

ALAMEDA COUNTY WATER DISTRICT M E M O R A N D U M

DATE: September 8, 2016
TO: Robert Shaver
FROM: Shelley Burgett *syb*
SUBJECT: Connection Fee and Capacity Charge Accounting and Reporting

California Government Code Section 66013 was substantially amended in 1998 that imposed more stringent accounting and reporting requirements for fees collected for water connection and capacity charges. Capacity charge is defined as a charge for facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged.

The accounting requirements provide that the District deposit its Facilities Connection Charges (FCC) and related interest earned into a separate Facilities Improvement Fund (FIF) and to account for those charges in a manner to avoid commingling with other monies of the District and to expend those charges only for the purposes for which the charges were collected.

The law also requires that this information simply be made available to the public within 180 days after the end of the fiscal year. Attached for information only is a copy of the District's annual Revenue and Expenditure Report for the fiscal year ended June 30, 2016 and report of Capital Projects budgeted for FY 2016/17 that fully comply with the accounting and reporting provisions of Government Code Section 66013.

CC: Ed Steveson

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
QUARTER ENDED 6/30/16**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
Beginning GF & FIF Cash Balance		120,606,074	33,688,337	69,889,541	17,028,196
Revenue					
Water Revenue	0%	80,580,364		80,580,364	
Ground Water Revenue	0%	415,653		415,653	
Proceeds From Taxation	0%	9,300,263		9,300,263	
Interest	29%	1,280,072	371,800	908,272	
FCC	100%	4,646,161	4,646,161		
Customer Jobs Revenue	0%	5,751,006		5,751,006	
Other Revenue	0%	1,531,715		1,531,715	
Total Revenue	5%	103,505,234	5,017,961	98,487,273	
Expenditures					
Distribution System Capital					
1. CIP Planning	0%	12,017		12,017	
2. Non-Potable Water System Project	100%				
3. Mowry and PT Wellfield Replacement Well Equip	0%	17,473		17,473	
4. Wellfield General Improvements & Equip Replacements	0%				
9. MSJWTP Access Road Erosion Mitigation Project	0%	14,437		14,437	
10. MSJ Improvements and Equip Replacements	0%				
* 11. WTP No.2 Improvements and Equip Replacements	0%	82,307		82,307	
12. Washington Booster Station Flowmeter-Planning/Feasibility	0%				
13. B16 Permanent Booster	20%	112,425	22,485	89,940	
14. Alameda Reservoir Altitude Valve Replacement	0%	74,475		74,475	
16. Patterson Reservoir Remediation	20%	59,343	11,869	47,474	
17. Avalon Tank Slope Stabilization Improvements	0%	169,011		169,011	
18. Cathodic Protection Improvements and Additions	0%	30,847		30,847	
19. Zone Valve Relocations - Warm Springs	0%				
20. Distribution System Large Valve Replacement Program	0%	63,841		63,841	
21. SCADA Distribution Server Reconfiguration	0%	21,790		21,790	
23. SCADA Security Implementation	0%				
24. Data Integration & Reporting Services Plan	0%	4,340		4,340	
25. Alarm Management Plan	0%				
26. Distribution PLC Replacement Program	0%	45,796		45,796	
27. Communications - Microwave Phase II	0%	3,176		3,176	
28. Alameda Creek Communications	0%	34,282		34,282	
29. SCADA System Minor Improvements	0%	23,171		23,171	
* 30. Physical Security Upgrades at Critical District Facilities	0%	107,364		107,364	
* 31. WTP2 Additional LOX Projects	0%	8,214		8,214	
32. Water Reclamation, Phase 1	100%	85,259	85,259		
75. BF MSJWTP - Process Upgrades and Post Upgrades	20%	5,419	1,084		4,335
76. BF MSJWTP - Replace Diesel Generator & Cooling System	0%				
* 77. BF WTP 2 LOX Conversion and Process Upgrades	5%	63,414	3,171		60,243
78. BF Tank and Reservoir Seismic Upgrades	20%	4,627,249	925,450		3,701,799
79. BF Canyon Heights Tank Improvements	0%	14,916			14,916
80. BF MSJWTP Tank Improvements	0%	10,420			10,420
* 81. BF Main Relocation for SFPUC BDPL 3&4	20%	656	131		525
82. BF Iron Horse Lane (Niles Alleys) Main Replacement	75%	253,018	189,764		63,255
83. BF Capitol Avenue Main Replacement Project	10%	277,862	27,786		250,076
84. BF Main Replacements	10%				
85. BF Middlefield Reservoir Inlet / Outlet Pipe Replacement	20%	145,370	29,074		116,296
86. BF Washington Boulevard/I680 Bridge Pipeline Improvement	20%	49,367	9,873		39,494
87. BF Service Line Emergency Replacement Program	0%	1,511,502			1,511,502
88. BF Service Line Planned Replacement Program	0%	163,085			163,085
89. BF Water Meter Replacement Program - Medium Meters	0%	382			382
90. BF Water Meter Replacement Program - Large Meters	0%	124,469			124,469
* 91. BF Large Diameter Hayward Fault Seismic Retrofit	20%	4,196,235	839,247		3,356,988
92. BF Fault Crossings Flexible Hose Procurement - Phase 2	20%	99,248	19,850		79,398
93. BF WTP2 PLC Replacement	0%	724,863			724,863

