COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MEETING OF THE BOARD OF DIRECTORS

Tuesday, February 11, 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.

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

1) ROLL CALL

2) PLEDGE OF ALLEGIANCE

3) PUBLIC COMMENT

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

4) CONSENT CALENDAR

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

A. Approval of disbursements for the month ending January 31, 2014: Claims: $700,993.41; Payroll: $100,689.37; for a total of $ 801,682.78 (attachment)
- *January 2014 Monthly Financial Claims reviewed by President Reynolds*

B. Acceptance of Financial Reports (attachment)
C. Approval of Minutes of January 14, 2014, 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 – January 2014 (attachment)
G. January 2014 Leak Report (attachment)
H. Rainfall Reports (attachment)
I. San Francisco Public Utilities Commission Hydrological Conditions Report for January 2014 (attachment)

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

6) GENERAL BUSINESS

A. Voluntary Ten Percent Reduction in Water Consumption (attachment)
B. Contract with HF&H Consultants, LLC for Drought Rate Structure Study (attachment)
C. District Office Fire Recovery (attachment)
D. Fiscal Year 2014-2015 Budget Process Timeline (attachment)
E. Nunes Utility Water System and Pressure Vessel (attachment)
F. Appointment of CCWD Board Member Representative Alternate(s) to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers (attachment)

7) GENERAL MANAGER'S REPORT - INCLUDING MONTHLY INFORMATIONAL REPORTS (attachment)

A. Operations Report (attachment)

8) DIRECTOR AGENDA ITEMS – REQUESTS FOR FUTURE BOARD MEETINGS

9) ADJOURNMENT

Accounts Payable

Checks by Date - Summary By Check Number

User: gbrazil
Printed: 1/31/2014 - 1:45 PM

Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
19632	ALL04	ALLIED WASTE SERVICES #9	01/03/2014	0.00	343.64
19633	CHE01	CHEVRON/TEXACO UNIVERS	01/03/2014	0.00	1,896.13
19634	COM02	COMCAST	01/03/2014	0.00	140.80
19635	FIR06	FIRST NATIONAL BANK	01/03/2014	0.00	1,393.85
19636	HAS01	HASSETT HARDWARE	01/03/2014	0.00	849.92
19637	ICM01	VANTAGEPOINT TRANSFER /	01/03/2014	0.00	40.00
19638	MAS01	MASS MUTUAL FINANCIAL G	01/03/2014	0.00	1,977.66
19639	PUB01	PUB. EMP. RETIRE SYSTEM	01/03/2014	0.00	19,835.67
19640	SAN20	SAN FRANCISCO FIRE CREDI	01/03/2014	0.00	300.00
19641	VAL01	VALIC	01/03/2014	0.00	1,565.00
19642	WAT07	WATER RESEARCH FOUNDA	01/03/2014	0.00	1,473.00
19643	CRO08	THE PETER A. CROSLAND ES	01/08/2014	0.00	477.50
19644	ASS01	HEALTH BENEFITS ACWA-JPI	01/17/2014	0.00	22,521.41
19645	ATT02	AT&T	01/17/2014	0.00	1,725.56
19646	BFI02	BFI OF CALIFORNIA, INC.	01/17/2014	0.00	2,075.25
19647	CUL01	CULLIGAN SANTA CLARA, C/	01/17/2014	0.00	160.20
19648	ICM01	VANTAGEPOINT TRANSFER /	01/17/2014	0.00	40.00
19649	KAI01	KAISER FOUNDATION HEALT	01/17/2014	0.00	11,010.00
19650	MAS01	MASS MUTUAL FINANCIAL G	01/17/2014	0.00	1,953.34
19651	PAC01	PACIFIC GAS & ELECTRIC CO	01/17/2014	0.00	24,941.70
19652	PUB01	PUB. EMP. RETIRE SYSTEM	01/17/2014	0.00	19,892.86
19653	SAN20	SAN FRANCISCO FIRE CREDI	01/17/2014	0.00	300.00
19654	TEA02	TEAMSTERS LOCAL UNION #	01/17/2014	0.00	801.00
19655	VAL01	VALIC	01/17/2014	0.00	1,565.00
19656	ADP01	ADP, INC.	01/28/2014	0.00	575.75
19657	ADV02	FRANK YAMELLO	01/28/2014	0.00	235.00
19658	ANA01	ANALYTICAL ENVIRONMENT	01/28/2014	0.00	9,094.29
19659	AND01	ANDREINI BROS. INC.	01/28/2014	0.00	121,784.44
19660	ASS08	ASSOC. CALIF. WATER AGEN	01/28/2014	0.00	10,621.00
19661	ATT03	AT&T LONG DISTANCE	01/28/2014	0.00	316.91
19662	AZT01	AZTEC GARDENS, INC.	01/28/2014	0.00	190.00
19663	BAR01	BARTKIEWICZ, KRONICK & S	01/28/2014	0.00	150.00
19664	BAR05	DEBORAH BARRELLA	01/28/2014	0.00	278.23
19665	BAY05	BAY AREA WATER SUPPLY &	01/28/2014	0.00	6,166.25
19666	BAY10	BAY ALARM COMPANY	01/28/2014	0.00	262.80
19667	BOO	NICOLE BOOTHMAN	01/28/2014	0.00	100.00
19668	CAL08	CALCON SYSTEMS, INC.	01/28/2014	0.00	7,890.58
19669	CAR02	CAROLYN STANFIELD	01/28/2014	0.00	485.00
19670	COA07	COAST OIL COMPANY, LLC	01/28/2014	0.00	1,219.78
19671	COA19	COASTSIDE COUNTY WATER	01/28/2014	0.00	259.15
19672	COM02	COMCAST	01/28/2014	0.00	140.80
19673	DAT01	DATAPROSE	01/28/2014	0.00	2,310.10
19674	ENR01	ENRIQUEZ MD, JOSEFINA	01/28/2014	0.00	125.00
19675	FIR06	FIRST NATIONAL BANK	01/28/2014	0.00	2,123.52
19676	GEM01	GEMPLER'S, INC.	01/28/2014	0.00	2,812.51

Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
19677	GEN03	GENERAL CHEMICAL PERFOI	01/28/2014	0.00	2,318.36
19678	HAC01	HACH CO., INC.	01/28/2014	0.00	2,561.00
19679	HAL01	HMB BLDG. & GARDEN INC.	01/28/2014	0.00	153.22
19680	HAL04	HALF MOON BAY REVIEW	01/28/2014	0.00	400.00
19681	HAL24	H.M.B.AUTO PARTS	01/28/2014	0.00	167.36
19682	HAN01	HANSONBRIDGETT. LLP	01/28/2014	0.00	2,156.00
19683	HAU02	DOUGLAS HAUPT	01/28/2014	0.00	200.00
19684	IRO01	IRON MOUNTAIN	01/28/2014	0.00	358.66
19685	IRV01	IRVINE CONSULTING SERVIC	01/28/2014	0.00	2,074.00
19686	JJA01	JJACPA, INC	01/28/2014	0.00	3,060.00
19687	JOH05	ELIZABETH CHASE JOHNSTO	01/28/2014	0.00	200.00
19688	KEE03	PATRICIA KEEFE	01/28/2014	0.00	100.00
19689	KEN03	KENNEDY/JENKS CONSULTA	01/28/2014	0.00	5,131.25
19690	LOM01	GLENNA LOMBARDI	01/28/2014	0.00	86.00
19691	MAR08	BERNIE MARTINEZ	01/28/2014	0.00	100.00
19692	MET06	METLIFE SBC	01/28/2014	0.00	1,430.24
19693	MIS01	MISSION UNIFORM SERVICES	01/28/2014	0.00	243.68
19694	MON01	DARIN BOVILLE	01/28/2014	0.00	2,100.00
19695	MON07	MONTEREY COUNTY LAB	01/28/2014	0.00	3,823.00
19696	NAL 03	NALCO COMPANY	01/28/2014	0.00	3,020.64
19697	NAT02	NATIONAL METER & AUTOM	01/28/2014	0.00	840.00
19698	OFF01	OFFICE DEPOT	01/28/2014	0.00	1,037.94
19699	ONL01	ONLINE RESOURCES	01/28/2014	0.00	150.00
19700	ONT01	ONTRAC	01/28/2014	0.00	293.55
19701	PAC06	PACIFICA COMMUNITY TV	01/28/2014	0.00	250.00
19702	PAS01	PASO ROBLES TANK, INC	01/28/2014	0.00	46,204.20
19703	PAU01	PAULO'S AUTO CARE	01/28/2014	0.00	1,227.16
19704	PIT04	PITNEY BOWES	01/28/2014	0.00	198.00
19705	PVS01	PVS MINIBULK, INC	01/28/2014	0.00	2,726.13
19706	RIC01	RICOH USA, INC.	01/28/2014	0.00	605.32
19707	RIC02	RICOH AMERICAS CORP	01/28/2014	0.00	823.94
19708	ROB01	ROBERTS & BRUNE CO.	01/28/2014	0.00	5,279.31
19709	ROG01	ROGUE WEB WORKS, LLC	01/28/2014	0.00	324.00
19710	SAN03	SAN FRANCISCO WATER DEP	01/28/2014	0.00	204,414.64
19711	SAN05	SAN MATEO CTY PUBLIC HE/	01/28/2014	0.00	750.00
19712	SCH01	SCHWAAB STAMPS INC.	01/28/2014	0.00	79.21
19713	SCH04	TODD SCHMIDT	01/28/2014	0.00	225.00
19714	SER03	SERVICE PRESS	01/28/2014	0.00	425.43
19715	STA01	STAT PADS, LLC	01/28/2014	0.00	125.00
19716	TET01	JAMES TETER	01/28/2014	0.00	2,001.00
19717	TRA01	RICHARD TRAXLER	01/28/2014	0.00	100.00
19718	UNI07	UNITED STATES POSTAL SER	01/28/2014	0.00	600.00
19719	UNI08	UNION BANK, N.A.	01/28/2014	0.00	906.00
19720	VER02	VERIZON WIRELESS	01/28/2014	0.00	688.02
19721	VIE02	ALEX VIERNES	01/28/2014	0.00	100.00
19722	WEL01	WELLS FARGO BANK, N.A	01/28/2014	0.00	90,097.09
19723	ALL04	ALLIED WASTE SERVICES #9	01/31/2014	0.00	487.55
19724	CAL11	CALIFORNIA C.A.D. SOLUTIO	01/31/2014	0.00	1,500.00
19725	CHE01	CHEVRON/TEXACO UNIVERS	01/31/2014	0.00	1,523.29
19726	UB*01211	ANGELICA HUGH	01/31/2014	0.00	150.00
19727	UB*01212	ANGELICA HUGH	01/31/2014	0.00	30.00
19728	MAS01	MASS MUTUAL FINANCIAL G	01/31/2014	0.00	1,919.68
19729	PAC01	PACIFIC GAS & ELECTRIC CO	01/31/2014	0.00	57.70
19730	PUB01	PUB. EMP. RETIRE SYSTEM	01/31/2014	0.00	18,845.24
19731	SAN20	SAN FRANCISCO FIRE CREDI	01/31/2014	0.00	300.00

Check Number	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
19732	VAL01	VALIC	01/31/2014	0.00	1,565.00
19733	ICM01	VANTAGEPOINT TRANSFER /	01/31/2014	0.00	40.00
			Report Total:	0.00	700,993.41

COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS
31-Jan-14

ACCOUNT	DESCRIPTION	CURRENT ACTUAL	CURRENT BUDGET	B/(W) VARIANCE	B/(W) % VAR	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
OPERATING REVENUE									
1-0-4120-00	Water Revenue -All Areas	755,004.23	402,562.00	352,442.23	87.5%	5,159,359.45	4,897,223.00	262,136.45	5.4%
TOTAL OPERATING REVENUE		**755,004.23**	**402,562.00**	**352,442.23**	**87.5%**	**5,159,359.45**	**4,897,223.00**	**262,136.45**	**5.4%**
NON-OPERATING REVENUE									
1-0-4170-00	Water Taken From Hydrants	2,774.66	2,083.33	691.33	33.2%	17,837.00	14,583.35	3,253.65	22.3%
1-0-4180-00	Late Notice -10% Penalty	32.94	5,833.33	(5,800.39)	-99.4%	44,893.95	40,833.35	4,060.60	9.9%
1-0-4230-00	Service Connections	954.22	666.66	287.56	43.1%	6,759.19	4,666.70	2,092.49	44.8%
1-0-4920-00	Interest Earned	641.54	761.25	(119.71)	0.0%	6,383.39	2,283.75	4,099.64	179.5%
1-0-4930-00	Tax Apportionments/Cnty Checks	7,777.93	0.00	7,777.93	0.0%	373,739.58	365,000.00	8,739.58	2.4%
1-0-4950-00	Miscellaneous Income	133.82	3,083.33	(2,949.51)	-95.7%	23,981.69	21,583.35	2,398.34	11.1%
1-0-4955-00	Cell Site Lease Income	11,239.81	10,121.00	1,118.81	11.1%	78,411.16	70,847.00	7,564.16	10.7%
1-0-4965-00	ERAF REFUND -County Taxes	333,208.00	200,000.00	133,208.00	0.0%	333,208.00	200,000.00	133,208.00	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%
TOTAL NON-OPERATING REVENUE		**356,762.92**	**222,548.90**	**134,214.02**	**60.3%**	**882,022.44**	**719,797.50**	**162,224.94**	**22.5%**
TOTAL REVENUES		**1,111,767.15**	**625,110.90**	**486,656.25**	**77.9%**	**6,041,381.89**	**5,617,020.50**	**424,361.39**	**7.6%**
OPERATING EXPENSES									
1-1-5130-00	Water Purchased	204,414.64	65,551.00	(138,863.64)	-211.8%	1,446,838.32	1,153,064.00	(293,774.32)	-25.5%
1-1-5230-00	Pump Exp, Nunes T P	2,194.30	1,204.00	(990.30)	-82.3%	14,731.78	12,960.00	(1,771.78)	-13.7%
1-1-5231-00	Pump Exp, CSP Pump Station	19,049.86	15,271.00	(3,778.86)	-24.7%	223,207.25	145,910.00	(77,297.25)	-53.0%
1-1-5232-00	Pump Exp, Trans. & Dist.	1,035.06	860.00	(175.06)	-20.4%	7,119.35	8,483.00	1,363.65	16.1%
1-1-5233-00	Pump Exp, Pilarcitos Can.	1,262.03	4,272.00	3,009.97	70.5%	2,588.04	9,537.00	6,948.96	72.9%
1-1-5234-00	Pump Exp. Denniston Proj.	760.51	19,731.00	18,970.49	96.1%	7,568.79	54,071.00	46,502.21	86.0%
1-1-5235-00	Denniston T.P. Operations	629.28	3,903.00	3,273.72	100.0%	5,205.33	10,102.00	4,896.67	48.5%
1-1-5236-00	Denniston T.P. Maintenance	338.12	3,167.00	2,828.88	89.3%	22,509.46	22,165.00	(344.46)	-1.6%
1-1-5240-00	Nunes T P Operations	8,487.95	3,006.00	(5,481.95)	-182.4%	35,668.74	49,234.00	13,565.26	27.6%
1-1-5241-00	Nunes T P Maintenance	6,043.46	3,750.00	(2,293.46)	-61.2%	26,234.85	26,250.00	15.15	0.1%
1-1-5242-00	CSP Pump Station Operations	583.15	708.00	124.85	17.6%	5,442.24	4,960.00	(482.24)	-9.7%
1-1-5243-00	CSP Pump Station Maintenance	0.00	3,333.00	3,333.00	100.0%	2,505.01	23,335.00	20,829.99	89.3%
1-1-5250-00	Laboratory Services	7,438.48	2,500.00	(4,938.48)	-197.5%	25,032.30	27,500.00	2,467.70	9.0%
1-1-5318-00	Studies/Surveys/Consulting	225.00	6,250.00	6,025.00	96.4%	4,230.00	43,750.00	39,520.00	90.3%
1-1-5321-00	Water Conservation	1,534.00	4,833.00	3,299.00	68.3%	12,707.30	33,835.00	21,127.70	62.4%
1-1-5322-00	Community Outreach	2,710.00	2,641.66	(68.34)	-2.6%	7,789.35	18,491.70	10,702.35	57.9%
1-1-5411-00	Salaries & Wages -Field	102,121.16	109,203.70	7,082.54	6.5%	576,689.01	582,419.70	5,730.69	1.0%
1-1-5412-00	Maintenance -General	4,983.01	14,042.00	9,058.99	64.5%	119,713.17	98,290.00	(21,423.17)	-21.8%
1-1-5414-00	Motor Vehicle Expense	5,720.65	4,221.00	(1,499.65)	-35.5%	29,297.57	29,545.00	247.43	0.8%

Revised: 2/6/2014 11:32 AM

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	5,835.00	5,835.00	100.0%
1-1-5610-00	Salaries/Wages-Administration	73,471.02	78,361.50	4,890.48	6.2%	397,953.30	417,928.00	19,974.70	4.8%
1-1-5620-00	Office Supplies & Expense	12,097.15	11,885.41	(211.74)	-1.8%	88,474.81	83,197.95	(5,276.86)	-6.3%
1-1-5621-00	Computer Services	3,728.47	6,655.00	2,926.53	44.0%	28,635.40	46,585.00	17,949.60	38.5%
1-1-5625-00	Meetings / Training / Seminars	204.50	1,666.66	1,462.16	87.7%	9,792.29	11,666.70	1,874.41	16.1%
1-1-5630-00	Insurance	16,273.24	16,250.00	(23.24)	-0.1%	56,877.11	73,750.00	16,872.89	22.9%
1-1-5635-00	EE/Ret. Medical Insurance	32,302.74	34,173.08	1,870.34	5.5%	221,345.94	239,211.60	17,865.66	7.5%
1-1-5640-00	Employees Retirement Plan	55,240.75	55,401.00	160.25	0.3%	276,588.89	295,472.00	18,883.11	6.4%
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	1,344.00	5,000.00	3,656.00	73.1%	23,969.00	35,000.00	11,031.00	31.5%
1-1-5682-00	Engineering	480.00	1,166.66	686.66	58.9%	3,076.00	8,166.70	5,090.70	62.3%
1-1-5683-00	Financial Services	3,060.00	0.00	(3,060.00)	0.0%	16,647.50	24,000.00	7,352.50	0.0%
1-1-5684-00	Payroll Tax Expense	13,446.19	13,452.70	6.51	0.0%	67,491.22	71,747.70	4,256.48	5.9%
1-1-5687-00	Membership, Dues, Subscript.	7,352.23	5,684.16	(1,668.07)	-29.3%	38,972.43	39,789.20	816.77	2.1%
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	3,500.00	2,000.00	57.1%
1-1-5700-00	San Mateo County Fees	0.00	1,391.66	1,391.66	0.0%	10,343.22	9,741.70	(601.52)	0.0%
1-1-5705-00	State Fees	0.00	1,166.66	1,166.66	0.0%	14,861.56	8,166.70	(6,694.86)	0.0%
TOTAL OPERATING EXPENSES		**588,530.95**	**502,034.85**	**(86,496.10)**	**-17.2%**	**3,830,106.53**	**3,727,660.65**	**(102,445.88)**	**-2.7%**
CAPITAL ACCOUNTS									
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	906.00	0.00	(906.00)	0.0%	344,772.60	343,867.00	(905.60)	0.0%
1-1-5715-00	Debt Srvc/CIEDB 11-099 (I-BANK)	90,097.09	90,097.00	(0.09)	0.0%	353,142.61	353,143.00	0.39	0.0%
TOTAL CAPITAL ACCOUNTS		**91,003.09**	**90,097.00**	**906.09**	**0.0%**	**964,805.21**	**963,900.00**	**(905.21)**	**-0.1%**
TOTAL EXPENSES		**679,534.04**	**592,131.85**	**(87,402.19)**	**-14.8%**	**4,794,911.74**	**4,691,560.65**	**(103,351.09)**	**-2.2%**
	NET INCOME	**432,233.11**				**1,246,470.15**			

Revised: 2/6/2014 11:32 AM

COASTSIDE COUNTY WATER DISTRICT
MONTHLY INVESTMENT REPORT
January 31, 2014

RESERVE BALANCES

CAPITAL AND OPERATING RESERVE	$2,624,741.67
RATE STABILIZATION RESERVE	$250,000.00
TOTAL DISTRICT RESERVES	**$2,874,741.67**

ACCOUNT DETAIL

ACCOUNTS WITH FIRST NATIONAL BANK (FNB)	
CHECKING ACCOUNT	$1,247,788.82
CSP T & S ACCOUNT	$608,654.82
LOCAL AGENCY INVESTMENT FUND (LAIF) BALANCE	$1,017,668.03
DISTRICT CASH ON HAND	$630.00
TOTAL ACCOUNT BALANCES	**$2,874,741.67**

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

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

1/31/2014

		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
EQUIPMENT PURCHASE & REPLACEMENT							
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	$ 15,250	$ 50,000	$ -	31%	
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	183,695	$ 340,000	$ (94,000)	75%	To be completed in February 2014
10-02	Bridgeport Drive Pipeline Replacement Project	$ 110,000	21,465	$ 110,000	$ -	20%	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	El Granada Tank #2 Recoating & Ladder	$ 300,000	$ 187,267	$ 550,000	$ (250,000)	62%	Work in progress 1/14, completion 3/14
11-03	Miramar Tank Altitude V alve 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	El 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 evaluatio
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	$ 103,405	$ 100,000	$ -	103%	Working with AES to complete draft EIR
14-25	Water Shortage Plan Development	$ 50,000		$ 50,000	$ -	0%	Award drought rate study 2/14
WATER TREATMENT PLANTS							
12-04	Denniston Treated Water Booster Station	$ 600,000		$ 100,000	$ 500,000	0%	Need hydraulic model before going to final desigr
12-05	Nunes Access Road Repaving	$ 100,000		$ 100,000	$ -	0%	
12-14	Nunes - Hydropneumatic Systems Improvement	$ 40,000	$ 628	$ 80,000	$ (40,000)	0%	Award project 2/14
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	$ 15,000	$ 15,000	0%	Installed and functional
99-05	Denniston Maintenance Dredging	$ 60,000	$ 34,200	$ 32,594	$ 27,406	57%	Completed

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

1/31/2014

	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
FY 13/14 TOTALS	**$ 3,638,000**	**$ 650,518**	**$ 3,055,698**	**$ 583,406**		

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				
	PREVIOUS YEAR TOTALS	**$ -**	**$ 133,913**	**$ -**	**$ -**		

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

	San Benito Pipeline Replacement Project		$ 33,861				
	Denniston - Magnetic Flow Meter		$ 2,480				
	Pilarcitos Blending Station		$ 989				
	Nunes Legacy Backwash System Removal		$ 6,455				
	Denniston Backwash FTW Valves		$ 4,673				
	Denniston Creek Return Water Pump		$ 15,480				
	Nunes Control System Upgrades		$ 55,364				
	District Office Fire 2014		$ 333				
	NON-BUDGETED TOTALS	**$ -**	**$ 119,636**	**$ -**	**$ -**		

CIP TOTALS	**$ 3,638,000**	**$ 904,067**	**$ 3,055,698**	

Legal Cost Tracking Report
12 Months At-A-Glance

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

Month	Admin (General Legal Fees)	Water Supply Develpmnt	Transfer Program	CIP	Personnel	Lawsuits	Infrastructure Project Review (Reimbursable)	TOTAL
Feb-13	3,195			55			491	3,741
Mar-13	6,782	364					56	7,202
Apr-13	1,981	420					2,100	4,501
May-13	5,493			527				6,020
Jun-13	3,503		252					3,755
Jul-13	4,199			924				5,123
Aug-13	4,287		616	56				4,959
Sep-13	7,485						476	7,961
Oct-13	2,484		660	84				3,228
Nov-13	4,805	1,736	1,172					7,713
Dec-13	3,304	3,928		168	260			7,660
Jan-14	1,344	588		224				2,156
TOTAL	**48,862**	**7,036**	**2,700**	**2,038**	**260**	**0**	**3,123**	**64,019**

Engineer Cost Tracking Report
12 Months At-A-Glance

Acct. No. 5682
JAMES TETER
Engineer

Month	Admin & Retainer	CIP	Studies & Projects	TOTAL	Reimburseable from Projects
Feb-13	502	8,604	187	**9,292**	187
Mar-13	360	5,671	169	**6,200**	169
Apr-13	903	3,987	646	**5,535**	646
May-13	480	1,604	3,557	**5,640**	5,640
Jun-13	949	2,518	8,994	**12,461**	8,994
Jul-13	583	10,150	45	**10,779**	45
Aug-13	240	1,014	169	**1,423**	169
Sep-13	480	3,929	1,014	**5,423**	1,014
Oct-13	649	797	1,606	**3,052**	1,606
Nov-13	987	544	433	**1,964**	433
Dec-13	240			**240**	
Jan-14	480		1,521	**2,001**	1,521
TOTAL	**6,852**	**38,819**	**18,340**	**64,010**	**20,424**

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								$3,017.30							
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	$1,125.00					$4,775.00	$3,445.00	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	$3,748.28					$4,673.28	$2,240.93	
					$109,421.17	$992.50	$64,455.34	$15,975.00	$4,873.28	$0.00	$0.00	$0.00	$0.00	$85,303.62	$24,117.55	

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE BOARD OF DIRECTORS MEETING

Tuesday, January 14, 2014

1) ROLL CALL: President Glenn Reynolds called the meeting to order at 7:01 p.m. Present at roll call: Vice-President Chris Mickelsen, and Directors Ken Coverdell, Steve Flint and Arnie Glassberg.

