	5.3%	\$19,000	\$1,000	5.3%	\$11,242	
5705	State Fees	\$24,000	\$16,000	\$8,000	50.0%	\$24,000	\$0	0.0%	\$20,773	
Total Operating Expenses		\$8,179,756	\$8,179,216	\$540	0.0%	\$7,775,455	\$404,301	5.2%	\$4,990,287	
CAPITAL ACCOUNTS										
5712	Existing Bonds - 2006B	\$486,776	\$486,426	\$350	0.1%	\$486,395	\$381	0.1%	\$359,439	
5715	Existing Bond-CIEDB 11-099	\$336,269	\$336,409	-\$140	0.0%	\$336,409	-\$140	0.0%	\$336,409	
5716	CIEDB 16-111	\$324,652	\$145,203	\$179,449		\$145,203	\$179,449		\$145,203	
Total Capital Accounts		\$1,147,697	\$968,038	\$179,659	18.6%	\$968,007	\$179,690	18.6%	\$841,051	
TOTAL REVENUE LESS TOTAL EXPENSE		\$2,339,722	\$2,234,635	\$105,087	4.7%	\$3,067,352	-\$727,630	-23.7%	\$2,345,998	
5713	Cont. to CIP & Reserves	\$2,339,722								

Notes: (1) This draft budget does not reflect a rate adjustment

Project #	Project Name	Comments	FY 17/18	FY18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY26/27	FY 17/18 to FY 26/27 Total
Equipment Purchase & Replacement													
06-03	SCADA/Telemetry/Electric Controls Replacement (<i>Backup Communications @ Cahill, PRV controls</i>)	\$50K added for each year	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 500,000
08-10	Backhoe	cost increase (from \$80K)			\$ 130,000								\$ 130,000
08-12	New Service Truck	cost increase (from \$200K)	\$ 250,000										\$ 250,000
15-04	Vactor Truck/Trailer	moved from FY18/19						\$ 500,000					\$ 500,000
99-02	Vehicle Replacement	added vehicle replacements	\$ 90,000	\$ 90,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 420,000
99-03	Computer Systems		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 50,000
99-04	Office Equipment/Furniture		\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 30,000

Equipment Purchase & Replacement Totals \$ 398,000 \$ 148,000 \$ 218,000 \$ 88,000 \$ 88,000 \$ 588,000 \$ 88,000 \$ 88,000 \$ 88,000 \$ 88,000 \$ 88,000 \$ 1,880,000

Facilities & Maintenance

08-08	PRV Valves Replacement Project		\$ 30,000	\$ 30,000	\$ 30,000								\$ 90,000
09-07	Advanced Metering Infrastructure	moved up installation from FY18/19; added \$250K for contract installation in FY17/18; removed \$50K in FY19/20 and \$20K/yr from FY18/19 forward; net 5 year change = + \$160K	\$ 850,000										\$ 850,000
09-09	Fire Hydrant Replacement		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 400,000
15-03	District Administration/Operations Center										\$ 3,000,000		\$ 3,000,000
16-07	Sample Station Replacement Project		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000			\$ 40,000
18-XX	Pilarcitos Canyon Emergency Road Repairs	Permit for Feb 2017 storm repairs requires additional restoration work	\$ 100,000										\$ 100,000
99-01	Meter Change Program	moved up \$300K from FY 18/19	\$ 600,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 780,000

Facilities and Maintenance Totals \$ 1,625,000 \$ 95,000 \$ 95,000 \$ 65,000 \$ 65,000 \$ 65,000 \$ 65,000 \$ 65,000 \$ 65,000 \$ 3,060,000 \$ 60,000 \$ 5,260,000

Pipeline Projects

06-02	Highway 1 South Pipeline Replacement Project	moved up from FY 19/20; reduced cost \$800K	\$ 80,000	\$ 500,000									\$ 580,000
07-03	Pilarcitos Canyon Pipeline Replacement	moved up from FY 23/24 (interest from SFPUC) -- reduced cost \$400K	\$ 150,000	\$ 600,000									\$ 750,000
07-04	Bell Moon Pipeline Replacement Project							\$ 60,000	\$ 250,000				\$ 310,000
13-02	Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave						\$ 400,000						\$ 400,000
14-01	Replace 12" Welded Steel Line on Hwy 92 with 8"		\$ 300,000			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000					\$ 3,300,000
14-26	Replace 2" Pipe in Downtown Half Moon Bay	shifted from FY 16/17 - will go out to bid in April 2017 - plan is to complete in summer, 2017 (funds will be available from 2016/17 budget)	\$ 500,000										\$ 500,000
14-27	Grandview 2 Inch Replacement							\$ 450,000					\$ 450,000
14-28	Replace 2 Inch Hilltop Market to Spanishtown							\$ 240,000					\$ 240,000
14-29	Replace 2 Inch GS Purissima Way				\$ 125,000								\$ 125,000
14-30	Replace Miscellaneous 2 Inch GS El Granada				\$ 60,000								\$ 60,000
14-31	Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus			\$ 225,000									\$ 225,000
14-32	Casa Del Mar - Replace Cast Iron Mains						\$ 1,000,000	\$ 1,000,000					\$ 2,000,000
14-33	Miramar Cast Iron Pipeline Replacement								\$ 500,000	\$ 1,000,000			\$ 1,500,000
16-09	Slipline 10 Inch Pipeline in Magellan at Hwy 1			\$ 100,000									\$ 100,000
18-XX	Pine Willow Oak - 2400 feet	new					\$ 500,000						\$ 500,000
NN-00	Pipeline Replacement								\$ 1,050,000	\$ 750,000	\$ 500,000	\$ 1,500,000	\$ 3,800,000

Pipeline Projects Totals \$ 1,030,000 \$ 1,425,000 \$ 185,000 \$ 1,000,000 \$ 2,900,000 \$ 2,000,000 \$ 1,800,000 \$ 1,500,000 \$ 1,500,000 \$ 1,500,000 \$ 14,840,000

Pump Stations/Tanks/Wells

06-04	Hazen's Tank Replacement	moved from FY 16/17	\$ 30,000										\$ 30,000
08-14	Alves Tank Recoating, Interior & Exterior	increased cost from \$600K	\$ 100,000	\$ 1,500,000									\$ 1,600,000

Project #	Project Name	Comments	FY 17/18	FY18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY26/27	FY 17/18 to FY 26/27 Total
08-16	Cahill Tank Exterior Recoat			\$ 75,000									\$ 75,000
09-18	New Pilarcitos Well			\$ 150,000									\$ 150,000
11-02	CSPS Stainless Steel Inlet Valves			\$ 100,000									\$ 100,000
11-05	Half Moon Bay Tank #2 Interior & Exterior Recoat	moved from FY 17/18; increased cost from \$200K			\$ 20,000	\$ 400,000							\$ 420,000
11-06	Half Moon Bay Tank #3 Interior & Exterior Recoat	moved from FY 19/30; increased cost from \$200K					\$ 20,000	\$ 400,000					\$ 420,000
13-08	Crystal Springs Spare 350 HP Motor						\$ 60,000						\$ 60,000
16-08	New Denniston Well #2	moved from FY 17/18			\$ 100,000								\$ 100,000
18-XX	CSP Air Relief Valves	new	\$ 40,000										\$ 40,000
18-XX	CSP Spare 500 Pump Rehabilitation	new	\$ 30,000										\$ 30,000
18-XX	CSP Fire System	new		\$ 40,000									\$ 40,000
18-XX	Denniston Tank THM Control (Mixer & Blower)	new	\$ 80,000										\$ 80,000
18-XX	CSP -- (3) Butterfly Valves	new		\$ 45,000									\$ 45,000
18-XX	EG #2 Tank Chlorination System (Residual control system)	new		\$ 50,000									\$ 50,000
18-XX	CSP Communications	new	\$ 50,000										\$ 50,000

Pump Stations/Tanks/Wells Totals \$ 330,000 \$ 1,960,000 \$ 120,000 \$ 400,000 \$ 80,000 \$ 400,000 \$ - \$ - \$ - \$ - \$ 3,290,000

Water Supply Development

12-12	San Vicente Diversion and Pipeline	moved out 1 year			\$ 300,000	\$ 1,000,000	\$ 1,000,000						\$ 2,300,000
13-04	Denniston Reservoir Restoration				\$ 1,000,000								\$ 1,000,000
17-12	Recycled Water Project Development		\$ 100,000										\$ 100,000

Water Supply Development Totals \$ 100,000 \$ - \$ 1,300,000 \$ 1,000,000 \$ 1,000,000 \$ - \$ - \$ - \$ - \$ 3,400,000

Water Treatment Plants

08-07	Nunes Filter Valve Replacement	cost increase (was \$30K/yr)		\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000					\$ 225,000
13-05	Denniston WTP Emergency Power	moved from FY 18/19							\$ 500,000				\$ 500,000
17-01	Nunes Water Treatment Plant Treated Water Meter	moved from FY 16/17			\$ 100,000								\$ 100,000
17-04	Denniston Dam Spillway Repairs		\$ 90,000										\$ 90,000
18-XX	Denniston Heater	new	\$ 15,000										\$ 15,000
18-XX	Nunes Treatment Plant Improvements - Study (Filter 5, Filter Coating, etc.)	new	\$ 100,000										\$ 100,000
18-XX	Nunes Bulk Caustic Tank	new	\$ 40,000										\$ 40,000
99-05	Denniston Maintenance Dredging		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 350,000

Water Treatment Plants Totals \$ 280,000 \$ 80,000 \$ 180,000 \$ 80,000 \$ 80,000 \$ 80,000 \$ 535,000 \$ 35,000 \$ 35,000 \$ 35,000 \$ 1,420,000

GRAND TOTAL \$ 3,763,000 \$ 3,708,000 \$ 2,098,000 \$ 2,633,000 \$ 4,213,000 \$ 3,133,000 \$ 2,488,000 \$ 1,688,000 \$ 4,683,000 \$ 1,683,000 \$ 30,090,000

MEMO - Prior CIP \$ 1,968,000 \$ 3,293,000 \$ 3,898,000 \$ 2,188,000 \$ 2,588,000 \$ 2,308,000 \$ 2,718,000 \$ 1,620,000 \$ 4,615,000
Difference \$ 1,795,000 \$ 415,000 \$ (1,800,000) \$ 445,000 \$ 1,625,000 \$ 825,000 \$ (230,000) \$ 68,000 \$ 68,000

5 year change \$ 2,480,000 5 year average \$ 3,283,000

Alves/other tank cost increases \$ 1,220,000
Moved up Pilarcitos Canyon \$ 750,000
Moved HMB 2" replacement from 16/17 \$ 500,000
AMI installation (net change) \$ 160,000
Hwy 1 S cost decrease \$ (800,000)
New projects/other \$ 650,000
\$ 2,480,000

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: April 11, 2017

Report

Date: April 7, 2017

Subject: FY 2017/18 to FY 2021/22 Financing Plan and Proposed Water Rate Increase; Cost-of-Service Analysis

Recommendation:

No Board action required at this time.

Background:

Financing Plan

The District utilizes a multi-year financing model (recently updated by the District's Rate Consultants, HF&H Consultants (HF&H) and considered to be an industry standard approach) to evaluate the impact of its rate increases on the financial reserves of the District. In a presentation to the Board, staff and HF&H will review the model (Exhibit A), focusing on HF&H's attached report, "Water Rate Update FY 2017/18" (Exhibit B). The report summarizes the series of rate increases needed to fund District operating expenses and capital improvement program and to build and maintain an adequate level of reserves.

As discussed in last year's financing plan discussions and as recommended by HF&H, the District should target a Cash Reserve Balance at the beginning of the fiscal year to include:

- 25% of Operating Expenses (for ongoing cashflow requirements; equal to 1 ½ billing cycles (90 days); *(approximately \$2.1M)*); *plus*
- 100% of annual Debt Service payments (*\$1.1M*); *plus*
- 100% of the year's "Pay as you go" Capital Improvement Projects (*averages \$3.3M per year over next five years*)

For a total of nearly \$6.5M in targeted cash reserves for FY 2017/18.

Although the District's projected cash reserves at the end of FY 2016/17 (at \$4.6M) will still be \$1.9M short of the ideal target of \$6.5M, cash reserves will have increased approximately \$2M over the prior year-end cash balance primarily due to 1) financing a significant portion of its capital improvements with debt financing vs. from revenue during the year; 2) implementing a 10% rate increase on 7/1/16;

and 3) realizing operating expense savings, particularly given increased use of local water sources vs. SFPUC.

Given the increase in cash reserves during FY 2016/17, and based on the draft FY 2017/18 Operations Budget and draft FY 2017/18 to FY 2026/27 CIP, staff recommends a moderate increase of 5% on the consumption quantity charge and 0% on the base charge, resulting in an overall increase in revenue of 3.9%. The rate increase will result in a small dip in cash reserves in FY 2017/18 (given timing of capital spending between FY 2016/17 and FY 2017/18) but should keep the District on course to continue to increase its cash reserve balances over the next five years.

Cost-of-Service Analysis

In developing the FY 2015/16 budget, the District retained HF&H to evaluate the District's rate structure and to develop cost-of-service-based rates which would comply with the substantive requirements of Proposition 218 as interpreted by the courts, including the April 2015 Appellate Court decision in *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano*. Following recommendations in the HF&H analysis detailed in a report dated May 8, 2015 and presented to the Board at its May 12, 2015 meeting, the District implemented significant changes to its rate structure that resulted in a realignment of the tier breakpoints to reflect service cost allocations. The revised rate structure went into effect July 1, 2015.

The District retained HF&H in 2016 in preparing the FY 2016/17 cost-of-service analysis and rate proposal, and again in 2017 in preparing the FY 2017/18 cost of service analysis and rate proposal. HF&H determined that the methodology and cost of service allocations used in the FY 2015/16 budget are still applicable. Therefore, staff proposes to apply the FY 2017/18 proposed 5% rate increase uniformly across the District's consumption quantity charges given:

- Budgeted FY 2017/18 operating expenses differ by only 2% from the expenses used as the basis for the FY 2015/16 cost-of-service analysis.
- The decline in water sales accounting since FY 2015/16 for the majority of the overall rate increase results from increased conservation across all District customer classes.
- Allocation of FY 2017/18 capital cost funding resulting from the uniform rate increase would be consistent with the FY 2015/16 cost-of-service analysis because the allocation factors have not changed significantly.

