

ALAMEDA COUNTY WATER DISTRICT

MEMORANDUM

DATE: September 12, 2019
TO: Robert Shaver
FROM: Jonathan Wunderlich 
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, 2019 and report of Capital Projects budgeted for FY 2019/20 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 6/30/19**

Description	FIF %	FRF %	YTD Total	FIF	FRF	GF
Beginning GF, FIF, & FRF Cash Balance			153,469,755	55,140,916	-	98,328,839
Revenue						
Water Revenue	0%	0%	107,036,995	-	-	107,036,995
Ground Water Revenue	0%	0%	413,969	-	-	413,969
Countywide 1% Tax Allocation	0%	0%	6,231,047	-	-	6,231,047
State Water Contract Levy	0%	0%	3,848,714	-	-	3,848,714
Interest	37%	0%	2,940,690	1,079,953	-	1,860,737
FCC-FIF	100%	0%	10,852,176	10,852,176	-	-
FCC-FRF	0%	100%	537,609	-	537,609	-
Customer Jobs Revenue	0%	0%	4,903,487	-	-	4,903,487
Other Revenue	0%	0%	5,803,555	-	-	5,803,555
Total Revenue	8%	0%	142,568,242	11,932,129	537,609	130,098,503
Expenditures						
Distribution System Capital						
1. Canyon Heights Booster Station Upgrade/Replacement	10%	0%	1,739	174	-	1,565
2. Seven Hills Booster Station Study and Upgrade	10%	0%	-	-	-	-
3. PR-1 Booster Station	50%	0%	12,252	6,126	-	6,126
4. Engineering Report for CIP	50%	0%	244,000	122,000	-	122,000
5. Zone Valve Relocation - Warm Springs	20%	0%	-	-	-	-
6. Main Relocations for SFPUC Bay Division Pipeline 3 & 4 Seismic Project	20%	0%	1,429,077	285,815	-	1,143,262
7. East West Connector Project	50%	0%	-	-	-	-
8. ACFC Crossings	0%	0%	13,790	-	-	13,790
9. Main Renewal Program	10%	0%	-	-	-	-
10. Main Renewal - MR1 Driscoll	20%	11%	209,658	41,932	23,134	144,592
11. Main Renewal - MR3 Central Newark	20%	3%	304,901	60,980	10,367	233,554
12. Main Renewal - MR4 Cherry	20%	0%	-	-	-	-
13. Main Renewal - MR5 Patterson	20%	0%	-	-	-	-
14. Alvarado Niles Pipeline Seismic Improvement Project	20%	7%	453,005	90,601	33,502	328,902
15. Cathodic Protection Improvements and Additions	20%	0%	7,359	1,472	-	5,887
16. MSJWTP - Replace Diesel Generator and Cooling System	0%	0%	-	-	-	-
17. Patterson Reservoir Remediation Project	20%	0%	16,752	3,350	-	13,401
18. Canyon Heights Tank Improvements	20%	0%	208,852	41,770	-	167,082
19. MSJ Tank Improvements	20%	0%	21,403	4,281	-	17,123
20. WTP2 PLC Replacement	10%	0%	5,486	549	-	4,938
21. Communications Project - Production & Storage	10%	0%	8,753	875	-	7,878
22. Electronic Operating Logs	0%	0%	43,341	-	-	43,341
23. Curtner Road Booster Station Upgrade	10%	0%	69,401	6,940	-	62,461
24. Scott Creek Booster Station Improvements and Equipment Replacements	10%	0%	-	-	-	-
25. Avalon Heights Booster Improvements and Equipment Replacements	10%	0%	-	-	-	-
26. Hazard Mitigation and Emergency Response Strategic Planning	0%	0%	915	-	-	915
27. Desal Production Well Equipment Replacement	0%	0%	128,469	-	-	128,469
28. Service Line Emergency Replacement Program	0%	0%	1,331,690	-	-	1,331,690
29. Service Line Incidental Replacement Program	0%	0%	172,564	-	-	172,564
30. Advanced Metering Infrastructure	10%	0%	-	-	-	-
31. Service Lines - Lead Evaluation	0%	0%	1,141	-	-	1,141
32. Water Meter Replacement Program - Large Meters	0%	0%	197,771	-	-	197,771
33. Water Meter Replacement Program - Medium Meters	0%	0%	-	-	-	-
34. Distribution System Large Valve Replacement Program	20%	0%	17,208	3,442	-	13,767
35. Regulator Site Improvements and Equipment Replacements	10%	0%	49,373	4,937	-	44,436
36. Durham Take-off Improvements	0%	0%	7,981	-	-	7,981
37. PT Blending Facility Improvements and Equipment Replacements	10%	0%	-	-	-	-
38. Re-pipe Blending Facility S-1 sample line	0%	0%	-	-	-	-
39. Desal Facility Improvements / Equipment Replacements	10%	0%	81,326	8,133	-	73,193
40. Membranes for Desal Facility	10%	36%	1,043,082	104,308	380,440	558,333
41. TP2 Filter Press Polymer System Upgrade	10%	0%	7,783	778	-	7,005
42. WTP No2 Improvements and Equipment Replacements	10%	0%	145,014	14,501	-	130,512
43. Mowry and PT Wellfields - Replacement Pumping Equipment	10%	0%	5,850	585	-	5,265