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.

2) PLEDGE OF ALLEGIANCE

3) PUBLIC COMMENT: There were no public comments.

4) PUBLIC HEARING

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

Mr. Dickson introduced this item, followed by a presentation from Cathleen Brennan, Water Resource Analyst, which featured staff's recommendation and the background and description of the proposed ordinance. She reviewed proposed changes and answered questions from the Board. President Reynolds suggested an addition in the ordinance language in Section II - Coordination with the Plumbing Code, to state "under the title California Plumbing Code 2013 Edition *or the most current edition"* to be included in the Ordinance.

President Reynolds opened the Public Hearing at 7:13 p.m., announcing that any members of the public could address the Board on the subject at this time. Hearing no comments from any members of the public, President Reynolds closed the Public Hearing at 7:14 p.m. and a brief discussion by the Board ensued.

ON MOTION BY Director Coverdell and seconded by Director Flint, the Board voted as follows, by roll call vote, to adopt the revised Indoor Water Use Efficiency Ordinance 2014-01, including the addition of the language referencing the most current edition of the California Plumbing Code in Section II in the Ordinance:

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

5) 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 Coverdell reported that he had reviewed the monthly claims and found all to be in order.

ON MOTION BY Director Mickelsen and seconded by Director Glassberg, the Board voted as follows, to accept and approve the Consent Calendar in its entirety:

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

6) MEETINGS ATTENDED / DIRECTOR COMMENTS

Directors Glassberg and Flint both thanked the General Manager for the recent tours he provided of the District's water treatment plants and facilities.

President Reynolds reported that he had given a presentation on the status of the current California water situation earlier in the day.

7) GENERAL BUSINESS

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

Mr. Dickson introduced Mr. Joe Arch, with JJACPA, Inc., the District's current auditor. Mr. Arch reviewed the financial reports, noting that on a year by year basis, the numbers are overall in a status quo state. Mr. Arch also summarized details of the finding provided in the Communications Letter, which addressed a deficiency in Internal Control with regard to meter readings. Mr. Arch stated that he had evaluated the process and recommended a procedure to be implemented in order to avoid any future problems of this nature.

ON MOTION BY Director Glassberg and seconded by Director Flint, the Board voted as follows, to approve the Basic Financial Statements for Fiscal Year Ended June 30, 2013:

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

B. Quarterly Year-to-Date Financial Review

Mr. Dickson referenced the Period Budget Analysis spreadsheet, noting that the overall year to date revenues and operating expenses are generally on budget. There were no questions or comments from the Board members.

C. Consideration of Adoption of Resolution 2014-01 in Support of Statewide Water Action Plan for Coastside

Mr. Dickson explained the background of this agenda item, advising that the Association of California Water Agencies (ACWA) had recently convened a broad cross-section of member water interests in order to develop a statewide plan to address California's overall water supply reliability and ecosystem health. He reported that the plan that was developed outlines fifteen actions to improve water supply reliability,

protect water rights, protect the integrity of the state's water system and promote better stewardship. He further explained that ACWA has requested that ACWA members endorse this plan with the hopes of gaining some political momentum. The Board briefly discussed the elements of the proposed plan.

ON MOTION BY Director Coverdell and seconded by Director Glassberg, the Board voted as follows, by roll call vote, to adopt Resolution 2014-01 in Support of Statewide Water Action Plan for California:

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

D. Coastside County Water District Board Committees

Mr. Dickson referenced the staff report which provided a summary of the District's committees and their functions and noted that the District's past practice has established that the President of the Board makes the appointments to the committees. President Reynolds stated that he had given some thought to the committee assignments and also welcomed any suggestions. Board discussion ensued with the District's Board Committees being constituted as follows:

Standing Committees	Directors
Finance	Coverdell and Glassberg
Water Quality	Mickelsen and Flint
Human Resources	Mickelsen and Glassberg
Water Resources	Mickelsen and Reynolds
District Facilities	Reynolds and Flint

Advisory Committees	Directors
Montara Water & Sanitary District	Coverdell and Flint

External Organizations	
Association of California Water Agencies (ACWA and ACWA/JPIA)	Reynolds
California Special District Association (CSDA)	Glassberg
Bay Area Water Supply & Conservation Agency (BAWSCA)	Mickelsen

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

E. Water Shortage Contingency Planning

Mr. Dickson had prepared a Water Shortage Contingency Planning presentation, which he reviewed with the Board. He explained the method by which San Francisco Public Utilities Commission (SFPUC) would allocate water supply in the event of a drought as specified in the Water Supply Agreement and summarized details regarding the Tier 1 and Tier 2 allocations.
Mr. Dickson reviews issues that need to be addressed by the District, including reviewing the drought allocation approach with District customers and seeking public input, establishing drought water rates that will help to manage demand and ensure District financial stability, and providing the personnel and financial resources to handle the administrative details of managing through water shortage.

Discussion ensued with an emphasis on the importance of scheduling a series of workshops to work on drought preparations. Two workshops were tentatively scheduled for January 28th and February 25th 2014 at 3:00 p.m. for this purpose.

8) GENERAL MANAGER'S REPORT - INCLUDING MONTHLY INFORMATIONAL REPORTS

Operations Report
Mr. Guistino reviewed the monthly operation highlights, including progress on the El Granada Tank 2 Renovation Project, the Avenue Cabrillo Pipeline Replacement Project and the successful flushing activities in pipelines located in the Half Moon Bay area.

B. Water Resources Report
Ms. Brennan's report featured the results of the first snow survey of the winter season performed by the California Department of Water Resources and an update on the District's participation in the Regional Clothes Washer Rebate Program.

9) DIRECTOR AGENDA ITEMS – REQUESTS FOR FUTURE BOARD MEETINGS

There were no requests for items for future Board meetings expressed by any of the Board members.

10) ADJOURNMENT - The meeting was adjourned at 9:15 p.m.

Respectfully submitted,

_____
David R. Dickson, General Manager
Secretary of the District

_____
Glenn Reynolds, President
Board of Directors

COASTSIDE COUNTY WATER DISTRICT
Installed Water Connection Capacity & Water Meters

FY 2014

Installed Water Connection Capacity	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
HMB Non-Priority													
0.5" capacity increase													**0**
5/8" meter	1	2	2		2								**7**
3/4" meter					3	1							**4**
1" meter													**0**
2" meter													**0**
3" meter													**0**
HMB Priority													
0.5" capacity increase													**0**
5/8" meter													**0**
3/4" meter													**0**
1" meter						1							**1**
1 1/2" meter													**0**
2" meter						1							**1**
County Non-Priority													
0.5" capacity increase		0.5											
5/8" meter													**0**
3/4" meter													**0**
1" meter													**0**
County Priority													
5/8" meter			1				1						**2**
3/4" meter													**0**
1" meter													**0**
Monthly Total	**1**	**2.5**	**3**	**0**	**5**	**3**	**1**	**0**	**0**	**0**	**0**	**0**	**15**

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

Installed Water Meters	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
HMB Non-Priority	1	2	2		6.5	1.5							**13**
HMB Priority						10.5							**10.5**
County Non-Priority		0.5											**0.5**
County Priority			**1**				1						**2**
Monthly Total	**1**	**2.5**	**3**	**0**	**6.5**	**12**	**1**	**0**	**0**	**0**	**0**	**0**	**26**

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	0.00	0.00	0.00	0.46	57.17	57.63	1.10	56.53
FEB								
MAR								
APR								
MAY								
JUN								
TOTAL	2.58	0.00	0.00	0.46	463.39	466.43	1.64	464.79
% MONTHLY TOTAL	0.00%	0.00%	0.00%	0.80%	99.20%	100.00%	1.90%	98.10%
% ANNUAL TO DATE TOTAL	0.6%	0.0%	0.0%	0.1%	99.3%	100.0%	0.35%	99.6%

th Running Treated Total **771.07**

JCTION (MG) ALL SOURCES- FY 2013

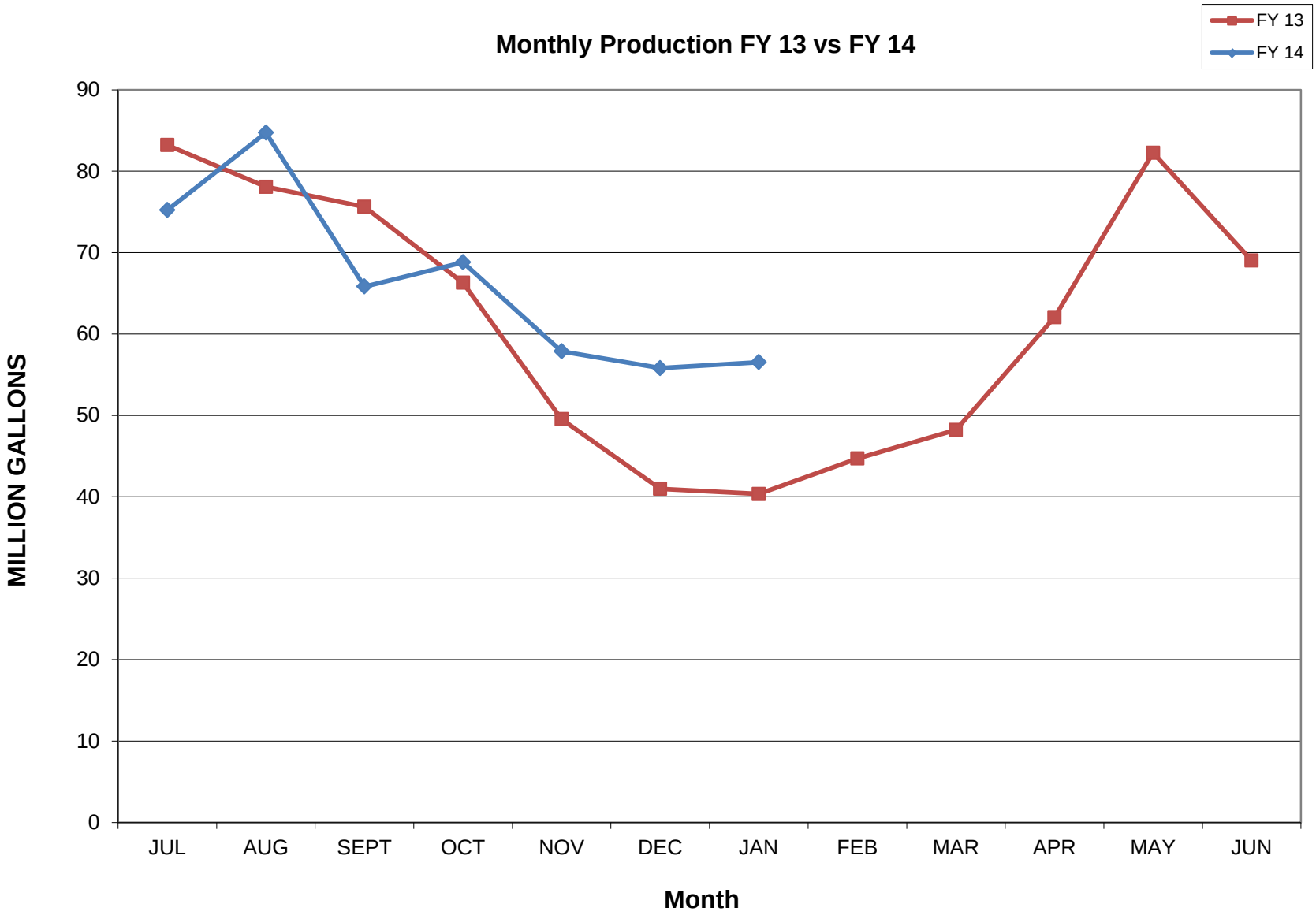
	PILARCITOS WELLS	PILARCITOS LAKE	DENNISTON WELLS	DENNISTON RESERVOIR	CRYSTAL SPRINGS RESERVOIR	RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
JUL	0.00	20.63	0.00	0.00	44.25	83.09	-0.13	83.22
AUG	0.00	18.98	0.00	0.00	42.67	79.21	1.13	78.08
SEPT	0.00	0.00	0.00	0.00	57.31	75.57	-0.04	75.61
OCT	0.00	0.00	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
TOTAL	**42.41**	**135.03**	**0.67**	**39.56**	**447.70**	**745.29**	**4.95**	**740.34**
% TOTAL	5.7%	18.1%	0.1%	5.3%	60.1%	89.3%	0.66%	99.3%

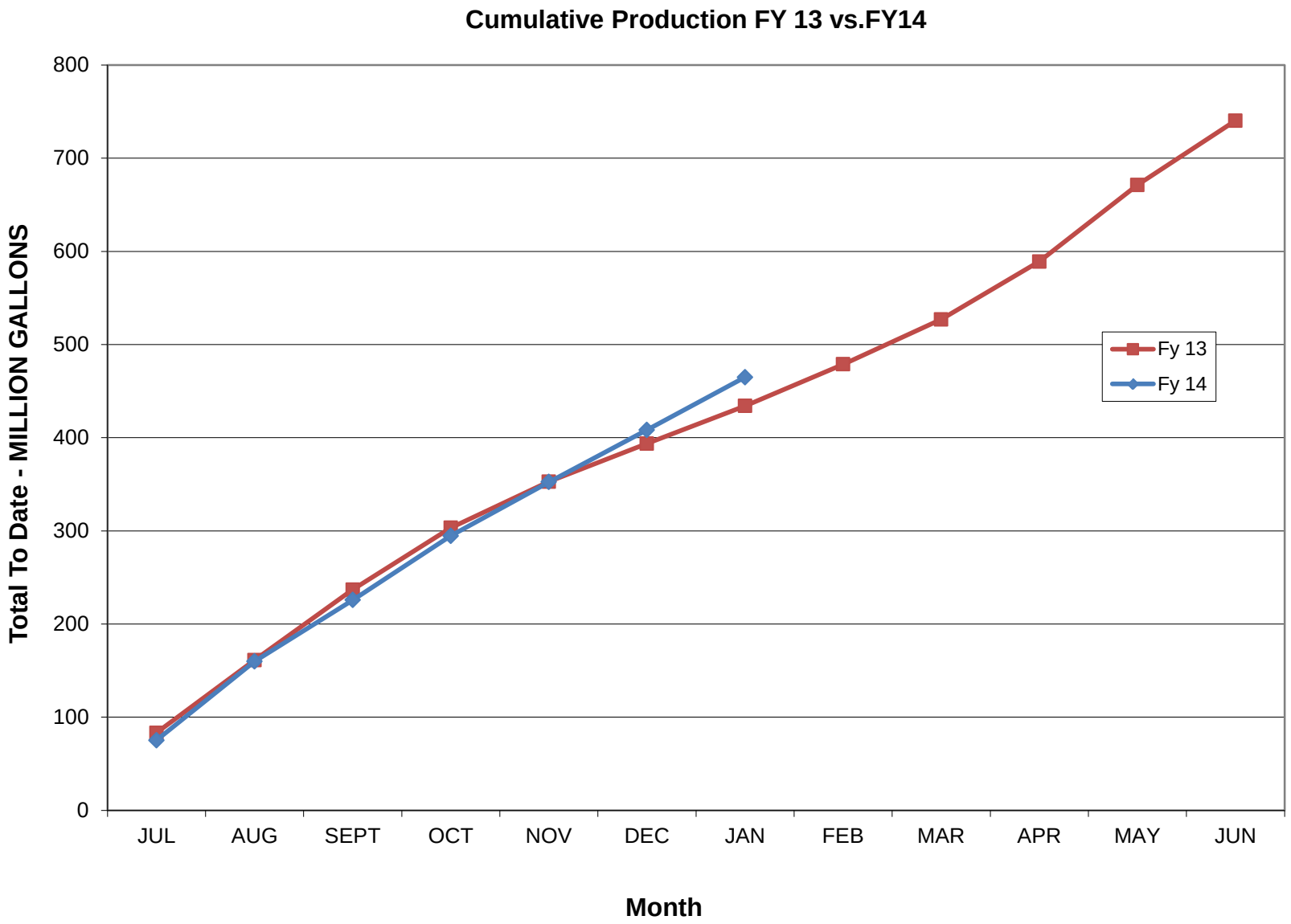
COASTSIDE COUNTY WATER DISTRICT

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	0.35	16.58	16.24	0.00	2.64	2.64	0.00	9.38	9.38	0.00	0.00	0.00	57.17	12.12	-45.05	57.17	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
MG Totals	0.35	39.79	39.45	0.00	9.98	9.98	2.58	29.03	26.45	0.00	208.83	208.83	463.39	114.19	-349.20	463.39	485.06

	Actual non SFPUC	Predicted non SFPUC	Actual SFPUC	Predicted SFPUC	TOTAL Actual	Predicted	Pred-act
	2.93	**78.80**	**463.39**	**323.02**	**466.32**	**401.82**	**-64.49**
% Total	**0.63%**	**19.61%**	**99.37%**	**80.39%**	**116.05%**		


Monthly Production FY 13 vs FY 14
FY 13
FY 14
MILLION GALLONS
90
80
70
60
50
40
30
20
10
0
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Month


Cumulative Production FY 13 vs.FY14
Total To Date - MILLION GALLONS
800
700
600
500
400
300
200
100
0
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Month
Fy 13
Fy 14

Plant Water Use*				Unmetered Water			2014		MG	
	Denniston Plant	Nunes Plant	Total	Main Flushing	Detector Checks*	Main Breaks	Fire Dept	Miscellaneous	Tank Level Difference	Total
JAN	0.110	0.000	0.110	0.973	0.017	0.020	0.000	0.014	-0.258	1.097
FEB			0.000							0.000
MAR			0.000							0.000
APR			0.000							0.000
MAY			0.000							0.000
JUN			0.000							0.000
JUL			0.000							0.000
AUG			0.000							0.000
SEP			0.000							0.000
OCT			0.000							0.000
NOV			0.000							0.000
DEC			0.000							0.000
TOTAL	**0.11**	**0.00**	**0.11**	**0.97**	**0.02**	**0.02**	**0.00**	**0.01**	**-0.26**	**1.10**

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%	26.320	42%											235.55
COMMERCIAL	4.965	8%	1.888	2%	6.124	9%	1.818	2%	4.616	11%	1.392	3%	5.728	9%											26.53
RESTAURANT	3.056	5%	0.224	0%	3.299	5%	0.266	0%	2.569	6%	0.157	0%	3.658	6%											13.23
HOTELS/MOTELS	3.712	6%	2.409	3%	4.561	6%	2.176	3%	2.609	6%	1.619	3%	4.323	7%											21.41
SCHOOLS	1.058	2%	1.513	2%	1.964	3%	1.670	2%	0.742	2%	1.126	2%	1.527	2%											9.60
MULTI DWELL	3.091	5%	3.256	4%	3.406	5%	3.005	4%	2.138	5%	2.744	5%	3.777	6%											21.42
BEACHES/PARKS	1.275	2%	0.075	0%	1.527	2%	0.080	0%	0.889	2%	0.037	0%	0.822	1%											4.71
AGRICULTURE	6.742	11%	9.504	11%	5.843	8%	6.943	9%	3.282	8%	5.920	12%	9.037	14%											47.27
RECREATIONAL	0.052	0%	0.206	0%	0.066	0%	0.206	0%	0.028	0%	0.139	0%	0.070	0%											0.77
MARINE	1.318	2%	0.000	0%	1.546	2%	0.000	0%	1.005	2%	0.003	0%	1.362	2%											5.23
IRRIGATION	11.637	19%	13.418	16%	15.035	21%	8.995	12%	2.652	6%	2.964	6%	6.553	10%											61.26
Portable Meters	0.000	0%	0.379	0%	0.000	0%	0.381	1%	0.000	0%	0.343	1%	0.000	0%											1.10
TOTAL - MG	62.55		83.24		71.88		73.33		42.45		51.44		63.18		0.00		0.00		0.00		0.00		0.00		448.07
Non Residential Usage	36.906		32.873		43.371		25.541		20.530		16.446		36.858		0.000		0.000		0.000		0.000		0.000		
Running 12 Month Total													**720.25**												
12 mo Ave Residential	31.54		31.63		31.80		31.83		31.75		32.09		32.83												
12 mo Ave Non Residential	24.42		25.00		25.34		25.51		25.54		25.79		27.20												
Total	55.96		56.63		57.15		57.34		57.29		57.88		60.02								#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
TOTAL - MG	72.22		75.21		65.70		71.00		43.03		44.38		37.49		46.91		41.53		53.76		56.00		73.97		681.22
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		
Running 12 Month Total																							**681.22**		
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				
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

	Date Reported Discovered	Date Repaired	Location	Pipe Class	Pipe Size & Type	Estimated Water Loss (Gallons)*	Equipment Costs	Material Costs	Employee hours		Labor Costs	Total Costs
1	1/14/2014	1/14/14	San Pedro Road EG						Overtime			
									Staff	Hours		
				m	6" CI	11,000	$875.00	$347.16	4	5	$1,000	**$2,222.16**
2	1/22/2014	1/22/2014	San Juan X Carmel						Work hours			
									Staff	Hours		
				m	6" CI	6,000	$600.00	$307.16	3	4	$600	**$1,507.16**
3	1/21/2014	1/24/2014	464 Poplar Street						Work hours			
									Staff	Hours		
				S	3/4" PL	3,000	$450.00	$229.85	3	4	$600	**$1,279.85**
4												
									Staff	Hours		
												$0.00
5												
									Staff	Hours		
												$0.00
6												
									Staff	Hours		
												$0.00
7												
									Staff	Hours		
												$0.00
8												
									Staff	Hours		
												$0.00
					Totals	**20,000**	**$1,925.00**	**$884.17**	**10**	**13**	**$2,200**	**$5,009.17**

