

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, June 28, 2011 - 7:00 p.m.

AGENDA

1) ROLL CALL

2) PUBLIC COMMENT

Members of the public may address the Board of Directors on the items on the agenda for this special meeting. The Chair requests that each person addressing the Board complete and submit a speaker slip, and limit their comments to three (3) minutes.

3) FISCAL YEAR 2011-2012 BUDGET, FISCAL YEAR 2011/12 TO 2020/21 CAPITAL IMPROVEMENT PROGRAM, JUNE 2011 WATER FINANCING PLAN UPDATE, RESOLUTION AMENDING THE RATE AND FEE SCHEDULE ([attachment](#))

A. Staff Presentation

- a. Fiscal Year 2011-2012 Budget
- b. Fiscal Year 2011/12 to 2020/21 Capital Improvement Program
- c. June 2011 Water Financing Plan Update
- d. Proposed Amendment to Rate and Fee Schedule

B. Public Hearing to consider proposed Amendment of Rate and Fee Schedule to increase water rates up to 15% and consideration of Resolution 2011-13 - A Resolution of the Board of Directors of the Coastside County Water District Amending the Rate and Fee Schedule to Increase Water Rates

C. Board Comments / Board Action

- Adoption of Resolution 2011-13 - A Resolution of the Board of Directors of the Coastside County Water District Amending the Rate and Fee Schedule to Increase Water Rates

- Acceptance of June 2011 Water Financing Plan Update prepared by Bartle Wells Associates.
- Approval of Fiscal Year 2010-2011 Operations and Maintenance Budget and Capital Improvement Program for Fiscal Years 2010-2011 through 2019-2020

4) ADJOURNMENT

Accessible Public Meetings - Upon request, the Coastside County Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, telephone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least two (2) days before the meeting. Requests should be sent to: Coastside County Water District, Attn: Alternative Agenda Request, 766 Main Street, Half Moon Bay, CA 94019.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: June 28, 2011

Report

Date: June 24, 2011

Subject: Public Hearing to Consider Proposed Amendment of Rate and Fee Schedule to Increase Water Rates Up To 15%, Consideration of Resolution 2011-13 Amending the Rate and Fee Schedule, Acceptance of June 2011 Water Financing Plan Update, Approval of Fiscal Year 2011-2012 Budget and Fiscal Year 2011/12 to 2020/21 Capital Improvement Program

Recommendation:

- 1) Conduct a public hearing on a water rate increase of up to 15% on commodity charges and base charges.
- 2) Take actions as follows:
 - a) Adopt Resolution No. 2011-13 Amending the Rate and Fee Schedule (Exhibit A).
 - b) Accept the June 2011 Water Financing Plan Update prepared by Bartle Wells Associates
 - c) Approve the Fiscal Year 2011-2012 Operations and Maintenance Budget and the Fiscal Year 2011/12 to 2020/21 Capital Improvement Program.

Background:

Staff has reviewed the draft Operations and Maintenance Budget (Exhibit B) and Capital Improvement Program (CIP, Exhibit C) at several meetings with the District's Finance and Facilities Committee members. The draft budget and CIP have also been reviewed in detail with the full Board of Directors at a public budget work session conducted on June 7, 2011, and discussed at the regular monthly Board meetings held on March 8, April 12, May 10, and June 14, 2011.

Staff has also discussed with the Board the need for a rate increase to meet operation and maintenance revenue requirements and to finance the CIP projects. The June 2011 Water Financing Plan Update prepared by Bartle Wells Associates (Exhibit D) recommends a rate increase of 12% for

Fiscal Year 2011-2012. The proposed rate increase is necessitated by a number of factors, primarily:

1. An increase of 26% in wholesale water rates from the San Francisco Public Utilities Commission.
2. Financing costs for the Denniston Creek Water Treatment Plant Improvements Project and other elements of the Capital Improvement Program.

The District has complied with the public notice requirements of Proposition 218. Two ads were placed in the May 18th and May 25th editions of the Half Moon Bay Review, and the notice was placed on the District's website. Additionally the Board mailed a copy of the notice of this public hearing and the proposed rate increase to all District customers on May 13, 2010 (Exhibit E).

Proposition 218 specifies that the District may not adopt the proposed rate increase if written protests are received from a majority of owners of affected parcels, or approximately 3,300 District customers. As of the date of this report, staff has received a petition signed by approximately 110 property owners and fifteen (15) letters regarding the proposed rate increase. Copies of the petition and letters are attached as Exhibit F.

EXHIBIT A

RESOLUTION 2011-13 AMENDING THE RATE AND FEE SCHEDULE

RESOLUTION NO. 2011-13**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE COASTSIDE COUNTY WATER DISTRICT
AMENDING THE RATE AND FEE SCHEDULE
TO INCREASE WATER RATES**

THIS RESOLUTION IS ADOPTED with reference to the following facts and circumstances which are found and declared by the Board of Directors:

1. The General Manager and Finance Committee, during consideration and preparation of the budget for Fiscal Year 2011-2012, determined that at current rates and projected levels of water sales and expenses, the District's annual expenses are expected to significantly exceed revenues. California Water Code Section 31007 authorizes the District to establish rates and charges to yield an amount sufficient to pay operating expenses, to provide for repairs and depreciation of works owned and operated by the District, to pay interest on bonded debt, and to provide a fund to pay principal on bonded debt.

2. The District's financial consultant, Bartle Wells Associates, prepared an August 2009 Water Financing Plan and a June 2011 Water Financing Plan Update (collectively, "Financing Plan") that analyzed the District's revenue requirements, provided a recommendation for increasing the water rates, and established a rationale for the increased charges. The Financing Plan is incorporated into this Resolution by this reference.

3. The anticipated increases in expenses are attributable to a number of factors including but not limited to, a 26% increase in the cost of water supplied by the San Francisco Public Utilities Commission, increased costs associated with compliance with regulatory requirements, increased community outreach for water awareness and conservation, payment of debt service for financing of necessary capital improvements and replacement of aging facilities, and higher costs for personnel, materials and services.

4. On May 10, 2011, the Board of Directors at a regular meeting evaluated the proposed modifications to the District's Rate and Fee Schedule and set a public hearing for June 28, 2011 to consider the modifications to the District's Rate and Fee Schedule.

5. The District prepared a notice that described the amounts, the basis for calculating, and the reasons for the increased rates and charges, and identified the date, time, and location for the public hearing on the increased rates and charges, and the procedures for submitting a protest. The District mailed the written notice to the property owners and customers in the District at least 45 days before the date of the public hearing.

6. The Board considered its options for responding to this situation at a public hearing at which the specific rate proposal enacted herein was addressed. Notice of the public hearing was

provided to each parcel subject to the proposed rate increase. Notice of the public hearing was also advertised in the May 18, 2011 and May 25, 2011 editions of the Half Moon Bay Review newspaper. Additionally, the notice was placed on the District’s website. At the public hearing, the Board of Directors considered all protests against the proposed rate modification, and written protests against the proposed rate increase were not presented by a majority of owners of the parcels subject to the proposed rate increase.

7. After discussion and consideration of the comments received at the public hearing, the Board finds the rates hereinafter set forth to be reasonable and required for the proper operation of the District.

8. The Board further finds that the amount of the rates hereinafter set forth does not exceed the amount of the estimated costs required to provide the services for which the rates are levied.

9. The Board further finds that the increases in rates effected by this Resolution are reasonable and required for the proper operation of the District, and are exempt from the California Environmental Quality Act, pursuant to Section 21080(b)(8) of the Public Resources Code, because they are for the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment and materials, (3) meeting financial reserve requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing service areas.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coastside County Water District as follows:

1. Section 1.A., Base Charge, of the Rate and Fee Schedule, is amended to read as follows:

“A. BASE CHARGE

The following base charge is the minimum charge to be paid by all customers on a bi-monthly basis:

Meter Size	Bi-Monthly Base Charge
5/8 inch	\$ 30.72
5/8 inch for 2 dwelling units	\$ 67.57
3/4 inch	\$ 46.18
3/4 inch for 2 dwelling units	\$ 92.41
1.0 inch	\$ 76.97
1.5 inch	\$ 148.64
2.0 inch	\$ 246.34
3.0 inch	\$ 538.90
4.0 inch	\$1,847.89

2. Section 1.B, Quantity Charge, of the Rate and Fee Schedule is hereby amended to read as follows:

“B. QUANTITY CHARGE

In addition to the bi-monthly base charge set forth in Section 1.A, the following quantity charges shall be paid per one hundred cubic (hcf) of water delivered:

1. Residential Customers

Use Tiers	Bi-Monthly Water Consumption Charge
1 - 8 Units	\$5.02
9 - 25 Units	\$5.53
26 - 40 Units	\$7.19
41 or more Units	\$8.88

2. Other - Water Rate Schedule \$6.83 per unit

3. Fire Detector Check Valve \$6.72 per inch

Residential Customers, for purposes of this Section 1.B, are single family homes, duplexes, condominiums, townhouses and all apartment buildings with individual meters for separate residential dwelling units. Apartment houses with a single “master meter” measuring consumption within multiple dwelling units are not “Residential Customers” for purposes of this Section 1.B.”

4. Section 3.D, Portable Meters, of the Rate and Fee Schedule, is hereby amended to read as follows:

“D. PORTABLE METERS

Customers requesting water service through portable meters shall pay:

1. A deposit in an amount, as estimated by the General Manager, equal to the replacement cost of the meter.
2. A bi-monthly rental charge of \$71.67.
3. In addition, customers using portable meters shall pay quantity charges pursuant to Section 1.B.2. (All Other Customers).”

5. This Resolution shall be effective for meter readings after July 1, 2011, and any billing for the current billing cycle as of the effective date shall be pro-rated.

6. The General Manager shall arrange for the Rate and Fee Schedule to be re-codified to incorporate the changes effected by this Resolution.

7. The General Manager is directed to file a Notice of Exemption with the County Clerk and to take such other actions as may be necessary to give effect to this Resolution.

PASSED AND ADOPTED THIS 28th day of June, 2011, by the following vote of the Board:

AYES:

NOES:

ABSENT:

COASTSIDE COUNTY WATER DISTRICT

Robert C. Feldman, President Board of Directors

ATTEST:

David R. Dickson, Secretary of the Board

EXHIBIT B

FISCAL YEAR 2011-2012 OPERATIONS AND MAINTENANCE BUDGET

Operations & Maintenance Budget - FY 2011/2012

Account Number	Description	Proposed Budget FY 11/12	FY 11/12 Budget Vs. FY 10/11 Budget		FY 11/12 Budget Vs. FY 10/11 Actual			YTD Actual FY 10/11 as of January 31, 2011	
			Approved FY 10/11 Budget	\$ Change	% Change	Proj Year End Actual FY 10/11	FY 11/12 Budget Vs. FY 10/11 Actual		FY 11/12 Budget Vs. FY 10/11 Actual
OPERATING REVENUE									
4120	Water Sales (1) *	\$6,549,402	\$6,182,885	\$366,517	5.9%	\$5,847,680	\$701,722	12.0%	\$3,572,467
Total Operating Revenue		\$6,549,402	\$6,182,885	\$366,517	5.9%	\$5,847,680	\$701,722	12.0%	\$3,572,467
NON-OPERATING REVENUE									
4170	Hydrant Sales	\$25,000	\$25,000	\$0	0.0%	\$19,683	\$5,317	27.0%	\$12,183
4180	Late Penalty	\$50,000	\$50,000	\$0	0.0%	\$53,584	-\$3,584	-6.7%	\$33,584
4230	Service Connections	\$8,000	\$8,000	\$0	0.0%	\$7,506	\$494	6.6%	\$5,006
4920	Interest Earned	\$7,423	\$26,418	-\$18,995	-71.9%	\$7,913	-\$490	-6.2%	\$5,413
4930	Property Taxes	\$600,000	\$600,000	\$0	0.0%	\$639,843	-\$39,843	-6.2%	\$364,843
4950	Miscellaneous	\$37,000	\$37,000	\$0	0.0%	\$54,677	-\$17,677	-32.3%	\$44,677
4955	Cell Site Lease Income	\$113,892	\$111,312	\$2,580	2.3%	\$111,136	\$2,756	2.5%	\$66,136
4965	ERAF Refund	\$100,000	\$100,000	\$0	0.0%	\$250,000	-\$150,000	-60.0%	\$0
Total Non-Operating Revenue		\$941,315	\$957,730	-\$16,415	-1.7%	\$1,144,342	-\$203,028	-17.7%	\$531,842
TOTAL REVENUES		\$7,490,716	\$7,140,615	\$350,101	4.9%	\$6,992,022	\$498,694	7.1%	\$4,104,309
OPERATING EXPENSES									
5130	Water Purchased	\$2,059,548	\$1,671,874	\$387,674	23.2%	\$1,516,645	\$542,903	35.8%	\$1,032,745
5230	Electrical Exp. Nunes WTP	\$25,000	\$19,000	\$6,000	31.6%	\$23,889	\$1,111	4.7%	\$11,890
5231	Electrical Expenses, CSP	\$127,434	\$243,836	-\$116,402	-47.7%	\$102,157	\$25,278	24.7%	\$94,882
5232	Electrical Expenses/Trans. & Dist.	\$14,000	\$15,000	-\$1,000	-6.7%	\$11,923	\$2,077	17.4%	\$6,624
5233	Elec Exp/Pilarcitos Cyn	\$16,162	\$10,016	\$6,146	61.4%	\$14,517	\$1,645	11.3%	\$6,326
5234	Electrical Exp., Denn	\$5,940	\$53,176	-\$47,236	-88.8%	\$30,996	-\$25,056	-80.8%	\$16,629
5235	Denn. WTP Oper.	\$3,000	\$25,600	-\$22,600	-88.3%	\$12,292	-\$9,292	-75.6%	\$6,383
5236	Denn WTP Maint	\$5,000	\$38,000	-\$33,000	-86.8%	\$38,086	-\$33,086	-86.9%	\$24,078
5240	Nunes WTP Oper	\$70,908	\$64,820	\$6,088	9.4%	\$80,306	-\$9,398	-11.7%	\$54,024
5241	Nunes WTP Maint	\$38,000	\$38,000	\$0	0.0%	\$37,057	\$943	2.5%	\$19,564
5242	CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$7,640	\$860	11.3%	\$4,219
5243	CSP - Maintenance	\$50,000	\$53,500	-\$3,500	-6.5%	\$50,958	-\$958	-1.9%	\$40,654
5250	Laboratory Expenses	\$35,000	\$60,000	-\$25,000	-41.7%	\$31,448	\$3,552	11.3%	\$15,427
5318	Studies/Surveys/Consulting	\$45,000	\$22,000	\$23,000	104.5%	\$24,171	\$20,829	86.2%	\$19,171
5321	Water Conservation	\$62,350	\$92,500	-\$30,150	-32.6%	\$88,515	-\$26,165	-29.6%	\$40,515
5322	Community Outreach	\$26,200	\$26,200	\$0	0.0%	\$22,900	\$3,300	14.4%	\$5,900
5411	Salaries - Field	\$958,326	\$930,278	\$28,048	3.0%	\$944,144	\$14,182	1.5%	\$544,144
5412	Maintenance Expenses	\$192,500	\$192,500	\$0	0.0%	\$193,563	-\$1,063	-0.5%	\$85,805
5414	Motor Vehicle Exp.	\$44,500	\$44,500	\$0	0.0%	\$44,500	\$0	0.0%	\$30,043
5415	Maintenance, Wells	\$6,000	\$6,000	\$0	0.0%	\$4,000	\$2,000	50.0%	\$0
5610	Salaries, Admin.	\$644,904	\$640,368	\$4,536	0.7%	\$621,994	\$22,910	3.7%	\$356,994
5620	Office Expenses	\$119,375	\$118,875	\$500	0.4%	\$121,820	-\$2,445	-2.0%	\$71,820
5621	Computer Services	\$67,650	\$62,650	\$5,000	8.0%	\$57,816	\$9,834	17.0%	\$27,816
5625	Meetings/Training/Seminars	\$18,000	\$20,000	-\$2,000	-10.0%	\$16,752	\$1,248	7.5%	\$9,752
5630	Insurance	\$125,000	\$125,000	\$0	0.0%	\$119,586	\$5,414	4.5%	\$91,336
5635	Ee/Ret. Medical Insurance	\$438,607	\$403,890	\$34,717	8.6%	\$408,046	\$30,561	7.5%	\$231,296
5640	Employee Retirement	\$462,627	\$437,789	\$24,838	5.7%	\$410,240	\$52,386	12.8%	\$223,240
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$58,752	-\$28,752	0.0%	\$0
5681	Legal	\$60,000	\$57,000	\$3,000	5.3%	\$62,921	-\$2,921	-4.6%	\$32,921
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$6,254	\$7,747	123.9%	\$3,254
5683	Financial Services	\$31,000	\$31,000	\$0	0.0%	\$26,531	\$4,469	16.8%	\$15,531
5684	Payroll Taxes	\$114,658	\$111,951	\$2,707	2.4%	\$107,087	\$7,570	7.1%	\$62,087
5687	Memberships & Subscriptions	\$57,950	\$56,950	\$1,000	1.8%	\$60,317	-\$2,367	-3.9%	\$36,317
5688	Election Expense	\$25,000	\$0	\$25,000	0.0%	\$0	\$25,000	0.0%	\$0
5689	Union Expenses	\$6,000	\$12,000	-\$6,000	-50.0%	\$2,040	\$3,960	194.1%	\$2,040
5700	County Fees	\$16,200	\$10,800	\$5,400	50.0%	\$10,805	\$5,395	49.9%	\$10,805
5705	State Fees	\$19,400	\$10,500	\$8,900	84.8%	\$19,078	\$322	1.7%	\$18,078
Total Operating Expenses		\$6,043,738	\$5,758,073	\$285,665	4.7%	\$5,389,748	\$653,990	12.1%	\$3,252,312
CAPITAL ACCOUNTS									
5711	Existing Bonds - 1998A	\$267,993	\$269,845	-\$1,853	-0.7%	\$269,235	-\$1,242	-0.5%	\$250,235
5712	Existing Bonds - 2006B	\$483,281	\$484,966	-\$1,685	-0.3%	\$487,431	-\$4,150	-0.9%	\$337,431
Total Capital Accounts		\$751,274	\$754,811	-\$3,537	-0.5%	\$756,666	-\$5,392	-0.7%	\$587,666
TOTAL REVENUE - TOTAL EXPENSE		\$695,705	\$627,731	\$67,974	10.8%	\$845,609	-\$149,904	-17.7%	\$264,332
5713	Cont. to CIP & Reserves	\$695,705							

Notes:

(1) Water sales revenue calculated by applying rate increase to projected year-end sales.

