

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

**MEETING OF THE BOARD OF DIRECTORS**

**Tuesday, January 14, 2014 - 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](http://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) **PUBLIC HEARING** ([attachment](#))

**Coastside County Water District Ordinance 2014-01 - Amending the Coastside County Water District Indoor Water Use Efficiency Ordinance**

Board to conduct a public hearing to receive public comments and consider adoption of Ordinance 2014-01 amending the Coastside County Water District Indoor Water Use Efficiency Ordinance.

5) **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 December 31, 2013:  
Claims: \$630,053.22; Payroll: \$77,401.37; for a total of \$ 707,454.59 ([attachment](#))  
➤ *November 2013 Monthly Financial Claims reviewed by Director Coverdell*
- B. Acceptance of Financial Reports ([attachment](#))
- C. Approval of Minutes of December 10, 2013 Board of Directors Meeting ([attachment](#))
- D. Installed Water Connection Capacity and Water Meters Report ([attachment](#))
- E. Total CCWD Production Report ([attachment](#))
- F. CCWD Monthly Sales by Category Report - December, 2013 ([attachment](#))
- G. December 2013 Leak Report ([attachment](#))
- H. Rainfall Reports ([attachment](#))
- I. San Francisco Public Utilities Commission Hydrological Conditions Report for November 2013 ([attachment](#))
- J. San Francisco Public Utilities Commission Hydrological Conditions Report for December 2013 ([attachment](#))

6) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

7) **GENERAL BUSINESS**

- A. Approval of Coastside County Water District Basic Financial Statements and Independent Auditors Report for Fiscal Year Ended June 30, 2013 ([attachment](#))

- B. Quarterly Year-To-Date Financial Review ([attachment](#))
  - C. Consideration of Adoption of Resolution 2014-01 in Support of the Statewide Water Action Plan for California ([attachment](#))
  - D. Coastside County Water District Board Committees ([attachment](#))
  - E. Water Shortage Contingency Planning ([attachment](#))
- 8) **GENERAL MANAGER'S REPORT - INCLUDING MONTHLY INFORMATIONAL REPORTS** ([attachment](#))
- A. Operations Report ([attachment](#))
  - B. Water Resources Report ([attachment](#))
- 9) **DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS**
- 10) **ADJOURNMENT**

# Staff Report

**To:** Coastside County Water District Board of Directors,  
via David Dickson, General Manager

**From:** Cathleen Brennan, Water Resources Analyst

**Agenda:** January 14, 2014

**Subject:** Proposed Amendments to the Coastside County Water District Indoor  
Water Use Efficiency Ordinance

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## Recommendation

1. Open public hearing to receive comments on the proposed amendments to the Indoor Water Use Efficiency Ordinance.
2. Close the public hearing and consider the proposed amendments.
3. Adopt the revised Indoor Water Use Efficiency Ordinance.

## Background

The San Francisco Public Utilities Commission's decision to limit the available water supply to member agencies of the Bay Area Water Supply and Conservation Agency to 184 MGD until at least 2018 and Senate Bill 7x-7 (Water Conservation Act of 2009), which called for a 20 percent per capita reduction statewide in water use by the year 2020, have created challenges for Coastside County Water District (District) over the next decade. These challenges required the District to take the next steps into mandating water efficiency programs.

The Indoor Water Use Efficiency Ordinance is a mandatory water efficiency measure that was designed to reduce per capita indoor water consumption for new and expanded water services in the District's service area. Other examples of mandatory water use efficiency measures that the District imposes on customers are metering the usage of all customers and tiered residential water rates. The original ordinance was designed to achieve a 20 percent water savings for indoor water use and to be consistent with the California Green Building Standards Code, the Water Conservation Act of 2009 and the Environmental Protection Agency's (EPA) WaterSense Program.

## Description

The proposed amendments to the ordinance are necessary to meet the changes in the 2013 California Plumbing Code, which becomes effective on January 1, 2014. Additionally, these amendments include definitions and standards consistent with the EPA's WaterSense Program and modifications based on two years of experience implementing the ordinance.

The following is a list of substantive changes to the ordinance:

1. Kitchen and utility faucet efficiency standard changed to reflect 2013 California Plumbing Code.
2. Metering faucet efficiency standard added to reflect 2013 California Plumbing Code.
3. Pre-rinse spray valve efficiency standard changed to meet the new EPA WaterSense Program efficiency standard.
4. Clothes washer efficiency standard removed due to:
  - (a) Cost prohibitive on existing construction to replace clothes washer.
  - (b) Water factor rapidly decreasing due to manufacturers responding to federal efficiency standards.
  - (c) Developers rarely provide clothes washer for new construction.
5. Landscaped area added to definitions for clarification.
6. New and expanded water service definition amended for clarification.
7. Clarification that a service connection shall only serve one parcel.

The District's amended ordinance (copy attached) applies to any project requiring new or expanded water service for new construction, remodels and existing construction. It targets residential and commercial plumbing fixtures and appliances. It also has specific metering requirements to encourage water efficiency.

**Effective Date for Amended Ordinance**

January 15, 2014 is the proposed effective date for this amended ordinance.

**Economic Impact**

In some cases, compliant fixtures and appliances might cost more than non-compliant fixtures.

**Fiscal Impact**

None.

**ORDINANCE NO. ~~2010-01~~ ORDINANCE NO. 2014-01**

**AN ORDINANCE OF COASTSIDE COUNTY WATER DISTRICT**

**ESTABLISHING INDOOR WATER ~~CONSERVATION USE EFFICIENCY~~ REGULATIONS**

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

WHEREAS, on May 11, 2010 the District adopted Resolution No. 2010-01, the Coastside County Water District Indoor Water Use Efficiency Ordinance.

WHEREAS, in 2006, the U.S. Environmental Protection Agency launched the WaterSense Program seeking to protect the future of our nation's water supply by educating American consumers on water efficient products and ensuring the performance of water efficient products and services that perform at least 20 percent more efficiently than previous standards.

WHEREAS, a reliable minimum supply of potable water is essential to the public health, safety and welfare of the people and economy of the County of San Mateo and the City of Half Moon Bay California.

WHEREAS, the San Francisco Bay Area is a semi-arid region and is dependent upon local surface water, ground water, and imported water supplies. Factors, such as drought, a growing population, climate change, and environmental and regulatory concerns affect our region's water reliability and make the region highly susceptible to water supply challenges.

WHEREAS, careful water management requires active ~~water use efficiency conservation measures, not only in times of drought but~~ at all times, in order to ensure a reliable minimum supply of water to meet current and future water supply needs.

WHEREAS, Article X, Section 2 of the California Constitution and Section 100 of the California Water Code declare that the general welfare requires water resources be put to beneficial use, waste or unreasonable use or unreasonable method of use of water be prevented, and conservation of water be fully exercised with a view to the reasonable and beneficial use thereof.

WHEREAS, the San Francisco Public Utilities Commission has imposed an interim water supply limitation on its wholesale customers, including local water suppliers, until at least 2018.

WHEREAS, current supply and demand projections for the Bay Area Water Supply and Conservation Agency member agencies indicate that, in the absence of increased water conservation, water demands will exceed available water supplies in 2015 and implementation of water conserving ordinances is one mechanism by which agencies can reduce future water demands and remain within existing supplies.

WHEREAS, the Board of Directors finds and determines that this Ordinance is consistent with the provisions requiring high efficiency water conserving fixtures and reductions in indoor water use in the ~~2007~~ 2013 California Plumbing Code and the California Green Building Standards Code, respectively, as such provisions will be implemented in the coming years. Implementation of this Ordinance is necessary to ~~expedite~~ ensure the use of high

efficiency water conserving fixtures and assist BAWSCA member agencies in achieving water savings.

WHEREAS, the State Legislature has identified the provision of a more reliable water supply and the protection, restoration and enhancement of the Delta ecosystem as a high priority for the State. Pursuant to this, in November 2009, the State Legislature passed Senate Bill 7 (7<sup>th</sup> Extraordinary Session) requiring certain urban water suppliers to reduce per capita urban water use by 20% by the year 2020. Accordingly, the Board of Directors finds that the implementation of this Ordinance is consistent with the policies and goals established by the State Legislature in enacting Senate Bill 7 (7<sup>th</sup> Extraordinary Session).

WHEREAS, the State Legislature has identified urban water conservation as a cost-effective approach to addressing water supply needs and determined that there are many water conservation practices that produce significant energy and water resource savings that should be encouraged as a matter of state policy. Pursuant to this finding, the State Legislature passed Senate Bill 407 (Chapter 587, Stats. 2009), requiring all residential and commercial property owners to replace existing plumbing fixtures with water-conserving fixtures by 2017 and 2019, respectively, and to upgrade existing plumbing fixtures upon any remodel initiated after January, 1 2014. Senate Bill 407 further authorizes a city, county, or retail water supplier to enact local ordinances that promote compliant use of water efficient plumbing fixtures or which will result in a greater amount of water savings than those provided for in Senate Bill 407. Accordingly, the Board of Directors finds and determines that this Ordinance is consistent with the mandates of Senate Bill 407 and will result in water savings as provided for in Senate Bill 407.

WHEREAS, the District has the power to perform all acts necessary to carry out fully the provisions of the County Water District Law (Water Code Section 31001), may establish rules and regulations for the distribution and use of water supplies (Water Code Section 31024), may adopt and enforce a comprehensive water conservation program to reduce potable water consumption and conserve supplies (Water Code Section 375), and may require as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use (Water Code Section 1009 and 31035).

WHEREAS, the District has followed the procedures for notice, public participation and adoption set forth in Section 375 of the California Water Code.

WHEREAS, the Board of Directors finds and determines that the more restrictive building standards for water conserving fixtures provided for in this Ordinance are reasonably necessary because of local climatic, geological or topographical conditions.

WHEREAS, the Board of Directors finds and determines that this Ordinance is not subject to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") pursuant to Section 15307 (the activity assures the maintenance, restoration, enhancement, or protection of a natural resource) and Section 15378(b)(2) (the activity is not a project as it involves general policy and procedure making) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, since it makes and implements policies and procedures for ensuring that water resources are conserved by reducing water consumption through the use of water efficient indoor plumbing fixtures.

WHEREAS, the adoption and enforcement of this Ordinance is necessary to manage the Coastside County Water District's potable water supply in the short and long-term and to avoid or minimize the effects of drought and shortage within the Coastside County Water District's

service area. This Ordinance is essential to ensure a reliable and sustainable minimum supply of water for the public health, safety and welfare.

NOW, THEREFORE, THE BOARD OF DIRECTORS DOES ORDAIN AS FOLLOWS:

I. **Title**

THIS ORDINANCE shall be known as the **Coastside County Water District Indoor Water Use Efficiency Ordinance**.

II. **Coordination with the Plumbing Code**

The District acknowledges that it is not legally empowered to adopt or enforce the code of rules and regulations printed in one volume and published by the International Association of Plumbing and Mechanical Officials, under the title "California Plumbing Code, ~~2007~~ 2013 Edition," and the appendices printed therein, and all supplements subsequently issued thereto, hereinafter collectively called the "Plumbing Code," prescribing regulations for the installation of all plumbing fixtures. However, the District intends to implement the measures provided for in this Ordinance in connection with an application for new or expanded water service.

III. **Applicability**

A. The provisions of this Ordinance shall apply to the following projects requiring new or expanded water service:

1. All new construction;
2. Any remodel;
3. Existing construction or existing development.

B. The provisions of this Ordinance shall not apply to:

1. Existing buildings not seeking new or expanded water service;
2. Registered local, state or federal historical sites;
3. Remodels where, in the discretion of the District's Superintendent, the unique configuration of the building, its drainage system or portions of the public sewer, or both, are incompatible with efficiency standards listed in the Indoor Water Use Efficiency Table and require a greater quantity of water to flush the system in a manner that is consistent with public health.

IV. **Definitions**

A. "certified professional" means a licensed contractor, licensed architect or licensed professional engineer.



- B. “dedicated irrigation meter” means a meter installed to provide water for irrigation purposes only.
- C. “District” means Coastside County Water District.
- D. “Energy Star Qualified” means that a given fixture meets the United States Environmental Protection Agency standard for an energy efficient product.
- E. “gal/cycle” means gallons per cycle.
- F. “gal/100 lbs ice” means gallons per hundred pounds of ice.
- G. “gpf” means gallons per flush.
- H. “gpm” means gallons per minute.
- ~~I. “water factor” means the number of gallons per cycle per cubic foot that a clothes washer uses.~~
- I. “individual meter” means a metered service connection serving one dwelling unit, one commercial unit or one landscaped area by an individual account with the District.
- J. “landscaped area” means the area on project parcel that is not covered by the footprint of structures, hardscape, or decking material.
- K. “local agency” means a city or county, including a charter city or charter county, or water district that is responsible for adopting and implementing the Ordinance. The local agency is also responsible for the enforcement of this Ordinance, including but not limited to, in the case of a city or county, approval of a permit and plan check or design review of a project; and in the case of a district, approval of a new or expanded water service application.
- L. “local water purveyor” means any entity, including a public agency, city, county or private water company that provides retail water service.
- M. “LSI” means Langlier Saturation Index providing an indication of the degree of saturation of water with respect to calcium carbonate related to cooling tower efficiency.
- N. “master meter” means an individual metered service connection serving multiple residential or multiple commercial units by an individual account with the District.
- O. “mixed use” means a parcel or building used for both commercial and residential purposes.
- P. “new or expanded water service” means a new connection or an increase in existing capacity **from an increase in fixture units or end uses** for an existing connection.

- Q. “permit” means the document issued by local agencies in connection with new construction, remodels or renovations and which authorizes the lawful initiation of construction, improvements or repairs to a building or structure.
- R. “project applicant” means the individual or entity submitting an Indoor Water Use Efficiency Checklist as required under Section VII, and requesting a permit, plan check, design review, or new or expanded water service application from the local agency. A Project applicant may be the property owner or his or her designee.
- S. “RMF” means residential multi-family.
- T. “sq. ft.” means square feet.
- U. “toilet” means toilet tank, toilet valve, and toilet bowl.
- V. “urinal” means urinal porcelain and urinal valve.

V. **Minimum Indoor-Fixture Requirements**

All projects requiring new **and or** expanded water service will have, at a minimum, fixtures that comply with the efficiency standards listed below (the “Indoor Water Use Efficiency Table”):

**INDOOR WATER USE EFFICIENCY TABLE**

<b>Fixture</b>	<b>Residential</b>	<b>Non-Residential</b>
Toilets	≤ 1.28 gpf and ≥ 350 grams	≤ 1.28 gpf and ≥ 350 grams
Urinals	≤ 0.5 gpf	≤ 0.5 gpf
Showerheads	≤ 2.0 gpm at 80 psi	≤ 2.0 gpm at 80 psi
Bathroom faucets	≤ 1.5 gpm at 60 psi	≤ 0.5 gpm at 60 psi
Kitchen faucets	<del>≤ 2.2 gpm at 60 psi</del> ≤ 1.8 gpm at 60 psi	<del>≤ 2.2 gpm at 60 psi</del> ≤ 1.8 gpm at 60 psi
Utility faucets	≤ 1.8 gpm at 60 psi	≤ 1.8 gpm at 60 psi
Metering faucets	--	≤ 0.25 gallons per cycle
Clothes washers	<del>≤ 6.0 Water Factor</del>	<del>≤ 6.0 Water Factor</del>
Dishwashers	<del>≤ 6.5 gal/cycle or</del> Energy Star Qualified	Energy Star Qualified
Cooling towers	≥ 5 cycles of concentration or ≥ 2.5 LSI	≥ 5 cycles of concentration or ≥ 2.5 LSI
Food steamers	--	Boiler less or Self-contained
Ice machines	-- --	≤ 25 gal/100 lbs ice <del>or and</del> Air-cooled
Pre-rinse spray valves	--	≤ <del>4.15</del> 1.28 gpm at 60 psi
Automatic vehicle wash facilities	--	≥ 50% of water recycled on site
Commercial refrigeration	--	Closed loop or Air-cooled <b>Water used for all cooling purposes shall be recycled or re-circulated.</b>
All fixtures and appliances must be manufactured to meet specifications. Flow restrictors and other after-market modifications will not be accepted as compliant.		

## VI. Metering

All projects requiring new ~~and~~ or expanded water service shall comply with the following metering requirements:

- A. If the project includes landscaped area greater than or equal to 5,000 square feet, the applicant shall install a separate dedicated irrigation meter.
- B. If the project is a mixed use development, the applicant shall install an individual meter for each separate use, including a dedicated irrigation meter to serve the landscape.
- C. If the project involves a RMF (Residential Multi-Family) development, the applicant shall install an individual meter for each dwelling unit. In addition, the applicant shall install an individual meter for the common area and a dedicated irrigation meter shall be installed to serve the landscape.
- D. If the project involves a commercial multi-unit development, the applicant shall install an individual meter for each unit and the applicant shall install a dedicated irrigation meter to serve the landscape.
- E. Master meter service connections may be installed only for multiple residential units or multiple commercial units that satisfy all of the following conditions:
  - 1. all of the units are within one building, and;
  - 2. the building is three or more stories in height, and;
  - 3. the parcel and the building are owned by one legal entity, and;
  - 4. the parcel is served by a dedicated irrigation meter.
- F. A service connection is assigned to a parcel by assessor's parcel number (APN) and shall only serve that parcel.

## VII. Compliance with Ordinance

- A. The District shall:
  - 1. Provide the project applicant with the Ordinance and the Indoor Water Use Efficiency Checklist requirements when it provides the applicant with the procedures for new or expanded water service applications;
  - 2. Review the Indoor Water Use Efficiency Checklist submitted by the project applicant;
  - 3. Approve or deny the project applicant's Indoor Water Use Efficiency Checklist submittal;
  - 4. Only upon approval of the Indoor Water Use Efficiency Checklist, approve a new or expanded water service application for the project applicant;

5. In its discretion, inspect the installation of the water efficient fixtures and appliances to verify that they have been installed and are performing at the required use levels; and
- ~~6. Submit a copy of the complete Indoor Water Use Efficiency Checklist to the land use authority.~~

B. The project applicant shall:

1. Meet the minimum water use efficiency standards for indoor fixtures and appliances provided for in the Indoor Water Use Efficiency Table and Checklist.
2. Comply with the District's regulations regarding water service, water service extensions, water system improvements, engineering and construction standards and approved materials.
3. Comply with the District's fee and rate schedule.
4. Prior to construction, submit all portions of the Indoor Water Use Efficiency Checklist to the District for verification.
5. Allow District staff access to inspect property for compliance with District regulations.

### VIII. **Components of the Indoor Water Use Efficiency Checklist**

The Indoor Water Use Efficiency Checklist shall require, at a minimum:

- A. Project Information;
- B. Quantity and unit water use factors of all indoor fixtures and appliances relative to the standards listed in the Indoor Water Use Efficiency Table and Checklist;
- C. Construction drawings showing type, location and layout of plumbing fixtures, appliances and meters.
- D. Contain the following statement to be completed by the project applicant: "I certify that the subject project meets the specified requirements of the Indoor Water Use Efficiency Ordinance"; and
- E. Bear the signature of the project applicant, or that of a certified professional.

## IX. Penalties and Enforcement

Failure to comply with the requirements of this ordinance or a violation of this ordinance is determined to be waste or unreasonable use or unreasonable method of use of water.

### A. Notice of Correction and Notice of Violation.

It is unlawful for any person, firm, partnership, association, or corporation subject to the requirements of this Ordinance to fail to comply with the water use efficiency requirements or to alter or replace the fixtures and appliances required by this Ordinance with other noncompliant fixtures or appliances after the completion of construction or remodel. Whenever the District Superintendent determines that a violation of this Ordinance has occurred, the District Superintendent may serve a notice of correction on the owner(s) of the property on which the violation is situated. The applicant or owner(s) of record shall have sixty (60) days to take corrective action. A notice of violation shall be issued after sixty (60) days, from the date of the notice of correction, if the violation has not been corrected.

### B. Enforcement.

If an applicant or owner(s) of record for new or expanded water service fails to comply with the provisions of this Ordinance, the District may require the applicant or owner(s) of record to resubmit its water service application and revised Indoor Water Use Efficiency Checklist for approval and will withhold approval of the application until the applicant or owner(s) of record complies with the terms of this Ordinance.

1. If the applicant or owner(s) of record with an installed water service fails to comply with this Ordinance, and fails to correct any violation within sixty (60) days of the notice of correction from the District, the District may require the installation of a flow restricting device(s) until compliance is achieved. The applicant or owner(s) of record will be charged for the installation and removal of the flow restricting device(s), so the District may recover the costs incurred from enforcement.
2. If the applicant or owner(s) of record with an installed water service fails to comply with this Ordinance, and fails to correct any violation after ninety (90) days of the notice of correction from the District, the District may suspend water service by locking or removing the water meter until compliance is achieved. The applicant or owner(s) of record will be charged for suspending and restoring water service.
3. If the applicant or owner(s) of record with an installed dedicated irrigation water service fails to comply with this Ordinance, and fails to correct any violation within sixty (60) days of the notice of correction from the District, the District may suspend water service by locking or removing the water meter until compliance is achieved. Irrigation is not a necessary water service for health and safety. The applicant or owner(s) of record will be charged for suspending and restoring water service.

4. In addition to any other remedy provided herein, the District may also refer enforcement of violations under this Ordinance to the City Attorney, County Counsel or District Attorney of the jurisdiction where the violation occurred.

X. **Public Education**

The District shall provide information to all applicants regarding the installation of water efficient fixtures and appliances.

XI. **Severability**

If any section, subsection, provision or part of this Ordinance, or its application to any person or circumstance, is held to be unconstitutional or otherwise invalid, the remainder of this Ordinance, and the application of such provision to other person or circumstances, shall not be affected thereby and shall remain in full force and effect and, to that end, the provisions of this Ordinance are severable.

XII. **Publication**

The General Manager is hereby directed to arrange for this Ordinance to be published in a newspaper of general circulation in the District within ten (10) days of its adoption.

XIII. **Effective Date**

This revised Ordinance shall become effective on January ~~15 4, 2011~~ 2014.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Coastside County Water District held on ~~May 11, 2010~~ January 14, 2014 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
GLENN REYNOLDS  
BOARD PRESIDENT

ATTEST:

\_\_\_\_\_  
DAVID R DICKSON  
BOARD SECRETARY

# Accounts Payable

## Checks by Date - Summary By Check Number

User: GBrazil  
 Printed: 1/2/2014 - 10:09 AM



Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
19534	ALL04	ALLIED WASTE SERVICES #9:	12/06/2013	0.00	343.64
19535	CAL08	CALCON SYSTEMS, INC.	12/06/2013	0.00	65,447.84
19536	CIT01	CITY OF HALF MOON BAY	12/06/2013	0.00	11,225.00
19537	COM02	COMCAST	12/06/2013	0.00	140.80
19538	HAS01	HASSETT HARDWARE	12/06/2013	0.00	860.44
19539	ICM01	VANTAGEPOINT TRANSFER /	12/06/2013	0.00	40.00
19540	MAS01	MASS MUTUAL FINANCIAL G	12/06/2013	0.00	1,977.66
19541	PUB01	PUB. EMP. RETIRE SYSTEM	12/06/2013	0.00	19,910.64
19542	SAN20	SAN FRANCISCO FIRE CREDI	12/06/2013	0.00	300.00
19543	VAL01	VALIC	12/06/2013	0.00	1,565.00
19544	IRV01	IRVINE CONSULTING SERVIC	12/12/2013	0.00	2,074.00
19545	IRV02	IRVINE CONSULTING SERVIC	12/12/2013	0.00	7,471.75
19546	ASS01	HEALTH BENEFITS ACWA-JPI	12/20/2013	0.00	23,669.96
19547	ATT02	AT&T	12/20/2013	0.00	1,732.30
19548	BRE01	CATHLEEN BRENNAN	12/20/2013	0.00	115.74
19549	CAL33	CALIFORNIA SPECIAL DISTRI	12/20/2013	0.00	5,294.00
19550	CUL01	CULLIGAN SANTA CLARA, C,	12/20/2013	0.00	160.20
19551	DIC01	DAVID DICKSON	12/20/2013	0.00	887.13
19552	ICM01	VANTAGEPOINT TRANSFER /	12/20/2013	0.00	40.00
19553	KAI01	KAISER FOUNDATION HEALT	12/20/2013	0.00	11,010.00
19554	MAS01	MASS MUTUAL FINANCIAL G	12/20/2013	0.00	1,977.66
19555	PAC01	PACIFIC GAS & ELECTRIC CO	12/20/2013	0.00	43,267.10
19556	PUB01	PUB. EMP. RETIRE SYSTEM	12/20/2013	0.00	19,783.57
19557	SAN07	SM CTY ENVIRONMENTAL H	12/20/2013	0.00	1,283.00
19558	SAN20	SAN FRANCISCO FIRE CREDI	12/20/2013	0.00	300.00
19559	TEA02	TEAMSTERS LOCAL UNION #	12/20/2013	0.00	801.00
19560	VAL01	VALIC	12/20/2013	0.00	1,565.00
19561	ADP01	ADP, INC.	12/26/2013	0.00	585.80
19562	ADV02	FRANK YAMELLO	12/26/2013	0.00	235.00
19563	AME03	AMERICAN TRUCK & TRAIL	12/26/2013	0.00	1,781.63
19564	AME09	AMERICAN WATER WORKS A	12/26/2013	0.00	635.00
19565	ANA01	ANALYTICAL ENVIRONMEN	12/26/2013	0.00	14,511.40
19566	AND01	ANDREINI BROS. INC.	12/26/2013	0.00	93,939.87
19567	ATT03	AT&T LONG DISTANCE	12/26/2013	0.00	283.34
19568	BAR01	BARTKIEWICZ, KRONICK & S	12/26/2013	0.00	5,471.90
19569	BAY10	BAY ALARM COMPANY	12/26/2013	0.00	607.50
19570	BIG01	BIG CREEK LUMBER	12/26/2013	0.00	71.92
19571	BOR01	BORGES & MAHONEY, INC.	12/26/2013	0.00	1,428.29
19572	BOR04	G. BORTOLOTTO & CO.	12/26/2013	0.00	566.69
19573	CAL08	CALCON SYSTEMS, INC.	12/26/2013	0.00	16,138.50
19574	CAR02	CAROLYN STANFIELD	12/26/2013	0.00	485.00
19575	CAR08	REGISTER TAPES UNLIMITED	12/26/2013	0.00	600.00
19576	CIN01	CINTAS FIRST AID & SAFETY	12/26/2013	0.00	273.55
19577	CIT01	CITY OF HALF MOON BAY	12/26/2013	0.00	1,800.00
19578	COA19	COASTSIDE COUNTY WATER	VOID	426.72	0.00



Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
19579	CON01	CONTROLCO	12/26/2013	0.00	231.00
19580	CUM01	CUMMINS PACIFIC, LLC	12/26/2013	0.00	11,208.17
19581	DAT01	DATAPROSE	12/26/2013	0.00	3,312.40
19582	ELD01	ELDORADO FORKLIFT COMP.	12/26/2013	0.00	543.75
19583	GRA03	GRAINGER, INC.	12/26/2013	0.00	842.66
19584	HAC01	HACH CO., INC.	12/26/2013	0.00	712.82
19585	HAL01	HMB BLDG. & GARDEN INC.	12/26/2013	0.00	719.08
19586	HAL04	HALF MOON BAY REVIEW	12/26/2013	0.00	208.00
19587	HAL24	H.M.B.AUTO PARTS	12/26/2013	0.00	8.63
19588	HAN01	HANSONBRIDGETT. LLP	12/26/2013	0.00	7,660.00
19589	HEA01	U.S. HEALTHWORKS MEDICA	12/26/2013	0.00	31.00
19590	IRO01	IRON MOUNTAIN	12/26/2013	0.00	418.52
19591	IRV01	IRVINE CONSULTING SERVIC	12/26/2013	0.00	2,074.00
19592	KEN03	KENNEDY/JENKS CONSULTA	12/26/2013	0.00	6,106.83
19593	LOM01	GLENNA LOMBARDI	12/26/2013	0.00	268.88
19594	MET06	METLIFE SBC	12/26/2013	0.00	2,023.40
19595	MIS01	MISSION UNIFORM SERVICES	12/26/2013	0.00	228.17
19596	MMB01	MICHAEL WOLF	12/26/2013	0.00	130.81
19597	NAT02	NATIONAL METER & AUTOM	12/26/2013	0.00	3,239.46
19598	OFF01	OFFICE DEPOT	12/26/2013	0.00	1,676.08
19599	ONT01	ONTRAC	12/26/2013	0.00	423.13
19600	PAC06	PACIFICA COMMUNITY TV	12/26/2013	0.00	250.00
19601	PAR01	PARSONS ANDERSEN CPAs, L	12/26/2013	0.00	5,937.50
19602	PAU01	PAULO'S AUTO CARE	12/26/2013	0.00	222.23
19603	PIT04	PITNEY BOWES	12/26/2013	0.00	198.00
19604	PRI01	PRINCETON WELDING , INC.	12/26/2013	0.00	711.16
19605	PUM01	PUMP REPAIR SERVICE CO. I	12/26/2013	0.00	15,480.48
19606	PVS01	PVS MINIBULK, INC	12/26/2013	0.00	2,666.24
19607	RIC02	RICOH AMERICAS CORP	12/26/2013	0.00	823.94
19608	ROB01	ROBERTS & BRUNE CO.	12/26/2013	0.00	12,734.59
19609	ROG01	ROGUE WEB WORKS, LLC	12/26/2013	0.00	240.00
19610	SAN03	SAN FRANCISCO WATER DEP	12/26/2013	0.00	174,810.24
19611	SAN05	SAN MATEO CTY PUBLIC HE	12/26/2013	0.00	470.00
19612	SAN10	SAN MATEO COUNTY	12/26/2013	0.00	5,256.00
19613	SCH04	TODD SCHMIDT	12/26/2013	0.00	1,080.00
19614	SER03	SERVICE PRESS	12/26/2013	0.00	96.67
19615	SPR02	SPRINGBROOK NATIONAL US	12/26/2013	0.00	100.00
19616	STE02	JIM STEELE	12/26/2013	0.00	450.00
19617	STO01	STOLOSKI & GONZALEZ, INC	12/26/2013	0.00	790.38
19618	STR02	STRAWFLOWER ELECTRONIC	12/26/2013	0.00	38.27
19619	TET01	JAMES TETER	12/26/2013	0.00	240.00
19620	UB*01204	MARK SMITH	12/26/2013	0.00	16.60
19621	UB*01205	MATTHEW CAVACO	12/26/2013	0.00	35.49
19622	UB*01206	MICHAEL DONNELLY	12/26/2013	0.00	122.63
19623	UB*01207	GREGORY/JENNIFER INGRAM	12/26/2013	0.00	107.76
19624	UB*01208	KATE RIDGWAY	12/26/2013	0.00	30.96
19625	UB*01209	DEBRA CHRISTOFFERS	12/26/2013	0.00	14.03
19626	UB*01210	ROBERT CAMPOS	12/26/2013	0.00	75.00
19627	UPS01	UPS STORE	12/26/2013	0.00	70.49
19628	VEL01	ADOLFO VELEZ	12/26/2013	0.00	200.00
19629	VER02	VERIZON WIRELESS	12/26/2013	0.00	1,184.45
19630	WES11	WEST COAST AGGREGATES,	12/26/2013	0.00	721.22
19631	COA19	COASTSIDE COUNTY WATER	12/26/2013	0.00	153.28

Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
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			Report Total:	426.72	630,053.22
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**COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS**  
**31-Dec-13**

ACCOUNT	DESCRIPTION	CURRENT ACTUAL	CURRENT BUDGET	B/(W) VARIANCE	B/(W) % VAR	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
<b>OPERATING REVENUE</b>									
1-0-4120-00	Water Revenue -All Areas	635,304.71	578,895.00	56,409.71	9.7%	4,405,507.25	4,494,661.00	(89,153.75)	-2.0%
<b>TOTAL OPERATING REVENUE</b>		<b>635,304.71</b>	<b>578,895.00</b>	<b>56,409.71</b>	<b>9.7%</b>	<b>4,405,507.25</b>	<b>4,494,661.00</b>	<b>(89,153.75)</b>	<b>-2.0%</b>
<b>NON-OPERATING REVENUE</b>									
1-0-4170-00	Water Taken From Hydrants	1,823.18	2,083.33	(260.15)	-12.5%	15,062.34	12,500.00	2,562.34	20.5%
1-0-4180-00	Late Notice -10% Penalty	5,396.77	5,833.33	(436.56)	-7.5%	44,861.01	35,000.02	9,860.99	28.2%
1-0-4230-00	Service Connections	1,736.67	666.66	1,070.01	160.5%	5,804.97	4,000.04	1,804.93	45.1%
1-0-4920-00	Interest Earned	0.00	0.00	0.00	0.0%	5,741.85	1,522.50	4,219.35	277.1%
1-0-4930-00	Tax Apportionments/Cnty Checks	285,449.04	300,000.00	(14,550.96)	0.0%	365,961.65	365,000.00	961.65	0.3%
1-0-4950-00	Miscellaneous Income	1,087.82	3,083.33	(1,995.51)	-64.7%	23,847.87	18,500.00	5,347.87	28.9%
1-0-4955-00	Cell Site Lease Income	11,239.81	10,121.00	1,118.81	11.1%	67,171.35	60,726.00	6,445.35	10.6%
1-0-4965-00	ERAF REFUND -County Taxes	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1-0-4990-00	Water Sales Refunded	0.00	0.00	0.00	0.0%	(3,191.52)	0.00	(3,191.52)	0.0%
<b>TOTAL NON-OPERATING REVENUE</b>		<b>306,733.29</b>	<b>321,787.65</b>	<b>(15,054.36)</b>	<b>-4.7%</b>	<b>525,259.52</b>	<b>497,248.56</b>	<b>28,010.96</b>	<b>5.6%</b>
<b>TOTAL REVENUES</b>		<b>942,038.00</b>	<b>900,682.65</b>	<b>41,355.35</b>	<b>4.6%</b>	<b>4,930,766.77</b>	<b>4,991,909.56</b>	<b>(61,142.79)</b>	<b>-1.2%</b>
<b>OPERATING EXPENSES</b>									
1-1-5130-00	Water Purchased	174,810.24	95,999.00	(78,811.24)	-82.1%	1,242,423.68	1,087,513.00	(154,910.68)	-14.2%
1-1-5230-00	Pump Exp, Nunes T P	2,389.67	1,223.00	(1,166.67)	-95.4%	12,537.48	11,756.00	(781.48)	-6.6%
1-1-5231-00	Pump Exp, CSP Pump Station	38,325.88	1,000.00	(37,325.88)	-3732.6%	204,157.39	130,639.00	(73,518.39)	-56.3%
1-1-5232-00	Pump Exp, Trans. & Dist.	969.56	975.00	5.44	0.6%	6,084.29	7,623.00	1,538.71	20.2%
1-1-5233-00	Pump Exp, Pilarcitos Can.	267.53	2,573.00	2,305.47	89.6%	1,326.01	5,265.00	3,938.99	74.8%
1-1-5234-00	Pump Exp. Denniston Proj.	517.08	14,164.00	13,646.92	96.3%	6,808.28	34,340.00	27,531.72	80.2%
1-1-5235-00	Denniston T.P. Operations	524.80	2,802.00	2,277.20	100.0%	4,576.05	6,199.00	1,622.95	26.2%
1-1-5236-00	Denniston T.P. Maintenance	1,834.23	3,167.00	1,332.77	42.1%	22,171.34	18,998.00	(3,173.34)	-16.7%
1-1-5240-00	Nunes T P Operations	3,327.86	4,528.00	1,200.14	26.5%	27,180.79	46,228.00	19,047.21	41.2%
1-1-5241-00	Nunes T P Maintenance	5,520.07	3,750.00	(1,770.07)	-47.2%	20,191.39	22,500.00	2,308.61	10.3%
1-1-5242-00	CSP Pump Station Operations	746.65	708.00	(38.65)	-5.5%	4,859.09	4,252.00	(607.09)	-14.3%
1-1-5243-00	CSP Pump Station Maintenance	0.00	3,333.00	3,333.00	100.0%	2,505.01	20,002.00	17,496.99	87.5%
1-1-5250-00	Laboratory Services	1,605.95	2,500.00	894.05	35.8%	17,593.82	25,000.00	7,406.18	29.6%
1-1-5318-00	Studies/Surveys/Consulting	1,080.00	6,250.00	5,170.00	82.7%	4,005.00	37,500.00	33,495.00	89.3%
1-1-5321-00	Water Conservation	2,600.00	4,833.00	2,233.00	46.2%	11,173.30	29,002.00	17,828.70	61.5%
1-1-5322-00	Community Outreach	458.00	2,641.66	2,183.66	82.7%	5,079.35	15,850.04	10,770.69	68.0%
1-1-5411-00	Salaries & Wages -Field	77,525.25	72,802.46	(4,722.79)	-6.5%	474,567.85	473,216.00	(1,351.85)	-0.3%
1-1-5412-00	Maintenance -General	23,493.12	14,042.00	(9,451.12)	-67.3%	114,730.16	84,248.00	(30,482.16)	-36.2%
1-1-5414-00	Motor Vehicle Expense	3,765.22	4,221.00	455.78	10.8%	23,576.92	25,324.00	1,747.08	6.9%

ACCOUNT	DESCRIPTION	CURRENT ACTUAL	CURRENT BUDGET	B/(W) VARIANCE	B/(W) % VAR	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
1-1-5415-00	Maintenance -Well Fields	0.00	833.00	833.00	100.0%	0.00	5,002.00	5,002.00	100.0%
1-1-5610-00	Salaries/Wages-Administration	49,844.01	52,241.00	2,396.99	4.6%	324,482.28	339,566.50	15,084.22	4.4%
1-1-5620-00	Office Supplies & Expense	8,707.58	11,885.41	3,177.83	26.7%	67,689.41	71,312.54	3,623.13	5.1%
1-1-5621-00	Computer Services	2,454.80	6,655.00	4,200.20	63.1%	24,906.93	39,930.00	15,023.07	37.6%
1-1-5625-00	Meetings / Training / Seminars	1,125.80	1,666.66	540.86	32.5%	9,587.79	10,000.04	412.25	4.1%
1-1-5630-00	Insurance	5,652.24	6,250.00	597.76	9.6%	40,603.87	57,500.00	16,896.13	29.4%
1-1-5635-00	EE/Ret. Medical Insurance	33,984.77	34,173.08	188.31	0.6%	189,043.20	205,038.52	15,995.32	7.8%
1-1-5640-00	Employees Retirement Plan	37,435.05	36,934.00	(501.05)	-1.4%	221,348.14	240,071.00	18,722.86	7.8%
1-1-5645-00	SIP 401K Plan	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1-1-5681-00	Legal	3,564.00	5,000.00	1,436.00	28.7%	22,625.00	30,000.00	7,375.00	24.6%
1-1-5682-00	Engineering	240.00	1,166.66	926.66	79.4%	2,596.00	7,000.04	4,404.04	62.9%
1-1-5683-00	Financial Services	5,937.50	9,000.00	3,062.50	0.0%	13,587.50	24,000.00	10,412.50	0.0%
1-1-5684-00	Payroll Tax Expense	7,417.62	8,968.46	1,550.84	17.3%	54,045.03	58,295.00	4,249.97	7.3%
1-1-5687-00	Membership, Dues, Subscript.	6,263.95	5,684.16	(579.79)	-10.2%	31,620.20	34,105.04	2,484.84	7.3%
1-1-5688-00	Election Expenses	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1-1-5689-00	Labor Relations	0.00	500.00	500.00	100.0%	0.00	3,000.00	2,000.00	66.7%
1-1-5700-00	San Mateo County Fees	6,539.00	1,391.66	(5,147.34)	0.0%	10,343.22	8,350.04	(1,993.18)	0.0%
1-1-5705-00	State Fees	0.00	1,166.66	1,166.66	0.0%	14,861.56	7,000.04	(7,861.52)	0.0%
<b>TOTAL OPERATING EXPENSES</b>		<b>508,927.43</b>	<b>425,027.87</b>	<b>(83,899.56)</b>	<b>-19.7%</b>	<b>3,232,887.33</b>	<b>3,225,625.80</b>	<b>(7,261.53)</b>	<b>-0.2%</b>
<b>CAPITAL ACCOUNTS</b>									
1-1-5711-00	Debt Srvc/Existing Bonds 1998A	0.00	0.00	0.00	0.0%	266,890.00	266,890.00	0.00	0.0%
1-1-5712-00	Debt Srvc/Existing Bonds 2006B	0.00	0.00	0.00	0.0%	343,866.60	343,867.00	0.40	0.0%
1-1-5715-00	Debt Srvc/CIEDB 11-099 (I-BANK)	0.00	0.00	0.00	0.0%	263,045.52	263,046.00	0.48	0.0%
<b>TOTAL CAPITAL ACCOUNTS</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>873,802.12</b>	<b>873,803.00</b>	<b>0.88</b>	<b>0.0%</b>
<b>TOTAL EXPENSES</b>		<b>508,927.43</b>	<b>425,027.87</b>	<b>(83,899.56)</b>	<b>-19.7%</b>	<b>4,106,689.45</b>	<b>4,099,428.80</b>	<b>(7,260.65)</b>	<b>-0.2%</b>
<b>NET INCOME</b>		<b>433,110.57</b>		<b>824,077.32</b>					

**COASTSIDE COUNTY WATER DISTRICT  
MONTHLY INVESTMENT REPORT  
December 31, 2013**

**RESERVE BALANCES**

CAPITAL AND OPERATING RESERVE	\$2,526,816.83
RATE STABILIZATION RESERVE	\$250,000.00

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<b>TOTAL DISTRICT RESERVES</b>	<b>\$2,776,816.83</b>
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**ACCOUNT DETAIL**

ACCOUNTS WITH FIRST NATIONAL BANK (FNB)	
CHECKING ACCOUNT	\$1,137,089.24
CSP T & S ACCOUNT	\$622,084.85

LOCAL AGENCY INVESTMENT FUND (LAIF) BALANCE	\$1,017,012.74
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DISTRICT CASH ON HAND	\$630.00
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<b>TOTAL ACCOUNT BALANCES</b>	<b>\$2,776,816.83</b>
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*This report is in conformity with CCWD's Investment Policy.*

**COASTSIDE COUNTY WATER DISTRICT  
APPROVED CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEAR 2013-2014**

12/31/2013

		Approved CIP Budget FY13/14	Actual To Date FY 13/14	Projected Year-End FY 13/14	Projected vs. Budget Variance	% Completed	Project Status/ Comments
<b>EQUIPMENT PURCHASE &amp; REPLACEMENT</b>							
99-03	Computer System	\$ 5,000	\$ 6,104	\$ 6,104	\$ (1,104)	100%	
99-04	Office Equipment/Furniture	\$ 3,000	\$ 565	\$ 3,000	\$ -	19%	
06-03	SCADA / Telemetry / Electrical Controls	\$ 250,000	\$ 10,297	\$ 250,000	\$ -	4%	Working with Calcon to develop first phase

**FACILITIES & MAINTENANCE**

08-08	PRV Valves Replacement Program	\$ 30,000	\$ 13,741	\$ 30,000	\$ -	46%	
09-09	Fire Hydrant Replacement	\$ 20,000	\$ 9,996	\$ 20,000	\$ -	50%	
09-23	District Digital Mapping	\$ 50,000	\$ 13,750	\$ 50,000	\$ -	28%	
14-11	Replace 2" and Larger Meters with Omni Meters	\$ 30,000	\$ 7,571	\$ 30,000	\$ -	25%	Replaced 3" Rocket Farms meter in October
14-12	Harbor District Vault & Meter Replacement	\$ 70,000		\$ 70,000	\$ -	0%	
14-15	Replace Administration Building Roof	\$ 30,000		\$ 30,000	\$ -	0%	
99-01	Meter Change Program	\$ 20,000		\$ 20,000	\$ -	0%	

**PIPELINE PROJECTS**

06-01	Avenue Cabrillo Phase 2 & 3 Pipeline Replacement	\$ 246,000	90,068	\$ 340,000	\$ (94,000)	37%	Mains installed, connecting services 1/14
10-02	Bridgeport Drive Pipeline Replacement Project	\$ 110,000	16,333	\$ 110,000	\$ -	15%	K/J working on hydraulic model for design input
12-03	Crystal Springs Pipeline Air/Vacuum Valves	\$ 20,000		\$ 20,000	\$ -	0%	
13-02	Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave	\$ 25,000		\$ 25,000	\$ -	0%	J Teter will design

**PUMP STATIONS / TANKS / WELLS**

06-04	Hazen's Tank Replacement	\$ 400,000		\$ 400,000	\$ -	0%	J Teter to design replacement
08-14	Alves Tank Recoating, Interior & Exterior	\$ 400,000		\$ -	\$ 400,000	0%	Will not be completed in FY14
08-17	EI Granada Tank #2 Recoating & Ladder	\$ 300,000	\$ 139,714	\$ 550,000	\$ (250,000)	47%	Work in progress 1/14, completion 3/14
11-03	Miramar Tank Altitude Valve Replacement	\$ 30,000	\$ 14,979	\$ 30,000	\$ -	50%	Valve purchased, staff to install 3/14
12-06	CSPS Surge Tank Control Improvements	\$ 80,000	\$ 3,740	\$ 80,000	\$ -	0%	Project in Calcon schedule
12-09	EI Granada Tank # 2 Fence Replacement	\$ 25,000		\$ -	\$ 25,000	0%	Included in Project 08-17
12-11	Miramar Tank Fence Replacement	\$ 25,000		\$ 25,000	\$ -	0%	Planned for 3/14
13-08	Crystal Springs Spare 350 HP Pump and Motor	\$ 50,000		\$ 50,000	\$ -	0%	Ordered 12/13, delivery 2/14
14-17	Crystal Springs Pump Station Electrical Controls Upgrades	\$ 50,000		\$ 50,000	\$ -	0%	Calcon developing scope and budget
14-23	Alves Tank Generator Enclosure	\$ 15,000		\$ 15,000	\$ -	0%	In Process

**WATER SUPPLY DEVELOPMENT**

12-12	San Vicente Diversion and Pipeline	\$ 300,000	\$ 26,407	\$ 300,000	\$ -	9%	K/J has submitted preliminary hydraulic evaluation
13-12	CCWD-MWSD Emergency Intertie - Planning	\$ 25,000		\$ 25,000	\$ -	0%	On hold pending further discussion with MWSD
14-24	Denniston/San Vicente EIR & Permitting	\$ 100,000	\$ 93,572	\$ 100,000	\$ -	94%	Working with AES to complete draft EIR
14-25	Water Shortage Plan Development	\$ 50,000		\$ 50,000	\$ -	0%	Award drought rate study 1/14

**WATER TREATMENT PLANTS**

12-04	Denniston Treated Water Booster Station	\$ 600,000		\$ 100,000	\$ 500,000	0%	Need hydraulic model before going to final design
12-05	Nunes Access Road Repaving	\$ 100,000		\$ 100,000	\$ -	0%	
12-14	Nunes - Hydropneumatic Systems Improvement	\$ 40,000	\$ 628	\$ 40,000	\$ -	0%	Project in Calcon schedule
14-02	Nunes - Replace Sludge Pond Media	\$ 25,000		\$ 25,000	\$ -	0%	
14-04	Denniston - Dust Control	\$ 10,000		\$ 10,000	\$ -	0%	
14-07	Nunes - New Surface Scatter 7 Turbidimeter	\$ 7,000		\$ 7,000	\$ -	0%	Project in Calcon schedule
14-08	Nunes - New Storage Container	\$ 7,000		\$ 7,000	\$ -	0%	
14-10	Nunes - Emergency Power Switchgear	\$ 30,000	\$ 11,208	\$ 30,000	\$ -	0%	Installed and functional - not fully invoiced
99-05	Denniston Maintenance Dredging	\$ 60,000	\$ 32,594	\$ 32,594	\$ 27,406	54%	Completed

**COASTSIDE COUNTY WATER DISTRICT  
 APPROVED CAPITAL IMPROVEMENT PROJECTS  
 FISCAL YEAR 2013-2014**

12/31/2013

	Approved CIP Budget FY13/14	Actual To Date FY 13/14	Projected Year-End FY 13/14	Projected vs. Budget Variance	% Completed	Project Status/ Comments
<b>FY 13/14 TOTALS</b>	<b>\$ 3,638,000</b>	<b>\$ 491,268</b>	<b>\$ 3,030,698</b>	<b>\$ 608,406</b>		

**Previous CIP Projects - paid in FY 13/14**

Cahill Tank Repairs		\$ 5,860				
Avenue Portola Pipeline Replacement		\$ 114,019				
Denniston WTP Improvement Project		\$ 292				
Nunes - Replace Washwater Return Pump #2		\$ 124				
Denniston Water Supply Development		\$ 5,682				
Server Upgrade (labor)		\$ 6,300				
Hazen's Tank Fence (completed in FY 11/12) - Retention		\$ 1,637				
<b>PREVIOUS YEAR TOTALS \$ - \$ 133,913 \$ - \$ -</b>						

**UNSCHEDULED ITEMS (CAPITAL EXPENDITURES) FOR CURRENT FISCAL YEAR 13/14**

San Benito Pipeline Replacement Project		\$ 11,541				
Denniston - Magnetic Flow Meter		\$ 2,480				
Pilarcitos Blending Station		\$ 989				
Nunes Legacy Backwash System Removal		\$ 6,455				
Denniston Backwash FTW Valves		\$ 925				
Denniston Creek Return Water Pump		\$ 15,480				
Nunes Control System Upgrades		\$ 55,364				
<b>NON-BUDGETED TOTALS \$ - \$ 93,235 \$ - \$ -</b>						

<b>CIP TOTALS</b>	<b>\$ 3,638,000</b>	<b>\$ 718,416</b>	<b>\$ 3,030,698</b>			
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**Legal Cost Tracking Report  
12 Months At-A-Glance**

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

<b>Month</b>	<b>Admin (General Legal Fees)</b>	<b>Water Supply Develpmnt</b>	<b>Transfer Program</b>	<b>CIP</b>	<b>Personnel</b>	<b>Lawsuits</b>	<b>Infrastructure Project Review  (Reimbursable)</b>	<b>TOTAL</b>
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<b>Jan-13</b>	901						519	1,420
<b>Feb-13</b>	3,195			55			491	3,741
<b>Mar-13</b>	6,782	364					56	7,202
<b>Apr-13</b>	1,981	420					2,100	4,501
<b>May-13</b>	5,493			527				6,020
<b>Jun-13</b>	3,503		252					3,755
<b>Jul-13</b>	4,199			924				5,123
<b>Aug-13</b>	4,287		616	56				4,959
<b>Sep-13</b>	7,485						476	7,961
<b>Oct-13</b>	2,484		660	84				3,228
<b>Nov-13</b>	4,805	1,736	1,172					7,713
<b>Dec-13</b>	3,304	3,928		168	260			7,660

<b>TOTAL</b>	<b>48,418</b>	<b>6,448</b>	<b>2,700</b>	<b>1,814</b>	<b>260</b>	<b>0</b>	<b>3,642</b>	<b>63,282</b>
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**Engineer Cost Tracking Report  
12 Months At-A-Glance**

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

<b>Month</b>	<b>Admin &amp; Retainer</b>	<b>CIP</b>	<b>Studies &amp; Projects</b>	<b>TOTAL</b>	<b>Reimbursable from Projects</b>
<b>Jan-13</b>	480	11,243		<b>11,723</b>	
<b>Feb-13</b>	502	8,604	187	<b>9,292</b>	187
<b>Mar-13</b>	360	5,671	169	<b>6,200</b>	169
<b>Apr-13</b>	903	3,987	646	<b>5,535</b>	646
<b>May-13</b>	480	1,604	3,557	<b>5,640</b>	5,640
<b>Jun-13</b>	949	2,518	8,994	<b>12,461</b>	8,994
<b>Jul-13</b>	583	10,150	45	<b>10,779</b>	45
<b>Aug-13</b>	240	1,014	169	<b>1,423</b>	169
<b>Sep-13</b>	480	3,929	1,014	<b>5,423</b>	1,014
<b>Oct-13</b>	649	797	1,606	<b>3,052</b>	1,606
<b>Nov-13</b>	987	544	433	<b>1,964</b>	433
<b>Dec-13</b>	240			<b>240</b>	
<b>TOTAL</b>	<b>6,852</b>	<b>50,062</b>	<b>16,819</b>	<b>73,732</b>	<b>18,903</b>

**Calcon T&M Projects Tracking**

Project No.	Name	Account No.	Proposal Date	Approved Date	Project Budget	9/30/13	10/31/13 Billing	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14	4/30/14	Project Total Billing	Project Budget Remaining	CIP Project
CAL-13-EMG	Emergency Callout															
CAL-13-00	Calcon Project Admin/Miscellaneous					\$992.50								\$992.50		
CAL-13-01	EG Tank 2 Recoating Project		9/30/13	10/8/13	\$8,220.00		\$1,455.00	\$2,195.00						\$3,650.00	\$4,570.00	08-17
CAL-13-02	Nunes Control System Upgrades		9/30/13	10/8/13	\$46,141.00		\$55,363.60							\$55,363.60	-\$9,222.60	FY13 CIP
CAL-13-03	Win 911 and PLC Software		9/30/13	10/8/13	\$9,717.00		\$7,636.74	\$2,660.00						\$10,296.74	-\$579.74	
CAL-13-04	Crystal Springs Surge Tank Retrofit		11/26/13	11/27/13	\$31,912.21			\$3,740.00						\$3,740.00	\$28,172.21	6-Dec
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						\$6,455.00	\$61.75	
CAL-13-07	Denniston Backwash FTW Valves		11/26/13	11/27/13	\$6,914.21			\$925.00						\$925.00	\$5,989.21	
					\$109,421.17	\$992.50	\$64,455.34	\$15,975.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80,430.34	\$28,990.83	

*COASTSIDE COUNTY WATER DISTRICT*

*766 MAIN STREET*

*HALF MOON BAY, CA 94019*

**MINUTES OF THE BOARD OF DIRECTORS MEETING**

**Tuesday, December 10, 2013**

- 1) **ROLL CALL:** President Ken Coverdell called the meeting to order at 7:00 p.m. Present at roll call: Director Chris Mickelsen. Vice-President Glenn Reynolds was absent. Steve Flint, newly elected Director and Arnie Glassberg, newly appointed Director were in attendance. Outgoing Director Bob Feldman was also present in the audience.

Also present were: David Dickson, General Manager; Joe Guistino, Superintendent of Operations; Patrick Miyaki, Legal Counsel; JoAnne Whelen, Administrative Assistant/Recording Secretary; Cathleen Brennan, Water Resources Analyst and Gina Brazil, Office Manager. San Mateo County Supervisor Don Horsley was also present.

- 2) **PLEDGE OF ALLEGIANCE**

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

- 4) **SPECIAL ORDER OF BUSINESS**

A. **Certificates from San Mateo County Chief Elections Officer and Administration of the Oath of Office to newly elected Directors Chris Mickelsen and Steve Flint**

B. **Ceremonial Administration of the Oath of Office to appointed Director Arnie Glassberg**

President Coverdell stated that the District was honored to have Supervisor Don Horsley present to administer the oaths of office to newly elected Directors, Chris Mickelsen and Steve Flint and to newly appointed Director Arnie Glassberg.

Supervisor Horsley administered the oath of office and expressed his congratulations to all.

President Coverdell welcomed new members Steve Flint and Arnie Glassberg and returning Director Chris Mickelsen to the Board.

**C. Resolution 2013-08 - A Resolution of the Board of Directors of the Coastside County Water District expressing its Gratitude to Bryan Hannegan for his Leadership and Dedicated Service**

President Coverdell began reading Resolution 2013-08 honoring Bryan Hannegan and noted that the majority of the accomplishments listed in the Resolution were the same accomplishments listed in the next Resolution, 2013-09, honoring Bob Feldman, and that he would entertain a motion to adopt Resolution 2013-08, and then would read the achievements of both Directors.

**ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to adopt Resolution 2013-08, a Resolution of the Board of Directors of the Coastside County Water District expressing its Gratitude to Bryan Hannegan for his Leadership and Dedicated Service:**

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

**D. Resolution 2013-09 - A Resolution of the Board of Directors of the Coastside County Water District expressing its Gratitude to former Director Bob Feldman for his Leadership and Dedicated Service**

President Coverdell read the extensive list of accomplishments achieved during the period of Bob Feldman's and Bryan Hannegan's service on the CCWD Board.

**ON MOTION BY Director Mickelsen and seconded by Director Flint, the Board voted as follows, by roll call vote, to adopt Resolution 2013-09, a Resolution of the Board of Directors of the Coastside County Water District expressing its Gratitude to Bob Feldman for his leadership and dedicated service:**

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

President Coverdell then presented Mr. Feldman with a gift from the District's Board and Staff, a clock with an engraved plaque expressing recognition and appreciation of his sense of humor, dedication, and leadership in achieving the goals and mission of the District during his terms serving as Director, Vice-President and Board President.

Mr. Feldman expressed his appreciation and said that it had been a privilege to work with the Board, the General Manager, District staff, and everyone at CCWD, which in his view represents the most transparent, professional, and efficiently run agency on the coastside. He welcomed the two new Board members, and stated that he felt that they would do the District and the community justice and would serve to enhance and continue the accomplishments of the District now and in the future.

**E. Election of Coastside County Water District Board President and Vice-President**

For the benefit of the two new Directors, President Coverdell briefly outlined the election procedure and term details associated with the positions. He then opened the nomination period. Director Flint nominated Director Glenn Reynolds to serve as President, which was seconded by Director Glassberg. There were no further nominations for this position and President Coverdell closed the nominations.

**ON MOTION BY Director Flint and seconded by Director Glassberg, the Board voted as follows, by roll call vote, for Director Glenn Reynolds to serve as the Board President for the December 2013 to December 2014 term:**

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

Next, President Coverdell opened the nominations for the position of Vice President. Director Glassberg nominated Director Chris Mickelsen, which was seconded by Director Flint, followed by the closing of the nominations.

**ON MOTION BY Director Glassberg and seconded by Director Flint, the Board voted as follows, by roll call vote, for Director Chris Mickelsen to serve as the Board's Vice President for the December 2013 to December 2014 term:**

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

**5) BRIEF RECESS FOR REFRESHMENTS**

President Coverdell then briefly adjourned the meeting at 7:26 p.m. for a celebratory reception and refreshments. The meeting was reconvened at 7:56 p.m.

**6) CONSENT CALENDAR**

- A. Approval of disbursements for the month ending November 30, 2013:  
Claims: \$622,350.91; Payroll: \$75,689.79; for a total of \$698,040.70  
➤ *November 2013 Monthly Financial Claims reviewed by Director Mickelsen*
- B. Acceptance of Financial Reports
- C. Approval of Minutes of November 12, 2013 Special and Regular Board Meetings
- D. Approval of Minutes of November 22, 2013 Special Board of Directors Meeting
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report - November, 2013
- H. November 2013 Leak Report
- I. Rainfall Reports
- J. Notice of Acceptance of Subdivision Utility System - 925 Main Street Senior Housing
- K. Notice of Completion - San Benito Street Pipeline Replacement Project

Director Mickelsen reported that he had reviewed the monthly claims and found all to be in order.

**ON MOTION BY Director Flint and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to accept and approve the Consent Calendar in its entirety:**

<b>Director Mickelsen</b>	<b>Aye</b>
<b>Vice-President Reynolds</b>	<b>Absent</b>
<b>Director Flint</b>	<b>Aye</b>
<b>Director Glassberg</b>	<b>Aye</b>
<b>President Coverdell</b>	<b>Aye</b>

**7) MEETINGS ATTENDED / DIRECTOR COMMENTS**

Director Mickelsen reported on a recent Bay Area Water Supply & Conservation Agency (BAWSCA) meeting that he had attended.

**8) GENERAL BUSINESS**

**A. Crystal Springs Spare Pump for 350 HP Unit**

Mr. Guistino summarized the background of this agenda item, explaining the need for the spare pump. He answered a few questions from the Board about the operation of the Crystal Springs Pump Station.

**ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to authorize staff to purchase a Weir Flowway Model 12DKH - 16 stage vertical pump from Pump Repair Service Company at a cost of \$40,671.23:**

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

**B. Proposed Amendments to the Coastside County Water District Indoor Water Use Efficiency Ordinance**

Ms. Brennan reviewed details of the current Ordinance 2010-01 and explained that the proposed amendments to the ordinance are necessary to meet the changes in the 2013 California Plumbing Code, which becomes effective on January 1, 2014 and is currently in the process of being adopted by the County of San Mateo and the City of Half Moon Bay. She also reviewed the substantive changes to the ordinance and the affected projects. She advised the Board that with their approval, a public hearing will be set for January 14, 2014 for the amended Indoor Water Use Efficiency Ordinance.

**ON MOTION BY Director Flint and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to consider the proposed amendments to the Indoor Water Use Efficiency Ordinance and set a public hearing on the amended ordinance for January 14, 2014 at 7:00 pm:**

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

**9) GENERAL MANAGER'S REPORT - INCLUDING MONTHLY INFORMATIONAL REPORTS**

**B. Water Resources Report**

Ms. Brennan referenced the press release that she had included in her report, from the California Department of Water Resources (DWR), describing an experimental forecast that predicts a dry winter for water year 2014.

**A. Operations Report**

Mr. Dickson reported that he and Mr. Guistino had recently taken some photographs of current work in progress and shared a series of photos featuring the El Granada Tank # 2 Repair and Recoating Project, the Stone Dam Temporary Pipeline, the Denniston Creek Channel Clearing and Reservoir Dredging, and the Avenue Cabrillo Phase II Pipeline Replacement Project.

