

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, February 12, 2019 - 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, 2019:
Claims: \$708,933.66; Payroll: \$103,857.30 for a total of \$812,790.96 ([attachment](#))
➤ *January 2019 Monthly Financial Claims reviewed and approved by Director Reynolds*
- B. Acceptance of Financial Reports ([attachment](#))
- C. Approval of Minutes of January 8, 2019 Regular 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 2019 ([attachment](#))
- G. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report ([attachment](#))
- H. Monthly Rainfall Reports ([attachment](#))
- I. S.F.P.U.C. Hydrological Report for the month of December 2018 ([attachment](#))
- J. Notice of Completion - Denniston Pump Station Transformer Work ([attachment](#))
- K. Notice of Completion - Pilarcitos Creek Pipeline Valves Replacement Project ([attachment](#))

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

6) GENERAL BUSINESS

- A. Accept the Coastside County Water District Basic Financial Statements and Independent Auditors Report for Fiscal Year Ended June 30, 2018 ([attachment](#))
- B. Approval of EKI Design Contracts for Ferdinand Avenue Pipeline Replacement, Casa Del Mar Main Replacement (Phase 1) and Grand Boulevard Pipeline/PRV Loop ([attachment](#))
- C. Bell Moon Pipeline Replacement Project ([attachment](#))
- D. Crystal Springs Pump Control Valves ([attachment](#))
- E. Consideration of Next Steps in Process of Filling Director Vacancy, Possible Appointment of Director to Fill Vacancy ([attachment](#))
- F. Coastside County Water District Board Committees ([attachment](#))

7) MONTHLY INFORMATIONAL REPORTS

- A. Assistant General Manager's Report ([attachment](#))
- B. Superintendent of Operations Report ([attachment](#))
- C. Water Resources Report ([attachment](#))

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

**COASTSIDE COUNTY WATER DISTRICT
CLAIMS FOR JANUARY 2019**

CHECKS				
CHECK DATE	CHECK NO.	VENDOR		AMOUNT
01/08/2019	26303	CHEVRON/TEXACO UNIVERSAL CARD	\$	45.44
01/08/2019	26304	PAX WATER TECHNOLOGIES, INC.	\$	105,913.00
01/08/2019	26305	U.S. BANK GLOBAL CORP TRUST SERVICES	\$	71,601.44
01/08/2019	26306	U.S. BANK GLOBAL CORP TRUST SERVICES	\$	92,736.88
01/11/2019	26307	HEALTH BENEFITS ACWA-JPIA	\$	43,837.52
01/11/2019	26308	ASSOC. CALIF. WATER AGENCY	\$	15,870.38
01/11/2019	26309	BIG CREEK LUMBER	\$	126.06
01/11/2019	26310	COMCAST	\$	216.58
01/11/2019	26311	JAMES COZZOLINO, TRUSTEE	\$	200.00
01/11/2019	26312	CUMMINS PACIFIC, LLC	\$	597.77
01/11/2019	26313	CURLEY & RED'S INC. BODY SHOP	\$	3,936.50
01/11/2019	26314	HASSETT HARDWARE	\$	2,429.62
01/11/2019	26315	HUE & CRY, INC.	\$	524.04
01/11/2019	26316	MASS MUTUAL FINANCIAL GROUP	\$	1,974.65
01/11/2019	26317	MASS MUTUAL FINANCIAL GROUP	\$	1,974.65
01/11/2019	26318	MICHAEL WOLF	\$	25.00
01/11/2019	26319	PACIFIC GAS & ELECTRIC CO.	\$	23,776.67
01/11/2019	26320	REPUBLIC SERVICES	\$	523.81
01/11/2019	26321	DENNIS CELONI	\$	115.64
01/11/2019	26322	SAN FRANCISCO WATER DEPT.	\$	61,908.40
01/11/2019	26323	STATE WATER RESOURCES CONTROL BD	\$	218.00
01/11/2019	26324	STATE WATER RESOURCES CONTROL BD	\$	218.00
01/11/2019	26325	STANDARD INSURANCE COMPANY	\$	579.60
01/11/2019	26326	JIM STEELE	\$	6,200.00
01/11/2019	26327	TRI COUNTIES BANK	\$	2,689.06
01/11/2019	26328	SUSAN TURGEON	\$	334.34
01/11/2019	26329	VALIC	\$	4,155.00
01/11/2019	26330	VALIC	\$	4,155.00
01/11/2019	26331	US BANK NA	\$	1,977.27
01/11/2019	26332	JOANNE WHELEN	\$	160.53
01/11/2019	26333	JACK WHELEN	\$	130.00
01/28/2019	26334	Void Check	\$	-
01/28/2019	26335	Void Check	\$	-
01/28/2019	26336	ADP, INC.	\$	680.55
01/28/2019	26337	FRANK YAMELLO	\$	2,227.15
01/28/2019	26338	JIM AHL	\$	100.00
01/28/2019	26339	ANDREINI BROS. INC.	\$	6,829.34
01/28/2019	26340	AT&T	\$	4,000.55
01/28/2019	26341	AT&T LONG DISTANCE	\$	287.75
01/28/2019	26342	AZTEC GARDENS, INC.	\$	218.00
01/28/2019	26343	BADGER METER, INC.	\$	27.00
01/28/2019	26344	BALANCE HYDROLOGICS, INC	\$	24,655.16
01/28/2019	26345	BARTKIEWICZ, KRONICK & SHANAHAN	\$	82.50
01/28/2019	26346	BAY AREA WATER SUPPLY &	\$	9,445.48
01/28/2019	26347	BAY ALARM COMPANY	\$	559.59
01/28/2019	26348	BFI OF CALIFORNIA, INC.	\$	1,544.49
01/28/2019	26349	BIG CREEK LUMBER	\$	48.07
01/28/2019	26350	CALCON SYSTEMS, INC.	\$	9,001.31
01/28/2019	26351	CALIFORNIA WATER EFFICIENCY PARTNERSHIP	\$	3,153.80
01/28/2019	26352	CEL ANALYTICAL INC.	\$	3,122.00
01/28/2019	26353	CHEVRON/TEXACO UNIVERSAL CARD	\$	158.16
01/28/2019	26354	CINTAS FIRST AID & SAFETY	\$	278.08

01/28/2019	26355	CLARK PEST CONTROL OF STOCKTON, INC.	\$	256.00
01/28/2019	26356	PETTY CASH	\$	183.93
01/28/2019	26357	CORRPRO COMPANIES, INC.	\$	12,650.00
01/28/2019	26358	RECORDER'S OFFICE	\$	2,404.75
01/28/2019	26359	DATAPROSE, LLC	\$	2,388.96
01/28/2019	26360	SEAN DONOVAN	\$	153.24
01/28/2019	26361	ELECSYS INTERNATIONAL CORP	\$	250.00
01/28/2019	26362	ERS INDUSTRIAL SERVICES INC.	\$	2,370.00
01/28/2019	26363	CASTANEDA & PEREZ INC	\$	435.00
01/28/2019	26364	JOHN EVANS	\$	100.00
01/28/2019	26365	NANCY FONTANA	\$	200.00
01/28/2019	26366	GRAINGER, INC.	\$	1,541.48
01/28/2019	26367	HMB BLDG. & GARDEN INC.	\$	138.41
01/28/2019	26368	HALF MOON BAY POSTMASTER	\$	6,000.00
01/28/2019	26369	H.M.B.AUTO PARTS	\$	184.09
01/28/2019	26370	HANSONBRIDGETT. LLP	\$	3,725.00
01/28/2019	26371	IRON MOUNTAIN	\$	700.81
01/28/2019	26372	IRVINE CONSULTING SERVICES, INC.	\$	4,728.95
01/28/2019	26373	KINGS MOUNTAIN ARBOR HEALTH & SAFETY	\$	11,700.00
01/28/2019	26374	LIEBERT CASSIDY WHITMORE	\$	156.00
01/28/2019	26375	GLENNA LOMBARDI	\$	104.00
01/28/2019	26376	FRANK LOZANO	\$	100.00
01/28/2019	26377	MASS MUTUAL FINANCIAL GROUP	\$	1,974.65
01/28/2019	26378	MISSION UNIFORM SERVICES INC.	\$	220.42
01/28/2019	26379	MICHAEL WOLF	\$	4,408.36
01/28/2019	26380	MONTEREY COUNTY LAB	\$	3,443.00
01/28/2019	26381	NETWORKFLEET, INC	\$	247.00
01/28/2019	26382	NORTH AMERICAN FENCE & RAILING	\$	4,619.00
01/28/2019	26383	OFFICE DEPOT	\$	162.97
01/28/2019	26384	OFFICIAL PAYMENTS CORPORATION	\$	150.00
01/28/2019	26385	ONTRAC	\$	393.64
01/28/2019	26386	PACIFICA COMMUNITY TV	\$	250.00
01/28/2019	26387	PAKPOUR CONSULTING GROUP, INC.	\$	631.31
01/28/2019	26388	PAULO'S AUTO CARE	\$	405.14
01/28/2019	26389	PITNEY BOWES	\$	211.91
01/28/2019	26390	PSI-PROCESS SOLUTIONS, INC	\$	2,258.53
01/28/2019	26391	RAY A MORGAN COMPANY INC.	\$	475.03
01/28/2019	26392	RICOH USA INC	\$	503.07
01/28/2019	26393	ROBERTS & BRUNE CO.	\$	14,023.83
01/28/2019	26394	ROGUE WEB WORKS, LLC	\$	217.00
01/28/2019	26395	MARY ROGREN	\$	32.00
01/28/2019	26396	HEATHER SANDEL	\$	300.00
01/28/2019	26397	SERVICE PRESS	\$	376.84
01/28/2019	26398	STATE WATER RESOURCES CONTROL BD	\$	90.00
01/28/2019	26399	STRAWFLOWER ELECTRONICS	\$	27.13
01/28/2019	26400	TEAMSTERS LOCAL UNION #856	\$	1,234.00
01/28/2019	26401	JAMES TETER	\$	5,605.99
01/28/2019	26402	TPX COMMUNICATIONS	\$	1,851.41
01/28/2019	26403	TYLER TECHNOLOGIES, INC	\$	1,372.25
01/28/2019	26404	ULINE, INC	\$	260.76
01/28/2019	26405	UNIVAR USA INC	\$	8,093.85
01/28/2019	26406	JASON MALFATTI	\$	660.00
01/28/2019	26407	UPS STORE	\$	531.00
01/28/2019	26408	USA BLUE BOOK	\$	258.69
01/28/2019	26409	VALIC	\$	4,155.00
01/28/2019	26410	VERIZON WIRELESS	\$	1,061.44
01/28/2019	26411	JUAN CARLOS SALAZAR	\$	1,400.00

01/28/2019	26412	SWIFTCOMPLY US OPCO, INC	\$	2,400.00
01/28/2019	26413	JELANI GIVNER	\$	68.63
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				630,414.30

SUBTOTAL CLAIMS FOR MONTH \$ 630,414.30

WIRE PAYMENTS

<u>MONTH</u>		<u>VENDOR</u>		<u>AMOUNT</u>
01/02/2019	DFT0000189	CalPERS FISCAL SERVICES DIVISION	\$	134.84
01/02/2019	DFT0000190	CalPERS FISCAL SERVICES DIVISION	\$	53.52
01/02/2019	DFT0000191	CalPERS FISCAL SERVICES DIVISION	\$	31,045.96
01/02/2019	DFT0000192	PUB. EMP. RETIRE SYSTEM	\$	13,364.61
01/11/2019	DFT0000193	PUB. EMP. RETIRE SYSTEM	\$	14,471.69
01/24/2019	DFT0000194	PUB. EMP. RETIRE SYSTEM	\$	14,683.09
1/31/2019		BANK & CREDIT CARD FEES	\$	4,765.65
				<hr/>
				78,519.36

SUBTOTAL WIRE PAYMENTS FOR MONTH \$ 78,519.36

TOTAL CLAIMS FOR THE MONTH \$ 708,933.66



Coastside County Water District

Monthly Budget Report

Account Summary

For Fiscal: 2018-2019 Period Ending: 01/31/2019

	January Budget	January Activity	Variance Favorable (Unfavorable)	Percent Variance	YTD Budget	YTD Activity	Variance Favorable (Unfavorable)	Percent Variance	Total Budget	
Revenue										
RevType: 1 - Operating										
1-4120-00	Water Revenue	678,999.00	594,214.56	-84,784.44	-12.49 %	7,261,181.00	7,311,875.12	50,694.12	0.70 %	11,710,500.00
	Total RevType: 1 - Operating:	678,999.00	594,214.56	-84,784.44	-12.49 %	7,261,181.00	7,311,875.12	50,694.12	0.70 %	11,710,500.00
RevType: 2 - Non-Operating										
1-4170-00	Water Taken From Hydrants	4,167.00	2,332.33	-1,834.67	-44.03 %	29,167.00	45,511.18	16,344.18	56.04 %	50,000.00
1-4180-00	Late Notice - 10% Penalty	5,000.00	11,003.14	6,003.14	120.06 %	35,000.00	42,834.21	7,834.21	22.38 %	60,000.00
1-4230-00	Service Connections	833.00	1,389.09	556.09	66.76 %	5,833.00	7,694.91	1,861.91	31.92 %	10,000.00
1-4920-00	Interest Earned	520.00	15,737.57	15,217.57	2,926.46 %	3,638.00	26,878.12	23,240.12	638.82 %	6,236.00
1-4930-00	Tax Apportionments/County Checks	3,000.00	3,356.70	356.70	11.89 %	418,000.00	470,217.31	52,217.31	12.49 %	725,000.00
1-4950-00	Miscellaneous Income	2,083.00	0.00	-2,083.00	-100.00 %	14,583.00	1,649.14	-12,933.86	-88.69 %	25,000.00
1-4955-00	Cell Site Lease Income	13,750.00	13,503.47	-246.53	-1.79 %	96,250.00	93,908.29	-2,341.71	-2.43 %	165,000.00
1-4965-00	ERAF Refund - County Taxes	325,000.00	479,200.50	154,200.50	47.45 %	325,000.00	479,200.50	154,200.50	47.45 %	325,000.00
	Total RevType: 2 - Non-Operating:	354,353.00	526,522.80	172,169.80	48.59 %	927,471.00	1,167,893.66	240,422.66	25.92 %	1,366,236.00
	Total Revenue:	1,033,352.00	1,120,737.36	87,385.36	8.46 %	8,188,652.00	8,479,768.78	291,116.78	3.56 %	13,076,736.00
Expense										
ExpType: 1 - Operating										
1-5130-00	Water Purchased	80,000.00	47,513.40	32,486.60	40.61 %	1,140,000.00	1,720,852.11	-580,852.11	-50.95 %	1,900,998.00
1-5230-00	Nunes T P Pump Expense	3,558.00	2,689.65	868.35	24.41 %	24,906.00	23,958.20	947.80	3.81 %	42,697.00
1-5231-00	CSP Pump Station Pump Expense	14,185.00	-3,803.53	17,988.53	126.81 %	202,141.00	202,001.47	139.53	0.07 %	337,080.00
1-5232-00	Other Trans. & Dist Pump Expense	2,247.00	1,061.61	1,185.39	52.75 %	15,729.00	12,895.69	2,833.31	18.01 %	26,965.00
1-5233-00	Pilarcitos Canyon Pump Expense	10,000.00	10,804.84	-804.84	-8.05 %	21,000.00	15,314.95	5,685.05	27.07 %	39,248.00
1-5234-00	Denniston T P Pump Expense	10,833.00	4,128.18	6,704.82	61.89 %	75,833.00	22,154.20	53,678.80	70.79 %	130,000.00
1-5242-00	CSP Pump Station Operations	892.00	1,659.27	-767.27	-86.02 %	6,242.00	11,490.79	-5,248.79	-84.09 %	10,700.00
1-5243-00	CSP Pump Station Maintenance	3,083.00	602.50	2,480.50	80.46 %	21,583.00	8,939.01	12,643.99	58.58 %	37,000.00
1-5246-00	Nunes T P Operations - General	6,487.00	5,844.72	642.28	9.90 %	45,412.00	55,596.69	-10,184.69	-22.43 %	77,850.00
1-5247-00	Nunes T P Maintenance	10,208.00	2,024.84	8,183.16	80.16 %	71,458.00	36,980.64	34,477.36	48.25 %	122,500.00
1-5248-00	Denniston T P Operations-General	3,917.00	15,680.79	-11,763.79	-300.33 %	27,417.00	23,769.92	3,647.08	13.30 %	47,000.00
1-5249-00	Denniston T.P. Maintenance	8,487.00	16,857.88	-8,370.88	-98.63 %	59,412.00	123,040.30	-63,628.30	-107.10 %	101,850.00
1-5250-00	Laboratory Expenses	5,954.00	3,479.27	2,474.73	41.56 %	41,678.00	46,111.46	-4,433.46	-10.64 %	71,450.00
1-5260-00	Maintenance - General	24,309.00	31,952.88	-7,643.88	-31.44 %	170,159.00	184,463.76	-14,304.76	-8.41 %	291,700.00
1-5261-00	Maintenance - Well Fields	3,333.00	0.00	3,333.00	100.00 %	23,333.00	0.00	23,333.00	100.00 %	40,000.00
1-5263-00	Uniforms	0.00	3,460.88	-3,460.88	0.00 %	8,000.00	11,588.64	-3,588.64	-44.86 %	12,500.00
1-5318-00	Studies/Surveys/Consulting	17,000.00	12,330.15	4,669.85	27.47 %	77,000.00	45,589.89	31,410.11	40.79 %	160,000.00
1-5321-00	Water Resources	2,100.00	2,067.40	32.60	1.55 %	14,700.00	6,806.36	7,893.64	53.70 %	25,200.00

Monthly Budget Report

For Fiscal: 2018-2019 Period Ending: 01/31/2019

	January Budget	January Activity	Variance Favorable (Unfavorable)	Percent Variance	YTD Budget	YTD Activity	Variance Favorable (Unfavorable)	Percent Variance	Total Budget
1-5322-00 Community Outreach	4,000.00	6,913.11	-2,913.11	-72.83 %	18,000.00	14,038.80	3,961.20	22.01 %	54,700.00
1-5381-00 Legal	8,333.00	2,326.50	6,006.50	72.08 %	58,333.00	24,985.00	33,348.00	57.17 %	100,000.00
1-5382-00 Engineering	5,000.00	536.00	4,464.00	89.28 %	35,000.00	6,416.00	28,584.00	81.67 %	60,000.00
1-5383-00 Financial Services	0.00	815.00	-815.00	0.00 %	14,000.00	8,045.00	5,955.00	42.54 %	20,000.00
1-5384-00 Computer Services	14,200.00	15,431.78	-1,231.78	-8.67 %	92,200.00	104,575.51	-12,375.51	-13.42 %	163,600.00
1-5410-00 Salaries/Wages-Administration	87,222.00	75,388.69	11,833.31	13.57 %	654,162.00	551,921.27	102,240.73	15.63 %	1,133,880.00
1-5411-00 Salaries & Wages - Field	107,733.00	102,229.43	5,503.57	5.11 %	807,999.00	775,498.66	32,500.34	4.02 %	1,400,532.00
1-5420-00 Payroll Tax Expense	13,672.00	13,587.79	84.21	0.62 %	102,540.00	93,475.87	9,064.13	8.84 %	177,734.00
1-5435-00 Employee Medical Insurance	38,502.00	37,689.90	812.10	2.11 %	251,736.00	257,349.88	-5,613.88	-2.23 %	444,246.00
1-5436-00 Retiree Medical Insurance	4,405.00	5,197.95	-792.95	-18.00 %	28,633.00	26,008.28	2,624.72	9.17 %	50,659.00
1-5440-00 Employees Retirement Plan	49,905.00	61,180.67	-11,275.67	-22.59 %	349,335.00	329,322.31	20,012.69	5.73 %	598,859.00
1-5445-00 Supplemental Retirement 401a	0.00	0.00	0.00	0.00 %	0.00	0.00	0.00	0.00 %	35,000.00
1-5510-00 Motor Vehicle Expense	5,000.00	9,356.88	-4,356.88	-87.14 %	35,000.00	50,416.64	-15,416.64	-44.05 %	60,000.00
1-5620-00 Office & Billing Expenses	21,800.00	31,106.24	-9,306.24	-42.69 %	152,600.00	149,156.75	3,443.25	2.26 %	261,600.00
1-5625-00 Meetings / Training / Seminars	2,166.00	2,731.09	-565.09	-26.09 %	15,166.00	23,646.36	-8,480.36	-55.92 %	26,000.00
1-5630-00 Insurance	10,750.00	12,541.71	-1,791.71	-16.67 %	75,250.00	76,356.53	-1,106.53	-1.47 %	129,000.00
1-5687-00 Membership, Dues, Subscript.	8,000.00	11,078.80	-3,078.80	-38.49 %	53,000.00	58,167.45	-5,167.45	-9.75 %	75,970.00
1-5688-00 Election Expenses	0.00	0.00	0.00	0.00 %	25,000.00	0.00	25,000.00	100.00 %	25,000.00
1-5689-00 Labor Relations	500.00	0.00	500.00	100.00 %	3,500.00	0.00	3,500.00	100.00 %	6,000.00
1-5700-00 San Mateo County Fees	0.00	0.00	0.00	0.00 %	13,000.00	5,854.38	7,145.62	54.97 %	20,000.00
1-5705-00 State Fees	1,500.00	436.00	1,064.00	70.93 %	6,000.00	26,570.59	-20,570.59	-342.84 %	36,500.00
Total ExpType: 1 - Operating:	589,281.00	546,902.27	42,378.73	7.19 %	4,836,457.00	5,133,359.36	-296,902.36	-6.14 %	8,354,018.00
ExpType: 4 - Capital Related									
1-5712-00 Debt Service/Existing Bonds 2006B	0.00	0.00	0.00	0.00 %	366,963.00	-1,812.44	368,775.44	100.49 %	486,383.00
1-5715-00 Debt Service/CIEDB 11-099	71,602.00	71,601.44	0.56	0.00 %	336,126.00	336,125.36	0.64	0.00 %	336,126.00
1-5716-00 Debt Service/CIEDB 2016	92,736.88	92,736.88	0.00	0.00 %	324,235.00	324,234.72	0.28	0.00 %	324,235.00
1-5717-00 Chase Bank - 2018 Loan	0.00	0.00	0.00	0.00 %	0.00	318,974.12	-318,974.12	0.00 %	0.00
Total ExpType: 4 - Capital Related:	164,338.88	164,338.32	0.56	0.00%	1,027,324.00	977,521.76	49,802.24	4.85 %	1,146,744.00
Total Expense:	753,619.88	711,240.59	42,379.29	-7.62 %	5,863,781.00	6,110,881.12	-247,100.12	-4.21 %	9,500,762.00
Report Total:	279,732.12	409,496.77	129,764.65		2,324,871.00	2,368,887.66	44,016.66		3,575,974.00

**COASTSIDE COUNTY WATER DISTRICT
MONTHLY INVESTMENT REPORT
January 31, 2019**

<u>RESERVE BALANCES</u>	Current Year as of 1/31/19	Prior Year as of 1/31/18
CAPITAL AND OPERATING RESERVE	\$8,047,499.01	\$5,242,930.82
RATE STABILIZATION RESERVE	\$250,000.00	\$250,000.00
TOTAL DISTRICT RESERVES	\$8,297,499.01	\$5,492,930.82

ACCOUNT DETAIL

ACCOUNTS WITH TRI COUNTIES BANK		
CHECKING ACCOUNT	\$3,996,595.83	\$4,417,366.76
CSP T & S ACCOUNT	\$208,569.13	\$32,967.88
MONEY MARKET GEN. FUND (Opened 7/20/17)	\$19,435.38	\$2,500.00
LOCAL AGENCY INVESTMENT FUND (LAIF) BALANCE	\$4,072,198.67	\$1,039,396.18
DISTRICT CASH ON HAND	\$700.00	\$700.00
TOTAL ACCOUNT BALANCES	\$8,297,499.01	\$5,492,930.82

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

COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2018/2019

1/31/2019

Approved CIP Budget FY 18/19	Actual To Date FY 18/19	Projected Year-End FY 18/19	Variance vs. Budget	% Completed	Project Status/ Comments
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Equipment Purchases & Replacement

06-03	SCADA/Telemetry/Electrical Controls Replacement	\$ 50,000		\$ 50,000	\$ -	0%	
99-02	Vehicle Replacement	\$ 100,000	\$ 76,936	\$ 76,936	\$ 23,064	100%	

Facilities & Maintenance

08-08	PRV Valves Replacement Project	\$ 30,000	\$ 14,523	\$ 30,000	\$ -	48%	
09-09	Fire Hydrant Replacement	\$ 140,000	\$ 63,326	\$ 140,000	\$ -	45%	
16-07	Sample Station Replacement Project	\$ 30,000	\$ 28,013	\$ 30,000	\$ -	93%	
17-15	Pilarcitos Canyon Emergency Road Repairs	\$ 100,000			\$ 100,000	0%	Delayed
18-13	Denniston WTP and Tank Road Repairs and Paving	\$ 100,000	\$ 13,700	\$ 100,000	\$ -	14%	Work will be done in the spring 2019
99-01	Meter Change Program	\$ 20,000	\$ 38,776	\$ 38,776	\$ (18,776)	194%	

Pipeline Projects

06-02	Highway 1 South Pipeline Replacement Project	\$ 750,000	\$ 353,035	\$ 353,035	\$ 396,965	100%	
07-04	Bell Moon Pipeline Replacement Project	\$ 60,000	\$ 13,958	\$ 340,000	\$ (280,000)	23%	moved up from FY2019/20
13-02	Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave	\$ 50,000		\$ 50,000	\$ -	0%	
14-01	Replace 12" Welded Steel Line on Hwy 92 with 8"	\$ 100,000		\$ 100,000	\$ -	0%	
14-27	Grandview 2 Inch Replacement	\$ 50,000	\$ 2,635	\$ 2,635	\$ 47,365	5%	delayed to FY2019/20
14-30	Replace Miscellaneous 2 Inch GS El Granada	\$ 60,000	\$ 57,911	\$ 65,000	\$ (5,000)	89%	in process
14-31	Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus	\$ 60,000		\$ 60,000	\$ -	0%	in design

Pump Stations / Tanks / Wells

06-04	Hazen's Tank Removal	\$ 30,000			\$ 30,000	0%	
08-14	Alves Tank Recoating & Refurshment	\$ 600,000	\$ 3,812	\$ 70,000	\$ 530,000	1%	In design. Will go out to bid in Spring 2019
19-01	EG Tank #1 Recoating & Refurbishment	\$ 100,000	\$ 5,671	\$ 100,000	\$ -	6%	
19-03	Miramar Tank - Chime	\$ 40,000		\$ 40,000	\$ -	0%	for seismic assessment
18-05	Denniston Tank THM Residual Control	\$ 80,000		\$ 80,000	\$ -	0%	
18-06	CSP -- (3) Butterfly Valves	\$ 80,000	\$ 11,399	\$ 11,399	\$ 68,601	100%	
19-04	Tanks - THM Control	\$ 120,000	\$ 105,913	\$ 105,913	\$ 14,087	88%	

Water Supply Development

12-12	San Vicente Diversion and Pipeline	\$ 100,000	\$ -	\$ -	\$ 100,000	0%	delayed
17-12	Recycled Water Project Development	\$ 100,000	\$ -	\$ -	\$ 100,000	0%	

Water Treatment Plants

08-07	Nunes Filter Valve Replacement	\$ 500,000		\$ -	\$ 500,000	0%	delayed
13-05	Denniston WTP Emergency Power	\$ 50,000		\$ 50,000	\$ -	0%	

FY 18/19 TOTALS	\$ 3,500,000	\$ 789,607	\$ 1,893,694	\$ 1,606,306			
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COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2018/2019

1/31/2019

Approved CIP Budget FY 18/19	Actual To Date FY 18/19	Projected Year-End FY 18/19	Variance vs. Budget	% Completed	Project Status/ Comments
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FY2017/2018 CIP Projects in process - paid in FY 2018/2019

18-09	Denniston Heater	\$ 4,800	\$ 4,800	\$ (4,800)	100%	completed
13-08	Crystal Springs Spare 350 HP Motor	\$ 70,556	\$ 70,556	\$ (70,556)	100%	
18-03	CSP Spare 500 Pump Rehabilitation	\$ 41,450	\$ 41,450	\$ (41,450)	100%	
07-03	Pilarcitos Canyon Pipeline Replacement	\$ 21,578	\$ 21,578	\$ (21,578)		ongoing
12-12	Denniston/San Vicente Water Supply Development	\$ 48,162	\$ 75,000	\$ (75,000)		ongoing
14-26	Replace 2" Pipe in Downtown Half Moon Bay	\$ 147,735	\$ 147,735	\$ (147,735)	100%	
17-16	CSP P3 Soft Start Pump/Shafting Replacement & Motor refurbishment	\$ 3,370	\$ 3,370	\$ (3,370)	100%	
10-02 & 12-04	Denniston Booster Pump Station - Transformer Installation	\$ 39,454	\$ 39,454	\$ (39,454)	100%	
18-07	EG #2 Tank Chlorination System (Residual Control System)		\$ 50,000	\$ (50,000)	0%	
17-04	Denniston Dam Spillway Repairs	\$ 34,328	\$ 34,328	\$ (34,328)		
18-10	Nunes/Denniston Treat Plants Optimization Study	\$ 16,916	\$ 20,000	\$ (20,000)		
06-03	El Granada Tank #3 Recoating Project	\$ 10,410	\$ 10,410	\$ (10,410)	100%	Cathodic protection
				\$ -		

PREVIOUS YEAR TOTALS \$ - \$ 438,760 \$ 518,681 \$ (518,681)

UNSCHEDULED ITEMS (CAPITAL EXPENDITURES) FOR CURRENT FISCAL YEAR 2018/2019

NN-00	Unscheduled CIP	\$ 100,000		\$ 100,000	0%	
08-16;11-05;11-06	Seismic assessments-HMB Tanks 2-3. Cahill		\$ 150,000	\$ (150,000)		moved up from FY2019/20
14-32	Casa del Mar PRVs		\$ 100,000	\$ (100,000)		moved up from FY2019/20
19-02	Grand Blvd Pipeline/PRVs		\$ 100,000	\$ (100,000)		moved up from FY2019/20
	Crystal Springs Pump Control Valves		\$ 96,000	\$ (96,000)		on 12 Feb 2019 Board Agenda