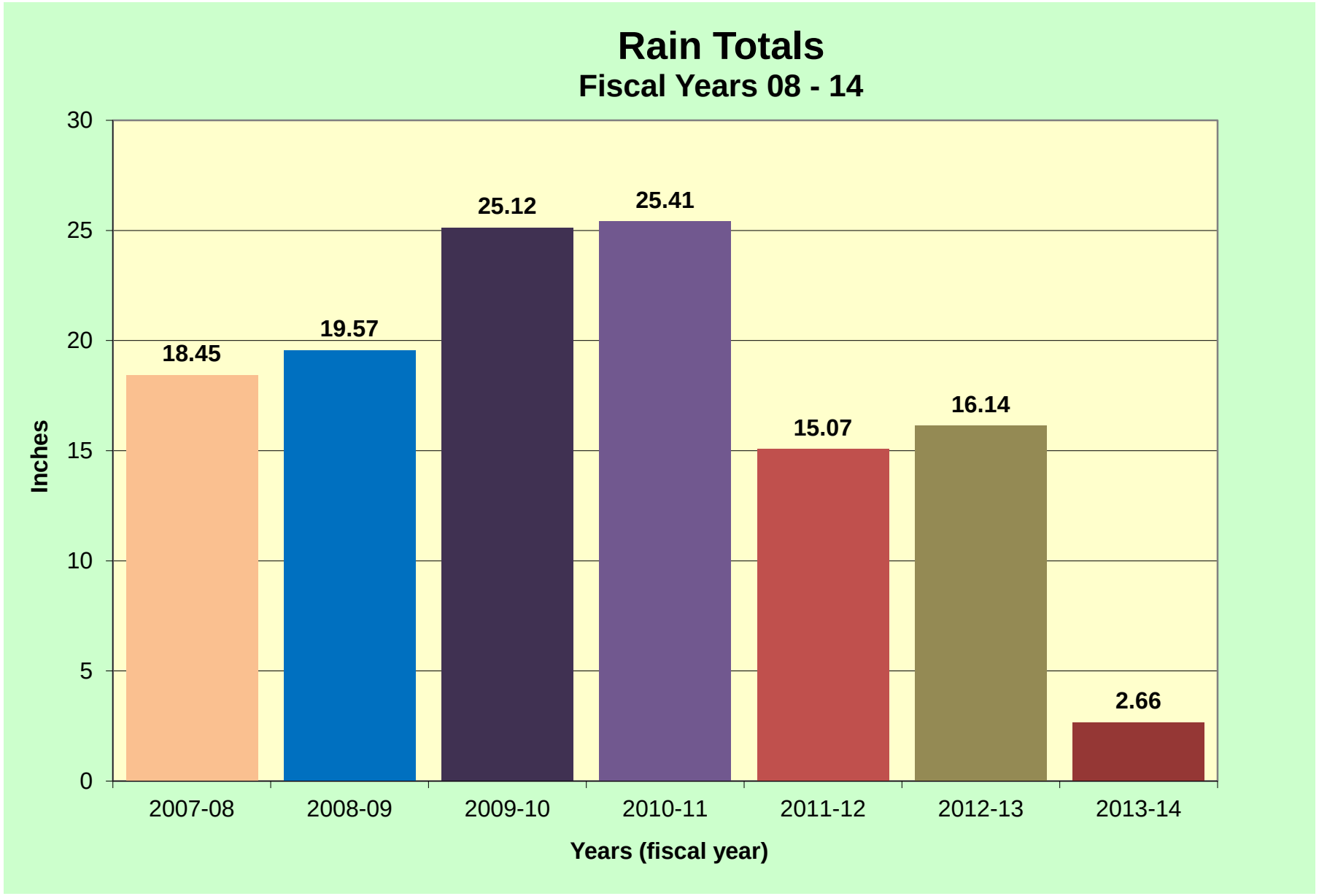
*includes 1,000 gallons for mains to daylight plus 1,000 gallons to flush mains or 100 gallons to flush services

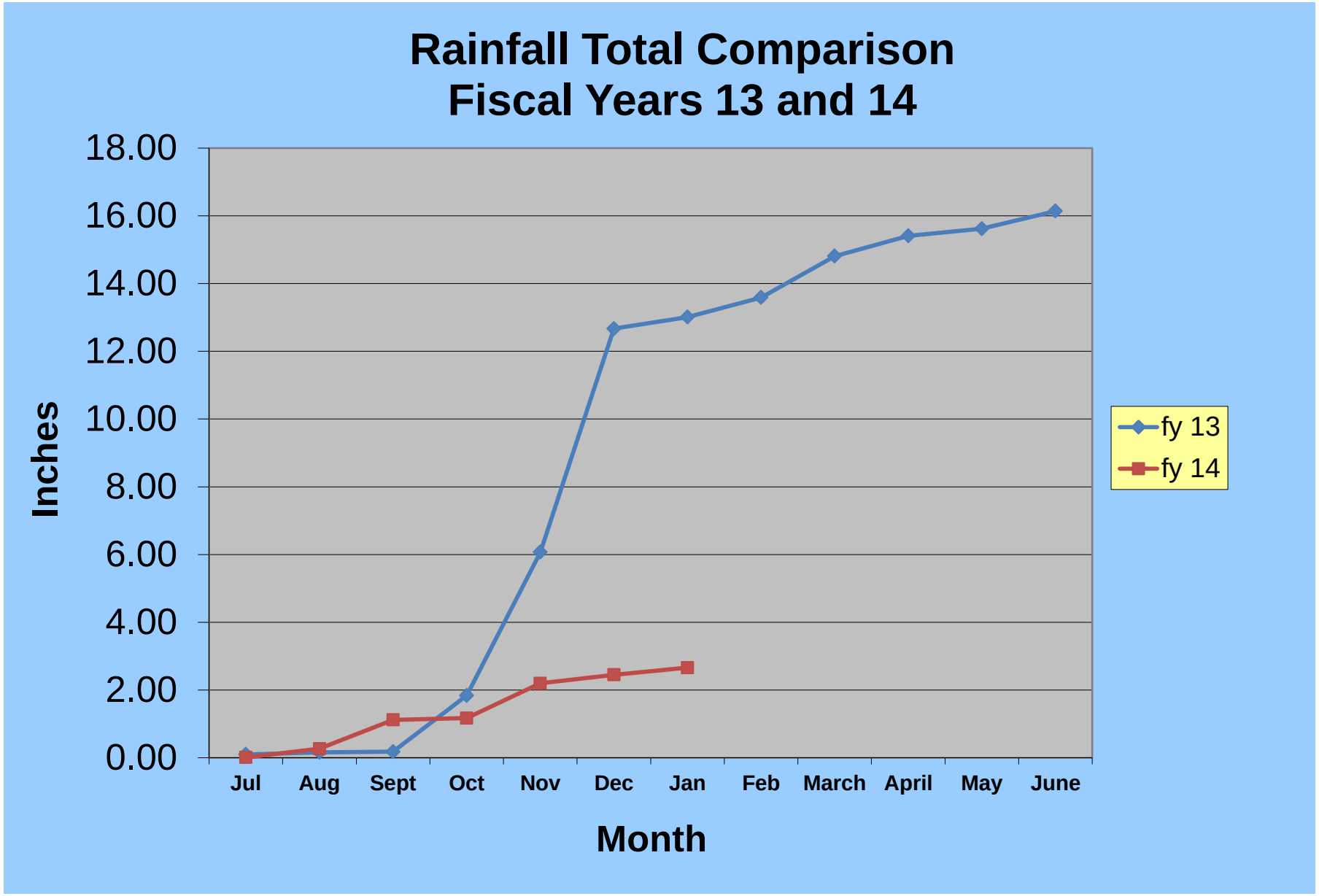
Staff x hours = 130

Coastside County Water District
766 Main Street
July 2013 - June 2014

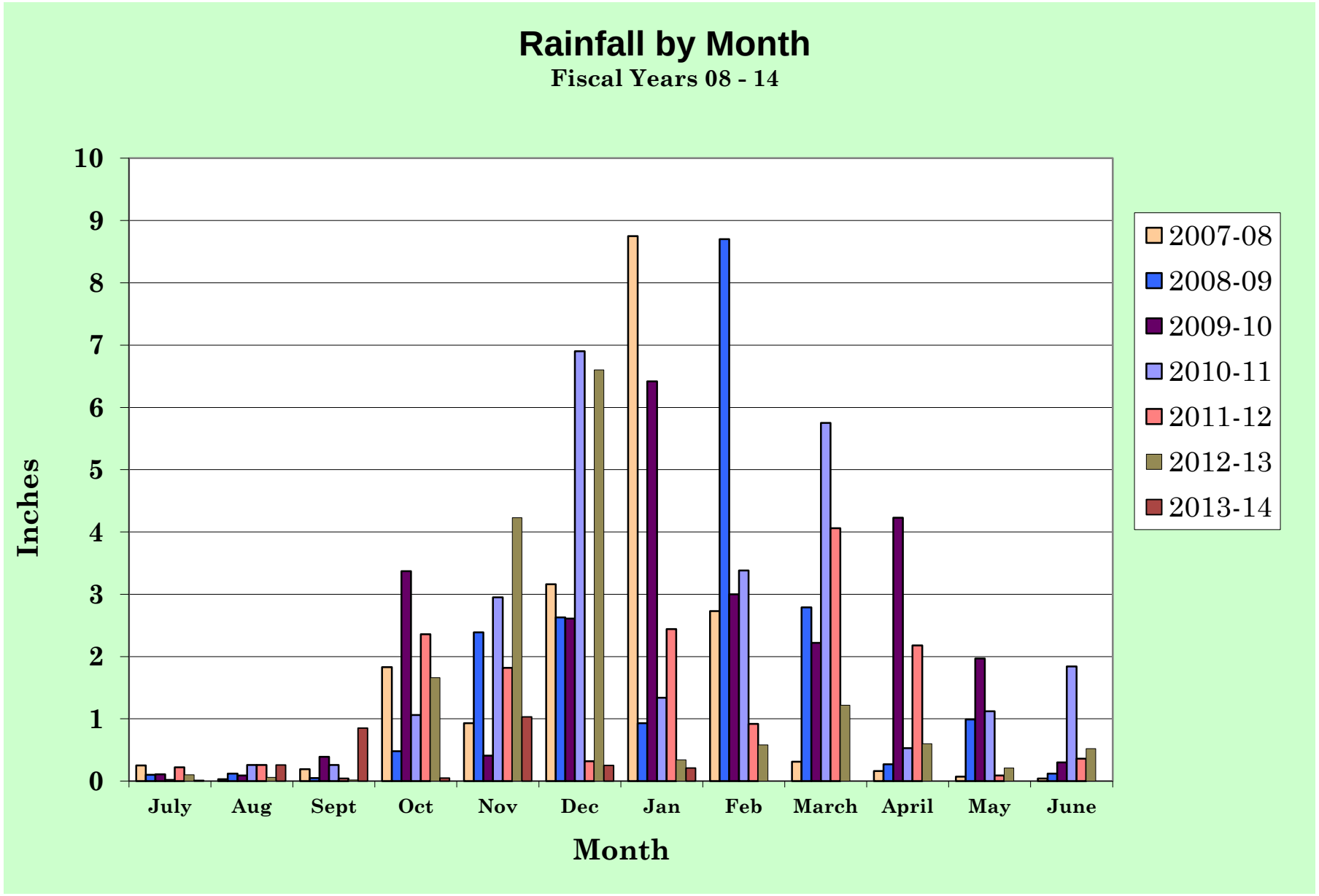
District Office
Rainfall in Inches

	2013						2014					
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
1	0	0	0	0.01	0	0.01	0					
2	0	0	0	0	0	0.01	0					
3	0	0	0	0	0	0.01	0					
4	0	0	0	0	0	0	0					
5	0	0.03	0	0	0	0	0					
6	0	0.01	0	0	0	0.21	0					
7	0	0.02	0	0	0	0	0					
8	0	0.01	0	0	0	0	0.02					
9	0	0.02	0	0.01	0	0	0.04					
10	0	0.02	0	0	0	0	0					
11	0	0.03	0	0	0	0	0.05					
12	0	0.01	0	0	0	0	0.01					
13	0	0	0.03	0	0	0	0					
14	0	0	0.01	0	0.01	0	0					
15	0	0.06	0.01	0	0	0	0					
16	0.01	0.01	0	0	0	0	0					
17	0	0	0	0	0	0	0					
18	0	0	0	0	0.01	0	0					
19	0	0	0	0	0.49	0	0					
20	0	0.03	0.01	0	0.52	0	0					
21	0	0	0.77	0	0	0	0.01					
22	0	0	0.01	0	0	0.01	0					
23	0	0	0	0.02	0	0	0					
24	0	0	0	0	0	0	0.01					
25	0	0	0	0	0	0	0					
26	0	0	0	0	0	0	0					
27	0	0	0	0	0	0	0					
28	0	0	0	0	0	0	0.02					
29	0	0.01	0	0	0	0	0.03					
30	0	0	0.01	0	0	0	0.02					
31	0	0		0.01		0	0					
Mon.Total	0.01	0.26	0.85	0.05	1.03	0.25	0.21	0.00	0.00	0.00	0.00	0.00
Year Total	0.01	0.27	1.12	1.17	2.20	2.45	2.66	2.66	2.66	2.66	2.66	2.66


Rain Totals
Fiscal Years 08 - 14
Inches
30
25
20
15
10
5
0
18.45
19.57
25.12
25.41
15.07
16.14
2.66
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
Years (fiscal year)


Rainfall Total Comparison
Fiscal Years 13 and 14
Inches
18.00
16.00
14.00
12.00
10.00
8.00
6.00
4.00
2.00
0.00
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
March
April
May
June
Month
fy 13
fy 14

Coastside County Water District



MONTHLY CLIMATOLOGICAL SUMMARY for JAN. 2014

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	53.0	68.5	1:30p	38.7	2:00a	12.3	0.3	0.00	1.1	11.0	5:30a	NE
2	56.5	67.1	1:30p	43.4	2:30a	8.6	0.1	0.00	2.5	20.0	7:00p	NE
3	53.6	65.8	11:30a	43.3	11:30p	11.4	0.0	0.00	1.0	14.0	8:00a	S
4	52.6	69.0	3:30p	42.4	12:00m	13.0	0.5	0.00	1.6	16.0	2:00p	E
5	56.6	67.3	3:30p	42.4	12:30a	8.7	0.3	0.00	3.5	23.0	10:00a	E
6	54.2	66.7	2:00p	44.5	1:00a	10.9	0.0	0.00	1.2	14.0	10:30a	E
7	50.7	59.7	11:30a	43.6	6:30a	14.3	0.0	0.00	0.3	5.0	5:30a	E
8	51.8	54.7	1:00p	46.0	12:00m	13.2	0.0	0.02	0.8	9.0	7:00p	WNW
9	51.6	57.0	1:30p	45.8	12:30a	13.4	0.0	0.04	1.4	15.0	3:30p	NNE
10	48.1	61.2	1:00p	41.1	7:00a	16.9	0.0	0.00	0.7	12.0	1:00p	S
11	48.0	54.5	12:00p	41.4	4:30a	17.0	0.0	0.05	0.6	10.0	10:30a	E
12	47.9	60.7	3:00p	40.0	6:30a	17.1	0.0	0.01	1.1	14.0	3:30p	E
13	58.1	69.2	3:30p	41.8	1:30a	7.4	0.6	0.00	4.6	30.0	9:00a	E
14	61.3	74.9	4:30p	46.4	11:30p	5.8	2.1	0.00	2.9	22.0	1:30p	NE
15	64.6	73.2	3:30p	46.8	12:30a	2.6	2.2	0.00	3.9	22.0	1:30p	E
16	67.5	75.8	3:00p	58.6	12:30a	0.4	2.9	0.00	5.5	23.0	8:30a	E
17	62.1	74.4	2:30p	49.2	12:00m	4.7	1.8	0.00	3.0	14.0	9:30a	E
18	58.0	74.6	3:30p	44.7	7:00a	8.3	1.2	0.00	1.7	13.0	12:30p	S
19	55.6	67.1	3:00p	41.6	12:00m	9.5	0.1	0.00	1.3	14.0	11:00a	E
20	46.8	59.2	3:00p	38.9	12:00m	18.2	0.0	0.00	0.5	7.0	3:00p	S
21	52.5	70.3	4:00p	36.3	7:00a	13.4	1.0	0.01	2.2	23.0	3:00p	E
22	49.9	63.3	12:30p	40.4	6:00a	15.1	0.0	0.00	0.7	9.0	1:00p	W
23	52.2	68.1	1:30p	41.9	4:00a	12.9	0.1	0.00	2.5	26.0	9:00a	E
24	50.7	66.1	1:30p	41.2	4:00a	14.3	0.0	0.01	1.0	10.0	2:00p	E
25	57.7	70.9	5:00p	44.1	12:30a	7.9	0.6	0.00	1.8	20.0	5:30a	ENE
26	51.7	65.3	2:00p	46.1	2:00a	13.3	0.0	0.00	0.6	9.0	1:00a	E
27	51.3	58.2	12:30p	44.8	2:30a	13.7	0.0	0.00	0.9	11.0	2:00p	SSE
28	56.4	64.2	3:00p	49.0	12:30a	8.6	0.0	0.02	0.7	13.0	3:00p	W
29	55.6	59.9	2:00p	52.5	8:30p	9.4	0.0	0.03	0.4	9.0	4:30p	WSW
30	52.8	56.1	2:30p	50.4	6:00a	12.2	0.0	0.02	1.9	13.0	1:00p	WNW
31	50.2	57.5	2:30p	40.4	7:30a	14.8	0.0	0.00	2.2	16.0	4:00p	NE
	54.2	75.8	16	36.3	21	349.3	13.8	0.21	1.7	30.0	13	E

Max >= 90.0: 0
Max <= 32.0: 0
Min <= 32.0: 0
Min <= 0.0: 0
Max Rain: 0.05 ON 01/11/14
Days of Rain: 6 (>.01 in) 0 (>.1 in) 0 (>1 in)
Heat Base: 65.0 Cool Base: 65.0 Method: Integration

STATION (Climatological): Half Moon Bay | (River Station, if different) | MONTH: Jan | 2014

STATE: CA | COUNTY: San Mateo | RIVER:

TIME (local) OF OBSERVATION RIVER | TEMPERATURE: 16:00 | PRECIPITATION: 16:00 | STANDARD TIME IN USE:

TYPE OF RIVER GAGE | ELEVATION OF RIVER GAGE ZERO | FLOOD STAGE | NORMAL POOL STAGE

WS FORM B-91
(03-09)

U.S. DEPARTMENT OF COMMERCE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
NATIONAL WEATHER SERVICE

RECORD OF RIVER AND CLIMATOLOGICAL OBSERVATIONS

DATE	TEMPERATURE: 24 HRS ENDING AT OBSERVATION MAX	MIN	AT OBSN	PRECIPITATION: 24 HR AMOUNTS Rain, melted snow, etc. (in and hundredths)	Snow, ice pellets, hail (ins and tenths)	AT OB Snow, ice pellets, hail ice on ground (in)	Draw a straight line (——) through hours precipitation was observed, and a wavy line (~~~~) through hours precipitation probably occurred unobserved. A.M. 1 2 3 4 5 6 7 8 9 10 11 NOON P.M. 1 2 3 4 5 6 7 8 9 10 11	WEATHER (Observation Day) Mark 'X' for all types occurring each day: Fog	Ice pellets	Glaze	Thunder	Hail	Damaging winds	Time of occurrence if different from above	RIVER STAGE: Condition	Gage reading at ___ AM	Tendency	REMARKS (SPECIAL OBSERVATIONS, ETC.)
1	61	35	59	0.00												
2	65	37	58	0.00												
3	66	42	58	0.00												
4	68	39	67	0.00												
5	67	37	66	0.00												
6	68	39	59	0.00												
7	59	41	56	0.00												
8	57	45	53	0.02												
9	57	44	55	0.03												
10	57	40	55	0.00												
11	55	40	54	0.05												
12	57	38	56	0.01												
13	68	38	67	0.00												
14	74	53	72	0.00												
15	73	42	72	0.00												
16	76	57	74	0.00												
17	74	45	66	0.00												
18	69	39	62	0.00												
19	64	37	60	0.00												
20	60	35	51	0.00												
21	70	35	69	0.00												
22	70	34	57	0.00												
23	68	39	58	0.00												
24	63	39	62	0.00												
25	64	41	62	0.00												
26	62	40	55	0.00												
27	57	45	55	0.00												
28	62	47	60	T												
29	60	55	58	0.05												
30	59	50	55	0.01												
31	56	38	54	T												
	64.1	41.5	SUM	0.17		X	CHECK BAR (for wire weight) NORMAL CHECK BAR									

CONDITION OF RIVER AT GAGE

READING	DATE

A. Obstructed by rough ice
B. Frozen, but open at gage
C. Upper surface smooth ice
D. Ice gorge above gage
E. Ice gorge below gage
F. Shore ice
G. Floating ice
H. Pool stage

Fog	Ice pel	Glaze	Thund	Hail	Dam winds

OBSERVER

SUPERVISING OFFICE: MTR San Francisco

STATION INDEX NO.: 04-3714-04

San Francisco Public Utilities Commission
Hydrological Conditions Report
For January 2014

J. Chester, C. Graham, A. Mazurkiewicz, & M. Tsang, February 6, 2014

Moccasin Reservoir was drained during the January 2014 shutdown for maintenance work

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

Table 1
Current Storage
As of February 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	
Tuolumne System							
Hetch Hetchy[1]	190,516		340,830		150,314		55.9%
Cherry[2]	203,537		268,810		65,273		75.7%
Lake Eleanor[3]	8,088		21,495		13,407		37.6%
Water Bank	497,277		570,000		72,723		87.2%
Tuolumne Storage	899,418		1,201,135		301,717		74.9%
Local Bay Area Storage							
Calaveras[4]	15,302	4,986	96,824	31,550	81,521	26,564	15.8%
San Antonio	35,930	11,708	50,496	16,454	14,566	4,746	71.2%
Crystal Springs	47,718	15,549	58,377	19,022	10,659	3,473	81.7%
San Andreas	13,506	4,401	18,996	6,190	5,491	1,789	71.1%
Pilarcitos	1,884	614	2,995	976	1,111	362	62.9%
Total Local Storage	114,340	37,258	227,688	74,192	113,348	36,934	50.2%
Total System	1,013,758		1,428,823		415,065		71.0%

[1] Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.
[2] Maximum Cherry Reservoir storage with all flash-boards out.
[3] Maximum Lake Eleanor storage with all flash-boards out.
[4] Available capacity does not take into account current DSOD storage restrictions.