* Projects completed in FY 15/16.

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
QUARTER ENDED 6/30/16**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
94. BF Patterson Reservoir Valve Actuator Project	0%	150,518			150,518
* 95. BF Middlefield Reservoir Isolation Valve	0%	35,644			35,644
96. BF Blending Facility Communications Project	0%	20,054			20,054
* 97. BF Seismic Program Emergency Response	0%	13,189			13,189
* 98. BF WTP2 - Power Facility Turbine	35%	7,139	2,499		4,640
Total Distribution System Capital	16%	13,463,587	2,167,540	849,955	10,446,091
Groundwater Capital					
1. Montecito Well Site Demolition	0%	24,329		24,329	
2. Desal Production Well Equipment Replacement	0%				
3. Bunting Pumping Plant Decommissioning	0%				
4. Pit T-2 Slope Rehabilitation	20%				
5. Niles Cone Saltwater Intrusion & Aquifer Characterization Pro	20%	31,705	6,341	25,364	
6. GW Supply Facilities Improv / Equip Replacements	0%	18,336		18,336	
7. Groundwater Recharge Facilities - Control Electrification	20%	9,655	1,931	7,724	
8. Telemetry Equipment for Indicator Monitoring Wells	0%	106,302		106,302	
9. Shinn Gravity Rediversion #2	20%	662	132	530	
30. BF Kaiser Pond Diversion Pipe Improvement Project	0%	19,673			19,673
31. BF Vallecitos Channel Betterments	20%	194,324	38,865		155,459
32. BF Shinn Pond Fish Screen	20%	2,027	405		1,622
33. BF Rubber Dam No. 1 Bag Replacement	20%	3,036,942	607,388		2,429,554
* 34. BF Rubber Dam No. 1 Fish Ladder	20%	249,296	49,859		199,437
35. BF Rubber Dam No. 2 Larinier Fishway	0%	23,997			23,997
36. BF Rubber Dam No. 3 Fish Ladder	20%	188,535	37,707		150,828
* 37. BF Stevenson Pond/Lago Los Osos	0%	14,004			14,004
Total Groundwater Capital	19%	3,919,787	742,629	182,585	2,994,573
Vehicle Capital					
1. Portable Emergency Generator	0%	113,771		113,771	
2. Utility Beds for DMD Utility Trucks	0%	190,231		190,231	
3. Mid-Size Vehicle (Sedan)	0%	26,665		26,665	
4. Ford Transit Van	0%	43,130		43,130	
5. Pickup Trucks	0%	60,520		60,520	
8. Equipment and Tools	0%	37,598		37,598	
9. Equipment and Tools - Facilities Maintenance Section	0%	10,458		10,458	
13. Forklift	0%	26,863		26,863	
Total Vehicle Capital	0%	509,236		509,236	
Headquarter Facility Capital					
1. Headquarters Building Renovations - New Offices	100%	52,311	52,311		
2. Headquarters HVAC Upgrade	0%	21,584		21,584	
* 3. HQ Landscape - Frontage & Demonstration Garden Project	0%				
4. Headquarters Facility Improv & Equipment Replacement	0%	69,943		69,943	
6. Headquarters Reroofing	0%	34,000		34,000	
Total Headquarter Facility Capital	0%	177,838	52,311	125,527	
Admin & Finance Capital					
1. Meter Reading Devices	0%	35,605		35,605	
Total Admin & Finance Capital	0%	35,605		35,605	
Engineering Capital					
1. ITMP - Custom Applications - DCJETS	100%	12,965	12,965		
2. ITMP - Computerized Maintenance Mgmt System (CMMS)	0%	176,532		176,532	
3. ITMP - Share Point	0%	388,737		388,737	
* 4. IT Infrastructure Upgrades	0%	135,998		135,998	
5. Engineering Department - Capital Equipment & Materials	0%	6,709		6,709	
6. CIP Software	0%				
Total Engineering Capital	2%	720,941	12,965	707,976	
Operations Capital					
1. Lab Svcs Equip Program-Inductively Coupled Plasma	0%				
Total Operations Capital	0%				

* Projects completed in FY 15/16.

ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
QUARTER ENDED 6/30/16

Description	FIF %	YTD Total	FIF	GF	Bond Fund
Grand Total - Capital Expenditures	16%	18,826,994	2,975,446	2,410,884	13,440,664
Customer Jobs		4,576,960		4,576,960	
Grand Total - Operating Expenses (includes Extraordinary Exp)	0%	79,103,419		79,103,419	
Retirement of Bonded Debt		6,381,131		6,381,131	
Total Expenditures (Capital, Expense & Debt)	3%	108,888,504	2,975,446	92,472,394	13,440,664
Ending Balance	31%	115,222,804	35,730,852	75,904,420	3,587,532
Reconciling Time Difference		3,158,613		3,158,613	
Ending Cash Balance		<u>118,381,417</u>	<u>35,730,852</u>	<u>79,063,033</u>	<u>3,587,532</u>

* Projects completed in FY 15/16.

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES**

General Definitions

Facilities Connection Charge (FCC)

The Facilities Connection Charge applies to all new meter installations. For residential development, the charge is based on the number and type of dwelling unit(s). For nonresidential development, the charge is based on meter size. The

Facilities Improvement Fund (FIF)

Fund designated to track revenues and expenditures of growth related facilities.

General Fund (G/F)

General group designation for all other funds to account for non-growth related activities including revenues, operating

**ALAMEDA COUNTY WATER DISTRICT
FY 16/17 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF	Bond Fund
Distribution System Capital					
1. CIP Planning	0%	\$ 81,200	\$ -	\$ 81,200	\$ -
2. Non-Potable Water System Project	100%	700,000	700,000		
3. Mowry and PT Wellfield Replacement Well Equipment	0%	143,000		143,000	
4. PT Blending Facility Improvements / Equipment Replacements	0%	200,000		200,000	
5. Blending Facility Low Flow Modifications	0%	103,000		103,000	
6. Desalination Facility Improvements and Equipment Replacements	0%	27,000		27,000	
7. Replacement Membranes for Desal Facility	0%	1,234,000		1,234,000	
8. Desalination Facility - Replace Chem Piping	0%	38,000		38,000	
9. MSJWTP Access Road Erosion Mitigation Project	0%	275,200		275,200	
10. MSJ Improvements and Equipment Replacements	0%	33,000		33,000	
11. WTP No.2 Improvements and Equipment Replacements	0%	150,000		150,000	
12. Washington Booster Station Flowmeter - Planning / Feasibility	0%	50,000		50,000	
13. PR-1 Booster Station	50%	196,000	98,000	98,000	
14. Whitfield Reservoir Water Quality Improvements	20%	53,000	10,600	42,400	
15. Patterson Reservoir Remediation	20%	159,000	31,800	127,200	
16. Avalon Tank Slope Stabilization Improvements	0%	200,000		200,000	
17. East / West Connector	50%	158,000	79,000	79,000	
18. Main Relocation for ACFC	0%	25,000		25,000	
19. Cathodic Protection Improvements and Additions	0%	193,600		193,600	
20. Zone Valve Relocations - Warm Springs	0%	161,000		161,000	
21. Distribution System Large Valve Replacement Program	0%	200,600		200,600	
22. Data Integration and Reporting Services Plan	0%	65,000		65,000	
23. Distribution PLC Replacement Program	0%	130,000		130,000	
24. Solar Power at Whitfield	0%	25,000		25,000	
25. Communications - Microwave Phase II	0%	50,000		50,000	
26. Alameda Creek Communications	0%	50,000		50,000	
27. SCADA System Minor Improvements	0%	20,000		20,000	
28. Physical Security Upgrades at Critical District Facilities	0%	218,000		218,000	
75. BF MSJWTP - Replace Diesel Generator & Cooling System	0%	200,000			200,000
76. BF Tank and Reservoir Seismic Upgrades (Appian)	20%	307,900	61,600		246,300
77. BF Canyon Heights Tank	0%	232,500			232,500
78. BF MSJWTP Tank Improvements	0%	477,500			477,500
79. BF Main Relocation for SFPUC Bay Division PL 3 & 4 Seismic Proj	20%	1,535,000	307,000		1,228,000
80. BF Iron Horse Lane (Niles Alleys) Main Replacement	75%	645,000	483,800		161,200
81. BF Capitol Avenue Main Replacement Project	10%	321,200	32,100		289,100
82. BF Main Replacements	10%	25,000	2,500		22,500
83. BF Middlefield Reservoir Inlet / Outlet Pipe Replacement	20%	987,000	197,400		789,600
84. BF Washington Boulevard / I680 Bridge Pipeline Improvement	20%	985,000	197,000		788,000
85. BF Alvarado-Niles Spine Main	20%	25,000	5,000		20,000
86. BF Service Line Emergency Replacement Program	0%	1,295,000			1,295,000
87. BF Service Line Planned Replacement Program	0%	200,000			200,000
88. BF Water Meter Replacement Program - Medium Meters	0%	280,000			280,000
89. BF Water Meter Replacement Program - Large Meters	0%	288,000			288,000
90. BF Fault Crossings Flexible Hose Procurement - Phase 2	20%	380,000	76,000		304,000
91. BF WTP2 PLC Replacement	0%	913,500			913,500
92. BF Blending Facility Communications Project	0%	974,800			974,800
Total Distribution System Capital	15%	\$ 15,011,000	\$ 2,281,800	\$ 4,019,200	\$ 8,710,000
Groundwater Capital					
1. Pit T-2 Slope Rehabilitation	20%	\$ 91,000	\$ 18,200	\$ 72,800	\$ -
2. Niles Cone Saltwater Intrusion and Aquifer Characterization Project	20%	28,000	5,600	22,400	
3. GW Supply Facilities Improv / Equipment Replacements	0%	105,000		105,000	
4. Groundwater Recharge Facilities - Control Electrification	20%	54,000	10,800	43,200	
30. BF Kaiser Pond Diversion Pipe Improvement Project	0%	284,000			284,000
31. BF Vallecitos Channel Betterments	20%	508,100	101,600		406,500
32. BF Shinn Pond Fish Screen	20%	203,000	40,600		162,400
33. BF Rubber Dam No. 1 Bag Replacement	20%	376,200	75,200		301,000
34. BF Rubber Dam No. 1 Fish Ladder Final Design	20%	738,900	147,800		591,100
35. BF Rubber Dam No. 3 Fish Ladder	20%	100,000	20,000		80,000
Total Groundwater Capital	17%	\$ 2,488,200	\$ 419,800	\$ 243,400	\$ 1,825,000

