

ALAMEDA COUNTY WATER DISTRICT

MEMORANDUM

DATE: September 7, 2017
TO: Robert Shaver
FROM: Jonathan Wunderlich 
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, 2017 and report of Capital Projects budgeted for FY 2017/18 that fully comply with the accounting and reporting provisions of Government Code Section 66013.

CC: Ed Stevenson

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
MONTH ENDED 6/30/17**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
Beginning GF & FIF Cash Balance		115,998,823	35,730,852	76,680,439	3,587,532
Revenue					
Water Revenue	0%	83,409,902	-	83,409,902	
Ground Water Revenue	0%	228,809	-	228,809	
Proceeds From Taxation	0%	10,331,940	-	10,331,940	
Interest	32%	1,879,827	609,551	1,249,774	20,501
FCC	100%	9,439,192	9,439,192	-	
Customer Jobs Revenue	0%	4,842,607	-	4,842,607	
Other Revenue	0%	1,485,272	-	1,485,272	
Total Revenue	9%	111,617,550	10,048,743	101,548,305	20,501
Expenditures					
Distribution System Capital					
1. CIP Planning	0%	28,130	-	28,130	
2. Non-Potable Water System Project	100%	-	-	-	
* 3. Mowry and PT Wellfield Replacement Well Equip	0%	215,186	-	215,186	
4. PT Blending Facility Improvements & Equip Replacements	0%	-	-	-	
5. Blending Facility Low Flow Modifications	0%	-	-	-	
6. Desalination Facility Improvements & Equip Replacements	0%	14,270	-	14,270	
7. Replacement Membranes for Desal Facility	0%	-	-	-	
8. Desalination Facility - Replace Chem Piping	0%	-	-	-	
9. MSJWTP Access Road Erosion Mitigation Project	0%	31,219	-	31,219	
10. MSJ Improvements and Equip Replacements	0%	-	-	-	
* 11. WTP No.2 Improvements and Equip Replacements	0%	191,089	-	191,089	
12. Washington Booster Station Flowmeter-Planning/Feasibility	0%	-	-	-	
13. PR-1 Booster Station	50%	64,660	32,330	32,330	
14. Whitfield Reservoir Water Quality Improvements	20%	-	-	-	
15. Patterson Reservoir Remediation	20%	82,639	16,528	66,111	
16. Avalon Tank Slope Stabilization Improvements	0%	46,037	-	46,037	
17. East / West Connector	50%	-	-	-	
18. Main Relocation for ACFC	0%	153,313	-	153,313	
19. Catholic Protection Improvements and Additions	0%	31,117	-	31,117	
20. Zone Valve Relocations - Warm Springs	0%	-	-	-	
21. Distribution System Large Valve Replacement Program	0%	111,707	-	111,707	
22. Data Integration & Reporting Services Plan	0%	13,405	-	13,405	
23. Distribution PLC Replacement Program	0%	32,305	-	32,305	
24. Solar Power at Whitfield	0%	9,317	-	9,317	
25. Communications - Microwave Phase II	0%	-	-	-	
26. Alameda Creek Communications	0%	45,197	-	45,197	
27. SCADA System Minor Improvements	0%	-	-	-	
28. Physical Security Upgrades at Critical District Facilities	0%	126,073	-	126,073	
29. SCADA Distribution Server	0%	7,582	-	7,582	
40. SCADA System Major Improvement	0%	1,383	-	1,383	
47. Main Renewal - MR1 Driscoll	20%	5,293	1,059	4,234	
75. BF MSJWTP - Replace Diesel Generator & Cooling System	0%	46,914	-	21,758	25,156
76. BF Tank and Reservoir Seismic Upgrades	20%	487,133	97,427	25,975	363,732
77. BF Canyon Heights Tank Improvement	0%	25,254	-	10,172	15,083
78. BF MSJWTP Tank Improvements	0%	13,361	-	10,883	2,478
79. BF Main Relocation for SFPUC BDPL 3&4	20%	31,848	6,370	-	25,478
80. BF Iron Horse Lane (Niles Alleys) Main Replacement	75%	918,096	688,572	22,889	206,635
81. BF Capitol Avenue Main Replacement Project	10%	397,037	39,704	246,423	110,911
82. BF Main Replacements	10%	-	-	-	-
83. BF Middlefield Reservoir Inlet / Outlet Pipe Replacement	20%	217,474	43,495	54,590	119,389
84. BF Washington Boulevard/680 Bridge P/L Improvement	20%	255,176	51,035	92,692	111,448
85. BF Alvarado-Niles Spine Main	20%	624,999	125,000	422,576	77,424
86. BF Service Line Emergency Replacement Program	0%	1,487,869	-	741,152	746,718

* Projects completed in FY 16/17.