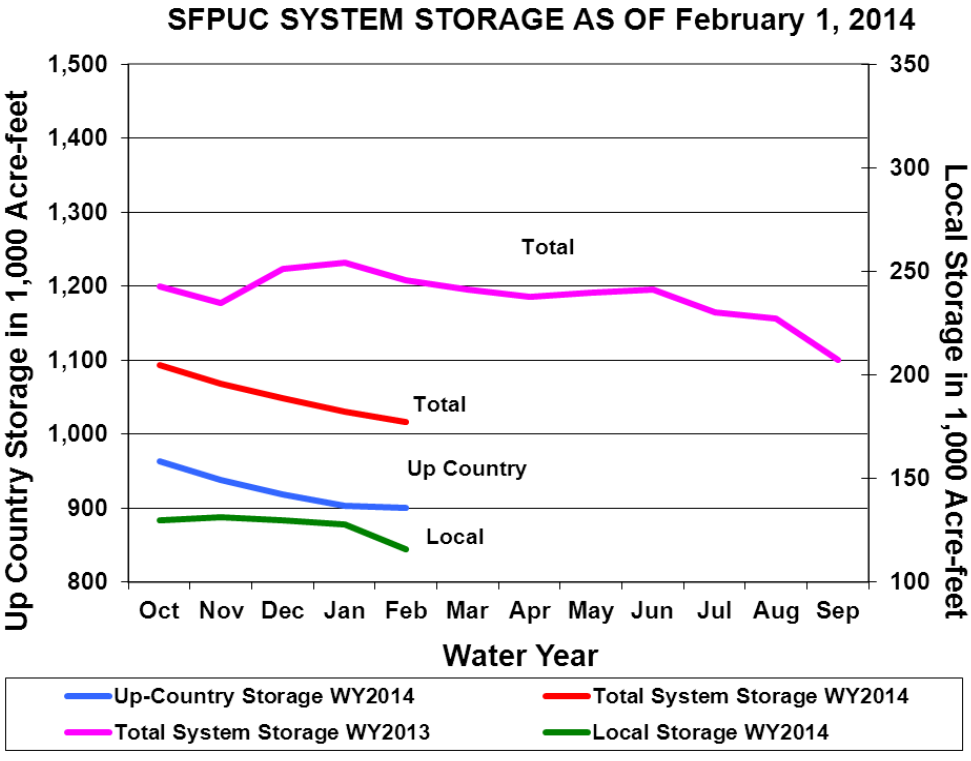


Figure 1: Monthly system storage for WY 2014

Hetch Hetchy System Precipitation Index [5/]

Current Month: The January six-station precipitation index is 1.75 inch, or 27.0% of the average index for the month.

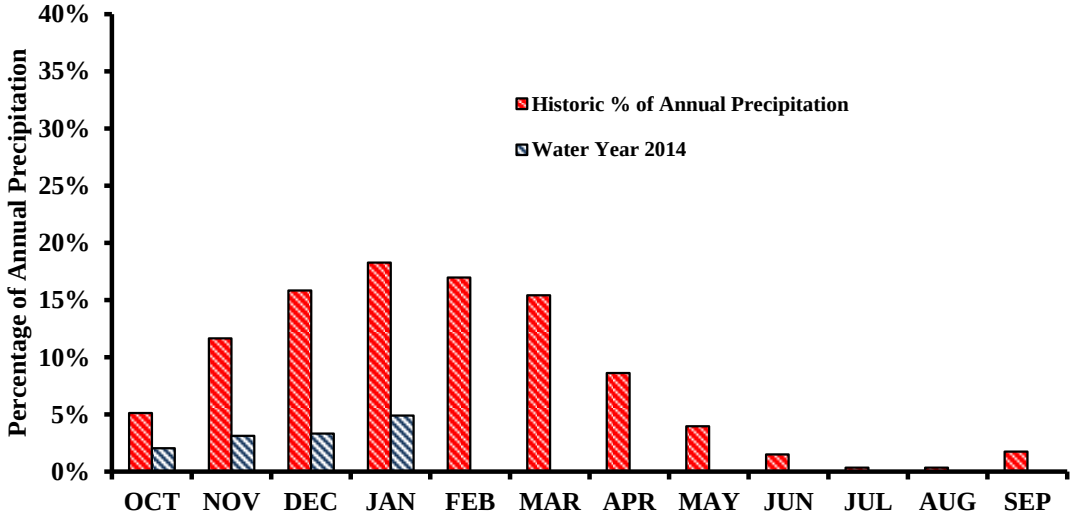


Figure 2: Monthly distribution of the Hetch Hetchy Six-station precipitation index as percent of the annual average precipitation.

Cumulative Precipitation to Date: The accumulated six-station precipitation index for water year 2014 is 4.74 inches, which is 13.31% of the average annual water year total, or 26.4% of the average annual-to-date. Hetch Hetchy received 1.88 inches precipitation in January, for a water year total of 5.26 inches. The cumulative Hetch Hetchy precipitation is shown in Figure 3 in red.

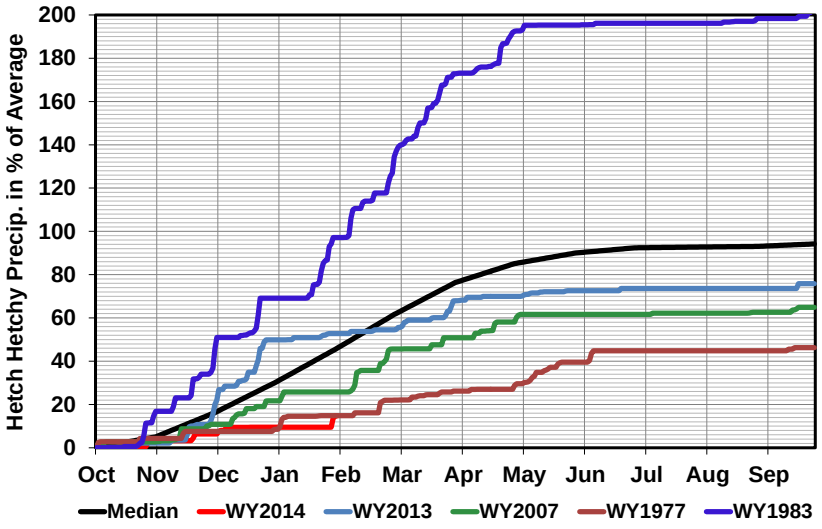


Figure 3. Water year 2014 cumulative precipitation measured at Hetch Hetchy Reservoir through January 31st, 2014. Precipitation at the Hetch Hetchy gauge for wet, dry, median, and WY 2013 are included for comparison purposes.

[5/]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 31st is summarized below in Table 2.

Table 2
Unimpaired Inflow
Acre-Feet

	January 2014				October 1, 2013 through January 31, 2014			
	Observed Flow	Median[6]	Average[6]	Percent of Average	Observed Flow	Median[6]	Average[6]	Percent of Average
Inflow to Hetch Hetchy Reservoir	2,832	15,724	23,380	12.1%	7,145	49,569	63,737	11.2%
Inflow to Cherry Reservoir and Lake Eleanor	1,238	16,102	24,781	5.0%	3,117	52,114	69,042	4.5%
Tuolumne River at La Grange	4,635	77,018	122,248	3.8%	21,626	189,145	271,057	8.0%
Water Available to the City	0	7,511	51,947	0.0%	0	22,725	103,486	0.0%

[6] Hydrologic Record: 1919 – 2010

Hetch Hetchy System Operations

Draft and releases from Hetch Hetchy Reservoir in January totaled 10,260 acre-feet to meet SJPL deliveries and instream release requirements. Between January 7th and 16th, the Hetch Hetchy water conveyance system was shut down for the scheduled maintenance, which reduced the overall volume drafted from the reservoir.

16,421 acre-feet of power draft was made at Cherry Reservoir. No water was transferred from Lake Eleanor to Cherry Reservoir in January.

During January the water year instream release schedule was Type C (dry conditions). This is based upon accumulated precipitation and runoff in water year 2014 starting October 1st, 2013. The January requirement from Hetch Hetchy reservoir was 35 cfs. Required releases at Cherry Reservoir and Lake Eleanor were both at 5 cfs. As of February 1st, 2014, the water year type continues to be "C" (dry conditions).

Local System Treatment Plant Production

Treatment plant production rates increased in January in response to the 10-day Hetch Hetchy shutdown. The Sunol Valley Water Treatment Plant average rate for the month of January was 60 MGD (San Antonio Reservoir source water). The Harry Tracy Water Treatment Plant average production rate was 89 MGD for the month. Additional water was received through the Santa Clara Valley-SFPUC intertie.

Local System Water Delivery

The January delivery rate was 192 MGD which is a 10% increase over the December rate of 174 MGD. Dry and seasonably mild temperatures were a contributing factor to the above average deliveries observed for January.

Local Precipitation

Mild and dry characterized the winter month of January 2014, measurable precipitation was well below normal at each of the three local rain gauges. The January rainfall summary is presented in Table 3.

Table 3
Precipitation Totals at Three Local Area Reservoirs for January 2014

Reservoir	Month Total (inches)	Percentage of Normal for the Month	Water Year to Date [7] (inches)	Percentage of Normal for the Year-to-Date [7]
Pilarcitos	0.15	2 %	2.56	11 %
Lower Crystal Springs	0.07	1 %	2.08	14 %
Calaveras	0.21	5 %	1.96	17 %

[7] WY 2014: Oct. 2013 through Sep. 2014.

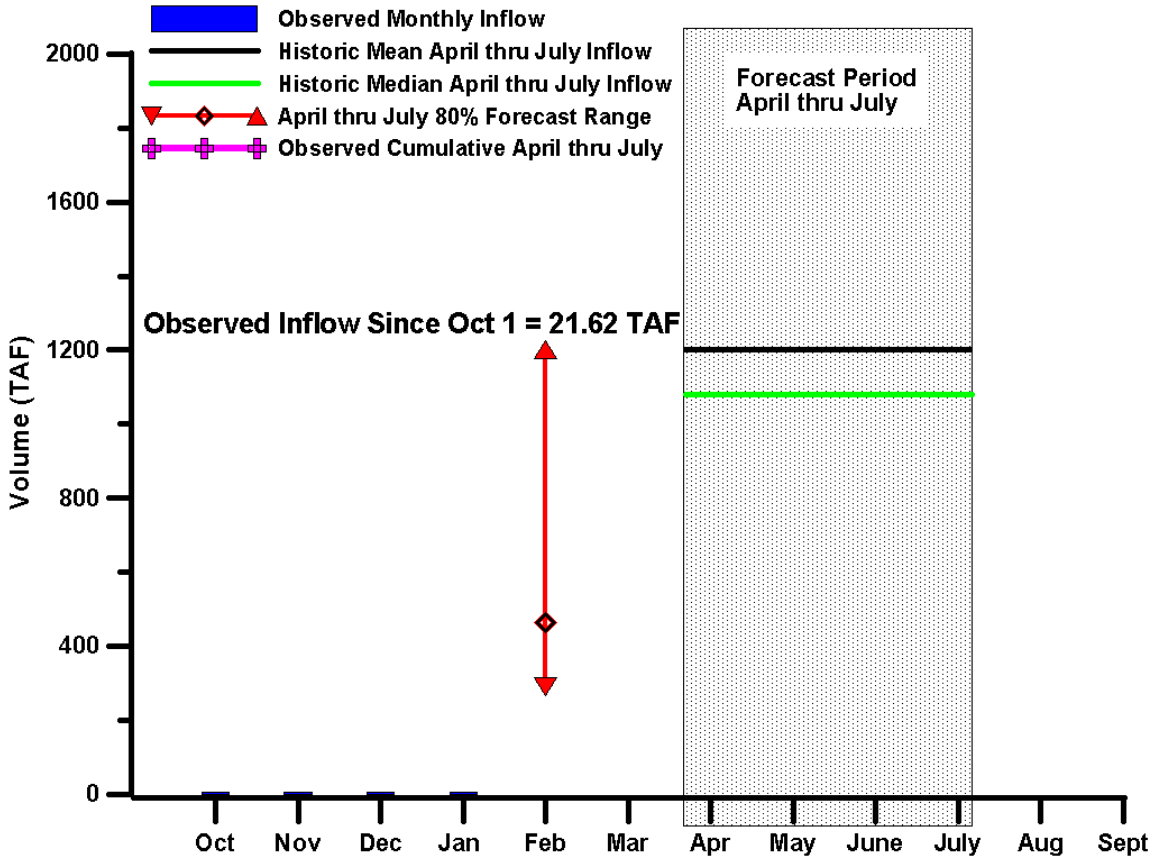


Figure 4: Water Year conditions for the Tuolumne River at La Grange and for the 80% water supply forecast range (triangles represent the 90% and 10% forecasts, the open diamond represents the median forecast).

Snowmelt and Water Supply

Dry conditions continued to prevail in California during the month of January. While nearly 2 inches of precipitation was reported at Hetch Hetchy during a storm the last week of January, the previous storm event occurred December 8 and 9th 2013. Snow survey measurements indicate that the snowpack in the Tuolumne River basin is near 9% of normal February 1st conditions.

The current short term weather forecast indicates precipitation events during the first 2 weeks of February, with precipitation amounts expected between 2 and 4 inches. February through May precipitation in the historical record accounts for approximately one half of the annual total, so there is ample opportunity for storm events to occur. The NWS Climate Prediction Center long term forecast for the next 3-months indicates a chance of below normal

precipitation conditions, though the 2 week forecast is for above normal precipitation.

The Tuolumne Basin Water Supply Forecast model was executed using the measured snow course, precipitation, and runoff data. The forecast indicates that the median amount of runoff that may occur this year is 43% of the long-term median (Figure 4). The median forecast for the April-through-July runoff period is about 465 TAF, compared to the long-term median runoff for the April-through-July period of 1,080 TAF. For natural flow at La Grange, there is an 80 percent chance that the April-to-July natural runoff will be between 290 TAF and 1200 TAF. Due to the below normal runoff conditions, no water has been available to the City this water year (Figure 5).

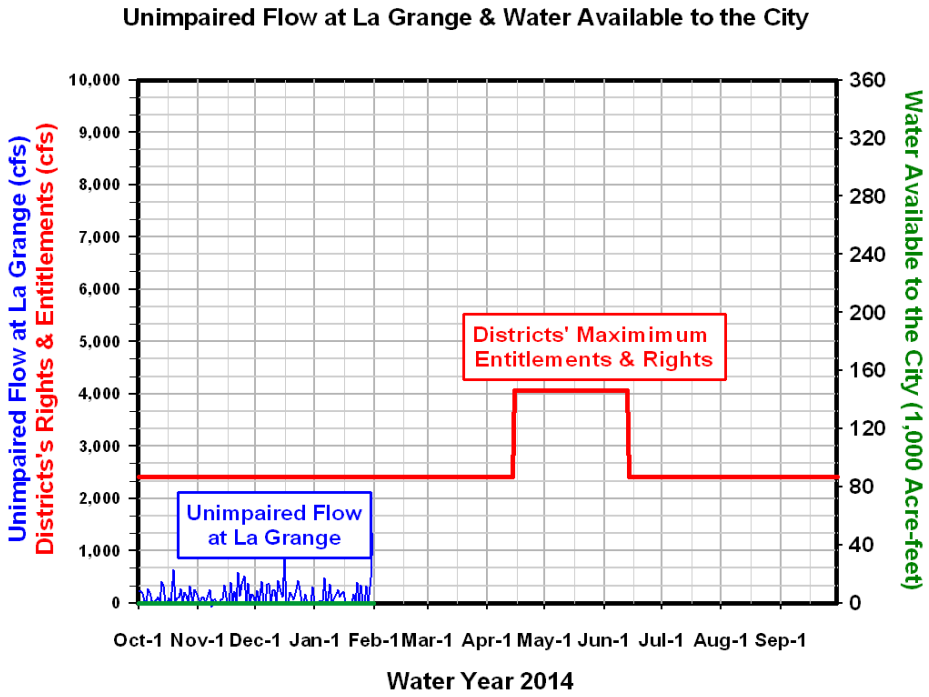


Figure 5: Calculated unimpaired flow at La Grange and the allocation of flows between the Districts and the City. 0 acre-feet of water has become available to the City during water year 2014 to date.

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
	Dhakal, Amod	Kelly, Harlan	Patterson, Mike	
	Dufour, Alexis	Jensen, Art	Nelson, Chris	

STAFF REPORT

To:	**Coastside County Water District Board of Directors**
From:	**Cathleen Brennan, Water Resources Analyst via David R. Dickson, General Manager**
Agenda:	**February 11, 2014**
Report Date:	**February 7, 2014**
Subject:	**Voluntary Ten Percent Reduction in Water Consumption**

Recommendation

Under the current Water Shortage Advisory, authorize the request for a voluntary ten percent reduction in water consumption by all District customers. The public message would be the following:

"Due to two consecutive years of less than normal precipitation, we are asking all customers to voluntarily conserve water with a goal of achieving a ten percent reduction in water consumption. A successful voluntary water conservation campaign is the best way to avoid or delay mandatory water restrictions should the dry weather conditions continue through 2014."

Background

At the October 8, 2013 Board meeting, the Board authorized the implementation of Stage 1 – Water Shortage Advisory – of the District's Water Shortage Contingency Plan. Staff recommended the implementation of the Water Shortage Contingency Plan due to two consecutive dry years and the need to develop drought rates and devote resources to water shortage contingency planning.

Voluntary Reduction in Water Consumption

The dry weather conditions have persisted through January 2014, resulting in a third consecutive dry water year and prompting Governor Brown to sign a proclamation declaring a Drought State of Emergency for California (Attachment A). The Governor's proclamation calls on all Californians to reduce their water consumption by twenty percent and requests local urban water suppliers to implement their water shortage contingency plans immediately.

On January 31st, the San Francisco Public Utilities Commission (SFPUC) asked customers (Attachment B) of the Hetch Hetchy Regional Water System to voluntarily curtail water consumption by at least ten percent. The Bay Area Water Supply and Conservation Agency (BAWSCA) supports the SFPUC's goal to reduce system-wide water consumption by ten percent. The SFPUC's goal of a ten percent system- wide reduction in water consumption has factored in reduced water consumption by the Regional Water System in recent years

attributed to increased water use efficiency efforts by the SFPUC and BAWSCA member agencies and the recent recession which impacted water demand.

The District will need to implement an outreach campaign to meet the voluntary ten percent curtailment in water consumption. The outreach campaign will emphasize the following:

- Replace existing toilets with high efficiency WaterSense® labeled toilets.
- Replace inefficient clothes washers with high efficiency models.
- Turn off irrigation controllers for the winter.
    - Manually water plants, as necessary, by checking soil moisture and plant conditions.
    - Add mulch to landscaping to help keep moisture in the soil.
- Check for leaks.
    - Fix dripping faucets.
    - Fix leaking toilet valves and leaking toilet flappers.
    - Fix leaking irrigation valves and replace broken sprinkler heads and emitters.

Current residential per capita use is approximately sixty-seven gallons per day (67gpd), so the District's goal would be to get the residential per capita down to sixty gallons per day (60gpd). Below is a table that distributes water in gallons per day by end use that would meet the goal.

Example of Daily per Capita Water Consumption Indoors

End Use	Multiplier	Efficiency	Gallons per Day
Toilet	6 Flushes	1.28 gpf	8
Shower	10 minutes	2.0 gpm	20
Clothes Washer	3 loads per week/7 days	14 gallons per load	6
Kitchen Sink	6 minutes	2.2 gpm	13
Dishwasher	2 loads per week/7days	6.5 gallons per load	2
Bathroom Sink	4 minutes	1.5 gpm	6
Other End Uses			5
Total			60

Fiscal Impacts

Increased spending on public outreach estimated to be approximately $5,000 this fiscal year.

ATTACHMENT A

A PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS the State of California is experiencing record dry conditions, with 2014 projected to become the driest year on record; and

WHEREAS the state's water supplies have dipped to alarming levels, indicated by: snowpack in California's mountains is approximately 20 percent of the normal average for this date; California's largest water reservoirs have very low water levels for this time of year; California's major river systems, including the Sacramento and San Joaquin rivers, have significantly reduced surface water flows; and groundwater levels throughout the state have dropped significantly; and

WHEREAS dry conditions and lack of precipitation present urgent problems: drinking water supplies are at risk in many California communities; fewer crops can be cultivated and farmers' long-term investments are put at risk; low-income communities heavily dependent on agricultural employment will suffer heightened unemployment and economic hardship; animals and plants that rely on California's rivers, including many species in danger of extinction, will be threatened; and the risk of wildfires across the state is greatly increased; and

WHEREAS extremely dry conditions have persisted since 2012 and may continue beyond this year and more regularly into the future, based on scientific projections regarding the impact of climate change on California's snowpack; and

WHEREAS the magnitude of the severe drought conditions presents threats beyond the control of the services, personnel, equipment and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the California Government Code, I find that conditions of extreme peril to the safety of persons and property exist in California due to water shortage and drought conditions with which local authority is unable to cope.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the state Constitution and statutes, including the California Emergency Services Act, and in particular, section 8625 of the California

Government Code **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist in the State of California due to current drought conditions.

IT IS HEREBY ORDERED THAT:

1.State agencies, led by the Department of Water Resources, will execute a statewide water conservation campaign to make all Californians aware of the drought and encourage personal actions to reduce water usage. This campaign will be built on the existing Save Our Water campaign (www.saveourh20.org) and will coordinate with local water agencies. This campaign will call on Californians to reduce their water usage by 20 percent.

2.Local urban water suppliers and municipalities are called upon to implement their local water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season. Local water agencies should also update their legally required urban and agricultural water management plans, which help plan for extended drought conditions. The Department of Water Resources will make the status of these updates publicly available.

3.State agencies, led by the Department of General Services, will immediately implement water use reduction plans for all state facilities. These plans will include immediate water conservation actions, and a moratorium will be placed on new, non-essential landscaping projects at state facilities and on state highways and roads.

4.The Department of Water Resources and the State Water Resources Control Board (Water Board) will expedite the processing of water transfers, as called for in Executive Order B-21-13. Voluntary water transfers from one water right holder to another enables water to flow where it is needed most.

5.The Water Board will immediately consider petitions requesting consolidation of the places of use of the State Water Project and Federal Central Valley Project, which would streamline water transfers and exchanges between water users within the areas of these two major water projects.

6.The Department of Water Resources and the Water Board will accelerate funding for water supply enhancement projects that can break ground this year and will explore if any existing unspent funds can be repurposed to enable near-term water conservation projects.

7.The Water Board will put water right holders throughout the state on notice that they may be directed to cease or reduce water diversions based on water shortages.

8.The Water Board will consider modifying requirements for reservoir releases or diversion limitations, where existing requirements were established to implement a water quality control plan. These changes would enable water to be conserved upstream later in the year to protect cold water pools for salmon and steelhead, maintain water supply, and improve water quality.

9.The Department of Water Resources and the Water Board will take actions necessary to make water immediately available, and, for purposes of carrying out directives 5 and 8, Water Code section 13247 and Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are suspended on the basis that strict compliance with them will prevent, hinder, or delay the mitigation of the effects of the emergency. Department of Water Resources and the Water Board shall maintain on their websites a list of the activities or approvals for which these provisions are suspended.

10. The state's Drinking Water Program will work with local agencies to identify communities that may run out of drinking water, and will provide technical and financial assistance to help these communities address drinking water shortages. It will also identify emergency interconnections that exist among the state's public water systems that can help these threatened communities.

11.The Department of Water Resources will evaluate changing groundwater levels, land subsidence, and agricultural land fallowing as the drought persists and will provide a public update by April 30 that identifies groundwater basins with water shortages and details gaps in groundwater monitoring.

