

ALAMEDA COUNTY WATER DISTRICT

MEMORANDUM

DATE: September 9, 2021
TO: Ed Stevenson
FROM: Jonathan Wunderlich *JW*
SUBJECT: Connection Fee and Capacity Charge Accounting and Reporting

California Government Code Section 66013 amendments in 1998 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 equity buy-in component is defined as a charge to ensure new customers pay a share of the cost for the benefit of existing facilities.

The accounting requirements provide that the District deposit its Facilities Connection Charges (FCC) and related interest earned into a separate Facilities Improvement Fund (FIF), as well as to deposit its Equity Buy-In Component (EBIC) of the FCC and related interest earned into a separate Facilities Renewal Fund (FRF), 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, 2021 and report of Capital Projects budgeted for FY 2021/22 that fully comply with the accounting and reporting provisions of Government Code Section 66013.

CC: Rekha Ippagunta

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
ANNUAL REPORT FOR FY 2020/21 YEAR ENDED 6/30/2021**

Description	FIF %	FRF %	FRF Eligible (Y/N)	YTD Total	FIF	FRF	GF
Beginning GF, FIF, & FRF Cash Balance				194,514,827	70,692,516	-	123,822,311
Revenue							
Water Revenue	0%	0%		121,338,855	-	-	121,338,855
Ground Water Revenue	0%	0%		498,758	-	-	498,758
Countywide 1% Tax Allocation	0%	0%		6,952,806	-	-	6,952,806
State Water Contract Levy	0%	0%		5,581,306	-	-	5,581,306
Interest	36%	0%		3,637,594	1,306,653	-	2,330,941
FCC-FIF	100%	0%		4,156,571	4,156,571	-	-
FCC-FRF	0%	100%		2,024,937	-	2,024,937	-
Customer Jobs Revenue	0%	0%		1,438,633	-	-	1,438,633
Grants, Reimbursements	0%	0%		10,206,496	-	-	10,206,496
Other Revenue	0%	0%		1,423,213	-	-	1,423,213
Total Revenue	3%	1%		157,259,167	5,463,224	2,024,937	149,771,006
Expenditures							
Distribution System Capital							
1. BB0101B - Canyon Heights Booster Station Upgrade/Replacement	20%	0%	No	1,059,347	211,869	-	847,478
3. BB1501 - PR-1 Booster Station	20%	0%	No	5,310	1,062	-	4,248
8. MM4012 - ACFC Crossings	20%	0%	No	26,928	5,386	-	21,542
10. MM8007 - Main Renewal - MR1 Driscoll	0%	25%	Yes	404,344	-	101,086	303,258
11. MM8008 - Main Renewal - MR3 Central Newark	0%	14%	Yes	411,279	-	57,579	353,700
14. MM8006 - Alvarado Niles Pipeline Seismic Improvement Project	0%	12%	Yes	11,900,340	-	1,486,260	10,414,080
18. ST0251B - Canyon Heights Tank Improvements	0%	30%	Yes	95,941	-	28,782	67,159
19. ST0551B - MSJ Tank Improvements	20%	0%	No	29,830	5,966	-	23,864
23. BB0203B - Curtner Road Booster Station Upgrade	20%	0%	No	472,911	94,582	-	378,329
27. GA5005 - Desal Production Well Equipment Replacement	0%	0%	No	33,359	-	-	33,359