**10) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS**

Former President Coverdell suggested that, based on the dry year prediction that staff plan to agendize discussion of some drought planning measures in the near future. Mr. Dickson advised that staff has been working on a number of related projects, and would be reporting the ongoing progress to the Board at the January 2014 Board meeting.

**11) ADJOURNMENT - The meeting was adjourned at 8:40 p.m. The next meeting of the Coastside County Water District's Board of Directors will be on Tuesday, January 14, 2014.**

Respectfully submitted,

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David R. Dickson, General Manager  
Secretary of the District

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Ken Coverdell, President  
Board of Directors





**TOTAL CCWD PRODUCTION (MG) ALL SOURCES- FY 2014**

	PILARCITOS WELLS	PILARCITOS LAKE	DENNISTON WELLS	DENNISTON RESERVOIR	CRYSTAL SPRINGS RESERVOIR	RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
JUL	0.00	0.00	0.00	0.00	75.61	75.61	0.40	75.21
AUG	0.00	0.00	0.00	0.00	84.56	84.56	-0.18	84.74
SEPT	0.00	0.00	0.00	0.00	66.04	66.04	0.21	65.83
OCT	0.00	0.00	0.00	0.00	68.72	68.72	-0.09	68.81
NOV	1.82	0.00	0.00	0.00	56.17	57.99	0.13	57.86
DEC	0.76	0.00	0.00	0.00	55.12	55.88	0.07	55.81
JAN								
FEB								
MAR								
APR								
MAY								
JUN								
<b>TOTAL</b>	2.58	0.00	0.00	0.00	406.22	408.80	0.54	408.26
% MONTHLY TOTAL	3.14%	0.00%	0.00%	0.00%	96.86%	100.00%	0.22%	99.78%
% ANNUAL TO DATE TOTAL	0.6%	0.0%	0.0%	0.0%	99.4%	100.0%	0.13%	99.9%

th Running Treated Total **754.88**

**JCTION (MG) ALL SOURCES- FY 2013**

	PILARCITOS WELLS	PILARCITOS LAKE	DENNISTON WELLS	DENNISTON RESERVOIR	CRYSTAL SPRINGS RESERVOIR	RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
JUL	0.00	20.63	0.00	0.00	44.25	83.09	-0.13	83.22
AUG	0.00	18.98	0.00	0.00	42.67	79.21	1.13	78.08
SEPT	0.00	0.00	0.00	0.00	57.31	75.57	-0.04	75.61
OCT	0.00	0.00	0.00	0.00	48.48	66.51	0.21	66.30
NOV	3.74	0.00	0.00	0.00	46.21	49.95	0.41	49.54
DEC	4.6	15.25	0.00	0.00	13.35	41.06	0.08	40.98
JAN	7.64	30.77	0.00	2.00	0.10	40.511	0.17	40.34
FEB	13	23.31	0.00	1.73	7.59	45.63	0.92	44.71
MAR	13.43	23.52	0.00	8.08	3.35	48.38	0.17	48.21
APR	0.00	2.57	0.00	12.99	46.99	62.55	0.48	62.06
MAY	0.00	0.00	0.50	7.51	75.27	83.28	1.01	82.27
JUN	0	0.00	0.17	7.25	62.13	69.55	0.52	69.03
	42.41	135.03	0.67	39.56	447.70	745.29	4.95	740.34
<b>TOTAL</b>	<b>42.41</b>	<b>135.03</b>	<b>0.67</b>	<b>39.56</b>	<b>447.70</b>	<b>745.29</b>	<b>4.95</b>	<b>740.34</b>
% TOTAL	5.7%	18.1%	0.1%	5.3%	60.1%	89.3%	0.66%	99.3%

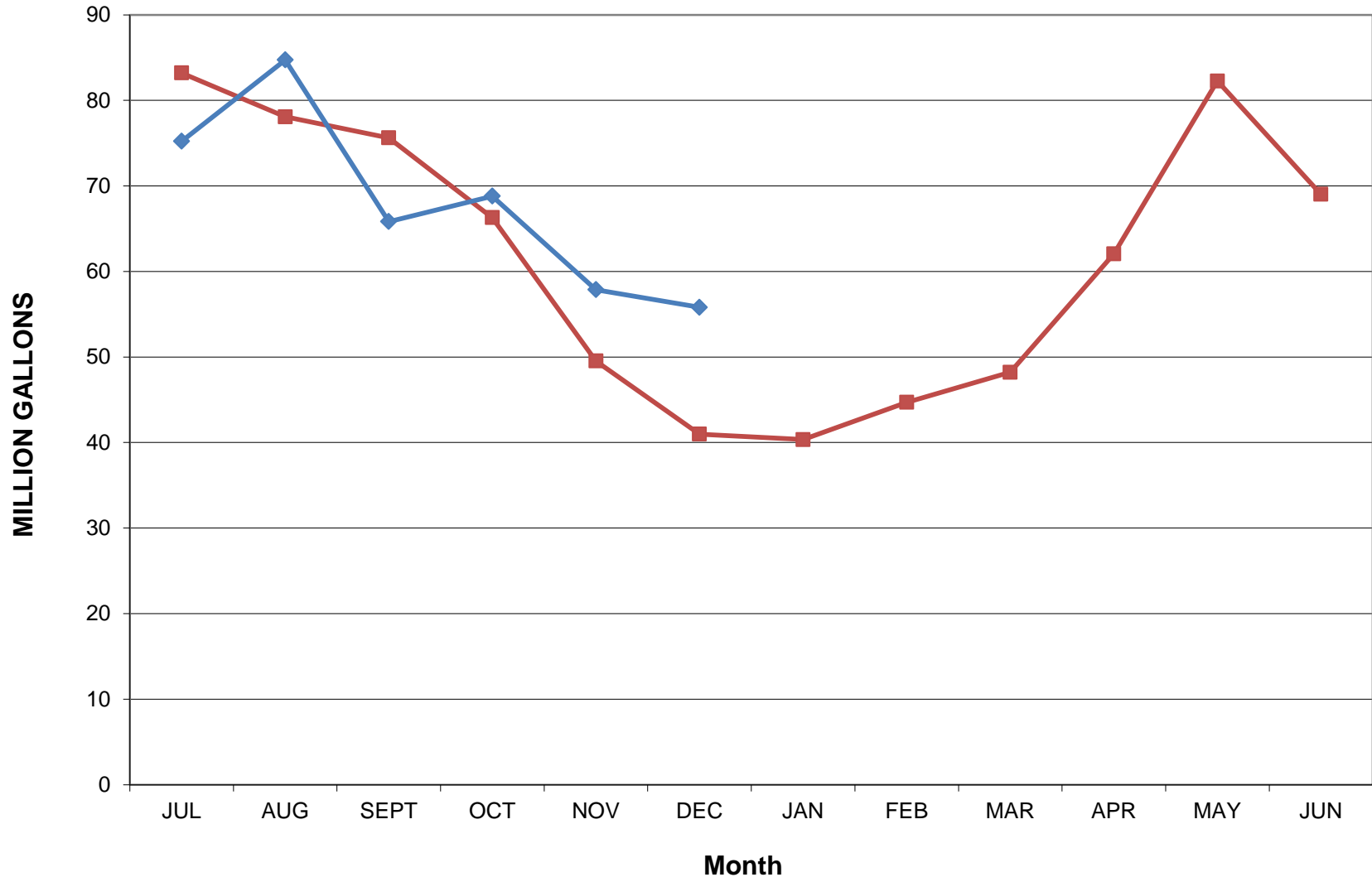
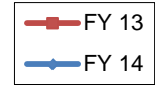
## COASTSIDE COUNTY WATER DISTRICT

### Predicted vs Actual Production - All Sources FY 14

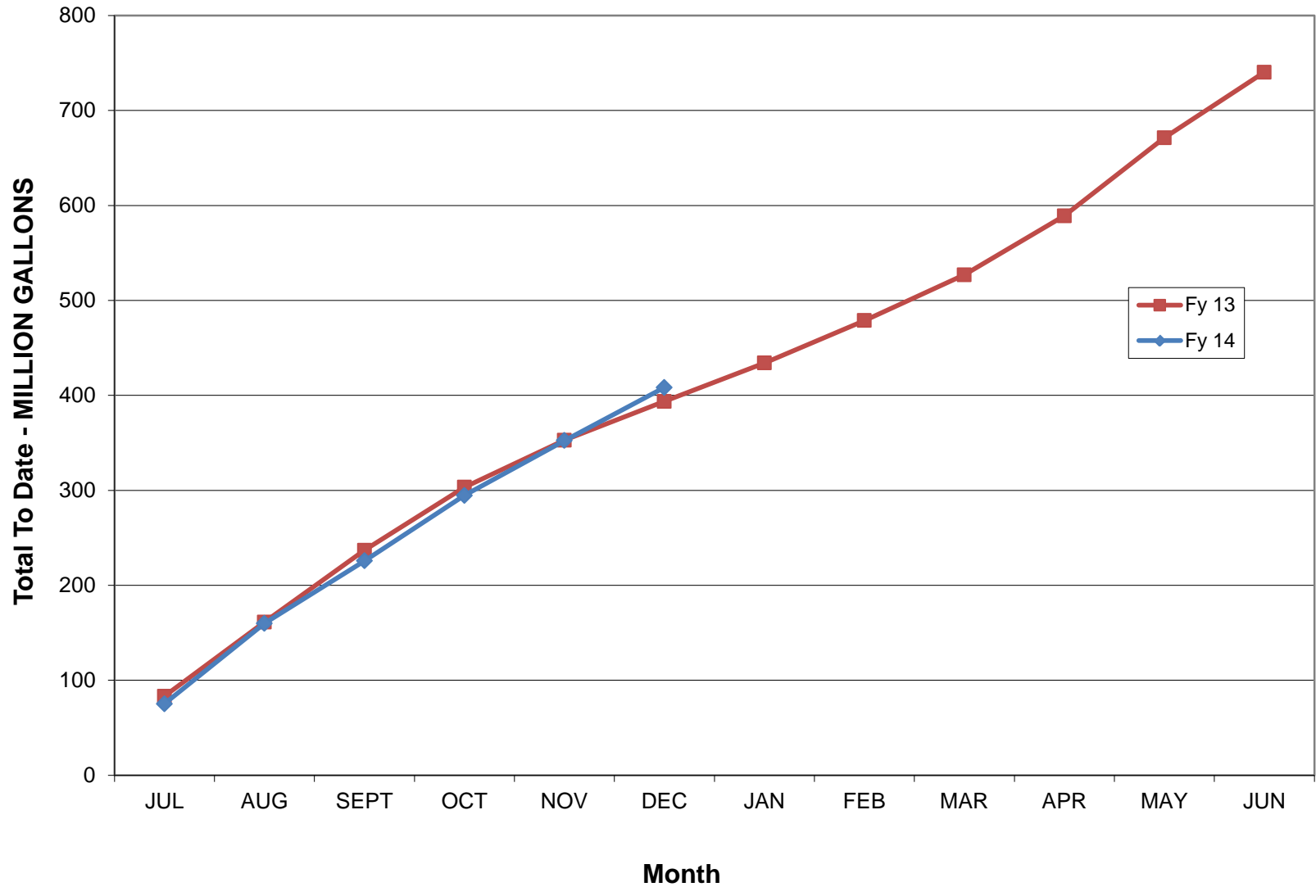
	Denniston Surface			Denniston Wells			Pilarcitos Wells			Pilarcitos Surface			SFWD CSP			SFWD Total	
	Actual MG	Predicted MG	pred-act	Actual MG	Predicted	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG	pred-act	Actual MG	Predicted MG
Jul-13	0.00	5.34	5.34	0.00	2.66	2.66	0.00	0.00	0.00	0.00	38.09	38.09	75.61	11.64	-63.97	75.61	49.73
Aug-13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42.79	42.79	84.56	29.36	-55.20	84.56	72.15
Sep-13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.95	31.95	66.04	28.91	-37.13	66.04	60.86
Oct-13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.90	40.90	68.72	32.16	-36.56	68.72	73.06
Nov-13	0.00	6.34	6.34	0.00	2.42	2.42	1.82	9.84	8.02	0.00	32.54	32.54	56.17	0.00	-56.17	56.17	32.54
Dec-13	0.00	11.53	11.53	0.00	2.26	2.26	0.76	9.81	9.05	0.00	22.56	22.56	55.12	0.00	-55.12	55.12	22.56
Jan-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	12.12
Feb-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	17.20
Mar-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	9.34
Apr-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	31.48
May-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	40.17
Jun-14			#VALUE!			#VALUE!			#VALUE!			#VALUE!			#VALUE!	0.00	63.85
<b>MG Totals</b>	<b>0.00</b>	<b>23.21</b>	<b>23.21</b>	<b>0.00</b>	<b>7.34</b>	<b>7.34</b>	<b>2.58</b>	<b>19.65</b>	<b>17.07</b>	<b>0.00</b>	<b>208.83</b>	<b>208.83</b>	<b>406.22</b>	<b>102.07</b>	<b>-304.15</b>	<b>406.22</b>	<b>485.06</b>

	Actual non SFPUC	Predicted non SFPUC	Actual SFPUC	Predicted SFPUC	TOTAL		
					Actual	Predicted	Pred-act
	2.58	50.20	406.22	310.90	408.80	361.10	-47.70
<b>% Total</b>	<b>0.63%</b>	<b>13.90%</b>	<b>99.37%</b>	<b>86.10%</b>	<b>113.21%</b>		

Monthly Production FY 13 vs FY 14



Cumulative Production FY 13 vs.FY14



Plant Water Use*			Unmetered Water					2013			MG	
	Denniston Plant	Nunes Plant	Total	Main Flushing	Detector Checks*	Main Breaks	Fire Dept	Miscellaneous	Tank Level Difference	Total		
JAN	0.202	0.000	0.202	0.088	0.052	0.072	0.002	0.003	-0.248	0.574		
FEB	0.077	0.000	0.077	0.616	0.015	0.027	0.002	0.000	0.033	0.924		
MAR	0.000	0.000	0.000	0.022	0.052	0.032	0.002	0.000	0.063	0.171		
APR	0.086	0.000	0.086	0.023	0.010	0.002	0.002	0.000	0.445	0.740		
MAY	0.105	0.000	0.105	0.000	0.056	0.007	0.002	0.007	0.622	1.008		
JUN	0.281	0.000	0.281	0.065	0.008	0.067	0.001	0.007	-0.467	0.524		
JUL	0.000	0.000	0.000	0.012	0.041	0.110	0.002	0.000	0.234	0.399		
AUG	0.000	0.000	0.000	0.050	0.010	0.746	0.002	0.017	-1.000	-0.175		
SEP	0.000	0.000	0.000	0.035	0.037	0.224	0.002	0.000	-0.089	0.209		
OCT	0.000	0.000	0.000	0.036	0.016	0.039	0.001	0.036	-0.214	-0.087		
NOV	0.000	0.000	0.000	0.020	0.006	0.010	0.001	0.014	0.076	0.127		
DEC	0.000	0.000	0.000	0.000		0.048	0.001	0.014		0.063		
<b>TOTAL</b>	<b>0.75</b>	<b>0.00</b>	<b>0.75</b>	<b>0.97</b>	<b>0.30</b>	<b>1.38</b>	<b>0.02</b>	<b>0.10</b>	<b>-0.54</b>	<b>4.48</b>		

**Coastside County Water District Monthly Sales By Category (MG)  
FY 2014**

	JUL		AUG		SEPT		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN		MG to Date
RESIDENTIAL	25.647	41%	50.366	61%	28.506	40%	47.790	65%	21.919	52%	34.998	68%													209.23
COMMERCIAL	4.965	8%	1.888	2%	6.124	9%	1.818	2%	4.616	11%	1.392	3%													20.80
RESTAURANT	3.056	5%	0.224	0%	3.299	5%	0.266	0%	2.569	6%	0.157	0%													9.57
HOTELS/MOTELS	3.712	6%	2.409	3%	4.561	6%	2.176	3%	2.609	6%	1.619	3%													17.09
SCHOOLS	1.058	2%	1.513	2%	1.964	3%	1.670	2%	0.742	2%	1.126	2%													8.07
MULTI DWELL	3.091	5%	3.256	4%	3.406	5%	3.005	4%	2.138	5%	2.744	5%													17.64
BEACHES/PARKS	1.275	2%	0.075	0%	1.527	2%	0.080	0%	0.889	2%	0.037	0%													3.88
AGRICULTURE	6.742	11%	9.504	11%	5.843	8%	6.943	9%	3.282	8%	5.920	12%													38.23
RECREATIONAL	0.052	0%	0.206	0%	0.066	0%	0.206	0%	0.028	0%	0.139	0%													0.70
MARINE	1.318	2%	0.000	0%	1.546	2%	0.000	0%	1.005	2%	0.003	0%													3.87
IRRIGATION	11.637	19%	13.418	16%	15.035	21%	8.995	12%	2.652	6%	2.964	6%													54.70
Portable Meters	0.000	0%	0.379	0%	0.000	0%	0.381	1%	0.000	0%	0.343	1%													1.10
<b>TOTAL - MG</b>	<b>62.55</b>		<b>83.24</b>		<b>71.88</b>		<b>73.33</b>		<b>42.45</b>		<b>51.44</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>384.89</b>

Non Residential Usage	36.906	32.873	43.371	25.541	20.530	16.446	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Running 12 Month Total</b>						<b>694.56</b>							
12 mo Ave Residential	31.54	31.63	31.80	31.83	31.75	32.09							
12 mo Ave Non Residential	24.42	25.00	25.34	25.51	25.54	25.79							
Total	55.96	56.63											#VALUE!

**FY 2013**

	JUL		AUG		SEPT		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN		MG to Date
RESIDENTIAL	27.258	44%	49.337	66%	26.440	40%	47.479	67%	22.875	53%	30.920	70%	17.464	47%	33.048	70%	18.619	45%	34.940	65%	24.142	43%	47.609	64%	380.13
COMMERCIAL	6.155	10%	1.520	2%	5.183	8%	1.699	2%	4.636	11%	1.450	3%	3.981	11%	1.423	3%	3.830	9%	1.567	3%	5.178	9%	1.627	2%	38.25
RESTAURANT	3.000	5%	0.223	0%	2.903	4%	0.236	0%	2.533	6%	0.154	0%	2.622	7%	0.179	0%	2.413	6%	0.197	0%	2.967	5%	0.194	0%	17.62
HOTELS/MOTELS	4.223	7%	1.737	2%	3.863	6%	1.964	3%	2.966	7%	1.451	3%	2.764	7%	1.733	4%	2.130	5%	1.933	4%	3.309	6%	1.769	2%	29.84
SCHOOLS	2.768	4%	1.976	3%	3.189	5%	1.064	1%	0.383	1%	0.266	1%	0.171	0%	0.523	1%	0.378	1%	0.565	1%	0.945	2%	1.305	2%	13.53
MULTI DWELL	3.424	5%	2.725	4%	3.155	5%	2.895	4%	2.548	6%	2.385	5%	2.759	7%	2.697	6%	2.311	6%	2.828	5%	2.693	5%	2.839	4%	33.26
BEACHES/PARKS	0.865	1%	0.053	0%	0.931	1%	0.053	0%	0.777	2%	0.011	0%	0.331	1%	0.008	0%	0.430	1%	0.019	0%	0.908	2%	0.058	0%	4.45
AGRICULTURE	7.336	12%	4.445	6%	5.284	8%	5.269	7%	3.644	8%	6.045	14%	6.102	16%	6.375	14%	6.076	15%	6.800	13%	7.370	13%	6.048	8%	70.79
RECREATIONAL	0.064	0%	0.198	0%	0.055	0%	0.197	0%	0.027	0%	0.136	0%	0.033	0%	0.142	0%	0.025	0%	0.133	0%	0.037	0%	0.168	0%	1.22
MARINE	1.236	2%	0.000	0%	1.266	2%	0.000	0%	1.321	3%	0.000	0%	1.141	3%	0.000	0%	0.819	2%	0.000	0%	1.020	2%	0.001	0%	6.80
IRRIGATION	15.892	25%	12.567	17%	13.331	20%	9.844	14%	1.320	3%	1.361	3%	0.127	0%	0.619	1%	4.498	11%	4.643	9%	7.434	13%	11.973	16%	83.61
Portable Meters	0.000	0%	0.432	1%	0.102	0%	0.304	0%	0.000	0%	0.200	0%	0.000	0%	0.166	0%	0.000	0%	0.131	0%	0.000	0%	0.381	1%	1.72
<b>TOTAL - MG</b>	<b>72.22</b>		<b>75.21</b>		<b>65.70</b>		<b>71.00</b>		<b>43.03</b>		<b>44.38</b>		<b>37.49</b>		<b>46.91</b>		<b>41.53</b>		<b>53.76</b>		<b>56.00</b>		<b>73.97</b>		<b>681.22</b>

Non Residential Usage	44.963	25.876	39.262	23.523	20.156	13.459	20.031	13.866	22.912	18.817	31.861	26.363	
<b>Running 12 Month Total</b>												<b>681.22</b>	
12 mo Ave Residential	2.27	6.38	8.59	12.54	14.45	17.03	18.48	21.24	22.79	25.70	27.71	31.68	
12 mo Ave Non Residential	3.75	5.90	9.18	11.14	12.82	13.94	15.61	16.76	18.67	20.24	22.89	25.09	
Total	6.02	12.29	17.76	23.68	27.26	30.96	34.09	38.00	41.46	45.94	50.60	56.77	
Total	6.02	12.29	17.76	23.68	27.26	30.96	34.09	38.00	41.46	45.94	50.60	56.77	





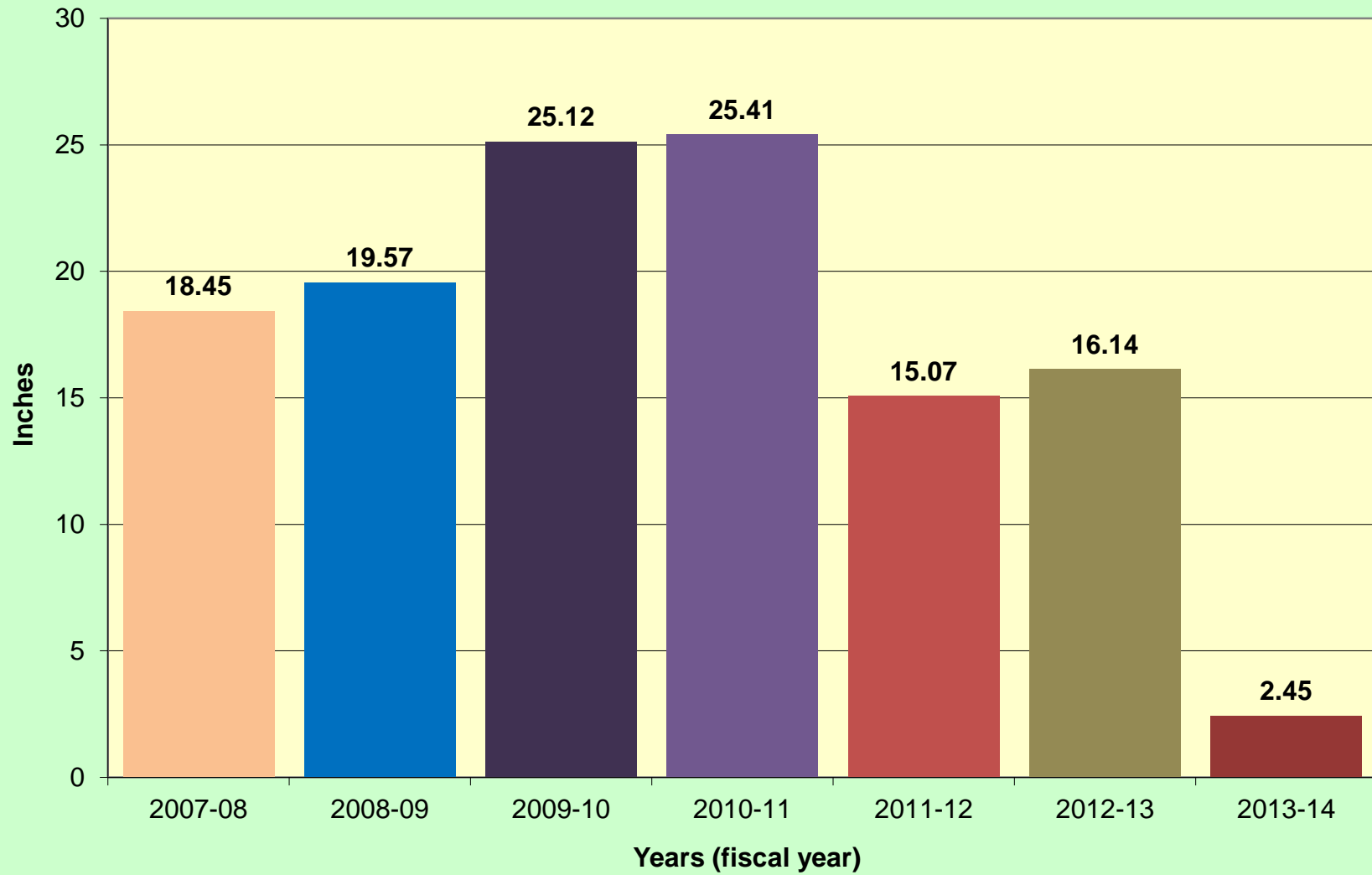
## Coastside County Water District Monthly Leak Report

ID	Date Reported Discovered	Date Repaired	Location	Pipe Class	Pipe Size & Type	Estimated Water Loss (Gallons)*	Material Costs	Employee hours		Equipment and Manpower Costs	Total Costs
								Staff	Hours		
1	11/29/2013	11/29/2013	546 Ave Cabrillo EG				1.5	Staff	Hours	\$0	
				S	3/4" Galv	1,000				\$28.64	
										\$675	<b>\$703.64</b>
2	11/30/2013	11/30/2013	955 Miramontes HMB				1.5	Staff	Hours	\$0	
				M	8" WS	10,000				\$252.90	
										\$2,925	<b>\$3,177.90</b>
3	12/9/2013	12/9/2013	San Pedro X San Clemente EG				1.0	Staff	Hours	\$0	
				M	6" CI	20,000				\$233.28	
										\$2,025	<b>\$2,258.28</b>
4	12/10/2013	12/10/2013	413 Miramontes HMB				1.0	Staff	Hours	\$0	
				M	1" Galv	2000				\$135.90	
										\$2,350	<b>\$2,485.90</b>
5	12/10/2013	12/10/2013	Isabella X San Pedro EG				1.5	Staff	Hours	\$0	
				M	6" CI	15,000				\$233.28	
										\$2,213	<b>\$2,445.78</b>
6								Staff	Hours	\$0	
										\$0	<b>\$0.00</b>
7								Staff	Hours	\$0	
										\$0	<b>\$0.00</b>
<b>Totals</b>						<b>48,000.000</b>	<b>\$890.50</b>	<b>17</b>	<b>25.5</b>		<b>\$11,071.50</b>
*includes 1,000 gallons for mains to daylight plus 1,000 gallons to flush mains or 100 gallons to flush services								<b>433.5</b>			