12.The Department of Water Resources will work with counties to help ensure that well drillers submit required groundwater well logs for newly constructed and deepened wells in a timely manner and the Office of Emergency Services will work with local authorities to enable early notice of areas experiencing problems with residential groundwater sources.

13.The California Department of Food and Agriculture will launch a one-stop website (www.cdfa.ca.gov/drought) that provides timely updates on the drought and connects farmers to state and federal programs that they can access during the drought.

14.The Department of Fish and Wildlife will evaluate and manage the changing impacts of drought on threatened and endangered species and species of special concern, and develop contingency plans for state Wildlife Areas and Ecological Reserves to manage reduced water resources in the public interest.

15. The Department of Fish and Wildlife will work with the Fish and Game Commission, using the best available science, to determine whether restricting fishing in certain areas will become necessary and prudent as drought conditions persist.

16.The Department of Water Resources will take necessary actions to protect water quality and water supply in the Delta, including installation of temporary barriers or temporary water supply connections as needed, and will coordinate with the Department of Fish and Wildlife to minimize impacts to affected aquatic species.

17.The Department of Water Resources will refine its seasonal climate forecasting and drought prediction by advancing new methodologies piloted in 2013.

18.The California Department of Forestry and Fire Protection will hire additional seasonal firefighters to suppress wildfires and take other needed actions to protect public safety during this time of elevated fire risk.

19.The state's Drought Task Force will immediately develop a plan that can be executed as needed to provide emergency food supplies, financial assistance, and unemployment services in communities that suffer high levels of unemployment from the drought.

20.The Drought Task Force will monitor drought impacts on a daily basis and will advise me of subsequent actions that should be taken if drought conditions worsen.

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of January, 2014.

EDMUND G. BROWN JR.,
Governor of California

ATTEST:

_____

DEBRA BOWEN,
Secretary of State

ATTACHMENT B

San Francisco Water Power Sewer
Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 12th Floor
San Francisco, CA 94102
T 415.554.3289
F 415.554.3161
TTY 415.554.3488

NEWS Release (Release No. 3-14)

Contact: Tyrone Jue
415-554-3247; 415-290-0163(cell)

FOR IMMEDIATE RELEASE
Friday, January 31, 2014

San Francisco Public Utilities Commission Formally Requests Customers Voluntarily Curtail Water Use

Goal is to Reduce System-Wide Usage by 10%

San Francisco, CA – Today, the San Francisco Public Utilities Commission (SFPUC) officially asked customers of the Hetch Hetchy Regional Water System to voluntarily curtail water consumption by at least 10%. With drought-like conditions being the worst in recorded California history, voluntary water conservation is the first step in stretching available water supplies. While the request is voluntary, it takes effect immediately and will apply to all residential, commercial, industrial, municipal and wholesale customers that receive water from the Hetch Hetchy Regional Water System.

"Over the past ten years we have strengthened our water system, upgraded critical facilities and diversified supplies in order to prepare for this very moment," said San Francisco Mayor Ed Lee. "Our users have been extremely prudent in their water use. Still, given the severity of the drought this year, we need every Hetch Hetchy customer to do a little more to conserve water."

Within the next two weeks, Mayor Lee will also be issuing an executive order to San Francisco city departments outlining strategies and requirements to further curtail municipal water use. Since the last request for 10% voluntary rationing in 2007, San Francisco city departments have successfully reduced consumption by 22% overall.

Precipitation in regional system watersheds to date is only 25% of normal, the worse that it's been in recorded history.

Drought or not, customers are always asked to conserve water. The SFPUC, in concert with the Bay Area Water Supply and Conservation Agency (BAWSCA), which represents the 26 wholesale customers of the Hetch Hetchy Regional Water System, will be working to develop a regional public education campaign to heighten awareness and encourage water conservation. To date, existing water conservation efforts throughout the system have been very successful in reducing water consumption despite a growing Bay Area population.

"BAWSCA supports the SFPUC's call for a voluntary 10% reduction. With long-range forecasts offering little respite from the dry weather, voluntary conservation efforts are the best way to reduce the likelihood of mandatory cutbacks and other water restrictions," said Nicole Sandkulla, Chief Executive Officer of BAWSCA. "Building upon our award-winning water conservation program, BAWSCA and the wholesale customers are committed to doing their part to respond to the SFPUC's request."

Voluntary conservation does have the potential for unintended financial consequences. A 10% reduction in water usage will translate into a 10% decline in water revenue. Additionally, since sewer rates are directly tied to water usage, sewer revenue will also decline. Finally, with less water, the Hetch Hetchy hydroelectric powerhouses will produce and sell less power. At this time, the SFPUC is not planning to adjust current or future rates because of the drought. Rather, the SFPUC will implement fiscal austerity measures, much like what it did during the last dry spell.

San Francisco is already very water wise. Residents on average use 49 gallons per day, one of the lowest daily residential consumption figures in the state.

“Water supports life and our economy. Whether you are a homeowner, renter, business or government agency, every person needs to do their part to conserve today,” said Harlan Kelly, Jr., General Manager of the San Francisco Public Utilities Commission. “Every water drop saved today is truly a drop saved for the future. And there simply won’t be a future without water.”

Below are some water-saving tips that can be easily implemented today:

1. Turn off the faucet when you are brushing your teeth or doing the dishes - saves 2 gallons per minute.

2. Take shorter showers with high-efficiency showerheads. Each minute you cut saves 2.5 gallons.

3. Operate washers with full loads even if machines have varied settings.

4. Use a broom to clean sidewalks and pavement instead of a hose.

5. Reduce watering by planting species appropriate for the climate.

6. Water during the cool part of the day. Reduce evaporation by watering lawns and plants only at night or early morning before dawn.

7. Detect leaks. Do you hear the toilet running or your faucet dripping? Contact us or your local water agency for information on locating your water meter and detecting plumbing leaks using meter readings. Conduct a dye-test in toilet tanks to identify silent leaks.

8. Install aerators on bathroom/kitchen sinks to reduce water use by 4%.

9. Replace your old toilet, the largest water user inside your home. New high-efficiency toilet models flush at 1.3 gallons or less compared to older models, which use up to 7 gallons per flush. Bay Area water agencies offer rebates for the purchase of select high-efficiency toilets.

10. Replace your clothes washer, the second largest water user in your home. High-efficiency clothes washers can reduce water and energy use by 40%. Bay Area water agencies offer cash rebates.

All San Francisco residents can receive free, water-efficient kitchen sink aerators and showerheads just by walking into 525 Golden Gate Avenue with proof of address, Monday through Friday, 8:00 a.m. – 5:00 p.m. It’s that easy.

For water supply updates and additional specific information about water conservation rebates offered by the SFPUC and BAWSCA, please visit www.sfwater.org/supplyupdate and www.BAWSCA.org.

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STAFF REPORT

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

From: **David Dickson, General Manager**

Agenda: **February 11, 2014**

Report Date: February 5, 2014

Subject: **Contract with HF&H Consultants, LLC for Drought Water Rate Structure Study**

Recommendation:
Authorize the General Manager to execute a contract with HF&H Consultants for a Drought Water Rate Structure Study, for a time-and-materials cost not to exceed $35,000.

Background:
In the event that the San Francisco Public Utilities Commission (SFPUC) declares a water shortage emergency and reduces the water supply available to the District and other wholesale customers, the District will impose the mandatory rationing allocations outlined in our Water Shortage Contingency Plan. At the same time, we will need to implement modified residential and commercial rates that meet the following criteria:

- Ensure that the District receives sufficient revenue at each stage of mandatory rationing to compensate for reductions in water sales and to pay additional costs associated with administration of the water shortage program.
- Minimize revenue volatility due to changes in water demand.
- Provide incentives for customers to keep demand within their allocations.
- Fairly assign excess use charges imposed by SFPUC to customers responsible for the excess use.
- Comply with the legal requirements of Proposition 218.
- Have sufficient flexibility to adjust to changes in the timing and extent of supply cutbacks imposed by SFPUC without having to repeat the Proposition 218 process with each change.

Staff interviewed and solicited drought rate study proposals from two consultants, Bartle Wells Associates and Hilton Farnkopf & Hobson (HF&H) Consultants, LLC. Both firms are highly qualified and submitted responsive proposals. Staff recommends that the contract be awarded to HF&H based on their rate expertise and experience with SFPUC and the Bay Area Water Supply and Conservation Agency.

Attachments A and B present HF&H's proposal dated February 4, 2014 and their Statement of Qualifications. John Farnkopf and Sima Mostafaei of HF&H will attend the Board meeting to introduce their firm and answer any questions the Board may have regarding the proposed work.

Fiscal Impact:
Cost of $35,000. Funding for drought preparation is included in the Capital Improvement Program.

HILTON FARNKOPF & HOBSON

HF&H CONSULTANTS, LLC
Managing Tomorrow's Resources Today

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Robert D. Hilton, CMC
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Marva M. Sheehan, CPA

February 4, 2014

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

Subject: **Proposal: Drought Water Rate Structure Study**

Dear Mr. Dickson:

I am pleased to submit our proposal to assist the District in developing alternative water rates for implementation during droughts. This proposal describes our project understanding, scope of services, qualifications, staffing, and estimated cost. Attachments provide additional information about the firm and our billing rates.

PROJECT UNDERSTANDING

The District serves about 6,300 single and multi family residential[1], 950 non-residential, and 54 dedicated irrigation customers. The District has local water supplies but relies on the SFPUC for about 70% of its supplies. Because of its heavy reliance on the SFPUC for its water supply, the District's water supply reliability is largely dependent on Sierra hydrologic conditions. With last year's low precipitation, the District has declared a Stage I shortage (Water Shortage Advisory). The District is concerned that another dry winter could trigger the need for declaring higher shortage stages effective in mid-2014. If this were to occur, the District wants to have a drought rate structure ready for implementation.

The District's current rates comprise fixed base charges that are independent of water use and volumetric charges that vary with bi-monthly water use. The residential variable charges comprise four increasing blocks (ranging from 100 gallons per day to over 511 gallons per day) and the non-residential variable charges are uniform. These

1 Elsewhere in this proposal, we consider "residential" to include single family customers only, with multi family residential treated as non-residential customers for purposes of deriving drought rates.

rates are compatible with normal year water supplies but not during shortage reductions.

During the next drought, the District anticipates that it will implement drought rates that include shortage allocations for its customers. In doing so, the District wants to achieve the following objectives:

- The drought rates should recover the District's costs (which will increase to fund its conservation activities) from diminished water sales.
- The drought rates should comply with Proposition 218 so that adjustments conforming to shortage stages can be predetermined and adopted for subsequent implementation without the need for mailing notices to rate payers and holding protest hearings every time the shortage stage changes.
- The drought rates should be capable of passing through any excess use charges adopted by the SFPUC.
- The shortage allocations should also be consistent with the Tier 2 Plan for allocating the SFPUC's available supply among the wholesale customers.
- The shortage allocations should be consistent with the *Water Shortage Contingency Plan* in the District's *Urban Water Management Plan*.

The purpose of this proposal is to describe the assistance HF&H can provide the District in developing a drought water rate structure.

SCOPE OF SERVICES

We propose to develop residential drought rates that will utilize water budgets for each residential account based on essential indoor and outdoor needs. Inside residential water needs will be based on per capita allocations applied to occupancy data the District has on its residential accounts. Irrigation needs that reflect irrigated area, evapotranspiration, and plant coefficients are potential factors for consideration when developing outdoor residential water needs.

Non-residential drought rates will be based on pre-drought historical water use, which is similar to the method used during the 1987-92 drought.

The following tasks will be performed to develop these drought rates.

Task 1. Background Orientation

We will meet with key District staff to initiate the project. We will confirm the specifications for the drought rate structure. For the residential drought rates, key specifications include daily per capita allocations[2] for inside water needs. Allocations for outside residential water needs (if this is to be provided for at least in Stages 1, 2 and possibly 3) will need to be discussed because they are not explicitly provided for in the District's *Water Shortage Contingency Plan*. Characteristics such as irrigated area, evapotranspiration, and plant coefficients are typically considered in determining irrigation water budgets. Irrigated area can be estimated based on lot size data imported from the tax rolls. We can discuss the resources required to add lot sizes from the tax rolls to the District's customer billing data.

For non-residential drought rates, the use of a pre-drought base year was used in the 1987-92 drought and is specified in the District's *Water Shortage Contingency Plan* along with the level of reduction[3].

We will also collect background documents for review and referencing during the project and determine the need for additional data.

By the end of the Kickoff meeting, we will have sufficient direction and familiarity with the District's objectives and capabilities to mock-up conceptual drought rates. We will present examples from other agencies to demonstrate key features. We will meet with the District staff to review these conceptual designs in preparation for Tasks 2 and 3, which will quantify the preferred alternatives.

Task 2. Develop Shortage Allocations

Shortage allocations are a critical element of drought rates because they assist water users in managing their water use and serve as the basis for calculating water bills. For the residential drought rates, allocations will be calculated for each of the five stages of action using Table 6's GPCD[4] values. These values will be applied to the number of

[2] Table 6, *Water Shortage Contingency Plan*.
[3] Table 8, *Water Shortage Contingency Plan*.
[4] Possibly modified to account for recent and projected trends, as determined in Task 1.

occupants at each account based on the District's available occupancy data.[5] Irrigation budgets will be determined for each billing period and added to the inside budget for occupants.[6]

Shortage allocations for non-residential customers will follow the *Water Shortage Contingency Plan's* proviso that allocations will be based on percentage reductions (per Table 8) from a chosen base year. Using historical use as the basis for calculating allocations is not ideal but can be workable. We have experience with the Los Angeles Department of Water and Power and Marin Municipal Water District, which have use prior use for determining non-residential budgets since the 1987-92 drought. The percentage reductions can vary depending on whether the non-residential class is comparatively "dry" or "wet" (i.e., significant irrigation is required to sustain the business enterprise).

Task 3. Develop Drought Rate Structure

Drought rates will be calculated based on the specifications developed in Task 1 and allocations derived in Task 2. Presumably the structures will be tiered and may be different for residential and non-residential customers. The number of tiers and locations of breakpoints will correlate with the shortage allocations. For example, the rate for water use within the allocation should be less than the rate for water use in excess of the allocation. The rate differentials between tiers can be designed to correspond to the excess water use charges that the SFPUC implements, as well as any additional increment needed by the District to maintain revenue neutrality or to recoup extraordinary expenses.

The design will clearly indicate that there is a reasonable relationship between the rates for each class and the cost of service for each class to avoid any potential challenge under Proposition 218 that the rates are not proportional.[7] The District's most recent 2011 Financial Plan will serve as the basis for the revenue requirements and cost of service by customer class for calculating rates. As part of the rate calculations, conservative estimates of water savings will be confirmed with District staff to ensure that the rates are set to recover the revenue lost from saved water.

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[5] The existing occupancy data will require updating but can be used for present purposes and updated at such time as the drought rates are implemented.
[6] By Stage 4, irrigation is only allowed for approved trees and edible crops.
[7] Specifically Article XIII, Section 6(b)3 of the California Constitution.

The preliminary drought rate structure will be presented to the Board in a workshop setting for information purposes and to solicit input. With this input, we will make appropriate revisions for documentation in Task 4.

Task 4. Prepare Report

We will document our findings in a brief report that summarizes the methodology, analysis, and results. We will prepare a draft report, review it with the District, and prepare a final draft for final review before producing the final report. The report will be suitable for public review as well as for future reference by District staff for implementation.

Task 5. Implementation

We have included time to work with the District's legal counsel in preparing the Proposition 218 notice to rate payers and ordinance. We expect that the notice and ordinance will contain one set of allocations and drought rates for each of the five stages. In this way, the District can set rates between stages without the need to mail notices or conduct protest hearings each time. A small allowance is also included for managing the project so that it is completed on time and within budget.

STAFF EXPERIENCE AND QUALIFICATIONS

The project will be staffed by me with assistance from Sima Mostafaei. Our résumés are included in the attached Statement of Qualifications. Sima and I have worked for a number of years on North Coast County Water District's rates, which included pilot studies for water budget rates. We have also recently completed a rate review for Marin Municipal Water District, which included an evaluation of water budget rates for the residential and non-residential customers. She has also assisted me with our work for the Los Angeles Department of Water and power, which uses water budget rates for its residential and non-residential customers. Sima also assisted in modeling the DRIP allocations for BAWSCA.

You may also know of me from my consulting work for BAWSCA, which dates back to 1978. During the 1987-92 drought, I assisted BAWSCA (then BAWUA) in its negotiations over the inside/outside formula and excess water use charges. I prepared

the Interim Water Shortage Allocation Plan, which has been succeeded by the Tier 1 and Tier 2 Plans, the modeling for which was prepared by Sima and me.

References

Please contact the following references for further information about the work Sima and I have performed for them.

- Cari Lemke, General Manager, North Coast County Water District, clemke@nccwd.com.
- Krishna Kumar, General Manager, Marin Municipal Water District, kkumar@marinwater.org.
- George Chen, Rates Manager, LADWP, ZhengGeorge.Chen@ladwp.com.
- Nicole Sandkulla, Chief Executive Officer, BAWSCA, NSandkulla@bawsca.org.

Additional references can be provided for the clients listed in the Statement of Qualifications.

PROJECT BUDGET

Table 1 summarizes our estimated project budget. The estimated budget reflects certain key assumptions. It assumes that the District has occupancy data for its residential customers that is embedded in its customer billing data, and that this data can be used for purposes of analysis. In the event that the drought rates are implemented, District staff will update this data. We have also assumed that lot size data from the County tax rolls, if needed, would be added to the customer billing data by District staff if it is needed for calculating outside allocations for residential customers.

The District would only be billed for the services rendered; hence, any services that are reduced or handled by District staff will reduce the cost. Conversely, any additional effort requested by the District that is not included in this estimate could result in additional cost. We will request authorization from the District prior to proceeding with out-of-scope work.

Table 1. Estimated Project Budget

Tasks	Estimated Hours and Fees Farnkopf Project Manager	 Mostafaei Financial Analyst	 Total
Hourly rates	*$220*	*$165*	
Task 1. Background Orientation			
1.1 Kickoff meeting	6	6	12
1.2 Review documents	2	6	8
1.3 Discuss Potential Rate Alternatives	6	6	12
Task 1 hours	14	18	32
Task 1 fees	**$3,080**	**$2,970**	**$6,050**
Task 2. Develop Shortage Allocations			
2.1 Develop residential shortage allocations	8	16	24
2.2 Develop non-residential shortage allocations	8	12	20
2.3 Conference call to discuss preliminary results	2	2	4
2.4 Revise shortage allocations	1	4	5
Task 2 hours	19	34	53
Task 2 fees	**$4,180**	**$5,610**	**$9,790**
Task 3. Develop Drought Rate Structure			
3.1 Develop residential rate structure	8	12	20
3.2 Develop non-residential rate structure	6	10	16
3.3 Conference call to discuss preliminary results	2	2	4
3.4 Prepare and Attend Board Workshop	8	8	16
3.5 Revise rate structures	2	8	10
Task 3 hours	26	40	46
Task 3 fees	**$5,720**	**$6,600**	**$12,320**
Task 4. Document Drought Rate Structure			
4.1 Prepare draft report	4	8	12
4.2 Conference call to review draft report	1	1	2
4.3 Prepare final report	4	4	8
4.4 Conference call to review final report	1	1	2
4.5 Submit revised final report	2	1	3
Task 4 hours	12	15	27
Task 4 fees	**$2,640**	**$2,475**	**$5,115**
Task 5. Implementation			
5.1 Assist in preparing notice and ordinance	4	2	6
5.2 Project management	2	1	3
Task 5 hours	6	3	9
Task 5 fees	**$1,320**	**$495**	**$1,815**
Total Hours	77	110	167
Total Fees	**$16,940**	**$18,150**	**$35,090**
Direct Expenses (travel, misc.)			**$200**
Total Fees and Expenses			**$35,290**

SCHEDULE

The timing for studying and implementing drought rates is affected by actions taken by the SFPUC during the remainder of winter. The SFPUC will monitor its water supplies,

including projected snowpack runoff and will determine the available water supply. At present, the SFPUC has called for 10% voluntary conservation by all customers. By April, it is expected that the SFPUC will make a final determination of the supply availability and level of required curtailment. At that point, it will be possible for the District to make any final revisions before initiating the Proposition 218 process for adjusting rates. With an allowance of 60 days for the mailing of notices and protest hearing, the timing will be very tight for having drought rates in effect by July 1, 2014.

Thank you for contacting me and spending time familiarizing me with your requirements. I hope that I have provided the information you need. Please let me know if you require more information. I would be pleased to discuss this proposal in greater detail.

Very truly yours,

HF&H CONSULTANTS, LLC

John W. Farnkopf, P.E.
Senior Vice President

Attachment: Statement of Qualifications

STATEMENT OF QUALIFICATIONS

WATER, WASTEWATER, AND STORMWATER CONSULTING SERVICES

2013

HF&H CONSULTANTS, LLC

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STATEMENT OF QUALIFICATIONS

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INTRODUCTION

This Statement of Qualifications describes the consulting services HF&H Consultants, LLC, provides to water, wastewater, and stormwater municipalities. Our core services include:

- *Financial Planning* – Preparation of multi-year financial projections to determine funding requirements from available sources.
- *Rates* – Developing rate designs that meet rate-making objectives.
- *Development Impact Fees* – Deriving charges for connecting to facilities in compliance with legal requirements.
- *Management Studies* – Analyzing organizational efficiency, institutional relationships, and growth strategies.
- *Resource Management and Economics* – Evaluating the impacts of resource constraints on operational capabilities and contractual commitments.
- *Litigation and Regulatory Support* – Assisting with contractual compliance audits, inter-agency negotiations, rate and fee analysis.

These services are delivered with a distinctive approach:

- *More than analysts* – Attention to the details that matter to clients.
- *No cookie cutters* – Unique analytical approaches that result in practical solutions.
- *Decision managers* – Skilled techniques for evaluating alternatives.
- *Consensus builders* – Strong presentation skills in public hearings.

These services are described in greater detail in this Statement, which includes a list of clients for whom we have performed these services. All of the projects listed have involved the key staff members whose résumés are included in this Statement. Please contact John Farnkopf, Senior Vice President (925-977-6953), if you require additional information.

Our Statement of Qualifications concludes with a summary of our most recent client satisfaction survey.

In addition to its water, wastewater, and stormwater services, the firm provides a wide range of solid waste consulting services including rate reviews and studies, contract audits and negotiations, feasibility studies, operational studies, and capital improvement planning.

Mission Statement

Our mission is to be the first choice and recognized leader among municipal agencies for high quality consulting services in selected geographic and service markets.

FIRM DESCRIPTION

Organization

Founded in 1989, HF&H Consultants, LLC, provides consulting services to water, wastewater, and solid waste agencies. Prior to forming the company, the firm's executives worked together for six years at a "Big Five" accounting firm. The synergy resulting from our staff's engineering, accounting, economics, and public policy backgrounds provides substantial added value to clients, which can rarely be achieved by individual engineering, accounting, or management consulting firms.

Today, HF&H Consultants has grown to a firm of nineteen professionals, which makes us one of the largest, if not the largest, ratemaking firms on the West Coast. With offices located in northern and southern California, HF&H Consultants directs its practice to cities, counties, and special districts in the western United States. As such, HF&H Consultants provides clients with the breadth of experience of a national firm, and the responsiveness, accountability, and personal commitment of a local firm. Our consultants are seldom far away and, as a result, our clients always receive a quick, personal response to their needs.