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
MONTH ENDED 6/30/17**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
87. BF Service Line Planned Replacement Program	0%	280,772	-	102,238	178,534
88. BF Water Meter Replacement Program - Medium Meters	0%	-	-	-	-
89. BF Water Meter Replacement Program - Large Meters	0%	160,608	-	76,958	83,650
90. BF Fault Crossings Flexible Hose Procurement - Phase 2	20%	27,488	5,498	11,367	10,623
91. BF WTP2 PLC Replacement	0%	2,108,202	-	1,653,917	454,286
92. BF Blending Facility Communications Project	0%	-	-	-	-
* 93. BF WTP2 - Power Facility Turbine	35%	25,557	8,945	4,227	12,385
* 94. BF Large Diameter Hayward Fault Seismic Retrofit	20%	10,996	2,199	6,464	2,333
* 95. BF WTP2 - LOX Conversion & Process Upgrades	5%	2,250	113	2,138	-
Total Distribution System Capital	13%	8,330,956	1,118,272	4,666,421	2,546,263
Groundwater Capital					
1. Pit T-2 Slope Rehabilitation	20%	-	-	-	-
2. Niles Cone Saltwater Intrusion & Aquifer Characterization Pro	20%	-	-	-	-
3. GW Supply Facilities Improv / Equip Replacements	0%	34,361	-	34,361	-
4. Groundwater Recharge Facilities - Control Electrification	20%	-	-	-	-
5. Montecito Well Site Demolition	0%	522	-	522	-
6. Desal Production Well Equipment	0%	86,995	-	86,995	-
30. BF Kaiser Pond Diversion Pipe Improvement Project	0%	199,431	-	126,034	73,397
31. BF Vallecitos Channel Betterments	20%	251,152	50,230	46,268	154,654
32. BF Shinn Pond Fish Screen	20%	22,327	4,465	17,861	-
33. BF Rubber Dam No. 1 Bag Replacement	20%	870,196	174,039	7,124	689,033
34. BF Rubber Dam No. 1 Fish Ladder Final Design	20%	342,430	68,486	164,963	108,981
35. BF Rubber Dam No. 3 Fish Ladder	20%	214,791	42,958	138,421	33,411
36. BF Rubber Dam No. 2 Larrnier Fishway	0%	783	-	-	783
* 37. BF Stevenson Pond/Lago Los Oso	0%	1,510	-	-	1,510
38. Rubber Dam #3 Fabric Replacement	20%	35	7	-	28
Total Groundwater Capital	17%	2,024,532	340,186	622,576	1,061,770
Vehicle Capital					
1. Portable Emergency Generator	0%	215,715	-	215,715	-
* 2. 10 Wheel Dump Truck	0%	170,638	-	170,638	-
3. Pickup Trucks	0%	28,986	-	28,986	-
4. Equipment and Tools	0%	27,871	-	27,871	-
5. Equipment and Tools - Facilities Maintenance Section	0%	1,916	-	1,916	-
* 6. Equipment and Tools - General Facilities Section	0%	10,062	-	10,062	-
Total Vehicle Capital	0%	455,188	-	455,188	-
Headquarter Facility Capital					
1. Headquarters Building Renovations - New Offices	100%	164,772	164,772	-	-
2. Headquarters HVAC Upgrade	0%	-	-	-	-
* 3. HQ Landscape - Frontage & Demonstration Garden Project	0%	67,093	-	67,093	-
4. Headquarters Improvement / Equipment Repl	0%	120,705	-	120,705	-
Total Headquarter Facility Capital	0%	352,570	164,772	187,798	-
Admin & Finance Capital					
* 1. Meter Reading Devices	0%	7,368	-	7,368	-
Total Admin & Finance Capital	0%	7,368	-	7,368	-
Engineering Capital					
1. ITMP - Custom Applications - DCJETS	100%	447	447	-	-
2. ITMP - Computerized Maintenance Mgmt System (CMMS)	0%	42,065	-	42,065	-
3. ITMP - Share Point	0%	34,263	-	34,263	-
4. IT Infrastructure Upgrades	0%	66,083	-	66,083	-
5. Engineering Department - Capital Equipment & Materials	0%	-	-	-	-
6. CIP Software	0%	-	-	-	-
Total Engineering Capital	0%	142,858	447	142,411	-
Grand Total - Capital Expenditures	14%	11,313,472	1,623,677	6,081,762	3,608,033
Customer Jobs		4,208,960		4,208,960	