* Assumes 12% rate increase

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4120 Description: Water Sales	
Actual Amount As Of: 31-Jan 2011	3,572,467
PROJECTED ACTIVITY to END of FY:	2,275,213
Projected YEAR END TOTAL:	5,847,680

PROPOSED Line Item Amount:	\$6,549,402 *
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	6,182,885
% Change Actual Year End compared to Proposed Line item amount.	12.0%
% Change to Previous Year Budget	5.9%
Dollar difference between proposed budget & current budget	366,517

NARRATIVE: See Worksheet 4120 A for calculations

Water sales revenues are not expected to increase during the next fiscal year due to new customers coming on line. The projection is that there will be approximately 35 new connections Increased Consumer awareness in the third year of drought will keep consumption to levels seen in FY 10/11.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec	Totals
Jan	Feb	Mar	Apr	May	Jun	

Fiscal Year 2011/2012 Water Sales Projections

MONTH	a	b	c	d	e	f	g	h	i	j		Proposed
	Res. hcf 10/11	Res. hcf 11/12	Other hcf 10/11	Other hcf 11/12	TOTAL Units 10/11	TOTAL Units 11/12	Per Cent Diff 10 v. 11 dif	Residential \$ Projected 11/12	Other \$ Projected \$6.83/hcf	Base Charge 10/11	Base Charge 11/12	FY 11/12 \$ Budget
	Actual	Budget	Actual	Budget	Actual	Budget				Actual	Budget	
Jul-10	37,361	37,361	52,535	52,535	89,896	89,896	0.0%	\$ 219,683	\$ 358,814	\$84,123	\$94,217	\$ 672,714
Aug-10	71,747	71,747	33,536	33,536	105,283	105,283	0.0%	\$ 421,872	\$ 229,051	\$114,009	\$127,690	\$ 778,614
Sep-10	34,215	34,215	47,095	47,095	81,310	81,310	0.0%	\$ 201,184	\$ 321,659	\$89,022	\$99,704	\$ 622,547
Oct-10	63,937	63,937	31,020	31,020	94,957	94,957	0.0%	\$ 375,950	\$ 211,867	\$114,579	\$128,329	\$ 716,145
Nov-10	29,779	29,779	26,424	26,424	56,203	56,203	0.0%	\$ 175,101	\$ 180,476	\$88,982	\$99,660	\$ 455,237
Dec-10	40,017	40,017	13,880	13,880	53,897	53,897	0.0%	\$ 235,300	\$ 94,800	\$114,722	\$128,488	\$ 458,588
Jan-11	25,964	25,964	20,910	20,910	46,874	46,874	0.0%	\$ 152,668	\$ 142,815	\$89,136	\$99,832	\$ 395,316
Feb-11	41,534	41,534	14,963	14,963	56,497	56,497	0.0%	\$ 244,220	\$ 102,197	\$114,731	\$128,499	\$ 474,916
Mar-11	21,723	21,723	23,629	23,629	45,352	45,352	0.0%	\$ 127,731	\$ 161,386	\$89,000	\$99,680	\$ 388,797
Apr-11	45,549	45,549	6,319	6,319	51,868	51,868	0.0%	\$ 267,828	\$ 43,159	\$114,000	\$127,680	\$ 438,667
May-11	28,468	28,468	52,129	52,129	80,597	80,597	0.0%	\$ 167,392	\$ 356,041	\$89,000	\$99,680	\$ 623,113
Jun-11	57,889	57,889	8,688	8,688	66,577	66,577	0.0%	\$ 340,387	\$ 59,339	\$114,000	\$127,680	\$ 527,406
TOTAL	498,183	498,183	331,128	331,128	829,311	829,311	0.0%	\$ 2,929,316	\$ 2,261,604	\$1,215,304	\$1,361,140	\$ 6,552,060

Average Residential Charge per Unit
\$5.88

Commercial Charge per Unit
\$6.83

\$ 6,552,060

FACTORS TO BE CONSIDERED

- 1 Superintendent projects a 7.5 MG purchase from Skylawn for next fiscal year
- 2 Anticipation of approximately 35 new connections next year.
- 3 April - June - Predicted Base on following:
Actual Sales / Predicted Sales (Jul - Feb)
Residential = 0.91
Other = 1.242

Budgeted Values for Residential & Other
Above multiplied by factor to get predicted water sales.

Res Units	FY 10/11	12.0% FY 11/12	Base Charge		FY 10/11	12.0% FY 11/12
			5/8"	5/8" / 2 dwelling units		
1-8	\$4.48	\$5.02	5/8"	3/4"	\$27.43	\$30.72
9 -25	\$4.94	\$5.53	3/4" / 2 dwelling units	1"	\$60.33	\$67.57
26 - 40	\$6.42	\$7.19		1.5"	\$41.23	\$46.18
41 +	\$7.93	\$8.88		2.0"	\$82.51	\$92.41
Comm	\$6.10	\$6.83		3"	\$68.72	\$76.97
				4"	\$132.71	\$148.64
					\$219.95	\$246.34
					\$481.16	\$538.90
					\$1,649.90	\$1,847.89

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4180 Description: Late Penalty	
Actual Amount As Of: 31-Jan 2011	33,584
PROJECTED ACTIVITY to END of FY:	20,000
Projected YEAR END TOTAL:	53,584
PROPOSED Line Item Amount:	50,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	50,000
% Change Actual Year End compared to Proposed Line item amount.	(6.7%)
% Change to Previous Year Budget	100.0%
Dollar difference between proposed budget & current budget	0
NARRATIVE:	

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4230 Description: Service Connections	
Actual Amount As Of: 31-Jan 2011	5,006
PROJECTED ACTIVITY to END of FY:	2,500
Projected YEAR END TOTAL:	7,506
PROPOSED Line Item Amount:	8,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	8,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	6.6%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

The amounts in the account show the labor cost charged to a customer for the installation of a new water service connection. The costs vary with each new installation depending upon the size of the service and how far it is from the distribution pipeline under the street. Cost of materials are not included in this category.

Labor	\$8,000
TOTAL	\$8,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4920 Description: Interest Earned	
Actual Amount As Of: 31-Jan 2011	5,413
PROJECTED ACTIVITY to END of FY:	2,500
Projected YEAR END TOTAL:	7,913
PROPOSED Line Item Amount:	\$ 7,423

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	26,418
% Change Actual Year End compared to Proposed Line item amount.	(6.2%)
% Change to Previous Year Budget	(71.9%)
Dollar difference between proposed budget & current budget	-18,995

NARRATIVE:

Interest income is derived from cash on deposit with LAIF. The interest income is calculated on funds that are not restricted to the CSP Project.

Cash on Deposit	Balance	Less CSP \$							
	1,505,465	20,948	1,484,516	x	0.50%	=	\$	7,423	

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4930 Description: Property Taxes	
Actual Amount As Of: 31-Jan 2011	364,843
PROJECTED ACTIVITY to END of FY:	275,000
Projected YEAR END TOTAL:	639,843
PROPOSED Line Item Amount:	600,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	600,000
% Change Actual Year End compared to Proposed Line item amount.	(6.2%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Projected CCWD portion of unsecured/secured Property Tax	\$600,000
TOTAL	\$600,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4950 Description: Miscellaneous	
Actual Amount As Of: 31-Jan 2011	44,677
PROJECTED ACTIVITY to END of FY:	10,000
Projected YEAR END TOTAL:	54,677
PROPOSED Line Item Amount:	37,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	37,000
<hr style="border-top: 1px solid black;"/>	
% Change Actual Year End compared to Proposed Line item amount.	(32.3%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Revenue from disposal of excess equipment, vehicles and reimbursement of expense line items, in addition to the identified sources, are entered into the Miscellaneous Sales account line item, such as: returned check fees, re-connect fees, copies of documents, reimbursement of repairs., etc...)

Skylawn Memorial Park reimburses the District for pumping when the District is not operating the Crystal Springs Pump Station for benefit of the District.

	FY 10/11	FY 11/12
Skylawn	25,000	25,000
Miscellaneous	12,000	12,000
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	37,000	37,000
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4955 Description: Cell Site Lease Income	
Actual Amount As Of: 31-Jan 2011	66,136
PROJECTED ACTIVITY to END of FY:	45,000
Projected YEAR END TOTAL:	111,136
PROPOSED Line Item Amount:	113,892

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	111,312
% Change Actual Year End compared to Proposed Line item amount.	2.5%
% Change to Previous Year Budget	2.3%
Dollar difference between proposed budget & current budget	2,580

NARRATIVE:

Revenue from Cell Site Leasing

<u>Sub-Account</u>	<u>FY 11/12</u>
Sprint Spectrum Lease	22,424
Sprint Spectrum Lease	20,022
Metro PCS	23,363
Metro PCS	23,363
Verizon	24,720
	113,892

Spread:

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COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4965 Description: ERAF Refund	
Actual Amount As Of: 31-Jan 2011	0
PROJECTED ACTIVITY to END of FY:	250,000
Projected YEAR END TOTAL:	250,000
PROPOSED Line Item Amount:	100,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	100,000
% Change Actual Year End compared to Proposed Line item amount.	(60.0%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Educational Revenue Augmentation Fund (ERAF). ERAF was established in 1992 to redirect property tax revenues from cities, counties and special districts to public education programs.

Spread:

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Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5130 Description: Water Purchased	
Actual Amount As Of: 31-Jan 2011	1,032,745
PROJECTED ACTIVITY to END of FY:	483,900
Projected YEAR END TOTAL:	1,516,645
PROPOSED Line Item Amount:	2,059,548

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	1,671,874
% Change Actual Year End compared to Proposed Line item amount.	35.8%
% Change to Previous Year Budget	23.2%
Dollar difference between proposed budget & current budget	387,674

NARRATIVE:

See worksheet 5130 A

The information on this sheet relates directly to Account 4120, water sales.

Water rates will increase approximately 38.4% from the SFWD this year. Cost per hcf \$2.63

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

PRODUCTION & PUMPING SCHEDULE FY 2011/2012

	Denniston Surface		Denniston Wells		Pilarcitos Wells		SFWD Pilarcitos-Crystal Springs				SFWD Total		TOTAL PRODUCTION		SFWD COST
	FY 10/11 hcf	FY 11/12 hcf	FY 10/11 hcf	FY 11/12 hcf	FY 10/11 hcf	FY 11/12 hcf	Pilarcitos		CSP		FY 10/11	FY 11/12	FY 10/11	FY 11/12	**2.40/hcf Plan
							Actual hcf	Plan							
Jul-10	2,767	0	1,390	0	0	0	76,939	81,096	20,213	20,213	97,152	101,309	101,309	101,309	\$243,142
Aug-10	4,051	0	1,070	0	0	0	55,345	60,466	24,291	24,291	79,636	84,757	84,757	84,757	\$203,417
Sep-10	4,853	0	1,818	0	0	0	29,639	36,310	46,310	46,310	75,949	82,620	82,620	82,620	\$198,288
Oct-10	0	0	0	0	0	0	50,976	50,976	31,671	31,671	82,647	82,647	82,647	82,647	\$198,353
Nov-10	0	0	0	0	10,802	13,000	55,321	53,123	0	0	55,321	53,123	66,123	66,123	\$127,495
Dec-10	0	0	0	0	10,281	13,000	47,407	44,688	0	0	47,407	44,688	57,688	57,688	\$107,251
Jan-11	0	0	0	0	12,955	14,000	42,100	41,055	0	0	42,100	41,055	55,055	55,055	\$98,532
Feb-11	0	0	0	0	14,397	15,000	41,432	40,829	0	0	41,432	40,829	55,829	55,829	\$97,990
Mar-11	0	0	0	0	15,576	15,000	50,382	50,958	0	0	50,382	50,958	65,958	65,958	\$122,299
Apr-11	0	0	0	0	0	0	70,000	70,000	0	0	70,000	70,000	70,000	70,000	\$168,000
May-11	18,000	0	3,249	0	0	0	65,000	86,249	0	0	65,000	86,249	86,249	86,249	\$206,998
Jun-11	0	0	0	0	0	0	66,000	66,000	20,000	20,000	86,000	86,000	86,000	86,000	\$206,400
hcf Totals	29,671	0	7,527	0	64,011	70,000	650,541	681,750	142,485	142,485	793,026	824,235	894,235	894,235	\$1,978,164
MG Totals	22.19	0.00	5.63	0.00	47.88	52.36	486.60	509.95	106.58	106.58	593.18	616.53	668.89	668.89	

Base Charge **\$81,384**

Grand Total **\$2,059,548**

Note: Bold numbers in actual columns are estimates

Expect 72,608 hcf of estimated unmetered water (leaks, plant use, flow tests, etc...)for FY 10/11
7.4% unaccountable water

** - The San Francisco Wholesale rate is the total of \$2.40 less the untreated water of \$.23.

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5230 Description: Electrical Exp. Nunes WTP	
Actual Amount As Of: 31-Jan 2011	11,890
PROJECTED ACTIVITY to END of FY:	11,999
Projected YEAR END TOTAL:	23,889
PROPOSED Line Item Amount:	25,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	19,000
% Change Actual Year End compared to Proposed Line item amount.	4.7%
% Change to Previous Year Budget	31.6%
Dollar difference between proposed budget & current budget	6,000

NARRATIVE:

The costs shown for this line item are for electrical costs for operating the water treatment plant.

FY 11/12

PG&E \$25,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5231 Description: Electrical Expenses, CSP	
Actual Amount As Of: 31-Jan 2011	94,882
PROJECTED ACTIVITY to END of FY:	7,275
Projected YEAR END TOTAL:	102,157

PROPOSED Line Item Amount:	127,434
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	243,836
% Change Actual Year End compared to Proposed Line item amount.	24.7%
% Change to Previous Year Budget	(47.7%)
Dollar difference between proposed budget & current budget	-116,402

NARRATIVE:

Skylawn is estimated to purchase 7.5 million gallons.
 Anticipated more usage at Crystal Springs FY 11/12 since Denniston WTP will be off-line more in FY 11/12.

	hcf	rate to pump 1 unit of water			
Pumping charges - electrical	142,485	0.770	=	\$	109,713
Non-pumping electrical				\$	10,000
Skylawn Pumping Expenses	10,027	0.770	=	\$	7,721
TOTAL				\$	127,434

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5232 Description: Electrical Expenses/Trans. & Dist.	
Actual Amount As Of: 31-Jan 2011	6,624
PROJECTED ACTIVITY to END of FY:	5,299
Projected YEAR END TOTAL:	11,923
PROPOSED Line Item Amount:	14,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	15,000
% Change Actual Year End compared to Proposed Line item amount.	17.4%
% Change to Previous Year Budget	(6.7%)
Dollar difference between proposed budget & current budget	-1,000

NARRATIVE:

	FY 11/12
Granada #1	\$5,000
Granada #2	\$3,000
Granada #3	\$1,500
Alves Pump Station	\$4,000
Miramontes Tank	\$500
TOTAL	<u>\$14,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5233 Description: Elec Exp/Pilarcitos Cyn	
Actual Amount As Of: 31-Jan 2011	6,326
PROJECTED ACTIVITY to END of FY:	8,191
Projected YEAR END TOTAL:	14,517
PROPOSED Line Item Amount:	16,162

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	10,016
% Change Actual Year End compared to Proposed Line item amount.	11.3%
% Change to Previous Year Budget	61.4%
Dollar difference between proposed budget & current budget	6,146

NARRATIVE:

Assumes sufficient rain in October to pump Pilarcitos Wells in November.
Assumes 70,000 units of production, at an energy cost of \$0.29 per unit.

Wells #1 & 3	\$ 5,215	Well #4	\$ 3,500	
Well #2	\$ 255	Well #4A	\$ 3,500	
Well #3A	\$ 255	Well #5	\$ 2,981	
Carter Hill	\$ 256	Telemeter	\$ 200	
TOTAL	\$ 5,981	Total	\$ 10,181	Total \$ 16,162

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5234 Description: Electrical Exp., Denn	
Actual Amount As Of: 31-Jan 2011	16,629
PROJECTED ACTIVITY to END of FY:	14,367
Projected YEAR END TOTAL:	30,996
PROPOSED Line Item Amount:	5,940

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	53,176
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	(80.8%)
% Change to Previous Year Budget	(88.8%)
Dollar difference between proposed budget & current budget	-47,236

NARRATIVE:

Projected year end low due to inoperation of plant for all of FY 11/12.

	FY 11/12
Denn Pump Station	\$2,040
Denn Well #1	\$300
Denn Well #2,3,4	\$300
Denn Well #5	\$300
Denn Well #9	\$300
Denn WTP	\$2,400
Filter Recycle Pump	\$300
TOTAL	<u><u>\$5,940</u></u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5235 Description: Denn. WTP Oper.	
Actual Amount As Of: 31-Jan 2011	6,383
PROJECTED ACTIVITY to END of FY:	5,909
Projected YEAR END TOTAL:	12,292
PROPOSED Line Item Amount:	3,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	25,600
% Change Actual Year End compared to Proposed Line item amount.	(75.6%)
% Change to Previous Year Budget	(88.3%)
Dollar difference between proposed budget & current budget	-22,600

NARRATIVE:

ADMIN	CHEMICALS	
Telephone/DSL	\$1,000	
Alarm System	\$2,000	Chemicals
	\$3,000	<u><u>\$0</u></u>
	TOTAL	\$3,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5236 Description: Denn WTP Maint	
Actual Amount As Of: 31-Jan 2011	24,078
PROJECTED ACTIVITY to END of FY:	14,008
Projected YEAR END TOTAL:	38,086

PROPOSED Line Item Amount:	5,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	38,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	(86.9%)
% Change to Previous Year Budget	(86.8%)
Dollar difference between proposed budget & current budget	-33,000

NARRATIVE:

Little or no activity during construction of Denniston Treatment Plant Upgrade

	FY 11/12
Telemetry	\$3,000
Misc. Plumbing & Parts	\$2,000

TOTAL	\$5,000
--------------	----------------

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5240	Description: Nunes WTP Oper
Actual Amount As Of: 31-Jan 2011	54,024
PROJECTED ACTIVITY to END of FY:	26,282
Projected YEAR END TOTAL:	80,306
PROPOSED Line Item Amount:	70,908

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	64,820
% Change Actual Year End compared to Proposed Line item amount.	(11.7%)
% Change to Previous Year Budget	9.4%
Dollar difference between proposed budget & current budget	6,088

NARRATIVE:

Chemical costs = \$87/MG.
Expect to treat 617 MG.

Telephone/DSL	\$2,120	Chemicals	
Alarm System	\$1,000	Caustic	\$24,859
Sub total	\$3,120	Polymer	\$2,011
		Alum	\$33,318
		Salt	7600
		Sub Total	\$67,788
		TOTAL	\$70,908

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5241 Description: Nunes WTP Maint	
Actual Amount As Of: 31-Jan 2011	19,564
PROJECTED ACTIVITY to END of FY:	17,493
Projected YEAR END TOTAL:	37,057
PROPOSED Line Item Amount:	38,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	38,000
% Change Actual Year End compared to Proposed Line item amount.	2.5%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

No change in maintenance costs expected.

FY 11/12

Generator Service Contract	\$1,000
Sludge Removal	\$6,000
Electrical	\$6,000
Instrumentation/Controls	\$7,000
Motor & Pump Replacement	\$7,000
Filter Inspection	\$4,000
Annual Electrical PM	\$5,000
Misc.	\$2,000
	\$38,000
	\$38,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5242 Description: CSP - Operation	
Actual Amount As Of: 31-Jan 2011	4,219
PROJECTED ACTIVITY to END of FY:	3,421
Projected YEAR END TOTAL:	7,640
PROPOSED Line Item Amount:	8,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	8,500
% Change Actual Year End compared to Proposed Line item amount.	11.3%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:	FY 11/12
Telephone & Telemetry	\$6,300
Alarm Co. (Bay Alarm / HMB Alarm)	\$1,200
Fire System Maint.	<u>\$1,000</u>
TOTAL	<u><u>\$8,500</u></u>

Spread:

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COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5243 Description: CSP - Maintenance	
Actual Amount As Of: 31-Jan 2011	40,654
PROJECTED ACTIVITY to END of FY:	10,304
Projected YEAR END TOTAL:	50,958
PROPOSED Line Item Amount:	50,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	53,500
% Change Actual Year End compared to Proposed Line item amount.	(1.9%)
% Change to Previous Year Budget	(6.5%)
Dollar difference between proposed budget & current budget	-3,500

NARRATIVE:

Will not be cleaning tunnel in FY 10/11. Anticipate needing more work on instrumentation and controls in FY 10/11.

	FY 11/12
Electrical Testing (ETI)	\$5,000
Electrical Repair	\$7,000
Equipment /Valve Maintenance	\$12,000
Pressure Reducing Valves	\$1,000
Misc. Equip/Air Vent	\$1,000
Telemetry & Alarms	\$4,000
Pump Maintenance	\$10,000
Confined Space Team	\$10,000
	\$50,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5250 Description: Laboratory Expenses	
Actual Amount As Of: 31-Jan 2011	15,427
PROJECTED ACTIVITY to END of FY:	16,021
Projected YEAR END TOTAL:	31,448
PROPOSED Line Item Amount:	35,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	60,000
% Change Actual Year End compared to Proposed Line item amount.	11.3%
% Change to Previous Year Budget	(41.7%)
Dollar difference between proposed budget & current budget	-25,000

NARRATIVE:

Laboratory Costs associated with water sampling throughout distribution system, source waters and Treatment Plants.