HF&H Consultants provides financial, economic and general consulting services to public officials in the following areas: rate-setting, cost-of-service studies, financial planning and budgeting, resource management, public policy development, litigation, and negotiations. By comparison with engineering consultants, our style of consulting is influenced by our prior exposure to private sector consulting: we like to help our municipal clients function as healthy businesses within the regulatory and political framework of the public sector.

HF&H Consultants has a low staff-to-executive ratio in order to allow the firm's most experienced members to participate actively in client projects, rather than only in practice development and project administration. Unlike firms that delegate critical tasks to junior staff, our senior employees are involved throughout our clients' projects. The close working relationship between our management and staff ensures effective supervision and quality control. The executives' national certifications and licenses assure our clients of compliance with the highest professional standards.

Profile of Services

The services we provide may be classified as follows:

- Seventy-five percent of our work is performed for long-term, continuing clients for whom the members of HF&H Consultants have worked for as long as 20 years.
- Seventy-five percent of our work is directly related to rate regulation, which typically involves revenue requirement analyses, cost-of-service studies, and rate design.
- Our principal clients are state and local governmental bodies such as cities, counties, and special districts. Several of our clients are joint organizations of municipalities sharing a common concern such as water management or solid waste rate regulation. In addition, we provide litigation support to the legal counsel of these and other clients.

CONSULTING SERVICES

HF&H Consultant's consulting services are listed below. A listing of HF&H Consultant's current and historical clients is also included in the following pages.

Financial Planning

- Revenue requirement analysis
- Multi-year financial plans
- Revenue programs
- Reserve fund management
- Interfund transfer policies

Capital Funding

- Capital financing alternatives
- Engineer's certificates
- Economic feasibility analysis
- Stormwater programs
- Streets programs

Cost Allocation Studies

- Cost-of-service studies
- Multi-purpose project allocations
- Inter-agency allocations
- Recycled water regional allocations
- Cash and utility rate making

Rates, Charges, and Fees

- Rate structure diagnostic evaluations
- Rate structure designs
- Customer bill impacts
- Affordability analysis
- Outside-city rate increases
- Price elasticity impacts
- Indexed pass-through costs
- Customer class audits
- Administrative and field service fees

Development Impact Fees and Valuations

- Full cost recovery models
- Utility asset valuations
- Depreciation studies
- Renewal/replacement funding

Stakeholder Facilitation

- Council and Board presentations
- Community workshops
- Citizens advisory groups
- Industrial customer focus groups
- Decision management techniques
- Customer surveys
- Mediations

Management Studies

- Strategic planning
- Organization structures reviews
- Management/institutional reviews
- Performance audits
- Incorporation/consolidation studies

Litigation Support

- Rate and fee litigation
- Environmental remediation
- Water supply contracts
- Contract compliance
- Expert witness testimony

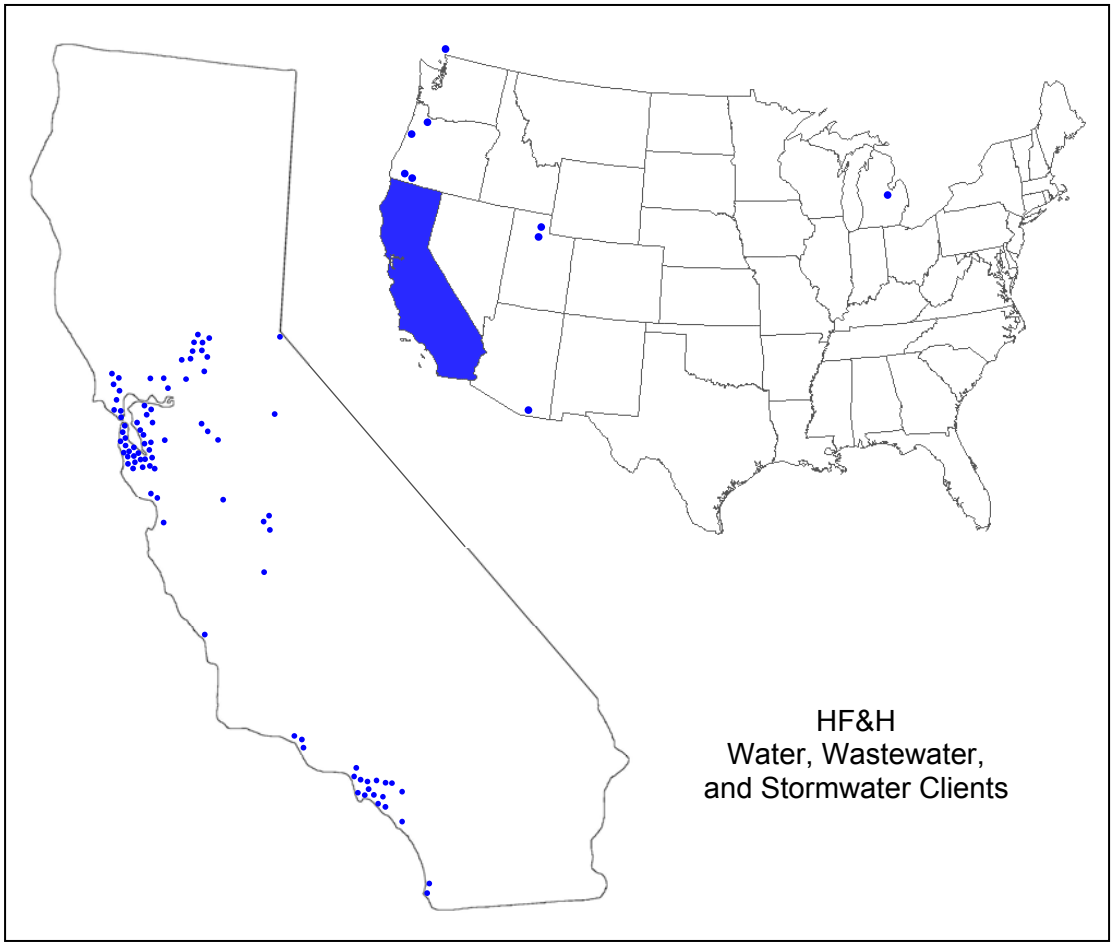
Contract Negotiations

- Wholesale/retail water supply
- Regional wastewater treatment
- Recycled water supply and pricing
- Water/Wastewater privatizations
- Metering and billing services
- JPA formation

Legal/Regulatory Compliance

- Proposition 218
- Public Utility Commission practices
- In-lieu franchise fees
- Ordinance/resolution preparation

WATER, WASTEWATER & STORMWATER CLIENTS



Client	Type of Study	Year	Project Emphasis
City of Alameda	Stormwater Financial Plan	2001	Sewer and Solid Waste Funding in Compliance with Proposition 218
Alameda County Water District	Financial Planning	1991	Project Financing, Debt Issuance
	Urban Water Management - Plan Best Management Practices	1993	Cost/Benefit Analyses, Water Conservation
	Capacity Charges	1998	Critique of Methodology
	Engineer's Certificate	2003	Debt Coverage
Alameda Countywide Clean Water Program	Stormwater Funding	2003	Proposition 218 Compliance

Client	Type of Study	Year	Project Emphasis
Amador Water Agency	Litigation Support	1996	Dept. of Corrections Water Rates
	Water Rate Review	1998	Rate Update
City of Anaheim	Sewer Rates	2012	Confirm Revenue Sufficiency
	Litigation Support	2013	Enterprise Overhead Allocations
City of Ashland, OR	Water and Wastewater Rates	1994	Demand Management, Debt Issuance
Bay Area Stormwater Management Agencies Association	Stormwater Funding Strategies	2008	Permit Renewal
Bay Area Water Supply and Conservation Agency	Review Administration of Wholesale Water Supply Contract	2004	Compliance with Rate-making Provisions
	Overhead Cost Allocation	2005	Benchmark Comparisons
	Review Flow-Based Allocation Formulas	2007	Simplification of Water Accounting
	Review Impact of Organizational Changes on Cost Accounting	2007	Water/Power Allocations
	Rate of Return	2008	National Survey of Industry Practices
	Wholesale Water Supply Contract Negotiations	2009	Rate-Making Methodology
	Shortage Allocations	2009	Dry-Year Conditions
	Supply Allocations	2010	Long-Term Conditions
	Wholesale Rates	2011	Restructuring
	Hydroelectric Cost Allocations	2012	Water/Power Split
Bear Creek Valley Auth., OR	Capital Replacement Strategy	1996	Depreciation, Rate Analysis

Client	Type of Study	Year	Project Emphasis
City of Belmont	Sewer/Stormwater Rates	1999	Proposition 218 Compliance
	Regional Wastewater Treatment Plant Capacity	2000	Capacity Expansion Options
	Sewer/Stormwater Rates	2001	Update
	Sewer/Stormwater Rates	2002	Update
	Sewer/Stormwater Rates	2003	Update
	Sewer/Stormwater Rates	2004	Update
	Sewer/Stormwater Rates	2005	Update
	Stormwater Funding	2005	Capital Improvement Financing
	Sewer/Stormwater Rates	2006	Update
	Sewer/Stormwater Rates	2007	Treatment Plant Financing
	Sewer Connection Fees	2008	Update
	Sewer Rates	2008	Restructuring Fixed Charge
	Sewer Treatment Charge	2009	Create New Charge
	Sewer Rates	2009	Update Collection System Charge
	Sewer Rates	2010	Update
	Sewer Rates	2011	Update
City of Beverly Hills	Water System Leasing	1999	Proposition 218 Compliance
	Regional Wastewater Charges	2000	Revenue Program
Bold, Polisner, Maddow, Nelson & Judson	Litigation Support (Contra Costa Water District)	1996	Water Capacity Fees
City of Brentwood	Water, Sewer, and Non-Potable Water Rates	2013	Enterprise Overhead Allocations
City of Burlingame	Sewer Rate Structure	1997	Alternatives to Minimize Climatic Influences
	Water and Sewer Rates	2002	Revenue Stability
	Water and Sewer Rates	2005	Model Development
	Water and Sewer Rates	2007	$25 Million Debt Issuance
	Water and Sewer Rates	2008	Update
	Water and Sewer Rates	2010	Update
	Water and Sewer Rates	2011	Debt Refinancing
	Water and Sewer Rates	2012	Tiered Water Rate Structure
California Water Service Co.	Cost Allocation (Salinas)	1997	Historic Benefits Analysis
	Water Supply Development (Tassajara Valley)	1998	Organizational, Institutional, and Financial Aspects
	Water Supply Feasibility (Visalia)	2005	System Expansion
City of Camarillo	Water Rates	1997	Conservation Oriented Rates

Client	Type of Study	Year	Project Emphasis
Carmichael Water District	Water Rates	1998	Metering Residential Customers
	Water Rates	1999	Proposition 218 Compliance
Central Contra Costa Sanitary District	Wastewater Capacity Fees	2003	Diagnostic Evaluation
City of Ceres	Water Rates	2008	Financial Stabilization, $3,000,000 Financing
	Water Rate Update	2010	Metered Water Rates
	Regional Wastewater Planning	2010	JPA Formation
	Water Rates	2012	Tiered Water Rates
	Water Connection Fees	2013	Competitiveness
City of Cerritos	Street and Stormwater Program Funding	2006	Proposition 218 Compliance
	Litigation Support	2011	Replenishment Assessment
City of Clovis	Wastewater Rates	1996	Capital Cost Allocation
	Commercial Wastewater Rates	2002	Fixed and Variable Charges
	Water and Wastewater Rates and Capacity Fees	2003	Growth Allocations
	Water and Wastewater Rates	2004	Restructure Fixed Charges
Coastside County Water District	Water System Operations	1989	Fire Protection Charges
Contra Costa Water District	Water Rates	1990	Debt Coverage, Water Conservation
	Water Rates	1991	Debt Coverage, Water Conservation
	Engineer's Certificate	1992	Debt Coverage
	Expert Witness Testimony	1997	Capacity Fees
	Capacity Fees	1998	Industrial Customers
Cooley, Godward, Castro, Huddleson & Tatum	Expert Witness Testimony (Palo Alto Park Mutual Water Co.)	1994	Capacity Fees, Conservation Penalties
	Expert Witness Testimony (Citizens Utilities Company)	1995	Groundwater Contamination (Arbitration)
Costa Mesa Sanitary District	Sewer Rates	2012	Cost of Service Analysis and Rate Restructuring
City of Daly City	Water Supply Contract	1990	Conjunctive Use
	Wholesale Water Rates	2009	Supply Allocation
City of Davis	Public Works Department Audit	1999	Water, Wastewater, Stormwater, and Solid Waste Divisions
Delta Diablo Sanitation District	Sewer Connection Fees	2001	Improved Documentation
	Street Sweeping Fees	2001	Methodology Review
	Recycled Water Sales	2003	Inter-Agency Agreement

Client	Type of Study	Year	Project Emphasis
Dublin San Ramon Services District/East Bay Municipal Utilities District	Wholesale Recycled Water Rates	2012	Contract Negotiations
East Bay Municipal Utility District	Litigation Support	1992	Rate Equity, Water Conservation
	Wet Weather Facilities Regulatory Strategies	2006	Benefit-Cost Analysis
City of East Palo Alto	Consolidation Study	1996	Water, Wastewater, Stormwater, Lighting Services
	Sanitary District Consolidation	2002	LAFCo Process, Public Outreach
East Palo Alto Sanitary District	Management Study	1999	Organizational Restructuring
City of El Monte	Sewer Rates	2008	Sewer Enterprise Formation
City of Fairfield	Water Rates	1989	Debt Coverage, Rate Equity
	Engineer's Certificate	1993	Debt Coverage
	Engineer's Certificate	1996	Debt Coverage
	Engineer's Certificate	2003	Debt Coverage
Fairfield-Suisun Sewer District	Wastewater Rates	1994	Industrial Water Reclamation, Rate Equity
	Wastewater Rates and Connection Fees	2002	Rate update and Comparison of Non-residential Connection Fees
Fair Oaks Water District	Water Rates	1998	Metering Residential Customers
City of Fillmore	Wastewater JPA Formation	2002	Treatment Plant Financing, Cost Allocations, JPA Agreement
City of Folsom	Stormwater Utility Formation	2005	Feasibility Analysis
City of Fremont	Stormwater Funding	2011	Financial Study
City of Glendale	Public Safety Cost Recovery	2012	Cost Allocations to Enterprises
Greater Vancouver Water District	Wholesale Seasonal Rates	1998	Price Elasticity
	Wholesale Seasonal Rates	2002	Cost of Service Allocations
	Wholesale Rate Structures	2003	Fixed/Variable Options
Groveland Community Services District	Water Rates and Capacity Fees	1995	Debt Issuance, Debt Coverage
Hanson, Bridgett, Marcus, Vlahos & Rudy, LLP	Litigation Support (San Francisco Bay Area Water Users Association)	1978-84	Wholesale Water Rates
	Wholesale Water Rates	2007	Contract Negotiations
City of Hayward	Water and Sewer Capacity Charges	1999	Develop Model
City of Imperial Beach	Sewer/Stormwater Rates	2004	Consolidate Funds in Compliance with Proposition 218

Client	Type of Study	Year	Project Emphasis
City of La Puente	Sewer Rates and Capacity Fees	2006	Sewer Enterprise Formation
	Sewer Rate Update	2008	$10,000,000 Financing
City of Lincoln	Water and Wastewater Rates	2003-05	Rate Payer Sensitivity
	Water Rate Update	2005	Purchased Water Cost Increase
	Water Rate Update	2007	Rate Structure
	Water, Sewer, and Solid Waste Rates	2012	Rate Update
City of Live Oak	Storm Drain Impact Fee	2010	Charges for Development Zones
City of Lodi	Sewer Rates	2003	Low-Interest Loan Application
	Sewer Rate Update	2004	$25,000,000 Financing
	Sewer Rate Update	2004	Restructure Rates & Capacity Fees
	Sewer Rate Update	2007	$20,000,000 Financing
	Sewer Rates	2009	Update
City of Long Beach	Street Sweeping	2005	Funding Sources
City of Los Altos	Sewer Rates	2000	Charges for Colleges
Town of Los Altos Hills	Sewer Rates and Connection Fees	2007	Convert Septic Users to Sewer Facilities
Los Angeles Department of Water and Power	Financial Evaluation	2005	Rate-Making Process
	Strategic Planning	2010	Supply Reliability
	Water Rates	2010-11	Evaluation of Tiers
City of Los Banos	Wastewater Rates and Connection Fees	2006	Evaluating Alternative Capital Projects
	Water and Sewer Rates	2010	Treatment Plant Expansion
Los Trancos County Water District	Future Water Demand	2002	Conversion from Septic to Sewer System
Lukins Brothers Water Company	Water System Valuation and Sale	2004	California PUC Rate-Making Practices
		2006	Negotiations of Sale
Malaga County Water District	Management Study	1998	Incorporation Feasibility
City of Manteca	Stormwater Fees	2003	Funding Options
Aleshire & Wynder, LLP	Litigation Support	2011	Groundwater Replenishment Cost Allocations
McCutchen, Doyle, Brown & Enersen	Expert Witness Testimony (Arbitration)	1995	Groundwater Contamination (Citizens Utilities Company)
	Litigation Support (Groundwater Basin Remediation)	2001	California PUC Rate-Making Practices (San Gabriel Valley Water Company)
City of Menlo Park	Water Rates	1995	Customer Billing, Rate Structure

Client	Type of Study	Year	Project Emphasis
Metropolitan Water District of Southern California	Capacity (Growth) Charges, Tier I Water Supply Contract	1997 - 2002	Impacts on Member Agencies and Developers
City of Mill Valley	Sewer Rates	2010-11	Regulatory Compliance
	Sewer Rates	2011	Flow-Based Residential Rates
City of Modesto	Wastewater Capacity Fees	1996	Cost Allocation, Project Financing
	Peer Review	2006	Water Rate Revenue
	Peer Review	2007	Sewer Capacity Charge
	Peer Review	2007	Sewer Rate Revenue
	Peer Review	2007	Water Capacity Charge
	Regional Wastewater Planning	2010	JPA Formation
City of Morgan Hill	Water/Wastewater Rates and Capacity Fees	2002	Rate Structure Review
City of Mountain View	Water and Sewer Rate Review	1998	Qualitative Assessment of Rate Structures
National Resources Defense Council	Water and Wastewater Rates	2010-13	Tiered Rate Standards, Flow-Based Sewer Rates, Marginal Cost Pricing
City of Newport, OR	Sewer Rates	1998	Debt Issuance
City of Newport Beach	Water Rates	1998	Impact of Annexation
	Sewer, Stormwater, and Recycled Water Rates	2013	Enterprise Overhead Allocations
City of Nogales, AZ	Water and Wastewater Rates	1999	Capital Project Revenue Requirement, Cost Allocation, Ability to Pay
North Coast County Water District	Water Rates	2001	Financial Planning Model
	Water Rates	2002	CIP Financing
	Water Rates	2004	Update
	Water Capacity Fees	2005	Update
	Water Rates	2006	Update
	Water Rates	2007	Update
	Water Rates	2010	CIP Financing
	Water Rates	2011	Water Budget Rate Structures
	Water Rates	2013	Rate Update
Northridge Water District	Water Rates and Capacity Fees	1996	CIP Financing, Rate/Fee Design
Nossaman, Guthner, Knox & Elliott, LLP	Litigation Support (Industries)	2003	California PUC Rate-Making Practices (Southern California Water Company)
City of Ogden, UT	Water/Wastewater Rates	1996	Water Conservation, Rate Structure

Client	Type of Study	Year	Project Emphasis
Olivenhain Municipal Water District	Water Rates	1996	Tier Structure, Equity
	Operations Review	1996	High Level Diagnostic Review
City of Orange	Water Rates	1997	Financial Plan Model
	Water Rate Update	2000	Rate Restructuring, Fire Service Charges
	Water Rate Update	2001	Policies for Reserves
	Water Rate Update	2002	Revised CIP
	Water Rate Update	2003	Pass-Through Costs
Orange County Sanitation District	Operational Audit	1999	Office Support Staff Organization
City of Oxnard	Public Safety, Governmental Asset, and Right-of-Way Maintenance Cost Recovery	2013	Cost Allocations to Enterprises
City of Palo Alto	Water, Wastewater and Reclaimed Water Rates	1993	Reclaimed Water, Cost Allocation
	Water Utility Benchmarking	2010	Rate Differences
City of Paso Robles	Water/Wastewater Rates and Capacity Fees	2001	Rate Structure Design
	Water Capacity Fees	2005	Methodology Review
	Water/Wastewater Capacity Fees	2006	Update
	Water Capacity Fees	2008	Developer Negotiations
City of Petaluma	Wastewater Privatization Agreement	1997	Rate Payer Safeguards
	Water and Sewer Rates and Capacity Fees	2002	Infrastructure Financing, Stormwater Funding
	Litigation Support	2013	Stormwater Funding
City of Pittsburg	Water Treatment Plant Operations	2009	Privatized Operations
Placer County Water Agency	Treated and Untreated Water Rates	2005	Consolidation of Geographic Zones
	Treated Water Rates	2007	Fixed/Variable Revenue

Client	Type of Study	Year	Project Emphasis
City of Pleasanton	Water Rates	1993	Increasing Block Residential Rates
	Water Rates	1994	Seasonal Irrigation Rates
	Water Rates	1995	Lifeline Rates
	Water Rates, Water Resources	1996	Water Supply Evaluation
	Water Rates	1997	Update
	Water Rates	1999	Update
	Water Rates	2000	Update
	Water Rates	2002	Update
	Water Rates	2003	Update
	Water Rates	2007	Increasing Block Rates
	Water Rates	2008	Update
	Water Rates	2009	Rate Restructuring
City of Portland, OR	Pretreatment Program Review	1999	Regulatory Program Evaluation
City of Redondo Beach	Water Rate Review	1999	Private Water Company Rate Application
City of Redwood City	Sewer/Stormwater Rates	1999	Proposition 218 Compliance
	In-Lieu Transfer	2006	Proposition 218 Compliance
City of Rio Vista	Water/Wastewater Contract Operations	2001	Cost-Plus Contract Negotiations
City of Rohnert Park	Water and Sewer Rates	1999	Unmetered Residential Water Customers
	Water and Sewer Connection Fees	2001	Connection Fees
	Water and Sewer Rate Update	2002	Usage-Based Rates
City of Roseville	Sewer Rates	1999	Financial Plan
		2001	Financial Plan Update
Ross Valley Sanitary District	Sewer Rates	2011	Equity Adjustments Between Zones
	Sewer Rates	2011	Flow-Based Residential Rates
Saginaw Area Intermunicipality Water Committee (MI)	Litigation Support (Suburban Water Agencies)	2004	Review Wholesale Rate-Making Methodology
City of San Bruno	Water/Wastewater Rates and Capacity Fees	1992	Water Conservation, Project Financing
San Francisco Bay Area Water Users Association	Litigation Support (Suburban Water Agencies)	1978 to 1984	Wholesale Water Supply Contract
	Contract Compliance	1984 to 2000	Annual Rate Reviews, Water Shortage Allocations, Regulatory Analysis
San Francisco Presidio Trust	Recycled Water Development	2009	Financial Feasibility