NON-BUDGETED TOTALS \$ 100,000 \$ - \$ 446,000 \$ (346,000)

CIP TOTALS \$ 3,600,000 \$ 1,228,367 \$ 2,858,375 \$ 741,625

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

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

Month	Admin (General Legal Fees)	Water Supply Develpmnt	Recycled Water	Transfer Program	CIP	Personnel	Water Shortage	Litigation	Infrastructure Project Review (Reimbursable)	TOTAL
Feb-18	4,485			1,052	260	1,040				6,837
Mar-18	1,268			454	962	1,203				3,886
Apr-18	2,503				8,301					10,803
May-18	6,754					1,404				8,158
Jun-18	4,225			406	1,333	358				6,321
Jul-18	7,430			1,680	488	65				9,662
Aug-18	3,230			647		1,608			216	5,701
Sep-18	3,246			757	963					4,965
Oct-18	2,211				437					2,648
Nov-18	1,473									1,473
Dec-18	2,714									2,714
Jan-19	3,088			168	469					3,725

TOTAL	42,624	0	0	5,164	13,211	5,677	0	0	216	66,891
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**Engineer Cost Tracking Report
12 Months At-A-Glance**

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

Month	Admin & Retainer	CIP	Studies & Projects	TOTAL	Reimbursable from Projects
Feb-18	480	1,014	7,788	9,282	7,788
Mar-18	1,021	4,270	1,905	7,196	1,905
Apr-18	480	2,197	338	3,015	338
May-18	1,115	1,188		2,303	
Jun-18	480	1,099	169	1,748	169
Jul-18	480	4,989	2,958	8,427	2,958
Aug-18	480	2,380	2,138	4,998	2,138
Sep-18	480	5,197		5,677	
Oct-18	480		3,142	3,622	3,143
Nov-18	480	3,518	254	4,252	254
Dec-18	480	3,972	2,820	7,271	2,820
Jan-19	480	5,126		5,606	
TOTAL	6,936	34,948	21,511	63,396	21,511

Calcon T&M Projects Tracking

1/31/2019

Project No.	Name	Status	Proposal Date	Approved Date	Project Budget	Project Actual thru 6/30/18	Project Billings FY2018-19
Closed Projects:							
CAL-13-01	EG Tank 2 Recoating Project	Closed	9/30/13	10/8/13	\$8,220.00	\$ 8,837.50	
CAL-13-02	Nunes Control System Upgrades	Closed	9/30/13	10/8/13	\$46,141.00	\$ 55,363.60	
CAL-13-03	Win 911 and PLC Software	Closed	9/30/13	10/8/13	\$9,717.00	\$ 12,231.74	
CAL-13-04	Crystal Springs Surge Tank Retrofit	Closed	11/26/13	11/27/13	\$31,912.21	\$ 66,572.54	
CAL-13-06	Nunes Legacy Backwash System Removal	Closed	11/25/13	11/26/13	\$6,516.75	\$ 6,455.00	
CAL-13-07	Denniston Backwash FTW Valves	Closed	11/26/13	11/27/13	\$6,914.21	\$ 9,518.28	
CAL-14-01	Denniston Wash Water Return Retrofit	Closed	1/28/14	2/14/14	\$13,607.00	\$ 13,591.60	
CAL-14-02	Denniston Calrifier SCADA Data	Closed	4/2/14	4/7/14	\$4,125.00	\$ 4,077.50	
CAL-14-03	Nunes Surface Scatter Turbidimeter	Closed	4/2/14	4/7/14	\$2,009.50	\$ -	
CAL-14-04	Phase I Control System Upgrade	Closed	4/2/14	4/7/14	\$75,905.56	\$ 44,459.14	
CAL-14-06	Miramar Control Panel	Closed	8/28/14	8/28/14	\$37,953.00	\$ 27,980.71	
CAL-14-08	SFWater Flow & Data Logger/Cahill Tank	Closed	8/20/2014	8/20/2014	\$1,370.00	\$ 1,372.00	
CAL-15-01	Main Street Monitors	Closed				\$ 6,779.42	
CAL-15-02	Denniston To Do List	Closed				\$ 2,930.00	
CAL-15-03	Nunes & Denniston Turbidity Meters	Closed			\$6,612.50	\$ 12,536.12	
CAL-15-04	Phase II Control System Upgrade	Closed	6/23/2015	8/11/2015	\$195,000.00	\$ 202,227.50	
CAL-15-05	Permanganate Water Flow	Closed				\$ 1,567.15	
CAL-16-04	Radio Network	Closed	12/9/2016	1/10/2017	\$126,246.11	\$ 139,200.68	
CAL-16-05	El Granada Tank No. 3 Recoating	Closed	12/16/2016		\$6,904.50	\$ 6,845.00	
CAL-17-03	Nunes Valve Control	Closed	6/29/2017	7/11/2017	\$73,281.80	\$ 79,034.35	
CAL-17-04	Denniston Booster Pump Station	Closed	7/27/2017	8/8/2017	\$21,643.75	\$ 29,760.00	
CAL-17-05	Crystal Springs Pump Station #3 Soft Start	Closed	7/27/2017	8/8/2017	\$12,213.53	\$ 12,178.13	
CAL-18-04	Tank Levels Calibration Special	Closed	3/5/2018	3/5/2018	\$8,388.75	\$ 10,700.00	
CAL-18-05	Pilarcitos Stream Flow Gauge -Well 1 120 Service Power	Closed	3/22/2018	3/22/2018	\$3,558.13	\$ 3,997.40	
CAL-17-06	Nunes Flocculator & Rapid Mix VFD Panels	Closed	12/6/2017	12/12/2017	\$29,250.75	\$ 30,695.66	
Closed Projects - Subtotal (pre FY2018-19)					\$727,491.05	\$ 788,911.02	
Open Projects:							
CAL-17-01	Crystal Springs Leak Valve Control		2/8/2017	2/14/2017	\$8,701.29	\$ 18,055.88	
CAL-17-02	Crystal Springs Requirements & Addtl Controls		2/8/2017	2/14/2017	\$38,839.50	\$ 41,172.06	
CAL-18-03	CSP Breakers & Handles		3/7/2018	3/7/2018	\$25,471.47	\$ 29,167.79	
CAL-18-06	Nunes VFD Project		9/6/2018	9/6/2018	\$2,381.51	\$ 895.50	
Open Projects - Subtotal					\$75,393.77	\$88,395.73	\$895.50
Other: Maintenance							
Tanks							
Crystal Springs Maintenance							\$ 978.78
Nunes Maintenance							\$ 5,912.50
Denniston Maintenance							\$ 15,464.25
Distribution System							\$ 23,623.76
TOTAL FY 2018/19							\$ 46,874.79

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

January 8, 2019

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

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; Patrick Miyaki, Legal Counsel; James Derbin, Superintendent of Operations, 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) **SPECIAL ORDER OF BUSINESS**

President Coverdell took this opportunity to present former President Bob Feldman with a gavel plaque recognizing his leadership and dedication to the goals and mission of the District during his term as President from December 2017 to December 2018.

- A. Certificates from San Mateo County Chief Elections Officer and Administration of Oath of Office to Newly Appointed Directors: Robert Feldman and Chris Mickelsen

Patrick Miyaki administered the Oath of Office to Directors Mickelsen and Feldman.

- 5) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending December 31, 2018:
Claims: \$969,028.73; Payroll: \$111,234.83 for a total of \$1,080,263.56
- B. Acceptance of Financial Reports
- C. Approval of Minutes of December 11, 2018 Regular Board of Directors Meeting
- D. Monthly Water Service Connection Transfer Report
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report

- G. CCWD Monthly Sales by Category Report – December 2018
- H. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report
- I. Monthly Rainfall Reports
- J. S.F.P.U.C. Hydrological Report for the month of November 2018
- K. Notice of Completion – South Highway One Pipeline Replacement Project
- L. Request for Board to Provide Authorization to Write-Off Bad Debts for Fiscal Year Ending 2017-2018

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

Vice-President Mickelsen and Director Reynolds had a few questions regarding agenda item 5L, the authorization to write off bad debts for fiscal year 2017-2018, which were answered by Ms. Rogren.

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

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

6) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

7) **GENERAL BUSINESS**

A. **Contract with EKI Environment and Water for Capital Project Management Support**

Mr. Dickson summarized the District’s Capital Improvement Program (CIP) and explained that many of the projects require extensive preparation, including planning, design, environmental documentation, permitting, bidding, and contract management, and that all of the tasks require significant time to complete. He reported that in reviewing the District’s progress in implementing the fiscal year 2018/2019 CIP projects and looking ahead to future years, it became apparent that the District needs assistance in managing and implementing the Capital Improvement Projects in order to meet the objectives established by the District.

Mr. Dickson further explained that based on EKI’s responsiveness and excellent performance on past District projects, staff is interested in working with EKI further on the District’s CIP goals, priorities, and challenges. He reported that based on staff’s recent meetings with EKI, a proposal and schedule for a near-term CIP implementation plan for fiscal year 2018-2019 through fiscal year 2021-2022 is being presented for the Board’s consideration.

Following the introduction of his colleague, Ms. Taylor Allen, Mr. Stephen Tarantino, P.E./Vice President of EKI, addressed the Board and summarized some of the work performed by EKI, including managing projects from financial aspects, to permitting, to hiring engineers, overseeing projects within schedule and budget, and added that he felt that EKI can offer a lot of skills and expertise to District staff in these areas. Mr. Tarantino also answered several questions from the Board members.

ON MOTION BY Director Reynolds and seconded by Director Feldman, the Board voted by roll call vote to authorize the General Manager to retain the professional services of EKI Environmental and Water (EKI) for capital project management support, with an initial time and materials budget of \$40,000:

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

B. Approval of 2018 Amendments to the Water Supply Agreement with the City and County of San Francisco and the Wholesale Customers in Alameda County, San Mateo County and Santa Clara County

Ms. Rogren explained that in the course of implementing the 2009 Water Supply Agreement, it became clear to the Bay Area Water Supply and Conservation Agency (BAWSCA) and the San Francisco Public Utilities Commission (SFPUC) that several amendments were needed to address some substantive and important issues. She added that BAWSCA and SFPUC identified seven amendments of the greatest importance to each agency. Ms. Rogren then briefly summarized each of the seven proposed amendments.

Vice-President Mickelsen, currently serving as a member of the BAWSCA Board as well, stated his support of the amendments.

ON MOTION BY Director Feldman and seconded by Director Glassberg, the Board voted by roll call vote to approve Resolution 2019-01, A Resolution of the Board of Directors of the Coastside County Water District Approving Amendments to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County:

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

C. **Quarterly Financial Review**

Ms. Rogren summarized year-to-date revenue and expenses for the first six months of fiscal year 2018-2019. She reviewed key highlights, including revenue \$204,000 above budget due to higher water sales and tax receipts and expenses over budget by \$340,000 due to water purchased from SFPUC being higher than originally budgeted. She also pointed out that loan payments were \$50,000 under budget due to the refinancing of the District's 2006 Series B Bonds that occurred in July 2018.

D. **Coastside County Water District Board Committees**

President Coverdell distributed copies of draft proposed changes to the District Board Committee list. He advised that this proposed re-assignment of the District's committees would be in effect until the Board discusses the committees in further detail at a future meeting.

Mr. Miyaki suggested that the Board consider re-visiting the purpose of the District's Advisory Committees as well. He then summarized the differences between Standing Committees and Advisory Committees.

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

President Coverdell stated that this is an annual exercise where the District designates each of the other members of the Board as an alternate to participate in LAFCo's election of officers if the Board President is not available.

ON MOTION BY Director Glassberg and seconded by Vice-President Mickelsen, the Board voted, by roll call vote, to appoint CCWD Board Member Representative alternate(s) by name: Vice-President Mickelsen, and Directors Reynolds, Feldman, and Glassberg, to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers:

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

F. Resignation of Director Glassberg and Consideration of the Process for Filling a Vacancy on the Board of Directors

President Coverdell introduced this agenda topic by advising that Director Glassberg had submitted his resignation from the District's Board of Directors, effective January 31, 2019, because he plans to move outside the District.

President Coverdell and the other Board members thanked Director Glassberg for his service to the District.

Director Glassberg also expressed his sentiments and thanked the staff and the Board members.

Mr. Miyaki and Mr. Dickson reviewed the next steps of the process of filling the vacancy, which was followed by discussion among the Board members with the exception of Director Glassberg, who did not participate in the discussion.

ON MOTION BY Director Reynolds and seconded by Vice-President Mickelsen, the Board voted, by roll call vote, to fill the vacancy on the Board by appointment, to direct staff to issue a notice of vacancy, including establishing a deadline of January 25, 2019 for submitting candidate's statements of interest, and with the next steps of the process to be determined at the February 12th 2019 Board meeting:

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

8) MONTHLY INFORMATIONAL REPORT

A. Assistant General Manager

Ms. Rogren announced that she was pleased to report that the District was notified by the Department of Water Resources, that based on the comments and local data submitted by the District and other stakeholders in the District's basin area, that the Half Moon Bay Terrace Basin had been reclassified to "very low priority". She advised that this basin still falls under the purview of the Sustainable Groundwater Management Act (SGMA), but that the mandates do not apply for low priority basins.

The Board thanked District staff for this excellent news and Mr. Miyaki echoed the magnitude of this finding, noting that the appreciation to District staff, led by Ms. Rogren, is well deserved and an eventual significant cost savings to the District.

B. Superintendent of Operations

Mr. Derbin reviewed monthly operations highlights for the month of December.

C. Water Resource Analyst

Ms. Brennan summarized a Bay Area Water Supply and Conservation Agency (BAWSCA) grant reimbursement update.

9) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

10) ADJOURNMENT - The meeting was adjourned at 8:44 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary to the District

Ken Coverdell, President
Board of Directors

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

FY 18/19 Meters

Installed Water Meters	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
HMB Non-Priority													
0.5" capacity increase													
5/8" meter		1	2	2	6								11
3/4" meter		1											1
1" meter							1						1
1 1/2" meter													
2" meter													
3" meter													
HMB Priority													
0.5" capacity increase													
5/8" meter													
3/4" meter													
1" meter													
1 1/2" meter													
2" meter													
County Non-Priority													
0.5" capacity increase													
5/8" meter			2										2
3/4" meter							1						1
1" meter													
County Priority													
5/8" meter													
3/4" meter													
1" meter													
Totals	0	2	4	2	6	0	2						16

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

FY 2019 Capacity (5/8" connection equivalents)	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
HMB Non-Priority		2.5	2	2	6		4						16.5
HMB Priority													
County Non-Priority			2										2
County Priority													
Total	0	2.5	4	2	6	0	4						18.5

TOTAL CCWD PRODUCTION (MG) ALL SOURCES- FY 2019

	CCWD Sources			SFPUC Sources		RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
	DENNISTON WELLS	DENNISTON RESERVOIR	PILARCITOS WELLS	PILARCITOS LAKE	CRYSTAL SPRINGS RESERVOIR			
JUL	2.36	13.98	0.00	37.74	30.90	84.98	3.98	81.00
AUG	0.62	3.36	0.00	27.20	36.80	67.98	1.94	66.04
SEPT	0.00	0.00	0.00	30.48	39.24	69.72	1.48	68.24
OCT	0.00	0.00	0.00	22.98	37.51	60.49	2.09	58.40
NOV	0.00	0.00	5.78	0.00	44.10	49.88	2.24	47.64
DEC	1.31	11.50	14.35	7.12	2.78	37.06	3.07	33.99
JAN	1.97	15.27	15.84	5.30	5.57	43.95	2.55	41.39
FEB								
MAR								
APR								
MAY								
JUN								
TOTAL	6.26	44.11	35.97	130.82	196.90	414.06	17.35	396.70
% MONTHLY TOTAL	4.5%	34.7%	36.0%	12.1%	12.7%	100.0%	5.8%	94.2%
% ANNUAL TO DATE TOTAL	1.5%	10.7%	8.7%	31.6%	47.6%	100.0%	4.2%	95.8%

CCWD vs SFPUC- month 75.3% 24.7%
 CCWD vs SFPUC- annual 20.9% 79.1%

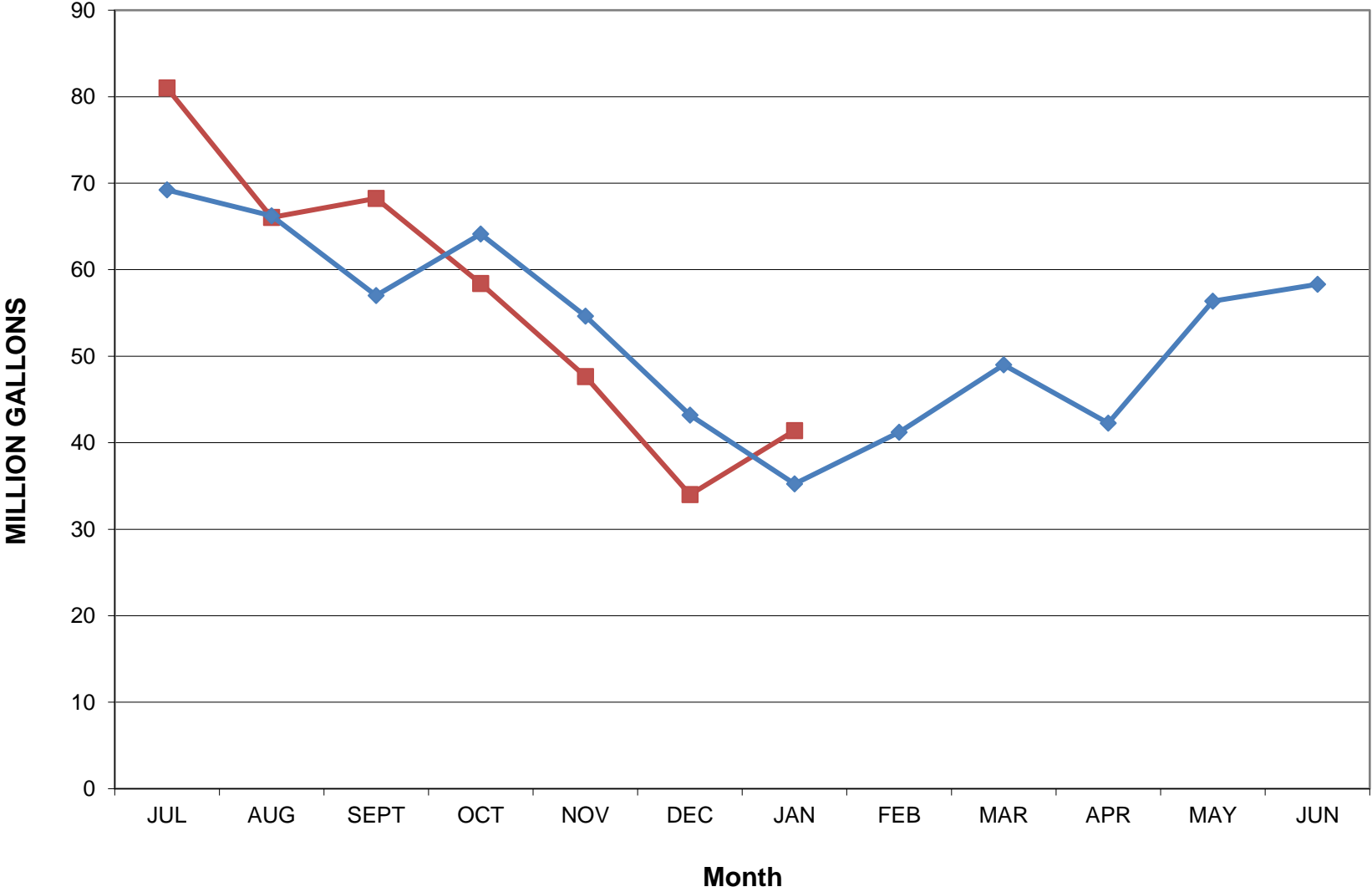
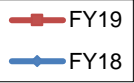
12 Month Running Treated Total

636.35

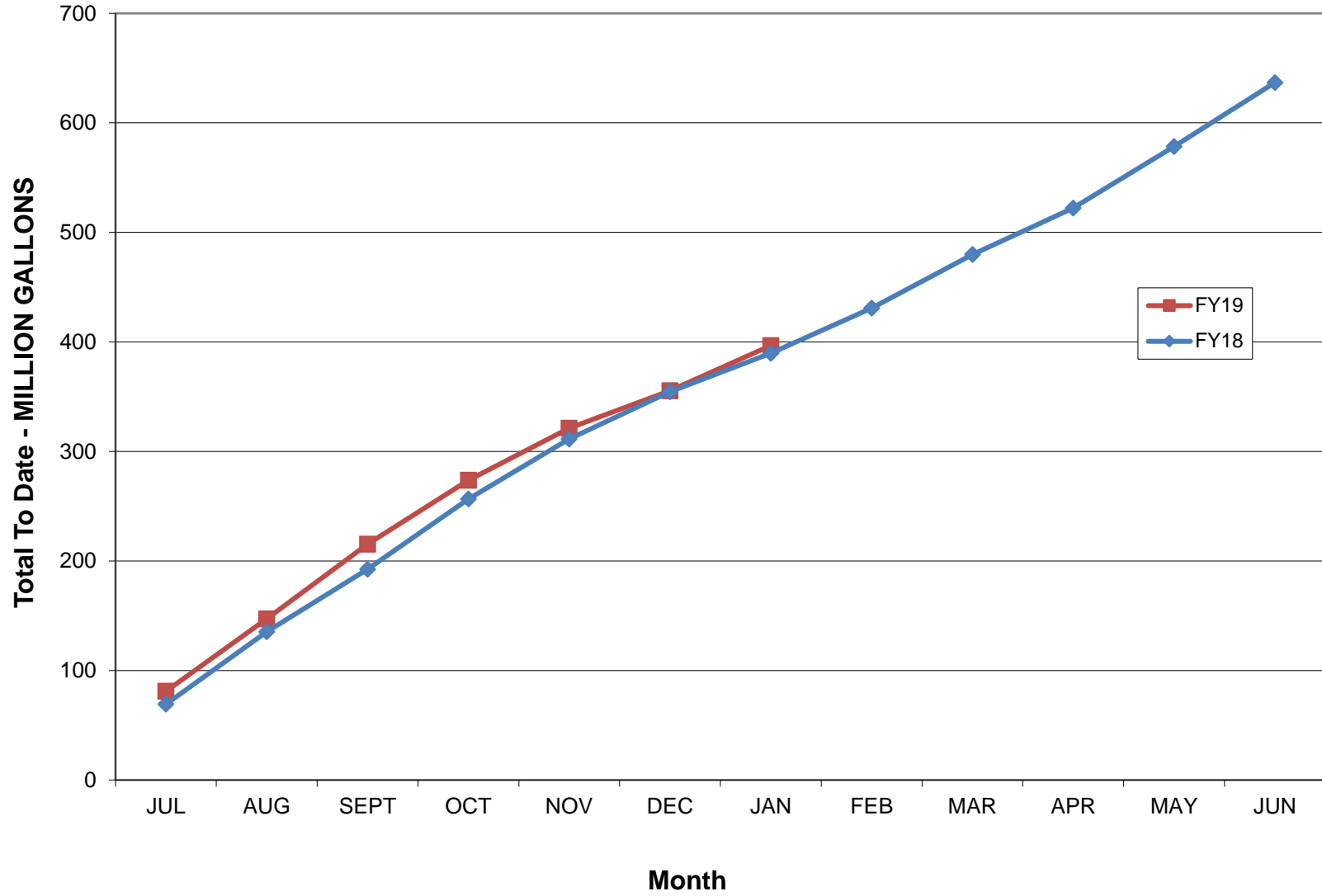
TOTAL CCWD PRODUCTION (MG) ALL SOURCES- FY 2018

	CCWD Sources			SFPUC Sources		RAW WATER TOTAL	UNMETERED WATER	TREATED TOTAL
	DENNISTON WELLS	DENNISTON RESERVOIR	PILARCITOS WELLS	PILARCITOS LAKE	CRYSTAL SPRINGS RESERVOIR			
JUL	0.87	25.93	0.00	0.00	45.87	72.67	3.45	69.22
AUG	2.32	24.89	0.00	0.00	42.86	70.07	3.85	66.22
SEPT	2.21	19.72	0.00	0.00	38.88	60.81	3.80	57.01
OCT	1.63	15.79	0.00	0.00	50.08	67.50	3.37	64.13
NOV	4.82	21.54	18.4	0.00	12.45	57.21	2.57	54.64
DEC	0.09	22.00	14.32	0.00	10.04	46.45	3.25	43.20
JAN	0.09	15.70	11.20	0.00	11.40	38.39	3.15	35.24
FEB	0.00	20.02	9.37	0.00	14.41	43.80	2.58	41.22
MAR	6.23	10.02	13.4	0.00	15.43	45.08	3.61	41.47
APR	0.00	12.06	0.00	10.80	21.93	44.79	2.53	42.26
MAY	0.93	26.33	0.00	26.75	5.00	59.01	2.64	56.37
JUN	2.71	17.64	0.00	31.50	9.70	61.55	3.23	58.32
TOTAL	21.90	231.64	66.69	69.05	278.05	667.33	38.03	629.30
% MONTHLY TOTAL	4.40%	28.66%	0.00%	51.18%	15.76%	100.00%	5.25%	94.75%
% ANNUAL TO DATE TOTAL	3.3%	34.7%	10.0%	10.3%	41.7%	100.0%	5.70%	94.3%
% TOTAL	4.4%	28.7%	0.0%	51.2%	15.8%	100.0%	5.25%	94.8%

Monthly Production FY 18 vs FY 19



Cumulative Production FY18 vs FY19



**Coastside County Water District Monthly Sales By Category (MG)
FY2019**

	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	MG to Date
RESIDENTIAL	21.678	40.757	21.103	37.146	19.333	32.169	15.175						187.36
COMMERCIAL	3.609	2.866	3.937	2.778	3.756	2.546	2.888						22.38
RESTAURANT	1.749	1.600	1.657	1.277	1.531	1.224	1.340						10.38
HOTELS/MOTELS	2.642	2.910	2.723	2.121	2.557	1.824	2.022						16.80
SCHOOLS	0.759	0.765	0.982	0.869	1.008	0.323	0.193						4.90
MULTI DWELL	2.698	2.669	2.633	2.582	2.590	2.581	2.282						18.04
BEACHES/PARKS	0.777	0.522	0.577	0.378	0.355	0.091	0.207						2.91
AGRICULTURE	9.217	5.454	8.844	5.760	5.456	3.786	3.468						41.99
RECREATIONAL	0.236	0.265	0.237	0.233	0.183	0.205	0.132						1.49
MARINE	0.635	0.589	0.637	0.468	0.691	0.442	0.404						3.87
IRRIGATION	7.926	8.990	5.611	2.210	1.320	0.835	0.338						27.23
DETECTOR CHECKS	0.040	0.066	0.079	0.021	0.087	0.034	0.011						0.34
RAW WATER	8.971	6.974	8.488	8.580	6.913	1.459	0.001						41.39
PORTABLE METERS	0.109	0.611	0.393	0.436	0.129	0.058	0.061						1.80
CONSTRUCTION	0.153	0.194	0.138	0.129	0.411	0.101	0.085						1.21
TOTAL - MG	61.20	75.23	58.04	64.99	46.32	47.68	28.61						382.06

Non Residential Usage	39.52	34.48	36.94	27.84	26.99	15.51	13
Running 12 Month Total							612.73
12 mo Residential							311.48
12 mo Non Residential							301.26

FY2018

	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	MG to Date
RESIDENTIAL	20.823	40.192	21.242	40.000	18.734	31.360	17.800	29.710	14.860	26.671	16.854	36.024	314.27
COMMERCIAL	3.369	3.103	3.521	2.770	3.543	2.340	3.032	2.330	2.536	2.398	2.978	2.916	34.84
RESTAURANT	1.783	1.563	1.745	1.450	1.601	1.170	1.572	1.200	1.285	1.320	1.481	1.536	17.71
HOTELS/MOTELS	2.762	2.777	2.388	2.290	2.412	1.650	2.079	2.020	1.774	2.311	2.299	2.501	27.26
SCHOOLS	0.567	0.735	0.934	0.810	0.604	0.420	0.540	0.310	0.285	0.278	0.803	0.910	7.20
MULTI DWELL	2.768	3.107	2.817	3.100	2.660	2.760	2.671	2.780	2.296	2.853	2.518	3.076	33.41
BEACHES/PARKS	0.554	0.589	0.708	0.530	0.340	0.090	0.178	0.140	0.135	0.156	0.316	0.481	4.22
AGRICULTURE	6.107	6.007	8.518	7.420	6.220	6.520	4.656	6.300	5.309	6.417	5.130	7.271	75.87
RECREATIONAL	0.266	0.354	0.215	0.320	0.197	0.290	0.215	0.290	0.169	0.267	0.192	0.245	3.02
MARINE	0.597	0.666	0.640	0.440	0.653	0.590	0.446	0.330	0.323	0.305	0.419	0.383	5.79
IRRIGATION	6.166	5.258	1.570	2.250	0.986	0.880	0.767	0.850	0.536	0.500	1.113	5.620	26.50
RAW WATER	8.783	10.435	7.389	8.250	4.969	0.010	0.013	1.700	0.011	3.064	2.520	0.064	47.21
DETECTOR CHECKS	0.019	0.044	0.022	0.030	0.002	0.030	0.016	0.050	0.021	0.037	0.034	6.858	7.16
PORTABLE METERS	0.267	0.248	0.323	0.290	0.203	0.190	0.041	0.150	0.090	0.306	0.197	0.403	2.71
CONSTRUCTION	NA	NA	NA	NA	0.108	0.270	0.188	0.150	0.142	0.202	0.144	0.218	1.42
TOTAL - MG	54.83	75.08	52.03	69.95	43.23	48.57	34.21	48.31	29.77	47.09	37.00	68.51	608.58