	FY 11/12
Nunes WTP	\$20,000
Denniston WTP	\$15,000
	<hr/> \$35,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5318 Description: Studies/Surveys/Consulting	
Actual Amount As Of: 31-Jan 2011	19,171
PROJECTED ACTIVITY to END of FY:	5,000
Projected YEAR END TOTAL:	24,171

PROPOSED Line Item Amount:	\$45,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	22,000
% Change Actual Year End compared to Proposed Line item amount.	86.2%
% Change to Previous Year Budget	104.5%
Dollar difference between proposed budget & current budget	23,000

Narrative: Lease consultant agreement offset by Cell Site Lease Agreements in account 4955

Communication Lease Consultant (Til FY 10/11)	\$5,000.00
Groundwater Monitoring Plan (SBx6)	\$30,000.00
Misc. Studies/Surveys	\$10,000.00
	\$45,000.00

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5321 Description: Water Conservation	
Actual Amount As Of: 31-Jan 2011	40,515
PROJECTED ACTIVITY to END of FY:	48,000
Projected YEAR END TOTAL:	88,515

PROPOSED Line Item Amount:	62,350
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	92,500
<hr style="border: 1px solid black;"/>	
% Change Actual Year End compared to Proposed Line item amount.	(29.6%)
% Change to Previous Year Budget	(32.6%)
Dollar difference between proposed budget & current budget	-30,150

NARRATIVE:

Increase funding due to:

1. Funding included for new lawn replacement program.

Legend:

- BAWSCA** - Bay Area Water Supply and Conservation Agency
- BMP** - Best Management Practices
- CASGEM**: California Statewide Groundwater Elevation Monitoring
- CUWCC** - California Urban Water Conservation Council
- IRWMP** - Integrated Regional Watershed Management Plan
- UWMP** - Urban Water Management Plan
- WCIP** - Water Conservation Implementation Plan

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

DRAFT Budget Worksheet	
Fiscal Year	
2011-2012	
Worksheet 5321 A – Water Resources	FY 2012
Description	Amount
Foundational	
1.0 Utility Operations Programs	
1.1 Operations	\$0
Subtotal	\$0
2.0 Education Programs	
2.1 Public Information Programs	
Events	\$1,000
Bill Stuffers	\$2,000
Rebate Materials	\$500
Landscape Workshops	\$2,000
Media	\$2,000
California Water Awareness Campaign	\$2,000
Materials (Conservation)	\$2,000
2.2 School Education Programs	
Curriculum Materials	\$1,000
Assembly Program	\$4,000
Subtotal	\$16,500
Programmatic	
3.0 Residential	
3.1 High Efficiency Fixture Devices (Q=900)	\$3,000
3.2 High Efficiency Toilet Rebates (Q=100)	\$15,000
3.3 High Efficiency Clothes Washer Rebates (Q=200)	\$15,000
3.4 Residential Assistance	\$0
Subtotal	\$33,000
4.0 Commercial, Industrial and Institutional	
4.1 Rebates	
High Efficiency Tank Toilets (Q=1)	\$150
High Efficiency Urinals (Q=1)	\$300
High Efficiency and Ultra Low Flow Flush Valve Toilets (Q=1)	\$300
Restaurant Spray Valves (Q=1)	\$100
Subtotal	\$850
5.0 Landscape (Large)	
5.1 Dedicated Irrigation Account Water Budget Reports	\$2,500
5.2 Surveys for Dedicated Irrigation Meters Accounts (Q=1)	\$1,500
5.3 Outreach to CII Mixed Use Meters	\$0
Subtotal	\$4,000
Flex Track	
Lawn Replacement	\$5,000
Subtotal	\$5,000
Water Resources	
California Urban Water Conservation Council Dues	\$3,000
Subtotal	\$3,000
Total	\$62,350

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5322 Description: Community Outreach	
Actual Amount As Of: 31-Jan 2011	5,900
PROJECTED ACTIVITY to END of FY:	17,000
Projected YEAR END TOTAL:	22,900
PROPOSED Line Item Amount:	26,200

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	26,200
% Change Actual Year End compared to Proposed Line item amount.	14.4%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Created new account per Finance Committee to accommodate new community outreach between CCWD and Customers. Increase due to additional printing of annual reports and postage. Decrease in MCTV services.

MCTV-Recording meetings(14 @ \$375)	\$5,000
Montara Fog (14 @ \$300)	\$4,200
Materials/Publications/Public Information	\$5,000
Postage for Public Outreach	\$6,000
Printing Annual Reports (Consumer Confidence Report/ Water Supply Evaluation, etc..)	\$6,000

Spread: TOTAL **26,200**

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5411 Description: Salaries - Field	
Actual Amount As Of: 31-Jan 2011	544,144
PROJECTED ACTIVITY to END of FY:	400,000
Projected YEAR END TOTAL:	944,144
PROPOSED Line Item Amount:	958,326

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	930,278
% Change Actual Year End compared to Proposed Line item amount.	1.5%
% Change to Previous Year Budget	3.0%
Dollar difference between proposed budget & current budget	28,048

NARRATIVE:

A COLA of 1.5% was used as a place holder based upon the Memorandum of Understanding between the CCWD and Teamsters Local 856.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT
6/9/2011
FY 2011/2012 BUDGET WORKSHEET (5411 A)

SALARIES - Accounts 5411 & 5610

EMPLOYEE	Current Hrly Rate	COLA 1.5%	Annual Pay	O T Hours	O T Pay	Cert. Pay	TOTAL
FIELD #5411							
Superintendent	57.58	58.44	121,552			10,800	132,352
Field Supervisor	46.10	46.79	97,326	120	8,422	7,200	112,949
WTP Supervisor	50.89	51.65	107,434	120	9,297	7,200	123,931
Sr. WTP Oper.	43.88	44.53	92,629	120	8,016	7,200	107,845
Treat/Dist Op	29.56	30.01	62,412	120	5,401	4,800	72,613
Treat/Dist Op	28.84	29.27	60,882	120	5,269	6,000	72,150
Treat/Dist Op	28.84	29.27	61,787	80	3,512	6,000	70,151
Treat/Dist Op	30.30	30.75	63,969	80	3,691	7,200	74,860
Maint Worker	26.81	27.21	56,607	80	3,266	3,600	63,472
Maint Worker	24.90	25.27	52,569	80	3,033	2,400	58,002
Part-Time Help	15.00		15,000				15,000
Part-Time Help	15.00		15,000				15,000
Estimated Annual Merit Increase			20,000				20,000
Standby Pay for On-Call Employees			20,000				20,000
Sub total, Field			847,167		49,907	62,400	958,326
ADMIN #5610							
Gen Manager	88.00	89.32	185,786				185,786
Water Conser.	35.05	35.58	73,998	80	4,269		78,267
Prj Coord. PT	60.00		15,000				15,000
Office Mgr	38.76	39.34	81,835	80	4,721		86,557
Admin Assist.	35.13	35.65	74,156	80	4,278	7,046	85,480
Office Speclst	26.81	27.21	56,607		-		56,607
Office Speclst	24.90	25.27	52,569	80	3,033		55,602
Office Speclst	26.81	27.21	56,607		-		56,607
Directors			20,000				20,000
Estimated Annual Merit Increase			5,000				5,000
Sub total, Admin			621,556		16,301	7,046	\$644,904
TOTAL			1,468,724				\$1,603,229

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5412 Description: Maintenance Expenses	
Actual Amount As Of: 31-Jan 2011	85,805
PROJECTED ACTIVITY to END of FY:	107,758
Projected YEAR END TOTAL:	193,563
PROPOSED Line Item Amount:	192,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	192,500
% Change Actual Year End compared to Proposed Line item amount.	(0.5%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Laundry	\$1,000	Tree Removal	\$8,000
Service Products	\$3,000	Paving	\$25,000
Pump Repair	\$5,000	Inventory	\$12,000
Uniforms/Jackets/Shoes	\$8,000	Materials	\$9,000
USA	\$500	Equip. Rental	\$2,000
Backfill	\$3,000	Radio Repair/PM	\$3,000
Hydrant repair	\$14,000	Landscape Maint	\$3,000
Tank Inspection	\$5,000	Main Repairs/Sml Line Replacmnt	\$26,000
Generator services	\$5,000	Cathodic Protection	\$7,000
Safety Supplies	\$4,000	Misc. tools, etc.	\$4,000
DMV/Pre-employment Physical	\$1,000	(Welder,Drill,Airtools, Sump Pump, Lrg tools)	
Alves Alt Valve	\$10,000	Waste Services	\$4,000
Alves Vault Valves	\$5,000	Fence Repairs	\$1,000
		Raising Valve (City/County)	\$24,000

TOTAL **\$192,500**
Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5414 Description: Motor Vehicle Exp.	
Actual Amount As Of: 31-Jan 2011	30,043
PROJECTED ACTIVITY to END of FY:	14,457
Projected YEAR END TOTAL:	44,500

PROPOSED Line Item Amount:	44,500
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	44,500
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	(0.0%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

	<u>FY 11/12</u>
Gasoline	\$29,000.00
Mobile Phones	\$7,500.00
Service & Repairs	\$8,000.00
	<hr/>
	<u>\$44,500.00</u>
Total	

Jul	Aug	Sept	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5415 Description: Maintenance, Wells	
Actual Amount As Of: 31-Jan 2011	0
PROJECTED ACTIVITY to END of FY:	4,000
Projected YEAR END TOTAL:	4,000
PROPOSED Line Item Amount:	6,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	6,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	50.0%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

FY 11/12 amounts same from past year due to not being able to rehabilitate wells and complete upgrades

	<u>FY 11/12</u>
Electrical PM	\$1,200
Pumps	\$3,000
Electrical	\$1,600
Plumbing	\$200
	<hr/>
	\$6,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5610 Description: Salaries, Admin.	
Actual Amount As Of: 31-Jan 2011	356,994
PROJECTED ACTIVITY to END of FY:	265,000
Projected YEAR END TOTAL:	621,994
PROPOSED Line Item Amount:	644,904

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	640,368
% Change Actual Year End compared to Proposed Line item amount.	3.7%
% Change to Previous Year Budget	0.7%
Dollar difference between proposed budget & current budget	4,536

NARRATIVE:

A COLA of 1.5% was used as a place holder based upon the Memorandum of Understanding between the CCWD and Teamsters Local 856.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5620 Description: Office Expenses	
Actual Amount As Of: 31-Jan 2011	71,820
PROJECTED ACTIVITY to END of FY:	50,000
Projected YEAR END TOTAL:	121,820
PROPOSED Line Item Amount:	119,375

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	118,875
% Change Actual Year End compared to Proposed Line item amount.	(2.0%)
% Change to Previous Year Budget	0.4%
Dollar difference between proposed budget & current budget	500

NARRATIVE:

See Sheet 5620 A which details the cost items comprising this line item

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Account 5620 - Detail of Account

Account Name	Description	Amount
Postage	Mail Machine	\$ 2,000
	Bulk Mailing	\$ 5,000
	Pre-Stamped Envelopes	\$ 3,000
Phone Services PG&E	Monthly Service & Repairs	\$ 4,000
	Monthly Service (District Office)	\$ 8,000
Office Cleaning	Janitorial Service/Carpet Cleaning	\$ 7,800
File Storage	Iron Mountain - Offsite Storage	\$ 5,000
	Iron Mountain - Shredding Service	\$ 300
Leases	Mail & Copier Machines	\$ 13,000
	Office Alarms and Security Camera	\$ 4,000
Printing	Checks, Forms, Statements	\$ 1,500
CSG Systems, Inc.	Fulfillment Center for Billing Stmtnts	\$ 20,000
	NetBill (Online Payments)	\$ 6,500
Emergency	Supplies	\$ 1,000
	AED Certification	\$ 125
Miscellaneous	Office Supplies	\$ 5,500
	Credit Card / Bank Fees	\$ 7,000
	Pre-Employment Physicals	\$ 250
	Employee Recognition Program	\$ 2,000
	Petty Cash	\$ 2,500
	Director recognition/framing	\$ 300
	ORCC LockBox Services	\$ 600
	Allowance for Bad Debt	\$ 5,000
Maintenance	Office Equipment/Repairs	\$ 1,500
	Office Maintenance/Repairs	\$ 5,000
Payroll	Payroll Processing with ADP	\$ 8,500
TOTAL		\$ 119,375

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5621 Description: Computer Services	
Actual Amount As Of: 31-Jan 2011	27,816
PROJECTED ACTIVITY to END of FY:	30,000
Projected YEAR END TOTAL:	57,816
PROPOSED Line Item Amount:	67,650

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	62,650
% Change Actual Year End compared to Proposed Line item amount.	17.0%
% Change to previous year budget:	8.0%
Dollar difference between proposed budget & current budget	5,000

NARRATIVE:

Maintenance Agreements		Computer Services	
Springbrook	\$12,000	New/Upgrades to software/Cust Rpts	\$ 4,000
Radix	\$3,000	Services/Repairs/Parts	\$ 15,000
ICS	\$15,000	Coastside Net	\$ 1,000
Hansen	\$2,500	Rogue Web Works (Website Maint.)	\$ 5,000
Badger	\$1,500	Sonic.net	\$ 450
XC2 Software	\$800	Spam Filtering	\$ 900
Check Scanner	\$1,500		
GIS License	\$5,000		
Subtotal	\$41,300	Subtotal	\$ 26,350
		Grand Total	\$ 67,650

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5625 Description: Meetings/Training/Seminars	
Actual Amount As Of: 31-Jan 2011	9,752
PROJECTED ACTIVITY to END of FY:	7,000
Projected YEAR END TOTAL:	16,752
PROPOSED Line Item Amount:	18,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	20,000
% Change Actual Year End compared to Proposed Line item amount.	7.5%
% Change to Previous Year Budget	(10.0%)
Dollar difference between proposed budget & current budget	-2,000

NARRATIVE:

	<u>Amount</u>
Conferences (District Employees)	\$ 4,000
Conferences/Seminars (Board of Directors)	\$ 2,000
Staff Training/Seminars/Continuing Education	\$ 4,000
Safety Training (CINTAS)	\$ 7,000
WTO/WDO Renewal/Application Fees	\$ 1,000
TOTAL	<u>\$ 18,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5630 Description: Insurance	
Actual Amount As Of: 31-Jan 2011	91,336
PROJECTED ACTIVITY to END of FY:	28,250
Projected YEAR END TOTAL:	119,586

PROPOSED Line Item Amount:	125,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	125,000
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% Change Actual Year End compared to Proposed Line item amount.	4.5%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

	FY 10/11	FY 11/12
Auto/General Liability	\$55,000	\$55,000
Property Program	\$20,000	\$20,000
Workers Compensation	\$50,000	\$50,000
TOTAL	\$125,000	\$125,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5635 Description: Ee/Ret. Medical Insurance	
Actual Amount As Of: 31-Jan 2011	231,296
PROJECTED ACTIVITY to END of FY:	176,750
Projected YEAR END TOTAL:	408,046

PROPOSED Line Item Amount:	438,607
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	403,890
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% Change Actual Year End compared to Proposed Line item amount.	7.5%
% Change to Previous Year Budget	8.6%
Dollar difference between proposed budget & current budget	34,717

NARRATIVE:

<u>Active Employees:</u>	FY 11/12
Medical	288,944
Dental	17,717
Vision	4,173
Life/AD&D	6,156
LTD	16,733
EAP	737
	334,459 Subtotal

<u>Retirees:</u>	
Medical	96,233
Dental	6,196
Vision	1,718
	104,148 Subtotal

438,607 Total

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

ACCOUNT No. 5635 / Insurance Benefits for Active Employees and Retirees - Year 2010/2011

ACTIVE EMPLOYEES

	Kaiser	Blue Cross	Dental	Vision	Life/AD&D	LTD	EAP	
July-10	7,886	11,430	1,285	338	494	1,367	60	
August-10	7,886	11,965	1,285	338	494	1,367	60	
September-10	7,886	11,965	1,285	338	503	1,367	60	
October-10	7,886	11,965	1,285	338	503	1,367	60	
November-10	7,886	11,965	1,285	338	503	1,367	60	
December-10	7,886	12,794	1,343	338	503	1,367	60	
January-11	8,705	12,794	1,417	338	503	1,367	60	
February-11	8,705	12,794	1,380	338	503	1,367	60	
March-11	8,705	12,794	1,380	338	503	1,367	60	
April-11	8,705	12,794	1,380	338	503	1,367	60	
May-11	8,705	12,794	1,380	338	503	1,367	60	
June-11	8,705	12,794	1,380	338	503	1,367	60	
	99,546	148,847	16,081	4,051	6,016	16,405	722	Subtotal
	104,460	153,526	16,558	4,051	6,035	16,405	722	Subtotal (June Rate x 12/mo)
	12%	12%	7%	3%	2%	2%	2%	% Increase
	116,995	171,949	17,717	4,173	6,156	16,733	737	TOTAL
	288,944							

RETIREES

	Kaiser	Blue Cross	Dental	Vision	
July-10	1,168	4,709	462	139	
August-10	1,168	4,715	462	139	
September-10	1,168	4,715	462	139	
October-10	1,168	4,715	462	139	
November-10	1,168	4,715	462	139	
December-10	1,168	5,872	483	139	
January-11	1,288	5,872	483	139	
February-11	1,288	5,872	483	139	
March-11	1,288	5,872	483	139	
April-11	1,288	5,872	483	139	
May-11	1,288	5,872	483	139	
June-11	1,288	5,872	483	139	
		(24,311)	(4,987)		Reimbursement from Retirees
	3,568				Medical reimbursement to Retirees
	18,304	40,364	700	1,668	Subtotal
	15,456	70,467	5,791	1,668	Subtotal (June Rate x 12/mo)
	12%	12%	7%	3%	% Increase
	17,311	78,923	6,196	1,718	TOTAL
	96,233				

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5640 Description: Employee Retirement	
Actual Amount As Of: 31-Jan 2011	223,240
PROJECTED ACTIVITY to END of FY:	187,000
Projected YEAR END TOTAL:	410,240
PROPOSED Line Item Amount:	462,627

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	437,789
% Change Actual Year End compared to Proposed Line item amount.	12.8%
% Change to Previous Year Budget	5.7%
Dollar difference between proposed budget & current budget	24,838

NARRATIVE:

This line item is a function of salaries and will be determined when salaries and employee complement is set by the Board.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5645 Description: SIP 401a Plan	
Actual Amount As Of: 31-Jan 2011	0
PROJECTED ACTIVITY to END of FY:	58,752
Projected YEAR END TOTAL:	58,752
PROPOSED Line Item Amount:	30,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	30,000
% Change Actual Year End compared to Proposed Line item amount.	(48.9%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Supplemental Income Trust Fund / AIP 401a Plan base on the Memorandum of Understanding between CCWD and the Teamsters Union, Local 856

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT
DRAFT
 Budget Worksheet

Fiscal Year
2011/2012

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5681 Description: Legal	
Actual Amount As Of: 31-Jan 2011	32,921
PROJECTED ACTIVITY to END of FY:	30,000
Projected YEAR END TOTAL:	62,921
PROPOSED Line Item Amount:	60,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	57,000
% Change Actual Year End compared to Proposed Line item amount.	(4.6%)
% Change to Previous Year Budget	5.3%
Dollar difference between proposed budget & current budget	3,000

NARRATIVE:

This account is for the Legal Counsel General District business that is not included in capital projects or reimbursable projects. The legal costs for capital projects and reimbursable projects whether the work is performed by District Counsel or other counsel is part of the overall project and not an operating expense.

HansonBridgett \$60,000

Total \$60,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5682 Description: Engineering	
Actual Amount As Of: 31-Jan 2011	3,254
PROJECTED ACTIVITY to END of FY:	3,000
Projected YEAR END TOTAL:	6,254

PROPOSED Line Item Amount:	14,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	14,000
% Change Actual Year End compared to Proposed Line item amount.	123.9%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

This account is for the District Engineer's monthly retainer and for general District business that is not included in capital projects or reimbursable projects. The engineering costs for capital projects and reimbursable projects whether the work is performed by the District engineer or another engineer are part of the overall project and not an operating expense.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5683 Description: Financial Services	
Actual Amount As Of: 31-Jan 2011	15,531
PROJECTED ACTIVITY to END of FY:	11,000
Projected YEAR END TOTAL:	26,531

PROPOSED Line Item Amount:	31,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	31,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	16.8%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Annual auditing services performed by Joseph J Arch, CPA and
Annual accounting/consultation services provided by John Parsons, CPA.