Client	Type of Study	Year	Project Emphasis
San Francisquito Creek JPA	Cost Allocation Study	2000	Regional Flood Control Costs
City of Sanger	Wastewater Rates	1995	Industrial Water Reclamation, Debt Coverage
Sanitary District No. 5 of Marin County (Tiburon/Belvedere)	Sewer Rate and Capacity Fee Study	2005	Separate User Charges by Zone
	Capital Improvement Funding	2006	Financing Plan
	Sewer Rates	2007	Update
	Sewer Rates	2010	Update
	Sewer Rates	2011	Flow-Based Residential Rates, Debt Financing
City of San José	Wastewater Pretreatment Program Evaluation	2005	Source Control Inspector Staffing
	Urban Runoff NPDES Program	2007	Economic Evaluation of Alternatives
San Juan Water District	Water Rates	1998	Wholesale and Retail Cost Allocations
City of San Leandro	Management Study	1997	Environmental Services Program Audit
San Mateo County-wide Water Pollution Prevention Program	Stormwater Funding Strategies	2008	Permit Renewal
City of Santa Ana	Public Safety, Governmental Asset, and Right-of-Way Maintenance Cost Recovery	2012	Cost Allocations to Enterprises
City of Santa Clara	Urban Water Management Plan	1992	Water Shortage Contingency Plan
Santa Clara Valley Urban Runoff Pollution Prevention Program	Cost Allocation/Program Management	2005	Cost Allocation Formula; Program Cost, Scope, Term; Benchmark Comparison
Santa Clara Valley Water District	Cost of Service Analysis	2000	Cost Allocation Approaches
	Expert Witness Testimony	2008	Rate Analysis
	Litigation Support	2009	Cost of Service
Santa Margarita Water District	Water Rates	1998	Irrigation Rates
City of Santa Monica	Environmental Program Cost Allocations to Enterprise Funds	2007	Proposition 218 Compliance
City of Santa Paula	Wastewater JPA Formation	2002	Treatment Plant Financing, Cost Allocations, JPA Agreement
City of Santa Rosa	Water and Sewer Rates	1998	Public Participation Process
	Net Benefits Analysis	2003	Regional Recycled Water Alternatives

Client	Type of Study	Year	Project Emphasis
Sausalito-Marin City Sanitary District	Sewer Financial Plan	2002	Capital Funding Options, Public Participation Process
	Contract Negotiations	2002	Regional Wastewater Treatment
	Sewer Rates and Capacity Fees	2004	Update
	Financing Plan	2007	Update
	Sewer Rates	2010	Debt Financing
	State Revolving Fund Application	2011	Credit Review Checklist
	Customer Billing Process	2011	Billing on Tax Rolls
Scotts Valley Water District	Water Rates	2004	Restructure Increasing Block Quantity Charges
	Water Rates	2005	Update
	Water Rates	2006	Update
	Water Rates	2007	Update Financial Projections
	Water Rates	2008	Update Financial Plan
	Water Rates	2009	Update Rate Projections
	Water Rates	2010	Update Rate Projections
	Water Rates	2011	Update Rate Projections
	Water Rates	2012	Update Rate Projections
Sharon Heights Golf & Country Club	Water Supply Reliability	2000	Shortage Allocations, Water Supply Alternatives
	Water Supply Reliability	2009	Update Action Plan
Snell & Wilmer	Expert Witness Testimony (Arbitration)	1995	Groundwater Contamination Damages (Citizens Utilities Company)
Sonoma County Water Agency	Wholesale Water Rate	2013	Rate Restructuring and Contract Modifications
South Bayside System Authority	Flow Equalization Basin Study	2003	Economic Evaluation of Lease Options
Southeast Water Coalition	Cost Allocation Analysis of Replenishment Assessment	2006	Interbasin Subsidy
	Cost Allocation Analysis	2009	Update
South El Monte Joint Defense Group	Groundwater Remediation Damages	2004	Evaluation of Damage Claims
Stanford University	Water Supply Assessment	2008	Shortage Allocations
Straw & Gilmartin	Expert Witness Testimony (Arbitration)	1995	Groundwater Contamination Damages (Citizens Utilities Company)
Tamalpais Community Services District	Wastewater Financial Plan	2004	Capital Improvement Program Funding Alternatives

Client	Type of Study	Year	Project Emphasis
City of Ukiah	Water Rates, Sewer Rates, and Capacity Charges	2009	Financial Stability During Water Supply Shortage
	On-Going Services	2010-11	Sanitary District Detachment
	Water Connection Fees	2011	Update
Union Sanitary District	Connection Fees	1990	Project Financing, Cost Allocation
	Internal Financial Controls	1998	Management Practices
	Joint Powers Financing Authority Review	1999	Debt Retirement
	Reserve Fund Review	2000	Adequacy of Reserves
United Water Conservation District	Wholesale Water Rates	2011	Proportionality
Veterans Home of California, Yountville	Water Rates	2001	Surplus Water Charges
	Wastewater Rates	2001	Contract Compliance
West Bay Sanitary District	Flow Equalization Basin Study	2003	Economic Evaluation of Lease Options
	Sewer Rates and Connection Fees	2011	Financial Plan
Western Municipal Water District	Retail Water Rates	2003	Alignment with Wholesale (MWDSC) Rate Structure
	Retail Water Rates	2004	Elevation Surcharges
Town of Windsor	Water, Wastewater, Recycled Water Rates and Capacity Fees	1993	Water Conservation, Cost Allocation
City of Winters	Water and Wastewater Rates	2005	Debt Financing; Conversion to Metered Rates
City of Woodland	Wastewater Buy-In Charge	2010	Sale of Treatment Plant Capacity

RÉSUMÉS

JOHN W. FARNKOPF, P.E.
Senior Vice President

RANGE OF EXPERIENCE

Over 35 years of public and private experience in the utility industry, emphasizing consulting to water, wastewater, stormwater, electric, gas, and solid waste utilities. Mr. Farnkopf's consulting activities encompass the following specialties:

- ***Rate Studies*** - public and investor-owned utilities; wholesale and retail rates; water, wastewater, and stormwater enterprises.
- ***Financing Studies*** - evaluation of the economic justifiability and financial feasibility of capital improvement programs; determined optimal bond sizings.
- ***Litigation Support*** - provided litigation support, including expert witness testimony and affidavits related to rates, charges, condemnations, and water rights.
- ***Regulatory Analysis*** - testimony and submittals before State and Federal jurisdictions.
- ***Resources Management*** - conservation and rationing impact studies; urban water management plan preparation.
- ***Fixed Asset Valuation and Management*** - development and analysis of fixed assets for rate-making purposes.
- ***Design and Construction*** - hydraulic and other structures.

EDUCATION

B.S., Civil Engineering, University of California, Berkeley
B.A., Philosophy, University of California, Berkeley

PROFESSIONAL REGISTRATION

Civil Engineering, California

PROFESSIONAL HISTORY

HF&H Consultants, LLC: 1989 to present.
Price Waterhouse: 1986 to 1989.
Leedshill-Herkenhoff, Inc.: 1984 to 1986.
Stetson Engineers, Inc.: 1977 to 1984.
Novato Sanitary District No. 6: 1975 to 1976.

PROFESSIONAL ORGANIZATIONS

American Water Works Association, Utility Finance and Economics Committee member
California Urban Water Conservation Council, Utility Operations Committee
California Water Environment Association
Water Environment Federation

ARTICLES, SPEECHES, AND TESTIMONY

User Fee Funded Stormwater Utilities, review editor for the Water Environment Federation, due for publication in 2013.

"Volumetric Wastewater Rates: Current and Future Industry Practices: presented at the Volumetric Wastewater Pricing Stakeholder Group, Center for Collaborative Policy Office, October 2012.

"Conservation Water Rates: Balancing Fixed and Volumetric Charges" presented at the Association of California Water Agencies' Regulatory Summit, August 2012.

"Volumetric Pricing for Sanitary Sewer Service in California" testimony presented before the California State Water Resources Control Board, May 2012.

"Cost of Service Analysis: Meeting the Burden of Proof" presented at the Association of California Water Agencies' Spring Conference, May 2012.

"Recent Trends in Funding Enterprise Infrastructure" presented at the California Society of Municipal Finance Officers Annual Conference, March 2007.

"Implementing Rate Studies," Chapter XI, *Financing and Charges for Wastewater Systems, Water Environment Federation Manual of Practice*, 2004.

"Proposition 218: Are Your Rates In Compliance?" presented at the California/Nevada Annual Fall Conference of the American Water Works Association, October 2004.

"Funding Stormwater NPDES Requirements: Potential Sources," presented at the League of California Cities Annual Conference, September 2003.

"Funding Water, Sewer, and Stormwater Programs under Proposition 218," presented at the League of California Cities Public Works Officers Institute Conference, March 2000.

"Guidelines for Setting Rates in Compliance with Proposition 218," presented at the League of California Cities Annual Conference, October 1999.

"Getting Rate Approval," presented at the Water Environment Federation Conference, 1998.

"Privatization as a Means of Managing Municipal Budget Constraints," presented at the Orange County Workshop "Managing Municipal Budget for the New Millennium," 1997.

"The Use of Mediation Techniques to Evaluate Rate Alternatives," presented at the California/Nevada Annual Spring Conference of the American Water Works Association, 1996.

"Dissecting Rate Structures: Identifying Where Further Refinements are Warranted," *Proceedings* of CONSERV96, American Water Works Association Conference, 1996.

"The Palo Alto Reclamation Project: Economic Justifiability versus Financial Feasibility," presented to the San Francisco Bay Area Water Recycling Task Force, 1993.

"Allocating Reclamation Costs to Water and Waste Water Rates," invited speaker at the 68th Annual Conference of the Western Economic Association International, 1993.

"Pricing Reclaimed Water," presented at the American Water Works Association/Water Environment Federation Joint Management Conference, 1993.

"Developing Reclaimed Water Pricing Policies," presented to the San Francisco Bay Area Water Recycling Task Force, 1992.

"Drought Impacts on San Francisco's Wholesale Water Purchases," testimony presented to the State Water Resources Control Board, Bay Delta Hearings, Water Rights Phase, 1992.

"The Ability of Manufacturing Industries to Cope with Permanent Water Supply Reductions," testimony on behalf of the Santa Clara County Manufacturing Group presented to the State Water Resources Control Board, Bay Delta Hearings, Water Rights Phase, 1992.

"Characteristics of Conservation-Oriented Rates," *Proceedings*, American Water Works Association National Conference, 1992.

"Impacts of Water Supply on Bay Area Industrial Water Users," presented at the California Water Planning Conference sponsored by the Association of Bay Area Governments, 1991.

"Allocating Water Supplies during Droughts," *Proceedings*, American Society of Civil Engineers National Conference on Environmental Engineering, 1991.

"Setting Wholesale and Retail Rates in Times of Drought," presented at the Drought Response Water Rate Structure Workshop sponsored by the San Diego County Water Authority, 1991.

"Capacity Charges: Theory, Practice, and the Law," presented at the California Nevada Spring Conference of the American Water Works Association, 1990.

"Fixed Asset Valuation Procedures," presented at Fixed Asset Valuation and Management for Local Governments and Utilities, a Price Waterhouse seminar, 1988.

"Bay Area Water Supplies: Imported, Reclaimed, and Local Sources," testimony presented to the State Water Resources Control Board, Bay Delta Hearings, Phase I, 1987.

"Elements of River Meanders," *California Engineer*, 1978.

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SIMA MOSTAFAEI
Senior Associate Analyst

RANGE OF EXPERIENCE

Ms. Mostafaei is responsible for developing and maintaining financial and related service and resource planning models. Her professional career spans the fields of public accounting, forensic accounting and litigation support services prior to joining HF&H. At HF&H, her activities have encompassed the following:

- ***Rate Studies & Reviews*** – Cost allocation and rate structure analysis including conservation rates for water service, rate design and analysis for wastewater, detailed rate review audits for solid waste services;
- ***Financial Analysis*** – Financing and debt service analysis, structure of existing and proposed municipal funds, analysis of financial results, financial projections.

Examples projects include the following:

- ***City of Mill Valley*** – Rate modeling and analysis for sewer rates; setting flow-based residential sewer rates that require allocation of inflow & infiltration among customer classes;
- ***City of Ceres*** - Updating water rate model and financial projections; a second tier was added to the residential rates to enhance the price signal; realigning service charges to apportion the cost of capacity among customers on the basis of the size of their services.
- ***City of Ukiah*** – Rate modeling and analysis for sewer and water rates; setting sewer rates requires cost allocations between the City and a sanitary district;
- ***City of Belmont*** – Updating sewer rate model and financial projections; the sewer rates include a portion of the costs of the stormwater program that benefits sewer customers because of reduced inflow and infiltration;
- ***City of Burlingame*** – Updating the water and sewer models to reflect long term capital financing from reserves and debt; updating the water rate structure from a uniform charge to a four-tier residential rate to enhance the price signal
- ***North Coast County Water District*** – Updating the revenue requirement projections to reflect significant increases in purchased water from San Francisco and the revised capital improvement program; a fourth tier was added to the residential rates to enhance the price signal.
- ***City of Downey*** – Cost allocation analysis of the groundwater pumping charges charged by the Water Replenishment District to the member agencies in the two basins.

EDUCATION

B.S., Accounting and Information Systems, Virginia Polytechnic Institute and State University

PROFESSIONAL HISTORY

HF&H Consultants, LLC: Associate Analyst, 2008 to present

Shea Labagh Dobberstein, CPAs, Incorporated: Business Advisory Associate, 2006 to 2008

KPMG, LLP: Senior Associate, 2004 to 2006

CLIENT SATISFACTION SURVEY

Johnston, Gremaux & Rossi, LLP
CERTIFIED PUBLIC ACCOUNTANTS

January 2, 2013

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

To the Partners of HF&H Consultants, LLC:

In November 2012, Johnston, Gremaux & Rossi, LLP was retained by HF&H Consultants, LLC to conduct and compile the results of a client satisfaction survey, in accordance with the procedures described below. This letter documents the procedures we followed in compiling the survey results and reports our findings for the Company as a whole.

Procedures:

Johnston, Gremaux & Rossi, LLP used the following procedures to conduct and compile the results of the client satisfaction survey:

- HF&H Consultants, LLC provided Johnston, Gremaux & Rossi, LLP with an Excel client list of the clients from the years 2008 and 2012 that included names and e-mail addresses of recipients who should receive the survey.
- Johnston, Gremaux & Rossi, LLP set-up an online survey with Survey Monkey, an online survey vendor, on November 7, 2012 to be used exclusively for HF&H's client satisfaction survey in which the results would be reported directly to Johnston, Gremaux & Rossi, LLP. The online survey was kept open for about 3 1/2 weeks (November 7, 2012 through November 30, 2012).
- Two e-mail reminders were sent on November 14th and November 26th to those who had not responded to the online survey.
- A total of 160 survey requests were sent out to recipients and as of November 30th we had received 59 responses. On December 5, 2012, Johnston, Gremaux & Rossi, LLP compiled the responses. Our findings are presented below.

333 Civic Drive, Pleasant Hill, California 94523 • Tel (925) 944-1881 • www.jgrcpa.com

HF&H Consultants, LLC
January 2, 2013
Page 2

Findings:

- 100% of the respondents either strongly agreed or agreed with the statement that "HF&H staff was professional, experienced, and well-qualified."
- 98% of the respondents either strongly agreed or agreed with the statement that "HF&H staff understood my unique requirements."
- 95% of the respondents either strongly agreed or agreed with the statement that "HF&H staff was responsive to my needs and inquiries."
- 91% of the respondents either strongly agreed or agreed with the statement that "HF&H presentations were effective and well organized."
- 91% of the respondents either strongly agreed or agreed with the statement that "HF&H provided good value for my consulting dollar, relative to other consultants."
- 93% of the respondents either strongly agreed or agreed with the statement that "they would hire HF&H again."
- 95% of the respondents either strongly agreed or agreed with the statement that "they would recommend HF&H's services to another jurisdiction with similar needs."

Should you have any questions concerning these findings, please do not hesitate to call.

Sincerely,

JOHNSTON, GREMAUX & ROSSI, LLP

Christopher M. Haley, CPA
Partner

STAFF REPORT

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

From: **David Dickson, General Manager**

Agenda: **February 11, 2014**

Report Date: February 5, 2014

Subject: **District Office Fire Recovery**

Recommendation:
None. Information only.

Background:
On Wednesday, January 22 at about 3:30 A.M., District staff received notification that the fire department was responding to a water flow alarm at our offices. An electrical fire that started near our computer servers had triggered a sprinkler. The fire department quickly extinguished the fire, but the area of our offices near the computer enclosure suffered significant water damage, and smoke from the fire affected the entire building. This report reviews our recovery efforts to date and outlines what we will do to clean up and repair the damage to our offices.

Although the fire destroyed all of our central computer and network equipment, we recovered 100% of our data as of the time of the fire. Our computer services firm, Irvine Consulting, obtained a new server and had our systems up and running within three days. After relocating front office staff into the boardroom and putting up a temporary wall inside our front entrance to isolate the most affected area and ensure customer safety, we re-opened the office for "normal" operations on January 29. Our field operations were relatively unaffected throughout the time the offices were closed to the public.

I would like to recognize the dedication, professionalism, and resilience the entire District staff has demonstrated in responding to this incident and dealing with its consequences. Office Manager Gina Brazil arrived in the pre-dawn hours of January 22 and has worked tirelessly to marshal contractors and organize the recovery effort while minimizing the disruption to the District's administrative and customer service functions. Field Supervisor John Davis and his crew were on site moments after the fire department responded, and they have supported the office staff in every possible way, including doing much of the work needed to set up our temporary office building. Without exception, every District employee has pitched in to ensure that the District continues to do its job in spite of this incident.

Building Cleanup and Repairs

Based on assessments by the District's insurance adjuster and Andrews Disaster Recovery, a local contractor who has been assisting us, repairs and cleanup will involve at least the following:

- Remediation of fire and water-caused structural damage in the area immediately around the server enclosure.
- Cleaning of all building surfaces and fixtures to remove soot and smoke odor. Some porous surfaces may not be cleanable and will require replacement.
- Replacement of ceiling tile.
- Painting throughout the building.
- Replacement of carpet.
- Replacement or cleaning of all fabric-covered partitions and upholstered furniture.

Temporary Offices

The extent of cleanup and repairs will require that District staff move out of our offices. We have set up a modular building (tonight's Board meeting venue) in the parking lot to house our operations for a period of up to six months while contractors complete the restoration work. Our schedule calls for conducting business in the current offices through Friday, February 21, moving furniture and equipment over the weekend of February 22 – 23, and opening for business in the temporary offices on Monday, February 24.

Insurance Coverage and Repair Costs

The District has property insurance through the Association of California Water Agencies' Joint Powers Insurance Agency (JPIA). The insurance covers us for all reasonable and necessary costs caused by the fire, with a deductible of $2,500. The JPIA adjuster has not provided us with an estimate but has instructed us to submit expenses as we incur them. Expenses to date for the immediate response effort, equipment replacement, temporary offices, and other contractor services have totaled at least $100,000. We can anticipate that building cleanup and repairs will add at least another $200,000 to $300,000.

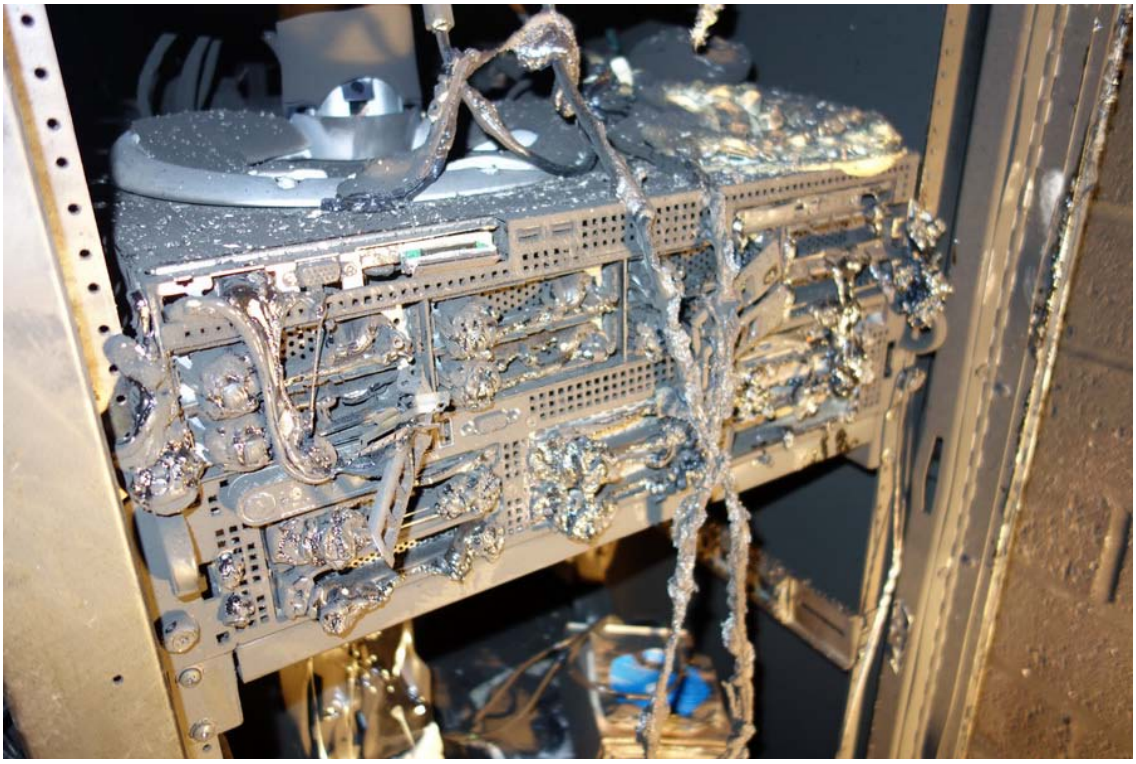
Consideration of Additional Modifications to District Office Building

The District's office building is over 40 years old and was expanded in the mid-90's. With the building vacated for fire-related repairs, the District will have the opportunity to consider additional modifications which could address maintenance issues (termites and dry rot), improve building systems (heating, network and phone wiring), upgrade the building to modern energy standards,

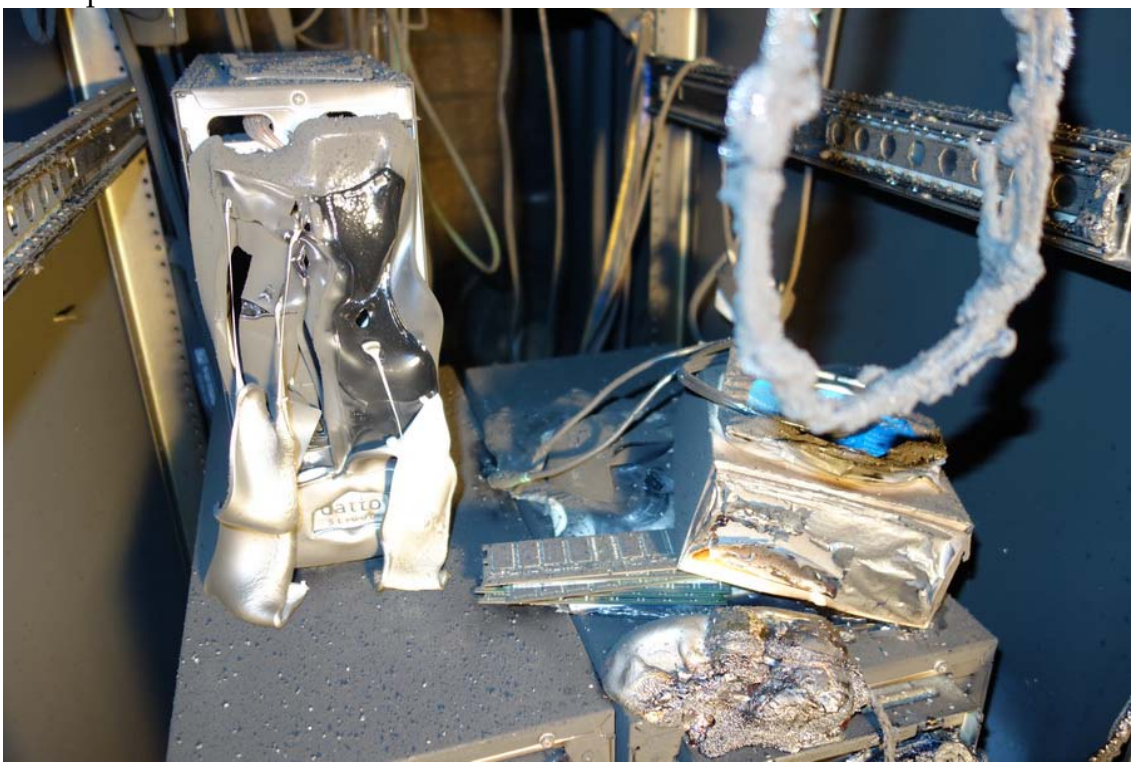
and configure the building space to better meet current and future needs. We have retained local architect John Evans to help us define our needs and identify possible improvements. We plan to present the needs assessment and options for office building improvements to the Board at the March 11 meeting.