* Projects completed in FY 16/17.

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
MONTH ENDED 6/30/17**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
Grand Total - Operating Expenses (includes Extraordinary Exp)	0%	78,131,424	-	78,131,424	
Retirement of Bonded Debt		6,386,406	-	6,386,406	
Total Expenditures (Capital, Expense & Debt)	2%	100,040,262	1,623,677	94,808,552	3,608,033
Ending Balance	35%	127,576,110	44,155,918	83,420,192	-
Reconciling Time Difference		(2,079,008)	-	(2,079,008)	-
Ending Cash Balance		<u>125,497,102</u>	<u>44,155,918</u>	<u>81,341,184</u>	<u>-</u>

**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 charge is

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 2017/18 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF
Distribution System Capital				
4. Washington Booster Improvements (Phase 1 and 2)	0%	51,000	-	51,000
5. Whitfield Zone 1 Flowmeter	20%	56,000	11,200	44,800
6. Scott Creek Booster Station Improvements and Equipment Replacements	10%	15,000	1,500	13,500
7. Avalon Heights Booster Improvements and Equipment Replacements	10%	69,500	7,000	62,500
10. CIP Planning/Facility Assessments	0%	236,700	-	236,700
11. Hazard Mitigation and Emergency Response Strategic Planning	0%	120,000	-	120,000
14. Service Line Emergency Replacement Program	0%	1,588,200	-	1,588,200
15. Service Line Incidental Replacement Program	0%	200,000	-	200,000
16. Fault Crossing - Hose Procurement	20%	380,000	76,000	304,000
18. Service Lines - Lead Evaluation	0%	56,000	-	56,000
19. Water Meter Replacement Program - Large Meters	0%	288,000	-	288,000
20. Water Meter Replacement Program - Medium Meters	0%	280,000	-	280,000
21. Distribution System Large Valve Replacement Program	20%	200,600	40,100	160,500
22. Main Relocations for SFPUC Bay Division Pipeline 3 & 4 Seismic Project	20%	1,535,000	307,000	1,228,000
23. Capitol Avenue Main Replacement	10%	148,400	14,800	133,600
24. East West Connector Project	50%	5,000	2,500	2,500
25. ACFC Crossings	0%	252,000	-	252,000
26. Washington Boulevard/-680 Pipeline Improvement Project	20%	366,800	73,400	293,400
28. Main Renewal - MR3 Central Newark	20%	80,000	16,000	64,000
29. Main Renewal - MR4 Cherry	20%	300,000	60,000	240,000
31. Alvarado Niles Pipeline Seismic Improvement Project	20%	5,680,000	1,136,000	4,544,000
32. Catholic Protection Improvements and Additions	20%	119,000	23,800	95,200
33. Regulator Site Improvements and Equipment Replacements	10%	39,000	3,900	35,100
35. Desal Facility Improvements / Equipment Replacements	10%	150,000	15,000	135,000
36. Membranes for Desal Facility	10%	1,234,000	123,400	1,110,600
37. TP2 Filter Press Polymer System Upgrade	10%	205,000	20,500	184,500
38. WTP No.2 Improvements and Equipment Replacements	10%	250,000	25,000	225,000
40. Wellfield General Improvements and Equipment Replacements	10%	259,000	25,900	233,100
43. Patterson Reservoir Remediation Project	20%	196,500	39,300	157,200
44. Canyon Heights Tank Improvements	20%	299,600	59,900	239,700
45. MSJ Tank Improvements	20%	617,700	123,500	494,200