	FY 11/12
Financial Audit Service	\$16,000
Accounting Services	\$15,000
Total	<u><u>\$31,000</u></u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5684 Description: Payroll Taxes	
Actual Amount As Of: 31-Jan 2011	62,087
PROJECTED ACTIVITY to END of FY:	45,000
Projected YEAR END TOTAL:	107,087
PROPOSED Line Item Amount:	114,658

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	111,951
% Change Actual Year End compared to Proposed Line item amount.	7.1%
% Change to Previous Year Budget	2.4%
Dollar difference between proposed budget & current budget	2,707

NARRATIVE:

Payroll taxes, i.e. Social Security is a function of salaries. It is applied at a total rate of 7.65% of gross payroll. The final amount will be determined when salaries and employee complement is finalized by the Board.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

Line Item

Amount

Acct. No. **5684**

Description: Payroll Taxes

CALCULATION FOR PAYROLL TAXES

		SOCIAL SECURITY 6.20%	MEDICARE 1.45%	TOTAL
TOTAL PAYROLL	\$ 1,603,229			
AMOUNT SUBJECT TO SOCIAL SECURITY	\$ 1,474,367	\$ 91,411		\$ 91,411
AMOUNT SUBJECT TO MEDICARE	\$ 1,603,229		\$ 23,247	\$ 23,247
TOTAL				\$ 114,658

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5687 Description: Memberships & Subscriptions	
Actual Amount As Of: 31-Jan 2011	36,317
PROJECTED ACTIVITY to END of FY:	24,000
Projected YEAR END TOTAL:	60,317
PROPOSED Line Item Amount:	57,950

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	56,950
% Change Actual Year End compared to Proposed Line item amount.	(3.9%)
% Change to Previous Year Budget	1.8%
Dollar difference between proposed budget & current budget	1,000

NARRATIVE: See attached worksheet for detail of costs

Increase in BAWSCA Annual Assessments

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Worksheet 5687A		Budget Detail Worksheet	
<u>Line Item: Memberships & Subscriptions</u>		Description	
Acct. No. 5687	Amount		
ACWA	\$10,000	Membership dues	
ACWA	\$10,000	Delta Sustainability Dues	
AWWA	\$2,000	Membership dues and technical publications	
BAWSCA	\$25,000	Annual assessment & dues	
California Emergency Utilities	\$500	Annual Membership	
Chamber of Commerce	\$600	Membership dues & Farm Day Luncheon Tickets	
CSDA	\$4,000	Membership dues	
IAMPO	\$100	Subscription for Backflow Prevention Magazine	
Miscellaneous	\$1,000	Miscellaneous Dues/Memberships/Subscriptions	
Springbrook Users Group	\$50	Annual Users Group for Springbrook Software	
Water Education Foundation	\$1,000	Membership dues and technical publications	
Water ReUse	\$600	Annual Association Dues	
Wellness Program	\$2,500	Wellness Program group membership in health club	
West Group (Formally Barclays)	\$600	Updates on California Code of Regulations regarding construction laws	
TOTAL	\$57,950		

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>		<u>Amount</u>
Acct. No.	5688	Description: Election Expense
Actual Amount As Of:	31-Jan 2011	0
PROJECTED ACTIVITY to END of FY:		0
Projected YEAR END TOTAL:		0
PROPOSED Line Item Amount:		25,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET: 0

% Change Actual Year End compared to Proposed Line item amount.

% Change to Previous Year Budget	#DIV/0!
Dollar difference between proposed budget & current budget	25,000

NARRATIVE:

Spread:

Jul	Aug	Sep	Oct	Nov	Dec	Totals
Jan	Feb	Mar	Apr	May	Jun	

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>		<u>Amount</u>
Acct. No.	5689	Description: Union Expenses
Actual Amount As Of:	31-Jan 2011	2,040
PROJECTED ACTIVITY to END of FY:		0
Projected YEAR END TOTAL:		2,040
PROPOSED Line Item Amount:		6,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	12,000
% Change Actual Year End compared to Proposed Line item amount.	194.1%
% Change to Previous Year Budget	(50.0%)
Dollar difference between proposed budget & current budget	-6,000

NARRATIVE:

Union Negotiation Services		\$ 6,000
	TOTAL	\$ 6,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5700 Description: County Fees	
Actual Amount As Of: 31-Jan 2011	10,805
PROJECTED ACTIVITY to END of FY:	0
Projected YEAR END TOTAL:	10,805
PROPOSED Line Item Amount:	16,200

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	10,800
% Change Actual Year End compared to Proposed Line item amount.	49.9%
% Change to Previous Year Budget	50.0%
Dollar difference between proposed budget & current budget	5,400

NARRATIVE:

Increase due to required Annual Encroachment Permit by San Mateo County.

1. The cost of the LAFCo budget, estimated	\$5,500.00
2. Hazardous Material Handling (Nunes & Denniston)	\$3,500.00
3. Property Taxes	\$1,200.00
4. Annual Encroachment Permit	\$6,000.00
	\$16,200.00

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5705 Description: State Fees	
Actual Amount As Of: 31-Jan 2011	18,078
PROJECTED ACTIVITY to END of FY:	1,000
Projected YEAR END TOTAL:	19,078
PROPOSED Line Item Amount:	19,400

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	10,500
% Change Actual Year End compared to Proposed Line item amount.	1.7%
% Change to Previous Year Budget	84.8%
Dollar difference between proposed budget & current budget	8,900

NARRATIVE:

- #1 Fees are charged by the State Department of Health Services for reviewing applications and annual reports on operation of the Nunes & Denniston Water Treatment Plants
(DHS Fees - Increase due to additional services regarding new regulations)
- #2 Water Rights (initialized by SWRCB) for both Pilarcitos & San Vincente
- #3 RWQCB NPDES Annual Fee (estimated)
- #4 Bay Area Air Quality Management Dist - Permits to Operate

#1	\$15,000
#2	\$2,000
#3	\$1,400
#4	\$1,000
	\$19,400

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5711 Description: Existing Bonds - 1998A	
Actual Amount As Of: 31-Jan 2011	250,235
PROJECTED ACTIVITY to END of FY:	19,000
Projected YEAR END TOTAL:	269,235
PROPOSED Line Item Amount:	267,993

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	269,845
% Change Actual Year End compared to Proposed Line item amount.	(0.5%)
% Change to Previous Year Budget	(0.7%)
Dollar difference between proposed budget & current budget	-1,853

NARRATIVE:

ABAG Pooled Financing Program Series 1998A

September 2011 Payment	\$254,610
March 2012 Payment	\$13,383
Spread:	\$267,993

Jul Aug Sep Oct Nov Dec

Jan Feb Mar Apr May Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5712 Description: Existing Bonds - 2006B	
Actual Amount As Of: 31-Jan 2011	337,431
PROJECTED ACTIVITY to END of FY:	150,000
Projected YEAR END TOTAL:	487,431
PROPOSED Line Item Amount:	483,281

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	484,966
% Change Actual Year End compared to Proposed Line item amount.	(0.9%)
% Change to Previous Year Budget	(0.3%)
Dollar difference between proposed budget & current budget	-1,685

NARRATIVE:

CSCDA Pooled Financing Program Series 2006B

September 2011 Payment	\$335,852
March 2012 Payment	\$147,429
	\$483,281

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2011/2012**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5713 Description: Cont. to CIP & Reserves	
Actual Amount As Of: 31-Jan 2011	313,865
PROJECTED ACTIVITY to END of FY:	313,865
Projected YEAR END TOTAL:	627,731
PROPOSED Line Item Amount:	695,705

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	627,731
% Change Actual Year End compared to Proposed Line item amount.	10.8%
% Change to Previous Year Budget	10.8%
Dollar difference between proposed budget & current budget	67,974

NARRATIVE:

Contribution to CIP & Reserves	\$ 695,705
	\$ 695,705

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

EXHIBIT C

FISCAL YEAR 2011/12 TO 2020/21 CAPITAL IMPROVEMENT PROGRAM

EXHIBIT D

**JUNE 2011
WATER FINANCING PLAN
UPDATE**



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue
Berkeley, CA 94703
510 653 3399 fax: 510 653 3769
e-mail: bwa@bartlewells.com

June 24, 2011

Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019-1995

Attn: Dave Dickson, General Manager

Re: Water Financing Plan Update 2011

Bartle Wells Associates is pleased to submit the attached Water Financing Plan Update 2011 for the Coastside County Water District. The updated report describes our financial analysis and rate adjustment recommendations.

The District is currently in good financial condition. The recommendations developed in the study are designed to support the long-term health of the District. Key recommendations include implementing future rate increases and to issue additional debt in 2013/14 to fund capital improvements.

We have enjoyed working with the District on this assignment and appreciate the cooperation and the assistance provided by District staff throughout the project. Please do not hesitate to contact us in the future if you have any questions about this study or other issues regarding water rates and finances.

Very truly yours,

BARTLE WELLS ASSOCIATES

Reed V. Schmidt, CIPFA
Principal

Catherine L. Tseng, CIPFA
Financial Analyst

Enclosures



COASTSIDE COUNTY WATER DISTRICT

WATER FINANCING PLAN UPDATE

JUNE 2011



BARTLE WELLS ASSOCIATES
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1 BACKGROUND AND OVERVIEW

1.1 Background

In May 2011, the Coastside County Water District (CCWD or the District) requested Bartle Wells Associates (BWA) to update the District's long-term financial plan which was first completed in August 2009. The District is in the process of applying for a loan from the California Infrastructure and Economic Development Bank's (I-Bank) through the Infrastructure State Revolving Fund Program (ISRF) to fund capital projects. In anticipation of the loan, BWA has reviewed the District's water rates and finances to ensure that future revenues are adequate to fund long-term operating and capital expenditures. Key objectives of this update include:

- Conduct an independent analysis of the District's water rates and finances
- Develop 10-year financial projections incorporating long-term operating and capital funding needs
- Project future water rate increases that reflect the District's cost of providing service
- Evaluate various financing alternatives to fund capital projects in the future
- Phase in rate increases and/or rate structure modifications over time, to the extent possible, to help minimize the annual impact on ratepayers
- Establish prudent fund reserve targets

1.2 Overview of District

Coastside County Water District is a special district providing water services in the City of Half Moon Bay and parts of the unincorporated areas of San Mateo County including Miramar, Princeton by the Sea, and El Granada. The District serves more than 6,000 customers, who are predominantly residential.

CCWD's water supply comes from three sources: local groundwater, local surface water, and surface water supplied from the San Francisco Public Utilities Commission's (SFPUC) Hetch Hetchy water system. Historically, SFPUC has supplied about 80% of the District's water. The District projects that the proportion of SFPUC water will decrease as local source yields improve.

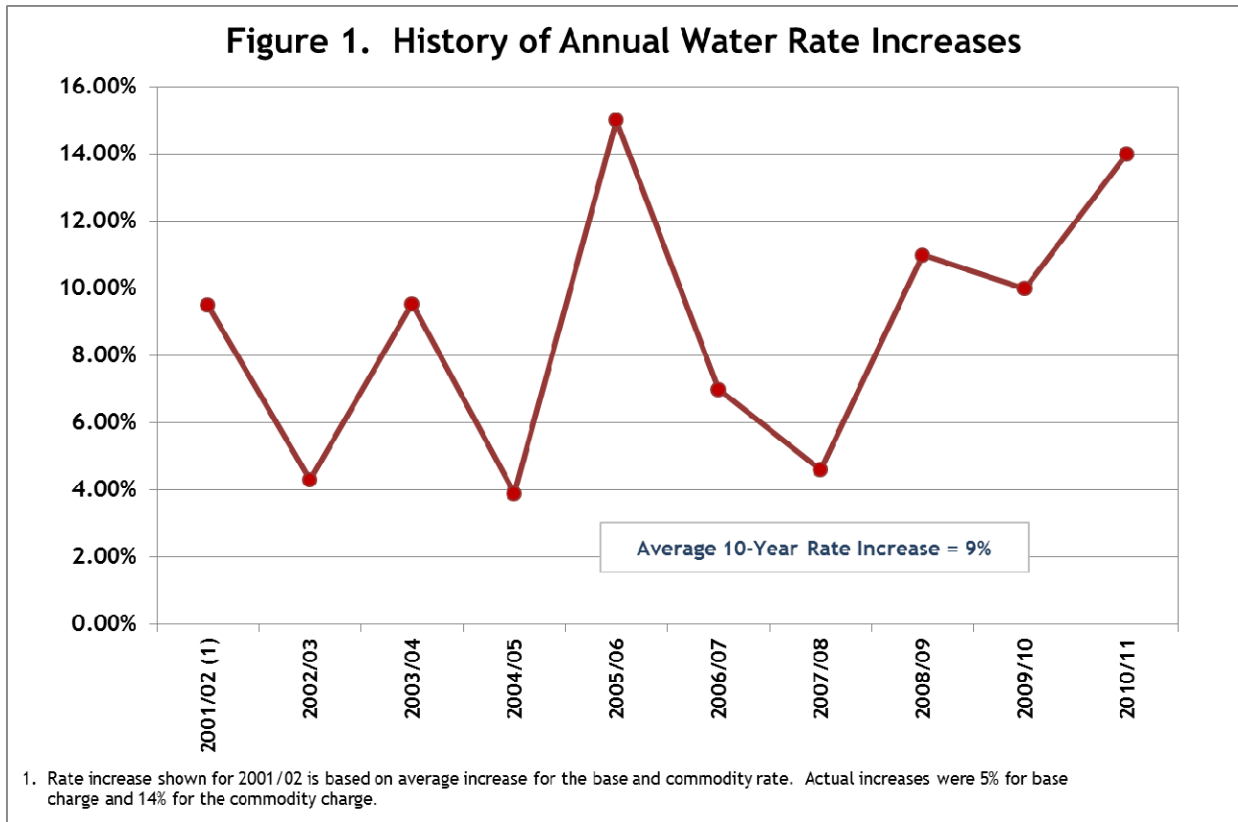
The District's total operating revenue for the FY 2011/12 is projected at approximately \$7.5 million with water sales revenue accounting for roughly 87% of all revenues. Operating expenses for FY 2011/12 are estimated at \$6.0 million, not including capital projects or debt service.

The District's current bi-monthly water rate structure is comprised of a base charge and a quantity charge. The base charge is the minimum charge paid by all customers and varies by

size of meter serving the customer. The quantity charge applies to the quantity of water delivered to the customer. For residential customers, the quantity rate is based on four tiers so that the cost of each incremental unit of water increases in steps. The quantity rate for non-residential customers is based on one uniform tier. Table 1 shows the District's water rates for FY 2010/11 and proposed rates for FY 2011/12.

Table 1. Water Rate Schedule - Bi-Monthly		
	Current 2010/11	Proposed 2011/12
Base Charge (by meter size)		
5/8"	\$27.43	\$30.72
5/8" for 2 dwelling units	\$60.33	\$67.57
3/4"	\$41.23	\$46.18
3/4" for 2 dwelling units	\$82.51	\$92.41
1"	\$68.72	\$76.97
1-1/2"	\$132.71	\$148.64
2"	\$219.95	\$246.34
3"	\$481.16	\$538.90
4"	\$1,649.90	\$1,847.89
Variable Charge (1)		
<u>Residential</u>		
0 - 8 hcf	\$4.48	\$5.02
9 - 25 hcf	\$4.94	\$5.53
26 - 40 hcf	\$6.42	\$7.19
41 & over hcf	\$7.93	\$8.88
<u>Non-Residential</u>		
Per hcf	\$6.10	\$6.83
(1) 1 unit = 1 hcf = 7.48 gallons		

Overall, the CCWD is in good financial condition. The enterprise maintains an adequate level of reserves. As of July 1, 2010, the District had about \$4.3 million in fund reserves. The District has also increased water rates annually for the past ten years as shown on Figure 1. Rate increases are necessary to fund rising operating costs including increased wholesale water costs from the San Francisco Public Utilities Commission (SFPUC) and to finance capital improvement projects.



1.3 Current Outstanding Debt

Since 1998, the District has issued approximately \$10 million in long-term debt secured by water revenue. The District’s two outstanding debt issuances include: 1) Series 1998A Association of Bay Area Governments (ABAG) Water and Wastewater Revenue Refunding Bonds for \$2,855,000 and 2) Series 2006B California Statewide Communities Development Authority (CSCDA) Water Revenue Bonds for \$7,295,000. A portion of the 1998A Bonds were used to advance refund the outstanding balance of the Series 1993A Water Revenue Refunding Bonds which was paid off on June 30, 2004. The 1998A Bonds bear interest at 3.50% to 4.75% with the final installment due on October 1, 2013. The 2006B Bonds bear interest at 3.75% to 5.3% with the final installment due on October 1, 2032. As of June 30, 2011, outstanding principal for the existing debt obligations totals \$7,355,000 with annual debt service of approximately \$750,000 through FY 2014/15.

1.4 FY 2011/12 I-Bank Loan

The District is in the process of securing a \$6.7 million I-Bank loan in FY 2011/12 to fund upgrades to the Denniston Creek Water Treatment Plant (DCWTP). The project will enable year round treatment of the local surface water supply thereby increasing water system reliability and reducing long-term operating expenses. The I-Bank loan program is administered by the California Infrastructure and Economic Development Bank and offers direct long-term, low-cost loans of up to 30 years to fund public infrastructure. CCWD is eligible for the Tier 1 loan program which can be used to fund up to \$10 million of projects. Before loans are awarded, agencies must meet minimum threshold eligibility criteria that

evaluate how the project will contribute to economic development and an improved quality of life for the community.

Debt repayment is typically secured by an agency's legal pledge to raise rates and fees as needed to repay debt service. The interest rate is set at approximately 67% of Thompson's Municipal Market Data Index for an "A" rated tax-exempt security plus twenty basis points. Based on current market conditions, the interest rate ranges between 3.5% to 4.0%. The updated financial plan assumes \$6.7 million loan in 2011/12 with interest of 4.0% for 20 years. Annual debt service is estimated at \$493,000 beginning in FY 2012/13. The District submitted the financing application in June 2011 and anticipates an approval within the next 6 months.

1.5 Debt Covenants and Debt Service Coverage

Pursuant to the legal agreements securing the outstanding debt issues, the District has agreed to abide by a number of debt covenants designed to ensure adequate repayment security. Key among these is a debt service coverage covenant that requires the District to maintain and raise water rates as needed to achieve 120% coverage on annual debt service which is a standard legal covenant for securing water revenues bonds or COPs. Debt service coverage is calculated based on net revenues (total annual revenues less annual operating and maintenance costs) divided by the District's total annual debt service obligation. Therefore, water rates must be designed to ensure adequate coverage. Based on the updated financial plan, the District will be in compliance with the coverage requirements.

1.6 Reserve Funds

The District maintains a number of reserve funds. Some funds are designated and/or restricted for specific purposes; others are undesignated and can be used for any District purposes. Unrestricted reserve funds include the Cash Flow and Operating Reserve, Emergency and Contingency Reserve, and Capital Expenditures Reserve. As shown on Table 2, the District's reserves totaled over \$4.3 million as of June 30, 2010. The estimated reserve balance at the end of FY 2010/11 is projected to be about \$3.4 million.

Table 2. Reserve Fund Balances	
Reserve Fund	30-Jun-10
Cash Flow and Operating Reserve	\$299,830
Emergency Reserves	\$1,740,663
Capital Expenditures	\$2,109,352
<u>Crystal Springs Project Connection Fees</u>	<u>\$165,495</u>
Total Fund Balances	\$4,315,340

- **Operating and Capital Reserve Target**

The 2009 Water Financing Plan recommended a minimum fund reserve target of 15% of the District's annual water sales revenue which will allow the District to fund a portion of their capital improvements with pay-as-you-go cash funding. Maintaining a prudent level of fund reserves is an important component of financial management. Adequate fund reserves a) provide a financial cushion for dealing with unanticipated financial needs and emergencies; b) provide working capital to help deal with revenue and expense fluctuations; and c) provide guidance for long-term financial planning. The fund reserve target will vary over time based on the District's annual operating revenue. It is acceptable if reserves fall below the target on a temporary basis, provided action is taken to achieve the target over the longer run. The minimum operating reserve fund target for FY 2011/12 is \$983,000. Based on the projections, the District will meet the operating reserve fund target through FY 2020/21.

- **Rate Stabilization Fund Target**

In discussion at a Board workshop in May 2011, it was decided that the District will establish a rate stabilization reserve to comply with stipulations in the Series 2006B CSCDA Water Revenue Bonds with a fund target of \$250,000. The purpose of the fund is to reduce water revenue requirements in order to smooth water rate adjustments over time. The District may withdraw money from the rate stabilization fund as needed.

The fund reserve targets are summarized in Table 3.