In addition, HF&H noted that "the District can hold its base charges where they currently are and remain compliant with Proposition 218 because the resulting

STAFF REPORT

Agenda: April 11, 2017

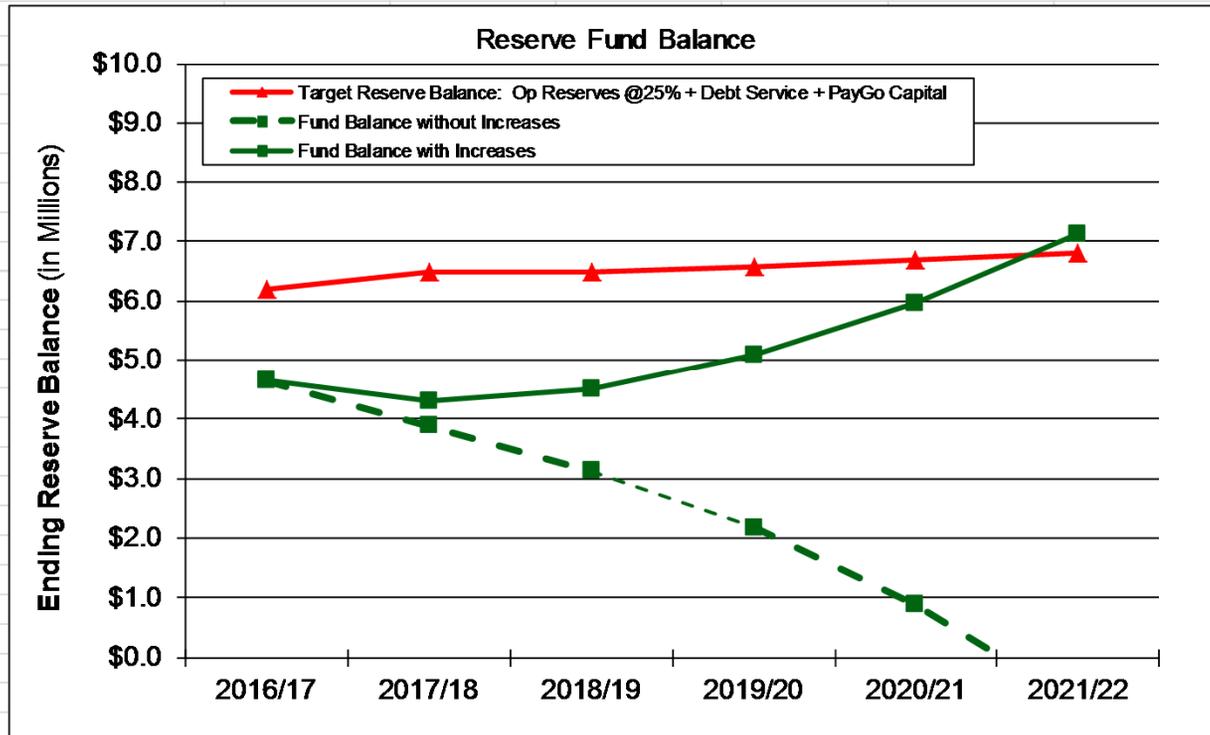
Subject: Draft FY 2017-2018 Financing Plan/Water Rate Update

Page 3

charge is proportionate to the cost of providing service. By not increasing the base service charge and only increasing the quantity charge, cost recovery from the fixed charges shifts slightly to the variable charges without disproportionate effect on customer bills because all customers are treated equally.”

EXHIBIT A

Coastside County Water District							
Water Rate Analysis							
Table 1. Summary		Approved Budget	Projections				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
			▲ ▼	▲ ▼	▲ ▼	▲ ▼	▲ ▼
Base Charge Revenue Changes			%	5%	5%	5%	5%
			▲ ▼	▲ ▼	▲ ▼	▲ ▼	▲ ▼
Quantity Charge Revenue Changes			5%	5%	5%	5%	5%



Note: model uses average CIP of \$3.3M per year



COASTSIDE COUNTY WATER DISTRICT

WATER RATE UPDATE – FY 2017-18

DRAFT

April 11, 2017



HF&H Consultants, LLC

DRAFT

COASTSIDE COUNTY WATER DISTRICT

766 Main Street
Half Moon Bay, CA 94019



WATER RATE UPDATE – FY 2017-18

April 11, 2017

HF&H CONSULTANTS, LLC

201 North Civic Drive, Suite 230
Walnut Creek, CA 94596



© HF&H CONSULTANTS, LLC All rights reserved.

DRAFT



HILTON FARNKOPF & HOBSON

HF&H CONSULTANTS, LLC

Managing Tomorrow's Resources Today

201 North Civic Drive, Suite 230
Walnut Creek, California 94596
Tel: (925) 977-6950
Fax: (925) 977-6955
hfh-consultants.com

Robert D. Hilton, CMC
John W. Farnkopf, PE
Laith B. Ezzet, CMC
Richard J. Simonson, CMC
Marva M. Sheehan, CPA
Robert C. Hilton, CMC

April 11, 2017

Mr. David Dickson
General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, California 94019

Subject: Water Rate Update - FY 2017-18

Dear Mr. Dickson:

HF&H is pleased to submit this water rate update of the Coastside County Water District's (District) FY 2017-18 rates. The report summarizes the analysis that was conducted to develop the proposed rates.

The District has demonstrated leadership in improving rate payer equity during a time when costs are increasing in compliance with regulatory mandates. It has been a privilege to assist the District with this step forward.

Very truly yours,

HF&H CONSULTANTS, LLC

John W. Farnkopf, P.E., Senior Vice President
Richard J. Simonson., Vice President

DRAFT

TABLE OF CONTENTS

SECTION 1. EXECUTIVE SUMMARY.....	1
1.1 Findings and Recommendations	1
SECTION 2. REVENUE REQUIREMENT PROJECTIONS	4
2.1 Operating and Capital Expense Projections	4
Operating Expenses	4
Capital Expenses.....	4
2.2. Reserve Funds	5
2.3 Total Revenue Requirements.....	6
2.4 Revenue Increases	7
SECTION 3. RATE MODIFICATIONS AND BILL IMPACTS.....	9
3.1 Current Rates	9
3.2 Rate Structure Modifications.....	10
3.3 Proposed FY 2017-18 Rates (effective July 1, 2017).....	10
3.4 Residential Bill Comparison	11

TABLE OF FIGURES

Figure 1-1. FY 2017-18 Projected Operating Deficit	1
Figure 1-2. Current and Proposed Rates (effective 7/1/2017)	2
Figure 1-3. Annual Projected Rate and Revenue Increases	3
Figure 1-4. Projected Fund Balance at Year End	3
Figure 2-1. Capital Improvement Project Summary	5
Figure 2-2. Projected Revenue Requirements and Revenue at Current Rates	6
Figure 2-3. Revenue Increases.....	7
Figure 2-4. Projected Fund Balance at Year End	8
Figure 3-1. Current Base Service and Quantity Charges.....	9
Figure 3-2. Current and Proposed Rates (eff. 7/1/2017).....	11
Figure 3-3. Residential Bill Comparison	12

ACRONYMS

FY	Fiscal Year
CCF or HCF	Hundred cubic feet of metered water sold; 748 gallons; a cube of water 4.6 feet on edge
EMU	Equivalent metered unit
GPD	Gallons per Day
GPCD	Gallons per Capita per Day
O&M	Operations and Maintenance
PAYGo	Pay-As-You-Go, in reference to funding capital improvements from cash rather than from borrowed sources of revenue
SFPUC	San Francisco Public Utilities Commission
SWRCB	State Water Resources Control Board

ACKNOWLEDGEMENTS

District Board

Glenn Reynolds, President
Bob Feldman, Vice President
Arnie Glassberg, Board Director
Ken Coverdell, Board Director
Chris Mickelsen, Board Director

District Staff

Dave Dickson, General Manager
Mary Rogren, Assistant General Manager

HF&H Consultants

John Farnkopf, Sr. Vice President
Rick Simonson, Vice President

LIMITATIONS

This document was prepared solely for Coastside County Water District in accordance with the contract between the District and HF&H and is not intended for use by any other party for any other purpose.

In preparing this analysis, we relied on information and instructions from the District, which we consider to be accurate and reliable and did not independently verify.

Rounding differences caused by stored values in electronic format may exist.

This document addresses relevant laws, regulations, and court decisions but should not be relied upon as legal advice. Questions concerning the interpretation of legal authorities referenced in this document should be referred to a qualified attorney.

DRAFT

SECTION 1. EXECUTIVE SUMMARY

In preparing this water rate update, expenses, revenues, and reserves were projected for a five-year financial planning period from FY 2017-18 through FY 2021-22, with the understanding that the Board will consider and potentially act on proposed rate increases for only the first year of the financial planning period, FY 2017-18. Based on these projections, annual rate increases (effective July 1 of each year through 2021) were derived to meet the funding requirements.

The following findings and recommendations were made.

1.1 Findings and Recommendations

- 1. Projected FY 2017-18 Operating Shortfall.** The revenue from existing rates is insufficient to cover the District’s projected operating and capital needs. Without a rate increase, the \$773,018 projected operating deficit would reduce the District’s operating and capital reserve fund balance to \$3,867,498. In other words, an approximate 7.4% increase in revenue is required to avoid reducing the District’s fund balance.

Figure 1-1. FY 2017-18 Projected Operating Deficit

FY 2017-18	
Revenue Requirement	\$12,609,223
Non-Operating Revenue	<u>(\$1,377,174)</u>
Net Revenue Requirement	\$11,232,048
Revenue from Current Rates	\$10,459,030
Surplus/(Deficit)	(\$773,018) -7.4%
District Fund Balance	
Beginning Balance	\$4,640,516
Surplus/(Deficit)	<u>(\$773,018)</u>
EOY Fund Balance	\$3,867,498
<i>Target EOY Fund Balance</i>	<i>\$6,475,328</i>

- 2. Recent Rate Increases.** As a result of increasing capital costs and decreasing revenue from decreasing water sales (the result of successful conservation efforts during the recent drought), the District needed to increase rates by double-digit figures in recent years, 24% in July 2015 and 10% in July 2016.

- Proposed Rates (effective 7/1/2017).** Given the recent high rate increases and much improved local and imported water supply conditions, which has stabilized water demand (i.e., it is no longer decreasing), the District’s fund balance has increased. The increased fund balance can accommodate increasing rates something less than the 7.4% projected deficit. Working with District staff, we developed a financial plan that results in no increase in the base service charge and a 5% increase in the quantity charges, as shown in **Figure 1-2**.

Figure 1-2. Current and Proposed Rates (effective 7/1/2017)

Base Service Charge						
Meter Size	Bi-Monthly Billing		Monthly Billing			
	Current	Proposed	Current	Proposed		
		No Increase		No Increase		
5/8"	\$52.20	\$52.20	\$26.10	\$26.10		
5/8" for 2 dwelling units	\$104.39	\$104.39	\$52.20	\$52.20		
3/4"	\$78.45	\$78.45	\$39.23	\$39.23		
3/4 inch for 2 dwelling units	\$156.89	\$156.89	\$78.45	\$78.45		
1"	\$130.76	\$130.76	\$65.38	\$65.38		
1.5"	\$252.52	\$252.52	\$126.26	\$126.26		
2"	\$418.48	\$418.48	\$209.24	\$209.24		
3"	\$915.50	\$915.50	\$457.75	\$457.75		
4"	\$3,139.22	\$3,139.22	\$1,569.61	\$1,569.61		

Quantity Charge						
Residential	HCF	Bi-Monthly Billing		Monthly Billing		
		Current	Proposed	HCF	Current	Proposed
			5% Increase			5% Increase
Tier 1	1 to 4	\$9.19	\$9.65	1 to 2	\$9.19	\$9.65
Tier 2	5 to 16	\$10.26	\$10.77	3 to 8	\$10.26	\$10.77
Tier 3	17 to 30	\$13.23	\$13.89	9 to 15	\$13.23	\$13.89
Tier 4	Over 30	\$17.53	\$18.41	Over 15	\$17.53	\$18.41
Non-Residential	per HCF	\$11.31	\$11.88	per HCF	\$11.31	\$11.88

- Residential Bill Impact (effective 7/1/2017).** Increases in residential bills vary depending on the customer’s meter size and the amount of water use. The average residential customer has a 5/8” meter and uses 10 HCF during a bi-monthly period. The bill for using 10 HCF will increase \$4.90 for the bi-monthly period (or \$2.45 per month). If a customer uses less than 10 HCF, the bill impact will be less than \$2.45 per month and more if they use more than 10 HCF in a bi-monthly period.
- Five-Year Financial Planning.** The proposed rates are part of a five-year projection, but the District is considering, and potentially acting on, only the rates to be effective July 1, 2017. **Figure 1-3** summarizes the projected rate

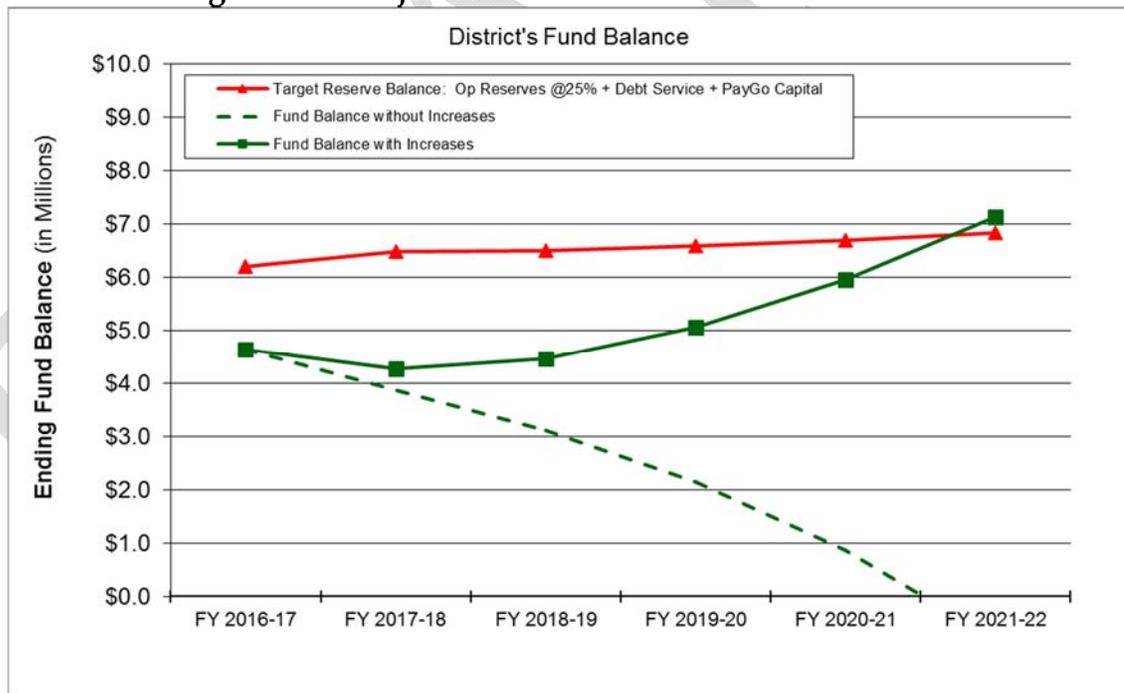
increases for the base and quantity charge over the full five-year planning period.