CCWD Monthly Leak Report - January 2019

	Date Reported Discovered	Date Repaired	Location	Pipe Class	Pipe Size & Type	Estimated Water Loss MG
1	12/31/2018	1/1/19	380 Shelter Cove Drive.			
				M	6CI	0.024
2						
3						
4						
5						
6						
7						
8						
Total						0.024

OTHER DISCHARGES	
Total Volumes (MG)	
Flushing Program	0.035
Reservoir Cleaning	0.140
Automatic Blowoffs	0.116
Dewatering Operations	
PLANNED DISCHARGES	
GRAND TOTAL (MG)	
0.291	

Coastside County Water District
 766 Main Street
 July 2018 - June 2019

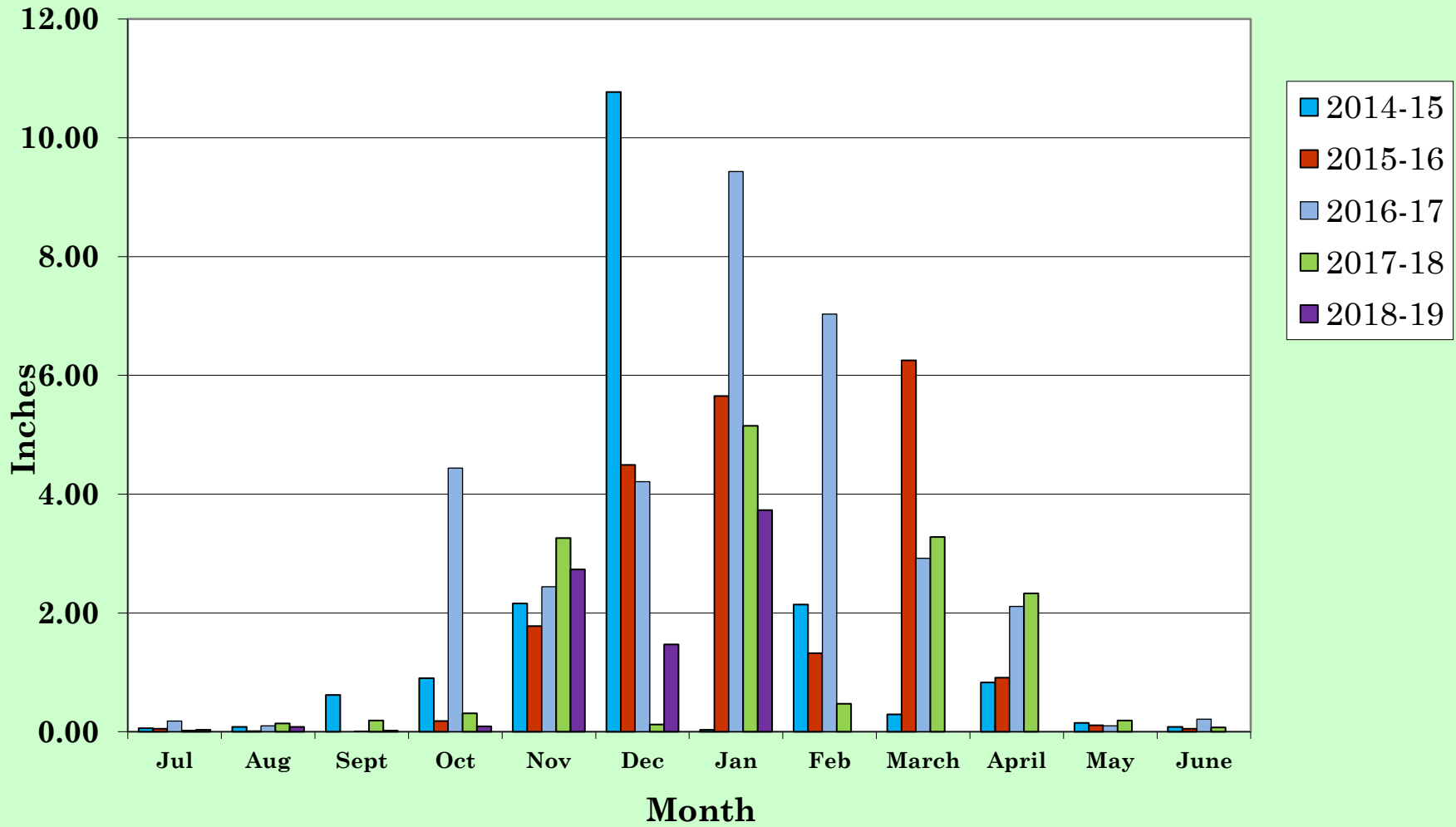
District Office
 Rainfall in Inches

	2018						2019					
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
1	0	0	0	0	0	0.09	0					
2	0	0.02	0	0.06	0	0	0					
3	0	0	0	0	0.01	0	0					
4	0	0	0	0.01	0	0.13	0					
5	0	0	0	0	0	0.29	0.18					
6	0	0	0.01	0	0	0.01	1.13					
7	0	0	0	0	0	0	0					
8	0	0	0	0	0	0	0.05					
9	0	0	0	0	0	0.01	0.03					
10	0	0	0	0.01	0	0	0					
11	0	0	0	0	0	0.01	0.12					
12	0.01	0	0	0	0	0.01	0.02					
13	0.02	0	0	0	0	0	0.01					
14	0	0.04	0	0	0	0.07	0.01					
15	0	0	0	0	0	0.01	0.31					
16	0	0	0	0	0	0.45	0.38					
17	0	0	0.01	0	0	0.03	0.46					
18	0	0	0	0	0	0.01	0.15					
19	0	0	0	0	0.01	0.01	0.08					
20	0	0	0	0	0	0	0.02					
21	0	0	0	0	1.07	0.06	0.3					
22	0	0	0	0	0.48	0	0					
23	0	0	0	0	0.26	0.01	0					
24	0	0	0	0	0.04	0.26	0					
25	0	0	0	0	0.01	0	0					
26	0	0	0	0	0.01	0.01	0					
27	0	0	0	0	0.08	0	0					
28	0	0.02	0	0	0.43	0	0					
29	0	0	0	0.01	0.33	0	0.03					
30	0	0	0	0	0	0	0.24					
31	0	0		0		0	0.21					
Mon.Total	0.03	0.08	0.02	0.09	2.73	1.47	3.73					
Year Total	0.03	0.11	0.13	0.22	2.95	4.42	8.15					

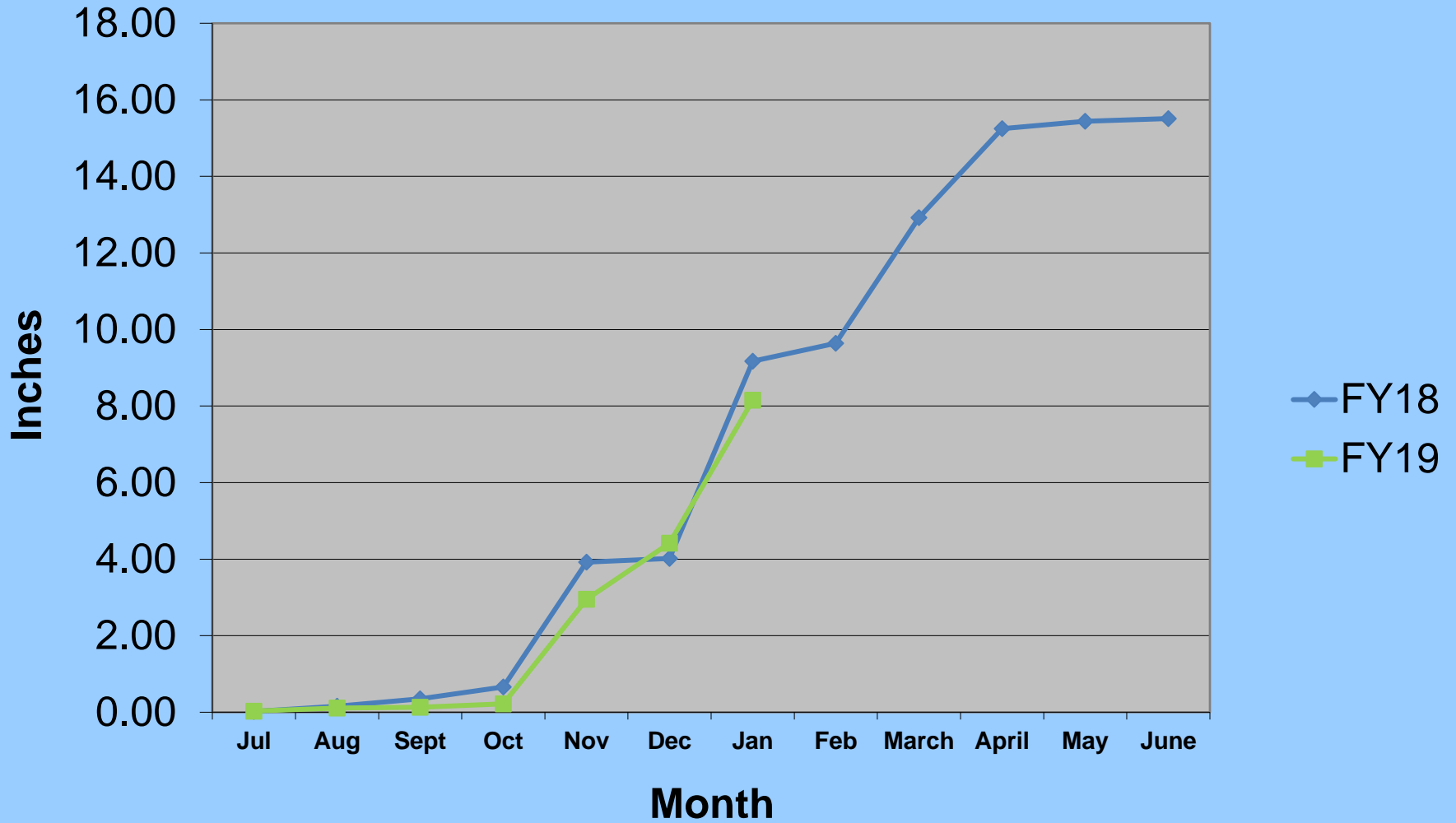
Coastside County Water District

Rainfall by Month

Fiscal Years 14 - 19

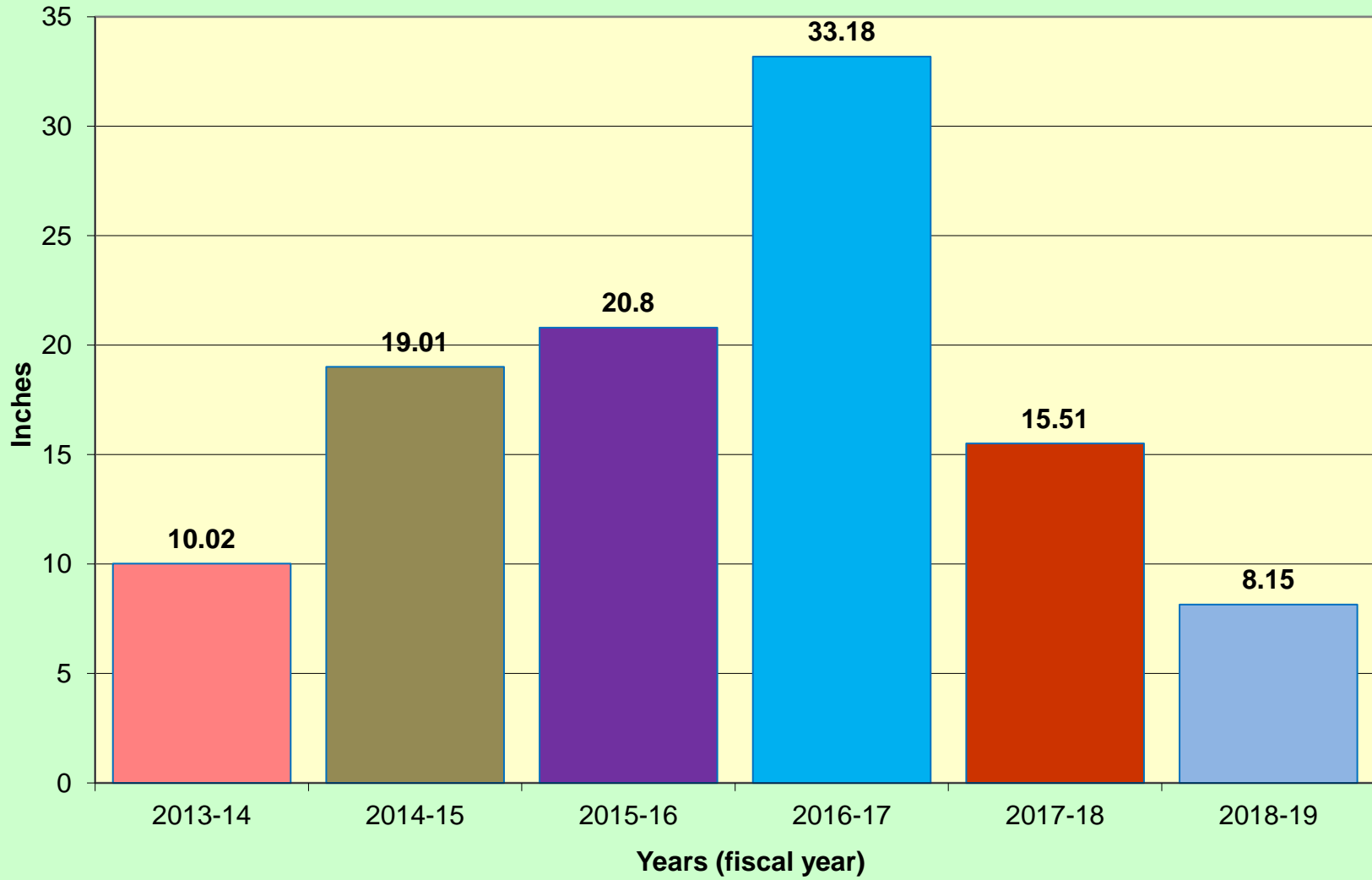


Rainfall Total Comparison Fiscal Years 18-19



Rain Totals

Fiscal Years 13 - 19



San Francisco Public Utilities Commission Hydrological Conditions Report December 2018

J.Chester, C.Graham, N.Waelty R.Walters January 6, 2019



Lake Eleanor elevation 4657 ft. As of January 6, about 1 foot of snow was measured at the Lake Eleanor Dam.

System Storage

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

Table 1 Current System Storage As of January 1, 2019							
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	245,720		340,830		95,110		72%
Cherry ²	210,047		268,810		58,763		78%
Eleanor ³	18,157		21,495		3,338		84%
Water Bank	561,968		570,000		8,032		99%
Tuolumne Storage	1,035,892		1,201,135		165,243		86%
Local Bay Area Storage							
Calaveras ⁴	24,703	8,049	96,824	31,550	72,121	23,501	26%
San Antonio	45,869	14,947	50,496	16,454	4,626	1,508	91%
Crystal Springs	51,804	16,880	58,377	19,022	6,573	2,142	89%
San Andreas	16,640	5,422	18,996	6,190	2,356	768	88%
Pilarcitos	2,342	763	2,995	976	652	213	78%
Total Local Storage	141,358	46,062	227,688	74,192	86,329	28,130	62%
Total System	1,177,250		1,428,822		251,572		82%

¹ Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.

² Maximum Cherry Reservoir storage with flash-boards removed.

³ Maximum Lake Eleanor storage with flash-boards removed.

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

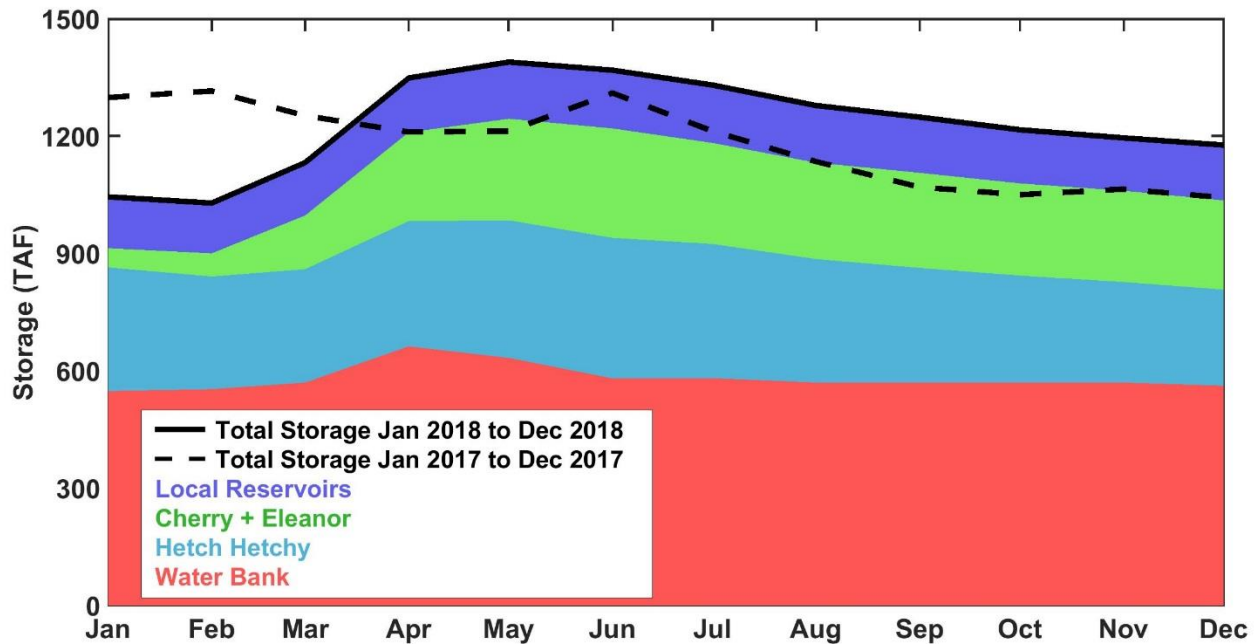


Figure 1: Monthly system storage for past 12 months in thousand acre-feet (TAF). Color bands show contributions to total system storage. Solid black line shows total system storage for the past 12 months. Dashed black line shows total system storage the previous 12 months.

Hetch Hetchy System Precipitation Index

Current Month: The December 2018 six-station precipitation index was 2.18 inches, or 39% of the average index for the month. The precipitation index is computed as the average of six Sierra precipitation stations and is an indicator of the overall basin wetness.

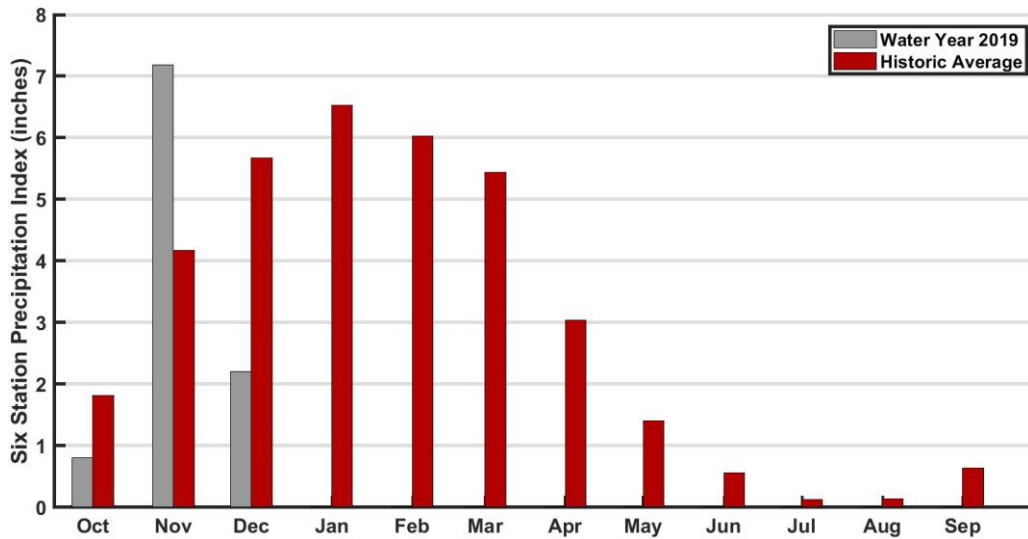


Figure 2: Monthly distribution of the six-station precipitation index as compared to the annual average precipitation for December 2018. The precipitation index is computed as the average of six Sierra precipitation stations and is an indicator of the overall basin wetness.

Cumulative Precipitation to Date: As of January 1st, the six-station precipitation index for Water Year 2019 was 10.15 inches, which is 28.5% of the average annual water year total. Hetch Hetchy received 1.98 inches of precipitation in December, for a total of 9.65 inches for Water Year 2019. The cumulative Hetch Hetchy precipitation is shown in Figure 3 in red.

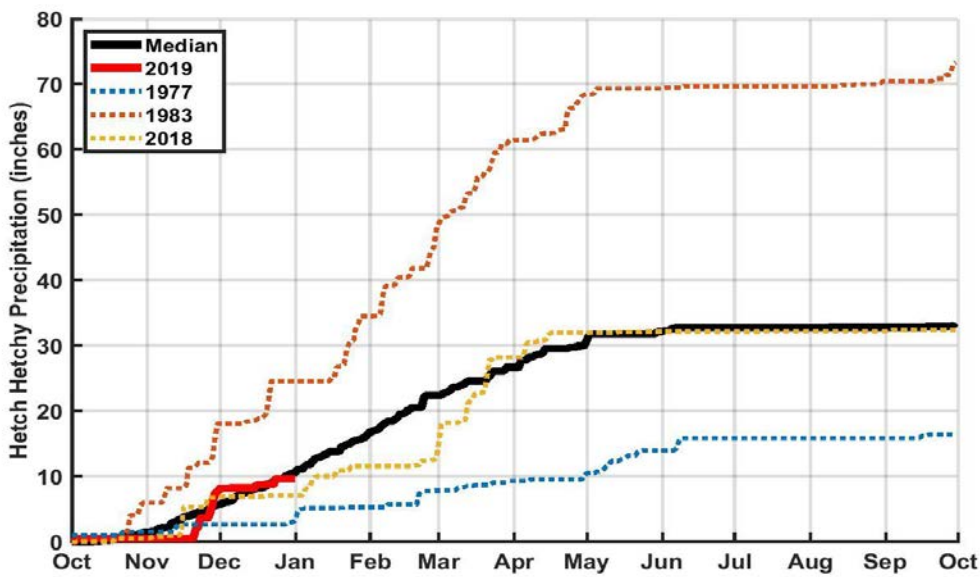


Figure 3: Water Year 2019 cumulative precipitation measured at Hetch Hetchy Reservoir. Median cumulative precipitation at Hetch Hetchy and example wet and dry years are included with WY 2019 for comparison purposes.

Tuolumne Basin Unimpaired Inflow

Unimpaired inflow to SFPUC reservoirs and the Tuolumne River at La Grange for December 2018 is summarized below in Table 2.

Calculated reservoir inflows and Water Available to City								
* All flows are in acre-feet	December 2018				October 1, 2018 through December 31, 2018			
	Observed Flow	Median ⁿ	Mean ⁿ	Percent of Mean	Observed Flow	Median ⁿ	Mean ⁿ	Percent of Mean
Inflow to Hetch Hetchy Reservoir	11,756	11,810	20,869	56%	18,863	28,667	40,835	46%
Inflow to Cherry Lake and Lake Eleanor	12,407	13,949	23,803	52%	17,229	31,552	45,136	38%
Tuolumne River at LaGrange	37,373	48,032	87,941	42%	68,631	95,724	150,449	46%
Water Available to City	0	1,165	37,201	0%	3,372	5,372	52,504	6%

⁵Hydrologic Record: 1919-2015

Hetch Hetchy System Operations

Power draft and stream releases from Hetch Hetchy Reservoir during the month of December totaled 23,268 acre-feet. Precipitation thus far in Water Year 2019 result in a Water Year Type A (normal to wet conditions) for Hetch Hetchy Reservoir, which will be maintained through at least February 1st, 2019. Hetch Hetchy minimum instream release requirements for the month of December were 50 cfs. Instream release requirements for January 2019 will remain at 50 cfs. Current Hetch Hetchy total releases are equal to minimum environmental releases and SFPUC water deliveries.

Cherry Reservoir power generation and valve releases totaled 17,268 acre-feet for the month and were used to maintain seasonal target elevations. The required minimum instream release from Cherry Reservoir was 5 cfs for December and will remain at this rate through June 30. Required minimum release from Lake Eleanor was 5 cfs for December and will remain at 5 cfs through March 1. There were 9 days of transfers of water from Eleanor to Cherry in December for total of 3,570 ac-ft.

Regional System Treatment Plant Production

The Harry Tracy Water Treatment Plant average production rate for December was 31 MGD. The Sunol Valley Water Treatment Plant production rate for the month was 3 MGD.

Local System Water Delivery

The average December delivery rate was 149 MGD which is a 19% decrease below the November delivery rate of 185 MGD.

Local Precipitation

December precipitation totals were below normal for the month. The rainfall summary for December 2018 is presented in Table 3.

Reservoir	December		Water Year 2019	
	Total (inches)	Percent of Mean for the Month	Total (inches)	Percent of Mean for the Year-To-Date
Pilarcitos	3.62	48 %	11.46	82 %
Lower Crystal Springs	2.44	47 %	7.10	73 %
Calaveras	2.66	69 %	6.23	83 %

Snowmelt and Water Supply

The January 1st snow pack is currently 38% of the April 1st median and 105% of normal to date. A series of storm events through the first 2 weeks of January is expected to add to the snowpack, keeping at or above the seasonal accumulation curve. The first snow surveys of 2019 are scheduled for the last week of January.

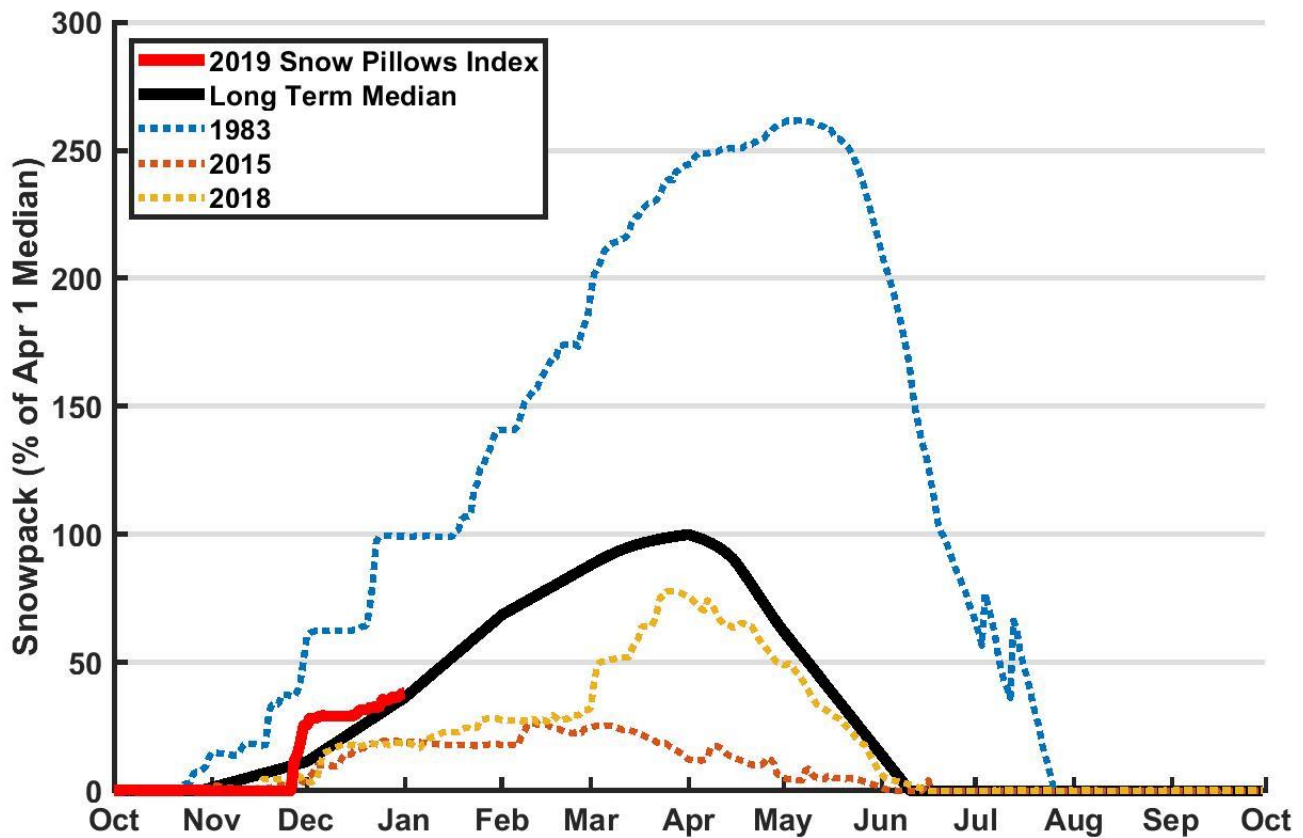


Figure 4: Tuolumne River Basin 10 Station Snow Index, based on real time snow pillow SWE measurements in the Tuolumne Basin. The late November storm delivered significant snowpack, which has been added to in a series of smaller storm events in December.

Hetch Hetchy Reservoir storage remains below the seasonal target and is being drafted to meet instream release requirements and water delivery demands. Cherry Reservoir is being operated to remain at the seasonal storage target of 210 TAF through the end of runoff. Increased inflows due to storms or snow melt will result in elevated Holm Powerhouse power draft. Total Tuolumne system storage is at 86%. Instream releases from Cherry, Eleanor and Hetch Hetchy reservoirs exceeded unimpaired flows at LaGrange maintaining the Water Bank at or near capacity throughout the month of December.

Priest Reservoir is currently in service and is being drawn down to accommodate the January 8-March 9 SJPL shutdown and Mountain Tunnel inspections and repairs. The drawdown began the last week of December, and Priest Reservoir went on the bypass January 5th. Moccasin Reservoir has been refilled according to DSOD guidance to an elevation of 905 ft and will remain there through the shutdown.