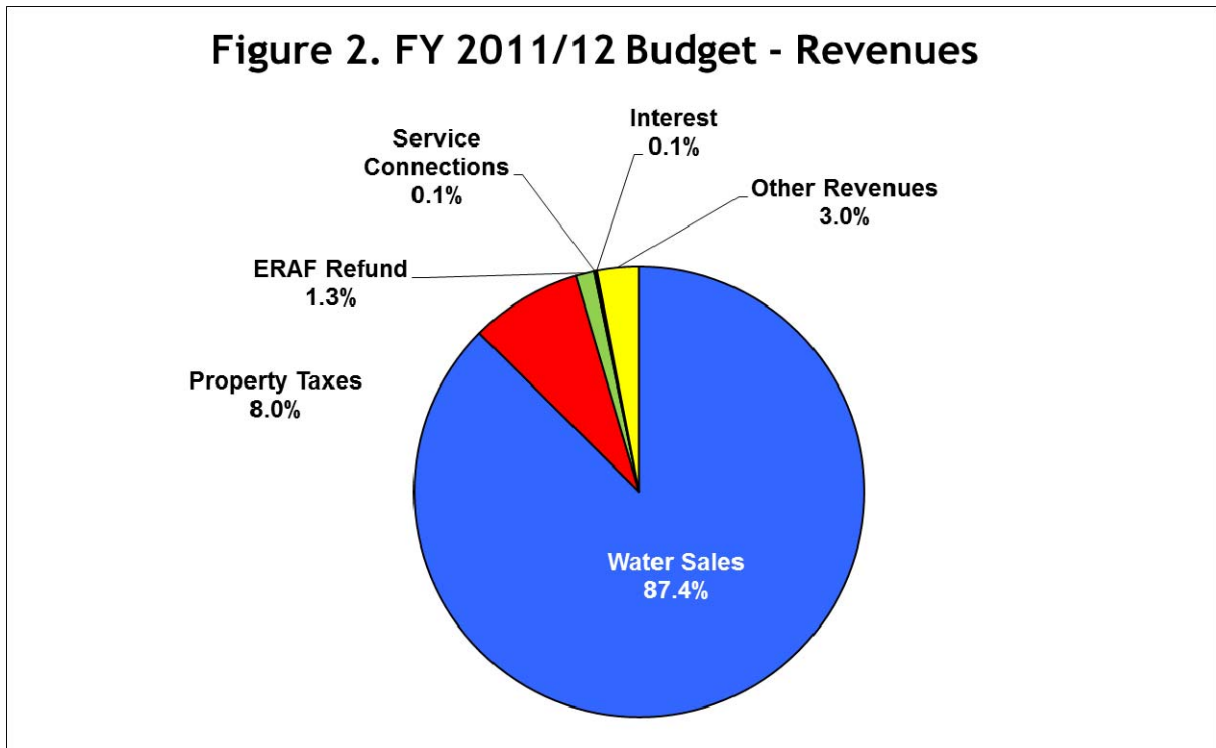
Reserve Fund	Fund Reserve Target	2011/12 Target
Capital and Operating Reserve	15% of Annual Water Sales Revenue	\$983,000
Rate Stabilization Fund	1-Year Contribution of \$250,000	\$250,000

2 FY 2011/12 BUDGET

2.1 Revenues

The FY 2011/12 budget (shown in Appendix A) estimates that the District will earn roughly \$7.5 million in total annual revenues, representing a 5% increase from the FY 2010/11 budget. Revenues from water sales are estimated at \$6.6 million, comprising 87% of total revenues.

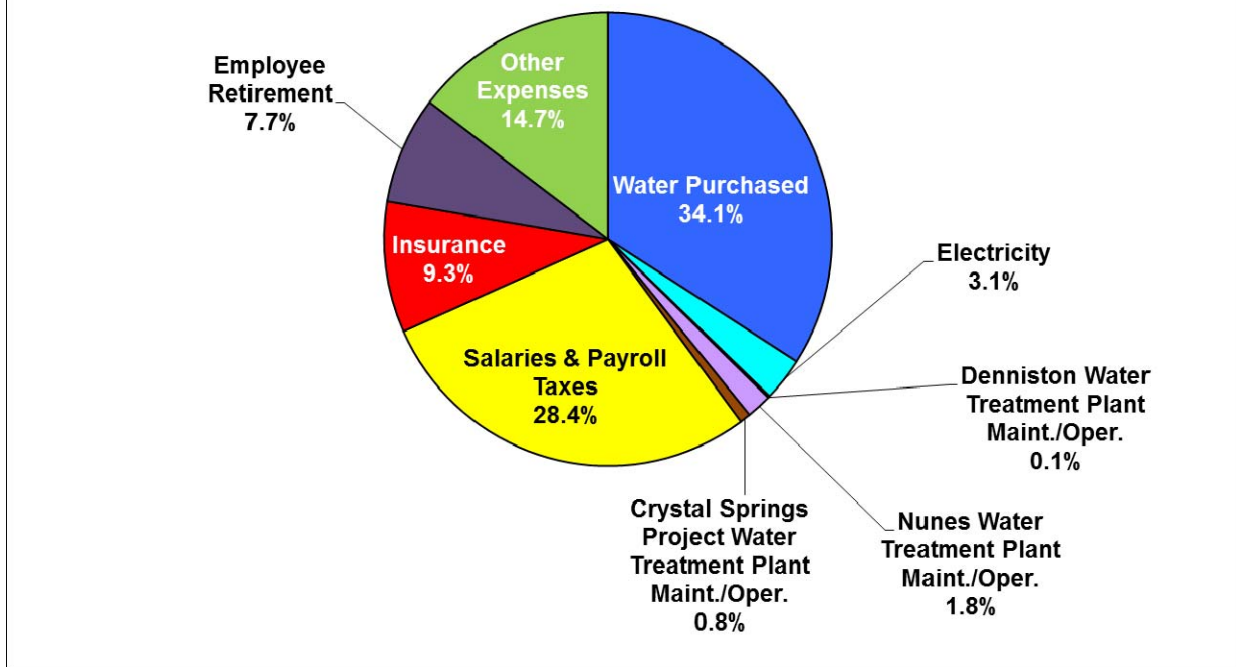
Property taxes are estimated at \$600,000 and an ERAF refund is projected at \$100,000 which combined account for roughly 9.3% of all revenues. Other revenues include hydrant sales, penalty charges, earned interest, cell phone lease income, and miscellaneous revenue totaling around \$259,000, representing 3% of the District's total revenues. A breakdown of the revenues is shown in Figure 2.



2.2 Operating Expenses

Total operating expenses for the FY 2011/12 budget are approximately \$6.0 million. The largest expense is wholesale water purchases from the SFPUC, estimated at \$2.1 million and representing about 34% of the total budget. For FY 2011/12, wholesale water rates increased by 26%. Salaries and payroll taxes of \$1.7 million account for 28% of total expenditures. Figure 3 shows a summary of the District's operating expenses for the FY 2011/12 budget.

Figure 3. FY 2011/12 Budget - Expenses



2.3 Capital Projects

The District's ten-year, FY2011/12 to FY20/21 Capital Improvement Program (CIP) includes FY 2011/12 expenditures of \$6.7 million for capital projects, including the DCWTP Improvements Project. Construction is anticipated to be completed within a year. These projects will be funded with an I-Bank loan. Annual debt service of \$493,000 will be repaid beginning in FY 2012/13.

2.4 Rate Stabilization Fund

The FY 2011/12 budget includes a \$250,000 transfer to establish the rate stabilization fund as required by the Series 2006B CSCDA Water Revenue Bonds borrowing.

2.5 FY 2011/12 Rate Increase

Based on the FY 2011/12 budget and CIP, the proposed rate increase is 12%. Proposition 218 notices detailing the rate increases were mailed to all property owners, and a public hearing will be held on June 28, 2011 to approve the rates for the next fiscal year. The approved rates will become effective on July 1, 2011.

3 FUTURE OPERATING EXPENSES

3.1 Forecast of Operating Expenses

Table 4 projects operating expenses over the ten-year analysis period (FY 2011/12 through FY 2020/21). The FY 2011/12 budget serves as the base year. Forecasted increases in purchased water reflect the percentage increases provided by the SFPUC. All expenditures except for water purchased are forecasted to increase at 5% per year. At the bottom of the table are the estimated overall percentage increases in operating expenses; they are forecasted to increase between 3% and 8% over the next ten fiscal years.

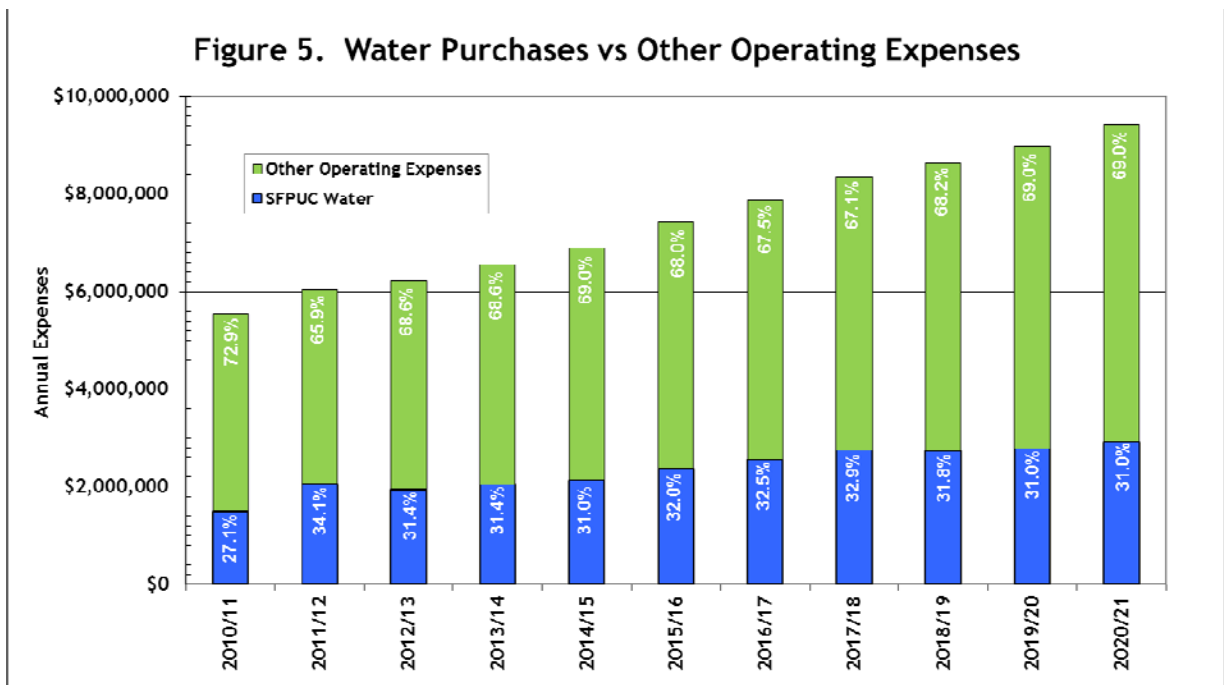
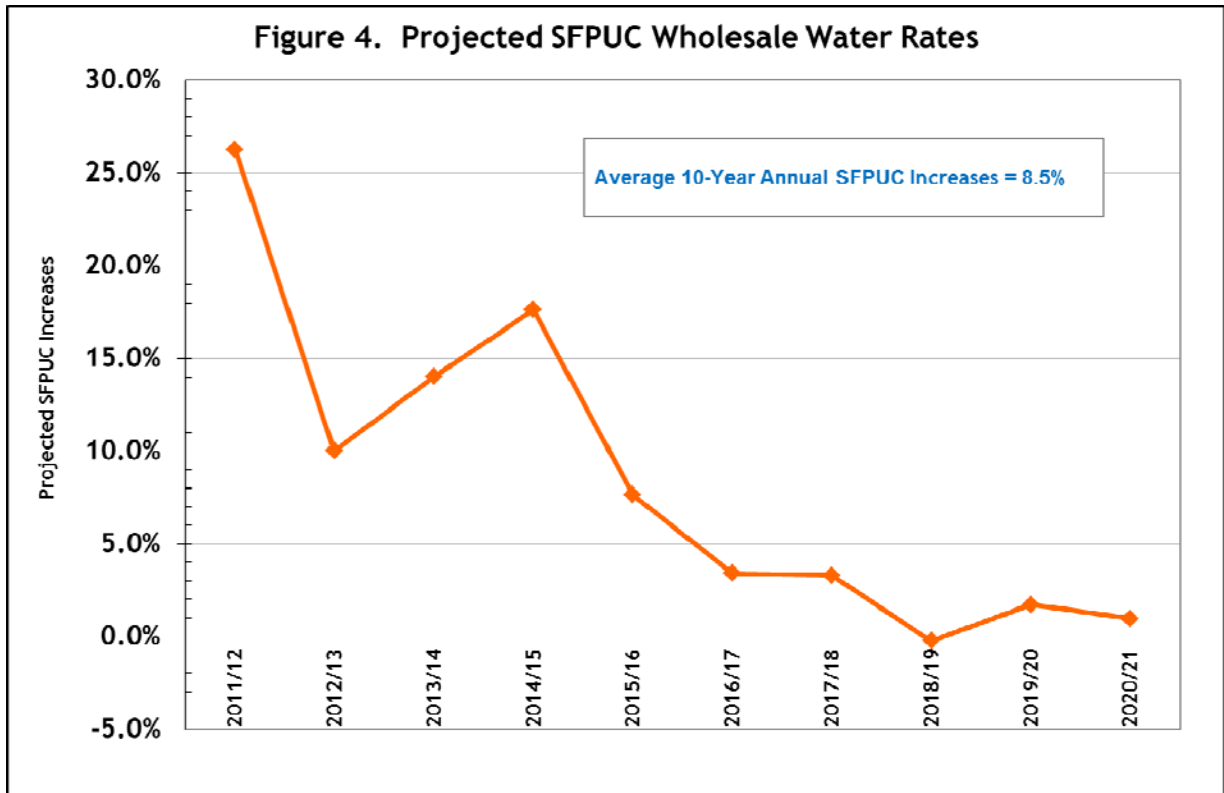
3.2 Projected Wholesale Rate Increases

Because the District only receives untreated water from the San Francisco Public Utilities Commission, CCWD was able to negotiate a discount on its wholesale water rates. For FY 2011/12, the discount is \$0.23 per hcf. Although the SFPUC's rates are expected to increase over the next ten years, the untreated water discount and projected decreases in the amount of water purchased from the SFPUC will mitigate the effect of increased rates on total wholesale water costs.

Figure 4 shows a ten-year projection of the SFPUC's wholesale water rate increase which includes the District's discount for untreated water. The SFPUC's rates shown are based on the most current information available to date and will be updated each year. The highest increases occur in the next five years. Figure 5 illustrates the average annual increases for SFPUC water purchases compared to all other expenses. On average, both water purchases and other expenses are estimated to increase roughly 5% annually over the next ten years.

Table 4. Projected Future Operating Expenses

	Budget 2011/12	Inflation Factor	Estimated															
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21							
Operating Expenses																		
Water Purchased	\$2,059,555		\$1,951,972	\$2,053,175	\$2,140,074	\$2,373,496	\$2,557,052	\$2,747,560	\$2,741,010	\$2,786,865	\$2,924,566							
Electricity	188,536	varies	198,000	218,000	232,000	249,000	267,000	288,000	310,000	326,000	342,000							
Denniston WTP Maint./Oper.	8,000	5%	80,000	84,000	125,000	185,000	194,000	204,000	214,000	225,000	236,000							
Nunes WTP Maint./Oper.	108,908	5%	114,000	125,000	133,000	143,000	153,000	165,000	178,000	187,000	196,000							
CSP WTP Maint./Oper.	47,000	5%	49,000	54,000	58,000	62,000	66,000	71,000	77,000	81,000	85,000							
Salaries & Payroll Taxes	1,717,888	5%	1,804,000	1,894,000	1,989,000	2,088,000	2,192,000	2,302,000	2,417,000	2,538,000	2,665,000							
Insurance	563,607	5%	592,000	622,000	653,000	686,000	720,000	756,000	794,000	834,000	876,000							
Employee Retirement	462,627	5%	486,000	510,000	536,000	563,000	591,000	621,000	652,000	685,000	719,000							
Other Expenses	887,625	5%	932,000	979,000	1,028,000	1,079,000	1,133,000	1,190,000	1,250,000	1,313,000	1,379,000							
Total Operating Expenses	6,043,746		6,206,972	6,539,175	6,894,074	7,428,496	7,873,052	8,344,560	8,633,010	8,975,865	9,422,566							
Increase from prior FY			163,226	332,203	354,898	534,422	444,556	471,508	288,449	342,856	446,701							
Percent increase from prior FY			2.7%	5.4%	5.4%	7.8%	6.0%	6.0%	3.5%	4.0%	5.0%							

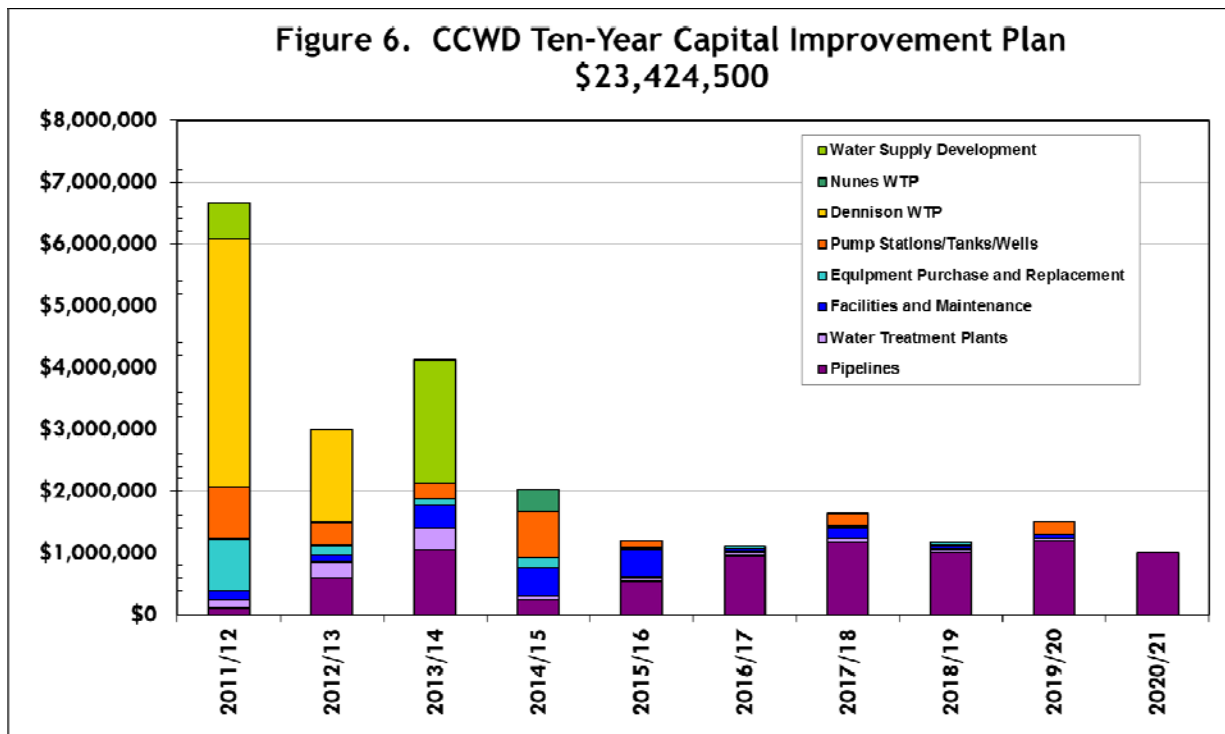


4 CAPITAL IMPROVEMENT PLAN (FY 2011/12 – 2020/21)

4.1 Capital Projects

CCWD’s Ten-Year CIP includes over \$23.4 million in improvements to the District’s water system through FY 2020/21. Figure 6 illustrates anticipated project costs per year based on the year each project is initiated. The Ten-Year CIP is shown in Appendix B.

The projects are broken out into eight categories consistent within the CIP: a) Pipeline Projects, b) Water Treatment Plants, c) Facilities and Maintenance, d) Equipment Purchase and Replacement, e) Pump Stations/Tanks/Wells, f) Dennison Water Treatment Plants (Short- and Long-Term) Improvements, g) Nunes Water Treatment Plant (Short- and Long-Term) Improvements, and h) Water Supply Development. Costs are shown in 2010 dollars. The CIP will be updated annually as changes are incorporated and as better cost information becomes available.



4.2 Construction Cost Inflation

In Table 5, BWA escalates the District’s 10-year capital improvement plan by 4% annually to account for construction cost inflation. Using a 4% escalation rate, the future costs of these improvements over the next decade is projected at over \$26.4 million.

Table 5. Escalated 10-Year Capital Improvement Plan			
	Fiscal Year	Nominal CIP	Escalated CIP
0	2011/12	6,670,500	6,671,000
1	2012/13	2,992,500	3,112,000
2	2013/14	4,122,500	4,459,000
3	2014/15	2,027,000	2,280,000
4	2015/16	1,201,000	1,405,000
5	2016/17	1,113,000	1,354,000
6	2017/18	1,633,000	2,066,000
7	2018/19	1,165,000	1,533,000
8	2019/20	1,500,000	2,053,000
9	2020/21	1,000,000	1,423,000
	Total	\$23,424,500	\$26,356,000

4.3 Capital Improvement Funding

With respect to funding future capital needs, there are several options for the District to consider. BWA recommends the District fund its Ten-Year CIP with a combination of pay-as-you-go cash funding combined with debt financing. The District will be able to fund a portion of the capital projects with operating revenues and cash reserves. However, due to the magnitude of the Ten-Year CIP, pay-as-you-go funding would need to be supplemented by some debt financing. The District has applied for a \$6.7 million I-Bank loan to fund the Denniston Creek Water Treatment Plant improvements. The Ten-Year Cash Flow Projection (discussed in Section 6) shows the District receiving the I-Bank funds in FY 2011/12 and making the first loan payment in FY 2012/13.