Figure 1-3. Annual Projected Rate and Revenue Increases

Date of Increase	Base Charge Increase	Quantity Charge Increase	Total Revenue Increase
July 1, 2017	0.0%	5.0%	3.9%
July 1, 2018	5.0%	5.0%	5.0%
July 1, 2019	5.0%	5.0%	5.0%
July 1, 2020	5.0%	5.0%	5.0%
July 1, 2021	5.0%	5.0%	5.0%

- Reserve Fund Balance (Figure 1-4).** With the recommended rate increases, in **Figure 1-3**, the District’s reserve fund balance (solid green line) will achieve the District’s reserve target (discussed in detail in **Section 2.2**) by FY 2021-22.

Figure 1-4. Projected Fund Balance at Year End



SECTION 2. REVENUE REQUIREMENT PROJECTIONS

To determine whether additional rate revenue is required, projected operating expenses, and capital expenses are compared with projected revenue from current rates. Annual surpluses and deficits are then applied to the reserve funds. Rates are then increased so that the expenses are covered and reserves are maintained.

2.1 Operating and Capital Expense Projections

The District's FY 2017-18 budget served as the basis for determining the operating and capital expense projections. The FY 2017-18 budgeted operating and maintenance (O&M) expenses were projected through FY 2020-21 using appropriate escalation factors. Capital expenses are projected based on the District's current capital improvement program. The operating and capital expense projections are noteworthy in the following respects:

Operating Expenses

O&M Expenses – General operating and maintenance expenses to operate the water system (i.e., salaries and benefits, utility costs, administrative support, etc.) are generally projected to increase during the planning period at the rate of inflation.

SFPUC water purchases – The cost to purchase water from the SFPUC is projected to decrease slightly in FY 2017-18 and FY 2018-19 as the District plans to increase the local water supply (i.e., Pilarcitos Well and Denniston project) which will reduce the need for water purchases from the SFPUC. In addition, the SFPUC wholesale cost of water is not expected to increase until July 1, 2019 based on recent financial analysis by the SFPUC.

Capital Expenses

Capital projects – The District's capital expenses are summarized by category in Figure 2-1. The District's annual budgeted capital expenditures range from \$2.1 million to \$4.2 million during the modeling period. On average, the District expects to spend approximately \$3.283 million annually on these projects. The District plans to fund these capital improvements on a pay-as-you-go (PAYGo) basis without issuing debt.

Debt service – Debt service is flat (approximately \$1.1 million per year) during the planning period as the District does not plan on issuing new debt to fund the capital projects.

Figure 2-1. Capital Improvement Project Summary

Category	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Equipment Purchase & Replacement	398,000	148,000	218,000	88,000	88,000
Facilities & Maintenance	1,525,000	95,000	95,000	65,000	65,000
Pipeline Projects	1,130,000	1,425,000	185,000	1,000,000	2,900,000
Pump Stations/Tanks/Wells	330,000	1,960,000	120,000	400,000	80,000
Water Supply Development	100,000	-	1,300,000	1,000,000	1,000,000
Water Treatment Plants	280,000	80,000	180,000	80,000	80,000
Total	\$3,763,000	\$3,708,000	\$2,098,000	\$2,633,000	\$4,213,000

2.2. Reserve Funds

In addition to covering annual expenses, base and quantity charges need to generate sufficient revenue to maintain adequate operating and capital reserves. It is the District’s practice to maintain a single operating and capital reserve fund. For purposes of rate making, we have subdivided the reserves into operating, capital, and debt service components. In this way, it is possible to set target balances for each component based on the components’ functions:

- Operating Reserve** – the Operating Reserve provides working capital for month-to-month operating expenditures. With sufficient working capital, the District can operate without cash flow constraints. At a minimum, we recommend an operating reserve that is based on how frequently customers are billed. This frequency establishes the lag between when the District incurs expenses and when it receives revenue from billings. The District currently bills nearly all of its customer’s bi-monthly. In most cases, a rule of thumb used by the California PUC is sufficient for determining the minimum working capital that is needed. The rule states that the allowance for working capital should equal 1.50 times the billing frequency. In the District’s case, this equals three months or 90 days, which is roughly 25% of annual operating revenue. As such, during this five-year planning period, the District’s target operating reserve ranges from \$2.0 to \$2.4 million, as operating costs increase each year.
- Capital Reserve** – the Capital Reserve provides working capital for the District’s capital improvement program. The fund balance needs to be sufficient to at least pay contractors without delays caused by cash flow limitations and can fund larger construction projects on a pay-as-you-go basis from rate revenue only¹, thereby eliminating financing costs. The fund balance can also be larger to provide a measure of self-insurance for emergencies. In the District’s case, we have recommended a capital reserve target of \$3,283,000, which is equal to the District’s average annual capital expenditures based on the PAYGo projects

¹ Projects funded from rate revenue are sometimes referred to as “pay-as-you-go” or “PAYGo” projects. By contrast, debt-funded projects are “pay-as-you-use” projects.

projected over the coming five years (as shown in **Figure 2-1**). This target also provides a buffer from debt service payments, which are highest in July.

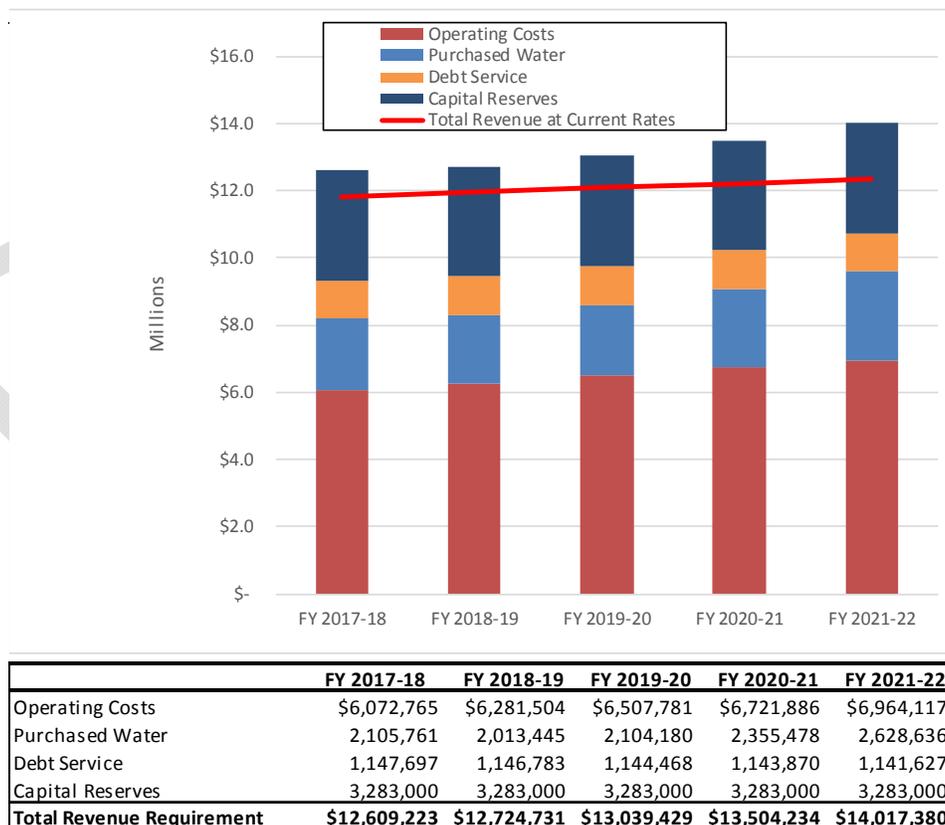
The target capital reserve does not include a margin for emergency contingencies. The District may want to consider an emergency contingency once the current capital reserve target is met, which is projected to occur in FY 2021-22.

- **Debt Service Reserve** – The purpose of a debt service reserve is to provide funding to avoid defaulting on the loan if the District failed to make a loan payment. We recommend maintaining a full year’s loan repayment. As such, the District’s target debt service reserve is \$1.1 million.

2.3 Total Revenue Requirements

The major expenses described above that comprise the revenue requirements are summarized and graphed in **Figure 2-2**. As shown in the graph, current revenues at current rates (solid red line)² are not sufficient to cover the projected revenue requirements.

Figure 2-2. Projected Revenue Requirements and Revenue at Current Rates



² Includes projected annual 1% rebound in water consumption by current customers (beginning FY 2018/19)

2.4 Revenue Increases

The top portion of **Figure 2-3** summarizes the projected revenue requirements (from **Figure 2-2**), revenue from current rates, annual surpluses and deficits, and the fund balance, all before rate increases.

The bottom portion of **Figure 2-3** shows the projected revenue increases to offset future deficits so that the District’s fund balance is maintained at an adequate level and reaches the target balance by the end of the five-year planning period. The revenue increases that are projected would become effective July 1 of each year. This coming year’s rate increase, which is the only rate increase which the District Board is considering, if adopted, will become effective July 1, 2017 and will increase revenue 3.9%. The magnitude of this increase compares favorably to recent increases, an average increase of 24% on July 1, 2015 and a 10% increase on July 1, 2016.

Figure 2-3. Revenue Increases

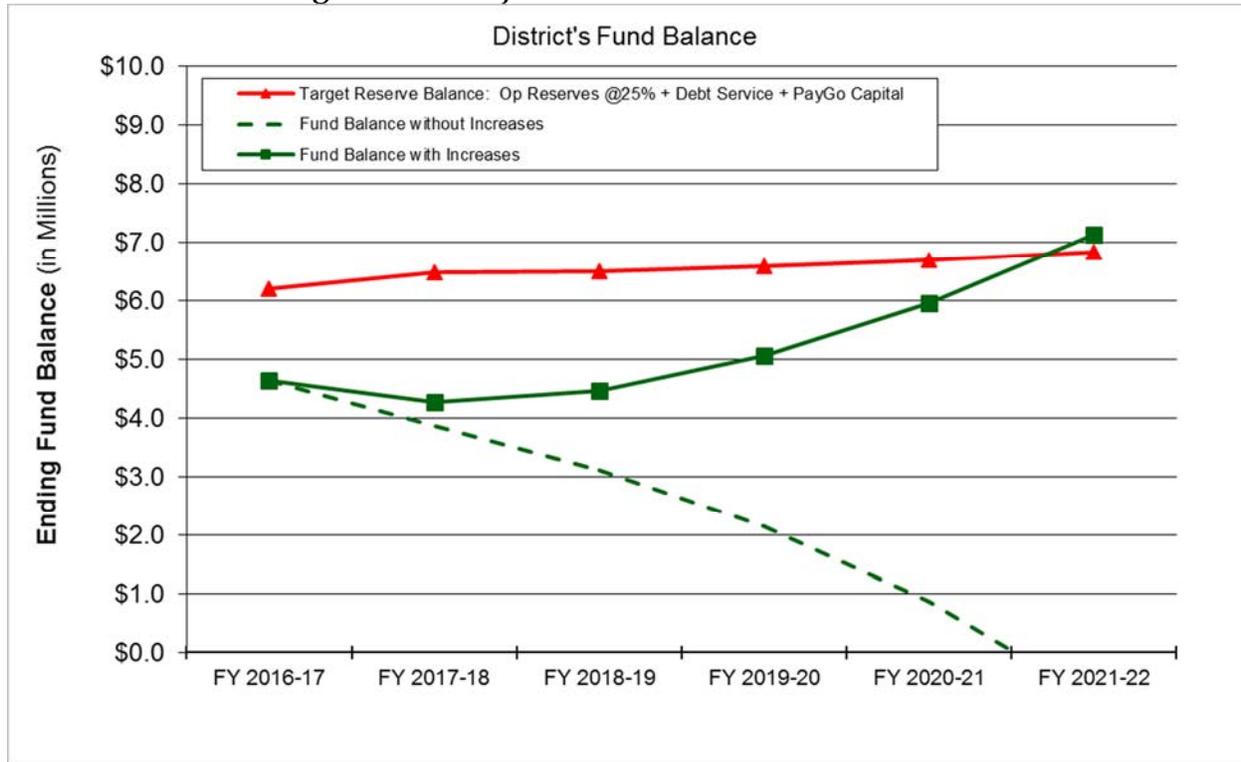
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Revenue Requirement	\$12,609,223	\$12,724,731	\$13,039,429	\$13,504,234	\$14,017,380
Non-Operating Revenue	<u>(\$1,377,174)</u>	<u>(\$1,420,690)</u>	<u>(\$1,465,620)</u>	<u>(\$1,512,014)</u>	<u>(\$1,559,922)</u>
Net Revenue Requirement	\$11,232,048	\$11,304,042	\$11,573,809	\$11,992,220	\$12,457,459
Revenue from Current Rates [1]	\$10,459,030	\$10,540,353	\$10,622,489	\$10,705,447	\$10,789,234
Surplus/(Deficit) <u>without</u> Rate Increase	(\$773,018)	(\$763,689)	(\$951,320)	(\$1,286,773)	(\$1,668,225)
EOY Fund Balance (before increase)	\$3,867,498	\$3,103,809	\$2,152,490	\$865,716	(\$802,509)
Revenue Increase	3.9%	5.0%	5.0%	5.0%	5.0%
Revenue from Increases	\$406,614	\$958,232	\$1,546,108	\$2,172,416	\$2,839,458
Surplus/(Deficit) <u>with</u> Rate Increase <i>Transfer to/(from) Reserves</i>	(\$366,404)	\$194,543	\$594,788	\$885,643	\$1,171,232
EOY Fund Balance (after i increase)	\$4,274,112	\$4,468,656	\$5,063,444	\$5,949,086	\$7,120,319
<i>Target EOY Fund Balance</i>	<i>\$6,204,618</i>	<i>\$6,475,328</i>	<i>\$6,503,520</i>	<i>\$6,580,458</i>	<i>\$6,696,211</i>

[1] Includes projected annual 1% rebound in water consumption by current customers (beginning FY 2018/19)

Figure 2-4 shows the combined fund balance for the Operating, Capital, and Debt Service Reserves compared with the target balance. The line labeled “Total Target Balance” (diamond symbols) is the sum of the target balances for the Operating, Capital, and Debt Service Reserves. The dashed green line shows what the fund balance would be without rate increases. The fund balance drops quickly and would be negative by FY 2021-22.