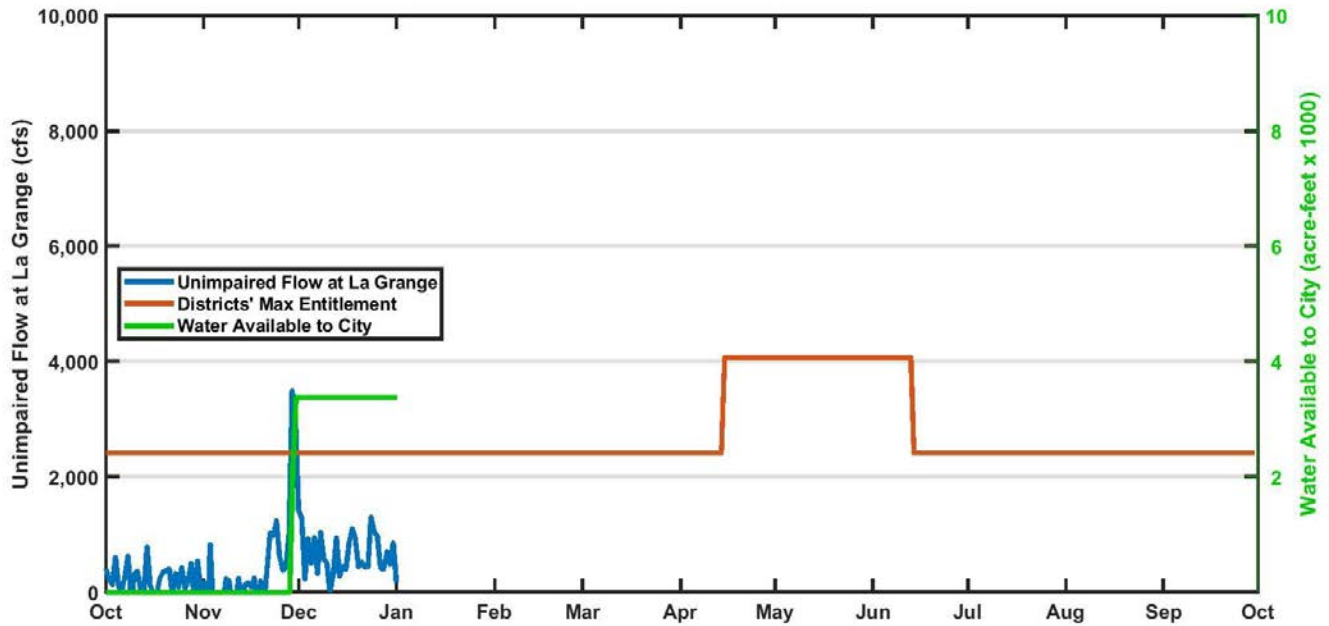


Figure 5: Calculated unimpaired flow at La Grange and the allocation of flows between the Districts and the City. Current Water Available to the City is 3,372 ac-ft available to the city in Water Year 2019.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 12, 2019

Date: February 5, 2019

Subject: Notice of Completion - Denniston Pump Station Transformer Work

Recommendation:

That the Board of Directors take the following actions:

- (1) Accept the Denniston Pump Station Transformer Work as complete.
- (2) Authorize the Notice of Completion to be filed with the County of San Mateo.
- (3) Authorize the release of the retention funds when the Notice of Completion has been recorded and returned to the District.

Background

Coastside County Water District entered into a contract with Andreini Bros. on April 18, 2018 for the Denniston Pump Station Transformer Work.

The work consisted of trenching and installing approximately 90 feet of 4" conduit, 26 feet of 5" conduit, transformer pad and main service panel enclosure. The site of the work is located in the unincorporated community of El Granada, San Mateo County, at 150 Denniston Creek Road. (APN 037-320-140).

The work was completed on January 23, 2019. The project was constructed according to District specifications.

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name
Street
Address
City &
State

COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET
HALF MOON BAY, CA 94019

SPACE ABOVE THIS LINE FOR RECORDER'S USE

RECORD WITHOUT FEE Govt. Code § 6103 & 27383

NOTICE OF COMPLETION

1. The undersigned is an owner of an interest or estate in the hereafter described real property, the nature of which is: Fee

2. The full name and address of the undersigned is:

COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET
HALF MOON BAY, CALIFORNIA 94019

3. On February 12, 2019 there was completed upon the hereinafter described real property a work of improvement as a whole named Denniston Pump Station Transformer Work. The work consisted of trenching and installing approximately 90 feet of 4" conduit, 26 feet of 5" conduit, transformer pad and main service panel enclosure.

4. The name of the original contractor for the work of improvement as a whole was: Andreini Bros. Inc., 151 Main Street, Half Moon Bay, CA 94019.

5. The real property herein referred to is situated in Half Moon Bay, County of San Mateo, State of California, and described as follows:

The site of the work is located in the unincorporated community of El Granada, San Mateo County, at 150 Denniston Creek Road. (APN 037-320-140).

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

COASTSIDE COUNTY WATER DISTRICT

BY: _____
David R. Dickson, Secretary

VERIFICATION

I, David R. Dickson, declare that I am the Secretary of the Coastside County Water District and am authorized to make this verification for that reason. I have read said Notice of Completion and know the contents thereof to be true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 12, 2019 at Half Moon Bay, California
(Date) (Place where signed)

By: _____
David R. Dickson,
Secretary of the District

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 12, 2019

Date: February 5, 2019

Subject: Notice of Completion - Pilarcitos Creek Pipeline Valves Replacement Project

Recommendation:

That the Board of Directors take the following actions:

- (1) Accept the Pilarcitos Creek Pipeline Valves Replacement Project as complete.
- (2) Authorize the Notice of Completion to be filed with the County of San Mateo.
- (3) Authorize the release of the retention funds when the Notice of Completion has been recorded and returned to the District.

Background

Coastside County Water District entered into a contract with Andreini Bros. on January 9, 2019 for the Pilarcitos Creek Pipeline Valves Replacement Project.

Work items include: remove steel panels, remove existing pressure valve, replace both inline valves, re-install main valve and re-install steel panel lid. The site of the work was located within District owned property off of Pilarcitos Creek Road, 1.25 miles North of Highway 92, Half Moon Bay, CA 94019.

The work was completed on January 30, 2019. The project was constructed according to District specifications.

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name
Street
Address
City &
State

COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET
HALF MOON BAY, CA 94019

SPACE ABOVE THIS LINE FOR RECORDER'S USE

RECORD WITHOUT FEE Govt. Code § 6103 & 27383

NOTICE OF COMPLETION

1. The undersigned is an owner of an interest or estate in the hereafter described real property, the nature of which is: Fee

2. The full name and address of the undersigned is:

COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET
HALF MOON BAY, CALIFORNIA 94019

3. On February 12, 2019 there was completed upon the hereinafter described real property a work of improvement as a whole named Pilarcitos Creek Pipeline Valves Replacement Project. Work items included: remove steel panels, remove existing pressure valve, replace both inline valves, re-install main valve and re-install steel panel lid.

4. The name of the original contractor for the work of improvement as a whole was: Andreini Bros. Inc., 151 Main Street, Half Moon Bay, CA 94019.

5. The real property herein referred to is situated in Half Moon Bay, County of San Mateo, State of California, and described as follows:

The site of the work was located within District owned property off of Pilarcitos Creek Road, 1.25 miles North of Highway 92, Half Moon Bay, CA 94019.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

COASTSIDE COUNTY WATER DISTRICT

BY: _____
David R. Dickson, Secretary

VERIFICATION

I, David R. Dickson, declare that I am the Secretary of the Coastside County Water District and am authorized to make this verification for that reason. I have read said Notice of Completion and know the contents thereof to be true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 12, 2019 at Half Moon Bay, California
(Date) (Place where signed)

By: _____
David R. Dickson,
Secretary of the District

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: February 12, 2019

Report

Date: February 8, 2019

Subject: Coastside County Water District Basic Financial Statements and Independent Auditor's Report for the Fiscal Year Ended June 30, 2018

Recommendation:

Accept the Coastside County Water District Basic Financial Statements and Independent Auditor's Report for Fiscal Year Ended June 30, 2018.

Background:

Fedak & Brown LLP, the District's Independent Auditor, has completed work on the Basic Financial Statements for the Year Ended June 30, 2018. The Auditor's letter attests that the financial statements fairly represent the financial position of the District. No exceptions or concerns were noted.

Mr. Jeff Palmer will be at the February Board meeting to discuss the Financial Statements and to answer the Board's questions.

Attachments:

- A. Coastside County Water District - Annual Financial Report for the Fiscal Year ended June 30, 2018
- B. Independent Auditor's Report on Internal Controls and Compliance
- C. Appendix - Audit/Finance Committee Letter



Coastside County Water District

Annual Financial Report

For the Fiscal Year Ended June 30, 2018





Mission Statement

The mission of Coastside County Water District is to provide our customers with high quality water and service at the lowest possible price, in accordance with the following values:

- *Reliability and sustainability of system facilities*
- *Timeliness of District policies, procedures, actions and decisions*
- *50-year outlook when replacing infrastructure*
- *Legality of all District actions and behaviors*
- *Culture of openness, fairness and inclusiveness*

Coastside County Water District Board of Directors as of June 30, 2018

Name	Title	Elected/ Appointed	Current Term
Robert Feldman	President	Appointed	11/18-11/22
Ken Coverdell	Vice-President	Elected	11/16-11/20
Arnie Glassberg	Director	Elected	11/16-11/20
Chris Mickelsen	Director	Elected	11/18-11/22
Glenn Reynolds	Director	Elected	11/16-11/20

**Coastside County Water District
David Dickson, General Manager
766 Main Street
Half Moon Bay, California 94019
(650) 726-4405 – www.coastsidewater.org**

Coastside County Water District
Annual Financial Report
For the Fiscal Year Ended June 30, 2018

Final Draft

**Coastside County Water District
Annual Financial Report
For the Fiscal Year Ended June 30, 2018**

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Financial Section

Final Draft

Final Draft



Charles Z. Fedak, CPA, MBA
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Fedak & Brown LLP

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Coastside County Water District (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2018, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report, continued

Emphasis of Matter

As part of our audit of the June 30, 2018, financial statements, we audited the adjustments described in note 11. An adjustment was recognized for the District's total other post-employment benefits liability; and has reclassified its employer pension contributions from expense to deferred outflows of resources and recorded a prior period adjustment to restate net position as of July 1, 2017.

As discussed in note 1.C to the financial statements, in June 30, 2018, the District adopted new accounting guidance *Governmental Accounting Standards Board Statement Nos. 75 and 74*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 and the required supplementary information on pages 39 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 42 and 43.

Fedak & Brown LLP

Cypress, California

February 12, 2019

Coastside County Water District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Coastside County Water District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2018. The following presentation is provided for comparative purposes. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- Net position increased 2.79% or \$1,102,597 to \$40,678,414 due to an increase of \$2,500,469 from ongoing operations, which was offset by a \$1,397,872 restatement to net position related to the implementation of GASB 75. (See note 11 for further information).
- Operating revenues increased 8.97%, or \$976,592 to \$11,859,499.
- Non-operating revenues increased 16.92%, or \$229,684 to \$1,587,521.
- Operating expenses increased 15.77%, or \$1,116,765 to \$8,197,833.
- Non-operating expenses increased 11.54%, or \$76,251 to \$736,946.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets) and deferred outflows of resources, and the obligations to creditors (liabilities) and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

One of the most important question asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Coastside County Water District
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2018

Financial Analysis of the District, continued

These two statements report the District's *net position* and changes in them. One can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 12 through 38.

Statements of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets of the District exceeded liabilities by \$40,678,414 as of June 30, 2018.

Condensed Statements of Net Position

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Assets:			
Current assets	\$ 8,914,249	7,446,689	1,467,560
Capital assets, net	<u>54,030,020</u>	<u>51,812,583</u>	<u>2,217,437</u>
Total assets	<u>62,944,269</u>	<u>59,259,272</u>	<u>3,684,997</u>
Deferred outflows of resources:			
Deferred pension outflows	<u>1,623,393</u>	<u>1,726,811</u>	<u>(103,418)</u>
Liabilities:			
Current liabilities	1,458,803	1,784,498	(325,695)
Non-current liabilities	<u>22,372,644</u>	<u>19,469,827</u>	<u>2,902,817</u>
Total liabilities	<u>23,831,447</u>	<u>21,254,325</u>	<u>2,577,122</u>
Deferred inflows of resources:			
Deferred pension inflows	<u>57,801</u>	<u>155,941</u>	<u>(98,140)</u>
Net position:			
Net investment in capital assets	37,585,708	36,370,412	1,215,296
Restricted	410,329	266,931	143,398
Unrestricted	<u>2,682,377</u>	<u>2,938,474</u>	<u>(256,097)</u>
Total net position	<u>\$ 40,678,414</u>	<u>39,575,817</u>	<u>1,102,597</u>

By far, the largest portion of the District's net position (92% as of June 30, 2018) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal year 2018, the District showed a positive balance in its unrestricted net position of \$2,682,377, which may be utilized in future years. See note 10 for further information.

Coastside County Water District
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2018

Statements of Revenues, Expenses and Changes in Net Position

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Revenue:			
Operating revenue	\$ 11,859,499	10,882,907	976,592
Non-operating revenue	<u>1,587,521</u>	<u>1,357,837</u>	<u>229,684</u>
Total revenue	<u>13,447,020</u>	<u>12,240,744</u>	<u>1,206,276</u>
Expense:			
Operating expense	8,197,833	7,081,068	1,116,765
Depreciation	2,011,772	1,696,287	315,485
Non-operating expense	<u>736,946</u>	<u>660,695</u>	<u>76,251</u>
Total expense	<u>10,946,551</u>	<u>9,438,050</u>	<u>1,508,501</u>
Change in net position	2,500,469	2,802,694	(302,225)
Net position, beginning of year			
– as previously stated	39,575,817	36,773,123	2,802,694
Prior period adjustment	<u>(1,397,872)</u>	<u>-</u>	<u>(1,397,872)</u>
Net position, beginning of year			
– as restated	<u>38,177,945</u>	<u>36,773,123</u>	<u>1,404,822</u>
Net position, end of year	<u>\$ 40,678,414</u>	<u>39,575,817</u>	<u>1,102,597</u>

The statements of revenues, expenses and changes of net position show how the District's net position changed during the fiscal years. In the case of the District, the change in net position increased 2.79% or \$1,102,597 to \$40,678,414 due to an increase of \$2,500,469 from ongoing operations, which was offset by a \$1,397,872 restatement to net position related to the implementation of GASB 75. (See note 11 for further information).

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2018, the District's operating revenues increased 8.97%, or \$976,592 to \$11,859,499, due to increases of \$1,014,151 in water consumption sales, which was offset by a decrease of \$37,559 in other charges and services.

In fiscal year 2018, the District's non-operating revenues increased 16.92%, or \$229,684 to \$1,587,521, primarily due to increases of \$144,271 in transmission and storage fees and \$95,852 in property taxes, which were offset by a decrease of \$15,418 in other revenue.

In fiscal year 2018, the District's operating expenses increased 15.77%, or \$1,116,765 to \$8,197,833, primarily due to increases of \$335,298 in pumping costs, \$467,402 in transmission and distribution, and \$523,296 in general and administrative expenses, which were offset by a decrease of \$209,231 in source of supply expenses.

In fiscal year 2018, the District's non-operating expenses increased 11.54%, or \$76,251 to \$736,946, primarily due to increases of \$76,043 in loss on disposition of assets and \$19,705 in collection fees – County, which were offset by a decrease of \$19,497 in interest expense on maturing debt.

Coastside County Water District
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2018

Capital Asset Administration

Changes in capital asset amounts for 2018 were as follows:

	<u>Balance 2017</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance 2018</u>
Capital assets:				
Non-depreciable assets	\$ 6,058,056	992,162	(4,840,415)	2,209,803
Depreciable assets	75,023,819	8,215,768	(327,892)	82,911,695
Accumulated depreciation	<u>(29,269,292)</u>	<u>(2,011,772)</u>	<u>189,586</u>	<u>(31,091,478)</u>
Total capital assets, net	<u>\$ 51,812,583</u>	<u>7,196,158</u>	<u>(4,978,721)</u>	<u>54,030,020</u>

At the end of fiscal year 2018, the District's investment in capital assets amounted to \$54,030,020 (net of accumulated depreciation). This investment in capital assets includes land, source of supply infrastructure, transmission and distribution systems, the Crystal Springs pump station, treatment plants, well fields and tanks, pipelines and meters, buildings and structures, vehicles, furniture and equipment, and construction-in-process. See note 3 for further information.

Debt Administration

Changes in long-term debt amounts for 2018 were as follows:

	<u>Balance 2017</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance 2018</u>
Long-term debt:				
Bonds payable	\$ 5,354,031	-	(232,752)	5,121,279
Loans payable	<u>10,088,140</u>	<u>1,519,641</u>	<u>(284,748)</u>	<u>11,323,033</u>
Total long-term debt	<u>\$ 15,442,171</u>	<u>1,519,641</u>	<u>(517,500)</u>	<u>16,444,312</u>

See note 5 for further information.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position or operating results based on past, present and future events.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Assistant General Manager at 766 Main Street, Half Moon Bay, California 94019 – (650) 726-5245.

Basic Financial Statements

Final Draft

Coastside County Water District
Statement of Net Position
June 30, 2018

	2018
Current assets:	
Cash and cash equivalents (note 2)	\$ 6,290,231
Restricted – cash and cash equivalents (note 2)	160,329
Accrued interest receivable	5,890
Accounts receivable – water sales and services	2,040,906
Accounts receivable – other	69,642
Accounts receivable – property taxes	15,905
Materials and supplies inventory	147,370
Water-in-storage inventory	26,484
Prepaid expenses and other deposits	130,119
Bond issuance costs, net	27,373
Total current assets	8,914,249
Non-current assets:	
Capital assets – not being depreciated (note 3)	2,209,803
Capital assets, net – being depreciated (note 3)	51,820,217
Total non-current assets	54,030,020
Total assets	62,944,269
Deferred outflows of resources:	
Deferred other post-employment benefits outflows (note 6)	44,364
Deferred pension outflows (note 7)	1,579,029
Total deferred outflows of resources	\$ 1,623,393

Continued on next page

See accompanying notes to the basic financial statements

**Coastside County Water District
Statement of Net Position, continued
June 30, 2018**

	2018
Current liabilities:	
Accounts payable and accrued expenses	\$ 528,916
Accrued wages and related payables	45,260
Customer deposits and deferred revenue	96,988
Accrued interest payable	201,486
Long-term liabilities – due within one year:	
Compensated absences (note 4)	47,706
Bonds payable (note 5)	245,000
Loans payable (note 5)	293,447
Total current liabilities	1,458,803
Non-current liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences (note 4)	143,119
Bonds payable (note 5)	4,876,279
Loans payable (note 5)	11,029,586
Net other post-employment benefit liability (note 6)	2,405,733
Net pension liability (note 7)	3,917,927
Total non-current liabilities	22,372,644
Total liabilities	23,831,447
Deferred inflows of resources:	
Deferred pension inflows (note 7)	57,801
Total deferred inflows	57,801
Net position:	
Net investment in capital assets (note 8)	37,585,708
Restricted (note 9)	410,329
Unrestricted (note 10)	2,682,377
Total net position	\$ 40,678,414

See accompanying notes to the basic financial statements

Coastside County Water District
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2018

	2018
Operating revenues:	
Water consumption sales	\$ 11,859,499
Total operating revenues	11,859,499
Operating expenses:	
Source of supply	2,013,022
Pumping	1,429,995
Transmission and distribution	1,874,011
General and administrative	2,880,805
Total operating expenses	8,197,833
Operating income before depreciation expense	3,661,666
Depreciation expense – capital recovery	(2,011,772)
Operating income	1,649,894
Non-operating revenue(expense):	
Property taxes	1,234,974
Investment earnings	22,600
Transmission and storage fees	160,301
Rental revenue	156,777
Interest expense	(618,491)
Amortization of debt issuance costs	(4,215)
Collection fees – County	(30,947)
Loss on disposition of assets	(83,293)
Other revenue	12,869
Total non-operating, net	850,575
Change in net position	2,500,469
Net position, beginning of year – as previously stated	39,575,817
Prior period adjustment (note 11)	(1,397,872)
Net position, beginning of year – as restated	38,177,945
Net position, end of year	\$ 40,678,414

See accompanying notes to the basic financial statements

**Coastside County Water District
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2018**

	2018
Cash flows from operating activities:	
Cash receipts from customers for water sales and services	\$ 11,626,634
Cash paid to employees for salaries and wages	(3,013,517)
Cash paid to vendors and suppliers for materials and services	(5,337,327)
Net cash provided by operating activities	3,275,790
Cash flows from non-capital financing activities:	
Cash receipts from property taxes	1,235,679
Cash paid for collection fees	(30,947)
Other revenues	329,947
Other expenses	(87,508)
Net cash provided by operating activities	1,447,171
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(3,977,117)
Proceeds from issuance of debt	1,519,641
Principal paid on long-term debt	(517,500)
Interest paid on long-term debt	(624,437)
Net cash used in capital and related financing activities	(3,599,413)
Cash flows from investing activities:	
Investment earnings	33,225
Net cash provided by investing activities	33,225
Net increase in cash and cash equivalents	1,156,773
Cash and cash equivalents, beginning of year	5,293,787
Cash and cash equivalents, end of year	\$ 6,450,560
 Reconciliation of cash and cash equivalents to the statement of financial position:	
Cash and cash equivalents	\$ 6,290,231
Restricted assets – cash and cash equivalents	160,329
Total cash and cash equivalents	\$ 6,450,560

Continued on next page

See accompanying notes to the basic financial statements

**Coastside County Water District
Statement of Cash Flows, continued
For the Fiscal Year Ended June 30, 2018**

	2018
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>1,649,894</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,011,772
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
(Increase)Decrease in assets:	
Accounts receivable – water sales and services	(229,388)
Accounts receivable – other	(34,037)
Materials and supplies inventory	8,647
Water-in-storage inventory	788
Prepaid expenses and other deposits	(70,094)
Unamortized bond issuance costs	1,967
(Increase)Decrease in deferred outflows of resources	
Deferred other post-employment benefits outflows	(44,364)
Deferred pension outflows	147,782
Increase(Decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	(379,420)
Accrued wages and related payables	1,317
Customer deposits and deferred revenue	30,560
Compensated absences	36,381
Other post-employment benefit obligation	(126,046)
Net pension liability	368,171
Decrease in deferred inflows of resources	
Deferred pension inflows	<u>(98,140)</u>
Total adjustments	<u>1,625,896</u>
Net cash provided by operating activities	\$ <u><u>3,275,790</u></u>
Non cash investing, capital and related financing activities:	
Change in fair value of funds deposited with LAIF	\$ <u>(3,827)</u>
Amortization of debt issuance costs	\$ <u><u>4,215</u></u>

See accompanying notes to the basic financial statements

Coastside County Water District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Coastside County Water District (District) was formed in July 1947 for the purposes of furnishing potable water within the District's service area. The District operates under the authority of the provisions found in Division 12 of the State of California Water Code. The District is located in San Mateo County and includes the City of Half Moon Bay and the unincorporated communities of El Granada, Miramar, and Princeton-By-The-Sea. The District provides water to approximately 17,000 customers. The District is governed by a five-member Board of Directors who serve overlapping four-year terms.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water purchases, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 75

In June 2015, the GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 75, continued

This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2017. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Governmental Accounting Standards Board Statement No. 81

In March 2016, the GASB issued Statement No. 81 – *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively.

Governmental Accounting Standards Board Statement No. 85

In March 2017, the GASB issued Statement No. 85 – *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits - OPEB).

The provisions of this Statement are effective for reporting periods beginning after June 15, 2017. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

D. Assets, Deferred Outflows, Liabilities, Deferred inflows and Net Position

1. Use of Estimates

The preparation of the basic financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

3. Investments

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- *Level 1* – This valuation level is based on quoted prices in active markets for identical assets.
- *Level 2* – This valuation level is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- *Level 3* – This valuation level is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

5. Accounts Receivable

The District extends credit to customers in the normal course of operations. Management has evaluated the accounts and believes all accounts are collectible at June 30. When management deems customer accounts uncollectible, the District uses the direct write off method for the write-off those accounts to bad debt expense.

6. Restricted Assets

Certain assets of the District are restricted for use by ordinance or debt covenant and, accordingly, are shown as restricted assets on the accompanying statements of net assets. The District uses restricted resources, prior to using unrestricted resources, to pay expenditures meeting the criteria imposed on the use of restricted resources by a third party.

7. Inventory and Water-in-Storage

Materials and supplies inventory consists primarily of water meters, pipe and pipefittings for construction and repair to the District's water transmission and distribution system. Inventory is valued at cost using the weighted-average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed. Water-in-storage is valued at average cost.

8. Prepays

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

9. Bond issuance costs, net

Capitalized bond issuance costs consist of prepaid surety insurance costs, related to the issuance of the District's 2006 Series B Revenue Refunding bond debt. These prepaid costs were recognized as an asset upon issuance and are being amortized (expensed) over the life of the related debt.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

10. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated fair market value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Source of supply infrastructure – 10 to 50 years
- Transmission and distribution system – 50 years
- Pump station – Crystal Springs – 50 years
- Treatment Plants – 30 years
- Well field and tanks – 10 to 50 years
- Buildings and structures – 5 to 50 years
- Vehicles – 5 to 10 years
- Furniture and equipment – 5 to 10 years

11. Deferred Outflows of Resources

The statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources applicable to future periods and therefore will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following pension related items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow which is equal to the employer contributions made after the measurement date of the total OPEB liability. This amount will be amortized-in-full against the total OPEB liability in the next fiscal year.

Pensions

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net changes in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over a 5 year period.
- Deferred outflow for the net differences in actual and proportionate share of employer contribution and net changes in proportion which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

12. Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and portions of sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated. Cash payment of unused sick leave is payable at 50% to those employees eligible for retirement and meet vesting requirements.

13. Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Date: June 30, 2017
- Measurement Date: June 30, 2017
- Measurement Period: July 1, 2016 to June 30, 2017

14. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Date: June 30, 2016
- Measurement Date: June 30, 2017
- Measurement Period: July 1, 2016 to June 30, 2017

15. Deferred Inflows of Resources

The statement of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of resources applicable to future periods and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The District has the following pension related item that qualifies for reporting in this category:

Pensions

- Deferred inflow for the net differences between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

16. Net Position

The District follows the financial reporting requirements of the GASB and reports net position under the following classifications:

- *Net Investment in Capital Assets Component of Net Position*– This component of net position consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt is included in this component of net position
- *Restricted Component of Net Position* – This component of net position consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- *Unrestricted Component of Net Position* – This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

17. Property Taxes

Property taxes receivable at year-end are related to property taxes collected by the County of San Mateo, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	January 1
Levy date	July 1
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

18. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies or real estate developers desiring services that require capital expenditures or capacity commitment.

19. Budgetary Policies

The District adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(2) Cash and Investments

Cash and investments as of June 30 are classified in the accompanying financial statements as follows:

	2018
Cash and cash equivalents	\$ 6,290,231
Cash and cash equivalents – restricted	160,329
Total cash and investments	\$ 6,450,560

Cash and cash equivalents as of June 30 consist of the following:

	2018
Cash on hand	\$ 700
Deposits with financial institutions	4,390,994
Investments	2,058,866
Total cash and cash equivalents	\$ 6,450,560

As of June 30, the District's authorized deposits had the following maturities:

	2018
Deposits in Local Agency Investment Fund	193 days

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	5 years	None	None
Federal agency and bank obligations	5 years	None	None
Certificates-of-deposit (negotiable or placed)	5 years	30%	10%
Commercial paper (prime)	270 days	10%	10%
Money market mutual funds	N/A	20%	None
State and local bonds, notes and warrants	N/A	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	None

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(2) Cash and Investments, continued

Investment in State Investment Pool, continued

The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balances, up to \$250,000 held at each institution were federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and the Pool).

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change with market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide for cash flow requirements and liquidity needed for operations.

At June 30, 2018, the District's investments held to maturity were categorized as twelve months or less.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(2) Cash and Investments, continued

Credit Risk, continued

Credit ratings at June 30, 2018, consisted of the following:

<u>Investment Types</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>	
			<u>AAA</u>	<u>Not Rated</u>
Local Agency Investment Fund (LAIF)	\$ 2,039,436	N/A	\$ -	\$ 2,039,436
Money Market Funds	19,430	AAA	19,430	-
Total	\$ <u>2,058,866</u>		\$ <u>19,430</u>	\$ <u>2,039,436</u>

Concentration of Credit Risk

The District's investment policy contains no limitations on the amounts that can be invested in any one issuer as beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than for external investment pools) that represent 5% or more of total District's investments at June 30, 2018.