The projections show that the District will need to issue approximately \$3 million in debt to fund capital improvements in FY 2013/14. Major projects include the San Vicente Pipeline construction for water supply development and the Pilarcitos Canyon pipeline replacement.

BWA recommends that the District first apply for low-cost loans to fund capital projects when possible. The District should apply for another loan with the I-Bank. However, if an I-Bank loan is not available, BWA recommends the District seek a competitively bid "Private Placement" loan to finance capital projects in FY 2013/14.

A private placement loan is typically sourced through a commercial bank or leasing company and is generally limited to a 20-year maximum term. The loan is placed through a term sheet and competitive bidding process. Preparation of a bond prospectus or official statement is not needed. The legal documentation is relatively simple and streamlined and issuance costs are kept to a minimum. The legal covenants securing loans are generally similar to those of bonds.

Bank loans and private placements typically offer slightly higher interest rates than bonds, but also have lower costs of issuance. This has historically made bank loans a cost-effective option for smaller borrowings, historically under \$5 million. However, in the current interest rate environment, bank loans may be cost-effective for financings upwards of \$10 million depending on the underlying credit of the issuing agency. Short-term bank loans and lines of credit are sometimes used to provide interim financing that will eventually be taken out with long-term debt. For example, agencies with limited fund reserves may use a line of credit to fund project design and preliminary engineering costs prior to issuing long-term bonds when construction bids are received. The current interest rates on a private placement loan vary from about 3.1% for a 5-year loan to about 5.0% for a 20-year loan.

As a conservative estimate, the financial plan includes a \$3 million private placement loan in FY 2013/14 with terms of 5.0% interest for 20 years. Annual debt service is projected at \$241,000 beginning in FY 2014/15. Future rate increases shown in the Financing Plan are adequate to fund debt repayment and provide adequate debt coverage, as discussed below.

6 RATE INCREASES

6.1 Drivers of Future Rate Increases

The financial projections indicate the need for rate increases to keep long-term revenues in line with long-term expenses. The recommended adjustments are needed to enable the District to:

- **Fund approximately \$9.7 million in new debt to finance the capital improvement plan.** The District is in the process of applying for a \$6.7 million loan from the I-Bank to fund upgrades to the DCWTP and anticipates receiving the loan in FY 2011/12. The District will use reserves when possible to pay for capital projects in but will need to issue approximately \$3 million in additional debt in FY 2013/14. The new borrowings will result in a roughly \$734,000 increase in annual debt service beginning in FY 2014/15.
- **Keep revenues aligned with annual operating cost increases.** The District faces ongoing increases in operating costs for its operations and maintenance. Total operating expenses, excluding water purchases, are anticipated to increase 5% each year through FY 2020/21.
- **Fund wholesale water rate increases from the SFPUC.** Although CCWD has negotiated a discount for water purchases from the SFPUC and will begin to decrease their reliance on SFPUC water once the upgrades to the DWCTP are completed, the District will still be faced with annual wholesale water increases. The SFPUC's rate projections show average annual increases of roughly 8.5% through FY 2020/21 with the highest rate increases occurring in the next five years.
- **Satisfy rate covenants in existing debt obligations.** The District has pledged net revenues generated by the water system to the payment of the existing bond installment payments. In order to issue additional debt on parity with existing debt, the net revenues must be at least 120% of the maximum annual debt service for all existing and new debt.
- **Maintain a prudent level of reserves.** The District's operating and capital minimum reserve fund target is 15% of annual water sales revenue. The fund reserve target will vary each year, and it is acceptable if reserves fall below the target on a temporary basis, provided action is taken to achieve the target over the longer run. CCWD will also establish a rate stabilization fund in FY 2011/12 with a minimum fund reserve target of \$250,000

Table 6 projects the sources and uses of funds for the water system from FY 2011/12 through FY 2020/21. The District's primary source of revenue is water sales, and the cash flow projection indicates the percentage increase in water sales revenue necessary to cover annual

revenue requirements. The financial projections are based on the best information currently available as well as a number of conservative assumptions including:

Revenues

- Annual rate adjustments will take effect on July 1 of each year.
- New growth and water demand is not expected to increase significantly over the next ten years.
- To be conservative, property tax revenues are estimated to remain constant, and ERAF revenue is projected to be eliminated in FY 2012/13.
- Interest revenue and other revenues are projected to increase at 4 percent annually.
- Rates are designed to meet debt service coverage requirements each year.
- Capital revenue sources and amounts are based on the water capital improvement program.

Expenses

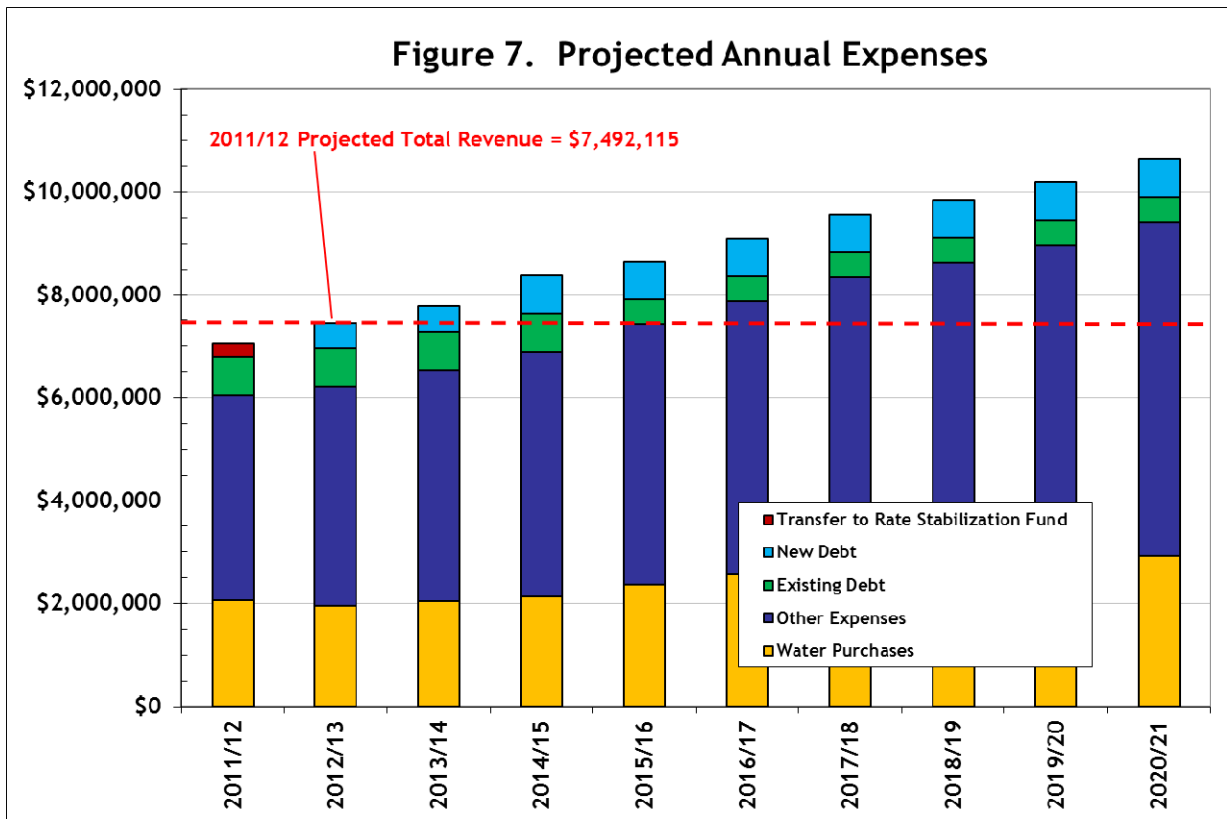
- All operating expenses, except for water purchases, are escalated by 5% each year to account for cost inflation.
- The projections include a \$6.7 million I-Bank loan in FY 2011/12 and a \$3 million private placement bank loan in FY 2013/14.
- Capital project expenditures will be reviewed and updated annually by CCWD.
- Minimum total (capital and operating) reserves should equal 15% of operating revenues from water sales.
- A rate stabilization fund will be established in FY 2011/12 with a transfer of \$250,000.

Table 6. Cash Flow Projection

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Beginning Fund Balance	\$3,351,204	\$3,823,761	\$1,465,135	\$1,703,901	\$1,438,809	\$2,283,604	\$3,261,687	\$3,674,564	\$4,978,005	\$5,785,769
Operating & Capital Fund Balance	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Rate Stabilization Fund Balance										
Rate Adjustment at Beginning of FY 3.0%										
SOURCES OF FUNDS										
REVENUES										
Water Sales	6,550,800	7,336,900	8,899,500	9,507,400	9,999,500	10,512,600	11,120,600	11,755,600	12,108,300	12,471,500
Property Taxes (1)	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ERAF Refund (1)	100,000	0	0	0	0	0	0	0	0	0
Service Connections	8,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Interest (2)	7,423	7,720	8,030	8,360	8,680	9,030	9,390	9,770	10,160	10,570
Other Revenues (3)	225,892	235,000	244,000	254,000	264,000	275,000	286,000	297,000	309,000	321,000
Subtotal Revenues	7,492,115	8,204,620	9,476,530	10,394,750	10,897,180	11,421,630	12,040,990	12,687,370	13,052,460	13,428,070
LONG-TERM BORROWING										
New Loan 1 (L-Blank Loan)	6,700,000	0	0	0	0	0	0	0	0	0
New Loan 2 (Private Placement Loan)	0	0	3,000,000	0	0	0	0	0	0	0
TOTAL SOURCES	14,192,115	8,204,620	12,476,530	10,394,750	10,897,180	11,421,630	12,040,990	12,687,370	13,052,460	13,428,070
USES OF FUNDS										
Operating Expenses										
Water Purchased	2,059,555	1,951,972	2,053,175	2,140,074	2,373,496	2,557,052	2,747,560	2,741,010	2,786,865	2,924,566
Electricity	188,536	198,000	218,000	232,000	249,000	267,000	288,000	310,000	326,000	342,000
Denimition WTP Maint./Oper.	8,000	80,000	84,000	125,000	185,000	194,000	204,000	214,000	225,000	236,000
Nunes WTP Maint./Oper.	108,908	114,000	125,000	133,000	143,000	153,000	165,000	178,000	187,000	196,000
Crystal Springs Project WTP Maint./Oper.	477,000	49,000	54,000	58,000	62,000	66,000	71,000	77,000	81,000	85,000
Salaries & Payroll Taxes	1,717,888	1,804,000	1,894,000	1,989,000	2,088,000	2,192,000	2,302,000	2,417,000	2,538,000	2,665,000
Insurance	563,607	592,000	622,000	653,000	686,000	720,000	756,000	794,000	834,000	876,000
Employee Retirement	462,627	486,000	510,000	536,000	563,000	591,000	621,000	652,000	685,000	719,000
Other Expenses	887,625	932,000	979,000	1,028,000	1,079,000	1,133,000	1,190,000	1,250,000	1,313,000	1,379,000
Subtotal Operating Expenses	6,043,746	6,206,972	6,539,175	6,894,074	7,428,496	7,873,052	8,344,560	8,633,010	8,975,865	9,422,566
Non-Operating (Capital-Related) Expenses										
Existing Water Revenue Bonds	754,811	751,274	746,589	750,769	485,889	482,494	483,553	483,919	481,831	481,831
Future Loans (4)	0	493,000	493,000	734,000	734,000	734,000	734,000	734,000	734,000	734,000
Capital Projects (Escalated)	6,671,000	3,112,000	4,469,000	2,280,000	1,405,000	1,354,000	2,066,000	1,533,000	2,053,000	1,423,000
Contribution to CIP & Reserves (Transfer)	0	0	0	0	0	0	0	0	0	0
Contribution to Rate Stabilization Fund (Transfer)	250,000	0	0	0	0	0	0	0	0	0
Subtotal Non-Operating Expenses	7,675,811	4,356,274	5,698,589	3,764,769	2,624,889	2,570,494	3,283,553	2,750,919	3,268,831	2,638,831
TOTAL USES	13,719,558	10,563,246	12,237,764	10,658,843	10,053,385	10,443,546	11,628,114	11,383,928	12,244,697	12,061,397
Surplus (Deficiency)	472,557	(2,358,626)	238,766	(264,093)	843,795	978,084	412,876	1,303,442	807,763	1,366,673
Ending Fund Balance										
Operating & Capital Fund Balance	3,823,761	1,465,135	1,703,901	1,438,809	2,283,604	3,261,687	3,674,564	4,978,005	5,785,769	7,152,442
Rate Stabilization Fund Balance	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Fund Balance	4,073,761	1,715,135	1,953,901	1,688,809	2,533,604	3,511,687	3,924,564	5,228,005	6,035,769	7,402,442
Debt Service Coverage (5) Target = 1.2										
Target Met	1.92	1.61	2.37	2.36	2.84	2.92	3.04	3.33	3.35	3.29
	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Minimum Capital and Oper. Reserve Target (6)										
Target Met	982,620	1,100,535	1,289,925	1,428,110	1,499,925	1,576,890	1,668,090	1,763,340	1,816,245	1,870,725
	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Minimum Rate Stabilization Fund Target										
Target Met	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

(1) Property tax and ERAF refunds based on conservative projections.
 (2) Interest earnings escalated by 4% annually.
 (3) Other revenues (hydrant sales, late penalty, miscellaneous, and cell site lease income) escalated by 4% annually.
 (4) Repayment of L-Blank and private placement loans.
 (5) Debt service coverage is calculated by dividing net revenues (revenues minus operating expenses) by total debt service. Minimum coverage requirement is 1.2 times annual debt service.
 (6) Minimum operating and capital reserve fund target is 25% of annual operating revenue.

Figure 7 shows a long-term projection of expenses broken out by debt service, CIP reserve contributions, SFPUC water purchases, and all other expenses. (The figure excludes costs for capital improvements financed by debt, but does include estimated debt service for those projects.) The red dashed line on the table shows total projected water revenues for FY 2011/11. Note that FY 2011/12 revenues do not fully cover expenditures for future years. Therefore, rate increases will be needed to bring long-term revenues in balance with long-term expenses.



6.2 Future Rate Increases

Based upon the District's CIP and operating revenue projections, the following rate increases shown on Table 7 are needed. The proposed rate increases will fund operations and debt service, satisfy debt service coverage requirements, and fund reserve targets. Rate increases will be effective July 1 of each year. The percentage increase will be applied to both the base charge and variable charge for residential and non-residential customers.

Table 7. Projected Water Rate Adjustments - Bi-Monthly										
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
% Rate Increase	12.0%	12.0%	12.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Base Charge	\$30.72	\$34.41	\$38.54	\$42.01	\$43.27	\$44.57	\$45.91	\$47.29	\$48.71	\$50.17
Variable Charge (1)										
<u>Residential</u>										
0 - 8 hcf	\$5.02	\$5.62	\$6.29	\$6.86	\$7.07	\$7.28	\$7.50	\$7.73	\$7.96	\$8.20
9 - 25 hcf	\$5.53	\$6.19	\$6.93	\$7.55	\$7.78	\$8.01	\$8.25	\$8.50	\$8.76	\$9.02
26 - 40 hcf	\$7.19	\$8.05	\$9.02	\$9.83	\$10.12	\$10.42	\$10.73	\$11.05	\$11.38	\$11.72
41 & over hcf	\$8.88	\$9.95	\$11.14	\$12.14	\$12.50	\$12.88	\$13.27	\$13.67	\$14.08	\$14.50
<u>Non-Residential</u>										
Per hcf	\$6.83	\$7.65	\$8.57	\$9.34	\$9.62	\$9.91	\$10.21	\$10.52	\$10.84	\$11.17
1 - 1 unit = 1 hcf = 7.48 gallons										

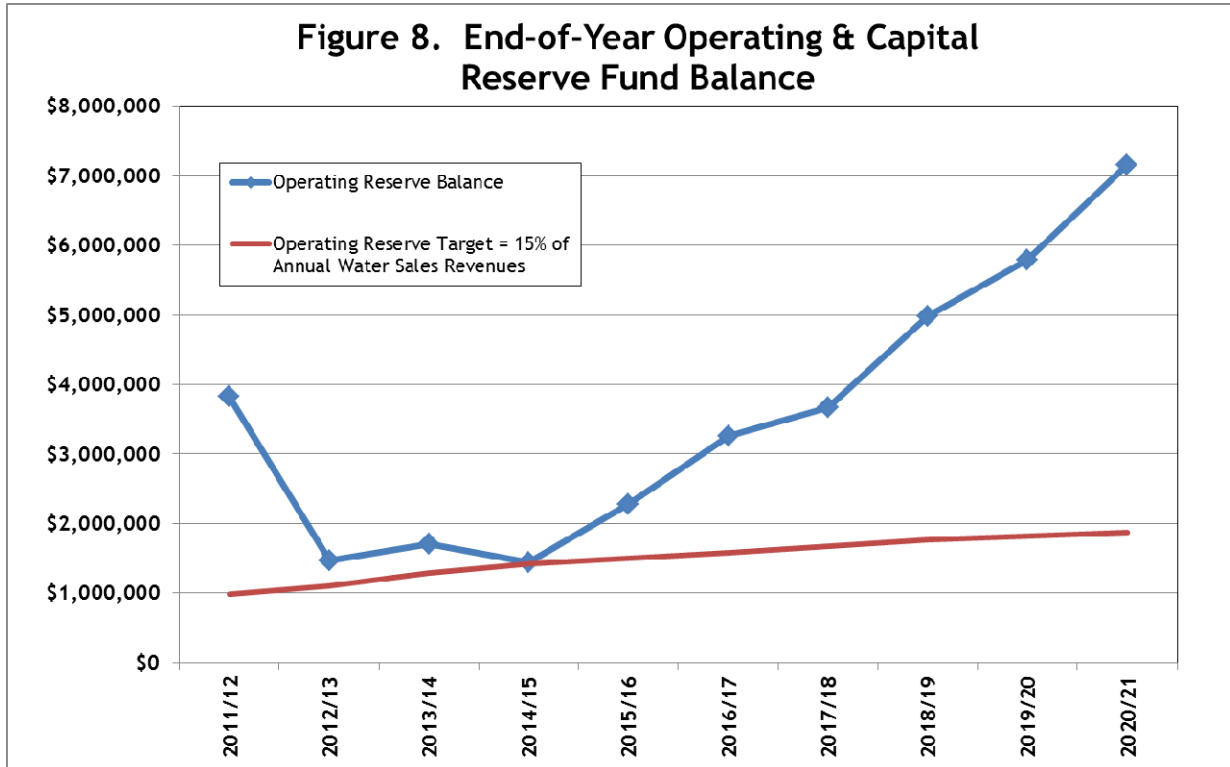
6.3 Customer Impacts

Table 8 shows the bi-monthly rate impacts for a typical single family residence with a 5/8" meter using 18 hundred cubic feet of water bi-monthly.

Table 8. Projected Impact on Bi-Monthly Typical SFR Bill										
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
SFR - 5/8" meter, 18 ccf	\$126.18	\$141.27	\$158.16	\$172.39	\$177.63	\$182.91	\$188.41	\$194.13	\$199.99	\$205.97

6.4 Operating and Capital Reserve Fund Balance

Figure 8 shows the ending operating and capital fund balance and minimum target for each year based on the proposed rate increases. The chart shows that the District will meet the 15% annual water sales revenue target throughout the ten-year period and will be able to use a portion of the reserves to fund capital expenditures.



7 SUMMARY AND RECOMMENDATIONS

The District has adopted rate increases every year since 2001. These annual increases have helped keep revenues in line with the costs of providing service and enabled the District to accrue and maintain a healthy level of fund reserves, which totaled approximately \$4.3 million in cash and equivalents as of June 30, 2010. Although the District has historically been in good financial health, the District is facing new financial challenges, particularly due to increased wholesale water rates from the SFPUC and a \$23.4 capital improvement program to repair and upgrade the water system.

BWA developed 10-year financial projections to evaluate the near-term and long-term revenue requirements of the District's water enterprise. The financial projections indicate the need for significant ongoing rate increases to recover operating and capital funding needs and keep rates in line with the cost of providing service. The recommended rate adjustments will cover operating and maintenance expenses, fund new debt service, and maintain a healthy level of reserves.