Figure 2-4 shows the fund balance (solid green line with square symbols) compared with the target balance. **Figure 2-4** indicates that the fund balance achieves the target balance by FY 2021-22, with the projected revenue increases.

Figure 2-4. Projected Fund Balance at Year End



SECTION 3. RATE MODIFICATIONS AND BILL IMPACTS

3.1 Current Rates

The District’s rate payers pay the sum of two charges for water service on a bi-monthly or monthly basis: a base service charge based on the size of the service connection plus a quantity charge based on metered water use during the billing period. The current rates are summarized in **Figure 3-1**.

Figure 3-1. Current Base Service and Quantity Charges

Base Service Charge				
Meter Size	Bi-Monthly		Monthly	
5/8"	\$52.20		\$26.10	
5/8" for 2 dwelling units	\$104.39		\$52.20	
3/4"	\$78.45		\$39.23	
3/4 inch for 2 dwelling units	\$156.89		\$78.45	
1"	\$130.76		\$65.38	
1.5"	\$252.52		\$126.26	
2"	\$418.48		\$209.24	
3"	\$915.50		\$457.75	
4"	\$3,139.22		\$1,569.61	
Quantity Charge				
	Bi-Monthly		Monthly	
	HCF	\$/HCF	HCF	\$/HCF
Residential				
Tier 1	1 to 4	\$9.19	1 to 2	\$9.19
Tier 2	5 to 16	\$10.26	3 to 8	\$10.26
Tier 3	17 to 30	\$13.23	9 to 15	\$13.23
Tier 4	Over 30	\$17.53	Over 15	\$17.53
Non-Residential	per HCF	\$11.31	per HCF	\$11.31

The base service charges are the same regardless of customer class. In other words, the base service charge for a meter of a given size is the same for all meters of that size regardless of which class of customer is served. The residential quantity charges are tiered and the non-residential quantity charge is a uniform, un-tiered rate.

Residential customers pay tiered consumption charges, also referred to as “increasing block rates.” The current residential increasing block rates comprise four tiers. Residential customers pay rates for successive ranges of consumption (tier or block). The rate in each tier increases as consumption increases in proportion to the increasing cost of serving higher levels of demand, which place burdens on the capacity of the

infrastructure as well as on the sources of supply. The total quantity charge is the sum of the consumption in each tier multiplied times the corresponding rate in each tier.

3.2 Rate Structure Modifications

In 2015, HF&H assisted the District in updating its rate structure by performing a cost-of-service analysis to ensure that its rates allocated costs to each customer class in proportion to each class' demand on the District's facilities. Within the residential class, the quantity charges were restructured to conform to the cost of providing service across the tiers.

This realignment should remain accurate for several years unless there are significant changes in the relative demands among customer classes or residential tiers, or changes in significant costs.

A review of the District's actual water use by customer class over the past couple years does not indicate a significant change; therefore, we do not recommend modifying the rate structure at this time.

The percentage increases that are recommended this year shall be applied equally, across-the-board to all meter sizes for the base service charges and applied equally, across-the-board to the quantity charges.

3.3 Proposed FY 2017-18 Rates (effective July 1, 2017)

As shown in **Figure 2-4**, to maintain the District's current reserve balance, revenues need to increase 7.3%, effective July 1, 2017. Though the District's reserve balance is not currently at the recommended target level, there are reserves available to increase revenues by 3.9% in FY 2017-18, instead of 7.3%.

The 3.9% increase in revenue can be achieved with a 5% increase in both residential and non-residential quantity charges and no increase in the base charges. Holding the base service charge at the current level benefits all customers regardless of class. The District can hold its base charges where they currently are and remain compliant with Proposition 218 because the resulting charge is proportionate to the cost of providing service. By not increasing the base service charge and only increasing the quantity charge, cost recovery from the fixed charges shifts slightly to the variable charges without disproportionate effect on customer bills because all customers are treated equally. The resulting bi-monthly and monthly rates for FY 2017-18, effective July 1, 2017, are shown in **Figure 3-2**.

Figure 3-2. Current and Proposed Rates (eff. 7/1/2017)

Base Service Charge						
<u>Meter Size</u>	<u>Bi-Monthly Billing</u>			<u>Monthly Billing</u>		
	<u>Current</u>	<u>Proposed</u>	No Increase	<u>Current</u>	<u>Proposed</u>	No Increase
5/8"	\$52.20	\$52.20		\$26.10	\$26.10	
5/8" for 2 dwelling units	\$104.39	\$104.39		\$52.20	\$52.20	
3/4"	\$78.45	\$78.45		\$39.23	\$39.23	
3/4 inch for 2 dwelling units	\$156.89	\$156.89		\$78.45	\$78.45	
1"	\$130.76	\$130.76		\$65.38	\$65.38	
1.5"	\$252.52	\$252.52		\$126.26	\$126.26	
2"	\$418.48	\$418.48		\$209.24	\$209.24	
3"	\$915.50	\$915.50		\$457.75	\$457.75	
4"	\$3,139.22	\$3,139.22		\$1,569.61	\$1,569.61	

Quantity Charge						
<u>Residential</u>	<u>HCF</u>	<u>Bi-Monthly Billing</u>		<u>Monthly Billing</u>		
		<u>Current</u>	<u>Proposed</u>	<u>HCF</u>	<u>Current</u>	<u>Proposed</u>
			5% Increase			5% Increase
Tier 1	1 to 4	\$9.19	\$9.65	1 to 2	\$9.19	\$9.65
Tier 2	5 to 16	\$10.26	\$10.77	3 to 8	\$10.26	\$10.77
Tier 3	17 to 30	\$13.23	\$13.89	9 to 15	\$13.23	\$13.89
Tier 4	Over 30	\$17.53	\$18.41	Over 15	\$17.53	\$18.41
Non-Residential	per HCF	\$11.31	\$11.88	per HCF	\$11.31	\$11.88

3.4 Residential Bill Comparison

Figure 3-3 compares the residential customer bills for the current and proposed rates across a range of consumption. The bills include both the base service charge (assuming a 5/8" meter)³ and the quantity charges. An average residential customer uses 10 HCF during a bi-monthly period. Comparing the current bill and proposed bill for using 10 HCF, shows the average bill will increase \$4.90 for the bi-monthly period (or \$2.45 per month).

³ 96% of residential customers have a 5/8" meter

Figure 3-3. Residential Bill Comparison

Tier	Water Use		Bi-Monthly Bills (5/8" Service)		\$ Difference
	HCF/mo	Gal/Day	Current	Proposed 7/1/2017	
Tier 1	0	0	\$52.20	\$52.20	\$0.00
	1	12	\$61.39	\$61.85	\$0.46
	2	25	\$70.58	\$71.50	\$0.92
	3	37	\$79.77	\$81.15	\$1.38
	4	50	\$88.96	\$90.80	\$1.84
Tier 2	5	62	\$99.22	\$101.57	\$2.35
	6	75	\$109.48	\$112.34	\$2.86
	7	87	\$119.74	\$123.11	\$3.37
	8	100	\$130.00	\$133.88	\$3.88
	9	112	\$140.26	\$144.65	\$4.39
	10	125	\$150.52	\$155.42	\$4.90
	11	137	\$160.78	\$166.19	\$5.41
	12	150	\$171.04	\$176.96	\$5.92
	13	162	\$181.30	\$187.73	\$6.43
	14	175	\$191.56	\$198.50	\$6.94
	15	187	\$201.82	\$209.27	\$7.45
	16	199	\$212.08	\$220.04	\$7.96
	Tier 3	17	212	\$225.31	\$233.93
18		224	\$238.54	\$247.82	\$9.28
19		237	\$251.77	\$261.71	\$9.94
20		249	\$265.00	\$275.60	\$10.60
21		262	\$278.23	\$289.49	\$11.26
22		274	\$291.46	\$303.38	\$11.92
23		287	\$304.69	\$317.27	\$12.58
24		299	\$317.92	\$331.16	\$13.24
25		312	\$331.15	\$345.05	\$13.90
26		324	\$344.38	\$358.94	\$14.56
27		337	\$357.61	\$372.83	\$15.22
28		349	\$370.84	\$386.72	\$15.88
29		362	\$384.07	\$400.61	\$16.54
30		374	\$397.30	\$414.50	\$17.20
Tier 2	31	386	\$414.83	\$432.91	\$18.08
	32	399	\$432.36	\$451.32	\$18.96
	33	411	\$449.89	\$469.73	\$19.84
	34	424	\$467.42	\$488.14	\$20.72
	35	436	\$484.95	\$506.55	\$21.60
	36	449	\$502.48	\$524.96	\$22.48
	37	461	\$520.01	\$543.37	\$23.36
	38	474	\$537.54	\$561.78	\$24.24
	39	486	\$555.07	\$580.19	\$25.12
	40	499	\$572.60	\$598.60	\$26.00

DRAFT

DRAFT



HF&H Consultants, LLC
201 N. Civic Drive, Suite 230
Walnut Creek, CA 94596

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: April 11, 2017

Report Date: April 7, 2017

Subject: Schedule a Public Hearing on Proposed Rate Increase and Authorize Issuance of a Notice of Public Hearing and Proposed Rate Increase

Recommendation:

Schedule a Public Hearing for Tuesday, June 13, 2017 on the proposed rate increase and authorize Staff to issue a Notice of Public Hearing for the proposed rate increase.

Background:

In order to comply with the requirements of Proposition 218, the recommended Board action would authorize issuance of a notice of a rate increase (draft attached*) and schedule a public hearing for June 13, 2017. Following the public hearing, the Board can approve the budget and adopt the rate increase. If a majority of affected property owners submit written protests, the rate increase cannot be adopted.

(* draft includes a rate increase up to 5% on the consumption quantity charges and 0% on the base charges. These %'s will be adjusted according to the Board recommended increase discussed during the Board meeting.)



NOTICE OF PUBLIC HEARING

PROPOSED 2017-2018 RATE INCREASES FOR WATER SERVICES

APRIL 17, 2017

Dear Property Owner/Customer,

NOTICE IS HEREBY GIVEN that the Coastside County Water District (CCWD) Board of Directors will hold a public hearing to consider a proposed increase of up to 5% in the District's Water Consumption Quantity charges, and 0% on the Base Charge as shown in the schedule below. The overall revenue increase for the District is projected to be 3.9%. If approved, the new rates will apply to meter readings on and after July 1, 2017. Under the proposed new rates, the typical residential customer using 10 units bi-monthly (Tier 2) would pay an additional \$2.45 per month.

# units used	Current Bill	Proposed Bill	Additional Cost Bi-Monthly	Additional Cost Per Month
4	\$ 88.96	\$ 90.80	\$ 1.84	\$ 0.92
10	\$ 150.52	\$ 155.42	\$ 4.90	\$ 2.45
25	\$ 331.15	\$ 345.05	\$ 13.90	\$ 6.95

The proposed rate increase is necessitated due to inflationary adjustments in operating expenses; funding of the District's Capital Improvement Program; and increased contributions to the District's reserves.

The basis for the proposed increase in rates is set forth in the Water Rate Update report prepared by the District's rate consultant, HF&H Consultants, LLC. In addition, the Draft CCWD Fiscal Year 2017-2018 Operations and Maintenance Budget and Fiscal Year 17/18 to Fiscal Year 26/27 Capital

Improvement Program describe the anticipated revenues and expenses in further detail. Copies of the Water Rate Update, Budget, and Capital Improvement Program are available at the District office or online at www.coastsidewater.org.

ATTEND THE PUBLIC HEARING:
Tuesday, June 13, 2017 - Meeting begins at 7:00 PM
COASTSIDE COUNTY WATER DISTRICT OFFICE
766 Main Street, Half Moon Bay, CA 94019

YOU CAN BE HEARD: Proposition 218 allows a property owner/customer responsible for paying the water bill to respond to proposed rate increases prior to the close of the public hearing. If you wish to protest the proposed rate changes, CCWD must receive your **written protest** prior to the close of, or during, the public hearing on Tuesday, June 13, 2017 at 7:00 PM.

You may deliver your protest at the public hearing, or you can deliver the protest in advance by first class mail or personal delivery to: *Attention: General Manager, Coastside County Water District, 766 Main Street, Half Moon Bay, CA 94019*

Email protests will not be accepted

For your protest to be counted, please include one of the following: address(es) or Assessor Parcel Number(s) of the property(ies) you own, or the utility account number(s) for active utility accounts that are subject to the proposed rate adjustment(s). Protests are limited to one per parcel. If written protests are submitted by a majority of the affected property owners/customers responsible for paying the water bill, the proposed rate increases will not be imposed.