Fair Value Measurements

Investments measured at fair value on a recurring and non-recurring basis, are as follows:

<u>Investment Type</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Held by bond trustee:				
Money market funds	\$ 19,430	19,430	-	-
Total investments measured at fair value	19,430	<u>19,430</u>	<u>-</u>	<u>-</u>
Investments measured at amortized cost:				
Local Agency Investment Fund (LAIF)	2,039,436			
Total	\$ <u>2,058,866</u>			

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(3) Capital Assets

Major capital assets additions during the years include upgrades and extensions of the District's water transmission and distribution systems and equipment purchases in the following schedules:

Changes in capital assets for the year ended June 30 were as follows:

	<u>Balance 2017</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2018</u>
Non-depreciable assets:				
Land	\$ 160,612	-	-	160,612
Construction-in-process	5,897,444	992,162	(4,840,415)	2,049,191
Total non-depreciable assets	<u>6,058,056</u>	<u>992,162</u>	<u>(4,840,415)</u>	<u>2,209,803</u>
Depreciable assets:				
Source of supply	401,040	-	-	401,040
Transmission and distribution	18,336,289	3,446,697.00	-	21,782,986
Pump station - Crystal Springs	25,431,863	323,204	-	25,755,067
Treatment plants	10,260,589	1,061,511	-	11,322,100
Well field and tanks	3,170,965	955,187	-	4,126,152
Contributed	-	-	-	-
Pipelines and meters	13,607,083	2,049,315	(221,765)	15,434,633
Buildings and structures	1,019,964	-	-	1,019,964
Vehicles	522,052	299,633	(65,913)	755,772
Furniture and equipment	2,273,974	80,221	(40,214)	2,313,981
Total depreciable assets	<u>75,023,819</u>	<u>8,215,768</u>	<u>(327,892)</u>	<u>82,911,695</u>
Accumulated depreciation:				
Depreciable assets	<u>(29,269,292)</u>	<u>(2,011,772)</u>	<u>189,586</u>	<u>(31,091,478)</u>
Total accumulated depreciation	<u>(29,269,292)</u>	<u>(2,011,772)</u>	<u>189,586</u>	<u>(31,091,478)</u>
Total depreciable assets, net	<u>45,754,527</u>	<u>6,203,996</u>	<u>(138,306)</u>	<u>51,820,217</u>
Total capital assets, net	<u>\$ 51,812,583</u>	<u>7,196,158</u>	<u>(4,978,721)</u>	<u>54,030,020</u>

(4) Compensated Absences

Changes to compensated absences for the year ended June 30 were as follows:

	<u>Balance 2017</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2018</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$	<u>154,444</u>	<u>210,235</u>	<u>(173,854)</u>	<u>190,825</u>	<u>47,706</u>	<u>143,119</u>

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(5) Long-term Debt

Changes in long-term debt amounts for the year ended June 30 were as follows:

Long-term debt:	Balance 2017	Additions	Payments	Balance 2018	Current Portion	Long-term Portion
Bonds payable:						
2006B Water revenue refunding bonds	\$ 5,390,000	-	(235,000)	5,155,000	245,000	4,910,000
2006B discount	(35,969)	-	2,248	(33,721)	-	(33,721)
Total bonds payable	<u>5,354,031</u>	<u>-</u>	<u>(232,752)</u>	<u>5,121,279</u>	<u>245,000</u>	<u>4,876,279</u>
Loans payable:						
CIEDB Installment Loan – 2011	5,979,781	-	(168,585)	5,811,196	173,288	5,637,908
CIEDB Installment Loan – 2016	4,108,359	1,519,641	(116,163)	5,511,837	120,159	5,391,678
Total loans payable	<u>10,088,140</u>	<u>1,519,641</u>	<u>(284,748)</u>	<u>11,323,033</u>	<u>293,447</u>	<u>11,029,586</u>
Long-term debt	<u>\$ 15,442,171</u>	<u>1,519,641</u>	<u>(517,500)</u>	<u>16,444,312</u>	<u>538,447</u>	<u>15,905,865</u>

2006 Series B – Water Revenue Refunding Bonds

On June 1, 2006, the District issued \$7,295,000 of 2006 Series B Certificates of Participation to finance and refinance the construction of certain capital improvements to the District's water system. The bonds bear interest ranging from 3.50% to 4.75%. Debt service semi-annual installments are due each October 1st and April 1st with principal payments commencing on October 1, 2007, maturing in fiscal year 2033.

Future remaining debt service payments are as follows:

Year	Principal	Interest	Total
2019	\$ 245,000	238,566	483,566
2020	255,000	226,831	481,831
2021	265,000	213,831	478,831
2022	280,000	200,206	480,206
2023	295,000	186,384	481,384
2024-2028	1,690,000	709,344	2,399,344
2029-2033	<u>2,125,000</u>	<u>261,844</u>	<u>2,386,844</u>
Total	5,155,000	<u>2,037,006</u>	<u>7,192,006</u>
Current	(245,000)		
Discount	<u>(33,721)</u>		
Long-term	<u>\$ 4,876,279</u>		

CEIDB Installment Loan – 2011

On October 10, 2011, the District entered into an installment loan in the amount \$6,765,500 from the California Infrastructure and Economic Development Bank (CIEDB) for the purpose of financing the construction of the Denniston Creek Water Treatment Plant improvement project. Terms of the loan included a 30-year term with semi-annual interest of 2.79% (plus an annual fee of 0.3%) which is payable on August 1 and February 1. Principal payments commenced on February 1, 2013, maturing in fiscal year 2042.

On March 1, 2015, the District and CEIDB into a replacement installment loan agreement for the outstanding balance of \$6,143,789 for the purpose of reducing the semi-annual interest to 2.54%.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(5) Long-term Debt, continued

CEIDB Installment Loan – 2011

Future remaining debt service payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 173,288	162,837	336,125
2020	178,123	157,854	335,977
2021	183,093	152,733	335,826
2022	188,201	147,468	335,669
2023	193,452	142,056	335,508
2024-2028	1,051,293	623,674	1,674,967
2029-2033	1,206,363	463,855	1,670,218
2034-2038	1,384,307	280,462	1,664,769
2039-2042	1,253,076	74,278	1,327,354
Total	5,811,196	<u>2,205,217</u>	<u>8,016,413</u>
Current	<u>(173,288)</u>		
Long-term	\$ <u>5,637,908</u>		

CEIDB Installment Loan – 2016

On May 1, 2016, the District entered into an installment loan in the amount \$5,628,000 from the California Infrastructure and Economic Development Bank (CIEDB) for the purpose of financing the District's Facilities Improvements project. Terms of the loan included a 30-year term with semi-annual interest of 3.44% (plus an annual fee of 0.3%) which is payable on August 1 and February 1. Principal payments commenced on August 1, 2017, maturing in fiscal year 2046.

Future remaining debt service payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 120,159	204,076	324,235
2020	124,292	199,511	323,803
2021	128,568	194,789	323,357
2022	132,991	189,904	322,895
2023	137,565	184,852	322,417
2024-2028	762,152	842,174	1,604,326
2029-2033	902,577	687,088	1,589,665
2034-2038	1,068,874	503,427	1,572,301
2039-2043	1,265,812	285,927	1,551,739
2044-2047	868,847	50,778	919,625
Total	5,511,837	<u>3,342,526</u>	<u>8,854,363</u>
Current	<u>(120,159)</u>		
Long-term	\$ <u>5,391,678</u>		

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(6) Other Post-employment Benefits (OPEB) Plan

General Information about the OPEB Plan

Plan Description

The District offers post-employment medical benefits to retired employees who satisfy the eligibility rules. Dependents are also eligible to receive benefits. Retirees may enroll in any plan available through the District's ACWA-JPIA (Association of California Water Agencies Joint Powers Insurance Authority) Medical Program.

Benefits Provided

To be eligible for retiree health benefits, an employee must retire from the District on or after age 55 with at least 15 years of continuous service. The District provides coverage of single-party medical and vision premiums for life and dental benefits until age 65. Employees hired after November 14, 2006 and before November 1, 2008, will receive 50% of the benefits coverage offered. Employees hired after November 1, 2008, are not eligible for post-employment health benefits.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

	Measurement Date 2017
Inactive employees or beneficiaries currently receiving benefit payments	9
Inactive employees entitled to but not receiving benefit payments	-
Active employees	12
Total Plan membership	21

Contributions

The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays 100% of its share of the cost of health and vision insurance for retirees and dental insurance up to age 65 under any group plan offered by ACWA-JPIA, subject to certain restrictions as determined by the District. The annual contribution is based on the actuarially determined contribution.

As of the fiscal year ended June 30, the contributions were as follows:

	2018
Contributions – employer	\$ 44,364

As of June 30 2018, employer pension contributions of \$44,364 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ended June 30, 2019.

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of June 30, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(6) Other Post-employment Benefits (OPEB) Plan, continued

Total OPEB Liability, continued

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75 percent
Discount rate	3.50 percent
Healthcare cost trend rates	4.00 percent per year
Retirees' share of benefit-related costs	100 percent of projected health insurance premiums for retirees at age 55 with a minimum 15 years of service

Notes:

The discount rate was based on the Bond Buyer 20-Year Bond Index.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2016	\$ <u>2,338,373</u>
Changes for the year:	
Service cost	44,473
Interest	81,573
Employer contributions	<u>(58,686)</u>
Net changes	<u>67,360</u>
Balance at June 30, 2017	\$ <u><u>2,405,733</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	Discount Rate - 1% (2.50%)	Current Discount Rate (3.50%)	Discount Rate + 1% (4.50%)
District's Total OPEB liability \$	<u>2,809,595</u>	<u>2,405,733</u>	<u>2,083,763</u>

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(6) Other Post-employment Benefits (OPEB) Plan, continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.00 percent decreasing to 2.00 percent) or 1-percentage-point higher (5.00 percent decreasing to 4.00 percent) than the current healthcare cost trend rates:

	1% Decrease (3.00% decreasing to 2.00%)	Healthcare Cost Trend Rates (4.00% decreasing to 3.00%)	1% Increase (5.00% decreasing to 4.00%)
District's Total OPEB liability \$	2,089,893	2,405,733	2,788,576

For the year ended June 30, 2018, the District recognized OPEB expense of \$239,758.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to the measurement date at June 30, 2017	\$ 44,364	-

At June 30, 2018, there were no amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB which are required to be recognized in OPEB expense over future periods.

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

See page 39 for the Required Supplementary Schedule.

(7) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(7) Defined Benefit Pension Plan, continued

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 60 (New Classic) Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. Employees hired after January 1, 2013, and have not previously participated in a CalPERS plan are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA. New employees that have previously participated in the Classic Plan are eligible for the District's CalPERS 2.0% at 60 Retirement Plan.

The Plan's provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous Plan		
	Classic	New Classic	PEPRA
Hire date	Prior to August 14, 2010	On or after August 14, 2010, and prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55 - 60	55 - 60	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.5% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.946%	6.900%	6.500%
Required employer contribution rates	10.848%	7.850%	6.908%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers to be determined on an annual basis by the actuary and shall be effective on the July 1, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(7) Defined Benefit Pension Plan, continued

Contributions, continued

As of the fiscal year ended June 30, the contributions for the Plan were as follows:

	Miscellaneous Plan
	2018
Contributions – employer	\$ 516,408

Net Pension Liability

As of the fiscal year ended June 30, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan was as follows:

	Proportionate Share of Net Pension Liability
	2018
Miscellaneous Plan	\$ 3,917,927

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, rolled forward to June 30, 2017, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the pension liability for the District's Plan as of the fiscal year ended June 30, 2018 and 2017, was as follows:

	Miscellaneous
Proportion – June 30, 2017	0.04102%
Proportion – June 30, 2018	0.03951%
Change – Increase (Decrease)	0.00151%

Deferred Pension Outflows (Inflows) of Resources

As of June 30, 2018, the District recognized pension expense of \$934,221.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(7) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

As of the fiscal year ended June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 516,408	-
Net differences between actual and expected experience	-	(57,801)
Net changes in assumptions	497,110	-
Net differences between projected and actual earnings on plan investments	121,706	-
Net differences between actual contribution and proportionate share of contribution	217,977	-
Net adjustment due to differences in proportions of net pension liability	225,828	-
Total	<u>\$ 1,579,029</u>	<u>(57,801)</u>

As of June 30 2018, employer pension contributions of \$516,408, reported as deferred outflows of resources related to contributions subsequent to the measurement date will be and was recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2019.

As of June 30, 2018, the District recognized other amounts reported by the Plan actuarial as deferred outflows of resources and deferred inflows of resources related to the pension liability. Pension related amounts will be recognized as pension expense as follows.

<u>Fiscal Year Ending June 30,</u>	<u>Deferred Net Outflows / (Inflows) of Resources</u>
2018	\$ 404,615
2019	436,552
2020	298,767
2021	(135,114)
2022	-
Thereafter	-

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(7) Defined Benefit Pension Plan, continued

Actuarial Assumptions

The total pension liability in the June 30, 2017, actuarial valuation report was determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Investment Rate of Return	7.50 % Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

* The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 Experience Study report. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(7) Defined Benefit Pension Plan, continued

Discount Rate, continued

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1–10*</u>	<u>Real Return Year 11+**</u>
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	<u>100.0%</u>		

* An expected inflation of 2.5% used for this period

** An expected inflation of 3.0% used for this period

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the District’s proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the District’s proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

At June 30, 2018, the discount rate comparison was the following:

	<u>Discount Rate – 1% (6.15%)</u>	<u>Current Discount Rate (7.15%)</u>	<u>Discount Rate + 1% (8.15%)</u>
District's Net Pension Liability \$	<u>5,691,803</u>	<u>3,917,927</u>	<u>2,448,769</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports. See pages 40 and 41 for the Required Supplementary Schedules.

Payable to the Pension Plan

At June 30, 2018, the District reported no payables for the outstanding amount of contribution to the pension plan.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(8) Net Investment in Capital Assets

Calculation of net investment in capital assets as of June 30 were as follows:

	2018
Capital assets:	
Capital assets – not being depreciated	\$ 2,209,803
Capital assets, net – being depreciated	51,820,217
Current:	
Bonds payable	(245,000)
Loans payable	(293,447)
Non-current:	
Bonds payable	(4,876,279)
Loans payable	(11,029,586)
Total net investment in capital assets	\$ 37,585,708

(9) Restricted Net Position

Calculation of restricted net position as of June 30 was as follows:

	2018
Restricted – cash and cash equivalents	\$ 160,329
Restricted – rate stabilization	250,000
Total restricted net position	\$ 410,329

(10) Unrestricted Net Position

Unrestricted net position as of June 30 were categorized as follows:

	2018
Non-spendable net position:	
Materials and supplies inventory	\$ 147,370
Water-in-storage inventory	26,484
Prepaid expenses and other deposits	27,373
Total non-spendable net position	201,227
Spendable net position are designated as follows:	
Unrestricted	2,481,150
Total spendable net position	2,481,150
Total unrestricted net position	\$ 2,682,377

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(11) Adjustment to Net Position

Other Post-employment Benefits (OPEB) – GASB 75 Implementation

In fiscal year 2018, the District implemented GASB pronouncements 74 and 75 to recognize its total other post-employment benefits (OPEB) liability. As a result of the implementation, the District recognized the OPEB liability and recorded a prior period adjustment, a (decrease) to net position, of \$2,338,373 at July 1, 2017. The District recorded a prior period adjustment, an increase to net position, to reclassify from liabilities to net position, the prior year’s OPEB liability, recognized in accordance with GASB 45, of \$881,815 and to reclassify from expense to deferred outflows, the prior year’s employer OPEB expense of \$58,686 at July 1, 2017.

The adjustment to net position was as follows:

Net position at July 1, 2017, as previously stated	\$ 39,575,817
Effect of adjustment to pension related deferrals:	
Effect of adjustment to record total OPEB liability	(2,338,373)
Effect of adjustment to remove OPEB liability reported under GASB 45	881,815
Effect of adjustment to record deferred OPEB outflows	<u>58,686</u>
Total adjustment to net position	<u>(1,397,872)</u>
Net position at July 1, 2017, as restated	<u>\$ 38,177,945</u>

(12) Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust with The Variable Annuity Life Insurance Company (VALIC) and Mass Mutual for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District’s general creditors. The total market value of all plan assets held in trust at June 30, 2018, was \$1,919,310.

The District has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statements of net position.

(13) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(13) Risk Management, continued

At June 30, 2018, the District participates in the ACWA/JPIA pooled programs for liability, property, and workers' compensation programs as follows:

- General and auto liability, public officials and employees' errors and omissions: The ACWA/JPIAs total risk financing self-insurance limits of \$5,000,000 per occurrence. The ACWA/JPIA purchased additional excess coverage layers: \$55 million for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.

In addition, the District also has the following insurance coverage:

- Crime coverage up to \$100,000 per loss includes public employee dishonesty, depositor's forgery or alteration, theft, computer and funds transfer fraud coverage's, subject to \$1,000 deductible per loss.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$500 million per loss, subject to a \$2,500 deductible per loss. Mobile equipment and vehicles, on file, are paid on actual cost value basis at time of loss and subject to \$1,000 deductible per loss.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment, on file.
- Workers' compensation coverage up to California statutory limits for all work related injuries/illnesses covered by California law; a pooled self-insured limit of \$2,000,000. The ACWA/JPIA purchased additional excess coverage layer: \$2,000,000 employer's liability.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2018, 2017 and 2016. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2018, 2017, and 2016, respectively.

(14) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2018, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 83

In November 2016, the GASB issued Statement No. 83 – *Certain Asset Retirement Obligations*. This Statement (1) addresses accounting and financial reporting for certain asset retirement obligations (AROs), (2) establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs, (3) requires that recognition occur when the liability is both incurred and reasonably estimable, (4) requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, (5) requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually, and (6) and requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets.

The provisions of this Statement are effective for reporting periods beginning after June 15, 2018. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(14) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

Governmental Accounting Standards Board Statement No. 84

In January 2017, the GASB issued Statement No. 84 – *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

The provisions of this Statement are effective for reporting periods beginning after December 15, 2018. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Governmental Accounting Standards Board Statement No. 86

In May 2017, the GASB issued Statement No. 86 – *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The provisions of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Governmental Accounting Standards Board Statement No. 87

In June 2017, the GASB issued Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The provisions of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(14) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

Governmental Accounting Standards Board Statement No. 88

In April 2018, the GASB issued Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Governmental Accounting Standards Board Statement No. 89

In June 2018, the GASB issued Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

The impact of the implementation of this Statement to the District's financial statements has not been assessed at this time.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(14) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

Governmental Accounting Standards Board Statement No. 90

In August 2018, the GASB issued Statement No. 90 – *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The impact of the implementation of this Statement to the District’s financial statements has not been assessed at this time.

(15) Commitments and Contingencies

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water and wastewater facilities and distribution systems within its service area. The financing of such construction contracts is being provided primarily from the District’s replacement reserves and capital contributions.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Coastside County Water District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2018

(16) Subsequent Events

2006 Series B – Water Revenue Refunding Bonds Defeasance – JP Morgan Chase Bank Loan

On July 23, 2018, the District entered into a loan agreement with JP Morgan Chase Bank, NA in the amount of \$5,311,319, to provide funds to prepay the outstanding Water Revenue Refunding Bonds, Series 2006A. The interest rate on the loan is 2.85% per annum. Principal and interest on the loan is payable in semi-annual installments due each October 1st and April 1st. The loan is expected to be repaid in full on October 1, 2032.

Management is not aware of any other events or transactions, including estimates that provide additional evidence about conditions that existed at June 30, 2018, or arose subsequent to that date and are considered inherent in the process of preparing these financial statements.

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Required Supplementary Information

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Coastside County Water District
Schedule of Changes in the District Total OPEB Liability and Related Ratios
As of June 30, 2018
Last Ten Years*

		Measurement
		Date
		2017
Total OPEB Liability		
Service cost	\$	44,473
Interest		81,573
Employer contributions		(58,686)
Net change in total OPEB liability		67,360
Total OPEB liability – beginning		2,338,373
Total OPEB liability – ending	\$	2,405,733
Covered employee payroll	\$	1,939,509
Total OPEB liability as a percentage of covered employee payroll		80.62%

Notes:

* Historical information presented above follows the measurement periods for which GASB 74 & 75 were applicable. The fiscal year ended June 30, 2017, (valuation and measurement dates as of June 30, 2017) was the first year of implementation required by GASB 74 & 75; therefore only one year is shown.

Coastside County Water District
District's Proportionate Share of the Net Pension Liability
As of June 30, 2018
Last Ten Years*

<u>Description</u>	<u>Measurement Date 6/30/2017</u>	<u>Measurement Date 6/30/2016</u>	<u>Measurement Date 6/30/2015</u>	<u>Measurement Date 6/30/2014</u>
District's Proportion of the Net Pension Liability	0.03951%	0.04102%	0.04484%	0.04212%
District's Proportionate Share of the Net Pension Liability	\$ 3,917,926	3,549,756	3,077,582	2,620,900
District's Covered-Employee Payroll	\$ 1,939,509	1,885,311	1,689,259	1,562,529
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	202.01%	188.28%	182.19%	167.73%
District's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	69.62%	69.14%	71.67%	76.34%

Notes:

Changes in Benefit Terms – For the measurement date June 30, 2017, there were no changes in the benefit terms.

Changes of Assumptions – For the measurement date June 30, 2017, the discount rate was reduced from 7.65% percent to 7.15% percent.

* Historical information presented above follows the measurement periods for which GASB 68 & 71 were applicable. The fiscal year ended June 30, 2015, was the first year of implementation required by GASB 68 & 71; therefore only four years are shown.

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**Coastside County Water District
Schedules of Pension Plan Contributions
As of June 30, 2018
Last Ten Years***

Schedule of Pension Plan Contributions:	Fiscal Year 2017-2018	Fiscal Year 2016-2017	Fiscal Year 2015-2016	Fiscal Year 2014-2015
Actuarially Determined Contribution	\$ 537,586	489,709	451,848	389,014
Contribution's in Relation to the Actuarially Determined Contribution	<u>(516,408)</u>	<u>(490,718)</u>	<u>(461,241)</u>	<u>(415,861)</u>
Contribution Deficiency (Excess)	\$ 21,178	<u>(1,009)</u>	<u>(9,393)</u>	<u>(26,847)</u>
Covered Payroll	\$ 1,939,509	<u>1,885,311</u>	<u>1,689,259</u>	<u>1,562,529</u>
Contribution's as a percentage of Covered-employee Payroll	<u>27.72%</u>	<u>25.97%</u>	<u>26.75%</u>	<u>24.90%</u>

Notes:

- * Historical information presented above follows the measurement periods for which GASB 68 & 71 were applicable. The fiscal year ended June 30, 2015, was the first year of implementation required by GASB 68 & 71; therefore, only four years are shown.

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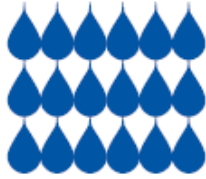
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Report on Internal Controls and Compliance

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Charles Z. Fedak, CPA, MBA
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Independent Auditor's Report on Internal Controls Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Coastside County Water District (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated February 12, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

**Independent Auditor's Report on Internal Controls Over Financial Reporting
And on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, (continued)**

Purpose of this Report

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

Fedak & Brown LLP
Cypress, California
February 12, 2019

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APPENDIX

Coastside County Water District

Audit/Finance Committee Letter

June 30, 2018

Final Draft

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

We have audited the basic financial statements of the Coastside County Water District (District) for the year ended June 30, 2018, and have issued our report thereon dated February 12, 2019. Generally accepted auditing standards require that we provide the Governing Board and management with the following information related to our audit of the District's basic financial statements.

Auditor's Responsibility under United States Generally Accepted Auditing Standards

As stated in our Audit Engagement Letter dated February 6, 2018, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with oversight of the Governing Board are fairly presented, in all material respects, in conformity with United States generally accepted accounting principles. Our audit of the financial statements does not relieve the Governing Board or management of its responsibilities of oversight in the District's external financial reporting process or any other processes.

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing requirements previously communicated to management.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the basic financial statements.

We noted no transactions entered into by the District during fiscal year 2018 for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Management's Judgments, Accounting Estimates and Financial Disclosures

Accounting estimates play an integral part in the preparation of basic financial statements by management and are based upon management's knowledge, experience and current judgments about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the position in the basic financial statements are:

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other post-employment benefits (OPEB) plan: deferred outflows of resources, total OPEB liability, and deferred inflows of resources are based on the alternative measurement method to determine the liability balance. This alternative measurement method was determined and prepared by the District's third-party actuary. We evaluated the basis, methods and assumptions used by the actuary to calculate the annual required contribution for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the defined benefit pension plan's deferred outflows of resources, net pension liability, and deferred inflows of resources are based on an actuarial evaluation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods and assumptions used by the actuary to calculate these amounts for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the basic financial statements are neutral, consistent and clear. Certain basic financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the basic financial statements is (are):

The disclosure of capital assets, net in Note 3 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the District's other post-employment benefits plan, in Note 6 to the basic financial statements is based on information which could differ from those in future periods.

The disclosure of the District's defined benefit pension plan in Note 7 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Corrected and Uncorrected Misstatements

Generally Accepted Auditing Standards require us to accumulate all known and likely misstatements identified during the audit, except those that are considered trivial, and communicate them to the appropriate level of management as follows:

Corrected and Uncorrected Misstatements, continued

There were ten (10) audit adjustment and/or reclassification entries, made to the original trial balance presented to us to begin our audit. There was one (1) client prepared adjusting entry posted to reclassify payroll expense allocation; and one (1) audit adjusting journal entry posted to reclassify OPEB liability. There were four (4) journal entries as a result of implementing GASB 68 for year four; and four (4) journal entries that were a result of the first year implementation of GASB 75. (See a listing of those entries attached on pages 5 and 6 of this report).

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves the application of an accounting principal to the District’s basic financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the basic financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit of the District.

Management Representations

We have requested certain representations from management that are included in the Management Representational Letter to the Auditor dated February 12, 2019.

Conclusion

We appreciate the cooperation extended us by David Dickson, General Manager and Mary Rogren, Assistant General Manager, in the performance of our audit testwork.

We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than the specified, parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Fedak & Brown LLP
Cypress, California
February 12, 2019

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Coastside County Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2018

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
AJE - To reclassify current year adjustment to OPEB liability at June 30, 2018.			
1-2541-0000	Net OPEB Obligation	126,046.00	
1-5900-00	OPEB Expense		126,046.00
Total		126,046.00	126,046.00
Adjusting Journal Entries JE # 2			
GASB 68 Entry #1 - To reclassify 2017 contributions to Net Pension Liability at June 30, 2018.			
1-2542-0000	Net Pension Liability	490,718.00	
1-1450-0000	Deferred Outflows - Pension		490,718.00
Total		490,718.00	490,718.00
Adjusting Journal Entries JE # 3			
GASB 68 Entry #2 - To reclassify 2018 contributions to Deferred Pension Outflows of Resources at June 30, 2018.			
1-1450-0000	Deferred Outflows - Pension	516,408.00	
1-5441-00	GASB 68 Contra Contributions		253,040.00
1-5441-01	GASB 68 Contra Contributions		113,610.00
1-5441-02	GASB 68 Contra Contributions		149,758.00
Total		516,408.00	516,408.00
Adjusting Journal Entries JE # 4			
GASB 68 Entry #3 - To record changes in the pension liability and related deferrals during FY16/17 at June 30, 2018.			
1-1450-0000	Deferred Outflows - Pension	766,342.00	
1-1450-0000	Deferred Outflows - Pension	151,000.00	
1-1450-0000	Deferred Outflows - Pension	192,960.00	
1-2560-0000	Deferred Inflows - Pension	155,941.00	
1-2560-0000	Deferred Inflows - Pension	12,706.00	
1-5442-00	GASB 68 CY (Income) Expense	249,438.00	
1-5442-01	GASB 68 CY (Income) Expense	111,992.00	
1-5442-02	GASB 68 CY (Income) Expense	147,627.00	
1-1450-0000	Deferred Outflows - Pension		12,706.00
1-1450-0000	Deferred Outflows - Pension		155,941.00
1-1450-0000	Deferred Outflows - Pension		675,562.00
1-2542-0000	Net Pension Liability		858,889.00
1-2560-0000	Deferred Inflows - Pension		84,908.00
Total		1,788,006.00	1,788,006.00
Adjusting Journal Entries JE # 5			
GASB 68 Entry #4 - To record changes in the pension liability and related deferrals during FY16/17 at June 30, 2018.			
1-2560-0000	Deferred Inflows - Pension	14,401.00	
1-5442-00	GASB 68 CY (Income) Expense	208,330.00	
1-5442-01	GASB 68 CY (Income) Expense	93,536.00	
1-5442-02	GASB 68 CY (Income) Expense	123,298.00	
1-1450-0000	Deferred Outflows - Pension		113,291.00
1-1450-0000	Deferred Outflows - Pension		122,928.00
1-1450-0000	Deferred Outflows - Pension		188,991.00
1-1450-0000	Deferred Outflows - Pension		14,355.00
Total		439,565.00	439,565.00

Coastside County Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2018

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 6			
GASB 75 Entry #1 - To record prior period adjustment for change in accounting principle of GASB 75 as of July 1, 2017.			
1-1450-0000	Deferred Outflows - Pension	58,686.00	
1-2541-0000	Net OPEB Obligation	881,815.00	
1-3030-0000	Surplus Unappropriated	1,397,872.00	
1-2541-0000	Net OPEB Obligation		2,338,373.00
Total		2,338,373.00	2,338,373.00
Adjusting Journal Entries JE # 7			
GASB 75 Entry #2 - To reclassify 2017 contributions to Total OPEB Liability at June 30, 2018.			
1-2541-0000	Net OPEB Obligation	58,686.00	
1-1450-0000	Deferred Outflows - Pension		58,686.00
Total		58,686.00	58,686.00
Adjusting Journal Entries JE # 8			
GASB 75 Entry #3 - To reclassify 2018 contributions to Deferred Outflows of Resources at June 30, 2018.			
1-1460-0000	Deferred Outflows - OPEB	44,364.00	
1-5451-00	GASB 75 Contributions (Contra)		21,738.00
1-5451-01	GASB 75 Contributions (Contra)		9,760.00
1-5451-02	GASB 75 Contributions (Contra)		12,866.00
Total		44,364.00	44,364.00
Adjusting Journal Entries JE # 9			
GASB 75 Entry #4 - To record changes in OPEB liability during FY17/18 in the current year.			
1-5452-00	GASB 75 CY (Income) Expense Contra	21,792.00	
1-5452-00	GASB 75 CY (Income) Expense Contra	39,971.00	
1-5452-01	GASB 75 CY (Income) Expense Contra	9,784.00	
1-5452-01	GASB 75 CY (Income) Expense Contra	17,946.00	
1-5452-02	GASB 75 CY (Income) Expense Contra	12,897.00	
1-5452-02	GASB 75 CY (Income) Expense Contra	23,656.00	
1-2541-0000	Net OPEB Obligation		126,046.00
Total		126,046.00	126,046.00
Adjusting Journal Entries JE # 10			
CPE - To reclassify expense allocation for June 30, 2018.			
1-5435-00	Employee Medical Insurance	77,887.37	
1-5436-00	Retiree Medical Insurance	198,159.21	
1-5440-00	Employees Retirement Plan	19,376.64	
1-5420-00	Payroll Tax Expense		77,887.37
1-5435-00	Employee Medical Insurance		198,159.21
1-5436-00	Retiree Medical Insurance		19,376.64
Total		295,423.22	295,423.22
Total Adjusting Journal Entries		6,223,635.22	6,223,635.22
Total All Journal Entries		6,223,635.22	6,223,635.22

Legend:

GASB 68 Entry	GASB 68 Adjusting Journal Entry for Year 4 Implementation
GASB 75 Entry	GASB 75 Adjusting Journal Entry for Year 1 Implementation
AJE	Audit Adjusting Journal Entry
CPE	Client Prepared Adjusting Journal Entry

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 12, 2019

Report

Date: February 7, 2019

Subject: Approval of EKI Design Contracts for Ferdinand Avenue Pipeline Replacement, Casa Del Mar Main Replacement (Phase 1) and Grand Boulevard Pipeline/PRV Loop

Recommendation:

Authorize the General Manager to contract with EKI Environment and Water for design, bid support, and construction support services for:

1. The Ferdinand Avenue Pipeline Replacement Project (CIP Project 14-31), at a time-and-materials cost not to exceed \$29,000.
2. The Casa Del Mar Main Replacement Phase 1 (CIP Project 14-32) and Grand Boulevard Pipeline/Pressure Reducing Valve (PRV) Loop Project (CIP Projects 19-03), at a time-and-materials cost not to exceed \$28,500.