Pictures of Fire Damage

Servers. DriveSavers, Inc. was able to recover 100% of the data from all of the drives in the active server.



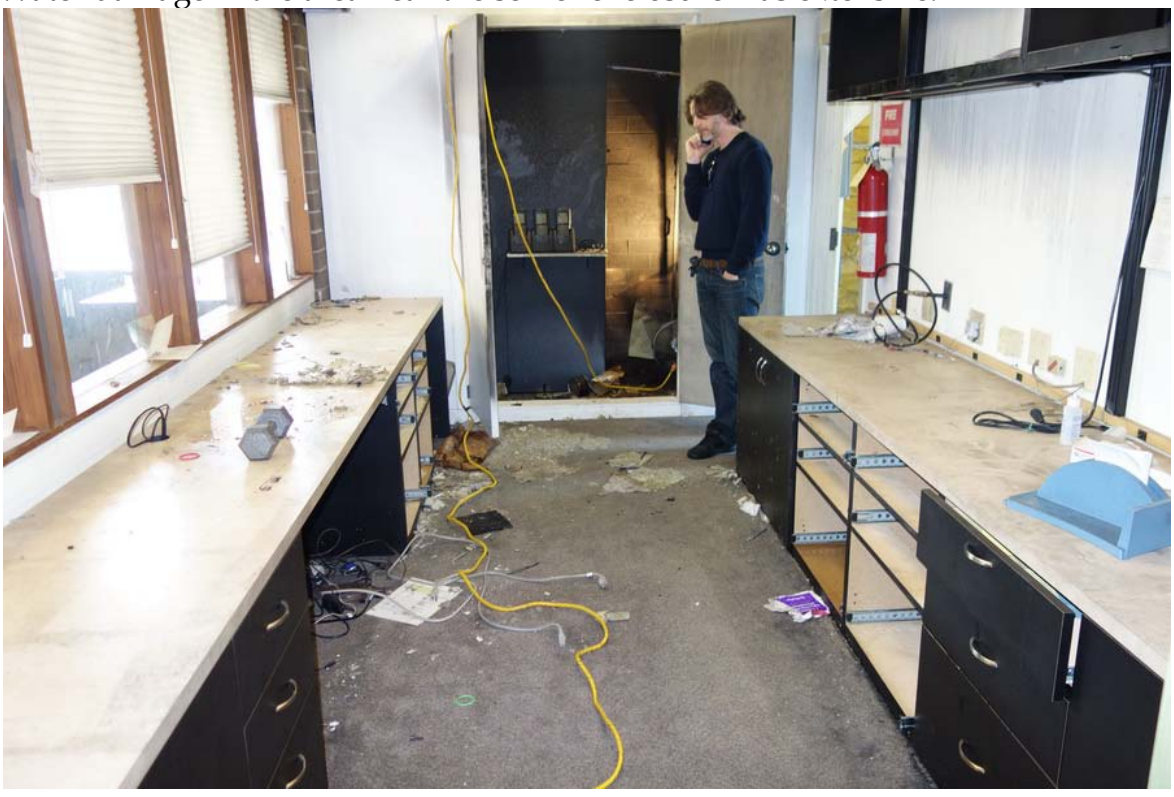
Backup drive unit. These drives are mirrored in the cloud.



Computers used with handheld meter readers. These older computers were a total loss.

Radix handheld meter readers. These were functional after being cleaned up and were used for the January meter readings.

Water damage in the area near the server enclosure was extensive.



STAFF REPORT

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

From: **David Dickson, General Manager**

Agenda: **February 11, 2014**

Report Date: February 7, 2014

Subject: **Fiscal Year 2014-2015 Budget Process Timeline**

Recommendation:
Approve the Fiscal Year 2014-2015 Budget Process Timeline.

Background:
The attached Budget Process Timeline lays out the proposed schedule for presentation and consideration of the Fiscal Year 2014-2015 Budget and the Fiscal Year 14/15-23/24 Capital Improvement Program. Key timeline milestones follow the pattern established over the last two budget cycles, culminating in the public hearing on the budget scheduled for the regular June Board meeting. We anticipate scheduling meetings of the Finance Committee and District Facilities Committee during the week of February 24, 2014.

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

Fiscal Impact:
None.

DRAFT

Coastside County Water District

BUDGET PROCESS TIMELINE
Fiscal Year 2014/2015

Capital Improvement Program (CIP) & Operations & Maintenance (O&M) Budget

Description	Date
Staff Internal Budget Review – Distribute O&M Budget Worksheets and Update CIP budget spreadsheet	Week of January 17, 2014
Finance Committee Meeting – Introduction to CIP and O&M Budget Process/Timeline	Week of February 24, 2014
Staff Internal Budget Review – Worksheets Due/Review CIP Budget	February 7, 2014
Facility Committee Meeting – Introduction to CIP Budget Process/Timeline	Week of February 24, 2014
Present Budget Timeline for Board approval	**February 11, 2014 Regular Board Meeting**
Capital Improvement Program / Budget Workshop	March 2014
Present "Draft" CIP and O&M Budget to Board of Directors at Board Meeting	**March 11, 2014 Regular Board Meeting**
Customer Outreach – E-Newsletter, Website Message: Connect with CCWD, Participate in Budget Process	March/April 2014
Present "Draft" CIP and O&M Budget to Board of Directors at Board Meeting - Approve Notice of Rate Increase (Prop 218)	**April 8, 2014 Regular Board Meeting**
Mail Notice of Rate Increase (Prop 218) – Minimum 45-Day Notice Before Public Hearing	April 18, 2014
Present & Discuss "Draft" CIP and O&M Budgets at Workshop	**May 13, 2014 Regular Board Meeting**
Customer Outreach – E-Newsletter, Website Message: Understanding Budget and Proposed Rate Increase	May/June
Rate Increase Hearing - Approve CIP and O&M Budgets – Approve Rate Increase	**June 10, 2014 Regular Board Meeting**

STAFF REPORT

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

From: **Dave Dickson, General Manager**

Agenda: **February 11, 2014**

Date: **February 6, 2014**

Subject: **Nunes Utility Water System and Pressure Vessel**

Recommendation:
Authorize the General Manager to execute a contract with Pump Repair Service Company for installation of a new Nunes Water Treatment Plant utility water pump and pressure vessel system for the lump-sum price of $70,548.

Background:
The utility water system at the Nunes WTP supplies water for various important functions at the facility, including carrier water for chemical feed injection, surface wash during the filter backwash cycle, and water for bathroom and wash down facilities. Changes and improvements to the plant in recent years have significantly reduced demands on the utility water system, resulting in frequent starting and stopping of the original pumps, which are now oversized for the application. This greatly reduces the life of the pump motors and adds additional stress to the pumps themselves. Over the course of the last 5 years, we have had to replace each motor twice.

The pumps for this system are no longer manufactured or supported and are much more difficult and time consuming to replace once they fail. In order to reduce maintenance and operational costs and improve reliability, we need to replace the pumps. In addition, our insurance carrier has inspected the utility water hydropneumatic tank and recommended that it be replaced.

We solicited bids in 2012 for pump replacement based on a design by District Engineer Jim Teter and received only one bid of $80,000. We have since consulted with District Engineer Teter and Pump Repair Service Company to come up with an alternate replacement design that incorporates a skid-mounted pump system and includes a new hydropneumatic tank.

Staff recommends awarding a contract for providing and installing the new utility water system to Pump Repair Service company for their proposed price of $70,548. Pump Repair Service quotes for equipment and installation are attached.

Fiscal Impact:
Cost of $70,548. The approved Capital Improvement Program includes $40,000 for this project based on the original engineer's estimate.

PUMP REPAIR SERVICE CO.

January 2, 2014

Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

Attn: Sean Donovan

SUBJECT: NUNES WATER TREATMENT PLANT BACKWASH PUMPS

Dear Sean,

We are pleased to provide you with Pricing on the following work. We will install a 1 ½ HP 20 GPM at 90 PSI Temporary pump and pressure tank system that will operate off the existing panel. We will remove the existing pumping system and install your new Grundfos 15HP booster package system.

1 - 1 ½ HP 1" Goulds temporary pump
1 - 119 Gallon pressure tank
1 - Pressure switch
1 - Lot of 1" Pipe & Fittings
1 - Lot of 2" Pipe & Fittings
1 - Lot of 3" Pipe & Fittings
2 - 4" x 3" Bell Reducers
1 - Misc. Hardware

Material Subtotal 3,040.00
Sales Tax.....273.60

Field Labor to install Temporary pump, Remove existing equipment and install new Grundfos package system.....19,800.00

Boom truck / Service truck.....1,500.00

Total.....$24,613.60

Note: The above pricing does not include any Electrical work or Control work, All Electrical Work to be done by others.

If you have any questions on the above pricing please give me a call.

Sincerely,

Wayne Archer

ESTABLISHED 1941
PO BOX 34327 SAN FRANCISCO, CA 94134-0327 415.467.2150 FAX 415.467.7442
www.pumprepairservice.com

PUMP REPAIR SERVICE CO.

October 24, 2013

Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

Attn: Sean Donovan

SUBJECT: NUNES WATER TREATMENT PLANT BACKWASH PUMPS

Dear Sean,

We are pleased to quote you on the following equipment:

Design Conditions: 1 to 150 GPM @ 90 PSI/207' TDH

1 – **Grundfos** hydro MPCE Booster package includes:
(2) – CRE 32-4-2 15 HP 3 x 460 volts booster pumps
and (1) CRE1-10 Jockey pump 3 x 460 volts
(3 VFD's) skid mounted booster system with (6)
3" butterfly valves, (3) check valves and (2)
6" manifolds, control panel, 44 gallon diaphragm tank,
Emergency/normal switches service disconnect
switches surge protection, pump run lights, alarm
circuit and 1035 1B module. The 1035 1B module
adds an additional (7) digital outputs. Liquid Level Switch (LLS) $40,941.00

Factory freight (estimated) 1,200.00
Sales tax 3,792.69
Estimated Total $45,933.69
Delivery ..... 8 Weeks

If you have any questions on the above quote, please give me a call.

Sincerely,

Wayne Archer

WA/dm

ESTABLISHED 1941
PO BOX 34327 SAN FRANCISCO, CA 94134-0327 415.467.2150 FAX 415.467.7442
www.pumprepairservice.com

STAFF REPORT

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

From: **David Dickson, General Manager**

Agenda: **February 11, 2014**

Report Date: **February 6, 2014**

Subject: **Appointment of CCWD Board Member Representative Alternate(s) to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers**

Recommendation:

Appoint CCWD Board Member Representative alternate(s) to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers.

Background:

The Local Agency Formation Commission (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 Commission is comprised of two county supervisor members appointed by the Board of Supervisors, two city council members appointed by the City Selection Committee, two special district members selected by the Special Districts Selection Committee (comprised of the presiding officers of the independent special districts) and one public member appointed by the six members of the Commission.

Pursuant to Government Code Section 56332, the Independent Special District Selection Committee shall consist of the Presiding Officer/President of the legislative body of each of the independent special districts. The legislative body of the district may appoint one of its board members to attend and vote in the presiding officer's place if the presiding officer will not be present at the meeting. (Government Code Section 56332(b)). Since only the District's Board President or a Board appointed alternate member may vote in LAFCo 's election of officers, LAFCo recommends that standing voting representatives be designated in case a special district selection committee is called due to a vacancy and the District's presiding officer is not able to attend the meeting.

In October of 2012, (upon the resignation of Jerry Donovan as the CCWD Board President) the CCWD Board took action to appoint the current Board President as the designated representative, with all other Directors to serve as alternates. In recent communication with LAFCo's Executive Officer, Martha Poyatos, staff learned that designated alternates should be referenced by name. Staff therefore recommends that the Board appoint Vice President Mickelsen and Directors Coverdell, Flint, and Glassberg as alternates.

We would also like to call the Board's attention to the fact that LAFCo has scheduled a meeting of the Special District Selection Committee on Tuesday, March 4, 2014 to fill the vacancy created by the retirement of David Altsher. Attachment A is the Agenda for the March 4, 2014 Independent Special District Selection Committee. Attachment B presents additional information about LAFCo.

Agenda

INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE
(For the purpose of selecting San Mateo LAFCo special district representatives)

Tuesday, March 4, 2014

7:00 p.m.

Sequoia Health Care District Office
525 Veterans Boulevard, Redwood City

Contact: Martha Poyatos
Executive Officer
San Mateo LAFCo
(650) 363-4224

1. Introduction & brief update on LAFCo activities
2. Roll Call and Determination of quorum*
3. Nominations
4. Oral Presentations of nominees (optional): two minutes each
5. Election of Special District Members to LAFCo
   a. Regular Member - term ending May 2014 (vacant)
   b. Alternate Member if vacancy occurs - term ending May 2016
6. Public Comment
7. Adjournment

***Pursuant to Gov. Code Section 56332, the Independent Special District Selection Committee (SDSC) shall consist of the presiding officer/president of the legislative body of each independent special district. The legislative body of the district may appoint one of its board members to attend and vote in the presiding officer's place if the presiding officer will not be present at the meeting. (Government Code Section 56332(b)). In instances where boards have appointed an alternate board member to serve in place of the presiding officer, documentation such as a resolution, minute order or letter must be submitted to LAFCo at the meeting. Only the chair or a Board appointed board member may vote. Staff may not vote. Each district is entitled to one vote.**

Questions? Call Martha Poyatos at 650/363-4224 or e-mail at mpoyatos@co.sanmateo.ca.us

SAN MATEO LOCAL AGENCY FORMATION COMMISSION

455 County Center, 2nd Floor
Redwood City, California 94063

Martha Poyatos
Executive Officer
(650) 363-4224

PURPOSE

Created by the State legislature in 1963, the Local Agency Formation Commission (LAFCo) is a State-mandated, independent commission with countywide jurisdiction over changes in organization and boundaries of cities and special districts including annexations, detachments, incorporations and formations. As required by State law, LAFCo adopts a net operating budget, which is apportioned in thirds to the County of San Mateo, the 20 cities in the County and the 22 independent special districts. The Commission has responsibility in the following areas affecting local government in the county:

1. To discourage urban sprawl and encourage the orderly growth and development of local government agencies;
2. To prevent premature conversion of agricultural and open space lands;
3. To review and approve or disapprove proposals for changes in the boundaries and organization of the 20 cities, 22 independent special districts and 33 county-governed special districts plus incorporations of cities and formations of special districts;
4. To conduct municipal service reviews and establish and periodically update spheres of influence--future boundary, organization and service plans--for the county cities and special districts; and
5. To perform and assist in studies of local government agencies with the goal of improving efficiency and reducing costs of providing urban services.

THE COMMISSION

The Commission is made up of two members of the county Board of Supervisors, two members of city councils of the cities in the county, two board members of independent special districts in the county, a public member, and four alternate members (county, city, special district and public). The Commission contracts with the County of San Mateo for staff, facilities and legal counsel. The Executive Officer serves in the administrative capacity which includes staff review of each proposal, sphere of influence studies and assistance to local agencies and the public.

LAFCo Member		Term
Vacant	Special District Member	May, 2014
Linda Craig	Public Member, Vice Chair	May, 2014
Don Horsley	Board of Supervisors	May, 2016
Rich Garbarino	City Member, Chair	May, 2017
Allan Alifano	City Member	May, 2014
Joseph Sheridan	Special District Member	May, 2016
Adrienne Tissier	Board of Supervisors	May, 2016
Warren Slocum	Alternate for Supervisors	May, 2016
Michael O'Neill	Alternate for City Member	May, 2015
Joshua Cosgrove	Alternate Special District Member	May, 2016
Jayne Herman	Alternate for Public Member	May, 2014

COMMISSION MEETINGS:

1. LAFCo meetings are on the third Wednesday of odd-numbered months at 2:30 p.m. in the Board of Supervisors Chambers at the Hall of Justice in Redwood City. Extra meetings may be held as needed.
2. If an item of interest to you is on the agenda, the Chairman will call for comments from the audience when the item is ready for discussion from the floor. Please complete a speaker slip available just inside the door and give it to the Clerk to assist the Chairman in organizing the progress of the hearing.
3. When addressing the Commission, please proceed to the microphone and state your name and address for the Clerk.

For more information about San Mateo LAFCo: www.sanmateolafco.org

STAFF REPORT

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

From: **David Dickson, General Manager**

Agenda: **February 11, 2014**

Report Date: February 7, 2014

Subject: **General Manager's Report**

Recommendation:
None. Information only.

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

1. **SFPUC Mountain Tunnel Issue:** At the January 8, 2014 meeting of the San Francisco Public Utilities Commission (SFPUC), SFPUC staff discussed a potentially significant problem with the Regional Water System's Mountain Tunnel which came as a surprise to Nicole Sandkulla, CEO of the Bay Area Water Supply and Conservation Agency (BAWSCA). The 19-mile Mountain Tunnel is the sole conduit conveying Hetch Hetchy water from Kirkwood Powerhouse to Moccasin. A recent assessment of the tunnel indicated that it could fail catastrophically, cutting off the Hetch Hetchy supply for up to 9 months and threatening the health and safety of SFPUC water users. In the attached letter dated January 29, 2014, BAWSCA has asked SFPUC to answer several critical questions about this problem and their plans to fix it.

2. **BAWSCA Meeting:** On January 30, Director Mickelsen and I met with BAWSCA CEO Nicole Sandkulla and BAWSCA consultant Bud Wendell to discuss BAWSCA's FY 2013-14 Work Plan and BAWSCA's future direction. This session offered a good opportunity for us to provide the District's perspective on BAWSCA's strategic plan.

3. **Denniston/San Vicente Draft Environmental Impact Report:** We have further extended release of this long-delayed document to complete further analysis by Balance Hydrologics of the effect our proposed project will have on the groundwater balance in the Airport Aquifer. Balance submitted their technical report January 22, and we will work over the next several weeks with Balance and our EIR consultants to incorporate this new work into the document.

MONTHLY REPORT

To: **David Dickson, General Manager**

From: **Joe Guistino, Superintendent of Operations**

Agenda: **February 11, 2014**

Report Date: **February 4, 2014**

Monthly Highlights

Fire

A fire in the early hours of Wednesday, 22 January, disrupted District office functions for several days. Field operations were not affected, and the field staff have assisted significantly in restoring the office and setting up the modular building that will temporarily house office personnel.

Flushing

Crews have completed the flushing of the greater Half Moon Bay area. The only part of our service area left to flush is the Kehoe/Mirmar area, which will be done next fall provided we get sufficient rains.

Source of Supply

Crystal Springs Reservoir was the main sources of supply in January. Denniston WTP contributed 0.36 MG. The Pilarcitos wells were not run in January due to the lack rain.

System Improvements

SFPUC Aqueduct Valve

SFPUC crews rebuilt the ancient valve at the end of their Stone Dam aqueduct. This will allow better control of the water levels in the aqueduct allowing full submersion of the turnout to our Stone Dam Pipeline, allowing us to once again receive water from the Pilarcitos source once water becomes available.

Denniston Filter-To-Waste Valves

Rotork completed the conversion of the newly installed filter to waste valve at Denniston WTP, allowing for more reliable operation and ease of use.

Other Activities Update:

Flushing

All of the greater Half Moon Bay area has been flushed using unidirectional techniques. The flushing in the busier areas was done at night and the majority done during normal work hours. We used 973,000 gallons of water, which is

approximately 30% of the water that we would have used had we not used a unidirectional approach. Crews took 10 days to flush. We received only a few complaints of low pressure or brown water during the flushing activities.

Denniston WTP
The operations staff were able to operate Denniston WTP for two days in January and produced 0.36MG. The operators confronted a failure of a level sensor and problems with the control system for the contact clarifiers. Staff is presently working on remedying these problems.

Treatment/Distribution Operator
We interviewed 6 candidates for the position of Treatment/Distribution Operator in January. We selected the best candidate for our needs, Todd Schmidt, who is scheduled to start February 24.

Our latest temporary maintenance worker, Jeremy Sandoval, started on 31 January.

Harbor District Meter Project
Staff is working with the Harbor and Fire Districts in planning the large meter change-out and backflow device installation at Pillar Point Harbor for February.

Denniston Dredging
We are applying for a 10 year annual maintenance dredging permit for Denniston Reservoir with the assistance of biologist Jim Steele and San Mateo County Planning.

Regulatory Agency Interaction
California Department of Public Health (DPH)
Updated the Unregulated Contaminant Monitoring Rule 3 results in the Federal EPA database.

Safety/Training/Inspections/Meetings
Meetings Attended
8 January – Safety Committee Meeting
24 January – Met with Calcon to discuss future work directives
28 January – All employee meeting
29 January – Met with Resource Conservation District on repair of Pilarcitos Canyon Roads to reduce sediment loads to the creek.

Tailgate safety sessions in September
3 January – Shift Work: A Fact of Utility Life
6 January – Job Hazard Analysis: An Important Tool for Identifying and Reducing Hazards
13 January – Facing Up to Stress
27 January – Handy Tips for Hand Safety

CINTAS Safety Committee Meeting and Training

CINTAS Safety Committee met on 8 January. Topic of discussion was the training matrix for last year and for the upcoming year.
CINTAS Safety Training in January was on Confined Spaces. Davis, Jack Whelen, Winch, Duffy, and Jahns were in attendance.

Projects

El Granada Tank 2 Renovation

The contractors have stripped the internal lining, modified the manways, partially installed the new ladder, installed the annular ring and are partially done with the welding of the side vents. About 60% of the shell where it joins the annular ring was found to be dangerously thin. There is also some significant corrosion on some of the rafters and some large pits on the floor. The contractor has been asked to provide us with a change order to repair these items. We expect the change order to be less than $10,000.

Avenue Cabrillo Pipeline Project

All of the services have been reconnected to the new pipeline in the area around Avenue Cabrillo and Columbus. The new main has been installed in the Avenue Portola part of this project and the services are being tied in at the time of this report. This project will be complete by the end of February.