COASTSIDE COUNTY WATER DISTRICT FY 2017- 2018 PROPOSED AMENDMENTS TO WATER RATE SCHEDULE

RESIDENTIAL & OTHER CUSTOMERS – BASE CHARGE (Proposed – No Change in Base Charge)

Meter Size	Current Bi-monthly Base Charge	Proposed Bi-monthly Base Charge	Current Monthly Base Charge	Proposed Monthly Base Charge
5/8 inch	\$52.20	\$52.20	\$26.10	\$26.10
5/8 inch for 2 dwelling units	\$104.39	\$104.39	\$52.20	\$52.20
3/4 inch	\$78.45	\$78.45	\$39.23	\$39.23
¾ inch for 2 dwelling units	\$156.89	\$156.89	\$78.45	\$78.45
1.0 inch	\$130.76	\$130.76	\$65.38	\$65.38
1.5 inch	\$252.52	\$252.52	\$126.26	\$126.26
2.0 inch	\$418.48	\$418.48	\$209.24	\$209.24
3.0 inch	\$915.50	\$915.50	\$457.75	\$457.75
4.0 inch	\$3,139.22	\$3,139.22	\$1,569.61	\$1,569.61

FIRE DETECTOR CHECK VALVE – SERVICE CHARGE

Current –Per Inch Bi-Monthly	Proposed –Per Inch Bi-Monthly	Current –Per Inch Monthly	Proposed Per Inch Monthly
\$11.43	\$12.00	\$5.72	\$6.00

RESIDENTIAL CUSTOMERS - WATER CONSUMPTION QUANTITY CHARGE

Tier #	BI-MONTHLY QUANTITY CHARGE			MONTHLY QUANTITY CHARGE		
	Rate Tiers Bi-monthly Use	Current Water Quantity Charge Per Unit Bi-Monthly	Proposed Water Quantity Charge Per Unit Bi-Monthly	Rate Tiers Monthly Use	Current Water Quantity Charge Per Unit Monthly	Proposed Water Quantity Charge Per Unit Monthly
1	1 – 4 Units	\$9.19	\$9.65	1 - 2 Units	\$9.19	\$9.65
2	5 – 16 Units	\$10.26	\$10.77	3 - 8 Units	\$10.26	\$10.77
3	17 – 30 Units	\$13.23	\$13.89	9 - 15 Units	\$13.23	\$13.89
4	31+ Units	\$17.53	\$18.41	16+ Units	\$17.53	\$18.41

One Unit of water equals 100 cubic feet or 748 gallons

ALL OTHER CUSTOMERS - WATER CONSUMPTION QUANTITY CHARGE

Current Rate: \$ 11.31 per unit **Proposed Rate: \$ 11.88 per unit**

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: April 11, 2017

Report

Date: April 4, 2017

Subject: Professional Services Agreement with Analytical Environmental Services for Pilarcitos Canyon Pipeline Replacement Project Mitigated Negative Declaration

Recommendation:

Authorize the General Manager to execute a Professional Services Agreement with Analytical Environmental Services (AES) for preparation of a Mitigated Negative Declaration and other permitting assistance for the Pilarcitos Canyon Pipeline Replacement Project for a cost not to exceed \$97,175.

Background:

The District's original Pilarcitos Canyon Pipeline, built in 1948 to convey Pilarcitos Reservoir water from Stone Dam into the District's system, failed in the Summer of 2012, and District staff determined that the age, condition, and location of the pipeline made repair infeasible. Under an agreement with SFPUC, the District installed a temporary replacement pipeline in 2013, with the understanding that CCWD would plan, design, and construct a permanent replacement. Working in cooperation with SFPUC, we have completed the design for the new Pilarcitos Canyon Pipeline.

District staff presented our Pilarcitos Canyon Pipeline Replacement Project to SFPUC's Project Review Committee on January 25, 2017. The Committee identified a number of requirements CCWD must meet, including preparing an environmental review document as the lead agency under the California Environmental Quality Act (CEQA).

In order to prepare the CEQA document, which we anticipate will be a mitigated negative declaration, and to obtain assistance with other permits required for the project, staff solicited the attached proposal from AES, the consultant who prepared the Denniston/San Vicente EIR. The total estimated cost of the services proposed, which AES will bill on a time-and-materials basis, is \$97,175.

Fiscal Impact:

Cost of \$97,175. The proposed FY17/18-FY26/27 CIP includes \$150,000 in funding for this project in FY17/18.



ANALYTICAL ENVIRONMENTAL SERVICES

April 5, 2017

Coastside County Water District
Attn: David R. Dickson
766 Main Street
Half Moon Bay, CA 94019

RE: Proposed Scope of Work for the Pilarcitos Canyon Pipeline Replacement Project

Dear Mr. Dickson:

Analytical Environmental Services (AES) is pleased to submit the attached scope of work to Coastside County Water District for the **Pilarcitos Canyon Pipeline Replacement Project**. We are enthusiastic about the opportunity to work with Coastside County Water District and are confident that you will recognize AES as capable of providing the highest quality of environmental services.

AES is a multidisciplinary consulting firm specializing in environmental compliance for a wide range of public and private clients. Our technical staff includes approximately 30 professionals in a range of disciplines, including biology, geology, hydrology, toxicology, cultural resources, air quality, socioeconomics, land use planning, urban design, and geographic information systems.

AES's approach to project management and environmental services has proven to be very successful in meeting compliance requirements in a timely and cost-efficient manner. We would like an opportunity to apply this approach to your project. Should you have any questions, or need additional information, please contact me by phone at (916) 447-3479 or by email at dzweig@analyticalcorp.com. We thank you in advance for your time and consideration.

Sincerely,

David Zweig
President

Enclosure: Proposed Scope of Work

Scope of Work

CCWD Pilarcitos Canyon Pipeline Replacement Project

April 5, 2017

Background and Project Understanding

CCWD receives water from Stone Dam via a pipeline roughly following Pilarcitos Creek. Several years ago, the welded steel pipeline (circa 1948) failed and was replaced with a temporary plastic pipeline. At this time, CCWD proposes to install a permanent buried ductile iron pipeline along the same alignment as the temporary pipeline. It will be a 12-inch diameter, approximately 2,400-foot long pipeline, installed in a trench approximately 3-feet wide and 3 to 4 feet deep. CCWD will be the CEQA Lead Agency and SFPUD a Responsible Agency for the pipeline replacement project. AES will prepare an Initial Study/Mitigated Negative Declaration (IS/MND) to comply with CEQA, and required permit applications.

Work Plan

Task 1: Technical Studies

The following technical studies will be prepared:

1.1 Biological Resources Surveys and Report.

Existing biological studies provided by CCWD will be used as background information to the extent possible. AES will obtain updated background information including California Natural Diversity Database (CNDDDB), U.S. Fish and Wildlife Service (USFWS), and California Native Plant Society (CNPS) lists to identify regionally-occurring special-status species documented with the potential to occur within the vicinity of the project site. AES will review a USFWS critical habitat map and NMFS critical habitat designations to determine if the project site is within designated critical habitat for federally-listed species. An AES biologist will conduct a survey of the project site to document baseline biological resources, map habitat types, identify potential wetlands and Waters of the U.S., inventory plant and wildlife species that occur in the vicinity of the project site, and evaluate whether special-status species have the potential to occur within the project site. Preliminarily, biological resources that could be impacted by the project include the following:

- Steelhead
- Red-legged frog
- San Francisco garter snake
- Marbled murrelet
- San Francisco dusky-footed woodrat
- Special-status bats
- Various species of trees

1.2 Wetland Delineation.

The pipeline alignment appears to cross several drainages that may be jurisdictional Waters of the U.S. and State. AES will prepare an updated wetland delineation report in accordance with the “Wetland Delineation Manual” (USACE, 1987), and the “Interim Regional Supplement to the USACE Wetland Delineation Manual: Arid West Region” (USACE, 2008). AES will document any wetland features identified and mapped during the biological survey and prepare a wetland delineation report. The report

will be used in support of the CEQA review process and will document the absence of Waters of the U.S. within the project area. The delineation report will provide the required information in accordance with “Minimum Standards for Acceptance of Preliminary Wetland Delineations” (2001), the “Interim Regional Supplement to the USACE Wetland Delineation Manual: Arid West Region” (USACE, 2008), the Supreme Court’s decision in Solid Waste Agency of Northern Cook County (SWANCC; 2001), and the USACE guidance on implementation of the Supreme Court’s decision in the consolidated cases of Rapanos v. U.S. and Carabell v. U.S. (USACE, 2007).

1.3 Cultural Resources Survey, Report, and AB 52 Consultation.

AES will prepare a cultural resources report for the Proposed Project that will identify archaeological and historical resources located within the Area of Potential Effect (APE) established for the Proposed Project and provide recommendations to mitigate potential adverse effects. This study and report are required both to comply with CEQA and AB 52, which requires consultation with local Indian tribes. All cultural resources work and documentation would conform to the guidelines provided by the State of California, Office of Historic Preservation’s Archaeological Resource Management Reports (ARMR): Recommended Contents and Format (California office of Historic Preservation, 1990) and CEQA Guidelines.

As part of the cultural resources study, the following tasks would be completed by AES: completion of a records search at the Northwest Information Center (NWIC) of the California Historical Resource Information System (CHRIS) housed at Sonoma State University; compilation of all necessary maps, existing archaeological survey reports, site records, and other pertinent information; exhaustive review of pertinent archaeological, ethnographic, and historic literature and maps; consultation with the Native American Heritage Commission (NAHC); completion of an intensive pedestrian field survey of the APE; and preparation of a comprehensive report detailing the scope and results of the study, concise mitigation measures, and recommendations for compliance with CEQA. The proposal does not provide for testing or data recovery of any identified archaeological sites.

Task 2: Initial Study / Mitigated Negative Declaration

2.1 Administrative Draft IS.

AES will prepare an Administrative Draft IS that will consider potentially- significant environmental effects from the Proposed Project and include mitigation recommendations. For each major issue area included within the IS checklist, the general outline of the CEQA impact analysis will include: the Environmental Setting, the Standards of Significance, Answers to the Checklist Questions, Mitigation Measures, and Findings. AES will establish the methodology for the analysis, determine and identify thresholds of significance, identify impacts, and identify feasible mitigation measures or methods to avoid significant impacts. Tasks relevant to the analysis for *key* issue areas are detailed below. Additional CEQA checklist issues to be addressed but not considered major include Agriculture and Forestry Resource, Air Quality, Greenhouse Gas Emissions, Land Use and Planning, Population/Housing, Mineral Resources, Population and Housing, Public Services, Recreation, Transportation/Traffic, and Utilities/Service Systems.

Deliverables: AES will provide the project team with a PDF and electronic copy of the Administrative Draft IS.

Biological Resources. AES will complete the tasks below to determine the level of potential biological impacts and the need for mitigation.

- Consider the Proposed Project in light of applicable state/federal regulatory frameworks, including:
 - Federal Endangered Species Act,
 - Fish and Wildlife Coordination Act,
 - Migratory Bird Treaty Act,
 - Clean Water Act (Sections 401 and 404),
 - Magnuson-Stevens Fishery Conservation and Management Act,
 - California Endangered Species Act,
 - California Fish and Game Code, and
 - Porter-Cologne Water Quality Control Act.
- Address potential impacts to protect species and habitats.
- Address potential tree removal.
- Incorporate findings of the biological resources report and wetland delineation into the biological section of the IS and recommend avoidance or mitigation measures to reduce any potentially significant impacts.

Cultural Resources. Development of the Proposed Project could result in adverse impacts to unknown or inadvertently discovered historical and archaeological resources. AES will complete the tasks below during preparation of the cultural resources section of the IS.

- Incorporate findings of the cultural resources report into the cultural resources section of the IS and list appropriate mitigation measures to reduce any significant impacts.

Geology, Soils and Seismicity. AES will complete the tasks below to determine the level of potential geologic impacts and the need for mitigation.

- Consider the Proposed Project in light of applicable state/federal regulatory frameworks, including:
 - Soil and Water Conservation Act,
 - National Earthquake Hazards Reduction Program,
 - Alquist-Priolo Earthquake Fault Zoning Act,
 - Seismic Hazards Mapping Act, and
 - California Building Standards Code.
- Identify soils types within the project area based on a review of U.S. Department of Agriculture soils surveys and field investigations to estimate the potential for erosion, settlement, and liquefaction;
- Review regional/local earthquake fault and seismic hazard maps to determine the potential for seismic related hazards;
- Incorporate findings into the geology and soils section of the IS and recommend appropriate mitigation measures to reduce any significant impacts.

Hazardous Materials and Hazards. AES will complete the tasks below to determine the level of potential impacts regarding hazards and hazardous material and the need for mitigation.

- Review the relevant local and regional planning policies and ordinances related to hazards and hazardous materials within the project area.
- Consider the Proposed Project in light of applicable state/federal regulatory frameworks, including:
 - Resources Conservation and Recovery Act,

- Hazardous and Solid Waste Management Acts, and
- Comprehensive Environmental Response, Compensation, and Liability Act.
- Request a database search from Environmental Data Services to identify whether the project site is listed on various local, state, or federal hazardous materials databases. AES will also search online database resources regarding facilities or sites identified as meeting the “Cortese List” requirements pursuant to Government Code Section 65962.5.
- AES will research historic land usage within and adjacent to the project site, including review of historic topographic maps and aerial photographs.
- AES will incorporate findings into the hazards and hazardous materials section of the IS and recommend appropriate mitigation measures to reduce any significant impacts from the handling of hazardous materials during construction.

Hydrology and Water Quality. Construction of the Proposed Project could alter the existing drainage patterns on the project site, potentially impacting run-off quantity and quality. AES will complete the following tasks during preparation of the Hydrology and Water Quality Section of the IS:

- Review existing information concerning water quality in the project area and consider the applicability of relevant local/regional planning policies and ordinances.
- Consider the Proposed Project in light of applicable state/federal regulatory frameworks, including the Clean Water Act and Porter-Cologne Water Quality Act.
- Using existing information, identify the general types and sources of water quality changes that may result from the proposed development.
- Evaluate potential impacts of runoff from the project site on the quality of receiving waters.
- Discuss the need to apply for a National Pollutant Discharge Elimination System (NPDES) permit for construction activities. Identify guidelines and policies of the Regional Water Quality Control Board (RWQCB), U.S. Environmental Protection Agency, and County plans regarding water quality impacts from storm water runoff.
- Incorporate findings into the Hydrology and Water Quality section of the IS Checklist and recommend appropriate mitigation measures to reduce any significant impacts.