Background:

EKI has submitted proposals for engineering services related to three projects included in the District's approved FY18/19-FY27/28 Capital Improvement Program. EKI's proposals dated January 22, 2019 (Attachment A) and January 23, 2019 (Attachment B) provide further details on the projects.

Fiscal Impact:

Cost of \$57,500, included in funding provided for the projects under the CIP.

22 January 2019

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

**Subject: Proposal for Design and Construction Support Services for
CIP Project 14-31 Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus St.**
Coastside County Water District, Half Moon Bay, California
(EKI B80108.01)

Dear Mr. Dickson:

EKI Environment & Water, Inc. (EKI) is pleased to provide this proposal to Coastside County Water District (District) for design, bid support, and construction support services to implement Capital Improvement Project 14-31 - Ferdinand Avenue (Project). This proposal is being prepared in response to EKI's telephone call on 14 January 2019 with the District.

Project Understanding

The Project will replace approximately 1,500 feet of 4-inch welded steel (WS) pipeline in El Granada, running northeast from Ave Balboa along Carmel Avenue, southeast down Ferdinand Ave, and across Deer Creek to Vallejo St. EKI walked the existing alignment with District staff to identify District preferences and how the Project should be constructed. Based on these discussions, the Project will remove the portion of the existing 4" WS line crossing Deer Creek and extend the existing 6" line on Vallejo St to allow for removal of the creek crossing. The Project scope is generally as shown in Figure 1.

The existing pipeline will remain in service during construction, with the new 6" ductile iron pipeline installed parallel to the existing main in a new trench. Existing service connections, meter boxes, and hydrants along the pipeline alignment will also be replaced.

No topographic survey will be performed for the Project, as directed by the District. EKI understands that the District has installed similar sized projects in the past without requiring a formal site survey. In addition to providing design services, EKI will provide limited bid support and Engineering Services During Construction support. The District will provide Construction Management, including field inspection.

PROPOSED SCOPE OF WORK

EKI proposes the following tasks as part of this scope of work.

Task 1: Field Investigation

As discussed above, the Project will not require a formal survey. Therefore, EKI will perform a site visit to locate and measure surface utility features (water valves, manholes, etc.). These features together with available aerial mapping and District-supplied GIS-based water lines information will be used to develop a base map to support design.

Once completed, EKI will meet with the District in the field to confirm the base map including the existing water line and water service locations.

EKI Assumptions:

- The District will provide any as-built records for the Project area, if available.
- No formal survey data are required for the Project.
- Project plan view sheets will be based on aerial data, District water line GIS files, and field investigations locating select surface utility features.
- Prior to commencing with design, EKI will meet with the District in the field to confirm plan view base mapping and locate water connections.

Task 2: Design and Bid Services

Based on discussions with the District, EKI will provide three design submittals corresponding to 50%, 100%, and Final design. The 50% design level submittal will include plan view sheets and an opinion of probable construction cost. EKI will also confirm that no additional technical specifications are required. The 100% and Final design level submittals will include plan view sheets, District standard details, connection details, specifications, and an updated opinion of probable construction cost. Design review meetings at the District office will be held for the 50% and 100% design submittal with comments documented and tracked to confirm incorporation into subsequent submittals.

EKI will provide the District the following bid services: responses to questions from prospective bidders and a review of bids to determine if bids are responsive and responsible.

EKI Assumptions:

- Design documents will be based on the District standard front end, technical specifications, and details
- Curb and Gutter, Sidewalk, and/or Driveway improvements required as a result of Project improvements will employ San Mateo County standard details, unless directed otherwise by the District.
- The 50% Design deliverable plan view sheets will be 11x17 and PDF. Specification TOC and opinion of probable construction cost will be distributed by hardcopy and PDF.
- The 100% and Final Design deliverable plan view sheets will be 22x34 and PDF. Specifications and opinion of probable cost will be distributed by hardcopy and PDF.
- Minutes with comments will be distributed for each design review meeting within 5 days of the meeting.

- District will distribute Final Bid Documents to select contractors.
- EKI will prepare responses to bidder's questions electronically.
- EKI assumes that no addenda will be required.

Task 3: Engineering Support During Construction Services

EKI will provide limited engineering services during construction. These services will focus on the following: submittal review and request for information (RFI) support. EKI assumptions for this task follows.

EKI Assumptions:

- Submittals and RFI communication shall be through email employing PDFs using EKI's standard forms for submittal and RFI review.
- EKI shall review 4 submittals and 2 resubmittals at a level of effort of 4 hours per review
- EKI shall review 3 RFIs at a level of effort of 4 hours per review.

PROJECT SCHEDULE

EKI anticipates that the design and bid support-related scope of work will be completed within two (2) months of notice to proceed. Engineering services during construction will be completed in a timely manner, consistent with the Project's construction schedule.

COMPENSATION FOR CONSULTING SERVICES

We propose that compensation for consulting services by EKI be on a time and expense reimbursement basis in accordance with our attached current Schedule of Charges, dated 1 January 2019. Based on the proposed Scope of Work described above, we propose a budget of \$29,000 for the completion of Tasks 1, 2, and 3 as shown by task in Table 1.

Table 1. Proposed Cost by Tasks

Task	Description	Task Total
1	Field Investigation	\$6,200
2	Design and Bid Support	\$16,200
3	Construction Support Services	\$6,600
Total Estimated Budget		\$29,000

TERMS AND CONDITIONS

Other than the scope of work, budget, and schedule herein, the work will be performed in accordance with our current Agreement dated 20 September 2018.

Coastside County Water District
22 January 2019
Page 4 of 4



Thank you for the opportunity to work with the District on this project. Please contact Jonathan Sutter at 650-292-9100 with any questions.

Very truly yours,

EKI Environment & Water, Inc.

A handwritten signature in blue ink that reads 'Stephen A. Tarantino'.

Stephen A. Tarantino, P.E.
Vice President

A handwritten signature in blue ink that reads 'Jonathan Sutter'.

Jonathan Sutter, P.E.
Project Manager

CIP Project 14-31 Ferdinand Avenue



Figure 1. Project Scope

Estimated Fee - CIP 14-31 Ferdinand Avenue Replace 4" WS Ferdinand Ave. to Columbus St

Task Order No. 1
 Coastside County Water District, Half Moon Bay, California
 (EKI B80108.01)

TASKS	ESTIMATED HOURLY LABOR					LABOR COST (\$)	DIRECT COSTS			MARKUP ON DIRECT COSTS 10%	TOTAL DIRECT COSTS	TOTAL	
	EKI Staff						UNIT	QUANTITY	UNIT COST			TASK BUDGET TOTALS (\$)	ROUNDED BUDGET TOTALS (\$)
	SOF 20	CAD/GIS 118	Taylor Allen 129	Tyler Colyer 205	Jonathan Sutter, P.E. 219								
Task 1 - Field Investigation													
Develop preliminary mapping to support field investigation		4	4	1	1	\$1,412						\$1,412	
Conduct field visit to identify utility surface features		4	4	4	1	\$1,555						\$1,555	
Develop base map based on field notes			6	2	1	\$1,403						\$1,403	
Meet with District in Field to confirm base mapping			2	2	1	\$887						\$887	
Finalize base mapping			2	1	1	\$682						\$682	
Communications Fee (EKI Labor Only)							4%	\$5,939		\$238		\$238	
Task 1 Subtotal		4	18	10	5	\$5,939				\$238		\$6,177	\$6,200
Task 2 - Design and Bid Support													
Develop title sheet with Sheet Index & Location Map			6	1		\$979						\$979	
Develop 50% plan view sheets			16	4	2	\$3,322						\$3,322	
Develop 50% Opinion of Probable Construction Cost			4	1	1	\$940						\$940	
Prepare, conduct, and document 50% design review			3	2	2	\$1,235						\$1,235	
Develop 100% Drawings			6	2	1	\$1,403						\$1,403	
Develop 100% specifications				8	4	\$2,516						\$2,516	
Prepare, conduct, and document 100% design review			3	2	2	\$1,235	LS	1	\$150	\$15	\$165	\$1,400	
Develop Final Design Submittal			4	2	1	\$1,145						\$1,145	
Provide Bid Support (respond to questions and review bids)			8	4	1	\$2,071	LS	1	\$500	\$50	\$550	\$2,621	
Communications Fee (EKI Labor Only)							4%	\$14,846		\$594		\$594	
Task 2 Subtotal			50	26	14	\$14,846				\$65	\$1,309	\$16,155	\$16,200
Task 3 - Engineering Support During Construction													
Review Submittals (4 submittals and 2 resubmittals)			18	6		\$3,552						\$3,552	
Respond to Requests for Information, RFIs (3 RFIs)			12	6		\$2,778						\$2,778	
Communications Fee (EKI Labor Only)							4%	\$6,330		\$253		\$253	
Task 3 Subtotal			30	12		\$6,330						\$6,583	\$6,600
TOTALS:		4	98	48	19	\$27,115				\$65	\$1,800	\$28,915	\$29,000

Notes:
 EKI suggests deferring subtask or portion of subtasks to FY 2019-2020

Client/Address: Coastside County Water District
 766 Main Street
 Half Moon Bay, CA 94019



Proposal/Agreement Date: 22 January 2019

EKI Project # B80108.01

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.¹

1 January 2019

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	286
Principal Engineer-Scientist	275
Supervising I, Engineer-Scientist	265
Supervising II, Engineer-Scientist	255
Senior I, Engineer-Scientist	243
Senior II, Engineer-Scientist	230
Associate I, Engineer-Scientist	219
Associate II, Engineer-Scientist	205
Engineer-Scientist, Grade 1	191
Engineer-Scientist, Grade 2	180
Engineer-Scientist, Grade 3	165
Engineer-Scientist, Grade 4	146
Engineer-Scientist, Grade 5	129
Engineer-Scientist, Grade 6	113
Technician	104
Senior GIS Analyst	133
CADD Operator / GIS Analyst	118
Senior Administrative Assistant	130
Administrative Assistant	103
Secretary	85

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus fifteen percent (15%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

¹ Formerly known as Erler & Kalinowski, Inc.

23 January 2019

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

**Subject: Proposal for Design and Construction Support Services for
CIP 14-32 Casa Del Mar Replace Cast Iron Mains – Phase 1: Kehoe and Wave PRVs and
CIP 19-03 Grand Pipeline/PRV Loop**
Coastside County Water District, Half Moon Bay, California
(EKI B80108.03)

Dear Mr. Dickson:

EKI Environment & Water, Inc. (EKI) is pleased to provide this proposal to Coastside County Water District (District) for design, bid support, and construction support services to implement the following two District Capital Improvement Projects:

- Capital Improvement Project 14-32 Casa Del Mar – Replace Cast Iron Mains: Phase 1 - Kehoe and Wave Pressure Reducing Valve (PRV) Stations; and
- Capital Improvement Project 19-03 Grand Pipeline/PRV Loop.

The above two Capital Improvement Projects constitute the overall Project described herein. This proposal is being prepared in response to EKI's telephone call on 14 January 2019 with the District.

Project Understanding

CIP 14-32 Casa Del Mar – Replace Cast Iron Mains: Phase 1 - Kehoe and Wave PRV Stations

Cast iron mains in the Casa Del Mar neighborhood (between Kehoe Avenue and Wave Avenue) were installed between 1965 and 1976. There have been numerous leaks in this neighborhood, and leaks have caused significant pavement damage due to high pressure in the area. District staff proposed installing two (2) PRV stations, one to be located at Wave Avenue and Frontage Road and the second to be located at Casa Del Mar Drive and Frontage Road. These PRV Stations will reduce neighborhood pressure, thereby extending water line life until planned replacement in FY 26/27 and FY 27/28.

Installation of the two PRV stations together with a new 8-inch water line between Beach Avenue and Casa Del Mar Drive will implement Phase 1 of this Capital Improvement Project. The scope for this Project element is generally as shown in Figure 1. PRV station sizing will be confirmed based on hydraulic modeling performed by EKI under a separate scope of work. Lastly, the potential impact of Highway 1 Improvements will be incorporated as part of the design effort.

CIP 19-03 Grand Pipeline/Pressure Reducing Valve (PRV) Loop

This Project element will include the installation of a PRV Station to reduce the pressure in this neighborhood and add a loop with a connection to an existing 6-inch fire hydrant lateral to minimize water outages during emergency and scheduled repairs. The scope for this Project element is generally as shown in Figure 2. PRV Station sizing will be confirmed based on hydraulic modeling performed by EKI under a separate scope of work. Lastly, the potential impact of Highway 1 Improvements will be incorporated as part of the design effort.

No topographic survey will be performed for the Project, as directed by the District. EKI understands that the District has installed similar sized projects in the past without requiring a formal site survey. In addition to providing design services, EKI will provide limited bid support and Engineering Services During Construction support. The District will provide Construction Management, including field inspection.

PROPOSED SCOPE OF WORK

EKI proposes the following tasks as part of this scope of work.

Task 1: Field Investigation

As discussed above, the Project will not require a formal survey. Therefore, EKI will perform site visits to confirm the locations of the PRV Stations and measure surface utility features (water valves, manholes, etc.). These features together with available aerial mapping and District-supplied GIS-based water line information will be used to develop a base map to support design. In addition to the above, District-supplied water line record drawings for Frontage Road at Wave and Beach Avenues, developed by James S. Teter, will be employed as part of the base mapping.

Once completed, EKI will meet with the District in the field to confirm the base map including the existing water line and water service locations.

EKI Assumptions:

- The District will provide any as-built records in the vicinity of Grand Avenue and Frontage Road, if available.
- No formal survey data are required for the Project.
- A geotechnical investigation is not required.
- Project plan view sheets will be based on aerial data, District water line GIS files, record drawings, and field investigations locating select surface utility features.
- Prior to commencing with design, EKI will meet with the District in the field to confirm plan view base mapping and locate water connections.

Task 2: Design and Bid Services

Based on discussions with the District, EKI will provide three design submittals corresponding to 50%, 100%, and Final design. The 50% design level submittal will include plan view sheets and an opinion of probable construction cost. EKI will also confirm that no additional technical specifications are required. The 100% and Final design level submittals will include plan view sheets, District standard details,

connection details, specifications, and an updated opinion of probable construction cost. Design review meetings at the District office will be held for the 50% and 100% design submittal with comments documented and tracked to confirm incorporation into subsequent submittals.

EKI will provide the District the following bid services: responses to questions from prospective bidders and a review of bids to determine if bids are responsive and responsible.

EKI Assumptions:

- Design documents will be based on the District standard front end, technical specifications, and details
- Curb and gutter, sidewalk, and/or driveway improvements required as a result of Project improvements will employ San Mateo County standard details, unless directed otherwise by the District.
- The 50% Design deliverable plan view sheets will be 11"x17" and PDF. Opinion of probable construction cost will be distributed by hardcopy and PDF.
- The 100% and Final Design deliverable plan view sheets will be 22"x34" and PDF. Specifications and opinion of probable cost will be distributed by hardcopy and PDF.
- Minutes with comments will be distributed for each design review meeting within 5 days of the meeting.
- District will distribute Final Bid Documents to select contractors.
- EKI will prepare responses to bidder's questions electronically.
- EKI assumes that no addenda will be required.

Task 3: Engineering Support During Construction Services

EKI will provide limited engineering services during construction. These services will focus on the following: submittal review and request for information (RFI) support. EKI assumptions for this task follows.

EKI Assumptions:

- Submittals and RFI communication shall be through email employing PDFs using EKI's standard forms for submittal and RFI review.
- EKI shall review 6 submittals and 3 resubmittals at a level of effort of 4 hours per review
- EKI shall review 4 RFIs at a level of effort of 4 hours per review.

PROJECT SCHEDULE

EKI anticipates that the design and bid support-related scope of work will be completed within two (2) months of notice to proceed. Engineering services during construction will be completed in a timely manner, consistent with the Project's construction schedule.

COMPENSATION FOR CONSULTING SERVICES

We propose that compensation for consulting services by EKI be on a time and expense reimbursement basis in accordance with our attached current Schedule of Charges, dated 1 January 2019. Based on the proposed Scope of Work described above, we propose a budget of \$28,500 for the completion of Tasks 1, 2, and 3 as shown by task in Table 1.

Table 1. Proposed Cost by Tasks

Task	Description	Task Total
1	Field Investigation	\$5,800
2	Design and Bid Support	\$14,700
3	Construction Support Services	\$8,000
Total Estimated Budget		\$28,500

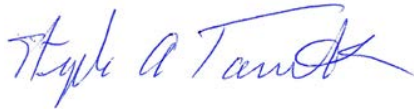
TERMS AND CONDITIONS

Other than the scope of work, budget, and schedule herein, the work will be performed in accordance with our current Agreement dated 20 September 2018.

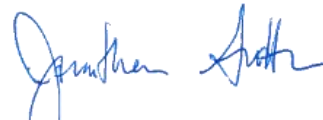
Thank you for the opportunity to work with the District on this project. Please contact Jonathan Sutter at 650-292-9100 with any questions.

Very truly yours,

EKI Environment & Water, Inc.



Stephen A. Tarantino, P.E.
 Vice President



Jonathan Sutter, P.E.
 Project Manager

CIP Project 14-32 Casa Del Mar - Replace Cast Iron Mains - Kehoe and Wave PRV Stations



Figure 1. Project Scope for CIP 14-32.

CIP Project 19-03 Grand Pipeline/PRV Loop



Figure 2. Project Scope for CIP 19-03.

Estimated Fee - CIP 14-32 Casa Del Mar Replace Cast Iron Mains – Phase 1: Kehoe and Wave PRVs & CIP 19-03 Grand Pipeline/PRV Loop

Task Order No. 2
 Coastside County Water District, Half Moon Bay, California
 (EKI B80108.03)

TASKS	ESTIMATED HOURLY LABOR					LABOR COST (\$)	DIRECT COSTS			TOTAL DIRECT COSTS	TOTAL		
	EKI Staff						UNIT	QUANTITY	UNIT COST		MARKUP ON DIRECT COSTS	TASK BUDGET TOTALS (\$)	ROUNDED BUDGET TOTALS (\$)
	SOF	CAD/GIS	Taylor Allen	Tyler Colyer	Jonathan Sutter, P.E.								
20	118	129	205	219				10%					
Task 1 - Field Investigation													
Develop preliminary mapping to support field investigation		4	4	1	1	\$1,412						\$1,412	
Conduct field visit to identify utility surface features			3	3	1	\$1,221						\$1,221	
Develop base map based on field notes			6	2	1	\$1,403						\$1,403	
Meet with District in Field to confirm base mapping			2	2	1	\$887						\$887	
Finalize base mapping			2	1	1	\$682						\$682	
Communications Fee (EKI Labor Only)							4%	\$5,605		\$224		\$224	
Task 1 Subtotal		4	17	9	5	\$5,605				\$224		\$5,829	\$5,800
Task 2 - Design and Bid Support													
Develop title sheet with Sheet Index & Location Map			6	1		\$979						\$979	
Develop 50% plan view sheets			12	4	2	\$2,806						\$2,806	
Develop 50% Opinion of Probable Construction Cost			4	1	1	\$940						\$940	
Prepare, conduct, and document 50% design review			3	2	2	\$1,235						\$1,235	
Develop 100% Drawings			4	2	1	\$1,145						\$1,145	
Develop 100% specifications				8	2	\$2,078						\$2,078	
Prepare, conduct, and document 100% design review			3	2	2	\$1,235						\$1,235	
Develop Final Design Submittal			4	2	1	\$1,145						\$1,145	
Provide Bid Support (respond to questions and review bids)			8	4	1	\$2,071	1		\$500		\$500	\$2,571	
Communications Fee (EKI Labor Only)							4%	\$13,634		\$545		\$545	
Task 2 Subtotal			44	26	12	\$13,634				\$1,045		\$14,679	\$14,700
Task 3 - Engineering Support During Construction													
Review Submittals (6 submittals and 3 resubmittals)			27	9		\$5,328						\$5,328	
Respond to Requests for Information, RFIs (4 RFIs)			12	4		\$2,368						\$2,368	
Communications Fee (EKI Labor Only)							4%	\$7,696		\$308		\$308	
Task 3 Subtotal			39	13		\$7,696						\$8,004	\$8,000
TOTALS:		4	100	48	17	\$26,935				\$1,577		\$28,512	\$28,500

Notes:

EKI suggests deferring subtask or portion of subtasks to FY 2019-2020

Client/Address: Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019



Proposal/Agreement Date: 23 January 2019

EKI Project # B80108.03

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.¹

1 January 2019

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	286
Principal Engineer-Scientist	275
Supervising I, Engineer-Scientist	265
Supervising II, Engineer-Scientist	255
Senior I, Engineer-Scientist	243
Senior II, Engineer-Scientist	230
Associate I, Engineer-Scientist	219
Associate II, Engineer-Scientist	205
Engineer-Scientist, Grade 1	191
Engineer-Scientist, Grade 2	180
Engineer-Scientist, Grade 3	165
Engineer-Scientist, Grade 4	146
Engineer-Scientist, Grade 5	129
Engineer-Scientist, Grade 6	113
Technician	104
Senior GIS Analyst	133
CADD Operator / GIS Analyst	118
Senior Administrative Assistant	130
Administrative Assistant	103
Secretary	85

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus fifteen percent (15%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

¹ Formerly known as Erler & Kalinowski, Inc.

STAFF REPORT

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

From: James Derbin

Agenda: February 12, 2019

Report

Date: February 4, 2019

Subject: Bell Moon Pipeline Replacement Project

Recommendation:

Determine that waiving the competitive bidding requirements of Resolution 2016-09 and that contracting on a sole-source basis with Andreini Brothers Construction to replace 785 feet of 12-inch welded steel water main is in the best interest of the District project and authorize the General Manager to execute a contract with Andreini for the replacement, for a total not to exceed \$326,410.

Background:

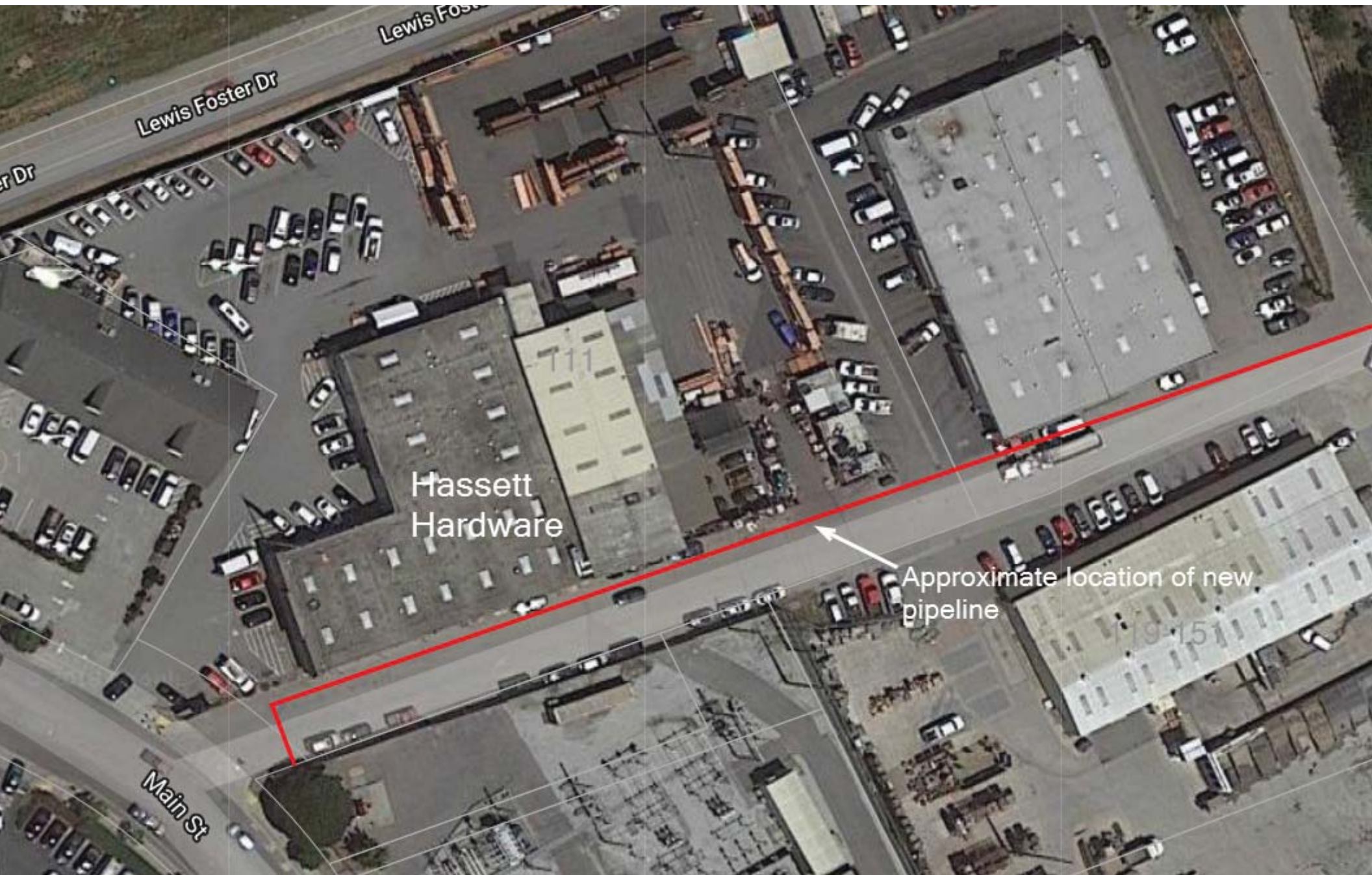
The District's Bell Moon Pipeline is a welded steel pipe which extends about 785 feet east of Main St. along the private access road south of Lewis Foster Drive as shown in Attachment A. The existing pipeline is approximately 70 years old and is well beyond its useful life. This project will improve reliability of water service in this area.

District Engineer Jim Teter prepared the plan set, specifications, and bid documents for this work. This project will require night work due to the amount of daytime traffic and active businesses in this area. The engineer's estimate for this project was \$375,000. Andreini Brothers bid came in at \$326,410.

Because this pipeline is located within a heavily used access road running through property owned by the Andreinis and serving the Andreini businesses and Andreini tenants, staff believes it is in the best interest of the District to have Andreini perform the work. They are in the best position to coordinate construction with their own activities and those of their tenants and to avoid potential impacts. Staff believes Andreini's bid is reasonable, and it is within the engineer's estimate.

Fiscal Impact:

This project is included in the approved FY 18/19 CIP budget in the amount of \$310,000 (Bell Moon Pipeline Replacement Project, No. 07-04)



Hassett
Hardware

Approximate location of new
pipeline

Lewis Foster Dr

Main St

STAFF REPORT

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

From: James Derbin

Agenda: February 12, 2019

Report

Date: February 5, 2019

Subject: Crystal Springs Pump Control Valves

Recommendation: Authorize Staff to purchase three 12" Cla-Val Model 60-AN pump control valves, for a price of \$80,910 and hire Calcon Systems, in the amount of \$15,068 for conduit, wiring installation and PLC integration, for a total cost of \$95,978.

Background: The three 12" pump discharge check valves at the Crystal Springs Pump Station are currently leaking water back into the caisson when the pumps are off. These metal faced swing check valves were replaced in 2008 and started leaking again within two years. Staff has since attempted to repair the existing swing check valves with little success. In an effort to eliminate this leaking into the caisson, staff has developed a plan, with assistance from the local Cla-Val Sales Representative, to install new hydraulically operated diaphragm pump control valves to minimize water hammer upon shut down and eliminate the leakage.

District staff will install the valves and have Calcon follow up with wiring and integration. Cla-Val and Calcon staff will be present for startup and adjustment once they are installed.

Three quotes were solicited for the three valves with Core and Main as the lowest bidder at \$80,910 with tax and shipping.

Fiscal Impact: Cost of \$96,000. This project is not included in the approved CIP budget.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 12, 2019

Report

Date: February 5, 2018

Subject: Consideration of Next Steps in Process of Filling Director Vacancy, Possible Appointment of Director to Fill Vacancy

Recommendation:

Consider next steps in the process for filling the vacancy on the Board of Directors created by the resignation of Arnie Glassberg.

Background:

The resignation of Director Arnie Glassberg, which was effective January 31, 2019, has created a vacancy on the District's Board of Directors. At the meeting of January 8, 2019, the Board voted to fill the vacancy by appointment and to direct the staff to issue a Notice of Vacancy soliciting statements of interest and qualifications from candidates. The January 8 staff report included as Attachment A summarizes requirements and key dates pertaining to the vacancy.

Staff posted the Notice of Vacancy on January 9, 2019. Nine candidates submitted statements of interest (Attachment B).

The Board may now consider next steps in the appointment process. The Board's options include, but are not limited to, making an appointment now based on the written materials submitted, conducting interviews with candidates at a future meeting, or referring the matter to a committee for further review and recommendations.