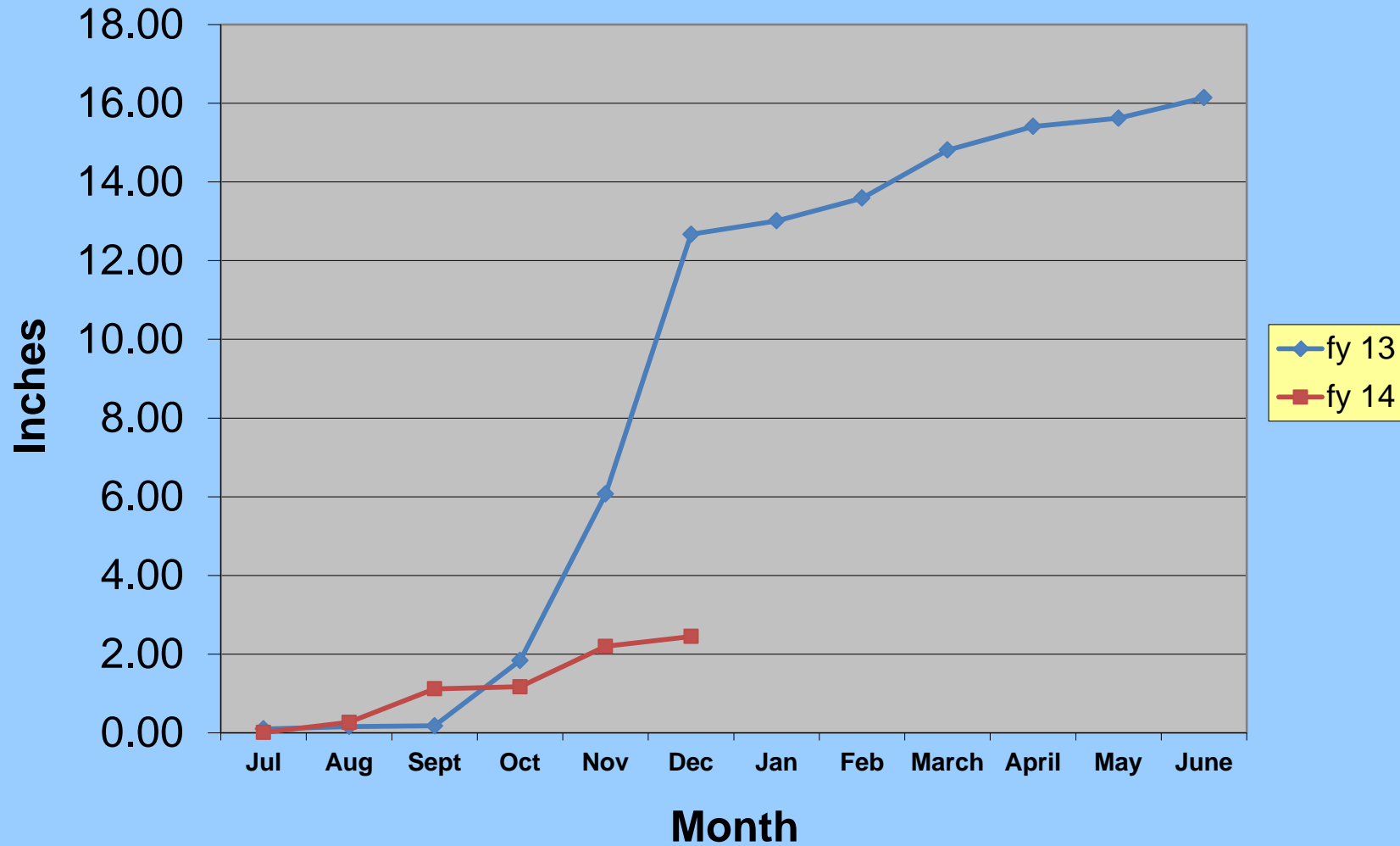


# Rain Totals

## Fiscal Years 08 - 14



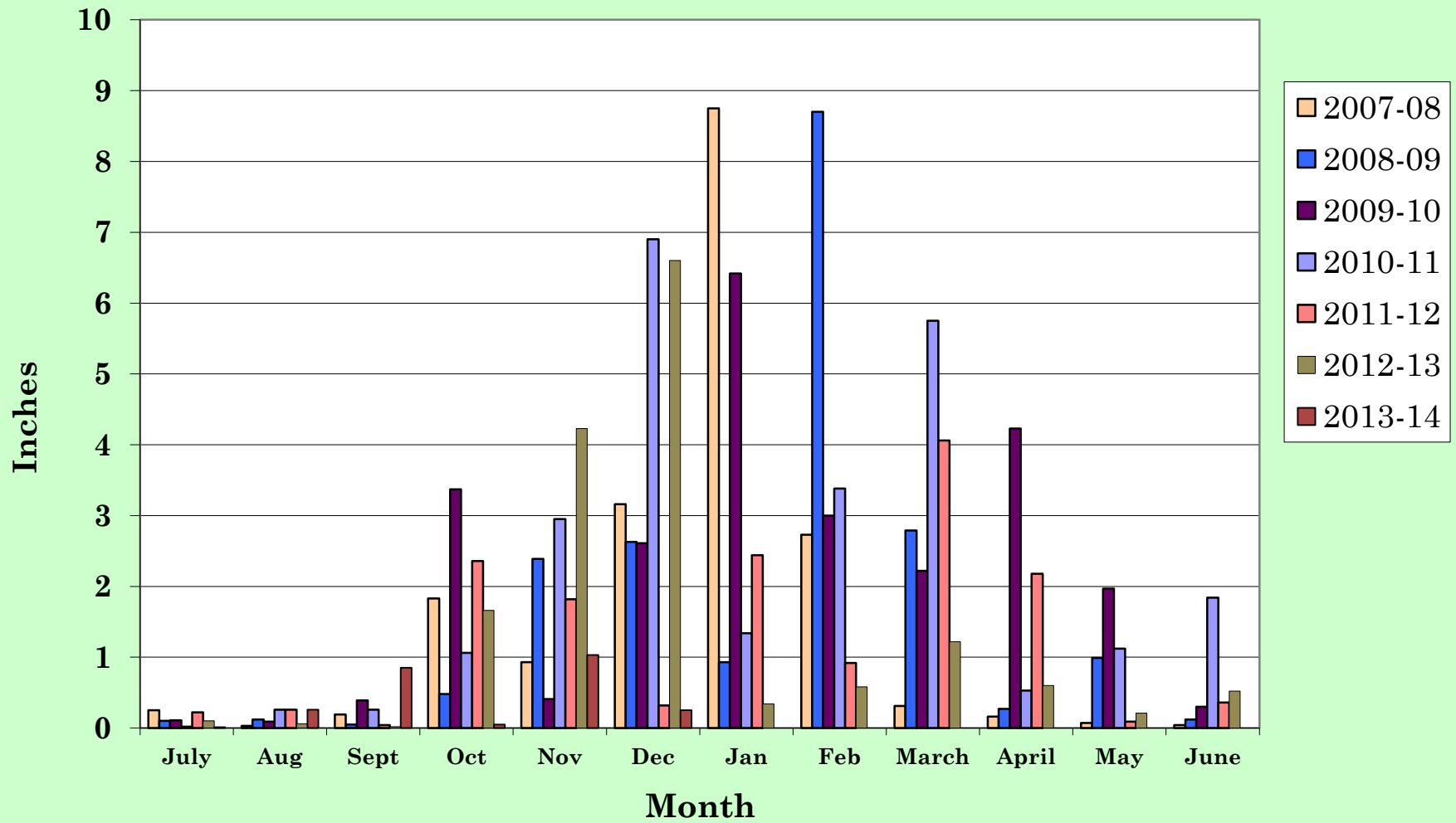
## Rainfall Total Comparison Fiscal Years 13 and 14



# Coastside County Water District

## Rainfall by Month

Fiscal Years 08 - 14



MONTHLY CLIMATOLOGICAL SUMMARY for DEC. 2013

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	52.4	72.1	3:00p	41.6	2:00a	13.1	0.5	0.01	0.4	7.0	2:30p	W
2	52.3	59.6	2:00p	44.7	3:30a	12.7	0.0	0.01	1.5	15.0	5:00p	E
3	49.1	55.5	12:30a	35.3	12:00m	15.9	0.0	0.01	2.6	19.0	4:00p	NE
4	40.3	53.6	12:00p	31.4	6:30a	24.7	0.0	0.00	1.1	12.0	2:00p	E
5	38.8	52.5	12:00p	28.1	7:00a	26.2	0.0	0.00	1.8	11.0	10:30a	E
6	43.6	53.0	1:00p	31.1	7:00a	21.4	0.0	0.21	3.3	25.0	9:00p	WSW
7	43.7	50.5	12:30a	31.4	12:00m	21.3	0.0	0.00	2.9	19.0	5:30p	NE
8	39.4	46.5	3:00p	31.8	2:00a	25.6	0.0	0.00	3.0	22.0	10:30a	E
9	41.7	52.2	3:00p	29.5	6:30a	23.3	0.0	0.00	2.5	17.0	1:00p	E
10	46.3	54.1	2:30p	39.2	5:30a	18.7	0.0	0.00	5.3	23.0	11:30a	E
11	50.2	57.9	3:00p	43.5	12:30a	14.8	0.0	0.00	5.3	21.0	1:00p	E
12	48.7	59.5	1:00p	38.1	11:30p	16.3	0.0	0.00	2.1	14.0	1:00p	E
13	45.5	60.9	2:00p	35.6	4:30a	19.5	0.0	0.00	1.4	14.0	2:30p	E
14	50.8	63.2	2:30p	35.2	7:00a	14.2	0.0	0.00	3.5	23.0	12:30p	E
15	57.3	65.4	2:00p	51.2	5:00a	7.8	0.0	0.00	6.2	20.0	4:00p	E
16	62.4	71.2	1:30p	56.3	2:00a	3.6	1.0	0.00	6.1	25.0	4:30a	E
17	58.8	68.9	3:00p	47.8	11:30p	6.6	0.4	0.00	3.0	17.0	11:30a	E
18	49.4	52.5	6:30p	43.0	6:00a	15.6	0.0	0.00	1.4	17.0	11:00p	W
19	50.0	56.2	2:30p	41.2	8:30p	15.0	0.0	0.00	2.7	20.0	2:00a	NE
20	45.2	57.7	2:00p	35.6	5:00a	19.8	0.0	0.00	1.7	11.0	3:00a	E
21	46.8	56.5	12:00p	39.0	2:00a	18.2	0.0	0.00	0.9	14.0	2:00p	E
22	50.0	67.6	1:30p	39.0	7:00a	15.1	0.1	0.01	1.0	15.0	12:30p	ESE
23	50.1	58.0	2:30p	41.1	6:30a	14.9	0.0	0.00	1.2	15.0	9:00p	ESE
24	60.0	72.4	3:00p	46.1	12:00m	6.4	1.3	0.00	2.8	17.0	12:00p	NE
25	59.0	68.3	2:30p	44.0	2:30a	6.3	0.3	0.00	5.1	22.0	10:00a	E
26	61.7	70.6	3:00p	54.8	1:30a	4.1	0.8	0.00	4.9	21.0	11:00a	E
27	57.3	62.8	12:00p	46.5	12:00m	7.7	0.0	0.00	3.0	18.0	10:00a	E
28	49.4	62.7	11:30a	38.0	5:00a	15.6	0.0	0.00	1.8	15.0	8:30a	NE
29	59.4	69.6	3:00p	41.7	12:30a	6.2	0.6	0.00	3.1	21.0	10:00a	E
30	53.4	65.0	1:00p	44.5	12:00m	11.6	0.0	0.00	1.6	10.0	2:30p	E
31	46.4	57.7	4:00p	37.3	4:30a	18.6	0.0	0.00	0.7	10.0	12:30p	E
	50.3	72.4	24	28.1	5	460.8	5.0	0.25	2.7	25.0	6	E

Max >= 90.0: 0  
 Max <= 32.0: 0  
 Min <= 32.0: 6  
 Min <= 0.0: 0

Max Rain: 0.21 ON 12/06/13

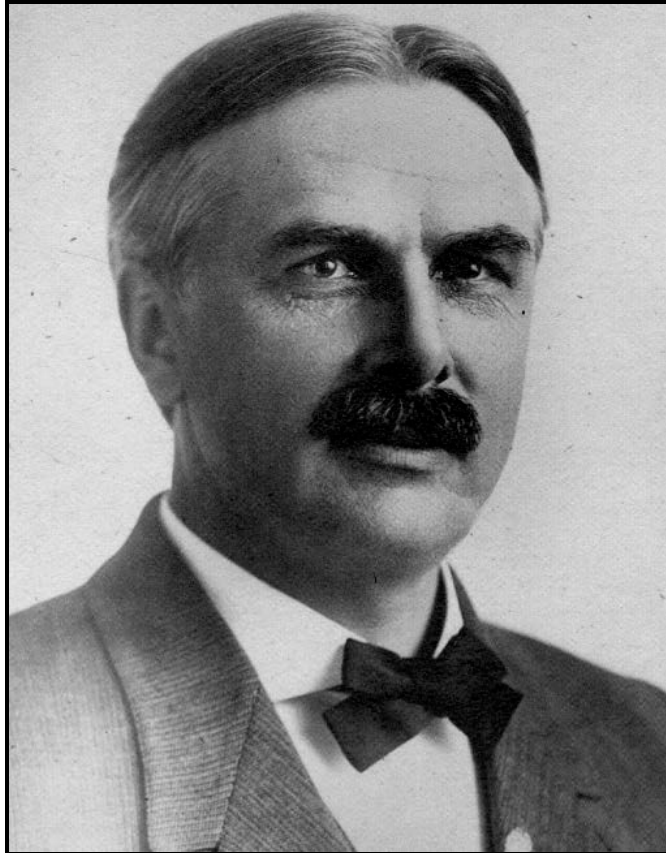
Days of Rain: 1 (>.01 in) 1 (>.1 in) 0 (>1 in)

Heat Base: 65.0 Cool Base: 65.0 Method: Integration



# **San Francisco Public Utilities Commission Hydrological Conditions Report For November 2013**

J. Chester, C. Graham, A. Mazurkiewicz, & M. Tsang, December 5, 2013



**December 19<sup>th</sup> marks the 100-year anniversary of President Wilson signing the Raker Act which authorized the City and County of San Francisco to develop the Hetch Hetchy Project. John Raker (photo above) was the sponsoring Congressman who brought the Act to the House floor.**



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

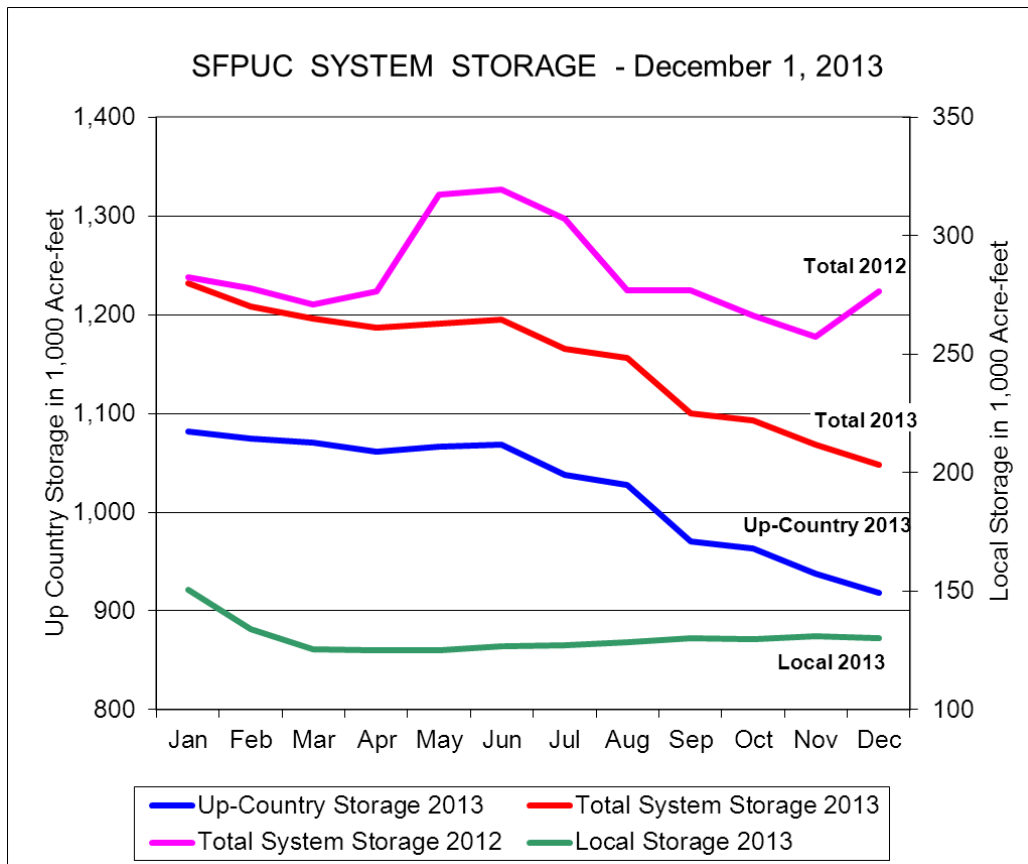
Table 1 Current Storage As of December 1, 2013							
Reservoir	Current Storage		Maximum Storage		Available Capacity		Percentage of Maximum Storage
	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	
<b>Tuolumne System</b>							
Hetch Hetchy <sup>1</sup>	215,012		340,830		125,818		63.1%
Cherry <sup>2</sup>	221,881		268,810		46,929		82.5%
Lake Eleanor <sup>3</sup>	15,521		21,495		5,974		72.2%
Water Bank*	466,105		570,000		103,895		81.8%
Tuolumne Storage*	918,519		1,201,135		282,616		76.5%
<b>Local Bay Area Storage</b>							
Calaveras <sup>4</sup>	16,609	5,412	96,824	31,550	80,215	26,138	17.2%
San Antonio	40,080	13,060	50,496	16,454	10,416	3,394	79.4%
Crystal Springs	52,652	17,157	58,377	19,022	5,724	1,865	90.2%
San Andreas	18,390	5,992	18,996	6,190	606	198	96.8%
Pilarcitos	1,980	645	2,995	976	1,015	331	66.1%
Total Local Storage	129,711	42,266	227,688	74,192	97,976	31,926	57.0%
<b>Total System</b>	<b>1,048,230</b>		<b>1,428,823</b>		<b>380,592</b>		<b>73.4%</b>

<sup>1</sup> Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.

<sup>2</sup> Maximum Cherry Reservoir storage with all flash-boards out.

<sup>3</sup> Maximum Lake Eleanor storage with all flash-boards out.

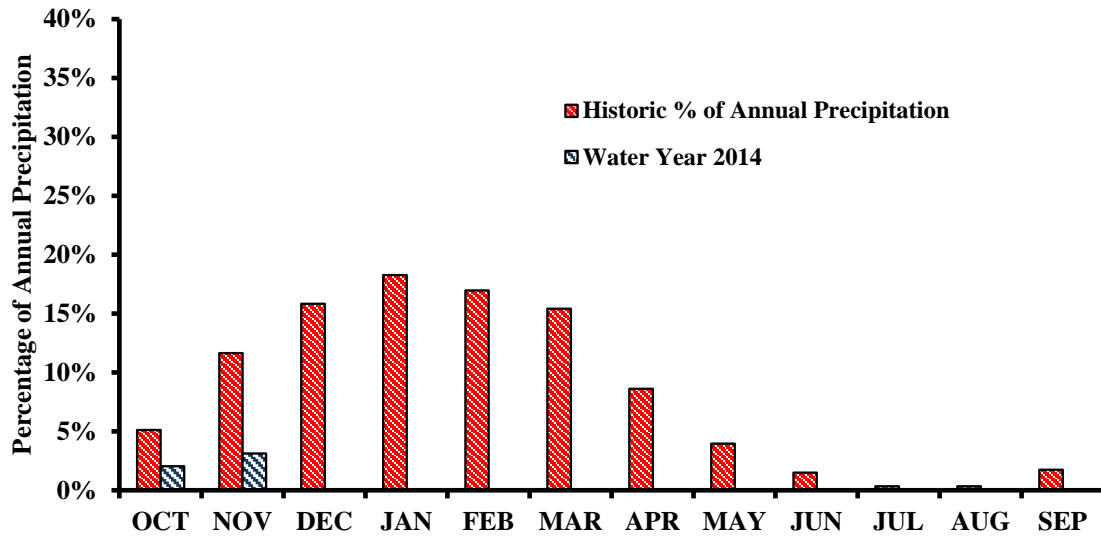
<sup>4</sup> Available capacity does not take into account current DSOD storage restrictions.



**Figure 1:** Monthly system storage for WY2013

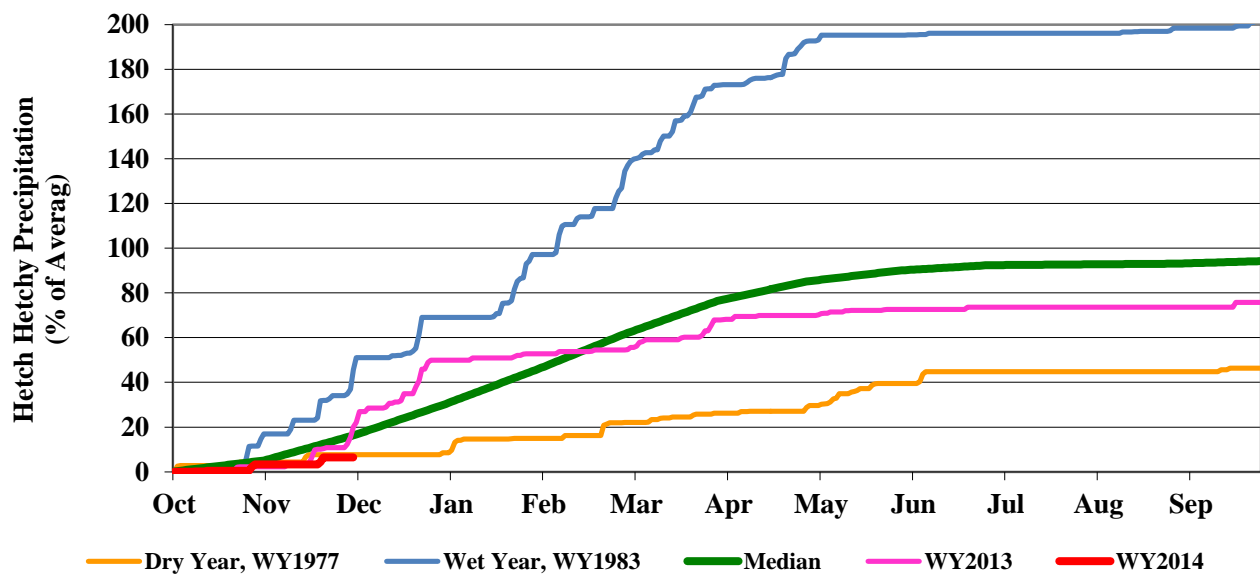
## Hetch Hetchy System Precipitation Index <sup>5/</sup>

*Current Month:* The November six-station precipitation index is 1.08 inch, or 27.1% 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 2014 is 1.80 inches, which is 5.06% of the average annual water year total, or 31.0% of the average annual-to-date. Hetch Hetchy received 1.11 inch precipitation in November, for a water year total of 2.28 inches. The cumulative Hetch Hetchy precipitation is shown in Figure 3 in red.



**Figure 3.** Water year 2013 cumulative precipitation measured at Hetch Hetchy Reservoir through November 30<sup>th</sup>, 2013. Precipitation at the Hetch Hetchy gauge for wet, dry, median, and WY 2013 are included for comparison purposes.

<sup>5/</sup>The 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 November 30<sup>th</sup> is summarized below in Table 2.

<b>Table 2 Unimpaired Inflow Acre-Feet</b>								
	November 2013				October 1, 2013 through November 30, 2013			
	Observed Flow	Median <sup>6</sup>	Average <sup>6</sup>	Percent of Average	Observed Flow	Median <sup>6</sup>	Average <sup>6</sup>	Percent of Average
Inflow to Hetch Hetchy Reservoir	2,694	5,976	13,711	19.7%	2,796	10,442	19,735	14.2%
Inflow to Cherry Reservoir and Lake Eleanor	0	7,439	15,774	0.0%	0	11,983	21,064	0.0%
Tuolumne River at La Grange	5,255	21,393	45,630	11.5%	10,765	39,104	62,555	17.2%
Water Available to the City	0	0	13,353	0.0%	0	0	15,333	0.0%

<sup>6</sup> Hydrologic Record: 1919 – 2010

## Hetch Hetchy System Operations

Draft and releases from Hetch Hetchy Reservoir in November totaled 23,685 acre-feet to meet SJPL deliveries and instream release requirements.

10,792 acre-feet of power draft was made at Cherry Reservoir. 1,363 acre-feet of water was transferred from Lake Eleanor to Cherry Reservoir in November.

The current water year instream release schedule is Type B (below normal conditions). This is based upon accumulated precipitation and runoff in water year 2013 starting October 1<sup>st</sup>, 2012. The November requirement from Hetch Hetchy reservoir was 50 cfs. Required releases at Cherry Reservoir and Lake Eleanor were both at 5 cfs.

## Local System Treatment Plant Production

The Sunol Valley Water Treatment Plant average rate for the month of November was 28 MGD (San Antonio Reservoir source water). The Harry Tracy Water Treatment Plant average production rate was 0 MGD for the month, the plant is offline to accommodate the HTWTP Long-Term Improvements WSIP project. At completion this project will increase the plant filtration capacity to meet emergency needs and system maintenance requirements.

## Local System Water Delivery

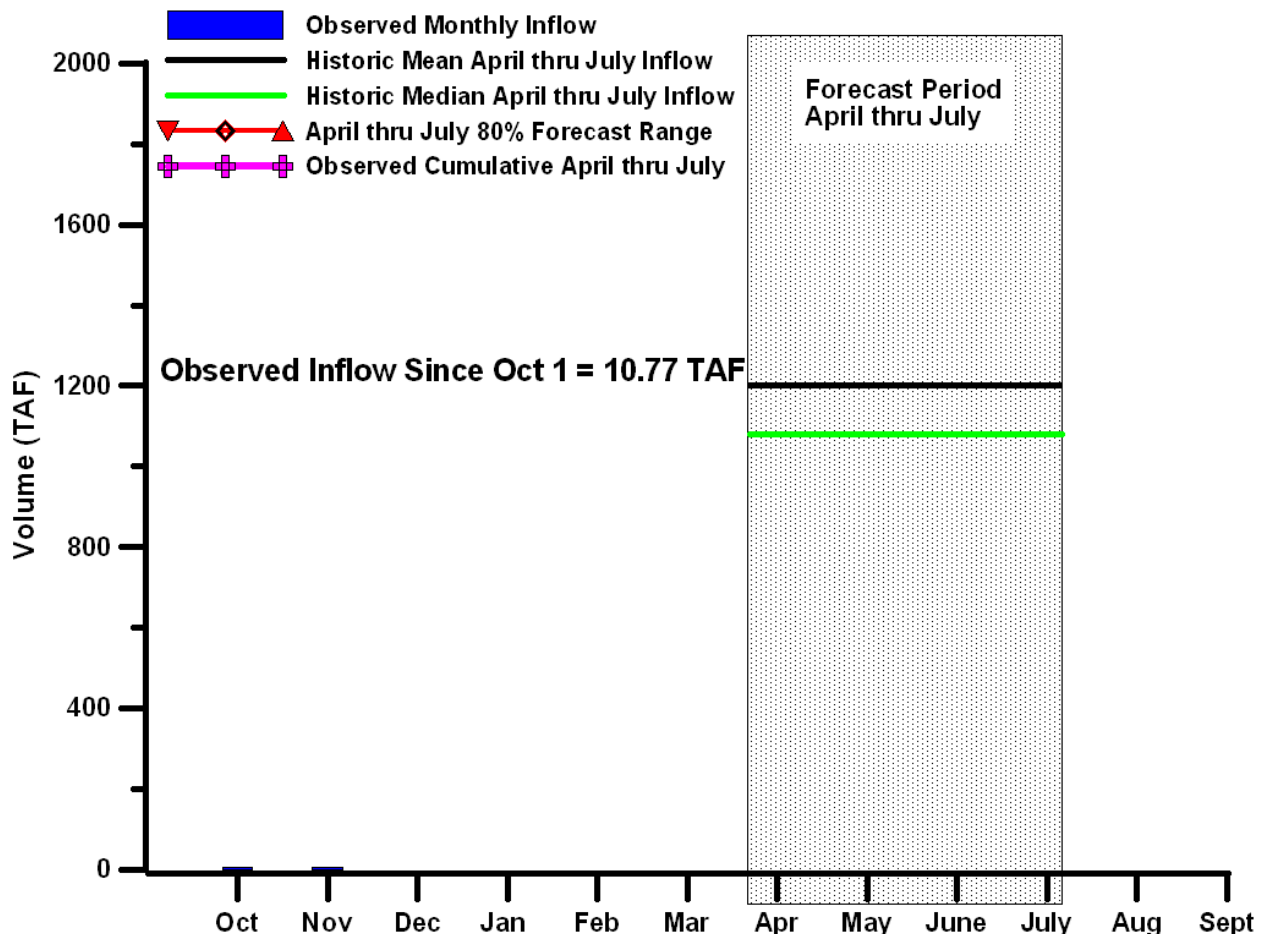
The November delivery rate was 201 MGD this is a 15% decrease below the October rate of 237 MGD. Decreasing delivery rates are expected through the month of December.

## Local Precipitation

A mid-month weather system pushed across the local region bringing the first significant rainfall for the new water year. Despite this weather system precipitation totals remain below the season average at all three rain gauges. The November rainfall summary is presented in Table 3.

Reservoir	Month Total (inches)	Percentage of Normal for the Month	Water Year to Date <sup>7</sup> (inches)	Percentage of Normal for the Year-to-Date <sup>7</sup>
Pilarcitos	1.62	34 %	1.64	23 %
Lower Crystal Springs	1.13	33 %	1.16	24 %
Calaveras	1.21	45 %	1.21	32 %

<sup>7</sup> WY 2014: Oct. 2013 through Sep. 2014.



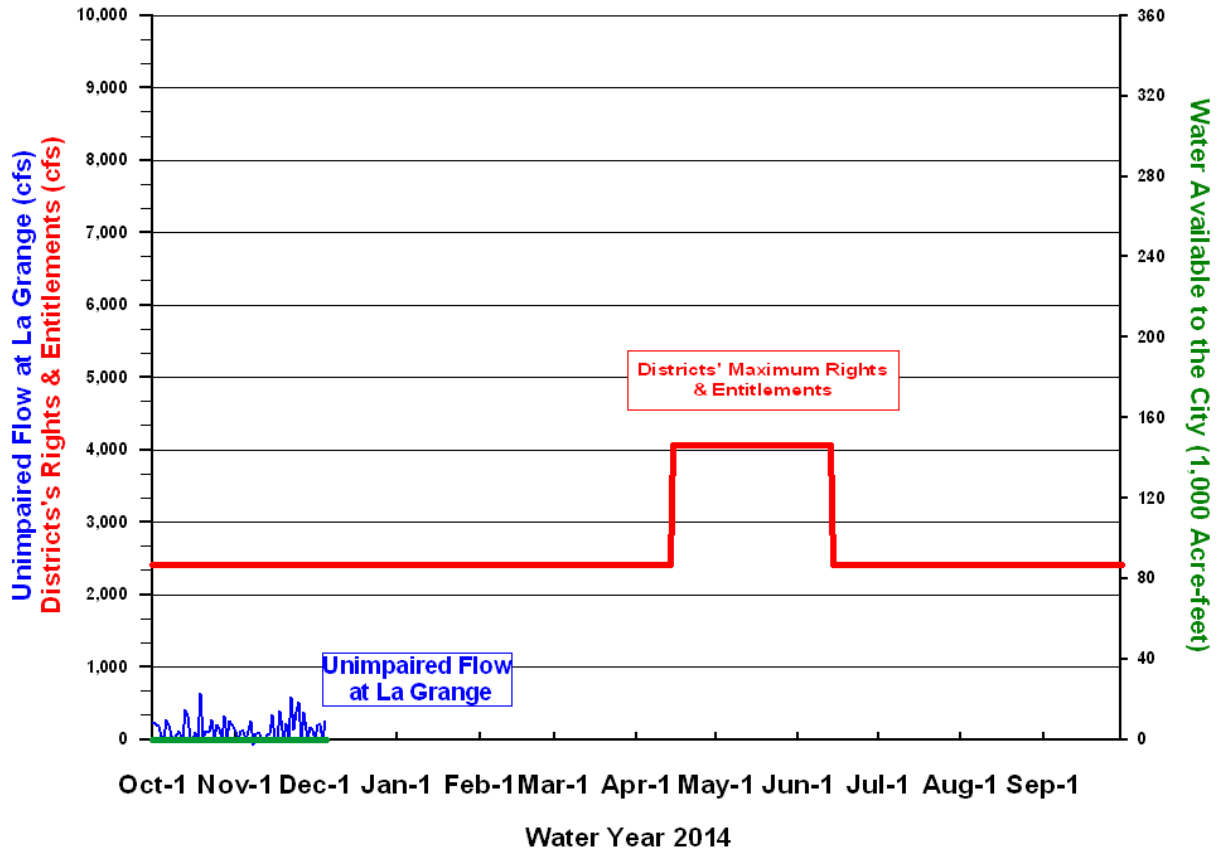
**Figure 4:** Water Year conditions for the Tuolumne River at La Grange and for the 80% water supply forecast range (triangles represent the 90% and 10% forecasts, the open diamond represents the median forecast).

## Snowmelt and Water Supply

System storage is falling below normal conditions for this time of year due to the prolonged dry period. Over the past few years, significant precipitation events have occurred in the months of October and/or November – increasing reservoir levels. So far in water year 2014, storms in the high country have been brief (less than 24 hours) and low in total accumulations (less than 1.0 inch per storm). The minor precipitation event in November did result in a few inches of snow accumulation in the high elevations of the upcountry watersheds, but no significant increase in streamflow.

Long term weather forecasts indicate above average precipitation and below average temperature for the first half of December, which would be a welcomed change. The short term forecast over the next 3 days is for a minor event to pass through the region bringing 0.75 to 1.25 inches of precipitation with a low snowline. The seasonal weather outlooks for the month of December and the next 3-months do not indicate above or below normal precipitation or temperature conditions at this time.