Recommendations –

- **Adopt water rate increases.** BWA recommends that the District adopt multi-year water rate increases to cover expenses and meet debt service coverage requirements. In addition to annual operating cost inflation, the District is facing large wholesale water rate increases from the SFPUC particularly over the next five years. Moreover, rate increases are necessary for the District to make debt service payments and to maintain net revenues of at least 120% of maximum annual debt service. The District should continue to review its rates and revenue requirements each year to ensure that revenue and expense projections are accurate.
- **Issue debt in the form of I-Bank or private placement loans to fund the CIP.** BWA recommends that the District apply for an I-Bank loan for \$3.0 million in FY 2013/14. If an I-Bank loan is not available, BWA recommends a private placement loan. The District should continue to annually review the Ten-Year CIP as updated cost information becomes available.

APPENDIX

Appendix A. FY 2011/12 Budget

Operations & Maintenance Budget - FY 2011/2012									
Account Number	Description	Proposed Budget FY 11/12	Approved FY 10/11 Budget	FY 11/12 Budget Vs. FY 10/11 Budget \$ Change	FY 11/12 Budget Vs. FY 10/11 Budget % Change	Proj Year End Actual FY 10/11	FY 11/12 Budget Vs. FY 10/11 Actual \$ Change	FY 11/12 Budget Vs. FY 10/11 Actual % Change	YTD Actual FY 10/11 as of January 31, 2011
OPERATING REVENUE									
4120	Water Sales (1)	\$6,550,800	\$6,182,885	\$367,915	6.0%	\$5,848,940	\$701,860	12.0%	\$3,572,467
Total Operating Revenue		\$6,550,800	\$6,182,885	\$367,915	6.0%	\$5,848,940	\$701,860	12.0%	\$3,572,467
NON-OPERATING REVENUE									
4170	Hydrant Sales	\$25,000	\$25,000	\$0	0.0%	\$19,683	\$5,317	27.0%	\$12,183
4180	Late Penalty	\$50,000	\$50,000	\$0	0.0%	\$53,584	-\$3,584	-6.7%	\$33,584
4230	Service Connections	\$8,000	\$8,000	\$0	0.0%	\$7,506	\$494	6.6%	\$5,006
4920	Interest Earned	\$7,423	\$28,418	-\$18,995	-71.9%	\$7,913	-\$490	-6.2%	\$5,413
4930	Property Taxes	\$600,000	\$600,000	\$0	0.0%	\$639,843	-\$39,843	-6.2%	\$364,843
4950	Miscellaneous	\$37,000	\$37,000	\$0	0.0%	\$54,677	-\$17,677	-32.3%	\$44,677
4955	Cell Site Lease Income	\$113,892	\$111,312	\$2,580	2.3%	\$111,136	\$2,756	2.5%	\$66,136
4965	ERAF Refund	\$100,000	\$100,000	\$0	0.0%	\$250,000	-\$150,000	-60.0%	\$0
Total Non-Operating Revenue		\$941,315	\$957,730	-\$16,415	-1.7%	\$1,144,342	-\$203,028	-17.7%	\$531,842
TOTAL REVENUES		\$7,492,115	\$7,140,615	\$351,500	4.9%	\$6,993,282	\$498,832	7.1%	\$4,104,309
OPERATING EXPENSES									
5130	Water Purchased	\$2,059,555	\$1,671,874	\$387,681	23.2%	\$1,516,645	\$542,910	35.8%	\$1,032,745
5230	Electrical Exp. Nunes WTP	\$25,000	\$19,000	\$6,000	31.6%	\$23,889	\$1,111	4.7%	\$11,890
5231	Electrical Expenses, CSP	\$127,434	\$243,836	-\$116,402	-47.7%	\$102,157	\$25,278	24.7%	\$94,882
5232	Electrical Expenses/Trans. & Dist.	\$14,000	\$15,000	-\$1,000	-6.7%	\$11,923	\$2,077	17.4%	\$6,624
5233	Elec Exp/Pilarcitos Cyn	\$16,162	\$10,016	\$6,146	61.4%	\$14,617	\$1,645	11.3%	\$6,326
5234	Electrical Exp., Denn	\$5,940	\$53,176	-\$47,236	-88.8%	\$30,996	-\$25,056	-80.8%	\$16,629
5235	Denn, WTP Oper.	\$3,000	\$25,600	-\$22,600	-88.3%	\$12,292	-\$9,292	-75.6%	\$6,383
5236	Denn WTP Maint	\$5,000	\$38,000	-\$33,000	-86.8%	\$38,086	-\$33,086	-86.9%	\$24,078
5240	Nunes WTP Oper	\$70,908	\$64,820	\$6,088	9.4%	\$80,306	-\$9,398	-11.7%	\$54,024
5241	Nunes WTP Maint	\$38,000	\$38,000	\$0	0.0%	\$37,057	\$943	2.5%	\$19,564
5242	CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$7,640	\$860	11.3%	\$4,219
5243	CSP - Maintenance	\$50,000	\$53,500	-\$3,500	-6.5%	\$50,958	-\$958	-1.9%	\$40,654
5250	Laboratory Expenses	\$35,000	\$60,000	-\$25,000	-41.7%	\$31,448	\$3,552	11.3%	\$15,427
5318	Studies/Surveys/Consulting	\$45,000	\$22,000	\$23,000	104.5%	\$24,171	\$20,829	86.2%	\$19,171
5321	Water Conservation	\$62,350	\$92,500	-\$30,150	-32.6%	\$88,615	-\$26,165	-29.6%	\$40,515
5322	Community Outreach	\$26,200	\$26,200	\$0	0.0%	\$22,900	\$3,300	14.4%	\$5,900
5411	Salaries - Field	\$958,326	\$930,278	\$28,048	3.0%	\$944,144	\$14,182	1.5%	\$544,144
5412	Maintenance Expenses	\$192,500	\$192,500	\$0	0.0%	\$193,563	-\$1,063	-0.5%	\$85,805
5414	Motor Vehicle Exp.	\$44,500	\$44,500	\$0	0.0%	\$44,500	\$0	0.0%	\$30,043
5415	Maintenance, Wells	\$6,000	\$6,000	\$0	0.0%	\$4,000	\$2,000	50.0%	\$0
5610	Salaries, Admin.	\$644,904	\$640,368	\$4,536	0.7%	\$621,994	\$22,910	3.7%	\$356,994
5620	Office Expenses	\$119,375	\$118,875	\$500	0.4%	\$121,820	-\$2,445	-2.0%	\$71,820
5621	Computer Services	\$67,650	\$62,650	\$5,000	8.0%	\$57,816	\$9,834	17.0%	\$27,816
5625	Meetings/Training/Seminars	\$18,000	\$20,000	-\$2,000	-10.0%	\$16,752	\$1,248	7.5%	\$9,752
5630	Insurance	\$125,000	\$125,000	\$0		\$119,586	\$5,414		
5635	Ee/Ret. Medical Insurance	\$438,607	\$403,890	\$34,717		\$408,046	\$30,561		
5640	Employee Retirement	\$462,627	\$437,789	\$24,838	5.7%	\$410,240	\$52,387	12.8%	\$223,240
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$58,752	-\$28,752	0.0%	\$0
5681	Legal	\$60,000	\$57,000	\$3,000	5.3%	\$62,921	-\$2,921	-4.8%	\$32,921
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$6,254	\$7,747	123.9%	\$3,254
5683	Financial Services	\$31,000	\$31,000	\$0	0.0%	\$26,531	\$4,469	16.8%	\$15,531
5684	Payroll Taxes	\$114,658	\$111,951	\$2,707	2.4%	\$107,087	\$7,571	7.1%	\$62,087
5687	Memberships & Subscriptions	\$57,950	\$56,950	\$1,000	1.8%	\$60,317	-\$2,367	-3.9%	\$36,317
5688	Election Expense	\$25,000	\$0	\$25,000	#DIV/0!	\$0	\$25,000	#DIV/0!	\$0
5689	Union Expenses	\$6,000	\$12,000	-\$6,000	-50.0%	\$2,040	\$3,960	194.1%	\$2,040
5700	County Fees	\$16,200	\$10,800	\$5,400	50.0%	\$10,805	\$5,395	49.9%	\$10,805
5705	State Fees	\$19,400	\$10,500	\$8,900	84.8%	\$19,078	\$322	1.7%	\$18,078
Total Operating Expenses		\$6,043,746	\$5,758,073	\$285,673	4.7%	\$5,389,748	\$653,999	12.1%	\$2,929,680
CAPITAL ACCOUNTS									
5711	Existing Bonds - 1998A	\$267,993	\$269,845	-\$1,853	-0.7%	\$269,235	-\$1,242	-0.5%	\$250,235
5712	Existing Bonds - 2006B	\$483,281	\$484,966	-\$1,685	-0.3%	\$487,431	-\$4,150	-0.9%	\$337,431
Total Capital Accounts		\$751,274	\$754,811	-\$3,537	-0.5%	\$756,666	-\$5,392	-0.7%	\$587,666
TOTAL REVENUE - TOTAL EXPENSE		\$697,094	\$627,731	\$69,363	11.0%	\$846,869	-\$149,775	-17.7%	\$586,964
5713	Cont. to CIP & Reserves	\$697,094							

Notes:
 (1) Water sales revenue calculated by applying rate increase to projected year-end sales.

PUMP STATIONS / TANKS / WELLS										
06	04	Hazen's Tank Replacement	2	-	280,000	-	-	-	-	\$280,000
		Crystal Springs Spare 350 HP pump	2	-	-	50,000	-	-	-	\$50,000
		Crystal Springs Rebuild spare 500 HP	2	-	25,000	-	-	-	-	\$25,000
		Crystal Springs Surge Tank Control Improvements		-	30,000	-	-	-	-	\$30,000
12		Crystal Springs Tunnel Air Duct Replacement		40,000	-	-	-	-	-	\$40,000
		Crystal Springs Check Valve Replacement		25,000	-	-	-	-	-	\$50,000
		Crystal Springs stainless steel inlet valves	2	-	-	100,000	-	-	-	\$100,000
06	05	Well Rehabilitation	2	-	25,000	-	-	-	-	\$25,000
08	14	Alves Tank Recoating, Interior+Exterior	1	100,000	-	250,000	-	-	-	\$350,000
08	16	Cahill Tank Exterior Recoat	2	-	-	150,000	-	-	-	\$150,000
08	17	EG Tank #2 Recoat + Ladder	2	200,000	-	-	-	-	-	\$200,000
12		EG Tank #2 MCC Repairs & Spare Pump		40,000	-	-	-	-	-	\$40,000
		EG Tank #2 Fence Replacement		25,000	-	-	-	-	-	\$25,000
08	18	EG Tank #2 pump station pump replacement	2	23,185	-	-	-	-	-	\$23,185
		EG Tank #3 Recoating Interior + Exterior	2	-	-	260,000	-	-	-	\$260,000
		EG Tank #3 Fence Replacement		25,000	-	-	-	-	-	\$25,000
		Miramar Tank Altitude Valve Replacement	2	-	-	30,000	-	-	-	\$30,000
		Miramar Tank Fence Replacement		25,000	-	-	-	-	-	\$25,000
		Alves Tank Altitude Valve Replacement	2	-	-	30,000	-	-	-	\$30,000
		Half Moon Bay Tank #1 Int & Ext Recoat	1	300,000	-	-	-	-	-	\$300,000
		Half Moon Bay Tank #2 Int & Ext Recoat	1	-	-	-	200,000	-	-	\$200,000
		Half Moon Bay Tank #3 Int & Ext Recoat	1	-	-	-	-	200,000	-	\$200,000
		Pump Station Chlorine analyzer replacements (4)	2	10,000	10,000	-	-	-	-	\$30,000
09	18	New Pilarcitos Well	3	-	-	150,000	-	-	-	\$150,000
09	19	Pilarcitos Canyon Blending Station	2	100,000	-	-	-	-	-	\$100,000
		Total		23,185	370,000	255,000	740,000	100,000	200,000	\$2,000,000
DENNISTON WTP PRIORITY (SHORT-TERM) IMPROVEMENTS										
08	19	Denmiston Short Term WTP Modifications	1	50,000	-	-	-	-	-	\$50,000
		Total		50,000	-	-	-	-	-	\$0
DENNISTON WTP (LONG-TERM) IMPROVEMENTS										
08	22	Denmiston Pre/Post Treatment Design	1	400,000	-	-	-	-	-	\$400,000
08	23	Denmiston Pre/Post Treatment Construction	1	4,000,000	1,500,000	-	-	-	-	\$5,500,000
		Total		4,400,000	1,500,000	-	-	-	-	\$5,900,000
NUNES WTP PRIORITY (SHORT-TERM) IMPROVEMENTS										
08	24	Nunes WTP Short Term Modifications	1	900,000	-	-	-	-	-	\$900,000
		Total		900,000	-	-	-	-	-	\$0
NUNES WTP (LONG-TERM) IMPROVEMENTS										
08	26	Install Air Scour for Fillers	2	-	-	100,000	-	-	-	\$100,000
08	27	Modify Filters for Rate of Flow Control	2	-	-	260,000	-	-	-	\$260,000
		Total		-	-	360,000	-	-	-	\$360,000
WATER SUPPLY DEVELOPMENT										
09	21	Reclamation Project Planning		-	-	-	-	-	-	\$0
09	22	Water Supply Alternatives Evaluation	1	100,000	-	-	-	-	-	\$100,000
		Denmiston/San Vicente EIR		300,000	-	-	-	-	-	\$300,000
		San Vicente Design		300,000	-	-	-	-	-	\$300,000
		San Vicente Construction		-	2,000,000	-	-	-	-	\$2,000,000
		Water Supply Reliability Program		-	-	2,000,000	-	-	-	\$2,000,000
		Total		100,000	600,000	2,000,000	-	-	-	\$2,700,000
TOTALS										
				\$1,857,032	\$6,670,500	\$2,892,500	\$4,122,500	\$1,201,000	\$1,113,000	\$23,424,500

EXHIBIT E

RATE INCREASE PROTESTS

To Coastside County Water Dist.

Account # 5240-0

230 Sonoma Ave
21 Granada, CA 94018

I oppose a
rate increase.

Alvin R. Kelly - T. No

RECEIVED

JUN 09 2011

COASTSIDE COUNTY
WATER DISTRICT



CABRILLO UNIFIED SCHOOL DISTRICT

498 Kelly Ave, Half Moon Bay, CA 94019 • 650 712-7100 • Fax 650 726-0279 • www.cabrillo.k12.ca.us

SUPERINTENDENT
Robert Gaskill

GOVERNING BOARD
Charles Gardner
Freya McCamant
John Moseley
Robert Pappalardo
Kirk Riemer

RECEIVED

JUN 07 2011

COASTSIDE COUNTY
WATER DISTRICT

June 7, 2011

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

RE: Protest of Proposed Rate Increase

Mr. Dave Dickson and Directors:

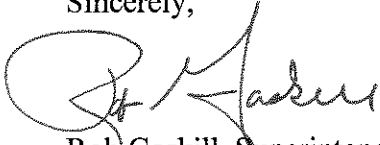
The Cabrillo Unified School District has received notification of the proposed CCWD rate increase of “up to 15%.” As District Superintendent, I know how hard it is to maintain programming and services in this particular period of time. But CCWD is an integral part of our community... and our community is struggling right now. When you announce a planned increase of “up to %15” I have to ask you, “Have you done everything possible to reduce your costs before arriving at this proposed increase?” I believe it is imperative that CCWD do everything it can do right now to be a “good neighbor.”

Our school district is coping with a budget deficit of between \$1.5 million and \$2.5 million, depending on the outcome of the Governor’s proposed budget. We have issued final lay-off notices to nine teachers and one elementary school principal this spring... and we will not be hiring behind two retiring classified positions—a maintenance worker and a grounds worker. We are operating under a freeze on non-essential travel and purchases and all of our employees have accepted three unpaid furlough days. We have not agreed to an increase in salaries for the past three years... and because of the furlough days many of our employees are making less than they did three years ago. More cuts are likely next spring... this, despite the fact that we were able to secure voter approval of a parcel tax measure last June that required a two-thirds majority. I wonder... if you were required to clearly justify your proposed increase and secure approval of two-thirds of your customers, would you be able to do it?

In the 2010 calendar year the Cabrillo Unified School District’s water bill from CCWD was \$74,167. A fifteen percent increase would amount to a little over \$11,000 in additional costs. We could use every penny of that \$11,000 in the classroom.

I am responsible for a large “business” as well. I “get” the need to try to recruit and retain good employees... deal with current and future infrastructure needs... and just “make ends meet.” But I also recognize what is going on in our economy right now and I am making the hard decisions that are necessary in order to maintain core services without increasing related costs. You don’t operate in isolation. You serve a community as well. You are an important part of this community. And your community needs to know that you have looked at every facet of your operation using the filter of “is it absolutely essential” before implementing a cost increase that is far above any published cost of living formula. Have you???


Sincerely,

A handwritten signature in black ink, appearing to read "Rob Gaskill". The signature is fluid and cursive, with a large initial "R" and "G".

Rob Gaskill, Superintendent
Cabrillo Unified School District

RECEIVED

JUN 06 2011

COASTSIDE COUNTY
WATER DISTRICT

LESLIE C. & LINDA L. STEINHOFF
P.O BOX 370329
MONTARA, CA 94037

June 3, 2011

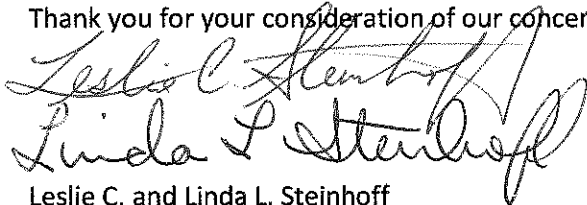
TO: General Manager, Coastside County Water District
RE: 458-460 Cypress St., Half Moon Bay, CA 94019

This letter has been written to PROTEST the proposed rate increases as set forth in the 'Proposed 2011-2012 Rate Increases for Water Services. This information comes from the letter you sent us on May 13, 2011.

We object for the following reasons:

1. It seems from your letter that the projected wholesale water rates have not yet been increased; the rates may be different and less than you are stating in your letter. Therefore, an increase in your water rates is premature.
2. The upgrades you are doing will primarily benefit new housing, not the customers who have been paying into the system for years. Have the people who are building, pay for the upgrades.
3. You state that the proposed rate increase is necessitated by "lower water consumption resulting from continued conservation efforts by District customers". Essentially this means that in complying with the Water District's demand for consumers to conserve water, these same consumers are now being threatened with increased rates, because, in fact, they *did* reduce their water consumption. These people should be rewarded with lower rates, not higher water bills.

Thank you for your consideration of our concerns,



Leslie C. and Linda L. Steinhoff

CCWD - I am writing a letter of protest
to the upcoming rate hike. As much
as 15%? Now what I wouldn't give
to have a raise like that! I am
very ~~app~~ much opposed to this, over
the Top rate hike. Please let the
Water directors know my feelings

Sincerely
Sharon Scott
331 Metzgar
Hm B, Ca 94019

Account # 4778-0

RECEIVED

JUN 03 2011

COASTSIDE COUNTY
WATER DISTRICT

RECEIVED
JUN 03 2011
COASTSIDE COUNTY
WATER DISTRICT

May 31, 2011


General Manager
Coastside County Water District Office
766 Main St.
Half Moon Bay, CA. 94019

SUBJECT; PROTEST – Water Rate Increase

It's about time for government to start living within its means, just like the rest of us. You tell to conserve water and then when we do you raise our rates!!

Do not increase the cost of our water.

Sincerely,



Ellen Shell
186 San Pedro Road
PO Box 282
El Granada, CA 94018

RECEIVED

JUN 01 2011

**COASTSIDE COUNTY
WATER DISTRICT**

Elizabeth Flores-Zevallos & Cesar Queirolo
431 Saint John Avenue
Half Moon Bay CA 94019
Phone: (650) 726-22-71
APN#048-293-330

May 25, 2011
Coastside County Water District
Attn: City Clerk

Attn: Rate Increase Protest

Elizabeth and I feel that the Water Service Rate should not be increased at this time, considering the uncertainty of the economy (increasing prices due to inflation) and the social unrest (denial of the Cities, States and Federal Government of the real economic and social crisis) at this time; instead, the city might consider renegotiating with Coastside County Water District a better alternative instead of raising the water fee's again. We, the residents of Half Moon Bay, deserve better; hence, we protest the proposal rate increase.