STAFF REPORT**To: Coastside County Water District Board of Directors****From: David Dickson, General Manager
Patrick Miyaki, District Counsel****Agenda: January 8, 2019****Report****Date: January 4, 2019****Subject: Resignation of Director Glassberg and Consideration of the Process
for Filling a Vacancy on the Board of Directors**

Recommendation:

Staff recommends that the Board act as follows:

1. Decide whether the vacancy on the Board of Directors created by the resignation of Director Arnie Glassberg will be filled by appointment or by election.
2. If the vacancy is to be filled by appointment, direct staff to post the required notice of the vacancy and specify what to include in the notice.

Background:

Director Arnie Glassberg has relocated to a residence outside the District and has submitted his resignation from the Board effective January 31, 2019. (See Attachment A.) Therefore, as of January 31, there is a vacancy on the Board of Directors.

The following applies to vacancies on the Board of Directors of a county water district.

- Each CCWD director must be a voter within the District and have his or her place of residence within the District (Water Code Sections 30500 and 30508).
- All vacancies on the Board will be filled pursuant to Government Code Section 1780 (Water Code Section 30504).
- The main elements of Government Code Section 1780 are as follows:
 - The District must notify the County elections official of the vacancy within 15 days from the effective date of the vacancy (by February 15, 2019).
 - The Board has 60 days (until April 1, 2019 in this case) from the effective date of the vacancy to (1) appoint a successor; or (2) call an election to fill the vacancy.

- If the Board does not appoint a successor or call an election within this 60 day period, then the County Board of Supervisors may appoint a successor or call an election. If the County Board of Supervisors does not act within 90 days from the effective date of the vacancy, then the District must call an election to fill the vacancy.
- If the Board decides to appoint a successor, the District must post a notice of the vacancy in three or more conspicuous places in the District at least 15 days before the Board makes the appointment. The Board has a significant amount of flexibility in determining how it wants to select a successor. For example, the Board may request and evaluate applications and qualification statements from applicants, with whatever level of detail the Board desires to obtain from the applicants, and base the selection on those documents alone. The Board also could conduct interviews with some or all of the applicants, either in a panel interview with all candidates participating at the same time or individual, sequential interviews.
- Once an appointment is made, the District must notify the County elections official of the appointment within 15 days from the date of the appointment.
- Because the vacancy occurs in the second half of Director Glassberg's term of office, the person appointed to fill the vacancy would serve the balance of Director Glassberg's term, until December 2020.
- If the Board decides to call an election, the election will be held on the next established election date that is 130 or more days after the date the District Board calls an election (November 3, 2019 in this case).

Summary of Key Dates

12 December 2018	District receives notice of Director Glassberg's resignation effective January 31, 2019
8 January 2019	Regular Board of Directors Meeting – Board to consider whether vacancy will be filled by appointment or election
9 January 2019	If vacancy is to be filled by appointment, staff posts Notice of Vacancy soliciting statements of interest
25 January 2019	Deadline for submitting statements of interest
31 January 2019	Effective date of Director Glassberg's resignation

STAFF REPORT

Agenda: January 8, 2019

Subject: Vacancy on the Board of Directors

Page 3

12 February 2019	Regular Board of Directors Meeting
15 February 2019	Deadline for notifying County Elections Office of vacancy
12 March 2019	Regular Board of Directors Meeting
1 April 2019	Deadline for Board of Directors to fill vacancy by appointment or call an election.

RECEIVED

DEC 12 2018

ARNIE C. GLASSBERG
1851 Steamboat Parkway, Apartment 2102
Reno, NV 89521

COASTSIDE COUNTY
WATER DISTRICT

12 December 2018

Ken Coverdell, President
COASTSIDE COUNTY WATER DISTRICT
766 Main Street
Half Moon Bay, CA 94019

Dear Ken,

It is with great regret that I tender this letter as notice of my resignation from the Board of Directors of Coastside County Water District, effective 31 January 2019. My wife and I are moving out of California and I will no longer be eligible to continue as a Director.

I have worked with a lot of public agencies and boards. Without doubt CCWD has been the best. Every Director on the Board brings his own expertise to the table. It has always been with great respect that Directors have listened to each other and come to consensus on big challenges. I have always looked forward to attending meetings because each opportunity to interact with fellow Directors has widened my knowledge base in the world of water and my admiration for the people who guide this important District. This Board is so forward thinking. Decisions of import are made not just based on what is expedient for today but what is in the best interests of the District and the community in the future.

Tone starts at the top and this Board has set a tone of compassion and professionalism that has spread through all staff of the District. The staff is justifiably known throughout the community as caring about the customers and providing the very best service and product possible.

It has been my honor to work with all of you. Thank you for the great education you have provided me.

My very best,


Arnie Glassberg

cc: Director Chris Mickelson
Director Glenn Reynolds
Director Bob Feldman
General Manager Dave Dickson
Counsel Patrick Miyaki

Statements of Interest and Qualifications Received
For Board Vacancy due to Arnie Glassberg's Resignation effective January 31, 2019

Date Received	Name of Candidate	E-mail Address	Telephone No.	Address
January 10, 2019	James Larimer	jim@imagemetrics.com	(650) 678-0658	569 Alto Avenue, HMB
January 15, 2019	John Mallen	jmallenjr@gmail.com	(408) 859-9399	534 Highland Ave., HMB
January 15, 2019	Les Deman	lesdeman@coastside.net	(650) 490-0340	517 Ruisseau Francais Ave Half Moon Bay
January 16, 2019	Matthew des Tombe	mdestombe@gmail.com	(650) 726-4431 (415) 933-7366	307 Magnolia St., HMB
January 21, 2019	Peter C. Smith	pcsmith10@comcast.net	(650) 868-6147	2411 S. Cabrillo Hwy, HMB
January 23, 2019	John Muller	FarmerJohnMuller@gmail.com	(650) 464-8226	923 Miramontes St., HMB P.O. Box 218 HMB, CA
January 23, 2019	Abe Jimenez	jimenez301@gmail.com	(832) 754-8284	1107 Columbus St., E.G.
January 25, 2019	Brian Glazebrook	brian.glazebrook@gmail.com	(650) 560-9420	728 Vasques Drive, HMB
January 31, 2019 (Responded based on article in HMB Review)	Bob Pelikan	bobpelikan@comcast.net	(650) 773-2555	807 Avenue Balboa, E.G.

JoAnne Whelen

From: David Dickson
Sent: Friday, January 11, 2019 11:30 AM
To: JoAnne Whelen
Subject: Fwd: Board Vacancy

Hi, JoAnne -

We'll consider this Jim Larimer's statement of interest and qualifications.

Dave

Begin forwarded message:

From: Jim Larimer <jim@imagemetrics.com>
Date: January 10, 2019 at 4:39:48 PM PST
To: 'David Dickson' <DDickson@coastsidewater.org>
Subject: Board Vacancy

Dave-

I see that starting in February there will be a vacancy on the CCWD Board. It has been several years since I served on the Board or paid close attention to CCWD's current issues and policies. It would undoubtedly take me a few months to catch up, but I believe that the three terms I previously served on the Board would enable me to catch up more rapidly than someone who has not been a Board member. I would be willing and pleased to serve out the term of Director Glassberg should the Board be willing to appoint me.

Please inform the Board that I am available should they choose to appoint me. If there is any additional information regarding my availability that you or the Board requires, I will be happy to provide it.

Jim

Jim Larimer
569 Alto Avenue
Half Moon Bay, CA 94019
jim@imagemetrics.com
(650) 678-0658

JoAnne Whelen

From: John Mallen <jmallenjr@gmail.com>
Sent: Tuesday, January 15, 2019 10:08 AM
To: JoAnne Whelen
Subject: Coastside County Water District
Attachments: JM.pdf; ATT00001.htm; Recommendations.pdf; ATT00002.htm

Hi JoAnne,

My name is John Mallen. My wife (Teresa) shared an email that indicated there's a need for someone to fill a position on the Coastside Water District due to resignation. I'm currently unemployed, but actively looking. My background is mainly Customer Service/Human Resource oriented, specifically supporting Consulting organizations for large IT corporations (SAP & Oracle) in Resource Management. Since leaving SAP in July of 2017, I've managed a home renovation, did a 6 month consulting stint at Deloitte Services, LLP., and took care of health issues for both my mother and mother in law (who lives with us). I've also helped one of our local farmers, the Repetto's, through the holiday seasons, and I am on the Board for the Coastside Tennis Association, focusing on Youth Tennis development. I'm continuing my personal education, becoming fluent in Spanish, as well as rounding out my HR & Project Management experience by attaining certifications in 2019.

My wife and I do live in Half Moon Bay. We are also raising our niece, Avery, who is currently attending College of San Mateo.

Feel free to take a look at my LinkedIn url www.linkedin.com/in/jfmjr.

Please let me know if you are interested in chatting with me about this position.

Best,

John

John Mallen

Half Moon Bay, California, 94019
www.linkedin.com/in/jfmjr2

408-859-9399

jmallenjr@gmail.com

SUMMARY

Human Resource and Customer Service professional with 25+ years experience, primarily in Resource Management supporting Professional Services organizations, advocating on behalf of and deploying Consultants as well as sub Contractors for Computer Software and Information Technology corporations. Heavily involved in large transaction oriented Staffing, as well as Strategic Workforce Planning, including developing process, policy and procedure to improve efficiencies. Excellent collaborator and independent contributor with strong listening skills. Strongest attributes are responsiveness, composure, accountability, sense of urgency, prioritization, and diplomacy. I am looking for a Customer Service oriented position which would include an opportunity to have an impact on the growth and success of the company, as well as its employees.

- Industries: Financial Services (Banking & Insurance), Utilities, Retail, Healthcare/Lifesciences, Government (Federal, Civilian, State & Local, Education), Transportation
- Software apps, HR/Program Mgt/others: Oracle Purchasing, Business Intelligence, multiple SAP product, including SuccessFactors, Workday, Salesforce, BambooHR, Agile, Excel, Outlook, Sharepoint, Outlook 365
- Scheduling & Workforce Planning Tools: RM@FS (SAP), Retain & Crystal Reports (Business Objects), PJR/Project Accounting (Oracle)
- Languages: English, Spanish (becoming fluent)

PROFESSIONAL EXPERIENCE

SAP Americas, Inc. Palo Alto, Ca.

2008 – 2017

Sr. Resource Manager: 2012 – 2017

Resource Management Single Point of Contact (SPOC) to the Regulated Industries Services & SuccessFactors Sales & Delivery Organizations, for all Resource Management Issues, including Escalation & Conflict Resolution, as well as Project Management Staffing.

- Reported directly to the North America Resource Management Director, and serve as the interim North America RM Lead when required.
- People managed 8 Industry-aligned Resource Managers, Senior Resource Analysts and Resource Analysts. Responsible and accountable for Recruiting, On Boarding, Development, and Exiting.
- Designed and drove initiatives that enabled the NA Resource Management, the Global RM team, and internal customer teams to reach the ultimate business goals of SAP. These Initiatives included: Lead for the Services Support Partner GRM Training, Lead & Participant for two People Survey Committee's, European Union Protection Committee (to comply with Global SAP Legal standards), Creator of the Employee Feedback Form (specific for Resource Management).
- Defined and optimized operational business processes, to deliver 100% commitment in terms of quality support, in a quick time frame, to enable repeatable processes/best practices, specifically for the acquired & integrated SuccessFactors organization.
- Represented the Regulated Industry delivery organization in all cross organizational escalations, working with senior management members to preclude formal escalations (on average 20 per year) by early recognition, to maximize revenue (Consulting hours) and

minimize manpower cost, and ultimately mitigate risk to all of SAP's customers worldwide.

Sr. Resource Analyst: 2010 – 2012

Responsible for Utilization/Revenue targets in support of Business Analytics Sales & Delivery organizations, including workforce capacity transitioning to HANA.

- As a Liaison between SAP Consulting and Product Development, staffed, utilizing North American Business Analytics Consultants, one of the most important Product Development projects for SAP's Sapphire in 2011, which introduced HANA to Customers, and resulted in HANA License and Services Sales (multi millions).
- As a Liaison between SAP Consulting and Product Development, enabled the Business Analytics Consultants to acquire HANA expertise, which enabled the HANA Consulting organization to meet the Customer demand in terms of Services Sales.
- Negotiated and Renegotiated Partner rates to abide by SAP's increased Margin per Partner engagement, resulting in increased Revenue (\$15,000 per year).
- Trained and mentored 10 future and existing Resource Analysts, to ensure Resource Management maintained highest level of Service.
- Exceeded Expectations as Sr. Resource Analyst, promoted to Sr. Resource Manager in 2012, became People Manager

Resource Analyst: 2008 – 2010

Continued as SAP Resource Analyst, after SAP acquired Business Objects, with main responsibility of ensuring Customer stability from a Staffing perspective during the transition.

- Learned the RM_FS (Staffing/Forecasting) and SPS (Partner Management) SAP systems, to ensure continuity in support of the Business Objects Sales & Delivery organizations.
- Learned SAP Partner Program Policy and Processes, to maintain existing Contractor engagements, and ensure Customer success.
- Applied Resource on Demand policy for US Public Sector Customers, in support of Client Partners, resulting in Direct interaction with Customer, alleviating Client Partners to focus on larger sized deals (+50k).
- Learned SAP Global Mobility Policies on H1B, Immigration, and Visa documentation, resulting in assisting Consultants with International assignments.
- Achieved Outstanding Rating as SAP Resource Analyst in 2009 and 2010, promoted to Sr. Resource Analyst.

Business Objects, Inc. San Jose, California

2005 – 2008

Global Services Resource & Partner Manager: 2006 – 2008

Responsible for Revenue/Utilization/Margin in support of the Business Objects Consulting Services organization, Partner Management and Global Resource Management Process/Policy/Efficiency.

- Successfully managed 80 Consultants, in terms of Staffing/Sourcing project engagements for North America Verticals and Government, Education and Healthcare.
- Exceeded Utilization/Revenue/Margin targets by 5% for three quarters in 2007 in support of Americas East, Americas Verticals, and Americas GEH.
- Qualified over 100 3rd party contractors who temporarily worked on Business Objects accounts, and consistently delivered on at least 35% gross margin percentage per contractor.
- Worked with Business Objects Recruiting, Education, and Human Resources to augment the Consulting organization with qualified 3rd party contractors for permanent placement,

coordinate Educational Training plans for Consultants, and transitioned Apprentice Program candidates in to Consulting.

Practice Manager: 2005 to 2006

Responsible for Selling Consulting Services Nationwide to Customers requesting Small Sized Deals (25K or less).

- Generated over 500k in revenue for PSO (Professional Services Organization).
- Created the framework and foundation for the ASG (Advanced Services Group), a more efficient and profitable version of the Small Deals Desk.

Oracle Corporation, Redwood Shores, California

1996 – 2005

Resource & Partner Manager

Supported the Strategic & West Region Consulting Sales team, as a Resource & Partner Manager, responsible for Staffing to Revenue & Utilization Targets, along with 3rd Party contracting to achieve Margin Targets.

- Virtually managed & mentored team of 5 employees across the nation, including Performance Reviews and Training demos.
- Led ORS (Oracle Resource Services) in support of West Region Consulting Sales, responsible for Partner Management and nationwide on-site placement of Contractors.
- Consolidated National Consulting Partner list to create more manageable Primary and Secondary tiered lists, to facilitate 3rd Party Contractor Staffing, negotiated rates to achieve required 45% margins. Resolved payroll, performance, extension and other Partner/Contractor issues and marketed Contractors within Oracle as projects ended, and worked with Oracle Contracts & Legal to create Service Provider Agreements and T&M Statements of Work in place with Partners.

DHL Airways, Sunnyvale, California

1990 – 1995

Driver & Account Representative

Account Representative for Apple Computer, responsible for all Shipping/Receiving to/from Apple Headquarters (Cupertino). Customer Service Driver for multiple cities and corporations in the bay area, including responsibility for on time delivery of packages to SFO airport.

Safeway Inc., Los Angeles/Santa Clara, California

1985 - 1990

Customer Service Representative

Responsibilities included Courtesy Clerk, Product Stocking, Bookkeeping, and Liquor Department Manager.

EDUCATION

San Jose State University, San Jose, California
Bachelor of Arts, History

Recommendations

Allan Weiss

Retail / Fashion Services Account Manager at SAP

October 18, 2017, Allan was senior to John but didn't manage directly. John supported my Consulting Services Delivery organization as our Senior Resource Manager while I was Vice President of Retail Delivery at SAP Americas, Inc. * He provided excellent Escalation and Mediation support & guidance, to minimize Revenue and Utilization disruption. * He was extremely responsive, thoughtful, and methodical in his approach to resolution. He has the sense of urgency in terms of Customer support, but very calm and composed in his approach and delivery towards People Management and problem solving. He will be a great value to the Company who chooses to hire!!!

Giselle Ri, PMP

Program Manager - Services Partner Alliance at SAP

June 19, 2017, Giselle reported directly to John. I have had the pleasure of working with John as my team lead at SAP. John's many years of experience in the IT Consulting space have made him not just a great leader, but also a coach and mentor. I can always count on John's advice on how to handle difficult situations and tough clients. He also has the uncanny ability of anticipating project roadblocks and proactively finding solutions that will keep the customer happy. I truly admire John's professionalism and I would welcome the opportunity to work with him again.

Andrew Allan

Sr. Manager - Americas Resource Management

June 11, 2017, Andrew managed John directly. I have been John's Manager for the past 5 years, and worked with John prior to that for several years as a colleague. John has made great contributions during his time with the team. He is dedicated and willing to take on new challenges, doing whatever is asked of him to contribute to the success of the team. During his time with our team, John has been asked to take on some challenging assignments, and he has succeeded each time in assessing the issue, working with other stakeholders to develop a solution that addresses the problem(s). John has demonstrated that he is a 'Hands-on' Leader, eager to roll-up his sleeves and dive into the work, as well as lead, as the situation requires. I have very much enjoyed working with John as a part of the leadership team for the past 5+ years, and

highly recommend John as an employee who is willing to do whatever is needed for the team success. See less

JoAnne Whelen

From: les.deman@coastside.net
Sent: Wednesday, January 16, 2019 10:41 AM
To: JoAnne Whelen
Subject: Vacancy on the Board of Directors
Attachments: Coastside Water District Statement of Interest.docx

Ms. Whelen,

Please find my letter of interest for the vacancy on the CCWD Board of Directors. If you need additional information to be considered for this position, please let me know.

Les Deman

les.deman@coastside.net
(650) 490-0340

Les Deman

517 Ruisseau Francais Ave., Half Moon Bay CA 94019, (650) 490-0340

January 16, 2019

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

Re: Statement of Interest, Coastside County Water District Board of Directors

I believe that I have experience, education and analytical capabilities that may be of value to the Coastside County Water District Board of Directors. My experience includes working in utility-related industries, both in the private and public sector. I also have local public service experience, having served as a member of the Half Moon Bay Planning Commission between 2008 and 2018. A summary of my professional experience and education is as follows:

PROFESSIONAL EXPERIENCE

PRESIDENT, Les Deman Energy Consulting Co., Half Moon Bay, CA
Providing economic consulting on energy and commodity markets to corporations and government.

DIRECTOR, FUNDAMENTAL RESEARCH & ANALYSIS, Shell Energy NA, Houston, Texas
Developed fundamental analysis of gas, electric power, oil and pipeline markets.

SENIOR MARKET ANALYST, TransCanada Energy USA, Houston, Texas
Provided market and economic analysis for the acquisition of gas, oil, NGL and midstream assets.

ASSISTANT DEPUTY DIRECTOR, Texas Railroad Commission, Austin, Texas
Responsible for gas-related regulatory and policy analysis for the state of Texas.

MANAGER, STRATEGIC PLANNING, Tenneco Energy, Houston, Texas
Developed business strategies to enhance the profitability of both regulated and unregulated businesses.

DIRECTOR, MARKET PLANNING AND ANALYSIS, Panhandle Eastern Co., Houston.
Responsible for price and service strategies for the natural gas pipeline business.

MANAGER, CORPORATE ECONOMICS, Texas Eastern Co., Houston.
Developed forecasts and scenarios for M&A analysis, and strategic planning.

PETROLEUM ECONOMIST, W.J. Levy Consultants Corp., New York, New York.
Analyzed and forecast markets for clients involved in crude purchasing, shipping, refining, and marketing.

ASSISTANT PROFESSOR, Missouri Southern College, Joplin, Missouri.
Taught courses in economics, statistics, money and banking, operations research, and computer science.

EDUCATION

M.A., Economics - University of Oklahoma.

B.B.A., Statistics - University of Oklahoma.

Management Program for Executives - University of Pittsburgh

Please let me know if you have additional questions or need additional information.

Sincerely,

Les Deman

JoAnne Whelen

From: Matthew des Tombe <mdestombe@gmail.com>
Sent: Wednesday, January 16, 2019 9:33 PM
To: JoAnne Whelen
Subject: Board of Directors, Coastside County Water District

Dear JoAnne,

My name is Matthew des Tombe. I am a Half Moon Bay Resident that lives on 307 Magnolia St, Half Moon Bay CA 94019. I have called Half Moon Bay my home since the summer of 2010.

I am interested in being considered for the Coastside County Water District Board of Directors.

I own two houses here in Half Moon Bay and my mother and sister live here. We are all "imports" that have moved here from other parts of the country-- starting with my sister and her family, then me and my family and finally my mother moved here in 2012. We plan on making this our new home base. As such I am deeply motivated in helping to preserve Half Moon Bay's charm and character through responsible management of our most precious resource, water and its runoff.

Today, I work for American Express as the Director of Business Development, Merchant Financing, in the Global Commercial Services division. I have had this job for five years and held various other jobs at Amex for five years prior to that.

Please accept this email as my statement of interest and qualifications for the role.

As I know little of the role or responsibilities, I would like to come in and meet with someone to understand the scope of the duties that come with this seat.

With Regards,

Matthew des Tombe
307 Magnolia St,
Half Moon Bay, CA 94109
H: 650 726 4431
C: 415 933 7366

JoAnne Whelen

From: Peter C. Smith <pcsmith10@comcast.net>
Sent: Monday, January 21, 2019 10:04 AM
To: JoAnne Whelen
Cc: Peter C. Smith
Subject: Expression of Interest in open Board Seat
Attachments: img20190121_09475777_0076.pdf

Dear JoAnne;

Attached please find my statement of interest in your open board seat. After your review, feel free to contact me for additional information or discussions. By phone I can be reached at 650-868-6147.

Regards,

Pete

Peter C Smith
2411 Cabvrillo Hwy S
Half Moon Bay, CA 94019

January 21, 2019

2411 Cabrillo Hwy S

Half Moon Bay, CA 94019

JoAnne Whelen, Coastside County Water District

766 MAIN St.

Half Moon Bay, CA 94019

Dear JoAnne;

I write to express my interest in filling the vacancy on the District's BOD seat vacated by director Glassberg. I meet the specified age, residence, and voter requirements.

As to my interest and qualifications for the position I can offer the following summary that will supplement the detail displayed in my LinkedIn career summary;

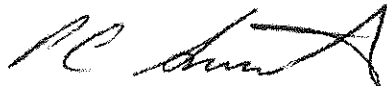
1. Education - BS and MS in Materials Engineering
2. Career Summary –
 - a. Worked in engineering driven companies my entire career. Technically competent
 - b. Successfully led companies with P+L responsibility to \$27M/ year. Filled roles as VP and President of several companies. Founded 2 companies.
 - c. Sat on numerous corporate boards including GE Silicon Carbide Products Operation, Morgan Crucible's Wesgo Division, Xoft Microtube Inc., Oasis Materials, Absorbtek LLC, and Elcon Precision LLC.
 - d. Responsible for major capital acquisition projects including company purchases, relocations, and capacity expansions.
 - e. Creative and remain an active inventor with over 20 US patents
3. Personal Profile –
 - a. Lived in bay area 44 years
 - b. Lived in HMB 21 years
 - c. Married 44 years with grown area children and grandchildren
 - d. Retired from full time employment in March of 2018
 - e. Avid interest in service that may affect the quality of life in Half Moon Bay

I may be contacted at the address above or by E mail at pcsmith10@comcast.net.

Thanks in advance for your consideration.

Best regards,

Pete Smith



John H. Muller • P O Box 218 • Half Moon Bay, CA 94019
Res. 650.726.2886 • E-mail: farmerjohnmuller@gmail.com

January 23, 2019

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

Dear Mr. Dickson,

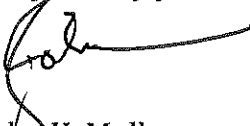
I am very interested to be appointed to fill the important CCWD Director position presently open, and willing to give my time and forty years of leadership experience to ensure this district continues to move forward in a positive direction.

I believe myself to be an honest, fair, ethical hardworking person with a genuine concern for Coastside water users, past, present and future.

My goals and objectives would be to provide an adequate supply of safe, high-quality drinking water at the best possible rate, delivered efficiently; to ensure ample water is available for the entire Coastside in emergency situations; to be committed to listen to the facts of issues at hand in an unbiased manner; and to see water as life--to be conserved and respected, not to be exploited. I would like to continue to restore/maintain/balance and efficiently govern the water needs of entire community.

My resume speaks of my qualifications. My love of the Coastside comes from my heart. Thank you for this opportunity to serve again.

Respectfully yours,



John H. Muller

John H. Muller

P.O. Box 218, Half Moon Bay, California 94019 · (650) 464-8226 · FarmerJohnMuller@gmail.com

Occupation: Third Generation Small Urban Family FARMER

OWNER: Daylight Farms: Farmer John's Pumpkin Farm, The Heirloom Seed Store

Military Service: United States Navy - Viet Nam 1963-1966 Enlisted to Serve

Organizational and Service Experience:

Regional Water Quality Control Board San Francisco Bay Region	Appointed by four CA Governors 1995-2016 Member 1999-2001 Vice Chair 2001-2012 Chair 2005-2016 City Council Member 2009 & 2014 Mayor 2008 & 2013 Vice Mayor 2012-Present Board Member
City of Half Moon Bay City Council	2017-Present Member
San Francisco Produce Market Board	2008 Recipient
Citizens Emergency Response Team Training (CERT)	2008 Recipient
US EPA Presidential Volunteerism Award	2007 Recipient
US EPA External Award for Stewardship	2007 Participant
Monterey Bay Sanctuary Sustainability Award	2007-Present Member
FBI Citizens Academy	2002-2005 Director
FBI Citizens Academy Alumni Group	2002-2004 President
Coastside County Water District (CCWD)	2002-2008 Member
Local Government Agency Committee (LGAC)	2003-2011 Member
US EPA Advisory Committee	2003-2005 Board Member
Association of California Water Agencies (ACWA), Region 5,	1990-1999 Member
USDA Agricultural Technical Advisory Com (ATAC)	1975-1985 Chair three terms
USDA Farm Service Agency	1989-1995 County Committee
California Agricultural Leadership Fellowship	1985 Extra Mile Award
Agricultural Education Foundation (AEF)	1977-1979 Class VIII Fellow
California Agricultural Leadership Alumni (ALA)	1989-1998 Director
USDA National Promo-Flor Council	1997 Profiles in Leadership Award
Secretary of Agriculture Special Committee to Streamline Management of the USDA	1979-Present Member/1986-88 President
Society of American Florists (SAF)	1995-1997 Director
Governmental Affairs Committee	1985 Member
California Farm Bureau Federation	1980-2016 Member
San Mateo County Farm Bureau	1986-1998 Member/1988-1992 Chair
San Francisco City and County Southeast Community Facility	1966-Present Various Committees
Coastside Chamber of Commerce	1966-Present Past President
	1987 Farmer of the Year
	1983-1984 Advisory Committee
	1972-Present Member
	1995 Citizenship Award
	2002 Farmer of the Year

JoAnne Whelen

From: Abe Jimenez <jimenez301@gmail.com>
Sent: Wednesday, January 23, 2019 8:44 PM
To: JoAnne Whelen
Subject: Vacancy - Board of Directors - Coastside County Water District
Attachments: Statement of Interest-Coastside County Water-01-23-19.pdf; Resume-Abe Jimenez.pdf

Dear JoAnne,

Please find the attached statement of interest and resume for the vacancy on the Board of Directors for the Coastside County Water District.

Let me know if you are able to view the documents.

Thank you and look forward to hearing from you.

Best,

Abe

Abe Jimenez
PO Box 1781
El Granada, CA 94018
832-754-8284
jimenez301@gmail.com

January 23, 2019

Coastside County Water District
Half Moon Bay, CA

Dear Coastside County Water District Board of Directors:

I am extremely interested in being considered for the vacancy in the Board of Directors for the Coastside County Water District. I am a business and finance professional working in Silicon Valley in information technology. I currently reside on the coast in El Granada and I am registered to vote in San Mateo County. I am very interested in learning more about our communities' water supply and usage and ways in which we can effectively allocate resources to meet our communities' needs.

My experience in corporate financial planning & analysis (FP&A) at Visa has allowed me to analyze various projects and their financial feasibility. I have led and created processes, models and FP&A analysis that have created value at Visa. While in the Financial Leadership Program for AT&T, I developed scenario analysis to compare different business alternatives and determined \$5MM in annual cost savings for capital budgeting decisions. Recently, I have partnered and collaborated within specific fintech partnership teams at Visa to develop a thorough 5-year revenue analysis for FY19. Consistent communication was an integral component to achieving results.

Given California's conservation efforts to preserve and use water more effectively, I am confident I can bring my business experience to leverage resources and continue to provide solutions so that our community can continue to have clean and reliable water.

With my leadership, communication and problem-solving abilities, I am eager to help meet the water needs of our coastside community. Thank you for your time and consideration. I look forward to hearing from you.

Best Regards,

Abe Jimenez

ABE JIMENEZ

832.754.8284 • jimenez301@gmail.com • www.linkedin.com/in/abejimenez01

PROFESSIONAL PROFILE

Corporate finance professional with 13+ years of experience in driving results, helping to solve business challenges and collaborating with business partners. Accomplishments include developing the asset impairment process and model and identifying expense savings, modeling 5-year revenue growth plan for the *Fintech Partnership* team at Visa, developing an analysis that produced \$5MM in annual cost savings at AT&T and underwriting new transactions at Regions Bank that increased revenues by \$8.2MM over a twelve-month period.