Noise. Construction of the Proposed Project would result in a short-term increase in noise and vibration in the vicinity of the project site that may impact sensitive receptors. AES will complete the following tasks to determine the level of potential impacts and the need for mitigation:

- Identify the noise level standards contained in the County’s General Plan Noise Element which are applicable to the project, as well as any germane state and federal standards.
- Identify the location of sensitive receptors that may be affected by the Proposed Project.
- Quantify the anticipated increase in ambient noise levels as a result of construction of the Proposed Project through application of accepted construction noise prediction methodologies.
- Identify all significant noise impacts resulting from the proposed project.
- Recommend appropriate and practical recommendations for noise control aimed at reducing any identified potential noise impacts to a level of insignificance.

2.2 Prepare IS/MND, Mitigation Monitoring and Reporting Plan (MMRP), and Notice of Intent (NOI).

AES will incorporate comments from the project team on the IS Checklist and prepare the IS/MND for public circulation. Once the mitigation has been approved by the CCWD staff, AES will prepare a MMRP

that will identify the agency with implementing and monitoring responsibility, compliance standards for the implementation of mitigation measures, and the necessary timing of mitigation measures. The MMRP will be included as an appendix to the public review IS/MND. AES will prepare a NOI to adopt a MND using CCWD's preferred format. The CCWD will be responsible for the coordination and costs of publishing the NOI in local newspapers.

Deliverables: AES will produce the IS/MND and appendices as a pdf and up to 5 hard-copies. The IS/MND will be submitted as required to the State Clearinghouse with the NOI for transmittal to identified state agencies.

2.3 Response to Comments.

AES will provide CCWD with a written response to any comments submitted during the 30-day public review period for the NOI. This proposal assumes that no more than ten (10) individual substantive comments will be submitted during the public review period.

Deliverables: AES will provide CCWD with an electronic copy of the Responses to Comments document to support CCWD's adoption of the MND.

Task 3: General Construction Stormwater NPDES Permit and SWPPP

AES will prepare a Risk Level 1 Storm Water Pollution Prevention Plan (SWPPP) to obtain coverage under the General Permit for Discharges of Storm Water Associated with Construction Activity Construction General Permit Order 2009-0009-DWQ (CGP). The coverage is required for the Proposed Project.

AES will register on the State Water Resources Control Boards (SWRCB) Stormwater Multi Application Reporting and Tracking System (SMARTS) database, file the electronic NOI for the proposed project, and help designate the approved signatories and data submitters for the project consistent with regulations. The resulting SWPPP document will be comprehensive and compliant with the requirements set forth in the adopted order. A preliminary table of contents for the Risk Level 1 included below.

Table of Contents

1 SWPPP REQUIREMENTS

- 1.1 Introduction
- 1.2 Certifications
 - 1.2.1 Legally Responsible Person
 - 1.2.2 Approved Signatory Certification
 - 1.2.3 Certifications by Qualified SWPPP Developer
 - 1.2.4 Qualified SWPPP Practitioner
- 1.3 Permit Registration Documents (PRDs)
- 1.4 SWPPP Availability and Implementation
- 1.5 SWPPP Amendments
- 1.6 Retention of Records
- 1.7 Required Non-Compliance Reporting
- 1.8 Annual Report

- 1.9 Changes to Permit Coverage
- 1.10 Notice of Termination
- 2 PROJECT AND SITE INFORMATION**
 - 2.1 Project and Site Information
 - 2.1.1 Vicinity Map
 - 2.2 Storm Water Run-On from Offsite Areas
 - 2.3 Findings of the Construction Site Sediment and Receiving Water Risk Determination
 - 2.4 Construction Schedule
 - 2.5 Potential Construction Site Pollutant Sources
 - 2.5.1 Potential Sources of Sediment
 - 2.5.2 Other Pollutants Sources
 - 2.6 Identification of Non-Stormwater Discharges
 - 2.6.1 Expected Non-Stormwater Discharges and Controls
- 3 RISK LEVEL 1 SPECIFIC PROJECT REQUIREMENTS**
 - 3.1 Effluent Standards
 - 3.2 Good Site Management Housekeeping
 - 3.3 Non-Stormwater Management
 - 3.4 Erosion Control
 - 3.5 Sediment Controls
 - 3.6 Run-on and Run-off Controls
- 4 BEST MANAGEMENT PRACTICES**
 - 4.1 Erosion and Sediment Control
 - 4.1.1 Erosion Control BMPs
 - 4.1.2 Sediment Control BMPs
 - 4.1.3 Wind Erosion Control
 - 4.1.4 Tracking Control
 - 4.2 BMP Implementation Specific for this Project for Non-Stormwater Management and Material Management
 - 4.2.1 Non-Stormwater Management BMPs
 - 4.2.2 Waste Management and Materials Pollution Controls
 - 4.3 Post-Construction Stormwater Management Measures
 - 4.3.1 Post-Construction Runoff Reduction
- 5 BMP INSPECTION AND MAINTENANCE**
 - 5.1 BMP Inspection and Maintenance
- 6 TRAINING**
- 7 RESPONSIBLE PARTIES AND OPERATORS**
 - 7.1 Responsible Parties
 - 7.2 Contractor List
- 8 CONSTRUCTION SITE MONITORING PROGRAM (CSMP)**
 - 8.1 Introduction
 - 8.1.1 Visual Monitoring, Inspection, and Sample Collection Requirements
 - 8.1.2 Visual Monitoring, Inspection, and Sample Collection Locations
 - 8.1.3 General Provisions
 - 8.2 Visual Monitoring, Inspections, and Recording Methods

- 8.2.1 Weekly BMP Inspection
- 8.2.2 Quarterly Non-Stormwater Inspection
- 8.2.3 Pre-Storm, During Storm, and Post-Storm Inspection
- 8.3 Sampling Collection and Recording Methods
 - 8.3.1 Sampling Methods
 - 8.3.2 Non-Visible Pollutant Sampling

Task 4: Wetlands/Waters of the U.S. Permitting

4.1 Clean Water Act Section 404 Permit from USACE.

AES will prepare a Pre-construction Notification (PCN) application for the proper Nationwide Permit (NWP) that meets the project’s purpose, submit application to the USACE, and request authorization for the Proposed Project. The PCN will include a project description, quantification of permanent and temporary impacts to waters of the U.S., and information to demonstrate compliance with specific regional and general conditions applicable to the NWP program and to the USACE’s Sacramento District. The PCN package will also include a restoration plan and information to demonstrate compliance with the ESA, and the NHPA. A draft and final version of the PCN package will be submitted to the project team prior to submitting the package to the USACE.

4.2 Clean Water Act Section 401 Water Quality Certification from RWQCB.

Compliance with Section 401 of the CWA requires that the discharge of dredged or fill material into waters of the U.S., including wetlands, does not violate state water quality standards. As required by Section 404, water quality certification must be obtained for permit compliance. AES will prepare a Section 401 water quality certification application for filing with the Central Valley RWQCB. The application will include a copy of the USACE PCN; if applicable, a Streambed Alteration Agreement with DFW, or copy of the 1602 notification package; and evidence of CEQA compliance.

4.3 DFW Streambed Alteration Agreement.

AES shall prepare the required SAA notification package to be filed with DFW. The notification package will describe the project features, construction period, construction methods, impacts on vegetation, fish, and wildlife, and the proposed mitigation and restoration plan prepared in connection with USACE permitting (if applicable). The notification package will also include evidence of CEQA compliance prior to issuing a SAA for the project. If required, AES will attend one site visit with DFW to confirm the limits of DFW jurisdiction under Section 1602.

Schedule

The anticipated timeline for the project is outlined below.

Technical Studies: 90 days

IS/MND: Draft within 60 days of completion of technical studies

Permit Applications: within 30 days of CCWD adopting IS/MND

Cost Estimate

AES will complete the tasks above on a time and materials basis. Work will be conducted in accordance with the AES Fee Schedule in effect at the time the work is performed. The current AES Fee Schedule is attached.

Task 1: Technical Studies

1.1 Biological Resources Surveys and Report	\$9,500
1.2 Wetland Delineation	\$7,950
1.3 Cultural Resources Survey, Report, and AB 52 Consultation	\$12,500

Task 2: Initial Study / Mitigated Negative Declaration

Task 2.1: Administrative Draft IS	\$28,875
Task 2.2: IS/MND, MMRP, and NOI	\$4,500
Task 2.3: Response to Comments	\$7,500

Task 3: General Construction Stormwater NPDES Permit and SWPPP

\$9,950

Task 4: Wetlands/Waters of the U.S. Permitting

4.1 Clean Water Act Section 404 Permit from USACE	\$6,000
4.2 Clean Water Act Section 401 Water Quality Certification from RWQCB	\$5,200
4.3 DFW Streambed Alteration Agreement	\$5,200

TOTAL

\$97,175

Assumptions

- CCWD will arrange for access to the project area.
- CCWD will pay any required permit fees.
- This scope of work and cost estimate does not provide for sampling, monitoring, or reporting under the requirements of the SWPPP.
- Site specific design of erosion control measures will not be provided as part of the SWPPP. Specific design and implementation of BMPs will be the responsibility of the contractor or others.
- This proposal and cost estimate are strictly for a Risk Level 1 project. In no way does this scope of work guarantee that a Risk Level 1 SWPPP will meet the SWRCB requirements. Should a higher risk level document be required, AES can incorporate the additional requirements over a Risk Level 1 SWPPP for an additional cost.

2017 FULLY BURDENED BILLING RATES

EMPLOYEE POSITION	HOURLY BILLING RATE
Principal	\$305
Project Director	\$285
Sr. Project Manager	\$260
Project Manager	\$220
Analyst III	\$185
Analyst II	\$165
Analyst I	\$135
Archeologist III	\$185
Archeologist II	\$165
Archeologist I	\$135
Biologist III	\$185
Biologist II	\$165
Biologist I	\$135
Sr. Graphics Designer	\$160
Graphic Designer II	\$135
Graphic Designer I	\$115
Planner I	\$125
Office Administrator	\$145
Administrative Assistant III	\$125
Administrative Assistant II	\$115
Administrative Assistant I	\$105

DIRECT COSTS

Postage / Overnight Mail	Actual cost + 15%
Courier Charges	Actual cost + 15%
Mileage	Federal Rate - currently \$0.535 per mile + 15%
GPS Unit and supporting computer equipment:	\$200/day + 15%
In-house Copying Charges:	
Black & White	\$0.10 per page + 15%
Color	\$1 per page + 15%
CD duplication w/label & case	\$2.50 each + 15%
Subconsultants	Actual cost + 15%
Other Direct Costs	Actual cost + 15%

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Cathleen Brennan, Water Resources Analyst
via David R. Dickson, General Manager

Agenda: April 11, 2017

Report Date: April 5, 2017

Subject: Rescinding Resolution No. 2014-06 and Ordinance 2016-01

Attachment: Proposed Ordinance 2017-01

Recommendation:

Adopt Ordinance No. 2017-01 (1) rescinding Resolution No. 2014-06, which implemented Stage 2 of the Water Shortage Contingency Plan; and (2) Rescinding Ordinance 2016-01, which amended the mandatory water use restrictions and prohibitions under Stage 2.

Background

Coastside County Water District is currently under a Stage 2 - Water Shortage Emergency Warning of the District's Water Shortage Contingency Plan with a zero state-mandated water conservation standard on monthly water production. The District implemented Ordinance 2016-01 in July of 2016 to reflect the change from an 8 percent conservation standard to a zero conservation standard based on the District's submittal of a self-certification of reliable water supply. The District's average residential gallons per day per capita (R-GPCD) is estimated to be 56.

The District actually achieved a cumulative water savings of 20 percent (as compared with 2013) since June of 2015. During the current water year (WY2017), drought conditions across the state have significantly improved. The SFPUC is no longer requesting voluntary water conservation from its wholesale customers. Locally sourced water supplies, both surface and groundwater, have returned to normal.

Report

Based on the District's water supply reliability, zero conservation standard, and normal local and imported water supplies, staff recommends rescinding Resolution 2014-06, which placed the District in stage 2 of its Water Shortage Contingency Plan and rescinding Ordinance 2016-01, which amended mandatory water use restrictions and prohibitions in the District's service area. The purpose of the proposed Ordinance No. 2017-01 is to cancel the implementation of any stage of the District's Water Shortage Contingency Plan and to rescind Ordinance 2016-01.

As of the date of this report, the Governor had not cancelled the emergency drought declaration for the state. This means that even if the District declares normal water supply

conditions, the state's emergency drought end user requirements remain in place, along with other more long term actions listed in Executive Order No. B-37-16.

Hotels must still provide guests the option of not laundering towels and linens daily and restaurants are not allowed to serve water, unless requested by the customer. Other end user requirements include; restrictions on surface cleaning, restrictions on irrigating street medians, restrictions on irrigation during and directly after precipitation events, and restrictions on water features. The executive order focuses on the four following directives:

1. Using Water More Wisely
 - Customized Water Use Targets;
2. Eliminating Water Waste
 - End User Requirements;
3. Strengthening Local Drought Resilience
 - Amending Water Shortage Contingency Plans; and
4. Improving Agricultural Water Use Efficiency and Drought Planning
 - Agricultural Water Management Plans

The California Department of Water Resources (DWR) has not published their final report on implementing the four directives. They are waiting to hear back from the Governor's Office and do not have an estimated release date. DWR is hoping that it will be soon.

Financial Impacts

There is the possibility that customers will respond by increasing their irrigation frequency and the District will see an increase in water sales. Staff is anticipating needing to spend more to comply with new long term water use targets and possibly water shortage contingency planning amendments.

ORDINANCE NO. 2017-01

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF
THE COASTSIDE COUNTY WATER DISTRICT**

An Ordinance (1) Rescinding Resolution No. 2014-06, which Implemented Stage 2 of the Water Shortage Contingency Plan; and (2) Rescinding Ordinance 2016-01, which amended the Mandatory Water Use Restrictions and Prohibitions Under Stage 2

Be it ordained by the Board of Directors of the Coastside County Water District (District) as follows:

Section 1: Findings and Determinations

This ordinance is adopted in light of the following facts and circumstances, which are hereby found and declared by the Board of Directors.