28. MD0101 - Service Line Emergency Replacement Program	0%	0%	No	1,225,442	-	-	1,225,442
29. MD0102 - Service Line Incidental Replacement Program	0%	0%	No	139,997	-	-	139,997
30. MD6005 - Advanced Metering Infrastructure	10%	0%	No	2,090,617	209,062	-	1,881,555
32. MD0201 - Water Meter Replacement Program - Large Meters	0%	0%	No	112,628	-	-	112,628
34. MD5001B - Distribution System Large Valve Replacement Program	0%	0%	No	119,551	-	-	119,551
35. MU5002 - Regulator Site Improvements and Equipment Replacements	0%	0%	No	125,141	-	-	125,141
36. PF0201 - Durham Take-Off Improvements	20%	0%	No	1,289	258	-	1,031
37. PH0151B - PT Blending Facility Improvements and Equipment Replace	10%	0%	No	27,583	2,758	-	24,825
39. PH0251B - Desal Facility Improvements / Equipment Replacements	10%	0%	No	58,047	5,805	-	52,243
42. PJ0251C - WTP No.2 Improvements and Equipment Replacements	10%	0%	No	776,154	77,615	-	698,539
43. PW0351B - Mowry and PT Wellfields - Replacement Pumping Eqpm	0%	0%	No	188,530	-	-	188,530
47. YI0102B - Distribution PLC Upgrade	10%	0%	No	199,948	19,995	-	179,954
60. ST0752 - Avalon Tank Slope Stabilization Improvements	17%	0%	No	235,946	40,111	-	195,835
69. BB1602 - B16 WTP2 Zone 3 Booster Discharge Pipeline Replacement	0%	0%	No	11,832	-	-	11,832
70. BB5001 - Booster Stations- Facility Improvements / Equipment Replace	0%	0%	No	62,471	-	-	62,471
73. MM8011 - Main Renewal - Small Diameter Pipeline Renewal	0%	20%	Yes	1,799,022	-	350,809	1,448,213
74. MM8012 - Main Renewal Lindsay Tract Rdwy Green Infrastructure	20%	10%	Yes	4,205	841	421	2,944
76. PH0154B - Blending Facility Low Flow Control Modifications/Neat Feed	10%	0%	No	119,176	11,918	-	107,259
80. SR0101 - Alameda Reservoir Roof Replacement	20%	0%	No	52,937	10,587	-	42,349
81. SR0201 - Decoto Reservoir Roof Replacement	20%	0%	No	48,635	9,727	-	38,908
82. SR0251 - Decoto Lining/Struct/Mech/WQ	20%	0%	No	(608)	(122)	-	(486)
86. SR5001 - Reservoir- Facility Improvements/ Equipment Replacement	10%	0%	No	38,237	3,824	-	34,413
Total Distribution System Capital	3%	9%		21,876,372	711,244	2,024,937	19,140,191
Groundwater Capital							
1. GG0302B - Kaiser Pond Diversion Improvement	20%	0%	No	43,064	8,613	-	34,451
3. GG0501 - Vallecitos Channel Betterments	20%	0%	No	698,778	139,756	-	559,022
4. GG1301B - Shinn Pond Fish Screen	20%	0%	No	4,418,745	883,749	-	3,534,996
5. GG4103B - Rubber Dam 1 - Fish Ladder	20%	0%	No	13,681,642	2,736,328	-	10,945,314
7. GG4303B - Rubber Dam No. 3 Fish Ladder	20%	0%	No	39,665	7,933	-	31,732
9. GA0901 - New Aquifer Reclamation Program Well	20%	0%	No	125,688	25,138	-	100,550
60. GG4101B - Rubber Dam No. 1 - Fabric Replace, Ctrl Bldg & Equip Mod	20%	0%	No	1,403,282	280,656	-	1,122,626