- Financial & Strategic Planning & Analysis
- Collaboration & Communication
- Presenting & Communicating with Senior Management
- Problem Solving and Developing Business Alternatives
- Developing Financial Models
- Applying Quantitative & Data Analysis Skills

EXPERIENCE

VISA

Finance Manager

Senior Financial Analyst

Foster City, CA

November 2015-Present

October 2012-October 2015

- Developed and led the asset impairment process for *Visa Checkout (VCO)* and *Visa Token Services (VTS)* in FY18, resulting in increased financial accuracy and identifying 1% in VCO net book value asset impairment
- Partner and collaborate with the *Visa Business Solutions* team to develop and model 5-year payment volume and revenue plan and modeling a proposed 30% CAGR in revenue growth presented to the executive team
- Lead and present the month-end close and variance analysis cycle, semi-annual forecasting and annual budgeting process for *Digital Products* and *Fintech Partnership* teams
- Achieved 30% in cost savings in FY18 professional fees budget for the *Digital Products* team by identifying projects and resources not in line with strategic objectives
- Realized 20% in client incentive expense savings for the *Fintech Partnership* team as a result of identifying a discrepancy in forecasted payment volumes
- Received a *Go Beyond Visa* award in July 2018 in the category of *Deepen Partnerships* for continuing to collaborate, communicate and seamlessly transition the asset impairment process & model to the new *Product FP&A* team
- Coach and mentor for *Marketing FP&A* and *Product* interns Summer 2018
- Co-captain of the *Visa Waves* dragon boat racing team. Built a cohesive team and motivated the team to perform and achieved 2nd fastest time at the *Bay Area Dragon Boat Novice Race 2017*
- Increased efficiency for financial management by introducing the mass data load process to the *Digital Products & Visa Business Solutions* FP&A teams and redesigning the financial reporting model
- Improved the *Digital Products* P&L by reducing network expenses by 48% in FY17 by evaluating growth spend
- Improved the overall Visa P&L in FY16 by identifying \$665k capital purchase tied to *Visa Checkout* program incorrectly invoiced

REGIONS BANK

Credit Underwriter

Houston, TX

June 2011-August 2012

- Underwrote \$335MM in new syndicated and direct single-bank credit memos increasing revenues by \$8.2MM for the middle market commercial & industrial group across a variety of industries including restaurant, waste, healthcare, forging, heating/cooling, oilfield services, and retail
- Managed \$610MM loan portfolio to continuously monitor repayment risk, financial condition, financial performance, operating performance and covenant compliance of a borrower
- Conducted extensive financial statement analysis to determine existing and prospective borrowers credit quality, including sensitivity analysis, stress testing, risk analysis, and profitability analysis

AT&T

Financial Analyst - Financial Leadership Program Internship

Bedminster, NJ

June 2010-September 2010

- Developed and analyzed business alternatives through a scenario analysis to determine optimal coverage for business expansion decisions and recommended optimal solutions to senior management
- Managed project focused on business expansion decisions designed to increase coverage with telecommunication carriers

- Created profitability model to determine the cost of contracts using present value and calculated \$5MM in annual cost savings used in capital budgeting decisions

FIRST REPUBLIC BANK

Unique Assets Officer

San Francisco, CA
November 2005-April 2009

- Provided financial analysis to the Trust Company with \$4.2 billion in assets under management, including developing financial models and providing monthly financial reports to executive management to analyze market position of department
- Led and managed project to capture and measure trust company's risk exposure by identifying project needs, developing requirements, testing the outputs to meet requirements, instructing trust officers to code their accounts and analyzing results to report to management
- Directed and coordinated acquisition of alternative assets, including real estate, private equity, hedge funds and limited liability companies with \$265MM in market value and \$45MM in real estate for the fiduciary department

JPMORGAN PRIVATE BANK

Portfolio Associate

Houston, TX
September 2003-October 2005

- Assisted senior leadership in building risk management platform to oversee discretionary assets for the Private Bank, minimizing multiple levels of risk by communicating firm's risk policy to over 110 portfolio managers. Assisted in the development of proprietary software IMG Analytics
- Mitigated risk inherent in multi-million-dollar portfolios by ensuring portfolios were in compliance with risk policy and risk tolerance by analyzing equity and fixed income allocations, comparing it against investment objective and instructing portfolio managers to re-allocate their portfolios
- Provided investment oversight and risk management to over \$145 billion in assets under management including hedge funds and private equity funds, ensuring concentrations, asset allocation imbalances, and non-approved securities were being appropriately addressed

EDUCATION

MBA, Boston College, Carroll Graduate School of Management. September 2009-May 2011.

- Competed in the ACG Mergers & Acquisitions Private Equity Case Competition 2011 covering different aspects of investment banking including valuation, deal structuring, & advisory
- Financial Valuation and Modeling Workshop: March 2010
- Financial Econometrics
 - Developed econometric models based on business cases
 - Tested for statistical significance
- Research Associate in Finance
 - Conducted cross-sectional multiple regression analysis of state income tax effect on state population

BBA, Magna cum Laude, Finance. Cumulative GPA: 3.61. Finance GPA: 3.87/4.00

Charles T. Bauer College of Business, University of Houston. Graduated December 2002. Minor: European Studies
Collegian of the Year: Eta Psi Chapter of Delta Sigma Pi and South Central Region 2002

TECHNICAL & LANGUAGE

Proficient in Microsoft Excel (regression analysis, net present value and internal rate of return, data tables, scenario, solver, goal seek, correlation, vlookup, pivot tables). Microsoft Office (Word, PowerPoint). Hyperion Essbase. SPSS statistical software, Moody's Risk Analytics, Bloomberg, Compass Asset Management System. Global Business Intelligence. Oracle Enterprise Performance Management System. Oracle Primavera Portfolio Management System. Fluent in Spanish.

AFFILIATIONS & AWARDS

Visa Waves Dragon Boat Racing: Team Co-captain: June 2017

Pi Kappa Alpha Boston Area Alumni Association: Founding Member, Treasurer and Secretary: January 2010-May 2011

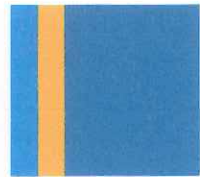
Delta Sigma Pi: Vice President of Chapter Operations: Fall 2001

Rice University: Negotiation and Influence: Persuasion One on One. School of Continuing Studies. Fall 2005.

I Have a Dream Foundation – Houston Mentor: August 2003 – August 2005

Glazebrook, Brian

728 Vasques Drive, Half Moon Bay, CA 94019
(650) 560-9420 / brian.glazebrook@gmail.com



January 25, 2019

Coastside County Water District
Attn: JoAnne Whelen
766 Main Street
Half Moon Bay, CA 94019

VIA EMAIL

Dear Ms. Whelen,

A couple of weeks ago I received an email from the Coastside County Water District stating that Director Arnie Glassberg had retired and that you were looking for someone to finish out his term. I'd like to submit my interest and qualifications to fill this position. My family and I have lived in Half Moon Bay for twelve years and my kids have grown up here and love the coast. I see this opening as an opportunity for me to do something good for my community that aligns with my background and experience and will make my kids proud.

For the past twenty years, I've worked on environmental issues for companies and government agencies throughout North America. Currently, I'm leading compliance and sustainability initiatives for a growing tech company in San Jose. Prior to that, I was with a Fortune 500 tech company in Sunnyvale, and water conservation was been a big focus of my work. I understand the challenges around getting stakeholders to use water more efficiently and I was able to drive some significant reductions over the past few years. At the same time, I was appointed to be a Commissioner on the City of Sunnyvale's Sustainability Commission to represent the business perspective. In this position I provided guidance to the City Council on a variety of issues, including on their implementation of the State's drought plan in 2016, the expansion of the purple pipe program and the design of the City's plans for a multi-million dollar WWTP upgrade. I think this experience with the municipal and business challenges to water management would be very relevant to this role.

I've attached a resume which outlines my career and experience. I believe I can provide a business and sustainability perspective on the Board that will add value to the CCWD. Please let me know if you have any questions for me about my background.

Regards,

A handwritten signature in black ink, appearing to read "B. Glazebrook".

Glazebrook, Brian



Leader with 20 years' experience crafting strategies to help organizations become more responsible and resilient.

- *Strategic Thinker: experience designing and managing programs to address environmental, social and ethical issues.*
- *Thought Leader: involved in the development of key global standards - SASB, GHG Protocol, EcoDistricts, GRI, etc.*
- *Skilled Communicator: comfortable engaging with employees, sales teams, and customers on a variety of issues.*

Professional Experience

NUTANIX – San Jose, CA 2018 to Present

Senior Environmental Compliance Engineer

- Leading environmental compliance, social responsibility, conflict minerals, business continuity and supply chain cybersecurity activities for a cloud software company. Created policies and programs from scratch to encompass all these activities. Working with management to link these programs to corporate-wide activities.

ACCLIMATIV – Half Moon Bay, CA 2016 to 2018

Owner and Principal

- Consulting firm focused on corporate responsibility/sustainability services and technology: corporate strategy, sustainable procurement, circular economy, and climate change resilience.

NETAPP, INC. – Sunnyvale, CA 2012 to 2017

Senior Global Sustainability Manager

- Led the global sustainability activities for a Fortune 500 technology company – responsible for developing global programs around energy, water, philanthropy, human rights, sustainable procurement and employee engagement.
- Drove the company's GhG and energy management program, including identifying corporate targets and energy efficiency projects for NetApp's real estate portfolio of 115 locations covering 4 million sq. feet. Deployed a SaaS Sustainability Data Management platform, to track global energy, water, waste, occupancy and square footage metrics and identify opportunities for cost savings and performance improvements.
- Worked directly with the CFO and other executives to design and implement an enterprise-wide Corporate Responsibility program - defined the scope and goals, conducted a detailed Materiality Assessment, engaged with Marketing on messaging, identified a corporate governance structure and defined the overall strategy.
- Launched employee engagement programs, such as Earth Day activities, an environmental awards program and an award-winning corporate Electric Vehicle (EV) charging program.
- Managed global waste and e-waste reduction initiatives and drove corporate compliance programs for WEEE and EU Battery Takeback. Founding member of the corporate compliance steering committee.
- Launched a corporate-wide sustainable sourcing program focused on setting sustainable procurement standards for indirect spend categories, including air travel, building services, food service, IT, and furniture.

CISCO SYSTEMS, INC. – San Jose, CA 2006 to 2011

Senior Manager, Social and Environmental Responsibility

- Launched the company's first program to manage the social and environmental risks associated with its supply chain. Crafted a three-year strategy for the program, covering processes and procedures, marketing, internal communication, stakeholder engagement, implementation and measurement/reporting.
- Adviser to Sales and Marketing on sustainability issues, which has helped improve Cisco's vendor rating with key customers and also resulted in new high dollar Enterprise contracts.
- Pivotal role in crafting the company's annual citizenship report, including the first standalone report focusing on supply chain CSR management. Point person for engagements with SRI funds, NGOs and customers on a variety of issues.

Professional Experience

- FIRST ENVIRONMENT, INC.** – Washington, DC 2003 to 2006
Senior Associate (reporting to President)
- Led the creation of the firm’s sustainability consulting practice and opened its Washington, DC office. Led a team of consultants working on CSR, LCA, GHG management, and emerging tech projects for a range of clients.
 - Notable projects included: evaluating the environmental and financial tradeoffs associated with refillable ink cartridges (HP); determining the viability of Emerging Clean Technologies prior to government investment (Natural Resources Canada); and modeling data for the B.E.E.S. green building design tool (NIST).
- PRICEWATERHOUSECOOPERS/ECOBALANCE**– Washington, DC 1996 to 2003
Manager
- Manager in PwC’s newly created sustainability Practice - led domestic and international assignments focusing on GHG management, financial audit support and LCA. Joined PwC in 2000 when they acquired Ecobalance.
 - Notable projects included: developing a model to evaluate the full ROI of development projects and their social/environmental impacts (World Bank/IFC); evaluating the environmental impact of producing biofuels from agricultural waste (NREL); and helping a utility evaluate fuel cell technology alternatives.

Education

- Master of Science (M.S.) in Environmental Science – 1996** – Indiana University, Bloomington, IN
- Master of Public Affairs (MPA) – 1996** – Indiana University, Bloomington, IN
- Certificate in Public Law/Urban Planning Law – 1995** – Université de Paris XI, Sceaux, France
- Bachelor of Arts (B.A.) in Liberal Arts - 1992** – University of Illinois, Champaign-Urbana, IL

Leadership Activities

- CITY OF SUNNYVALE, CA – Commissioner** 2014 to 2016
- Appointed to a three-year term to the city’s Sustainability Commission to advise the City Council on a range of sustainability issues - Community Choice Energy, water management, and the city’s Climate Action Plan (CAP).
- ECODISTRICTS ADVISORY COMMITTEE – Lead, Environmental Impacts Working Group** 2014 to 2015
- Led the expert working group tasked with identifying and developing the environmental metrics for the EcoDistricts Protocol, a standard for a collaborative, neighborhood-scale approach to community design.
- CITY OF HILLSBORO, OR – Member, Hillsboro Sustainability Task Force** 2013 to 2014
- Appointed to a task force focused on developing social and environmental sustainability metrics that the city can integrate into its 2050 development plan.
- ELECTRONIC INDUSTRY CITIZENSHIP COALITION (EICC) – Board Director** 2007 to 2010
- Represented Cisco on the Board of the leading industry association focused on developing standards for managing the social and environmental performance of electronics manufacturers and suppliers.

Skills

- Languages** - French (fluent), Spanish (fair)
- Technical Skills** - Tableau, MS Access/Excel, Outlook, SQL Server, Unix
- Standards/Guidelines** - GRESB, SASB, CDP, GRI, DJSI, ISO 14000, ISO 18000, ISO 26000, EU EED, EU GPP, EcoDistricts, Dodd-Frank Conflict Minerals, FCPA and UK Bribery Act.

RECEIVED

JAN 31 2019

Expression of interest in joining the CCWD Board

COASTSIDE COUNTY
WATER DISTRICT

My name is Bob Pelikan and I am interested in joining the CCWD board. I have lived in El Granada for 21 years. Prior to that I lived in Half Moon Bay for two years. I am married, and have three grown sons, two of whom also live on the coast. I meet your age requirements. I am registered to vote in El Granada.

I feel that I am qualified to serve on the CCWD board for the following reasons:

1. I have been in the water business for 30 years as a sales engineer for pumps, valves, and the electronics it takes to control water systems.
2. I am a former member of the Board of Directors of the National Groundwater Association.
3. I am a lifetime member of the California Groundwater association and former president of the Suppliers Division.
4. I wrote a book titled "The Pump Book" which is widely used as a training manual on how to design, install, and service pumped water systems.
(Available on Amazon or I'd be pleased to provide a complimentary copy)
5. As to community involvement, I am President of the board at the Coastside Adult Day Health Center (Dave Mier was on our board for years) and I am the co-chair of the Pacific Coast Dream Machines fund raiser event.

Thank you for your consideration.

Bob Pelikan
807 Avenue Balboa
El Granada, CA 94018
650-773-2555
bobpelikan@comcast.net

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 12, 2019

Report

Date: February 7, 2019

Subject: Coastside County Water District Board Committees

Recommendation:

None.

Background:

The Board discussed Board Committees and reviewed a draft committee assignment list provided by President Coverdell at the January 8, 2019 meeting. This agenda item is provided to allow additional discussion of Board committees, if desired. The January 8 Board Committee staff report and draft committee list are attached (Attachment A and Attachment B).

STAFF REPORT**To: Coastside County Water District Board of Directors****From: David Dickson, General Manager****Agenda: January 8, 2019****Subject: Coastside County Water District Board Committees**

Recommendation:

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

Background:

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

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

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

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

Coastside County Water District Standing Committees

Finance Committee

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

Water Quality Committee

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

Human Resources (Personnel & Recruitment) Committee

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

Water Resources Committee

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

District Facilities Committee

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

Coastside County Water District Advisory Committees

Montara Water & Sanitary District (MWSD) Mutual Interest Committee

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

Recycled Water Committee

This Committee meets with representatives from the Sewer Authority Mid-Coastside (SAM) and its member agencies to discuss potential recycled water opportunities for the Coastside.

Coastside County Water District External Organization Representatives

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

Association of California Water Agencies (ACWA)

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

Association of California Water Agencies Joint Powers Insurance Authority

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

California Special District Association (CSDA)

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

Bay Area Water Supply & Conservation Agency (BAWSCA)

BAWSCA was created on May 27, 2003 to represent the interests of the cities and water districts, and two private utilities located in Alameda, Santa Clara and San Mateo Counties that purchase water on a wholesale basis from the San Francisco Regional Water System. BAWSCA's goals are to ensure a reliable supply of high quality water at a fair price. The agency is governed by a 27-member Board of Directors comprised of representatives from all BAWSCA agencies. The District's BAWSCA representative must be appointed by Coastside County Water District Board action. The CCWD Board appointed Director Mickelsen in June of 2013 and again in 2017 to serve as the BAWSCA representative for the current term through June 30, 2021.

Local Agency Formation Commission (LAFCo)

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

**COASTSIDE COUNTY WATER DISTRICT
BOARD COMMITTEES**

Updated: January 10, 2018

<u>Standing Committees</u>	<u>Directors</u>
Finance Committee	Coverdell, Glassberg
Water Quality Committee	Feldman, Mickelsen
Human Resources Committee	Glassberg, Mickelsen
Water Resources Committee	Mickelsen, Reynolds
District Facilities Committee	Feldman, Reynolds

<u>Advisory Committees</u>	<u>Directors</u>
Montara Water & Sanitary District (MWSD) Mutual Interest Committee	Feldman, Glassberg
Recycled Water Committee	Coverdell, Reynolds

<u>External Organizations</u>	<u>Director</u>
Association of California Water Agencies (ACWA)	Reynolds
Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA)	Reynolds
California Special District Association (CSDA)	Glassberg
Bay Area Water Supply & Conservation Agency (BAWSCA) - 4 year term - June 2017 to June 30, 2021	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*

COASTSIDE COUNTY WATER DISTRICT
BOARD COMMITTEES

Updated: January 2, 2019

<u>Standing Committees</u>	<u>Directors</u>
Finance Committee	Coverdell, Feldman
Water Quality Committee	Reynolds, Mickelsen
Human Resources Committee	Feldman, Mickelsen
Water Resources Committee	Reynolds, Mickelsen
District Facilities Committee	Reynolds, Mickelsen

<u>Advisory Committees</u>	<u>Directors</u>
Montara Water & Sanitary District (MWSD) Mutual Interest Committee	Feldman, Mickelsen
Recycled Water Committee	Reynolds, Mickelsen

<u>External Organizations</u>	<u>Directors</u>
Association of California Water Agencies (ACWA)	Reynolds
Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA)	Reynolds
California Special District Association (CSDA)	_____
Bay Area Water Supply & Conservation Agency (BAWSCA) 4-year term- June 2013 to June 30, 2017	Mickelsen
Local Agency Formation Commission (LAFCo)	Coverdell

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

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: February 12, 2019

Report

Date: February 9, 2019

Subject: Assistant General Manager's Report

Recommendation: none

Background:

Monthly Billing - Coming in 2019!

Given updates to our utility billing system in recent years, we are now ready to launch monthly billing for our residential customers. (Note that most of our commercial customers are already on monthly billing.)

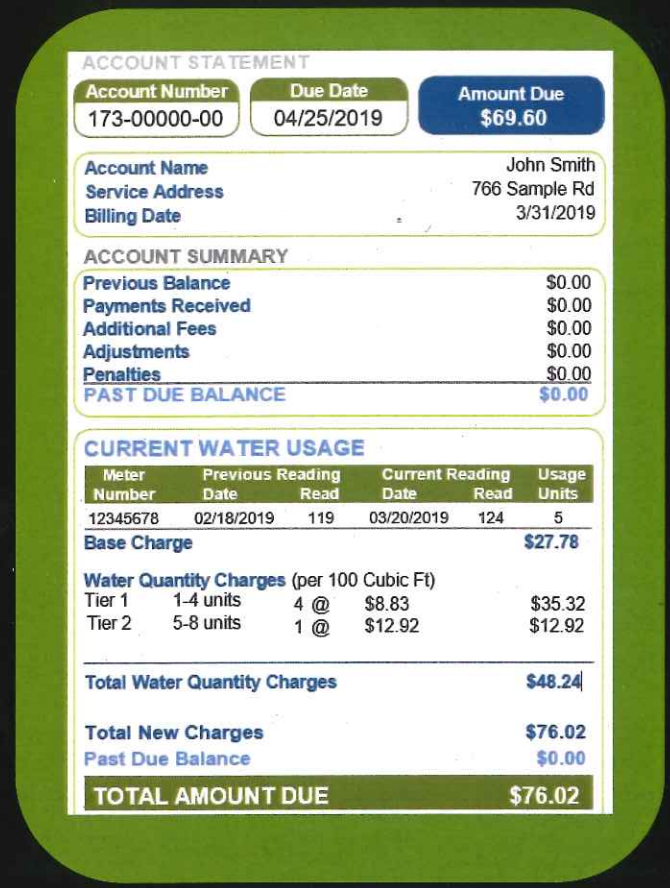
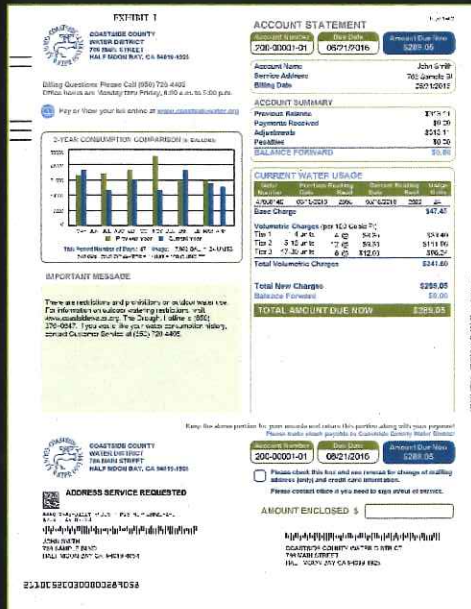
Initially, and as a pilot, we will launch monthly billing with our Ocean Colony customers. At the end of March, Ocean Colony customers will receive their first one-month bill. At the end of April, Clipper Ridge customers will receive their first one-month bill.

In the fall, 2019, all other customers will transition to monthly billing.

Cathleen Brennan is organizing an outreach campaign to notify our customers of the change to monthly billing. We are hopeful that the transition is well-received by our customers as many have voiced their preference for monthly bills over the years.

Monthly Billing Statements Are Coming Soon!

Coastside County Water District



Coastside County Water District is transitioning to monthly billing for all our customers in 2019.

Monthly billing statements will reflect approximately 30 days of usage instead of the current 60 days of usage. Some of our commercial customers already receive monthly statements.

The due date for monthly billing will be the 25th of each month. You should receive your mailed statement within the first week of each month.

If you haven't already, be sure to sign-up for paperless billing and consider one of our auto-pay options to assist with managing your payments.

Visit our website.

www.coastsidewater.org

Questions? Email customer service at customerservice@coastsidewater.org or call customer service at (650) 726-4405.



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

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94019

MONTHLY REPORT

To: David Dickson, General Manager
From: James Derbin, Superintendent of Operations
Agenda: February 12, 2019

Report
Date: February 5, 2019

Monthly Highlights

- Drained, cleaned and inspected Cahill tank
- Replaced 2 hydrants:
 - Burning Tree/Greenbrier
 - Main/Metzgar
- Replaced seven 1.5" and 2" meters, two more 2" to go
- Fence repairs at tank sites
- Alves tank altitude valve delay pilot adjusted so the tank will drop 3 feet before refilling
- Rebuilt Alves Pump Station chlorine dosing system
- Annual Nunes WTP tour for Seacrest School first graders, parents and teachers
- San Francisco State University, Industrial Assessment Center, School of Engineering staff and students toured Crystal Springs, Nunes WTP, Denniston WTP and Pump Station with District staff to conduct a free Department of Energy funded Energy Audit.

Sources of Supply

- January Sources:
 - Denniston Reservoir and Wells, Crystal Springs, Pilarcitos Lake/Wells

Projects

- El Granada 2" replacement project is complete
- PG&E contractor set new Denniston pump station transformer on 1/22/19
- Pilarcitos PRV valve replacement project complete

STAFF REPORT

To: Board of Directors

From: Cathleen Brennan, Water Resources Analyst

Agenda: February 12, 2019

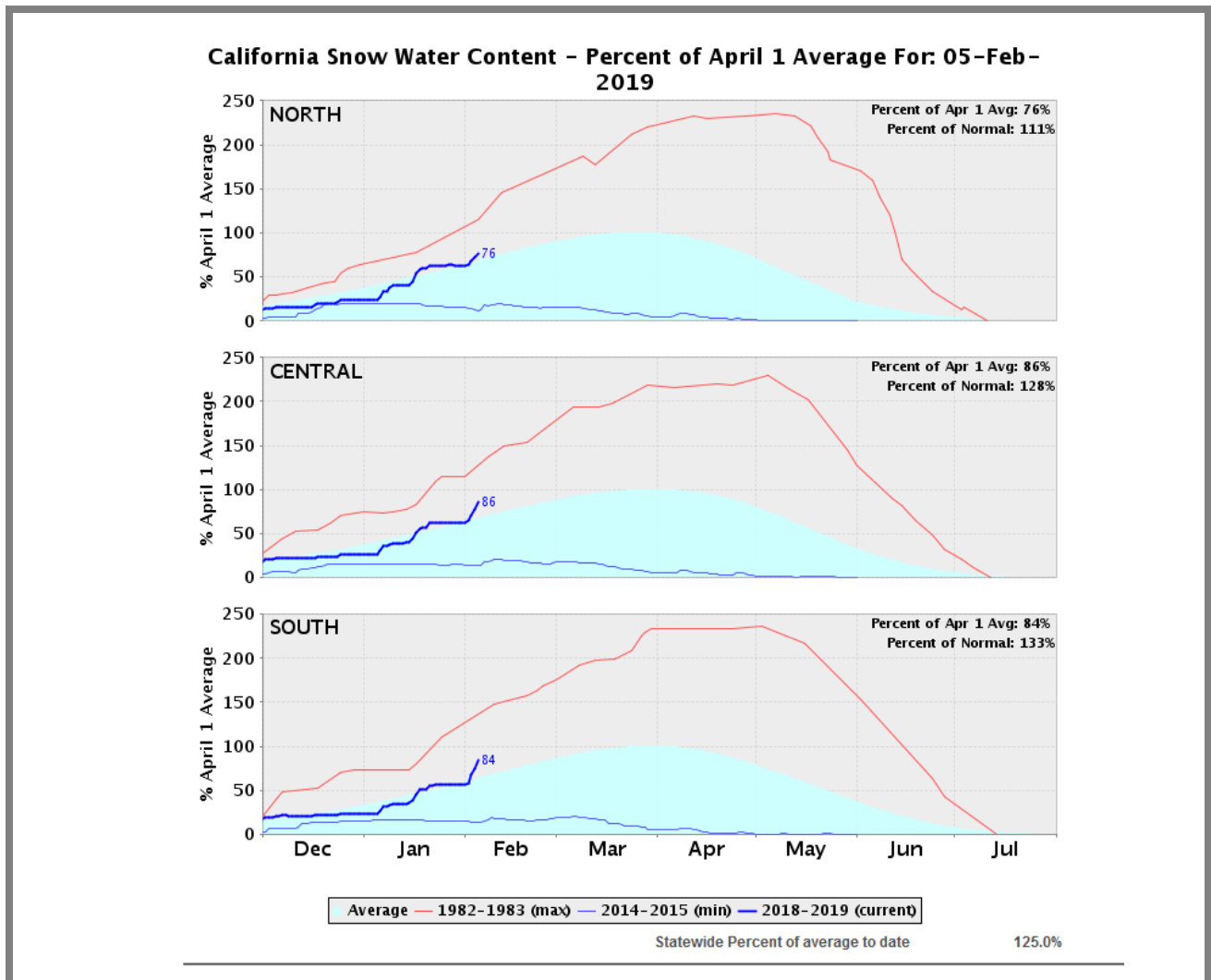
Report: February 7, 2019

Subject: Water Resources Informational Report

Snowpack Update



The snowpack is tracking close to normal measurements for this water year, according to the California Department of Water Resources (DWR). The DWR hosts the California Data Exchange Center on their website which displays weather, precipitation/snow, and river flow data. As of February 5, 2019, the statewide average to date is approximately 125 percent for the snowpack. The charts below are from the California Data Exchange Center.



Below is a snapshot of specific snow course measurements for the Tuolumne and Merced Rivers, as of February 6, 2019. This data can also be found on the California Data Exchange Center website. <http://cdec.water.ca.gov/reportapp/javareports?name=COURSES>

SNOW WATER EQUIVALENTS								
Station	ID	Coop. Agency	Elev (FT)	Apr 1 Avg (IN)	Today (IN)	Percent Apr 1	24 Hrs Ago (IN)	1 Week Ago (IN)
TUOLUMNE & MERCED RIVERS								
Dana Meadows	DAN	DWR	9,800	27.7	25.0 r	90%	22.1 r	17.5 r
Slide Canyon	SLI	DWR	9,200	41.1	32.8	80%	29.5	23.4
Tuolumne Meadows	TUM	DWR	8,600	22.6	20.5	91%	17.5 e	13.5
Horse Meadow	HRS	DWR	8,400	48.6	44.0 r	91%	40.7 r	32.3 r
Ostrander Lake	STR	DWR	8,200	34.8	35.4 r	102%	31.0 r	22.1 r
Lake Tenaya	TNY	DWR	8,150	33.1	29.0 e	88%	26.4	19.6
White Wolf	WHW		7,900	---	32.0	---	28.3	20.1
Paradise Meadow	PDS	DWR	7,650	41.3	37.1 r	90%	33.3 r	25.6 r
Gin Flat	GIN	DWR	7,050	34.2	---	---	---	---
Lower Kibbie Ridge	KIB	DWR	6,700	27.4	17.1 r	62%	14.9 r	12.0 r

A healthy snowpack is important to the District’s imported water supplies from the SFPUC. Additional information on the condition of imported water from SFPUC can be found in the SFPUC’s Hydrological Conditions Report.