### 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. 0 acre-feet of water has become available to the City during water year 2014 to date.

cc	HHWP Records	Gambon, Paul	Jue, Tyrone	Ramirez, Tim
	Briggs, David	Gibson, Bill	Kehoe, Paula	Ritchie, Steve
	Cameron, David	Graham, Chris	Lehr, Dan	Rydstrom, Todd
	Carlin, Michael	Griffin, Pat	Levin, Ellen	Sandkulla, Nicole
	Chester, John	Hale, Barbara	Mazurkiewicz, Adam	Tsang, Michael
	DeGraca, Andrew	Hannaford, Margaret	Meier, Steve	Williams, Mike
	Dhokal, Amod	Kelly, Harlan	Patterson, Mike	
	Dufour, Alexis	Jensen, Art	Nelson, Chris	

# **San Francisco Public Utilities Commission Hydrological Conditions Report For December 2013**

J. Chester, C. Graham, A. Mazurkiewicz, & M. Tsang, January 7, 2014



**The dry fall and early winter conditions has allowed for many of the Rim Fire recovery projects to be completed. The photograph above is the Granite Creek basin where “heli-mulching” operations were done by the US Forest Service to distribute hay as a ground cover to reduce surface erosion. These areas can be seen as the tan colors across the landscape.**

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

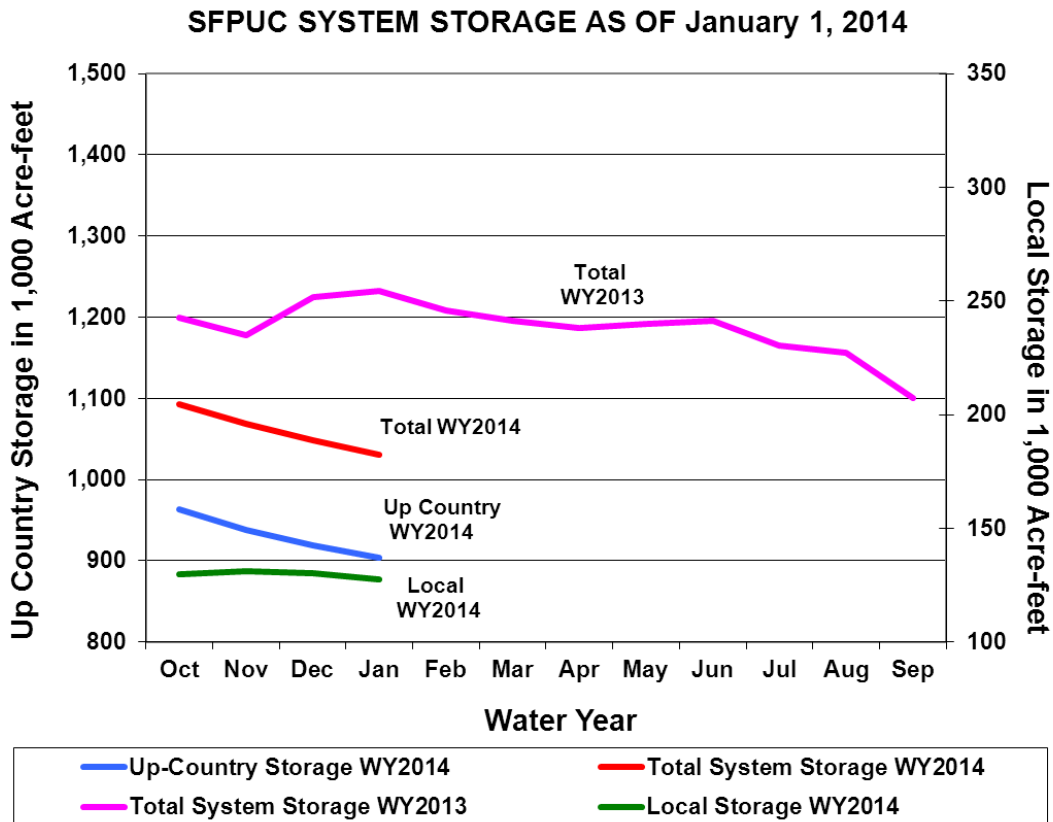
Table 1 Current Storage As of January 1, 2014							
Reservoir	Current Storage		Maximum Storage		Available Capacity		Percentage of Maximum Storage
	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	
<b>Tuolumne System</b>							
Hetch Hetchy <sup>1</sup>	197,784		340,830		143,046		58.0%
Cherry <sup>2</sup>	219,710		268,810		49,100		81.7%
Lake Eleanor <sup>3</sup>	7,401		21,495		14,094		34.4%
Water Bank	478,501		570,000		91,499		83.9%
Tuolumne Storage	903,396		1,201,135		297,739		75.2%
<b>Local Bay Area Storage</b>							
Calaveras <sup>4</sup>	16,553	5,394	96,824	31,550	80,271	26,156	17.1%
San Antonio	39,370	12,829	50,496	16,454	11,126	3,625	78.0%
Crystal Springs	53,262	17,355	58,377	19,022	5,114	1,667	91.2%
San Andreas	16,224	5,286	18,996	6,190	2,773	904	85.4%
Pilarcitos	1,892	617	2,995	976	1,102	359	63.2%
Total Local Storage	127,301	41,481	227,688	74,192	100,386	32,711	55.9%
<b>Total System</b>	<b>1,030,697</b>		<b>1,428,823</b>		<b>398,125</b>		<b>72.1%</b>

<sup>1</sup> Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.

<sup>2</sup> Maximum Cherry Reservoir storage with all flash-boards out.

<sup>3</sup> Maximum Lake Eleanor storage with all flash-boards out.

<sup>4</sup> Available capacity does not take into account current DSOD storage restrictions.

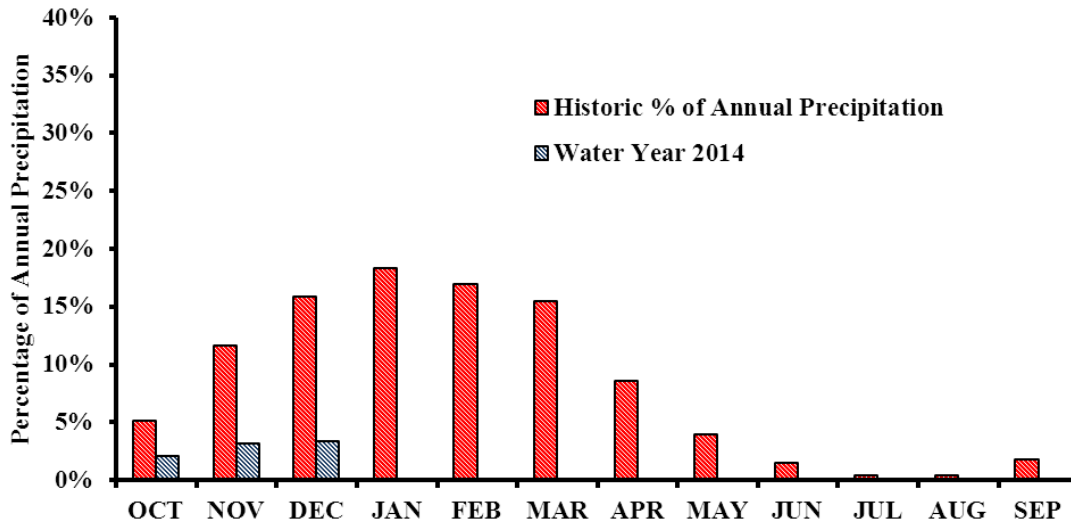


**Figure 1: Monthly system storage for WY 2014**



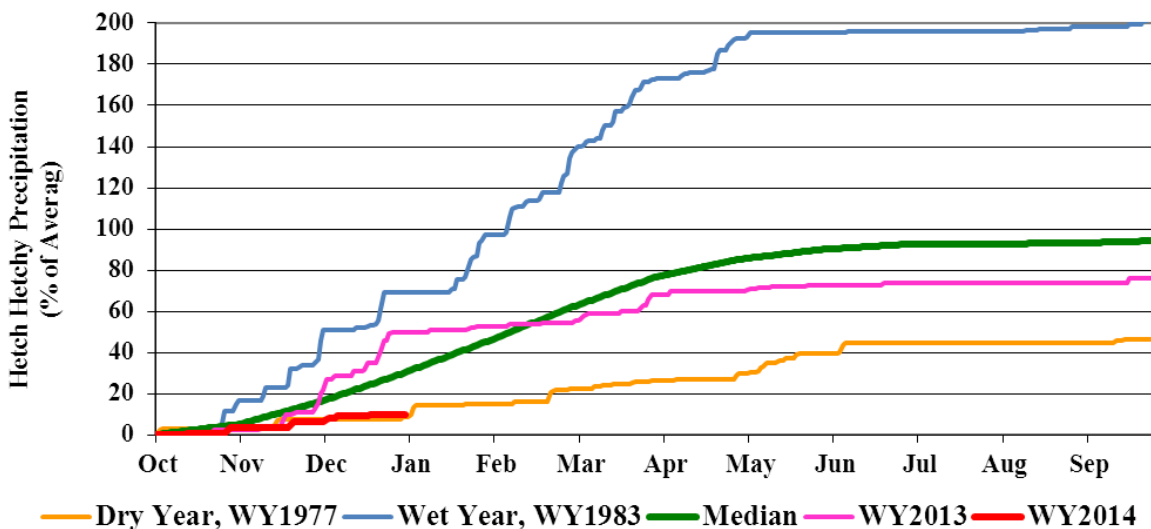
## Hetch Hetchy System Precipitation Index <sup>5/</sup>

*Current Month:* The December six-station precipitation index is 1.19 inch, or 21.0% 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 2014 is 2.99 inches, which is 8.41% of the average annual water year total, or 26.11% of the average annual-to-date. Hetch Hetchy received 1.10 inches precipitation in December, for a water year total of 3.38 inches. The cumulative Hetch Hetchy precipitation is shown in Figure 3 in red.



**Figure 3.** Water year 2014 cumulative precipitation measured at Hetch Hetchy Reservoir through December 31<sup>st</sup>, 2013. Precipitation at the Hetch Hetchy gauge for wet, dry, median, and WY 2013 are included for comparison purposes.

<sup>5/</sup>The 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 December 31<sup>st</sup> is summarized below in Table 2.

<b>Table 2 Unimpaired Inflow Acre-Feet</b>								
	December 2013				October 1, 2013 through December 31, 2013			
	Observed Flow	Median <sup>6</sup>	Average <sup>6</sup>	Percent of Average	Observed Flow	Median <sup>6</sup>	Average <sup>6</sup>	Percent of Average
Inflow to Hetch Hetchy Reservoir	1,517	11,972	20,622	7.4%	4,313	28,949	40,357	10.7%
Inflow to Cherry Reservoir and Lake Eleanor	2,083	13,930	23,196	9.0%	1,879	31,552	44,261	4.3%
Tuolumne River at La Grange	6,226	48,026	86,255	7.2%	16,991	95,877	148,810	11.4%
Water Available to the City	0	980	36,207	0.0%	0	5,371	51,539	0.0%

<sup>6</sup> Hydrologic Record: 1919 – 2010

### Hetch Hetchy System Operations

Draft and releases from Hetch Hetchy Reservoir in December totaled 19,585 acre-feet to meet SJPL deliveries and instream release requirements. During the month of January, there is a scheduled maintenance shutdown for the Hetch Hetchy water conveyance system. This will result in approximately 2.5 weeks of no diversions from Hetch Hetchy during the month of January.

11,316 acre-feet of power draft was made at Cherry Reservoir. 10,774 acre-feet of water was transferred from Lake Eleanor to Cherry Reservoir in December.

During December the water year instream release schedule was Type B (below normal conditions). This is based upon accumulated precipitation and runoff in water year 2013 starting October 1<sup>st</sup>, 2012. The December requirement from Hetch Hetchy reservoir was 40 cfs. Required releases at Cherry Reservoir and Lake Eleanor were both at 5 cfs. Beginning January 1<sup>st</sup>, 2014, the water year type changes to “C” (dry conditions), based on accumulated precipitation to date during water year 2014 (since October 1<sup>st</sup>, 2013).

### Local System Treatment Plant Production

The Sunol Valley Water Treatment Plant average rate for the month of December was 17 MGD (San Antonio Reservoir source water). The Harry Tracy Water Treatment Plant average production rate was 22 MGD for the month.

### Local System Water Delivery

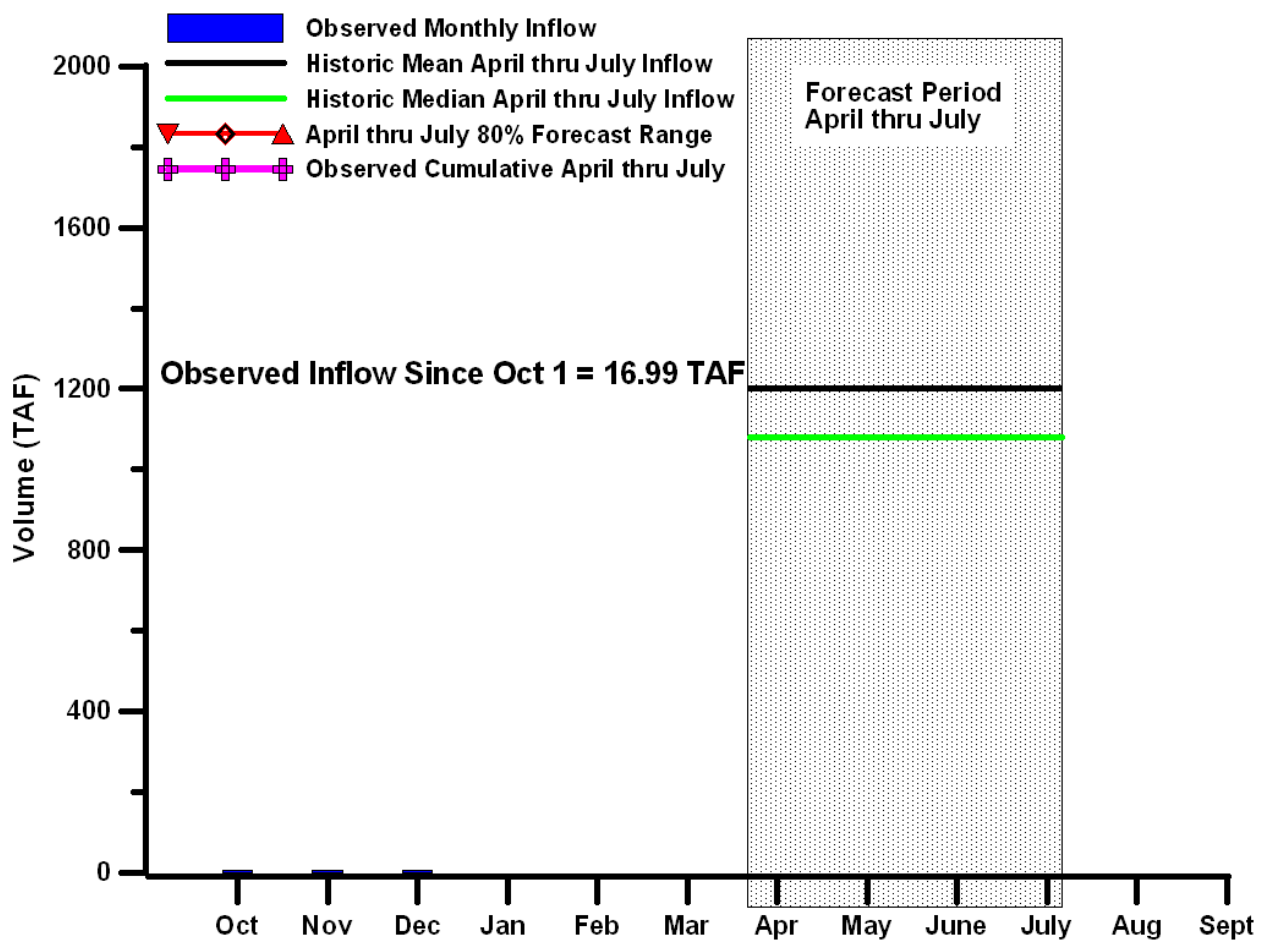
The December delivery rate was 174 MGD which is a 13% decrease below the November rate of 201 MGD. The 5-year average delivery rate for the month is 161 MGD. The drier than normal weather experienced since October is a likely a contributing factor to the above average deliveries observed for December.

## Local Precipitation

December was a very dry month with measurable precipitation well below normal at each of the three local rain gauges. Despite a dry start to Water Year 2014 the winter months provide a seasonal opportunity to improve on the lack of precipitation date. The first day of the astronomical winter, the Winter Solstice, occurred on December 21. Winter ends on March 20. The December rainfall summary is presented in Table 3.

Reservoir	Month Total (inches)	Percentage of Normal for the Month	Water Year to Date <sup>7</sup> (inches)	Percentage of Normal for the Year-to-Date <sup>7</sup>
Pilarcitos	0.77	11 %	2.41	17 %
Lower Crystal Springs	0.85	18 %	2.01	21 %
Calaveras	0.54	15 %	1.75	24 %

<sup>7</sup> WY 2014: Oct. 2013 through Sep. 2014.



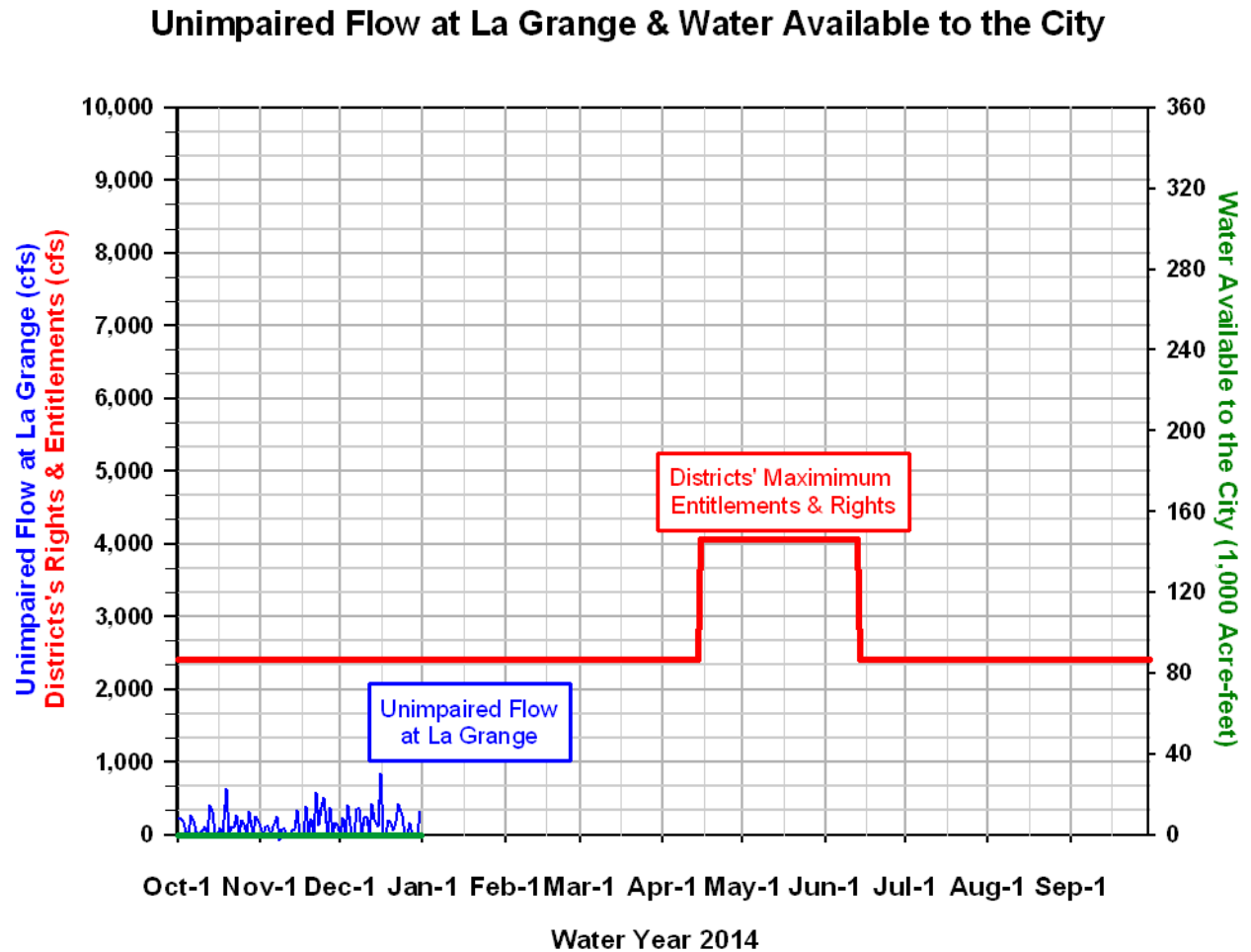
**Figure 4:** Water year conditions for the Tuolumne River at La Grange.

## Snowmelt and Water Supply

Precipitation over the past 12 months has lagged well behind “normal” conditions. Driving the below normal precipitation accumulation is the lack of a significant storm event. The last major storm event occurred during late December 2012. Average precipitation accumulation in the Sierra can be a result of as few as four significant storms or as many as fifteen small events. January through May precipitation in the historical record accounts for approximately two-thirds of the annual total, so there is ample opportunity for storm events to occur. The current short term weather forecast indicates continued dry conditions as the positional persistence of the

“Pacific High” keeps the storm track to the north of California. The NWS Climate Prediction Center long term forecast for the next 3-months indicates a chance of below normal precipitation conditions.

The below normal precipitation has resulted in well below normal inflows and falling reservoir storage levels, however current system storage is near 72% of maximum capacity. This storage level is similar to conditions on January 1<sup>st</sup> 2008.



**Figure 5:** Calculated unimpaired flow at La Grange and the allocation of flows between the Districts and the City. 0 acre-feet of water has become available to the City during water year 2014 to date.

cc	HHWP Records	Gambon, Paul	Jue, Tyrone	Ramirez, Tim
	Briggs, David	Gibson, Bill	Kehoe, Paula	Ritchie, Steve
	Cameron, David	Graham, Chris	Lehr, Dan	Rydstrom, Todd
	Carlin, Michael	Griffin, Pat	Levin, Ellen	Sandkulla, Nicole
	Chester, John	Hale, Barbara	Mazurkiewicz, Adam	Tsang, Michael
	DeGraca, Andrew	Hannaford, Margaret	Meier, Steve	Williams, Mike
	Dhokal, Amod	Kelly, Harlan	Patterson, Mike	
	Dufour, Alexis	Jensen, Art	Nelson, Chris	

## **STAFF REPORT**

**To:** Board of Directors  
**From:** David Dickson, General Manager  
**Agenda:** January 14, 2014

Report

Date: January 10, 2014

**Subject:** Coastside County Water District Basic Financial Statements and Independent Auditors Report for the Fiscal Year Ended June 30, 2013

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### **Recommendation:**

Approve the Basic Financial Statements for Fiscal Year Ended June 30, 2013.

### **Background:**

Joseph J. Arch, CPA, Inc. (JJACPA), the District's Independent Auditor, has completed work on the Basic Financial Statements for the Year Ended June 30, 2013. The Auditor's letter attests that the financial statements fairly represent the financial position of the District. No exceptions or concerns were noted.

Mr. Joseph J. Arch will be at the January Board meeting to discuss the Financial Statements and to answer the Board's questions.

### **Fiscal Impact:**

No fiscal impact.

**COASTSIDE COUNTY WATER DISTRICT**

**BASIC FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY SCHEDULES**

**JUNE 30, 2013**

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Table of Contents**

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**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Elected Officials and Administrative Personnel**

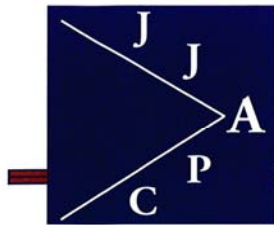
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**BOARD OF DIRECTORS**

Glen Reynolds – President  
Chris Mickelson – Vice President  
Kevin Coverdell – Director  
Steve Flint – Director  
Arnie Glassberg – Director

**MANAGEMENT**

David Dickson – General Manager



**JJACPA, Inc.**

A Professional Accounting Services Corp.

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of the  
Coastside County Water District  
Half Moon Bay, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements the Coastside County Water District (District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. The prior-year comparative total information presented has been derived from the District's 2012 basic financial statements and, in our report dated November 19, 2012 we expressed an unqualified opinion on the those financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages three to nine be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

January 10, 2014

*JJACPA, Inc.*  
**JJACPA, Inc.**  
**Dublin, CA**

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management's Discussion and Analysis**

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This section of Coastside County Water District's basic financial statements presents management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2013. Since this management's discussion and analysis is designed to focus on current activities, resulting change and current known facts, please read it in conjunction with the District's basic financial statements (pages 12 - 14) and the footnotes (pages 15 - 29).

**Financial Highlights**

At June 30, 2013, the District's net position increased \$636,885 to \$36,331,897 from \$35,695,012 in 2012. Operating revenues increased by \$1,298,110, primarily due to a water rate increase which became effective July 1, 2013. Operating expenses (with depreciation included) increased by \$214,644 as a result of increases to source of supply expenses. The District's total assets increased by \$3,671,422 due to the completion of the Denniston Water Treatment Plant Improvements Project.

**Using This Report**

In December 1998, the Governmental Accounting Standards Board (GASB) released statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which revised the reporting of property tax revenue. In June 1999, GASB released statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*. Changes in Statement No. 34 require a comprehensive one-line look at the entity as a whole and capitalization of assets and depreciation for agencies not reporting on the accrual basis of accounting. Since the District has historically reported all activities in enterprise funds in a manner similar to business activities and followed the accrual basis of accounting, the District merely has been required to reclassify certain balances to utilize the new Statement No. 34 terminology. There were no major reconciling items necessary or elimination of balances due to the implementation of Statement No. 34.

The annual financial statements include the Independent Auditors' Report, this management's discussion and analysis, the basic financial statements, and notes to the basic financial statements.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Management's Discussion and Analysis, Continued**

**Financial Analysis of the District as a Whole**

	Net Position		Increase (Decrease)	Percent Change
	As of June 30, 2013 and 2012			
	2013	2012		
<b>Assets:</b>				
Current assets	\$ 3,981,846	\$ 3,437,367	\$ 544,479	15.8%
Non-current assets	46,407,179	43,280,236	3,126,943	7.2%
<b>Total assets</b>	<b>50,389,025</b>	<b>46,717,603</b>	<b>3,671,422</b>	<b>7.9%</b>
<b>Liabilities:</b>				
Current liabilities	1,222,897	1,592,204	(369,307)	(23.2)%
Non-current liabilities	12,834,231	9,430,387	3,403,844	36.1%
<b>Total liabilities</b>	<b>14,057,128</b>	<b>11,022,591</b>	<b>3,034,537</b>	<b>27.5%</b>
<b>Net position:</b>				
Investment in capital assets, net of related debt	32,207,607	33,671,394	(1,463,787)	-4.3%
Restricted/Unrestricted Net Position:				
Restricted for Crystal Springs Project	373,447	373,447	-	0.0%
Restricted for capital improvements	1,135,209	1,135,209	-	0.0%
Unrestricted	2,615,634	514,962	2,100,672	407.9%
<b>Total net position</b>	<b>\$ 36,331,897</b>	<b>\$ 35,695,012</b>	<b>\$ 636,885</b>	<b>1.8%</b>

This schedule is prepared from the District's Statement of Net Position (page 12), which is presented on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the Statement of Activities are those revenues that are generated from the primary operations of the District. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management's Discussion and Analysis, Continued**

**Financial Analysis of the District as a Whole, Continued**

Operating results are summarized as follows:

	<b>Operating Results</b>			
	<b>For the years ended June 30, 2013 and 2012</b>			
	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
<b>Operating revenues</b>	\$ 7,701,459	\$ 6,403,349	\$ 1,298,110	20.3%
<b>Operating expenses</b>	<u>7,612,916</u>	<u>7,398,272</u>	214,644	2.9%
<b>Operating income (loss)</b>	88,543	(994,923)	1,083,466	(108.9)%
<b>Non-operating revenues</b>	1,224,764	1,125,124	99,640	8.9%
<b>Non-operating expenses</b>	<u>(676,422)</u>	<u>(520,247)</u>	<u>(156,175)</u>	30.0%
<b>Net income before contributions</b>	636,885	(390,046)	1,026,931	(263.3)%
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	0.0%
<b>Change in net position:</b>	636,885	(390,046)	1,026,931	(263.3)%
<b>Net position:</b>				
Beginning of year	<u>35,695,012</u>	<u>36,085,058</u>	<u>(390,046)</u>	<u>(1.1)%</u>
End of year	<u>\$ 36,331,897</u>	<u>\$ 35,695,012</u>	<u>\$ 636,885</u>	<u>1.8%</u>

While the Statement of Net Position shows the change in financial position of net position, the operating results are reflected in the Statement of Revenues, Expenses, and Changes in Net Position. This statement provides answers to the nature and source of the change in financial position of net position.

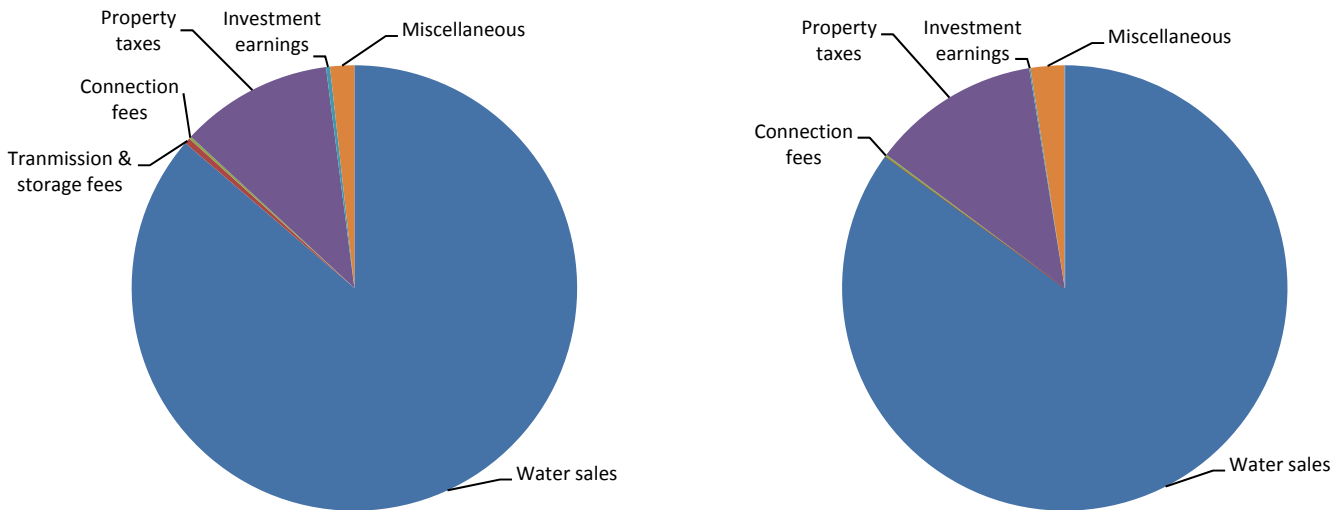
**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management’s Discussion and Analysis, Continued**

**Financial Analysis of the District as a Whole, Continued**

The following is a graphic illustration of revenues by source:

**Revenues by Source  
Both Operating & Non-Operating**



<b>FY 2012-2013</b>			<b>FY 2011-2012</b>		<b>Increase (Decrease)</b>
\$ 7,701,459	86.3%	<b>Water sales</b>	\$ 6,403,349	85.2%	\$ 1,298,110
38,033	0.4%	<b>Transmission &amp; storage fees</b>	-	0.0%	38,033
16,089	0.2%	<b>Connection fees</b>	12,113	0.2%	3,976
988,429	11.1%	<b>Property taxes</b>	920,053	12.2%	68,376
25,610	0.3%	<b>Investment earnings</b>	6,778	0.1%	18,832
156,603	1.8%	<b>Miscellaneous</b>	186,180	2.5%	(29,577)
<b>\$ 8,926,223</b>	<b>100.0%</b>	<b>Totals</b>	<b>\$ 7,528,473</b>	<b>100.0%</b>	<b>\$ 1,397,750</b>

Water sales increased \$1,298,110 due to a rate increase for fiscal year 2012-2013, approved by the Board of Directors. Property taxes increased by \$68,376 primarily due to San Mateo County’s method of calculating and distributing funds. Investment earnings increased by \$18,832, as a result of a one time payment for the interest earnings on the IBank Loan (CIEDB11-099) for undisbursed funds from July 1, 2012 through the date of final disbursement.