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
ANNUAL REPORT FOR FY 2020/21 YEAR ENDED 6/30/2021**

Description	FIF %	FRF %	FRF Eligible (Y/N)	YTD Total	FIF	FRF	GF
63. GA1001 - Niles Cone Groundwater Basin Extraction Well Site Eval	20%	0%	No	47,064	9,413	-	37,651
Total Groundwater Capital	20%	0%		20,457,928	4,091,586	-	16,366,342
Vehicle Capital							
2. AV0102 - Vehicle Capital - Light Duty Vehicles	0%	0%	No	148,578	-	-	148,578
3. AV0104 - Vehicle Capital - Heavy -Duty Vehicles	0%	0%	No	35,861	-	-	35,861
9. AV0103 - Vehicle Capital - Construction Equipment and Machinery	0%	0%	No	222,859	-	-	222,859
Total Vehicle Capital	0%	0%		407,299	-	-	407,299
Headquarter Facility Capital							
1. AQ0110 - Board Room Audio-Visual Upgrades	0%	0%	No	19,114	-	-	19,114
3. AQ0151C - Headquarters Facility Improvement/ Equipment Replacement	0%	0%	No	111,200	-	-	111,200
5. AQ0152 - Headquarter Facility- Reroof Building Office Complex & Garage	0%	0%	No	1,268,553	-	-	1,268,553
Total Headquarter Facility Capital	0%	0%		1,398,867	-	-	1,398,867
Engineering Capital							
3. AK0109 - IT Infrastructure Upgrades - Capital	0%	0%	No	68,226	-	-	68,226
4. AK0110 - IT Records Management Project	0%	0%	No	19,304	-	-	19,304
Total Engineering Capital	0%	0%		87,529	-	-	87,529
Operations Capital							
7. YI0101B - SCADA Systems Infrastructure Upgrades	0%	0%	No	230,262	-	-	230,262
8. YI0502B - Communications Projects - Production and Storage	0%	0%	No	44,251	-	-	44,251
19. PJ0262 - WTP2 Filter Media Replacement	5%	0%	No	12,455	623	-	11,832
Total Operations Capital	0%	0%		286,967	623	-	286,345
Grand Total - Capital Expenditures	11%	5%		44,514,962	4,803,453	2,024,937	37,686,572
Customer Jobs				3,652,843			3,652,843
Grand Total - Operating Expenses (includes Extraordinary Exp)	0%	0%		105,986,918	-	-	105,986,918
Retirement of Bonded Debt				5,529,281	-	-	5,529,281
Total Expenditures (Capital, Expense & Debt)	3%	1%		159,684,004	4,803,453	2,024,937	152,855,615
Ending Balance	37%	0%		192,089,989	71,352,287	-	120,737,702
Reconciling Time Difference				3,210,944	-	-	3,210,944
Ending Cash Balance				195,300,933	71,352,287	-	123,948,646

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 charge is meant to help recover cost from growth related capital projects tied to the District's water delivery capacity.

Facilities Improvement Fund (FIF)

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

Facilities Renewal Fund (FRF)

Fund designated to track revenues and expenditures for capital projects that refurbish or replace existing facilities.

General Fund (G/F)

General group designation for all other funds to account for non-growth related activities including revenues, operating expenses, capital expenditures and debt service.