WHEREAS, California is recovering from one of the most severe droughts on record; and

WHEREAS, the District implemented Stage 1 – Water Shortage Advisory of its Water Shortage Contingency Plan on October 8, 2013 informing the public of a possible water shortage and requesting voluntary water conservation; and

WHEREAS, Governor Brown declared a drought state of emergency on January 17, 2014, and called on all Californians to do their part to reduce their water use; and

WHEREAS, the wholesale water provider for a significant portion of the District's water supply, the San Francisco Public Utilities Commission (SFPUC), requested 10 percent voluntary water use reduction system-wide on January 31, 2014; and

WHEREAS, the District requested 10 percent voluntary water use reduction from all customers on February 11, 2014; and

WHEREAS, Governor Brown issued a proclamation of a continued state of emergency on April 25, 2014 to mitigate the effects of drought conditions upon the people and property of California, and called on residents to refrain from wasting water; and

WHEREAS, the District adopted Resolution 2014-02 on May 13, 2014 urging heightened water use efficiency by customers in response to drought conditions, and

WHEREAS, the State Water Resources Control Board (SWRCB) adopted drought emergency regulations on July 15, 2014 (Resolution No. 2014-0038) that imposed mandatory actions by urban water suppliers that became effective July 28, 2014; and

WHEREAS, the District was required to comply with the 2014 SWRCB drought emergency regulations as an urban water supplier, and one of the mandatory actions required the District to implement all requirements and actions of the stage of its Water

Shortage Contingency Plan that impose mandatory restrictions on outdoor irrigation of ornamental landscapes or turf with potable water; and

WHEREAS, Stage 2 – Water Shortage Emergency Warning of the District's Water Shortage Contingency Plan describes a menu of options including mandatory restrictions on outdoor water use, irrigation and prohibiting cleaning of exterior surfaces with potable water; and

WHEREAS, by Resolution No. 2014-06, adopted on August 12, 2014, the District implemented Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, by Ordinance No. 2014-02, adopted on August 12, 2014, the District established mandatory water use prohibitions and restrictions under Stage 2-Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the SWRCB extended and expanded the drought emergency regulations on March 17, 2015 (Resolution No. 2015-0013) that imposes mandatory actions by urban water suppliers that became effective March 27, 2015; and

WHEREAS, Governor Brown issued Executive Order B-29-15 on April 1, 2015, that, in part, directed the SWRCB to impose restrictions to achieve a statewide 25 percent reduction in potable urban water usage, to increase enforcement against water waste, and to implement additional restrictions on the outdoor use of potable water; and

WHEREAS, the SWRCB expanded and modified its drought emergency regulations on May 5, 2015 (Resolution 2015-0032) to achieve a statewide 25 percent reduction in potable urban water usage and the emergency regulations went into effect on May 18, 2015; and

WHEREAS, the SWRCB determined that the District had an average July-September 2014 R-GPCD of less than 65, and that the District shall reduce its total potable water production by 8 percent for each month as compared to the amount used in the same month in 2013; and

WHEREAS, by Ordinance No. 2015-01, adopted on June 9, 2015, the District amended and expanded the mandatory water use prohibitions and restrictions under Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the SWRCB modified its drought emergency regulations on May 18, 2016 (Resolution 2016-0029) to include a water supply reliability self–certification method of compliance, provided for in CCR, Title 23 § 864.5; and

WHEREAS, the District completed an on-line submittal for the water supply reliability self-certification on June 22, 2016 to qualify for a zero percent conservation standard; and

WHEREAS, by Ordinance No. 2016-01, adopted on July 12, 2016, the District amended the mandatory water use prohibitions and restrictions under Stage 2-Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the District achieved a cumulative water savings from June 2015 through June 2016 of 19 percent; and

WHEREAS, on February 1, 2017, the SFPUC cancelled its request for a 10 percent voluntary reduction in water consumption system wide; and

WHEREAS, on March 30, 2017, the California Department of Water Resources manual April snow survey found above average precipitation and water content of the snowpack in the Sierra Nevada Mountains; and

WHEREAS, as of April 1, 2017, local precipitation records for water year 2017 show that precipitation is 147 percent of normal (33 inches); and

WHEREAS, California Statewide Groundwater Elevation Monitoring for the Half Moon Bay Terrace groundwater basin has shown normal groundwater elevations; and

WHEREAS, based on all of the above, conditions no longer exist for the District to remain in a Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan.

NOW, THEREFORE, BE IT ORDAINED, that the Board of Directors of the Coastside County Water District recognizes that both local and imported water supply conditions have significantly improved in water year 2017 and that mandatory water use restrictions and prohibitions under Stage 2 are no longer needed; and

BE IT FURTHER ORDAINED, that the Board of Directors rescinds Resolution No. 2014-06 and that the District is no longer implementing any stage of the District's Water Shortage contingency Plan; and

BE IT FURTHER ORDAINED, that the Board of Directors rescinds Ordinance No. 2016-01; and

BE IT FURTHER ORDAINED, that the Board of Directors thanks its customers for their ongoing water use efficiency efforts and for exceeding the District's mandated emergency water conservation standard in response to the drought.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Coastside County Water District held on this 11th day of April 2017 by the following vote:

AYES:

NOES:

ABSENT:

Glenn Reynolds, President
Board of Directors

ATTEST:

David R. Dickson, General Manager
Secretary of the District

ORDINANCE NO. 2017-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE COASTSIDE COUNTY WATER DISTRICT

An Ordinance (1) Rescinding Resolution No. 2014-06, which Implemented Stage 2 of the Water Shortage Contingency Plan; and (2) Rescinding Ordinance 2016-01, which amended the Mandatory Water Use Restrictions and Prohibitions Under Stage 2

Be it ordained by the Board of Directors of the Coastside County Water District (District) as follows:

Section 1: Findings and Determinations

This ordinance is adopted in light of the following facts and circumstances, which are hereby found and declared by the Board of Directors.

WHEREAS, California is recovering from one of the most severe droughts on record; and

WHEREAS, the District implemented Stage 1 – Water Shortage Advisory of its Water Shortage Contingency Plan on October 8, 2013 informing the public of a possible water shortage and requesting voluntary water conservation; and

WHEREAS, Governor Brown declared a drought state of emergency on January 17, 2014, and called on all Californians to do their part to reduce their water use; and

WHEREAS, the wholesale water provider for a significant portion of the District's water supply, the San Francisco Public Utilities Commission (SFPUC), requested 10 percent voluntary water use reduction system-wide on January 31, 2014; and

WHEREAS, the District requested 10 percent voluntary water use reduction from all customers on February 11, 2014; and

WHEREAS, Governor Brown issued a proclamation of a continued state of emergency on April 25, 2014 to mitigate the effects of drought conditions upon the people and property of California, and called on residents to refrain from wasting water; and

WHEREAS, the District adopted Resolution 2014-02 on May 13, 2014 urging heightened water use efficiency by customers in response to drought conditions, and

WHEREAS, the State Water Resources Control Board (SWRCB) adopted drought emergency regulations on July 15, 2014 (Resolution No. 2014-0038) that imposed mandatory actions by urban water suppliers that became effective July 28, 2014; and

WHEREAS, the District was required to comply with the 2014 SWRCB drought emergency regulations as an urban water supplier, and one of the mandatory actions required the District to implement all requirements and actions of the stage of its Water Shortage Contingency Plan that impose mandatory restrictions on outdoor irrigation of ornamental landscapes or turf with potable water; and

WHEREAS, Stage 2 – Water Shortage Emergency Warning of the District's Water Shortage Contingency Plan describes a menu of options including mandatory restrictions on outdoor water use, irrigation and prohibiting cleaning of exterior surfaces with potable water; and

WHEREAS, by Resolution No. 2014-06, adopted on August 12, 2014, the District implemented Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, by Ordinance No. 2014-02, adopted on August 12, 2014, the District established mandatory water use prohibitions and restrictions under Stage 2-Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the SWRCB extended and expanded the drought emergency regulations on March 17, 2015 (Resolution No. 2015-0013) that imposes mandatory actions by urban water suppliers that became effective March 27, 2015; and

WHEREAS, Governor Brown issued Executive Order B-29-15 on April 1, 2015, that, in part, directed the SWRCB to impose restrictions to achieve a statewide 25 percent reduction in potable urban water usage, to increase enforcement against water waste, and to implement additional restrictions on the outdoor use of potable water; and

WHEREAS, the SWRCB expanded and modified its drought emergency regulations on May 5, 2015 (Resolution 2015-0032) to achieve a statewide 25 percent reduction in potable urban water usage and the emergency regulations went into effect on May 18, 2015; and

WHEREAS, the SWRCB determined that the District had an average July-September 2014 R-GPCD of less than 65, and that the District shall reduce its total potable water production by 8 percent for each month as compared to the amount used in the same month in 2013; and

WHEREAS, by Ordinance No. 2015-01, adopted on June 9, 2015, the District amended and expanded the mandatory water use prohibitions and restrictions under Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the SWRCB modified its drought emergency regulations on May 18, 2016 (Resolution 2016-0029) to include a water supply reliability self-certification method of compliance, provided for in CCR, Title 23 § 864.5; and

WHEREAS, the District completed an on-line submittal for the water supply reliability self-certification on June 22, 2016 to qualify for a zero percent conservation standard; and

WHEREAS, by Ordinance No. 2016-01, adopted on July 12, 2016, the District amended the mandatory water use prohibitions and restrictions under Stage 2-Water Shortage Emergency Warning of its Water Shortage Contingency Plan; and

WHEREAS, the District achieved a cumulative water savings from June 2015 through June 2016 of 19 percent; and

WHEREAS, on February 1, 2017, the SFPUC cancelled its request for a 10 percent voluntary reduction in water consumption system wide; and

WHEREAS, on March 30, 2017, the California Department of Water Resources manual April snow survey found above average precipitation and water content of the snowpack in the Sierra Nevada Mountains; and

WHEREAS, as of April 1, 2017, local precipitation records for water year 2017 show that precipitation is 147 percent of normal (33 inches); and

WHEREAS, California Statewide Groundwater Elevation Monitoring for the Half Moon Bay Terrace groundwater basin has shown normal groundwater elevations; and

WHEREAS, on April 7, 2017, Governor Brown issued Executive Order B-40-17 that terminated the January 17, 2014 drought state of emergency for all counties in California except the Counties of Fresno, Kings, Tulare, and Tuolumne; and

WHEREAS, based on all of the above, conditions no longer exist for the District to remain in a Stage 2 – Water Shortage Emergency Warning of its Water Shortage Contingency Plan.

NOW, THEREFORE, BE IT ORDAINED, that the Board of Directors of the Coastside County Water District recognizes that both local and imported water supply conditions have significantly improved in water year 2017 and that mandatory water use restrictions and prohibitions under Stage 2 are no longer needed; and

BE IT FURTHER ORDAINED, that the Board of Directors rescinds Resolution No. 2014-06 and that the District is no longer implementing any stage of the District's Water Shortage contingency Plan; and

BE IT FURTHER ORDAINED, that the Board of Directors rescinds Ordinance No. 2016-01; and

BE IT FURTHER ORDAINED, that the Board of Directors thanks its customers for their ongoing water use efficiency efforts and for exceeding the District's mandated emergency water conservation standard in response to the drought.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Coastside County Water District held on this 11th day of April 2017 by the following vote:

AYES:

NOES:

ABSENT:

Glenn Reynolds, President
Board of Directors

ATTEST:

David R. Dickson, General Manager
Secretary of the District

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: April 11, 2017

Report

Date: April 6, 2017

Subject: General Manager's Report

Recommendation:

None. Information only.

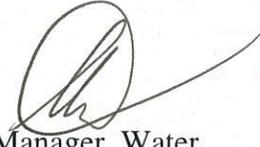
Background:

For this month's report, I would like to highlight the following:

SFPUC Final Water Supply Availability Estimate: As required under the Water Supply Agreement between the San Francisco Public Utilities Commission (SFPUC) and the wholesale customers, SFPUC has provided us with its final Water Supply Availability Estimate for the upcoming year (attached). The estimate confirms that there is "no need to continue voluntary reductions in any part of the service area".



TO: SFPUC Wholesale Customers

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

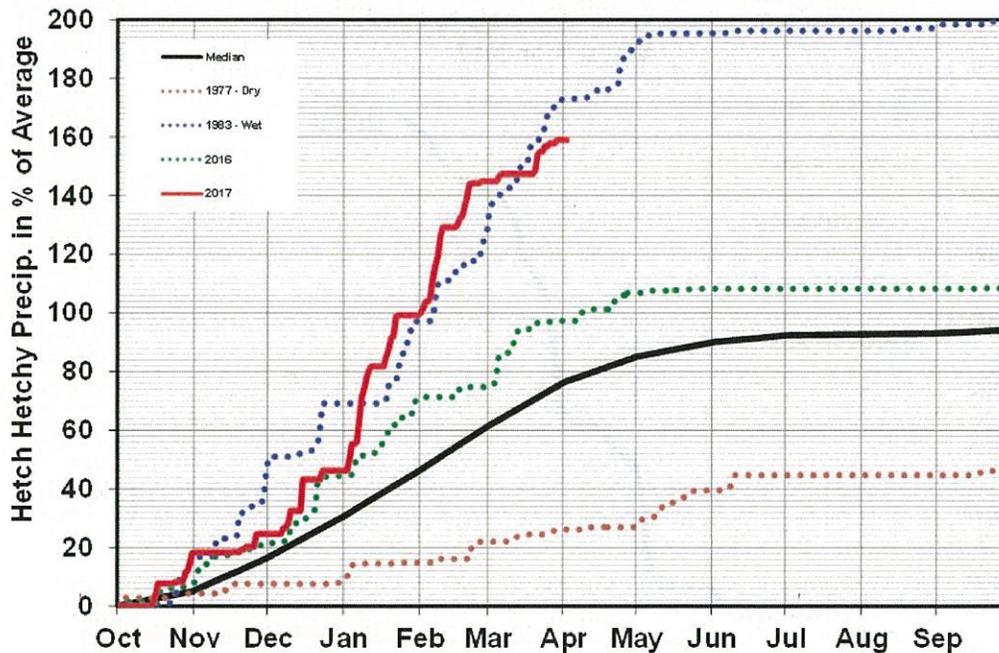
DATE: April 4, 2017

RE: Final Water Supply Availability Estimate

This memo provides an update on the water supply availability estimate provided March 1st, 2017 and the current hydrologic conditions.