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management’s Discussion and Analysis, Continued**

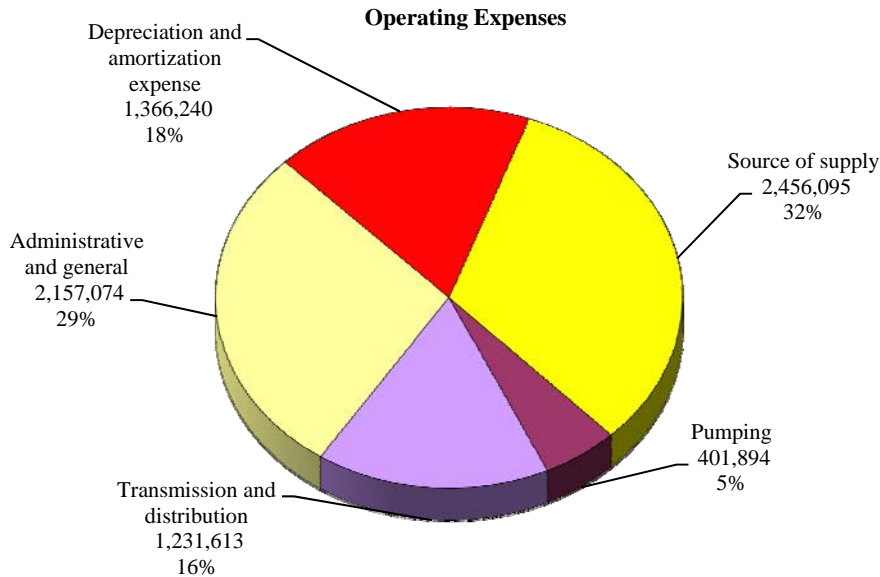
**Financial Analysis of the District as a Whole, Continued**

Operating expenses increased by \$214,644 as detailed below:

	Operating Expenses For the years ended June 30, 2013 and 2012		Increase (Decrease)	Percent Change
	2013	2012		
<b>Operating expenses:</b>				
Source of supply	\$ 2,456,095	\$ 2,320,359	\$ 135,736	5.8%
Pumping	401,894	182,808	219,086	119.8%
Transmission and distribution	1,231,613	1,246,726	(15,113)	(1.2)%
Administrative and general	2,157,074	2,150,496	6,578	0.3%
Depreciation and amortization expense	1,366,240	1,497,883	(131,643)	(8.8)%
<b>Total</b>	<b>\$ 7,612,916</b>	<b>\$ 7,398,272</b>	<b>\$ 214,644</b>	<b>2.9%</b>

Source of supply increased \$135,736 due to higher wholesale water rates from the San Francisco Public Utilities Commission. Pumping expenses increased \$219,086 primarily due to increased use of the Crystal Springs supply source.

The following is a graphic illustration of operating expenses:



**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management’s Discussion and Analysis, Continued**

**Financial Analysis of the District as a Whole, Continued**

Net position increased by \$100,376 as detailed below:

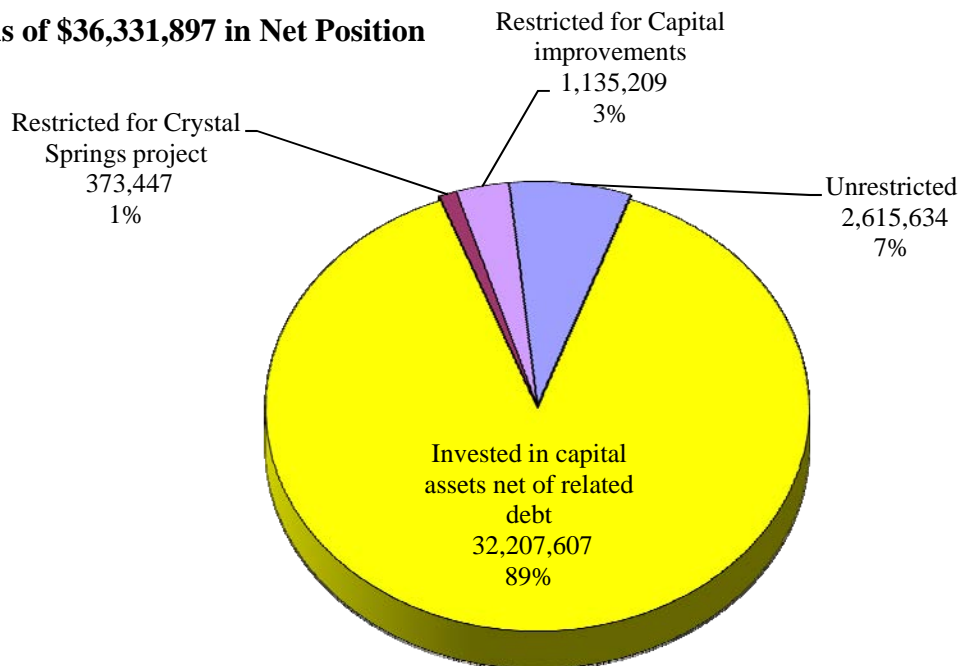
**Analysis of Net Position  
As of June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
<b>Net position:</b>				
Invested in capital assets net of related debt	\$ 32,207,607	\$ 33,671,394	\$ (1,463,787)	(4.3)%
Restricted				
Crystal Springs Project	373,447	373,447	-	0.0%
Capital improvements	1,135,209	1,135,209	-	0.0%
Unrestricted	<u>2,615,634</u>	<u>514,962</u>	<u>2,100,672</u>	<u>407.9%</u>
<b>Total</b>	<u>\$ 36,331,897</u>	<u>\$ 35,695,012</u>	<u>\$ 636,885</u>	<u>1.8%</u>

The change in net position is a \$636,885 decrease due primarily to operating expenses increasing and capital project expenditures.

The following is a graphic illustration of net position:

**Analysis of \$36,331,897 in Net Position**



**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Management's Discussion and Analysis, Continued**

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**Cash Flows**

Net cash increased by \$363,709, primarily the result of water revenue and proceeds from the issuance of long-term debt.

**Long-term Debt**

The District's long term debt increased by a net amount of \$3,260,274. This was a result of \$4,035,450 of additional disbursements under an installment loan from the CIEDB Enterprise Fund and from annual principal payments and amortization of bond discounts.

**Economic Factors and Potential Future Results**

The District's water sales will remain stable or increase slowly as a result of continuing water conservation efforts. This trend, combined with a series of significant increases in the wholesale water rate charged by the San Francisco Public Utilities Commission and the need to finance essential infrastructure maintenance and replacement, will increase the District's revenue requirements in the future. The District has generally raised rates on an annual basis to meet revenue requirements and will continue to do so.

**Contacting the District**

This financial report is designed to provide our customers and creditors a general overview of the District's finances and to demonstrate the District's accountability for the money it receives and is allocated to it. If you have questions about this report, contact:

Coastside County Water District  
766 Main Street  
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## **BASIC FINANCIAL STATEMENTS**

# Coastside County Water District

## Statement of Net Position

June 30, 2013

(with comparative totals for June 30, 2012)

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and investments	\$ 2,110,403	\$ 1,746,694
Restricted cash and investments	606,363	565,694
Accounts receivable:		
Customer water	853,716	701,026
Taxes	13,325	17,164
Interest	14,636	5,172
Prepaid expenses	17,142	18,426
Materials and supplies inventory	188,000	188,550
Unamortized bond issuance costs	178,261	194,641
<b>Total current assets</b>	<u>3,981,846</u>	<u>3,437,367</u>
<b>Noncurrent assets:</b>		
Capital assets:		
Construction in progress	4,195,583	7,586,019
Utility plant	66,696,319	58,846,603
Less accumulated depreciation	<u>(24,484,723)</u>	<u>(23,152,386)</u>
<b>Total noncurrent assets</b>	<u>46,407,179</u>	<u>43,280,236</u>
<b>Total assets</b>	<u>\$ 50,389,025</u>	<u>46,717,603</u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 380,560	\$ 910,405
Accrued payroll	92,202	112,240
Customer deposits	48,909	59,346
Due to Crystal Springs Assessment District	87,965	87,965
Due within one year	613,261	422,248
<b>Total current liabilities</b>	<u>1,222,897</u>	<u>1,592,204</u>
<b>Noncurrent liabilities:</b>		
Due after one year	12,451,364	9,186,594
Net OPEB obligation	295,623	157,412
Accrued vacation and sick leave	87,244	86,381
<b>Total noncurrent liabilities</b>	<u>12,834,231</u>	<u>9,430,387</u>
<b>Total liabilities</b>	<u>14,057,128</u>	<u>11,022,591</u>
<b>NET POSITION</b>		
Invested in capital assets net of related debt	32,207,607	33,671,394
Restricted for Crystal Springs Project	373,447	373,447
Restricted for capital improvements	1,135,209	1,135,209
Unrestricted	2,615,634	514,962
<b>Total Net Position</b>	<u>36,331,897</u>	<u>35,695,012</u>
<b>Total liabilities and net position</b>	<u>\$ 50,389,025</u>	<u>46,717,603</u>

The accompanying notes are an integral part of these basic financial statements.

**Coastside County Water District**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the year ended June 30, 2013**

(with comparative totals for the year ended June 30, 2012)

	<u>2013</u>	<u>2012</u>
<b>OPERATING REVENUES:</b>		
Water sales	\$ 7,701,459	\$ 6,403,349
<b>OPERATING EXPENSES:</b>		
Source of supply	2,456,095	2,320,359
Pumping	401,894	182,808
Transmission and distribution	1,231,613	1,246,726
Administrative and general	2,157,074	2,150,496
Depreciation and amortization	1,366,240	1,497,883
<b>Total operating expenses</b>	<u>7,612,916</u>	<u>7,398,272</u>
<b>Operating loss</b>	<u>88,543</u>	<u>(994,923)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Property taxes	988,429	920,053
Investment earnings	25,610	6,778
Transmission and storage fees	38,033	-
Connection fees	16,089	12,113
Miscellaneous income	156,603	186,180
Collection fees	(14,099)	(13,447)
Net OPEB expense	(138,211)	(52,487)
Interest expense	(524,112)	(454,313)
<b>Total nonoperating revenues (expenses)</b>	<u>548,342</u>	<u>604,877</u>
<b>Income (loss) before contributions</b>	<u>636,885</u>	<u>(390,046)</u>
Capital contributions	-	-
<b>Net Income (Loss)</b>	<u>636,885</u>	<u>(390,046)</u>
<b>CHANGE IN NET POSITION:</b>		
Beginning of year	35,695,012	36,085,058
End of year	<u>\$ 36,331,897</u>	<u>\$ 35,695,012</u>

The accompanying notes are an integral part of these basic financial statements.

# Coastside County Water District

## Statement of Cash Flows

For the year ended June 30, 2013

(with comparative amounts for the year ended June 30, 2012)

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	\$ 7,552,608	\$ 6,378,759
Payments to suppliers	(5,216,304)	(3,600,391)
Payments to employees	(1,587,995)	(1,744,284)
<b>Net cash provided (used) by operating activities</b>	<b>748,309</b>	<b>1,034,084</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Property taxes net of collection fees	974,330	906,606
Miscellaneous receipts	156,603	186,180
<b>Net cash provided (used) by noncapital financing activities</b>	<b>1,130,933</b>	<b>1,092,786</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Change in restricted cash and investments	(40,669)	137,919
Transmission and storage fee receipts	38,033	-
Connection fee receipts	16,089	12,113
Redemption of Crystal Springs Project Bond	-	58
Proceeds from the issuance of long-term debt	3,878,031	2,721,050
Principal and interest payments on long-term debt	(948,607)	(872,065)
Acquisition of capital assets	(4,474,556)	(4,767,306)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(1,531,679)</b>	<b>(2,768,231)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received on investments	16,146	3,395
<b>Net cash provided (used) by investing activities</b>	<b>16,146</b>	<b>3,395</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>363,709</b>	<b>(637,966)</b>
<b>CASH:</b>		
Beginning of year	1,746,694	2,384,660
End of year	<u>\$ 2,110,403</u>	<u>\$ 1,746,694</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating (loss)	\$ 88,543	\$ (994,923)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization expense	1,366,240	1,497,883
Change in assets and liabilities:		
Accounts receivable	(148,851)	(24,590)
Materials and supplies	550	(41,410)
Prepaid expenses	1,284	(1,696)
Accounts payable and accrued liabilities	(529,845)	574,889
Accrued payroll	(20,038)	28,831
Customer deposits	(10,437)	(13,667)
Accrued vacation and sick leave	863	8,767
<b>Net cash provided (used) by operating activities</b>	<b>\$ 748,309</b>	<b>\$ 1,034,084</b>

The accompanying notes are an integral part of these basic financial statements.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Coastside County Water District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental enterprises classified as proprietary fund types. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The reports are based on all applicable GASB pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Review Boards of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The following is a summary of the more significant policies:

**A. Description of the Reporting Entity**

The District is organized under the Water Code provisions of the general laws of the State of California and is governed by a five-member Board of Directors elected at large by the registered voters of the District. The District is located along the Pacific Ocean in San Mateo County; it purchases more than half of its water supply from the San Francisco Water Department. The balance is developed from local sources, including surface diversion and wells. Water is distributed to customers inside and outside the District's boundaries.

Oversight responsibility, the ability to conduct independent financial affairs, issue debt instruments, approve budgets, and otherwise influence operations and account for fiscal matters is exercised by the District's Board of Directors. The District is a separate reporting entity for financial reporting purposes and the accompanying financial statements reflect the assets, liabilities, net position, revenues, and expenses of the District only.

As defined by GASB Statements No. 14 and 39, *The Financial Reporting Entity*, the District is not financially accountable for any other entity other than itself, nor are there any other entities for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete.

In addition, based upon the above criteria, the District is not aware of any entity which would be financially accountable for the District which would result in the District being considered a component of the entity.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**B. Fund Accounting Classification and Basis of Accounting**

On the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net position, business-like activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

District funds are classified as enterprise funds, which account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition and capital improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds, and cash flow from operations.

**C. Cash and Investments**

For the purposes of the Statement of Net position and Statement of Cash Flows, “cash equivalents and investments” includes all demand, savings accounts, and certificates of deposits or short-term investments with an original maturity of three months or less.

Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Note 2.

**D. Capital Assets**

Capital assets are carried at cost or estimated cost if actual cost was not available. Contributed capital assets are valued at their estimated fair value on the date contributed.

Depreciation is calculated on a straight-line basis using the following useful life schedule:

Water treatment plant and pipelines	22-50 years
Buildings	23-33 years
Furniture and equipment	10 years
Vehicles	5 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized.

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**E. Property Taxes**

The District's property taxes are levied each calendar year on all taxable real property located in the District. Property taxes are recorded on an accrual basis of accounting.

The County Assessor is responsible for assessment of all taxable real property within San Mateo County. Reassessment is on a three-year schedule established by the Assessor.

The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to each unit its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year generally on March 1<sup>st</sup> and August 30<sup>th</sup>.

The first installment is an estimated bill, and is approximately one-half of the prior year's tax bill. The second installment is based on the current levy, assessment, equalization, and certificate to limit levy, if any and any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

**F. Accrued Vacation and Sick Leave**

The liability for vested vacation pay is recorded as an expense when the vacation is earned. District employees have a vested interest of up to 240 hours of accrued vacation time and up to 120 days of accrued sick time for employees that retire and are hired prior to December 31, 1990. Employees hired after that date have a vested interest in up to fifty percent of their sick time up to 60 days, based upon retirement and time with the District.

**G. Unamortized Bond Issuance Costs**

Costs incurred in issuing long-term debt are capitalized and amortized over the life of the debt.

**H. Comparative Data**

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

**I. Reclassifications**

Certain amounts from the prior year have been reclassified to conform to the current year's presentation.



**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**2. CASH AND INVESTMENTS**

**A. Composition**

The District's cash and temporary investments are carried at market, and include:

	June 30, 2013			June 30, 2012
	FDIC insured	Not Rated	Fair Value	
Cash in bank	\$ 250,000	\$ 1,450,597	\$ 1,700,597	\$ 1,299,553
Petty Cash	-	430	430	430
Local Agency Investment Fund (LAIF)	-	1,015,739	1,015,739	1,012,405
<b>Total</b>	<b>\$ 250,000</b>	<b>\$ 2,466,766</b>	<b>\$ 2,716,766</b>	<b>\$ 2,312,388</b>
Financial Statement presentation:				
Cash and investments			\$ 2,110,403	\$ 1,746,694
Restricted cash and investments			<u>606,363</u>	<u>565,694</u>
<b>Total</b>			<b>\$ 2,716,766</b>	<b>\$ 2,312,388</b>

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the District's cash on deposit as collateral for these deposits. Under California Law this collateral is held in an investment pool by an independent financial institution in the District's name and places the District ahead of general creditors of the institution pledging the collateral. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

The District's investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

**B. Authorized Investments**

The District's Investment Policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District and approved percentages and maturities are not exceeded.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**2. CASH AND INVESTMENTS, Continued**

The table below also identifies certain provisions of the California Government Code, or the District's Investment Policy where the District's Investment Policy is more restrictive.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>
California Local Agency Investment Fund	N/A	None
U.S. Treasury Obligations	5 years	None
Negotiable Certificates of Deposit	1 year	30%

**C. Fair Value of Investments**

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method, which includes any adjustments in interest/investment income.

**D. Investments Authorized by Debt Agreements**

The District must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the District fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with District resolutions, bond indentures, or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer or the maximum percentage of the portfolio that may be invested in any one investment type.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>
U.S. Treasury Obligations	N/A	Aaa
U.S. Agency Securities	N/A	Aaa
Bankers' Acceptances	30 days	A-1
Commercial Paper	270 days	A-1+
Money Market Funds	N/A	Aam
Pre-Funded Municipal Obligations	N/A	AAA
Repurchase Agreements	270 days	A
State Direct General Obligations	N/A	AA Special
Revenue Bonds	N/A	AA
California Local Agency Investment Fund	N/A	None

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**2. CASH AND INVESTMENTS, Continued**

**E. Interest Rate and Credit Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The District is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2013, these investments matured in an average of 278 days.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's only investments are in the California Local Agency Investment Fund and in Money Market accounts which are not rated at June 30, 2013.

**F. Reassessment Redemption Fund**

The cash balance in the Reassessment Redemption and Reassessment Reserve Fund accounts represent receipts of the Crystal Springs Assessment District, held by the District as the Assessment District's agent. Amounts reported as restricted were utilized on Assessment District projects and reduced to zero in the prior year.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**3. CAPITAL ASSETS**

Changes in capital assets and depreciation were as follows:

	July 1, 2012	Additions	Deletions	June 30, 2013
<b><u>Capital Assets</u></b>				
<b><u>Nondepreciable:</u></b>				
Construction in progress	\$ 7,586,019	\$ 4,255,078	\$ (7,645,514)	\$ 4,195,583
<b><i>Utility Plant Nondepreciable:</i></b>				
Land	\$ 160,612	\$ -	\$ -	\$ 160,612
Total Utility Plant nondepreciable assets	160,612	-	-	160,612
<b><i>Utility Plant Depreciable:</i></b>				
Source of supply	401,039	-	-	401,039
Transmission and distribution	16,965,966	-	-	16,965,966
Treatment plants and well field projects				
Acquired and constructed	4,352,972	6,819,233	-	11,172,205
Contributed	2,899,227	-	-	2,899,227
Pipelines and meters	9,701,717	719,992	-	10,421,709
Crystal Springs Project	21,631,828	119,555	-	21,751,383
Buildings and structures	591,613	-	-	591,613
Vehicles	667,820	120,711	-	788,531
Furniture and equipment	1,473,809	70,225	-	1,544,034
Total depreciable assets	58,685,991	7,849,716	-	66,535,707
Total utility plant at cost	58,846,603	7,849,716	-	66,696,319
<b>Less: accumulated depreciation</b>	(23,152,386)	(1,332,337)		(24,484,723)
Total utility plant (net)	35,694,217	6,517,379	-	42,211,596
Total capital assets	\$ 43,280,236	\$ 10,772,457	\$ (7,645,514)	\$ 46,407,179

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**4. LONG-TERM DEBT**

**A. Long-Term Debt Activity**

	Original Issue Amount	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
1998A ABAG Water and Wastewater Revenue Refunding Bonds, 3.75-5.3%, due 10/01/2013	\$ 2,855,000	\$ 505,000	-	\$ (245,000)	\$ 260,000	\$ 260,000
2006B Water Revenue Bonds 3.5-4.75%, due 10/01/32	7,295,000	6,430,000	-	(190,000)	6,240,000	200,000
Discount	(58,459)	(47,208)	-	2,247	(44,961)	(2,248)
Total Debt Issuances	<u>10,091,541</u>	<u>6,887,792</u>	-	<u>(432,753)</u>	<u>6,455,039</u>	<u>457,752</u>
CIEDB Enterprise Fund Installment Loan	-	2,721,050	4,035,450	(146,914)	6,609,586	151,013
Total	<u>\$ 10,091,541</u>	<u>9,608,842</u>	<u>\$ 4,035,450</u>	<u>\$ (579,667)</u>	<u>13,064,625</u>	<u>\$ 608,765</u>
Amount due within one year		<u>(417,752)</u>			<u>(608,765)</u>	
Total Long-term Debt		<u>\$ 9,191,090</u>			<u>\$ 12,455,860</u>	

**B. 1998A ABAG Water and Wastewater Revenue Refunding Bonds**

On May 12, 1998, the District issued ABAG Water and Wastewater Revenue Refunding Bonds, Series 1998A in an original principal amount of \$2,855,000. Proceeds of the 1998 Bonds were placed in an irrevocable trust to advance refund the outstanding balance of the Water Revenue Refunding Bonds, Series 1993; a portion was also used to finance water pipeline replacements.

All revenues generated by the Utility Plant and a debt service insurance policy serving as a reserve fund are pledged for the repayment of the 1998 Bonds. The 1998 Bonds bear interest at 3.75% to 5.3% and require semiannual interest payments on October 1 and April 1 and annual principal payments on October 1. A final installment is due October 1, 2013.

Any 1998 Bonds maturing on or after October 1, 2010, may be redeemed at par plus a 2% premium on or after October 1, 2009. The premium decreases 1% each year until October 1, 2010, at which time the 1998 Bonds may be redeemed at par. 1998 Bonds maturing on or after October 1, 2010 and 2021, are subject to mandatory annual redemption commencing October 1, 2006 and 2010, respectively, at par.

**C. 2006B Water Revenue Bonds**

On June 1, 2006, the District issued Water Revenue Bonds, Series 2006B in an original principal amount of \$7,295,000 to finance and refinance certain public capital improvements. The bonds are payable from revenues of the District. The 2006B Bonds bear interest at 3.50% to 4.75% and require semiannual interest payments on October 1 and April 1 and annual principal payments on October 1, beginning October 1, 2007. A final installment is due October 1, 2032.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**4. LONG-TERM DEBT, Continued**

**D. CIEDB Enterprise Fund Installment Loan**

On October 10, 2012 the District authorized an installment loan up to \$6,756,500 with the California Infrastructure and Economic Development Bank for the District's Denniston Creek Water Treatment Plant Improvements Project. All funds must be drawn by September 10, 2014. The loan has a 30 year term with a semiannual interest rate of 2.79% (plus a 0.3% annual fee) payable on August 1 and February 1, beginning February 1, 2013. Annual principal payments are due on August 1; beginning after the District withdraws the full \$6,756,500 or completes the project. The final installment is due August 1, 2041. The District has an outstanding balance of \$6,609,586 as of June 30, 2013.

**D. Repayment Schedule**

Future annual repayment requirements are as follows:

Year Ending June 30,	Enterprise activities					
	1998A ABAG Water and Wastewater Revenue Refunding Bonds		2006B Water Revenue Bonds		2006B Water Revenue Bonds - Discount	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	260,000	6,890	200,000	283,859	(2,248)	-
2015	-	-	210,000	275,889	(2,248)	-
2016	-	-	215,000	267,494	(2,248)	-
2017	-	-	225,000	258,553	(2,248)	-
2018	-	-	235,000	248,919	(2,248)	-
2019-2023	-	-	1,340,000	1,065,819	(11,240)	-
2024-2028	-	-	1,690,000	709,344	(11,240)	-
2029-2033	-	-	2,125,000	261,843	(11,241)	-
2034-2038	-	-	-	-	-	-
2039-2042	-	-	-	-	-	-
Total	\$ 260,000	\$ 6,890	\$ 6,240,000	\$ 3,371,720	\$ (44,961)	\$ -
Due within one year	\$ 260,000	\$ 6,890	\$ 200,000	\$ 283,859	\$ (2,248)	\$ -
Due after one year	-	-	6,040,000	3,087,861	(42,713)	-
Total	\$ 260,000	\$ 6,890	\$ 6,240,000	\$ 3,371,720	\$ (44,961)	\$ -

Year Ending June 30,	CIEDB Enterprise Fund Installment Loan			
	Principal		Interest	
	Principal	Interest	Principal	Interest
2014	\$ 151,013	\$ 182,301	\$ 608,765	\$ 473,050
2015	155,226	178,029	362,978	453,918
2016	159,557	173,638	372,309	441,132
2017	164,009	169,124	386,761	427,677
2018	168,585	164,484	401,337	413,403
2019-2023	916,156	748,166	2,244,916	1,813,985
2024-2028	1,051,293	611,144	2,730,053	1,320,488
2029-2033	1,206,363	453,911	3,320,122	715,754
2034-2038	1,384,307	273,485	1,384,307	273,485
2039-2042	1,253,077	71,123	1,253,077	71,123
Total	\$ 6,609,586	\$ 3,025,405	\$ 13,064,625	\$ 6,404,015
Due within one year	\$ 151,013	\$ 182,301	\$ 608,765	\$ 473,050
Due after one year	6,458,573	2,843,104	12,455,860	5,930,965
Total	\$ 6,609,586	\$ 3,025,405	\$ 13,064,625	\$ 6,404,015

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**5. CRYSTAL SPRINGS ASSESSMENT DISTRICT**

The Crystal Springs Water Supply Project (CSP) constructed by the District was financed by purchasers of CSP water service connections who either paid cash for their water service connections or have agreed to place their properties in the Crystal Springs Assessment District, which was formed for the sole purpose of providing funding to construct the Project.

At June 30, 2010, the Assessment District had fully repaid the balance of its Limited Obligation Refunding Bonds, issued in 1999. Property owners were solely responsible for repayment of these Bonds. Security for the bonds was provided by a lien against each property to which a CSP water service connection is assigned. The County of San Mateo acted as the agent for the Assessment District, collecting assessments and forwarding bond payments to the Assessment District. The Assessment District was responsible for submitting monies collected by the County to a paying agent,

which in turn paid the bond holders. In the event of non-payment of an assessment by a property owner, the District was responsible only for initiating foreclosure action on the property encumbered by the CSP assessment.

Since the District has never assumed any legal or moral liability to pay any of the Assessment District's bonded indebtedness, the District's financial statements do not include the Assessment District bonds or related balances. However, as the Assessment District's agent, the District uses the cash discussed in Note 2 A to make the required payments on the Assessment District Bonds or projects within the Assessment District with any remaining funds. At June 30, 2013, a final accounting for the District had not been performed and therefore residual balances remain on the District books for certain accounts.

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**6. NET POSITION**

A portion of net position is a set aside for the Crystal Springs project of \$373,447 and capital improvements of \$1,135,209.

**7. RISK MANAGEMENT AND SELF-INSURANCE**

The District is exposed to various risks of loss related to torts, theft of, damage and destruction of assets, errors and omissions, and natural disasters. The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) to provide coverage with respect to certain risks.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering recent claim settlement trends including the frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported in the general long-term debt account group because it is not expected to be liquidated with expendable available financial resources.

The District's JPIA membership includes property coverage of \$1,000-\$101,000 per occurrence, \$51,000 - \$50,000,000 excess insurance fidelity coverage of \$1,000 to \$101,000 per occurrence, general liability/automobile coverage of \$500,000, and excess insurance of \$70 million with no self-insurance retention. Workers' compensation insurance is provided through JPIA with a \$350,000 per occurrence coverage.

As of June 30, 2013 there was one open claim for the District. The claim is for property damage and there has been \$1,608 paid to the claimant with \$1 outstanding.



**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

**A. Plan Description**

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 "P" Street, Sacramento, California 95814.

**B. Funding Policy**

All full-time District employees participate in the CalPERS Plans. Employees hired before August 14, 2011 are in the Tier 1 (2.5% at 55) plan, and employees hired on or after that date are in the Tier 2 (2% at 60) plan. The required member contribution rates are 8% of monthly salary over \$133.33 for the Tier 1 plan, and 7% of monthly salary over \$133.33 for Tier 2. Effective June 14, 2011 the portion of the member contribution rate paid by employees increased from 1% to 2%. The District pays the remainder of the member contribution. The required employer contribution rate for fiscal Year 2012-13 was 24.341% of annual payroll. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration.

**C. Annual Pension Cost**

For 2013, the District's annual pension cost of \$359,950 for CalPERS was equal to the District's required and actual contribution. The required contribution was determined as part of the June 30, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% of investment rate of return (net of administrative expenses), and (b) 3.55% to 14.45% projected annual salary increases that vary by age, duration of service and type of employment with 3.25% payroll growth. Both (a) and (b) included an inflation component of 3% and annual production growth of 0.25%.