**ALAMEDA COUNTY WATER DISTRICT
FY 2021/22 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	FRF %	FRF Eligible (Y/N)	Total	FRF		
					FIF	FRF	GF
Distribution System Capital							
1. BB0101B - CANYON HEIGHTS BOOSTER STATION	30%	0%	No	\$ 481,000	\$ 144,300	\$ -	\$ 336,700
2. BB0602B - SEVEN HILLS BOOSTER STATION ST	10%	0%	No	50,000	5,000	-	45,000
4. EE0201B - ENGINEERING REPORT FOR CIP	20%	0%	No	100,000	20,000	-	80,000
5. MD0110B - ZONE VALVE RELOCATION-WARM SPR	20%	0%	No	32,000	6,400	-	25,600
8. MM4012 - ACFC CROSSINGS	20%	0%	No	49,000	9,800	-	39,200
10. MM8007 - MAIN RENEWAL - MR1 DRISCOLL	20%	80%	YES	100,000	20,000	80,000	-
11. MM8008 - MAIN RENEWAL - MR3 CENTRAL NEW	20%	80%	YES	100,000	20,000	80,000	-
14. MM8006 - ALVARADO NILES PIPELINE SEISMI	20%	80%	YES	1,000,000	200,000	800,000	-
15. MN0101B - CATHODIC PROTECTION IMPROVEMEN	20%	0%	No	212,000	42,400	-	169,600
17. SR0650 - PATTERSON RESERVOIR REMEDIATIO	20%	0%	No	50,000	10,000	-	40,000
19. ST0551B - MSJ TANK IMPROVEMENTS	20%	0%	No	323,000	64,600	-	258,400
21. MD0203 - WATER METER REPLACEMENT SMALL	0%	0%	No	26,000	-	-	26,000
23. BB0203B - CURTNER ROAD BOOSTER STATION U	20%	0%	No	200,000	40,000	-	160,000
25. BB1351B - AVALON HEIGHTS BOOSTER IMPROVE	10%	0%	No	40,000	4,000	-	36,000
27. GA5005 - DESAL PRODUCTION WELL EQUIPMEN	0%	0%	No	66,000	-	-	66,000
28. MD0101 - SERVICE LINE EMERGENCY REPLACE	0%	0%	No	1,900,000	-	-	1,900,000
29. MD0102 - SERVICE LINE INCIDENTAL REPLAC	0%	0%	No	168,000	-	-	168,000
30. MD6005 - ADVANCED METERING INFRASTRUCTU	12%	0%	No	10,345,000	1,238,297	-	9,106,703
31. MD0111 - SERVICE LINES - LEAD EVALUATIO	0%	0%	No	31,000	-	-	31,000
32. MD0201 - WATER METER REPLACEMENT PROGRA	0%	0%	No	20,000	-	-	20,000
33. MD0202 - WATER METER REPLACEMENT PROGRA	0%	0%	No	5,000	-	-	5,000
34. MD5001B - DISTRIBUTION SYSTEM LARGE VALV	0%	0%	No	35,000	-	-	35,000
35. MU5002 - REGULATOR SITE IMPROVEMENTS AN	0%	0%	No	15,000	-	-	15,000
37. PH0151B - PT BLENDING FACILITY IMPROV &	0%	0%	No	45,000	-	-	45,000
38. MD6004 - Meter Test Bench Upgrades	0%	0%	No	190,000	-	-	190,000
39. PH0251B - DESAL FACILITY IMPROVEMENTS /	0%	0%	No	55,000	-	-	55,000
42. PJ0251C - WTP NO.2 IMPROVEMENTS AND EQUI	0%	0%	No	168,000	-	-	168,000
43. PW0351B - MOWRY & PT WELLFIELD REPLACEME	0%	0%	No	56,000	-	-	56,000
44. PW5001B - WELLFIELD GENERAL IMPROVEMENTS	10%	0%	No	40,000	4,000	-	36,000
46. MU0101B - FR1 UPGRADE	10%	0%	No	1	-	-	1
47. YI0102B - DISTRIBUTION PLC UPGRADE	10%	0%	No	200,000	20,000	-	180,000