46. Avalon Tank Slope Stabilization Improvements	0%	184,400	-	184,400
48. Distribution PLC Upgrade	10%	430,000	43,000	387,000
49. Watershed SCADA additions to Distribution SCADA	10%	33,000	3,300	29,700
50. WTP2 PLC Replacement	10%	1,058,000	105,800	952,200
51. Communications Project - Production & Storage	10%	239,800	24,000	215,800
52. Physical Security Upgrades at Critical District Facilities	10%	121,200	12,100	109,100
53. Water Quality Laboratory/Equip Program	0%	10,000	-	10,000
54. Mayhew Reservoir Overflow Outlet Improvements	0%	88,000	-	88,000
55. Conservation Database and DLP reporting tool	20%	100,000	20,000	80,000
Total Distribution System Capital	14%	17,542,400	2,413,900	15,128,500
Groundwater Capital				
1. Kaiser Pond Diversion Improvement Project	20%	247,800	49,600	198,200
2. Pit T-2 Slope Rehabilitation	20%	93,000	18,600	74,400
3. Vallecitos Channel Betterments	20%	675,100	135,000	540,100
4. Monitoring Well Construction Project	20%	19,600	3,900	15,700
5. Shinn Pond Fish Screen	20%	207,100	41,400	165,700
6. Rubber Dam 1 - Fish Ladder	20%	631,800	126,400	505,400
7. Rubber Dam No. 3 Fabric Replacement	20%	957,000	191,400	765,600
8. Rubber Dam No. 3 Fish Ladder	20%	555,000	111,000	444,000
9. GW Supply Facilities Improv/Equip Replacements	0%	40,000	-	40,000
10. Groundwater Recharge Facilities - Control Electrification	0%	105,000	-	105,000
11. Old Jarvis Road Irrigation Well Destruction Grant Project	0%	270,700	-	270,700
13. Communications Systems Projects - Alameda Creek	10%	48,000	4,800	43,200
Total Groundwater Capital	18%	3,850,100	682,100	3,168,000
Vehicle Capital				
1. Vehicle Capital - Air Quality Reg'd Equip Upgrades	0%	250,000	-	250,000
2. Vehicle Capital - Light Duty Vehicles	0%	210,000	-	210,000
4. Portable Emergency Generator Plug Connections	10%	85,000	8,500	76,500
5. Equipment and Tools - Distribution Maintenance	0%	60,000	-	60,000
6. Equipment and Tools - Facilities Maintenance	0%	20,000	-	20,000

**ALAMEDA COUNTY WATER DISTRICT
FY 2017/18 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF
7. Equipment and Tools - General Facilities	0%	10,000	-	10,000
Total Vehicle Capital	1%	635,000	8,500	626,500
Headquarter Facility Capital				
1. Headquarters Facility - Building Renovation Projects - New Offices	100%	310,000	310,000	-
2. Headquarter Facility -HVAC Upgrades	0%	31,200	-	31,200
3. Board Room Audio-Visual Upgrades	0%	100,000	-	100,000
4. Headquarters Facility Improvement/ Equipment Replacement	10%	116,800	11,700	105,100
Total Headquarter Facility Capital	0%	558,000	321,700	236,300
Engineering Capital				
1. IT Custom Applications-DCJETS Replacement and Upgrades	100%	213,000	213,000	-
2. IT - Cityworks for Groundwater Permits	30%	120,000	36,000	84,000
3. ITMP - SharePoint	10%	57,000	5,700	51,300
4. IT Infrastructure Upgrades - Capital	0%	129,000	-	129,000
5. IT Records Management Project	10%	160,000	16,000	144,000
6. Engineering Department - Capital Equipment and Materials	0%	5,000	-	5,000
Total Engineering Capital	40%	684,000	270,700	413,300
Grand Total - Capital Projects	16%	23,269,500	3,696,900	19,572,600