**Coastside County Water District  
Basic Financial Statements  
For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued**

The actuarial value of CALPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period (smooth market value). CALPERS has increased the future rate the District pays to reflect an unfunded condition in the plan.

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2011	301,262	100%	-
June 30, 2012	331,254	100%	-
June 30, 2013	359,950	100%	-

**9. OTHER POST-EMPLOYMENT BENEFITS**

*Plan Description*

The District provides health insurance benefits through the Association of California Water Agencies (ACWA) Blue Cross plan or the District's plan through Kaiser Permanente (small business plan) to employees who retire. The District pays for one-party medical, dental and vision premiums for retirees. The medical and vision benefits are paid for life and the dental benefits are paid until age 65. Employees hired after November 14, 2006 will receive 50% of the benefits.

*Eligibility:* Employees (and their dependents) are eligible to access retiree healthcare benefits if they retire from the District on or after age 55 (service retirement) with at least 15 years of service (service and disability retirement) and the employee must submit the retirement application within 120 days of separation and are eligible for a PERS pension. Membership of the plan consisted of the following at June 30, 2013:

Retirees and beneficiaries receiving benefits	9
Other participants fully eligible for benefits	2
Other participants not yet fully eligible for benefits (hired prior to 11/14/2006)	11
Other participants not yet fully eligible for 50% benefits (hired after to 11/14/2006)	3
Participants not eligible for benefits (hired on or after 11/1/2008)	1
<b>Total</b>	<b>26</b>

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

**9. OTHER POST EMPLOYMENT BENEFITS, Continued**

*Funding Policy*

The District pays for its other postemployment benefit (OPEB) obligation on a pay-as-you-go basis (i.e., as insurance premiums become due).

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the District's net OPEB obligation for these benefits:

Annual required contribution	\$ 235,670
Interest on net OPEB obligation	0
Adjustment to annual required contribution	0
Annual OPEB cost (expense)	235,670
Contributions made (Premiums paid)	(97,459)
Increase in net OPEB obligation	138,211
Net OPEB obligation-beginning of year	<u>157,412</u>
Net OPEB obligation-end of year	\$295,623

This is the second year that the District is following the reporting requirements of GASB 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension Plans*. The District has elected to implement GASB 45 prospectively and therefore shows no OPEB obligation at transition. The District's annual OPEB cost (expense) is equal to the ARC, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2011	141,800	64%	104,925
6/30/2012	147,400	64%	157,412
6/30/2013	235,670	41%	295,623

**Coastside County Water District**  
**Basic Financial Statements**  
**For the year ended June 30, 2013**

**Notes to Basic Financial Statements, Continued**

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**9. OTHER POST EMPLOYMENT BENEFITS, Continued**

*Plan Funded Status and Funding Progress*

As of January 1, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The Actuarial Accrued Liability (AAL) for benefits was \$2,793,011, and the actuarial value of assets was zero dollars, resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$2,793,011. The covered payroll (annual payroll of active employees covered by the plan) was \$1,568,820 and the ratio of UAAL to the covered payroll was 176.12 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the profitability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

*Actuarial Methods and Assumptions*

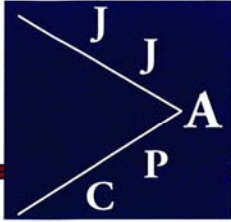
Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and the plan members to that point. The actuarial methods and assumptions used included techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. The actuarial valuation was performed in January of 2013 based upon June 30, 2012 amounts.

The actuarial cost method used for determining the benefit obligations is the projected unit credit actuarial cost method. The actuarial assumptions included a 5 percent investment rate of return, which is the expected long-term rate of return on the District's pooled investments (per GASB 43/45 guidelines for this assumption), and an annual cost trend rate of 5.5 percent for medical, 3% for dental and 2% for vision benefit costs and a three percent general inflation assumption. The UAAL is being amortized using a level dollar method over 30 years with no election as to an open or closed basis at this time.

**10. COMMITMENTS AND CONTINGENCIES**

The District is subject to general risk and exposure due to normal operations in the course of business. These risks involve various claims against the District, both asserted and unasserted, all of which management considers to be immaterial to these financial statements.

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JJACPA, Inc.

A Professional Accounting Services Corp.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

Independent Auditor's Report

Board of Directors  
Coastside County Water District  
Half Moon Bay, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Coastside County Water District (District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the Schedule of Findings and Response that we consider to be significant deficiency: Finding 2013-SD01.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 10, 2014

*JJACPA, Inc.*  
**JJACPA, INC.**  
**Dublin, CA**

**COASTSIDE COUNTY WATER DISTRICT**

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AND  
COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS**

**JUNE 30, 2013**



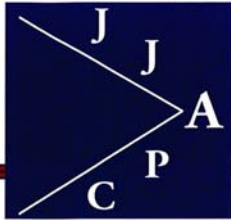
**Coastside County Water District  
Communication with Those Charged with Governance and  
Communication of Internal Control Related Matters  
For the year ended June 30, 2013**

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**JJACPA, Inc.**

A Professional Accounting Services Corp.

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January 10, 2014

To the Board of Directors  
Coastside County Water District  
Half Moon Bay, California

We have audited the financial statements of Coastside County Water District (District) as of and for the year ended June 30, 2013, and have issued our report thereon dated November 8, 2013. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 31, 2013, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting noted during our audit in the following Schedule of Findings and Responses.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There has been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are useful lives of capital assets ("useful lives").

Management's estimate of the useful lives is based on experience with and observation of capital assets, by category (e.g. infrastructure) as well as industry standards, when applicable (i.e. buildings). We evaluated the key factors and assumptions used to develop the useful lives and determined that it is reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to commitments and contingencies.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated January 9, 2013.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Joseph J. Arch*  
JOSEPH J. ARCH, CPA  
President/CEO  
JJACPA, INC.

January 10, 2014

**Coastside County Water District  
Schedule of Findings and Responses  
For the year ended June 30, 2013**

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**Finding 2013-SD01**

**Significant Deficiencies in Internal Control over Meter Readings**

**Condition:**

AMR meter readings that exceed 99,999 units are not recorded accurately in the District's financial system.

**Effect:**

The District overcharged a water customer by \$95,794.

**Cause:**

The District does not have procedures to identify and correct AMR meter readings that exceed 99,999 units before the customer is billed.

**Criteria:**

District policy states that billings be calculated based on actual consumption.

**Recommendation:**

We suggest management implement procedures to identify and correct AMR meter readings that exceed 99,999 units before the customer is billed.

**Responsible Official's Response:**

The District has a procedure in place to identify meters that roll over each billing cycle. The District's current Utility Billing software does not have the capability to handle meter rollover appropriately. We have re-evaluated procedures for working around this software limitation to insure corrected readings are entered and consumption is calculated properly in the event of meter rollover.

## **STAFF REPORT**

**To:** Coastside County Water District Board of Directors

**From:** David Dickson, General Manager

**Agenda:** January 14, 2014

Report

Date: January 7, 2014

**Subject:** Quarterly Year-to-Date Financial Review

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### **Recommendation:**

None. Information only.

### **Background:**

As the attached spreadsheet shows, District overall year-to-date revenues and operating expenses after two quarters are generally on budget.

Year-to-date water revenue is about 2% below budget, partly due to a significant reduction in water usage by Rocket Farms, one of the District's major customers. By using a reverse osmosis system to treat well water, Rocket Farms has reduced its CCWD water use by over 1.5 million gallons per month. This reduction represents about 3% of the District's total water production.

Operating expenses in most categories are running below budget, with the notable exception of SFPUC water purchases and Crystal Springs pumping expenses. These expenses are significantly over budget due to higher than expected reliance on the Crystal Springs source. We will continue to depend on Crystal Springs until we have sufficient local rainfall to allow use of Pilarcitos Reservoir and District local sources.

**COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS**  
31-Dec-13

ACCOUNT	DESCRIPTION	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
<b>OPERATING REVENUE</b>					
1-0-4120-00	Water Revenue -All Areas	4,405,507	4,494,661	(89,154)	(2.0%)
<b>TOTAL OPERATING REVENUE</b>		<b>4,405,507</b>	<b>4,494,661</b>	<b>(89,154)</b>	<b>(2.0%)</b>
<b>NON-OPERATING REVENUE</b>					
1-0-4170-00	Water Taken From Hydrants	15,062	12,500	2,562	20%
1-0-4180-00	Late Notice -10% Penalty	44,861	35,000	9,861	28%
1-0-4230-00	Service Connections	5,805	4,000	1,805	45%
1-0-4920-00	Interest Earned	5,742	1,523	4,219	277%
1-0-4930-00	Tax Apportionments/Cnty Checks	365,962	365,000	962	0%
1-0-4950-00	Miscellaneous Income	23,848	18,500	5,348	29%
1-0-4955-00	Cell Site Lease Income	67,171	60,726	6,445	11%
1-0-4965-00	ERAF REFUND -County Taxes	0	0	0	0%
1-0-4990-00	Water Sales Refunded	(3,192)	0	(3,192)	0%
<b>TOTAL NON-OPERATING REVENUE</b>		<b>525,260</b>	<b>497,249</b>	<b>28,011</b>	<b>6%</b>
<b>TOTAL REVENUES</b>		<b>4,930,767</b>	<b>4,991,910</b>	<b>(61,143)</b>	<b>(1%)</b>
<b>OPERATING EXPENSES</b>					
1-1-5130-00	Water Purchased	1,242,424	1,087,513	(154,911)	(14%)
1-1-5230-00	Pump Exp, Nunes T P	12,537	11,756	(781)	(7%)
1-1-5231-00	Pump Exp, CSP Pump Station	204,157	130,639	(73,518)	(56%)
1-1-5232-00	Pump Exp, Trans. & Dist.	6,084	7,623	1,539	20%
1-1-5233-00	Pump Exp, Pilarcitos Can.	1,326	5,265	3,939	75%
1-1-5234-00	Pump Exp. Denniston Proj.	6,808	34,340	27,532	80%
1-1-5235-00	Denniston T.P. Operations	4,576	6,199	1,623	26%
1-1-5236-00	Denniston T.P. Maintenance	22,171	18,998	(3,173)	(17%)
1-1-5240-00	Nunes T P Operations	27,181	46,228	19,047	41%
1-1-5241-00	Nunes T P Maintenance	20,191	22,500	2,309	10%
1-1-5242-00	CSP Pump Station Operations	4,859	4,252	(607)	(14%)
1-1-5243-00	CSP Pump Station Maintenance	2,505	20,002	17,497	87%
1-1-5250-00	Laboratory Services	17,594	25,000	7,406	30%
1-1-5318-00	Studies/Surveys/Consulting	4,005	37,500	33,495	89%
1-1-5321-00	Water Conservation	11,173	29,002	17,829	61%
1-1-5322-00	Community Outreach	5,079	15,850	10,771	68%
1-1-5411-00	Salaries & Wages -Field	474,568	473,216	(1,352)	(0%)
1-1-5412-00	Maintenance -General	114,730	84,248	(30,482)	(36%)
1-1-5414-00	Motor Vehicle Expense	23,577	25,324	1,747	7%
1-1-5415-00	Maintenance -Well Fields	0	5,002	5,002	100%
1-1-5610-00	Salaries/Wages-Administration	324,482	339,567	15,084	4%
1-1-5620-00	Office Supplies & Expense	67,689	71,313	3,623	5%
1-1-5621-00	Computer Services	24,907	39,930	15,023	38%
1-1-5625-00	Meetings / Training / Seminars	9,588	10,000	412	4%
1-1-5630-00	Insurance	40,604	57,500	16,896	29%
1-1-5635-00	EE/Ret. Medical Insurance	189,043	205,039	15,995	8%
1-1-5640-00	Employees Retirement Plan	221,348	240,071	18,723	8%
1-1-5645-00	SIP 401K Plan	0	0	0	0%
1-1-5681-00	Legal	22,625	30,000	7,375	25%
1-1-5682-00	Engineering	2,596	7,000	4,404	63%
1-1-5683-00	Financial Services	13,588	24,000	10,413	0%
1-1-5684-00	Payroll Tax Expense	54,045	58,295	4,250	7%
1-1-5687-00	Membership, Dues, Subscript.	31,620	34,105	2,485	7%
1-1-5688-00	Election Expenses	0	0	0	0%
1-1-5689-00	Labor Relations	0	3,000	2,000	67%
1-1-5700-00	San Mateo County Fees	10,343	8,350	(1,993)	0%
1-1-5705-00	State Fees	14,862	7,000	(7,862)	0%
<b>TOTAL OPERATING EXPENSES</b>		<b>3,232,887</b>	<b>3,225,626</b>	<b>(7,262)</b>	<b>(0%)</b>
<b>CAPITAL ACCOUNTS</b>					
1-1-5711-00	Debt Srvc/Existing Bonds 1998A	266,890	266,890	0	0.0%
1-1-5712-00	Debt Srvc/Existing Bonds 2006B	343,867	343,867	0	0.0%
1-1-5715-00	Debt Srvc/CIEDB 11-099 (I-BANK)	263,046	263,046	0	0.0%
<b>TOTAL CAPITAL ACCOUNTS</b>		<b>873,802</b>	<b>873,803</b>	<b>1</b>	<b>0.0%</b>
<b>TOTAL EXPENSES</b>		<b>4,106,689</b>	<b>4,099,429</b>	<b>(7,261)</b>	<b>-0.2%</b>
<b>NET INCOME</b>		<b>824,077.32</b>			

## **STAFF REPORT**

**To: Coastside County Water District Board of Directors**

**From: David Dickson, General Manager**

**Agenda: January 14, 2014**

**Report Date: January 9, 2014**

**Subject: Consideration of adoption of Resolution 2014-01 in support of  
Statewide Water Action Plan for California**

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### **Recommendation:**

Consider adopting Resolution 2014-01 in support of Statewide Water Action Plan for California.

### **Background:**

In early 2013, the Association of California Water Agencies (ACWA) convened a broad cross-section of member water interests to develop a statewide plan addressing California's overall water supply reliability and ecosystem health. The goal was to craft a specific plan that could be broadly supported by the water interests throughout the state and serve as a sustainable path forward for California.

The result of that effort is the attached Statewide Water Action Plan for California, (Attachment A) which was completed in September of 2013 and approved unanimously by the ACWA Board of Directors on September 27, 2013.

ACWA then submitted the Statewide Water Action Plan to California Governor Edmund G. Brown Jr. on October 2, 2013, as the water community's recommendations for development of a water plan for the state.

The plan outlines fifteen actions to improve water supply reliability, protect water rights, protect the integrity of the state's water system and promote better stewardship. It calls for the state to move ahead on vital actions such as storage, water rights protection, and a plan to avoid future "dead pool" conditions at key reservoirs due to climate change, and conveyance solutions in the Delta. It also lays out guiding principles to ensure actions benefit the entire state. The Key Elements of ACWA's Statewide Water Action Plan are outlined in the attached Fact Sheet (Attachment B).



**STAFF REPORT**

**Agenda: January 14, 2014**

**Subject: Consideration of Adoption Resolution 2014-01 in support of Statewide Water Action Plan**

**Page Two**

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These elements are important, but ACWA's Board believes the real power of the Statewide Water Action Plan is its focus on the statewide picture and the opportunity it creates for unprecedented unity of key water issues.

ACWA has launched a statewide outreach effort to promote the Statewide Water Auction Plan among its members and other water interests. A listing of supporters as of January 6, 2014 is included (Attachment C). In order to demonstrate the broadest support possible for the Statewide Water Action Plan, ACWA is encouraging members to adopt the attached Resolution (Attachment D) in support of ACWA's Statewide Water Action Plan.

While many elements of the ACWA Statewide Water Action Plan do not affect CCWD directly, staff believes it is important for the District to add our voice as a public water utility in support of the consensus plan the ACWA group worked hard to achieve.

**Fiscal Impact:**

None.



ASSOCIATION OF CALIFORNIA WATER AGENCIES

# STATEWIDE WATER

## ACTION PLAN FOR CALIFORNIA



**Association  
of California  
Water Agencies**  
*Since 1910*  
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Information • Service

# About the Statewide Water Action Plan

The Association of California Water Agencies (ACWA) convened a broad cross-section of member water interests in spring 2013 to develop a statewide plan addressing the state's overall water supply reliability and ecosystem health. The goal was to craft a specific plan that could be broadly supported by water interests throughout the state and serve as a sustainable path forward for California.

The resulting Statewide Water Action Plan was completed in September and unanimously approved by the ACWA Board of Directors on Sept. 27, 2013. ACWA submitted the Statewide Water Action Plan to California Governor Edmund G Brown Jr. on Oct. 2, 2013, as the water community's recommendations for developing the Administration's water plan for the state.

Association of California  
Water Agencies

## **Contacts and Location:**

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### **Randy Record**

ACWA President

### **John Coleman**

ACWA Vice President

### **Timothy Quinn**

Executive Director

ACWA's mission is to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner.

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ASSOCIATION OF CALIFORNIA WATER AGENCIES

# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

## Introduction

California's complex water management system is facing unprecedented challenges. Local investments in water supply reliability and ecosystem health have built upon the legacy infrastructure projects that served us well in the past, but the backbone water supply system we rely on today no longer satisfies the state's needs. California's statewide water system cannot respond effectively to our growing population, changing ecosystem needs, increasing flood risks and consecutive years of drought. Climate change and its impacts on public safety and long-term water supply reliability also pose a significant challenge to this generation of water and flood managers.

These problems are extraordinary, and their solutions will require an extraordinary commitment from state, local and federal agencies. They also will require a more evolved regulatory approach that will allow the system to operate efficiently and predictably to meet 21st century water supply and ecosystem needs.

The state has recognized the need for action in venues and initiatives such as the Department of Water Resources' (DWR) California Water Plan, the Delta Stewardship Council's Delta Plan, and the multi-agency Bay Delta Conservation Plan (BDCP). Now California's public water agencies are stepping forward to recommend this set of principles and actions to enhance these individual efforts and integrate them in a comprehensive Statewide Water Action Plan. Our recommended plan, submitted to the Governor for his consideration, provides context for a Delta solution and other critical actions as components of a broader set of strategies to address overall water supply reliability and ecosystem health in California.

When implemented together, this suite of statewide actions will serve as a sustainable path forward for California. Governor Brown's leadership and commitment will be central to the success of this action plan and to moving water policy forward in California.

# Guiding Principles for Implementation of the Statewide Water Action Plan

1. **Long-term water supply reliability and improved ecosystem health** are the core objectives of this statewide water action plan. In the course of achieving them, however, we must ensure that one region's increased reliability does not adversely affect another's near- or long-term water supplies.
2. **A new regulatory approach** is essential to reflect today's realities and better serve the needs of California water users and the ecosystem. This is critical if we are to reduce scientific uncertainty and incorporate new understanding of operational and ecosystem dynamics. Under the current approach, regulatory agencies tend to focus only on their specific goals, resulting in duplicative and contradictory requirements that fail to deliver benefits to our water supply, water quality or ecosystem. To combat this, state agencies should commit to using collaborative processes as extensively and transparently as possible to achieve regulatory goals in a way that satisfies water supply, water quality, and ecosystem needs. This new approach should embrace enhanced sharing of data, consistent use of peer-reviewed science (including climate change models), coordinated review under the California Environmental Quality Act (CEQA), and improved integration and coordination of all related processes. This approach will help ensure continued ecosystem protections and increase the water community's confidence that regulatory investments will achieve benefits.
3. **The best available science** should be used to support every action, report or decision made as part of this Statewide Water Action Plan. The science should be inclusive, objective, transparent, and peer reviewed.
4. **Water rights and contract terms**, including area-of-origin protections, are foundational to our water system and should be respected and adhered to whenever projects and initiatives are implemented. State and federal facilities should be operated consistent with the conditions of water rights, contracts, and other entitlements.
5. **Bold actions guided by strong leadership** at the state, federal and local levels are essential for the successful implementation of this action plan. In particular, increased commitments by federal partners are needed to ensure the plan moves forward. The Department of Water Resources should provide leadership and support for these efforts from the department's highest level.
6. **Financing:** The state should fund investments that provide broad public benefits such as improved water supply reliability, water quality and ecosystem health. The state should also incentivize local projects that advance statewide water priorities and require public assistance to be cost effective.



# Statewide Actions

To be most effective, the following suite of statewide actions should be implemented as a comprehensive package. Indeed, many elements — including a Delta conveyance solution — are much more likely to succeed if they are part of a broader action plan. Statewide support for the action plan is essential. Advancing all elements of the plan simultaneously will help secure and maintain that support and build a statewide coalition capable of achieving these ambitious goals.

## 1. Storage

California's water infrastructure has proven inadequate to meet the state's needs in a two-year drought, let alone a multi-year drought. This deficiency, coupled with the already measurable effects of climate change, makes construction of new storage facilities and expansion of existing storage imperative. A wide range of options should be on the table, including new surface water projects; re-operation and expansion/enlargement of existing storage projects; groundwater and conjunctive use; and development of other local and regional storage facilities. Additional storage will add flexibility to the water management system and help ensure a more reliable water supply to serve California's diverse needs, including drought resilience and ecosystem protection (e.g., improved temperatures and flows for fish).

### Actions

- **Studies.** In coordination with DWR, the responsible state, federal or local water agency proponents of projects should complete storage studies by June 2014 and formally determine whether a particular project is environmentally and economically sound and will provide benefits for water supply and the ecosystem.
- **Permitting.** Within six months of a local determination based on these studies, DWR and the California Department of Fish and Wildlife (CDF&W) should begin coordinating with local agencies to expedite permitting and CEQA compliance for new storage facilities. For storage projects found to have statewide benefit, DWR and CDF&W should take the lead in expediting the permitting process.

The state also should coordinate with federal agencies as needed on permitting, the National Environmental Policy Act (NEPA), water rights issues and potentially construction.

- **Financing.** Under comprehensive water legislation enacted in 2009, the California Water Commission is tasked with defining and quantifying the public benefits of water storage projects eligible for funding with state dollars. By June 2014, local water agencies that would receive identifiable water supply benefits from water storage projects should provide a plan outlining their commitment and steps they will take to pay for those benefits. This Statewide Water Action Plan recommends that any water bond that moves forward in 2014 provide for continuous appropriation of funding for the public benefits of storage as outlined in the bond measure currently slated for the November 2014 ballot.
- **Construction.** By January 2018, construction should commence for new groundwater and surface water storage projects with an initial target of 1.5 million acre-feet of new storage capacity, as documented in the 2000 CALFED Record of Decision.
- **Local Construction.** As soon as practicable, construction of local facilities with a target of 1 million acre-feet should be completed.
- **Reoperation.** DWR should complete its study of reservoir reoperation by June 2014, including reoperation of existing reservoirs and integration of new storage into system operations.

## 2. Water Use Efficiency

Water conservation and water use efficiency are central elements of the state's strategy to enhance water supply reliability, restore ecosystems and respond to climate change and a growing population. It should continue to be the state's policy to encourage investments in water conservation and water use efficiency by ensuring that the right to conserved water remains with the conserving entity. Local and regional water agencies have made significant multi-decade investments in water conservation and water use-efficiency activities and continue to do so under new state requirements

enacted in law. The state should acknowledge that local agencies are in the best position to determine compliance with these requirements and should respect local determinations as sufficient.

### Actions

- The state should provide funding for water use efficiency activities in disadvantaged communities and support programs that are not locally cost effective but contribute broad benefits to California.
- DWR and local water agencies should coordinate with groundwater management agencies where applicable to enhance conjunctive use opportunities and minimize potential impacts on groundwater recharge that may result from water use efficiency and conservation efforts.

## 3. Water Supply Assurances

California law establishes a goal of improving water supply reliability throughout the state. Water supply reliability in regions that rely on water conveyed across the Delta is of obvious importance to the California economy. A BDCP is being developed in part to improve and protect water supply reliability for the agencies that will benefit from its completion. However, it is important that these improvements be accomplished in a manner consistent with this principle.

When the Central Valley Project (CVP) and the State Water Project (SWP) were built, assurances were incorporated in their authorizing statutes that water needed to meet present and future beneficial uses in the areas of origin (i.e., the Sacramento Valley, the east side of the San Joaquin Valley and the Delta) would be available to those areas when needed. All of California has benefited from these fundamental assurances. The state should commit to implementing an action plan that augments storage and modifies regulatory approaches to ensure that positive storage balances can be maintained at all times to provide for improved water supply reliability and ecosystem health and protection of the state's economy.

### Actions

- As the state implements this plan, all relevant agencies should adhere to water rights protections in state law and comply with existing water rights and contractual requirements.
- The Administration should continue to affirm through its policies and actions that the

implementation of a BDCP will not adversely affect existing water rights of those in the watershed of the Delta, nor will it impose any obligations on area-of-origin water users, including in the Delta, to supplement flows in and through the Delta.

- Those seeking to secure permits for a BDCP will be responsible for meeting all applicable conditions in their BDCP permits, including any obligations in those permits for Delta flow, which as required by law must avoid redirected impacts to area-of-origin water users, including in the Delta, unless provided for in voluntary agreements or settlements.

## 4. Operational Assurances

Recent modeling indicates that, in the driest 10% of years, some major reservoirs will hit "dead pool," the condition in which water levels fall below a dam's lowest outlets and no operable storage exists to deliver water for supply, environmental, and power generation purposes. The ramifications of hitting dead pool at that frequency could be catastrophic for water users who rely on these facilities for a portion of their supply, for the environment, and particularly for affected water agencies that do not have another viable source of water supply for their customers.

Allowing reservoirs to reach dead pool is not sound policy and is at odds with overall efforts by the state and federal governments to address California's water supply reliability and ecosystem health. Adaptive strategies that address this issue are critical to ensure that the operational rules for California's water delivery system will provide the water supply assurances needed by water users throughout the state. It should be the policy of the state to adopt regulations, develop operating rules, or take other actions that will ensure that reservoirs are not drawn to dead pool conditions, even in multiple dry years.

### Actions

- The Administration should develop a strategy in coordination with state agency leadership and federal agency partners by January 1, 2015, to ensure reservoirs are not driven to dead pool levels. This strategy should identify needed regulatory changes, infrastructure improvements including increased storage capacity, and changes in reservoir operations, as well as support for additional local resources development.

- Initial actions identified through this process that can be implemented prior to January 1, 2015, should be included as part of the report outlined in the Governmental Coordination section of this Statewide Water Action Plan.
- As part of this strategy, the Governor should direct state agencies to implement new and existing water management and water quality programs in a manner that will help ensure California's reservoirs do not reach dead pool conditions.

## 5. Improved Regional Self-Reliance

In addition to water use efficiency and water conservation, California's water agencies utilize a variety of methods to increase local water supplies and reliability for water users and the environment. The state should continue to support development of local and regional water resources that improve each region's water supply reliability and, where applicable, augment imported water supplies. This includes surface water diversions for in-basin uses, conjunctive use, stormwater capture, recycled water, desalination, and groundwater cleanup. Projects and programs that achieve multiple benefits should be a priority.

### Actions

- Local agencies should improve self-reliance by planning and implementing projects consistent with decisions made by local and regional water agencies.
- DWR should consult with local and regional agencies to develop a statewide strategy to improve regional supplies, in accordance with the Sacramento-San Joaquin Delta Reform Act.
- The state should continue to support Integrated Regional Water Management Plan (IRWMP) efforts that successfully provide for regional and local needs.
- DWR should work with existing IRWMP programs and stakeholders to evaluate the state's Integrated Regional Water Management program and identify areas for improvement, including streamlining the application process, developing specific criteria to determine successful plan implementation, and reducing transaction costs. This effort should include ways to enhance the program's effectiveness in serving disadvantaged communities in IRWMP-eligible areas.

## 6. Headwaters

Because nearly all of the state's water supplies originate in California's headwaters, more effectively managing these areas is integral to optimizing the water supplies that nature provides. Adapting to climate change and improving watershed resiliency to reduce the likelihood of catastrophic wildfires and increase water yield and quality will require substantial investments by the state.

### Actions

- State land and resource management agencies with jurisdiction in headwaters areas should draft a joint report to the Governor and the Legislature analyzing the impacts of climate change on headwaters. The report should identify the benefits that headwaters currently provide, identify models to assess the impacts of climate change on these resources and outline strategies to adapt to those impacts. The appropriate state agencies should invite their federal agency partners to participate in the development of the report.
- The Natural Resources Agency, in consultation with the Sierra Nevada Research Institute (UC Merced) and the U.S. Departments of Agriculture and the Interior, should provide a report to the Governor outlining and prioritizing investments that can be made on public lands to improve the condition and functions of California's headwaters to benefit water supply reliability for the state.
- Working with local agencies, the state should assess and support solutions for legacy issues affecting water quality and supply to improve the condition of affected watersheds.
- The state should seek to partner with the U.S. Forest Service in meadow restoration projects that can control excessive soil erosion and sediment delivery in California's watersheds to help maintain reservoir storage capacity, reduce flood risks and increase conjunctive use capability.

## 7. Water Quality

Protecting water quality is a critical aspect of water management in California. The state should continue to pursue actions to protect, maintain and enhance surface water and groundwater quality for all applicable beneficial uses, consistent with meeting all applicable standards, agreements and regulatory requirements.



## Actions

- The Department of Public Health should fund the development and use of new analytical methods and cost-effective treatment technologies to better detect and remove chemical and microbial contaminants from drinking water supplies.
- The state should provide funding support for local water agencies to develop and implement salt and nutrient management plans that will reduce salinity in surface and groundwater supplies and provide enhanced conjunctive use opportunities.
- The State Water Resources Control Board and the Regional Boards should review and better match water quality standards to the locally appropriate and demonstrated use of the water. Water quality program expenditures should be focused where they will provide the greatest water quality benefits. Source water quality for municipal uses should continue to be protected.
- The state should continue to develop solutions for assisting disadvantaged communities that do not have safe drinking water.

## 8. Bay Delta Conservation Plan

A Delta solution, including a BDCP, is a critical component of a broader set of actions that will address water supply reliability and ecosystem health in California.

### Actions

- Within the scope of existing regulatory statutes, all state agencies involved in developing a BDCP should exercise their discretion and authority to ensure the final project is consistent with the principles of this Statewide Water Action Plan.
- A Delta solution is expected to provide substantial public benefits, which will be funded from public sources including a revised 2014 water bond. The state should work with its federal partners to secure long-term, non-reimbursable federal funding to pay for the federal share of these public benefits.
- Any large construction project, including a BDCP, may have adverse impacts related to the project's "footprint." Where feasible, a BDCP should be designed to avoid or minimize adverse impacts in the first place. When adverse impacts cannot be avoided, the permittees of a BDCP should

mitigate project-related environmental impacts, including water supply impacts, in accordance with existing law.