48. YI0103B - WATERSHED SCADA ADDITIONS TO D	0%	0%	No	27,000	-	-	27,000
49. SR0601 - PATTERSON RESERVOIR ROOF REPLA	20%	0%	No	1	-	-	1
50. BB0851 - WASHINGTON BOOSTER IMPROVEMENT	20%	0%	No	84,000	16,800	-	67,200
52. EE0202 - DESAL RELIABILITY	20%	0%	No	27,000	5,400	-	21,600
59. PJ0150 - MSJWTP IMPROVEMENTS & EQUIPMEN	0%	0%	No	50,000	-	-	50,000
55. YI0106 - DESAL PLC UPGRADE	0%	0%	No	1	-	-	1
60. ST0752 - AVALON TANK SLOPE STABILIZATIO	42%	0%	No	1,319,000	557,278	-	761,722
65. PJ0154 - MSJWTP PROPERTY IMPROVEMENTS	0%	0%	No	250,000	-	-	250,000
67. SR8001B - BF TANK & RESERVOIR SEISMIC UP	20%	0%	No	1	-	-	1
69. BB1602 - B16 WTP2 ZONE 3 BOOSTER DISCHA	0%	0%	No	177,000	-	-	177,000
70. BB5001 - BOOSTER STATIONS FACILITY IMPR	0%	0%	No	45,000	-	-	45,000
71. MD0112 - DISTRIBUTION LEAK DETECTION SY	10%	0%	No	132,000	13,200	-	118,800
72. MD5001 - DISTRIBUTION SYSTEM LARGE VALV	0%	0%	No	72,000	-	-	72,000
73. MM8011 - MAIN RENEWAL - SMALL DIAMETER	20%	60%	YES	100,000	20,000	60,000	20,000
74. MM8012 - LINDSAY TRACT RDWY GREEN INFRA	20%	0%	YES	150,000	30,000	-	120,000
75. MU0501B - DRY CREEK REGULATOR UPGRADE	10%	0%	No	43,000	4,300	-	38,700
76. PH0154B - BLENDING FACILITY LOW FLOW CON	10%	0%	No	234,000	23,400	-	210,600
78. PJ0208B - WTP2 PROCESS BASIN CONCRETE GR	20%	0%	No	344,000	68,800	-	275,200
80. SR0101 - ALAMEDA RESERVOIR ROOF REPLACE	20%	0%	No	382,000	76,400	-	305,600
81. SR0201 - DECOTO RESERVOIR ROOF REPLACEM	20%	0%	No	259,000	51,800	-	207,200
83. SR0403 - MAYHEW RESERVOIR CONTROL VALVE	20%	0%	No	40,000	8,000	-	32,000
86. SR5001 - RESERVOIR FACILITY IMPROVEMENT	10%	0%	No	25,000	2,500	-	22,500
87. ST5001 - TANKS - FACILITY IMPROVEMENTS	10%	0%	No	20,000	2,000	-	18,000
88. YI0204 - SOLAR POWER AT WHITFIELD	20%	0%	No	8,000	1,600	-	6,400
89. YI0204A - CLEAN ENERGY IMPLEMENTATION	0%	0%	No	203,000	-	-	203,000
Total Distribution System Capital	14%	5%		20,093,004	2,730,275	1,020,000	16,342,729
Groundwater Capital							
1. GG0302B - KAISER POND DIVERSION IMPROVEM	20%	0%	No	20,000	4,000	-	16,000
3. GG0501 - VALLECITOS CHANNEL BETTERTMENTS	20%	0%	No	65,000	13,000	-	52,000
4. GG1301B - SHINN POND FISH SCREEN	20%	0%	No	4,228,000	845,600	-	3,382,400
5. GG4103B - RUBBER DAM 1 - FISH LADDER	20%	0%	No	5,935,000	1,187,000	-	4,748,000
6. GG4302B - RUBBER DAM NO. 3 FABRIC REPLAC	20%	0%	No	76,000	15,200	-	60,800
7. GG4303B - RUBBER DAM NO. 3 FISH LADDER	20%	0%	No	13,000	2,600	-	10,400