Thank you very much for your attention

Sincerely

Elizabeth Flores-Zevallos *Cesar Queirolo*

Elizabeth Flores-Zevallos & Cesar Queirolo

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

5/28/11

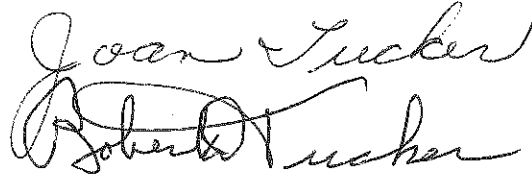
This is in regard to your Public Hearing for the proposed 2011/2012 rate increase for water service.

We are not in favor of this increase. This is not the time, with the economy hurting everyone, this will be a burden to everyone. This too much of a increase of 15% of the water rate

Also you have requested a lower water consumption by District customers which they have done, now the customers are being penalized for making a reduction in water use.

You should have planned long ago for future upgrades, improvements, and other district needs. You could have started a small increase in rates over time. You are asking customers for a 15% increase. What is the Water District willing to do to lower the increase? Is there a proposal to have the Directors take a pay -cut, make some cut- backs on employees benefits and salaries and other area,s that could be cut back. State, counties, cities, and other districts are doing a lot of cut backs maybe this is the time Coastside County Water District should check your expenses.

Thank You Robert and Joan Tucker
432 Filbert Street
Half Moon Bay
CA. 94019

Handwritten signatures of Joan Tucker and Robert Tucker in cursive script.

RECEIVED
MAY 31 2011
COASTSIDE COUNTY
WATER DISTRICT

RECEIVED
MAY 25 2011
COASTSIDE COUNTY
WATER DISTRICT

2008 Avignon Place, Half Moon Bay, Ca 94019
650.207.3440

May 24, 2011

May 24, 2011

Attn: General Manager
Coastside County Water District
766 Main St,
Half Moon Bay, CA 94019

RE: Acct 13812-0, 2008 Avignon Place, Half Moon Bay, CA 94019

I am writing to protest the proposed rate increase that will be discussed on Tuesday June 18, 2011 at the public hearing in Half Moon Bay.

Thank you for registering my opposition to this increase.

Sincerely,



Reba Vanderpool

RECEIVED

MAY 24 2011

COASTSIDE COUNTY
WATER DISTRICT

May 22, 2011

Attention: General Manager

One year ago, I wrote to protest a proposed 14% increase in water rates. Now I find myself asking that you do not approve an additional "... increase of up to 15% in the District's water rates." My fixed income has not increased so, once again, a rise in water rates will be felt. Raising the base charge, in particular, means no amount of water reduction will spare me from a higher bill.

Thank you for your attention.



Janet Rebling

178 Harbour Drive

PO Box 392

El Granada, CA 94018

Geir Tonnessen
775 Railroad Ave.
Half Moon Bay
CA 94019

RECEIVED
MAY 24 2011
COASTSIDE COUNTY
WATER DISTRICT

May 20th, 2011

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

PROTESTING RATE INCREASES FOR WATER SERVICES

I hereby file my protest against the planned rate increases for water services.

I react strongly against the given explanation for the rate increase: lower water consumption resulting from continued conservation efforts.

So consumers are supposed to be penalized by rate increases for their conservation efforts? What is the logic behind this? So if we had not conserved water, we would not have had to pay more for the water? This does not make sense. And I hope you understand what you are saying.

I find the entire process quite manipulative. If you have a genuine interest in listening to the voice of the consumers, you would have accepted inputs by e-mail.

You should be able to cut costs and create efficiencies by becoming a leaner organization rather than taking advantage of your monopoly on water supply in this area.

Yours sincerely,



Geir Tonnessen

RECEIVED

MAY 23 2011
COASTSIDE COUNTY
WATER DISTRICT

Half Moon Bay, California
May 22, 2011

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

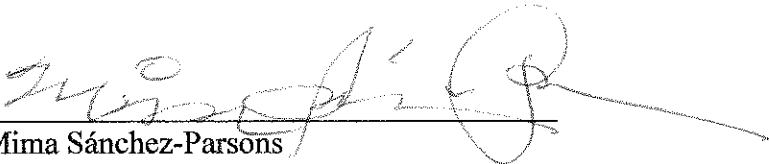
To Whom It May Concern:

My name is Mima Sánchez-Parsons, I own a home at 435 Miramontes Ave. In Half Moon Bay, CA 94019.

I wish to protest your proposed raise of water cost. At a time when many of the residents are losing their jobs and homes it seems rather insensitive for you to be raising the cost of a vital need such as water. It is incredible that during this difficult times you are proposing a raise of 15%.

I am a retired senior citizen my retirement did not increase at all this year. In any case I would not receive an increase of 15%. We, senior citizens, by not receiving an increase on our checks are already doing our part on helping the economy.

I want to loudly repeat it NO WATER RAISE.


Mima Sánchez-Parsons

RECEIVED

MAY 20 2011

COASTSIDE COUNTY
WATER DISTRICT

Nancy Rapp
2131 St. Andrews Rd
Half Moon Bay, Ca
94019

May 17, 2011

May 17, 2011

re: Rate Increase

To Whom it may concern

attention: General Manager
Coastside Water District

Dear Sir

I protest the proposed
proposition 218.

Thank you.

Nancy Rapp

MAY 19 2011

COASTSIDE COUNTY
WATER DISTRICT


SUBMISSION OF PROTEST
11:36 AM 5/16/2011
COASTSIDE COUNTY WATER DISTRICT

ATTENTION: GENERAL MANAGER, COASTSIDE COUNTY WATER DISTRICT
766 Main Street, Half Moon Bay, Ca 94019

This is a letter of protest in regards to the request of a rate increase for water usage. I am a property owner of parcel number 048-211-400.

This rate increase will be a hardship for me and most of the retired Senior Citizens of Half Moon Bay. And I feel that this utility needs to look at other ways of meeting its expenses. The fact that, in your letter of request, you stated that you are expecting a rate increase from the city of San Francisco (of which you are not certain of the actual increase amount) and the fact that you admit that we citizens have obeyed your request for us to conserve our water usage and now are going to be PUNISHED for doing so. And further more we were told that if we did not comply we would be charged penalties for failing to cut our water usage. I feel that you can cut some of your overhead by looking at perhaps salaries, perks, and other costs before you apply for this rate increase. We are all in hard times and we as individuals have to look at cutting out some of the "FAT" in our budgets in order to pay for our every day expenses and we can not ask you or our Government to help pay our bills. When are you people going to learn that you can not keep going to the well everytime you wish. My friends that well is about to run dry. What will you do then? For that matter what will WE do then?

Robert G. Smith
410 Beach Ave.
H.M.B., CA 94019
(650)726-2411



CCWD
Re proposed
water-Rate
Increase

D. Youssefi
2064 Bordeaux Ln
H.M.B. Cal 94019

I DARIUSH YOUSSEFI OWNER
of 2064 Bordeaux Ln.
Half Moon Bay - Cal.

Protest increase of Distorted
water Rate.

Thank you D. Youssefi

RECEIVED
MAY 19 2011
COASTSIDE COUNTY
WATER DISTRICT

To:
CCWD General MGR
Re: proposed water
Rate increase

D. YOUSSEFI
608 Rousseau Franc.
H.M.B., Cal.

I Darinah YOUSSEFI protest the
proposed Rate increase in the Districts
Water Rate.

Thank you

D. Youssefi

Prop. add.: 608 Rousseau FRANCAIS Ave
H.M.B. - Cal. 94019

RECEIVED

MAY 19 2011

**COASTSIDE COUNTY
WATER DISTRICT**

COPY

RECEIVED

JUN 22 2011

May 24th, 2011

ATTENTION General Manager COASTSIDE COUNTY WATER DISTRICT OFFICE
766 Main Street, Half Moon Bay, CA 94019

We are residents of El Granada, California and received your notice for the proposed increase of up to 15% in the District's 2011-2012 water rates. Since Proposition 218 allows customers to respond to the proposed rate increase prior to the June 28, 2011 public hearing, we wish to **strongly protest this rate increase**. At a time when many of us are coping with economic hardships any rate increase will be extremely difficult.

Ironically, your brochure states that the proposed rate increase is necessitated by a number of factors including "lower water consumption resulting from continued conservation efforts by District customers." Many of us have deliberately tried to conserve water in order to **lower** our water bills. Now you are penalizing us for these efforts. It is disgraceful and possibly even unethical. You note that protests are limited to one per parcel. This is a list of El Granada residents who protest any rate increase for water services provided by CCWD.

- Frank C. Celestre 4000 Cabilla Hwy, 94018
- Alice Kope 322 Ave Portola El Granada 94018
- CRAIG NEWTON 104 DENECHO, MOSS BEACH 94029
- J Beitner 954 FRANCISCO 94018
- Fred 130 EL GRANADA DR., TRAIL
- Patricia 631 AVE BALBOA 94018
- Thomas Peyton 552 Vallejo St. 94018
- Casimir M. Leick 222 Avenue Granada 94018
- Anne Johansson 230 Shelter Cove Dr 94018
- Robert Jones 139 Del Monte E. Co
- Velma Nielsen P.O. Box 338 - Ferdinand El Granada 94018
- Anne A. Jones 254 NAUSERA AVE 94018
- Marilyn Wright 615 Ave Balboa, E.D. 94018

May 24th, 2011

ATTENTION General Manager COASTSIDE COUNTY WATER DISTRICT OFFICE
766 Main Street, Half Moon Bay, CA 94019

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Deanne Spears	130 Navarra Ave.	+ vacant
Jennifer Celestre	151 Barbara Ln	M.B. parcel
Theresa Hamanaka	270 Coronado St	
Ben Darow	1696 eg	# 154 Francisco
Amy Peire	410 Sevilla	eg
Pat Klobat	531 Jonath Ave.	
Li	758 El Granada Blvd.	
Sonia Contreras	288 Granada Ln	Moss Beach
Julian Bell	987 THE ALAMEDA	- EL G.
Victoric Manna Tompkins	254 Columbus	EG
MARION LUIS	660 FRANCISCO	EG
Lauren Newington	738 Palma	F.G.
NICOLE ANDERSON	155 VALLEJO	E.G.

ATTENTION General Manager COASTSIDE COUNTY WATER DISTRICT OFFICE
766 Main Street, Half Moon Bay, CA 94019

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Joseph Hunch	684 Francisco St	EG
Jeff Bovero	430 San Carlos Ave	H.M.B.
John P. Mitchell	438 Ave Del Oro e.g.	
Chas Pacheco	115 Columbus St	
Christine Downing	750 The Alameda	EG
Frank Cain	528 Almeida Ave	EG
Earl Holt	930 FERDINAND	EG
Laura Vasquez	1076 Columbus	EG
Arthur Galleyler	518 Ave Alameda	
J & Lamer	922 SAN CARLOS AVE	EG
Carol Stults	380 San Pedro Rd	EG
Ximij Balam	541 THE ALAMEDA	EG
Marshall Pearson	1107 Ferdinand Ave.	

PROTEST AGAINST CCWD WATER RATE INCREASE

SID WOODS 630 PurissimaST HMB, CA 94019
 Christine Castro 523 The Alameda EG 94018
 CHERIE DAILEY 439 CORDONADO ST. EG 94018
 LAYAENRE NELSON 230 SEVILLA EG 94018
 Olivia Gomez 181 Bridgeport Dr EG. 94018
 Teresa LaCape 118 Ave Bullota EG 94018
 Denise James 128 Coronado 94018
 JOE KILAMURA 338 AVE Granada 94018
 Jacq Brehm 771 The Alameda EG. 94018
 RANSFORD 211 CORTEZ AVE 94018
 Barton^o Janice Ormerod Machado 979 Columbus St
 HMB, CA 94019
 James AHL 231 Santa Maria Ave 94018
 Nicole Lawrence 238 Carmel Ave 94018
 FATHOR KARABATS 814 FERDINAND EL
 LAURH FERNADES 531 Valencia 41 EL Granada
 LEE SIMS 401 Ave del Oro EG 94018
 Jim Bogert 568 Palma St EL Granada
 Marilyn Hadmut 381 JIMENEZ EG
 P. P. 147 BLE GRANAO
 655 San Carlos Ave
 Robert Woods 615 Columbus ST EG

PROTEST AGAINST CCWD WATER RATE INCREASE TH ⁹⁴⁰¹⁸ ^{MB}

- Taille Dave P O Box 94018
- Barbara Norman # 594 EL GRANADA 94018
- Scott Mitchell Box 2421 EL GRANADA 94018 RESIDENCE PRINCETON HARBOUR
- Clayford 1032 Columbus Hwy 94019 94018
- Frank West 479 CORONADO E.G 94018
- Shuley Phelan P O Box 2 414 Ave. Del Oro
- Jynon 212 Dolores, El G., 94018
- Jonathan Seaman 371 HARVARD 9418
- Paul Jager 701 Palma St. El Granada 94018
- Andrew Vogardt 138 El Granada Blvd El Granada Ca.
- Thomas B. Bay 240 T. Ave. R. Hill
- Karen A. D. Strick P 515 Valencia Ave El Granada
- James Secco 514 San Carlos AVE, EG
- Lee McKusik ^{for Janet & Stanley bills} 822 Ferdinand Ave. El Granada CA 94018
- Sharon Miller, 669 Palma (P.O. Box), El Granada, CA 94018
- Clyde C. Hanning, 330 SAN PEDRO RD. EL GRANADA, CA 94018
- Mehle Duke 323 Valencia El Granada 94018 94018
- R. Deibel 170 El Granada Blvd. EG 94018
- John Quahly 923 Malaga El Granada Ca. 94018
- Kathleen A. Ritch 330 Ave Granada EG 94018
- Thayl Comars 254 Vallejo El Granada 94018

PROTEST AGAINST CCWD WATER RATE INCREASE

Gloria Martin 262 Valencia El Granada
 Richard S. Latture 1008 COLUMBUS AVE
 Mont G. Neumann 222 Ave Caballo
 Anne Boyer 347 Vallejo St. El Granada
~~Ed~~ 730 Palma El Granada
 Robert G. Batista 622 SAN CARLOS FL GR.
 Edward J. Hawley 735 FRANCISCO BL. GR.
 Mary Lehane 514 Vallejo St. El Granada, CA
 Richard Field 1027 San Carlos El Granada, CA
 Jerome E. Jolaris 631 El Granada Blvd El Granada
 Dinty S. Becker 214 Sonora Ave. HMB
 Margaret Tubro 657 Francisco EG 94018
 Barbara Parks 446 Ave Caballo EG 94018
 Arthur Lundberg 306 Semble EG 94018
 Vivian Ben 347 Crown EG 94018
 Cecil Holland 607 Vallejo EG.
 Charon Hill 231 Santa Maria EG 94018
 Mrs Marina Lopez 41 Sea Coast El G. 94018

PROTEST AGAINST CCWD WATER RATE INCREASE

Annia Vindquirt 7 Sunset Terrace HMB
 Susana Van Bayoufian 730 San Carlos E.G.
 J. Hanks 463 Palma St. E.G.
 Jerome Hauze 338 El Granada Blvd
 Kalita Sharma 135 Harbor Dr El Granada
 Peter Logan 639 Coronado St El Granada, CA 94018
 Toniz Cortez 605 Francisco St. 94018
 Linda Hettel 345 SAN CARLOS AV 94018
 NANCY BEZMAN 708 THE ALAMEDA 94018
 ER WITTS 139 Valencia Ave 94018
 Ricardo Angel 615 Talleyo Ln 94018

Nancy M. Osman

1515 Spinnaker Lane Half Moon Bay, California 94019
650/726-6910 Osmanhmb@aol.com

June 22, 2011

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

To Whom It May Concern:

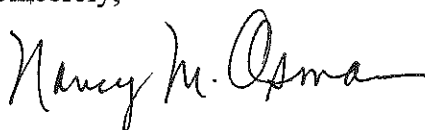
In accordance with Proposition 218, I am responding to the intent of the Water District to increase the price of water to Half Moon Bay residents. When asked to conserve water as a community, we responded and less water was used.

To reward your customers, you now want to charge us more money as stated in the NOTICE OF PUBLIC HEARING for using less water according to number "3) lower water consumption resulting from continued conservation efforts by District customers."

I would appreciate asking the decision makers to revisit this increase proposal and not increase the price of water we are currently paying.

Thank you for you consideration.

Sincerely,



Nancy M. Osman

RECEIVED

JUN 23 2011

COASTSIDE COUNTY
WATER DISTRICT

RECEIVED

JUN 23 2011

June 20, 2011

COASTSIDE COUNTY
WATER DISTRICT

Dear CCWD Board of Directors:

I am writing you in regards to the proposed increase in water rates. As a long-time Half Moon Bay resident, community member, and educator at Half Moon Bay High School, I was inspired to voice my point of view on the matter.

As an educator, I see firsthand the deleterious effects that the current budget shortfall has on the California educational system. I acknowledge that many individuals in other fields as well are struggling in their respective positions either to maintain some semblance of normalcy, while others are disillusioned with various reductions in salary, benefits, etc. We all have been forced to resign ourselves to make sacrifices in order to uphold the status quo. Now, it would seem that another fiscal change is in order with regards to our local water services.

I understand that as water prices rise so do the public's bills. As a means to assuage the pungency of higher expenses it is natural for one to make sacrifices and curtail certain luxuries. And if they are not luxuries (like water consumption), then many folks attempt to save wherever and whenever they can, such as me. Striving for frugality, even in a small way, by recycling clothing, re-using paper plates, only utilizing light one room at a time, and consuming less water should be lauded and praised, not castigated.

Penalizing the community for consuming *less* water by charging it *more* seems incongruous to me. Superficially, it would appear that the water district were attempting to ensure fiscal security regardless of what the community chooses to do with its water consumption, i.e. 'If they use water, let's charge them. If they do not use water, let's charge them.' For, unless the water district can convincingly and logically support its reasoning for this increase, I fail to see how it can even consider its passage.

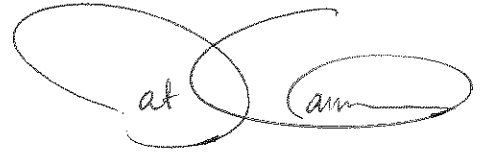
I recognize that the wholesale rates from the San Francisco Public Utilities Commission will increase, and that this is one factor in necessitating an increase in rates. I would implore that CCWD and its representatives make any and all attempts to convince the SFPUC to mitigate its increase by a lesser percentage; an abrupt increase of 38% seems extreme. Normally, this type of increase in rates would be more gradual, over a longer period of time. Of course, the SFPUC may not be willing to adhere to your request on the matter, and this rate increase would be moot. Nevertheless, there is one more factor that *is* within the CCWD's power: the district's treatment plant upgrades.

These upgrades, needless to say, are necessary and vastly improve both the distribution and cleanliness of our water. I wonder if it might possible to defer the continuation of said upgrades to a later date. This, of course, in order to employ the economic resources available to better serve the public's plight of pervasive rising costs that seem to be omnipresent. If not, I understand, but I needed to, at the merest, posit this idea to the board for consideration.

Permit me to leave you with my primary argument: that to penalize consumers for saving water is questionable, and borders on fleecing the community. Please be considerate to the public's (and I am

sure that you, yourselves, are affected as well) constant economic struggle in the current state of things by not including this with the overall rate increase, if it passes. Thank you for time in considering my point of view.

Yours truly,

A handwritten signature in cursive script, appearing to read "at am", enclosed within a large, loopy circular flourish.

Patrick Games

Account number

11879-0

Warren W Jones
PO Box 2267
El Granada, CA 94018

RECEIVED
JUN 27 2011
COASTSIDE COUNTY
WATER DISTRICT

June 26, 2011

RE: Proposed rate hike; account #2596-0, service address: 918 Malaga Street, El Granada, CA

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

I am writing to protest the proposed rate increase. Although we have diligently reduced our water usage, we have continued to see our water bill increase.

The District should seek other options that don't require a rate increase.

Thank you,



Warren W Jones

Donald L. Freese
1 Creekside Drive
Half Moon Bay
CA 94019-2373
(650) 726-6893

RECEIVED

JUN 27 2011

COASTSIDE COUNTY
WATER DISTRICT

June 23, 2011

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

Re: Opposition to proposed Application for 15% Water Rate Increase

Dear Mr. Dickson:

I am in opposition of the 15% water rate increase proposed to be effective on July 1, 2011 by the Coastside County Water District (CCWD).

No organization, firm nor company should be guaranteed an increase in revenue from the public during this challenging fiscal environment. Before any increase should be entertained, CCWD should make a full comprehensive and detailed disclosure to the public of its income and costs.

As a CCWD customer and supporter of open government, I oppose the CCWD application for a fifteen percent (15%) water rate increase that is proposed for July 1, 2011.

Respectfully,



DONALD L. FREESE

DLF/nd

cc: Don Horsley, San Mateo County Supervisor, 3rd District