The plots below provide precipitation at Hetch Hetchy and snowpack in the watershed through April 2nd, 2017. As the plots show, the Hetch Hetchy watershed has experienced exceptionally wet conditions to date. While we are still waiting on some high elevation snow measurement data, the preliminary April 1 snow course index is about 175% of median April 1st snowpack.

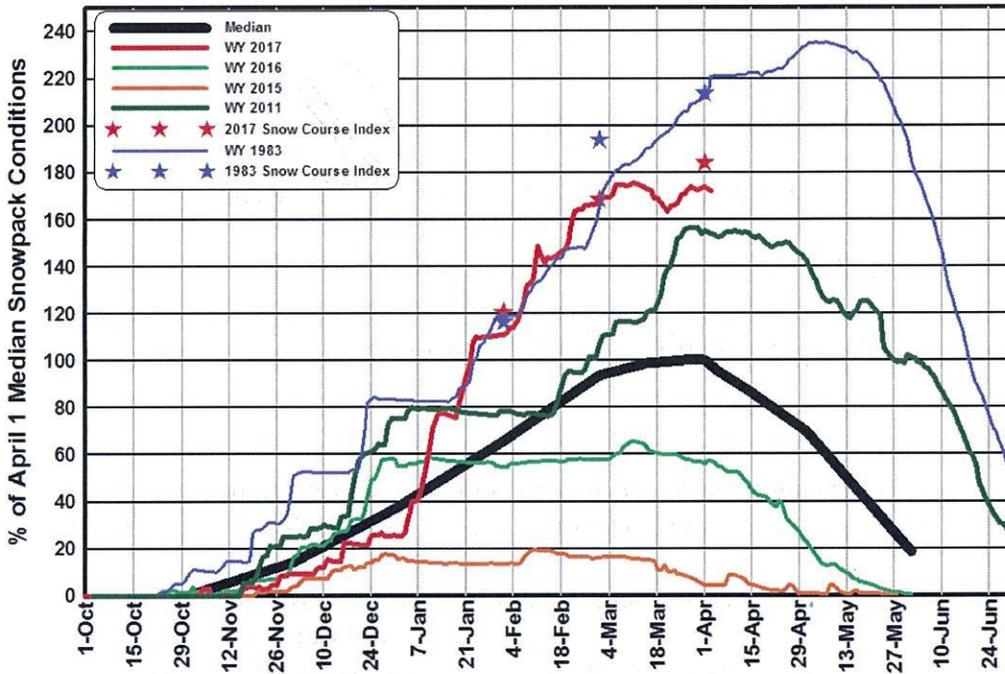
Precipitation at Hetch Hetchy - Water Year 2017



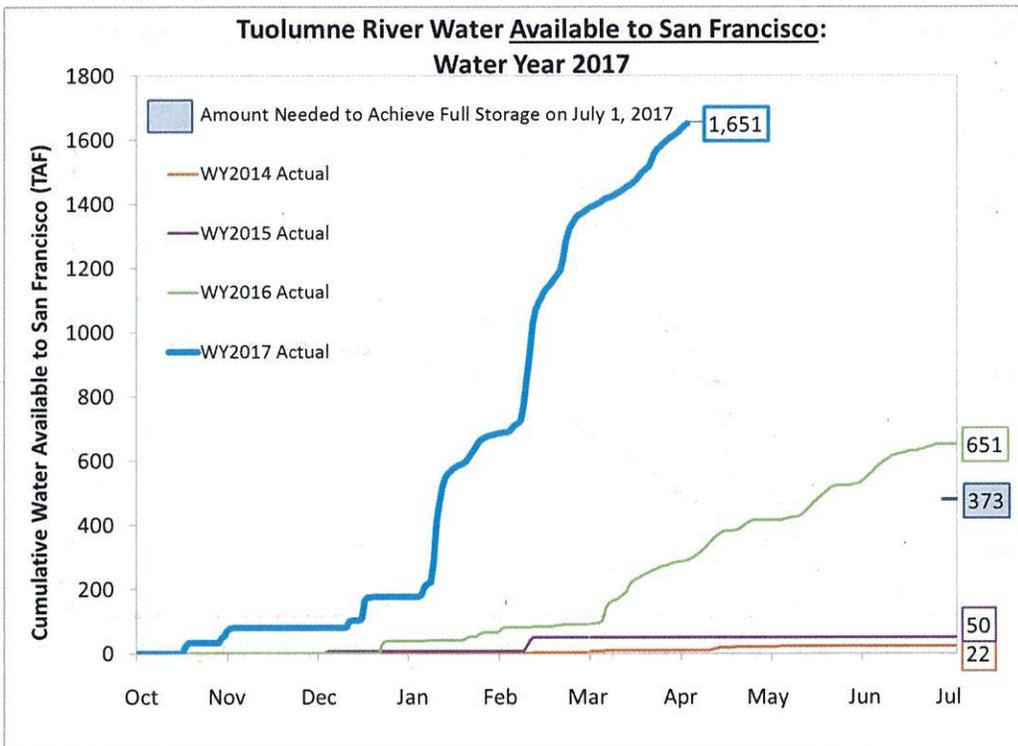
- Edwin M. Lee**
Mayor
- Anson Moran**
President
- Ike Kwon**
Vice President
- Ann Moller Caen**
Commissioner
- Francesca Vietor**
Commissioner
- Vince Courtney**
Commissioner
- Harlan L. Kelly, Jr.**
General Manager



% of Median April 1 Snowpack Conditions



Water available to San Francisco under the Raker Act has well exceeded what was needed in order to ensure filling the entire water system by July 1, 2017. The SFPUC has received 1,651,000 acre-feet of water available to San Francisco as of April 2nd, as shown in the plot below.



As previously indicated in the March 1st water supply availability estimate, the SFPUC water system will fill this year. The SFPUC will be able to meet 100% of its customers' needs this year. There is no need to continue requesting voluntary reductions in any part of the service area. As always, our customers' commitments to water conservation ensure our ability to carryover water in our reservoirs from one year to the next. This commitment results in improved water supply reliability and reduces the risk of water shortages in the event that next year is dry. All of the users of our water system benefit from the continuation of wise water use.

Finally, we will no longer waive the minimum purchase requirements effective July 1, 2017. After that date, purchases of less than the minimums shown in WSA Attachment E will be subject to the take or pay requirements of WSA section 3.07.

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

MONTHLY REPORT

To: David Dickson, General Manager
From: Joe Guistino, Superintendent of Operations
Agenda: April 11, 2017

Report
Date: April 4, 2017

Monthly Highlights

Denniston Pump Station and Bridgeport Transmission Main Project – Pipeline tied in at top of Coral Reef and work has started on the treated water pump station (PS)

Treatment/Distribution Operator Interviews – Local resident Travis Menezes has accepted the position of Treatment/Distribution Operator-Treatment.

Source of Supply

Crystal Springs, Denniston and Pilarcitos Reservoirs, Pilarcitos Wells #1, 3, 3A, 4, 4A and 5, and Denniston Wells 1 and 9 were the source of supply in March, supplying approximately 41 MG of water. Pilarcitos Wells supplied 57% of our water in March and was 100% of our water supply from 20-24 March. Denniston Water Treatment Plant (WTP) was started up on 14 March and ran until 21 March when it was shut down to accommodate construction activities for the new treated water pump station. It was restarted on 31 March and is still running. Pilarcitos Wells were shut down for the season on the evening of 31 March.

System Improvements

Denniston Creek Brush Clearing

Tules and cattails once again choked the pathway of Denniston Creek resulting in the flooding of the Denniston road and threatened the ability to access the treatment plant. The California Conservation Corps (CCC) cleared the streambanks to allow for re-establishment of the stream in its proper channel.

Blow Off Meter

We have an automatic blow-off device at the end of our 12" main on highway 92 near Santa's Christmas Tree Farm. This device discharges approximately 20,000 gallons of water monthly in order to maintain chlorine residual for our customers at the end of the line. We installed a meter on the discharge of this device to better allow us to keep a tight audit on our water use.

New Hatch

We replaced the specialty hatch on the pressurized coagulation tank at Denniston WTP. The old hatch was badly corroding and presented a safety concern for the operators.

Specialty Carts

We procured some carts to assist the operators when installing automated meter infrastructure (AMI) meters as well as turbidimeter calibrations at the treatment plants.

Other Activities Update:

Meter Replacement Program

There were 18 meters replaced in March. Six for the AMI program, the rest due to meter problems. All meters were replaced with a Badger e-meter for the AMI program.

Pilarcitos Canyon Storm Repair Mitigation

The streambanks have all been stabilized from the problems created by February's storms. The broken plastic pipe was repaired on 3 March and is back in service. Post construction and biological monitoring reports were sent to the US Army Corps of Engineers as well as to the Regional Water Quality Control Board (RWQCB). RWQCB requires a permanent solution that protects the biology and water quality of the creek. We have hired Questa Engineering Corps to provide us with a plan for a permanent solution compliant with RWQCB standards at the repaired sites.

Difficult Hydrant Repair

A leaking fire hydrant on the raw water line at Santa's Christmas Tree Farm was replaced in March. Since the hydrant valve had failed, we had to shutdown the Nunes WTP and dewater 6000 feet of our raw water transmission main in order to effect replacement of both failed valve and hydrant.

Barbara's Fishtrap

A local contractor installed a new 1½" service line to Barbara's Fishtrap to resolve their low flow issues from their increase in demand over the years.

Bad Leaks

A major leak at the Ritz Carlton in the early morning hours of Sunday, 26 March resulted in a loss of over 300,000 gallons of water and interruption in water service to the hotel. The crews were able to have the line repaired by Sunday morning. We have had a few problems with main breaks resulting in the loss of water to the Ritz Carlton during repairs. We are presently looking at valve configuration in the area and will plan to install extra valves which will prevent shutdowns of the hotel during future main breaks.

Regulatory Agency Interaction

California Water Resources Control Board (CWRCB)

Started on the annual report for 2016. It will be complete this month.

San Mateo County

County Health and Safety conducted their annual Hazmat inspection of Nunes WTP. They found no outstanding issues.

Safety/Training/Inspections/Personnel/Meetings

Meetings Attended

- 8 March - Conf. call with Kennedy Jenks as to pump station drain lines
- 14 March - Treatment/Distribution Operator (Treatment) interviews all day
- 15, 21, 29 March - Denniston PS/Bridgeport Transmission main status meetings
- 22 March - Met with Questa Engineering Corps as to Pilarcitos Canyon emergency repairs compliance.
- 22 March - Second interview with Treatment/Distribution Operator candidate
- 28 March - Temporary Maintenance Worker interviews
- 29 March - AWWA Top Ops committee meeting

Tailgate safety sessions in January

- 6 Mar - How to Conduct a Safety Tailboard
- 13 Mar - Facing up to Stress
- 20 Mar - CPR and AEDs Can Save Lives
- 28 Mar - Lockout/Tagout: Water Under Pressure Poses Danger

Safety Committee and Training

Safety Training in March was on Confined Spaces. Schmidt, Damrosch, Donovan, Bruce, Whelen, Winch, Duffy and Jahns were in attendance.

Coastside Fire Protection District held their second annual confined space rescue exercise at Nunes WTP on 3 March. The exercise took place in the empty washwater basin.

Treatment/Distribution Operator Interviews

We selected 4 individuals to interview for the Treatment/Distribution Operator position on 14 March. We selected Travis Menezes who accepted the position. He is a long term local resident who works as a Distribution Operator for San Jose Water Company. It is anticipated that he will be on board by the end of April.

Temporary Maintenance Worker

We interviewed 5 candidates for the Temporary Maintenance Worker position on 28 March. Local resident Ryan Stoll was the best candidate who accepted the position and will start sometime in April.

Projects

El Granada Tank 3 Rehabilitation and Coating Project

Most of the structural repairs and modifications have been completed. There were a number of change orders this month addressing this as well as two other projects relating to this tank site. There was a change order of \$1600 for conduit installation related to the SCADA project, one for \$5410 for the AMI antenna and two totaling \$36,045 for rafter replacement and bottom band to fortify thinning wall thickness at the bottom of the tank. The coating sub is now blasting the interior of the tank and will be doing the exterior next week. The interior lining should be complete by the end of the month.

Denniston Pump Station and Bridgeport Transmission Main Project

The transmission main passed the pressure and bacteriological testing and tied in at the top of coral reef with an accompanying air blow-off valve and a 2" pressure reducing valve (PRV) to the old coral reef pipeline. There were about 40 residences shut down to make the tie in. The main is still charged but isolated.

The contractor started on the Denniston Treated Water Pump Station in March. We had to resolve some issues as to the present well influent line as well as the raw water PS drain and overflow lines, which are now grouted and abandoned. The 40 foot piles for the treated water PS were installed .

Stone Dam Pipeline

We finally received the minutes of the 25 January SFPUC Project Review Meeting. The report delineates the next actions to be taken in order to get final approval of the permanent pipeline to be buried under the Stone Dam access trail.

Automatic Meter Infrastructure

There are now about 700 Badger e-meters installed in the system and staff is presently working to integrate them into the Aclara AMI network. See Assistant General Manager's report.

Supervisory Control And Data Acquisition (SCADA)

Work continues on the radio aspect of the ongoing SCADA project. Work was done installing a multidirectional antenna at District Center and unidirectional antennas at our distribution sites and determining proper radio communication between sites.

Downtown 2" Line Replacement Project

Design drawings were reviewed by Staff and sent back to Jim Teter with our comments. Awaiting final plans and accompanying specifications and request for proposal (RFP) forms.

Denniston Yard Paving Project

As mentioned in past reports, rainfall at the Denniston WTP results in sediment being washed into our sludge drying beds. Staff has worked with a local contractor to develop a yard paving and berm plan to mitigate this issue. We have sent out a RFP to pave the area between the return washwater basins and the drying beds with a berm around its perimeter. We await response from two local contractors.