**ALAMEDA COUNTY WATER DISTRICT
FY 2021/22 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	FRF %	FRF	Total	FIF	FRF	GF
			Eligible (Y/N)				
9. GA0901 - NEW AQUIFER RECLAMATION PROGRA	20%	0%	No	10,000	2,000	-	8,000
10. GG0601B - MONITORING WELL CONSTRUCTION P	20%	0%	No	27,000	5,400	-	21,600
11. GG5001 - GW SUPPLY FACILITIES IMPROV/EQ	0%	0%	No	40,000	-	-	40,000
13. GG5004 - OLD JARVIS ROAD IRRIGATION WEL	0%	0%	No	160,000	-	-	160,000
14. GG7001 - GROUNDWATER BASIN FLOW MODEL U	50%	0%	No	579,000	289,500	-	289,500
16. GG4101B - BF RUBBER DAM #1 BAG REPLACEME	20%	0%	No	1,247,000	249,400	-	997,600
17. GG4203 - BF RUBBER DAM #2 - LARINIER FI	0%	0%	No	1	-	-	1
18. GA1001 - NILES CONE GROUNDWATER BASIN E	20%	0%	No	1,169,000	233,800	-	935,200
19. GA5007 - BRACKISH GROUNDWATER RECLAMATI	20%	0%	No	80,000	16,000	-	64,000
20. GG4303B2 - FISH PASSAGE FACILITY GRATING	20%	0%	No	99,000	19,800	-	79,200
21. GG5006 - FISHERIES SCADA INTEGRATION	20%	0%	No	75,000	15,000	-	60,000
22. GG5007 - GROUNDWATER PFAS SAMPLING AND	0%	0%	No	150,000	-	-	150,000
23. GG5008 - GROUNDWATER SGMA ENHANCEMENT	50%	0%	No	102,000	51,000	-	51,000
24. YI0104 - HO2-FOUNDATION FIELDBUS REPLAC	20%	0%	No	1	-	-	1
Total Groundwater Capital	21%	0%		14,075,002	2,949,300	-	11,125,702
Vehicle Capital							
2. AV0102 - VEHICLE CAPITAL - LIGHT DUTY V	0%	0%	No	414,000	-	-	414,000
3. AV0104 - VEHICLE CAPITAL - HEAVY DUTY V	0%	0%	No	375,000	-	-	375,000
5. AV0152 - EQUIPMENT AND TOOLS - DISTRIBU	0%	0%	No	60,000	-	-	60,000
6. AV0153 - EQUIPMENT AND TOOLS - FACILITI	0%	0%	No	10,000	-	-	10,000
7. AV0154 - EQUIPMENT AND TOOLS - GENERAL	0%	0%	No	10,000	-	-	10,000
9. AV0103 - VEHICLE CAPITAL - CONSTRUCTION	0%	0%	No	500,000	-	-	500,000
Total Vehicle Capital	0%	0%		1,369,000	-	-	1,369,000
Headquarter Facility Capital							
1. AQ0110 - BOARD ROOM AUDIO-VISUAL UPGRAD	0%	0%	No	75,000	-	-	75,000
2. AQ0151C - HEADQUARTERS FACILITY IMPROVEM	0%	0%	No	270,000	-	-	270,000
Total Headquarter Facility Capital	0%	0%		345,000	-	-	345,000
Engineering Capital							
1. AK0103 - IT CUSTOM APPLICATIONS-DCJETS	100%	0%	No	77,000	77,000	-	-
2. AK0104B - IT - CITYWORKS FOR GROUNDWATER	30%	0%	No	95,000	28,500	-	66,500
3. AK0109 - IT INFRASTRUCTURE UPGRADES - C	0%	0%	No	225,000	-	-	225,000
4. AK0110 - IT RECORDS MANAGEMENT PROJECT	0%	0%	No	225,000	-	-	225,000
5. AK0251 - ENGINEERING DEPT - CAPITAL EQU	0%	0%	No	33,000	-	-	33,000
10. YI0603 - ELECTRICAL REDUNDANCY & RELIAB	0%	0%	No	1	-	-	1
11. MD0104 - DISTRIBUTION SYSTEM SEISMIC ST	0%	0%	No	74,000	-	-	74,000
Total Engineering Capital	14%	0%		729,001	105,500	-	623,501
Operations Capital							
1. AK0104 - ITMP - COMPUTERIZED MAINTENANC	0%	0%	No	50,000	-	-	50,000
3. AK0365 - FACILITIES MAINTENANCE SHOP	0%	0%	No	165,000	-	-	165,000
5. PH0155 - REPIPE BLENDING FACILITY S-1 S	20%	0%	No	3,000	600	-	2,400
6. YI0101 - SCADA DISTRIBUTION SERVER RECO	10%	0%	No	701,000	70,100	-	630,900
7. YI0101B - SCADA REPLACEMENTS & UPGRADES	0%	0%	No	227,000	-	-	227,000
8. YI0502B - COMMUNICATIONS PROJECT - PRODU	0%	0%	No	1	-	-	1
9. YI0601 - FACILITY ARC FLASH CALCULATION	0%	0%	No	360,000	-	-	360,000
11. YI5002B - AVALON SYSTEM FIBER OPTIC UPGR	0%	0%	No	1	-	-	1
14. GG9903 - WATERSHED PRESERVATION AND PRO	0%	0%	No	5,000,000	-	-	5,000,000
15. PH0108A - PFAS TREATMENT CIP	20%	0%	No	1	-	-	1
16. PW0302 - PFAS WELLFIELD DISTRIBUTION SY	20%	0%	No	1	-	-	1
19. PJ0262 - WTP2 Filter Media Replacement	5%	0%	No	538,000	26,900	-	511,100
Total Operations Capital	1%	0%		7,044,004	97,600	-	6,946,404
Grand Total - Capital Projects	13%	2%		\$ 43,655,011	\$ 5,882,675	\$ 1,020,000	\$ 36,752,336