- The permittees of a BDCP, including the Central Valley Project and State Water Project contractors, should work collaboratively with other water users in good faith on all statewide water issues to find mutually acceptable solutions on the broader statewide water issues.

## 9. Levee Improvement and Maintenance

Levees in the Delta and throughout California are key features of the state's water system and are subject to many risks, including those associated with earthquakes and floods. To protect against and prepare for future levee failures, the state should continue to support and prioritize the maintenance of levees in accordance with state law, including critical near-term actions and the Central Valley Flood Protection Plan.

### Actions

- The Delta Stewardship Council should complete its prioritization plan by July 1, 2014.
- The state should continue to support DWR's Delta Levee Maintenance and Special Projects programs and provide support for local flood protection measures throughout the Central Valley by partnering with local agencies in projects that can incorporate public benefits.

## 10. Emergency Preparedness and Public Safety

Recent events in California and other states have demonstrated that water-related emergencies can have significant impacts and put public safety at risk. A robust emergency response plan is essential for minimizing disruption due to floods, earthquakes, wildfires, power outages or contamination of drinking water supplies. The state, working with federal partners, should continue efforts to improve response strategies to enhance public safety during these unforeseen events.

### Actions

- DWR should implement pertinent recommendations of the Sacramento-San Joaquin Delta Multi-Hazard Coordination Task Force Report of 2012.

- To reduce the risk of catastrophic wildfires, the California Department of Forestry and Fire Protection (CAL FIRE) should review and, if necessary, revise relevant state regulations to better accommodate and effectuate the use of forest management tools such as forest thinning, biomass removal and controlled burns that reduce fuel loading.
- DWR should coordinate with the California Governor's Office of Emergency Services and the U.S. Army Corps of Engineers to ensure public safety in the Delta and upstream will not be compromised by actions that might otherwise degrade the performance of flood management facilities; create or redirect hydraulic impacts; or, interfere with or impede flood facility improvements, operations or maintenance.
- DWR should implement the pathway strategy adopted in its draft Delta Flood Emergency Preparedness and Response Plan and supported by the U.S. Army Corps of Engineers. This effort includes all measures to facilitate restoration of an emergency freshwater pathway to water export facilities in approximately six months.

## 11. Bay-Delta Water Quality Control Plan

Multiple regulatory agencies, including, but not limited to, the State Water Resources Control Board (State Water Board), National Oceanic and Atmospheric Administration (NOAA) Fisheries, U.S. Fish and Wildlife Service (USFWS), CDF&W, U.S. Environmental Protection Agency (USEPA), DWR, Army Corps of Engineers, and the Delta Stewardship Council are tasked with making decisions affecting California's water supplies. Continued coordination among these agencies is essential to avoid duplicative and possibly conflicting policies and regulations, and to make the most efficient use of the state's resources. Negotiated programs and planning efforts have been and likely will be the most effective tools to protect beneficial uses in the Bay-Delta. The State Water Board has the opportunity to lead this coordination through its review and update of the 2006 Water Quality Control Plan (Bay-Delta Plan). In its review of the Bay-Delta Plan, the State Water Board should:

### Actions

- Encourage and facilitate negotiated programs, planning efforts and settlements that will implement flow and non-flow actions consistent

with the need to protect beneficial uses and public trust balancing.

- Require a tri-annual review of water quality objectives and implementation accountability through annual reports by local agencies, state offices, departments and boards with responsibility to implement the Bay-Delta Plan.

## 12. Water Bond

Significant investments in California's water infrastructure, water management improvements and ecosystem health are critically needed and long overdue.

### Actions

- The water bond currently set for the November 2014 ballot should be modified, consistent with the ACWA Board of Directors' Water Bond Policy Principles, in early 2014 to ensure its placement on the November ballot. An appropriately crafted general obligation bond can fund broad public benefits associated with investments identified in this Statewide Water Action Plan. Priorities for funding should include new surface and groundwater storage; local and regional projects that support greater regional self-sufficiency; investments in Delta ecosystem restoration; safe drinking water projects and water quality improvements; water conservation and water use efficiency; and watershed management.

## 13. Groundwater Resources

Many regions of the state rely on groundwater for a significant portion of their water supply. In recent years, climate change, regulatory restrictions on surface water supplies, and increased demands have forced greater reliance on groundwater as a principal or supplemental supply for urban, agricultural and environmental uses. More sustainable management of groundwater is needed, but in order to succeed the state must invest in improvements to its water storage and Delta conveyance infrastructure to optimize both surface and groundwater supplies. Consistent with ACWA's strategic policy document, *Sustainability from the Ground Up: A Framework for Groundwater Management in California*, the state should support and incentivize effective local and regional groundwater management, resolve conflicting state regulatory requirements and streamline its policies to optimize and increase surface and groundwater storage opportunities.

## Actions

- DWR should convene a multi-agency workgroup with participation by local groundwater agencies to coordinate, review and facilitate implementation of local and regional groundwater management performance objectives.
- Groundwater recharge, banking and conjunctive use projects are critical to the future sustainability of California's groundwater resources. DWR and State Water Board (and Regional Boards) should support and facilitate these activities when programs are implemented as part of an IRWMP or legally recognized groundwater management plan.
- DWR, in consultation with other agencies that gather data, should develop a single data portal on a publicly accessible website for groundwater quality information. DWR also should continue to expand the CASGEM database for groundwater quantity.
- The state, through the Regional Boards, should support and incentivize local agencies' efforts to develop long-term, sustainable solutions for cleanup of existing groundwater contamination and prevention of future contamination.

## 14. Water Transfers

Water transfers can provide much-needed flexibility in meeting water supply and environmental needs and have proven invaluable in dry years and droughts. A well-defined set of policies and procedures that provide certainty to transferring parties is essential to facilitate future transfers and promote local and statewide economic, social and environmental sustainability.

While federal and state laws promote transfers, DWR's current approval processes should be streamlined. These issues should be resolved as expeditiously as possible so water transfers can be implemented quickly — when they are needed — without adversely affecting third parties.

### Actions

- DWR should convene stakeholder meetings, including with the U.S. Bureau of Reclamation, to identify and resolve, at a minimum, the following issues by December 1, 2013:

- Identify a process to expedite transfers within a region;
  - Assess the role of CEQA in water transfers,
  - Review DWR and Reclamation processes and criteria that are used to determine what water is transferable; and
  - Investigate and review contracting practices within Reclamation and DWR for approving agreements to use conveyance and storage facilities of the Central Valley Project and the State Water Project.
- DWR also should review the 2002 SWRCB report, *Water Transfers Issues in California*, for background and relevant recommendations to further facilitate water transfers.

## 15. Governmental Coordination

For this plan to be successful, improved coordination among state agencies and between the state and federal government will be critical.

### Actions

- The Governor and state agency leadership should follow up with their federal counterparts, including the President, to assess actions, policy direction and commitments in response to the memo from the President's Council on Environmental Quality (CEQ) to his cabinet directing that a BDCP be a priority for the Obama Administration. The state should further coordinate with federal agencies to advance other actions identified in the CEQ memo, including conservation and water use efficiency, enhancing water supplies and storage, and facilitating water transfers during times of shortage.
- The secretaries of the Natural Resources Agency, California Environmental Protection Agency and the Health and Human Services Agency, in coordination with their respective boards, departments, offices, councils, commissions and conservancies that have a role in implementation of this plan, should produce within 90 days of the Governor's approval of this plan a joint report that details how the agencies and entities they oversee will exercise their authorities to implement this plan in an expeditious and integrated manner.



October 2013

## Statewide Water Action Plan for California

ACWA's Board of Directors unanimously approved a Statewide Water Action Plan for California on Sept. 27, 2013. Developed by a broad cross-section of member water interests convened by ACWA over several months, the plan outlines 15 actions to improve water supply reliability, protect water rights, protect the integrity of the state's water system and promote better stewardship. It also includes guiding principles for implementation of the plan to help ensure actions benefit the entire state, respect water rights and contract terms, and reflect a new regulatory approach that can better meet the needs of water users and ecosystems.

The Statewide Water Action Plan was submitted to Gov. Jerry Brown on Oct. 2, 2013, as the water community's recommendations for developing the Administration's water plan for the state.

### Key Elements of ACWA's Statewide Water Action Plan

#### Actions to Improve Statewide Water Supply

- ✓ Expand water storage capacity (both surface and groundwater)
- ✓ Invest in water use efficiency / Integrated Regional Water Management Plans
- ✓ Facilitate water transfers
- ✓ Protect and improve water quality
- ✓ Pass a water bond

#### Actions to Protect Water Rights

- ✓ Respect area of origin commitments
- ✓ Ensure that reservoirs are not operated to "dead pool" as a result of state regulations or actions

#### Actions to Protect the Integrity of the System

- ✓ Complete the Bay Delta Conservation Plan, consistent with the Statewide Water Action Plan
- ✓ Invest in levee improvements / maintenance
- ✓ Prepare for emergencies to protect public safety
- ✓ Improve and expand groundwater management

#### Actions to Promote Better Stewardship

- ✓ Integrate headwaters management to sustain the environment and improve statewide water quality and supply
- ✓ Coordinate state and federal regulatory actions
- ✓ Implement flow regulations through a collaborative, science-based process to promote the co-equal goals



# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

## Statewide Water Action Plan for California

*Last updated: January 6, 2014*

The following organizations have adopted support resolutions or sent letters of support for the ACWA'S Statewide Water Action Plan.

### Supporters

- Alta Irrigation District
- American Society of Civil Engineers
- Browns Valley Irrigation District
- Calaveras County Water District
- Calleguas Municipal Water District
- Carmichael Water District
- Casitas Municipal Water District
- Chino Basin Water Conservation District
- Citrus Heights Water District
- City of Corona
- City of Lincoln
- City of Roseville
- City of Sacramento
- City of San Diego
- Clear Creek Community Services District
- Coachella Valley Water District
- Contra Costa Water District
- Cucamonga Valley Water District
- Desert Water Agency
- East Bay Municipal Utility District
- Eastern Municipal Water District
- El Dorado County Water Agency
- El Dorado Irrigation District
- Elsinore Valley Municipal Water District
- Fresno Metropolitan Flood Control District
- Friant Water Authority
- Glenn-Colusa Irrigation District
- Helix Water District
- Hidden Valley Lake Community Services District
- Irvine Ranch Water District
- James Irrigation District
- Kern County Water Agency
- Kings River Conservation District
- Las Virgenes Municipal Water District
- Madera Irrigation District
- Mammoth Community Water District
- Missions Springs Water District
- Mesa Water District
- Metropolitan Water District So. Cal
- Monterey Peninsula Water Management District
- Monte Vista Water District
- Mountain Counties Water Resources Association
- Oroshi Public Utilities District
- Padre Dam Municipal Water District
- Placer County Water Agency
- Porterville Irrigation District
- Rio Alto Water District
- Regional Water Authority





# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

- Sacramento Suburban Water District
- San Benito County Water District
- San Bernardino Valley Water Conservation District
- San Geronio Pass Water Agency
- San Joaquin River Exchange Contractors Water Authority
- San Juan Water District
- Saucelito Irrigation District
- Scotts Valley Water District
- Southern San Joaquin Municipal Utility District
- South Sutter Water District
- Sunnyslope County Water District
- Terra Bella Irrigation District
- Three Valleys Municipal Water District
- Tulare Irrigation District
- Valley Center Water District
- Vista Irrigation District
- Walnut Valley Water District
- Western Canal Water District
- Wheeler Ridge Maricopa Water Storage District
- Yolo County Flood Control and Water Conservation District

## **Presentations Requesting Support:**

- Bay Delta Conservation Forum for KVIE
- California Building Industry Association
- California Farm Bureau
- Clean Water & Jobs for California
- Orange County Water Leaders
- Sacramento Area Council of Governments
- San Bernardino Valley Municipal Water Advisory Committee
- San Diego County Water Authority members
- San Francisco Public Utilities Commission
- Southern California Water Committee
- Vista Irrigation District
- Padre Dam Municipal Water District

SWAP also presented to ACWA members at ACWA Region programs

- November 15 – Regions 1 & 5
- November 4 – Regions 6 & 7
- November 5 – Regions 5 & 8
- October 17 – Region 10
- October 18 – Region 3
- October 24 – Regions 2 & 4



# STATEWIDE WATER

## ACTION PLAN FOR CALIFORNIA

- October 30 – Region 9

### **Other Organizations Briefed on SWAP**

- California Natural Resources Agency
- California Department of Food and Agriculture
- California Environmental Protection Agency
- State Water Resources Control Board
- California Department of Fish and Wildlife
- California Water Commission
- Delta Stewardship Council

# ACWA's Statewide Water Action Plan Supporters

As of January 6, 2014, the following organizations have adopted support resolutions or sent letters of support for ACWA's Statewide Water Action Plan organized by ACWA region.





**RESOLUTION NO. 2014-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
COASTSIDE COUNTY WATER DISTRICT IN SUPPORT OF  
THE ASSOCIATION OF CALIFORNIA WATER AGENCIES'  
STATEWIDE WATER ACTION PLAN**

**WHEREAS**, a broad cross-section of water interests convened by the Association of California Water Agencies (ACWA) has developed a Statewide Water Action Plan to address overall water supply reliability and ecosystem health in California; and

**WHEREAS**, the ACWA Board of Directors unanimously approved the Statewide Water Action Plan at its September 27, 2013 meeting and directed that it be submitted to California Governor Jerry Brown as the water community's recommendations for developing the Administration's water plan; and

**WHEREAS**, ACWA's Statewide Action Plan outlines 15 actions to improve water supply reliability, protect water rights, protect the integrity of the state's water system and promote better stewardship; and

**WHEREAS**, the plan also includes guiding principles for implementation to help ensure actions benefit the entire state, respect water rights and contract terms, and reflect a new regulatory approach that can better meet the needs of California water users and ecosystems; and

**WHEREAS**, the Statewide Water Action Plan provides context for a Delta solution and other critical actions as components of a broader set of strategies to secure California's water future; and

**WHEREAS**, when implemented together, this suite of statewide actions will serve as a sustainable path forward for California; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Coastside County Water District hereby supports ACWA's Statewide Water Action Plan and encourages its adoption as the basis for statewide action by Governor Brown.

**PASSED AND ADOPTED** this 14th day of January, 2014, by the following votes of the Board of Directors:

AYES:

NOES:

ABSENT:

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Glenn Reynolds, President  
Board of Directors

ATTEST:

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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:** January 14, 2014

**Date:** January 10, 2014

**Subject:** Coastside County Water District Board Committees

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### **Recommendation:**

Consider appointments of Board members to serve on District Committees and as District representatives to external organizations and associations. Past practice has established that the President of the Board makes the appointments to committees and designates who will serve as the District representative to external agencies, except for the Bay Area Water Supply & Conservation Agency (BAWSCA) representative, who must be appointed by CCWD Board action. A copy of the current list of Board Committees is attached.

### **Background:**

The purpose of the District's Committees is to assist the Board with issues and decisions and provide recommendations pertaining to a variety of areas, including Finance, Water Quality, Human Resources, Water Resources and District Facilities. Each of the committees is comprised of two Board members with interest in the specific subject matter.

Each of the Committees has a particular charge or set of tasks to address. Standing Committees do their assigned work on a continuing basis. Committees meet as needed rather than on an established regular schedule. The District notices and conducts all Standing Committee meetings in accordance with Brown Act public meeting requirements.

The Board President and the Board may also form temporary Advisory Committees focused on a specific task or objective. An Advisory Committee dissolves after the completion of the task or achievement of the objectives.

Past District practice has established that committee appointments are the prerogative of the Board President. The paragraphs below provide additional detail on the Standing Committees.

## **Coastside County Water District Standing Committees**

### **Finance Committee**

The Finance Committee is responsible for reviewing and providing recommendations regarding the annual Operations and Maintenance and Capital Improvement Program budgets, and annual financial audits, as well as financial performance oversight. This Committee is also responsible for the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) related matters.

### **Water Quality Committee**

This Committee reviews and oversees the health and safety certification and compliance process required by state and federal laws, and all other issues related to water quality. This Committee also reviews the Annual Water Quality Report (Consumer Confidence Report), and the Annual Report to the Drinking Water Program.

### **Human Resources (Personnel & Recruitment) Committee**

The development and review of the General Manager's Performance Plan is the responsibility of this Committee, and includes meeting to discuss the mid-term and the annual performance evaluations, as well as preparation of the evaluation report to be approved by the Board. This Committee also reviews changes to staff position descriptions, revisions and additions to the District's personnel manual, and recruitment for vacant staff positions when necessary.

### **Water Resources Committee**

This Committee is responsible for oversight of the Pilarcitos Integrated Watershed Management Plan and reviews the District's Urban Water Management Plan, the Water Shortage and Drought Contingency Plan and the Memorandum of Understanding and Best Management Practices associated with the California Urban Water Conservation Council. This Committee may also be involved with San Francisco Public Utilities Commission (SFPUC) matters, including supply contract negotiations with the SFPUC in conjunction with the Bay Area Water Supply and Conservation Agency (BAWSCA).

### **District Facilities Committee**

This Committee oversees the development and implementation of the annual Capital Improvement Program. The Committee also reviews the Capital Improvement Program budget and schedule and presents recommendations to the Finance Committee. This Committee is also involved in the Denniston Restoration Project.

## **Coastside County Water District External Organization Representatives**

In addition to the District's Standing Committees, Board members may also serve as representatives to several external organizations, including the following:

### **Association of California Water Agencies (ACWA)**

ACWA is the largest statewide coalition of public water agencies in the country. It is a leader on California water issues and a respected voice for its members in both Sacramento and Washington, D.C. ACWA's 450 public agency members are responsible for 90% of the water delivered to communities, farms, and businesses in California. ACWA plays an active role in managing the states' water resources and promoting investments in water use efficiency, water recycling, ground management and desalination. ACWA's membership is organized into ten geographic regions. The regions provide a structure in which members can discuss issues of mutual concern, and based on that interaction, provide representative input to the ACWA Board. The District's ACWA representative typically attends the annual Spring and Fall Conferences and is eligible to vote as the District's voting designee in ACWA elections. A District Board Member may also serve as an ACWA Region 5 Director.

**Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA)** - ACWA/JPIA provides liability coverages tailored to the unique needs of California Water Agencies. The District obtains its property, liability and worker's compensation coverage from the JPIA. As a member of the JPIA, the District names one of its Directors and at least one alternate to sit on the ACWA/JPIA Board of Directors. The designated representative is able to vote at conferences. If the designated Director cannot attend a conference, then the alternate Director is allowed to vote in his/her absence. The designated Board member's term coincides with their term on the CCWD Board.

### **California Special District Association (CSDA)**

CSDA was formed in 1969 to provide active representation at the State Capitol for its nearly 900 members, made up of independent special districts, including irrigation, water, parks and recreation, cemetery, fire, police protection, library, utility, harbor, healthcare and community service districts. CSDA pursues statewide policy legislation of benefit to special districts and provides advocacy, training, information, and financial services to help strengthen and increase the efficiency of special district operations. The agency is governed by a 19-member Board of Directors representing 6 regions throughout California. The District designates a CSDA representative to receive information and updates from CSDA.

**STAFF REPORT**

**Agenda: January 14, 2014**

**Subject: CCWD Board Committees**

**Page: 4 of 4**

**Local Agency Formation Commission (LAFCo)**

LAFCo is a state-mandated, independent agency with countywide jurisdiction over changes in organization and boundaries of cities and special districts, including annexations, detachments, incorporations and formations. The District annually designates a Board member and an alternate to represent the District for the purposes of participation in the LAFCo election of officers.

**Bay Area Water Supply & Conservation Agency (BAWSCA)**

BAWSCA was created on May 27, 2003 to represent the interests of the cities and water districts, and two private utilities located in Alameda, Santa Clara and San Mateo Counties that purchase water on a wholesale basis from the San Francisco Regional Water System. BAWSCA's goals are to ensure a reliable supply of high quality water at a fair price. The agency is governed by a 27-member Board of Directors comprised of representatives from all BAWSCA agencies. The District's BAWSCA representative must be appointed by Coastside County Water District Board action. The CCWD Board appointed Director Mickelsen in June 2013 to serve as the BAWSCA representative for the current term through June 30, 2017.

**Montara Water & Sanitary District Mutual Interest Committee**

This Committee meets with members of the Montara Water & Sanitary District Committee to develop goals in areas of mutual interest to both Districts.

**Fiscal Impact:**

\$15,000. is included in the CCWD 2013/2014 Budget for Director's attendance at Regular Board meetings, Special Board meetings, and District Committee meetings.

Subject to Section XII of the Code of Conduct, each Board member is compensated in the amount of \$150.00 per meeting for attendance at Regular or Special meetings of the Board and Committees that are duly noticed in accordance with the requirements of the Ralph M. Brown Act (California Government Code 54950 et seq), and for other service rendered as a director at the request of the Board, subject to a maximum of \$150.00 per day and \$600.00 per calendar month.

# COASTSIDE COUNTY WATER DISTRICT BOARD COMMITTEES

January 8, 2013

## Standing Committees

## Directors

Finance Committee	Coverdell, <b>Hannegan</b>
Water Quality Committee	<b>Feldman</b> , Mickelsen
Human Resources Committee	Mickelsen, <b>Hannegan</b>
Water Resources Committee	<b>Feldman</b> , Mickelsen
District Facilities Committee	<b>Feldman</b> , Reynolds

## Advisory Committees

## Directors

Montara Water & Sanitary District (MWSD)	
Mutual Interest Committee	<b>Feldman</b> , Coverdell

## External Organizations

## Director

Association of California Water Agencies (ACWA)	Reynolds
Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA)	Reynolds
California Special District Association (CSDA)	<b>Feldman</b>
Bay Area Water Supply & Conservation Agency (BAWSCA) - 4 year term - June 2009 to June 30, 2013	Coverdell
Local Agency Formation Commission (LAFCo))	Board President *

\* All other Directors are designated as alternates for the purpose of participation in LAFCo's election of officers

## **STAFF REPORT**

**To:** Coastside County Water District Board of Directors

**From:** David Dickson, General Manager

**Agenda:** January 14, 2014

Report

Date: January 10, 2014

**Subject:** Water Shortage Contingency Planning

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### **Recommendation:**

None. Discussion only.

### **Background:**

With 2013 in the record books as the driest year since recordkeeping began in 1849 and no significant rain in the forecast through late January, water utilities throughout California are hoping for the best but preparing for the possibility of water rationing. Some have already instituted significant use restrictions. The San Francisco Public Utilities Commission (SFPUC) has not yet called for voluntary or mandatory reduction in water use, but they are closely monitoring reservoir levels, water demand, and weather forecasts. If conditions warrant, SFPUC could declare a water shortage emergency and restrict the water supply available to all users, including CCWD, beginning July 1, 2014.

The District's Water Shortage Contingency Plan (Plan), approved April 12, 2011, broadly outlines actions the District will take in response to varying degrees of water supply shortage. A substantial amount of work remains to be done, however, to fill in the details of how we will work with our customers to reduce water demand and how water rates will need to change to maintain the District's financial health in the face of reduced water sales and possible excess use charges.

Policy-related issues that staff and the Board must address in preparing for a water shortage include the following:

- 1. Reviewing and seeking further customer input on the Plan's water allocation approach.** The Plan currently calls for residential users to receive a water budget based on the number of residents per household and a fixed per-capita allocation. Non-residential customers will receive a percentage of use during a previous period. Residential and non-residential allocations will decrease as shortage severity increases, with residential allowances going as low as 34 gallons per person per day and some non-residential customers receiving no water at all. Because mandatory water use reductions will have a significant impact on

customers' lives and businesses, staff believes the District should conduct further customer outreach and public hearings on the details of the allocation formulas and how they will be applied.

- 2. Establishing drought water rates.** In the event that water rationing becomes necessary, the District will need to increase its water rates to compensate for lower water sales and to fund the additional costs we will incur in managing water demand. In addition, the rate structure must specify excess use charges for customers who exceed their allocations. Drought rates and excess use charges must be understandable and fair. As is the case with the District's normal rate process, we must comply with Proposition 218 public notice and hearing requirements before putting the rates into effect.

Beyond these policy issues, managing through water shortage will require changes to customer service and field staffing, billing procedures, and utility billing software. If SFPUC indicates in early February that there is a possibility of water shortage beginning July 1, the District will need to focus major attention on drought preparation over the coming months.

In order to provide the Board with further background on water shortage contingency planning, staff will make a presentation reviewing the considerations introduced here and outlining the schedule and milestones leading to a possible supply shortage declaration by SFPUC.

**Fiscal Impact:**

None.



***STAFF REPORT***

**To:** Coastside County Water District Board of Directors

**From:** David Dickson, General Manager

**Agenda:** January 14, 2014

**Report Date:** January 10, 2014

**Subject:** General Manager's Report

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**Recommendation:**

None. Information Only.

**Background:**

Please see attached Operations and Water Resources Reports.

## ***MONTHLY REPORT***

**To:** David Dickson, General Manager  
**From:** Joe Guistino, Superintendent of Operations  
**Agenda:** January 14, 2014

**Report**  
**Date:** January 8, 2014

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### **Monthly Highlights**

#### El Granada Tank 2 Renovation

Phase 1 (site work and setup of temporary tank) is complete and the contractor has been cleared to proceed to Phase 2 (tank recoating and repairs). We are presently operating off of the temporary tank.

#### Avenue Cabrillo Pipeline Project

The pipeline is in and services will be transferred over in January.

### **Source of Supply**

Crystal Springs Reservoir was the main sources of supply in October. Pilarcitos Wells 1 and 5 contributed 0.76 million gallons (MG) of water to the month's production.

### **System Improvements**

#### Arc Flash Warnings

Notices were placed on all electrical panels warning of arc flash danger and putting us in compliance with recent rules on this subject.

#### Heaters

Propane heaters were procured and are being used to warm the Denniston WTP when operators are working.

### **Other Activities Update:**

#### Flushing

A notice was sent to our customers about the flushing activities taking place in January. As of the date of this report, we have successfully flushed the Safeway and New Leaf Shopping Centers, Stone Pine Village and the streets east of Main Street. As of the date of the board meeting, we will have flushed most of the downtown area.

#### Denniston WTP

The operations staff spent much time in December preparing Denniston WTP for startup once the rains begin. The plant began operating January 7.

### Treatment/Distribution Operator

We have received about 30 applications for the Treatment/Distribution Operator position and will be scheduling interviews with the top 6 candidates on the first week of January.

### USAF Assistance

I received a call from the USAF satellite tracking station requesting assistance with procuring a truck to deliver water to their site after their booster pump failed. I put them in contact with SFPUC, which supplied them with a potable water truck, which took water from a hydrant in El Granada.

### Stone Dam Pipeline

SFPUC repaired the valve that allows water to be delivered to our Stone Dam Pipeline in December. Water levels in Pilarcitos Reservoir are too low to try it out at this time. Waiting for rain.

### Harbor District Meter Project

Staff is working with the Harbor and Fire Districts in planning the large meter change-out and backflow installation at Pillar Point Harbor this spring.

### **Regulatory Agency Interaction**

#### California Department of Public Health (DPH)

We discussed, via e-mail, our required Nitrate sampling for the Denniston wells 2, 3, 4 and 5, which have come due. We were able to sample well 3, and have asked for an extension for sampling well 5. Well 2 is out of service and well 4 is not running due to severe iron bacteria growth.

#### Regional Water Quality Control Board (RWQCB)

I submitted our annual Self Monitoring Report in accordance with our Denniston NPDES Permit.

### **Safety/Training/Inspections/Meetings**

#### Meetings Attended

12 December - Cal/Nev Section AWWA Governing Board Meeting via conference call.

11 December - Met with Matt Lowe of CINTAS to discuss HAZCOM requirements.

20 December - Met with Rahmin Mizan to discuss the fire danger posed by the eucalyptus grove at El Granada Tank 2 site.

#### Safety Meetings and Training

There was no Safety Committee meeting in December.

There was no monthly CINTAS safety training in December. In lieu of the training, on 11 December, CINTAS representative Matt Lowe interviewed the staff as to office ergonomics.

#### Tailgate safety sessions in September

3 December - Asbestos Safety

9 December - Forklift Safety

16 December - Hand Tools Deserve Respect

23 December - Night Work: Reduced Visibility Increases Hazards

#### Emergency Contact Plan

I have been working on updating the Emergency Contact and Response Manual in December. The newest update will be available in January.

#### Operator Training

Maintenance Worker Dustin Jahns passed his T2 exam in December. He is now being trained at the treatment plants and will be promoted to Treatment/Distribution Operator once the DPH grants him his T2 certification.

### **Projects**

#### El Granada Tank 2 Renovation

We experienced some minor problems getting the temporary tank in service. One of the old valves was leaking water into the tank from the upper pressure zone, resulting in a possible overflow if not checked. Once we resolved the issue, the temporary tank was put into service and operating system tested for a week. The old tank was taken out of service and drained by the end of December and the contractor has been cleared to start phase 2 of the project.

#### Avenue Cabrillo Pipeline Project

The main lines have been installed, pressure tested and disinfected. The new pipeline will be tied into the system and all services will be transferred over in January.

## STAFF REPORT

**To:** Board of Directors  
**From:** Cathleen Brennan, Water Resources Analyst  
**Agenda:** January 14, 2014  
**Subject:** Water Resources

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This informational report includes:

- First Snow Survey of Water Year 2014 - "California Braces for Possible Third Dry Year"
  - Changes to the Regional Clothes Washer Rebate Program Effective January 1, 2014
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### Snow Survey

The California Department of Water Resources performed the first snow survey of the winter season. The water content was measured at about 20 percent of normal for this time of year. Snow surveys are conducted from January to May of each year. There are concerns that this may turn into a third consecutive dry year with serious consequences to farms, homes and businesses in California. The District's water wholesaler, the San Francisco Public Utilities Commission, is monitoring the water supply situation and doesn't expect to make any decisions regarding mandatory or voluntary restrictions until April.

### Regional Clothes Washer Rebate Program

The District participates in a regional clothes washer rebate program along with other Bay Area water agencies and PG&E. Effective January 1<sup>st</sup>, the rebate amounts and the types of clothes washers eligible for a rebate have changed. District customers will be eligible to receive two levels of rebates depending on the efficiency of the clothes washer purchased and installed. A two hundred dollar rebate is available for the purchase and installation of a certified ENERGY STAR MOST EFFICIENT model and a fifty dollar rebate is available for the purchase and installation of a Consortium of Energy Efficiency (CEE) Tier 3 model. Information is available at [www.waterenergysavings.com](http://www.waterenergysavings.com)

Rebate Types	Coastside County Water District Rebate Amount	PG&E Rebate Amount	Maximum Total Rebate Amount
<b>CEE Tier 3</b> Modified Energy Factor of 2.4 or greater Water Factor of 4.0 or less	\$50	\$0	\$50
<b>ENERGY STAR MOST EFFICIENT</b> Modified Energy Factor of 3.2 or greater Water Factor of 3.0 or less Capacity greater than 2.5 cubic feet	\$125	\$75	\$200