**ALAMEDA COUNTY WATER DISTRICT
FY 16/17 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF	Bond Fund
Vehicle Capital					
1. Portable Emergency Generator	0%	\$ 220,000	\$ -	\$ 220,000	\$ -
2. 10 Wheel Dump Truck	0%	125,000		125,000	
3. Mid-Size Pickup Trucks	0%	65,000		65,000	
4. Equipment and Tools	0%	40,000		40,000	
5. Equipment and Tools - Facilities Maintenance Section	0%	10,000		10,000	
6. Equipment and Tools - General Facilities Section	0%	10,000		10,000	
Total Vehicle Capital	0%	\$ 470,000	\$ -	\$ 470,000	\$ -
Headquarter Facility Capital					
1. Headquarters Building Renovations - New Offices	100%	\$ 406,500	\$ 406,500	\$ -	\$ -
2. Headquarters HVAC Upgrade	0%	60,000		60,000	
3. HQ Landscape - Frontage & Demonstration Garden Project	0%	65,000		65,000	
4. Headquarters Asphalt Sealing	0%	141,000		141,000	
Total Headquarter Facility Capital	60%	\$ 672,500	\$ 406,500	\$ 266,000	\$ -
Finance					
Total Finance Capital	0%	\$ -	\$ -	\$ -	\$ -
Engineering Capital					
1. ITMP - Custom Applications - DCJETS	100%	\$ 189,000	\$ 189,000	\$ -	\$ -
2. ITMP - Computerized Maintenance Management System (CMMS)	0%	135,000		135,000	
3. ITMP - Share Point	0%	196,000		196,000	
4. IT Infrastructure Upgrades	0%	75,000		75,000	
5. Engineering Department - Capital Equipment and Materials	0%	5,000		5,000	
6. CIP Software	0%	300,000		300,000	
Total Admin & Finance Capital	21%	\$ 900,000	\$ 189,000	\$ 711,000	\$ -
Operations Capital					
Total Operations Capital	0%	\$ -	\$ -	\$ -	\$ -
Grand Total - Capital Projects	17%	\$ 19,541,700	\$ 3,297,100	\$ 5,709,600	\$ 10,535,000