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
MONTH ENDED 6/30/19**

Description	FIF %	FRF %	YTD Total	FIF	FRF	GF
44. Wellfield General Improvements and Equipment Replacements	10%	0%	26,926	2,693	-	24,233
45. Whitfield Water Quality Improvements	20%	0%	-	-	-	-
46. SCADA Replacements & Upgrades	10%	0%	-	-	-	-
47. Distribution PLC Upgrade	10%	0%	1,136,154	113,615	-	1,022,539
48. Watershed SCADA additions to Distribution SCADA	10%	0%	6,299	630	-	5,669
49. Physical Security Upgrades at Critical District Facilities	10%	0%	3,567	357	-	3,211
50. Main Renewal – Small Diameter	10%	10%	930,378	93,038	90,166	747,174
51. Avalon Tank Slope Stabilization	17%	0%	26,745	4,547	-	22,198
56. BF Main Replacements	10%	0%	-	-	-	-
66. BF Tank & Reservoir Seismic Upgrade	20%	0%	12,688	2,538	-	10,150
67. Washington Boulevard/I-680 PIP	20%	0%	2,554	511	-	2,043
68. BF Water Meter Replace	0%	0%	265	-	-	265
69. SCADA System Major Improvement	0%	0%	-	-	-	-
70. Washington Booster Improvements	0%	0%	2,403	-	-	2,403
Total Distribution System Capital	12%	6%	8,387,917	1,021,477	537,609	6,828,831
Groundwater Capital						
1. Kaiser Pond Diversion Improvement Project	20%	0%	115,548	23,110	-	92,438
2. Pit T-2 Slope Rehabilitation	20%	0%	-	-	-	-
3. Vallecitos Channel Betterments	20%	0%	175,062	35,012	-	140,050
4. Shinn Pond Fish Screen	20%	0%	240,734	48,147	-	192,587
5. Rubber Dam 1 - Fish Ladder	20%	0%	1,731,824	346,365	-	1,385,459
6. Rubber Dam No 3 Fabric Replacement	20%	0%	340,553	68,111	-	272,442
7. Rubber Dam No 3 Fish Ladder	20%	0%	8,162,931	1,632,586	-	6,530,345
8. Communications Systems Projects - Alameda Creek	10%	0%	74,554	7,455	-	67,099
9. New Aquifer Reclamation Program Well	0%	0%	-	-	-	-
10. Monitoring Well Construction Project	20%	0%	-	-	-	-
11. GW Supply Facilities Improv/Equip Replacements	0%	0%	3,456	-	-	3,456
12. Groundwater Recharge Facilities - Control Electrification	0%	0%	-	-	-	-
13. Old Jarvis Road Irrigation Well Destruction Grant Project	0%	0%	20,862	-	-	20,862
14. G-G 7001 Groundwater Basin Flow Model (Upgrade)	50%	0%	-	-	-	-
60. BF Rubber Dam #1 Bag Replacement	20%	0%	500,786	100,157	-	400,629
Total Groundwater Capital	20%	0%	11,366,311	2,260,943	-	9,105,368
Vehicle Capital						
1. Vehicle Capital - Light Duty Vehicles	0%	0%	158,822	-	-	158,822
2. Vehicle Capital - Heavy -Duty Vehicles	0%	0%	55,022	-	-	55,022
3. Portable Emergency Generator Plug Connections	10%	0%	607	61	-	546
4. Equipment and Tools - Distribution Maintenance	0%	0%	-	-	-	-
5. Equipment and Tools - Facilities Maintenance	0%	0%	5,133	-	-	5,133
6. Equipment and Tools - General Facilities	0%	0%	6,410	-	-	6,410
Total Vehicle Capital	0%	0%	225,994	61	-	225,933
Headquarter Facility Capital						
1. Board Room Audio-Visual Upgrades	0%	0%	18,160	-	-	18,160
2. Headquarter Facility -HVAC Upgrades	0%	0%	22,437	-	-	22,437
3. Headquarters Facility Improvement/ Equipment Replacement	10%	0%	8,265	827	-	7,439
4. Headquarters Facility	100%	0%	121,465	121,465	-	-
Total Headquarter Facility Capital	0%	0%	170,327	122,291	-	48,036
Engineering Capital						
1. IT Custom Applications-DCJETS Replacement and Upgrades	100%	0%	-	-	-	-
2. IT - Cityworks for Groundwater Permits	30%	0%	70,226	21,068	-	49,158
3. IT Infrastructure Upgrades - Capital	0%	0%	99,091	-	-	99,091
4. IT Records Management Project	10%	0%	146,303	14,630	-	131,673
5. Engineering Department - Capital Equipment and Materials	0%	0%	-	-	-	-
Total Engineering Capital	11%	0%	315,621	35,698	-	279,923
Grand Total - Capital Expenditures	17%	3%	20,466,170	3,440,471	537,609	16,488,091
Customer Jobs			5,464,976			5,464,976

**ALAMEDA COUNTY WATER DISTRICT
REVENUE & EXPENDITURES
MONTH ENDED 6/30/19**

Description	FIF %	FRF %	YTD Total	FIF	FRF	GF
Grand Total - Operating Expenses (includes Extraordinary Exp)	0%	0%	93,787,961	-	-	93,787,961
Retirement of Bonded Debt			6,370,956	-	-	6,370,956
Total Expenditures (Capital, Expense & Debt)	3%	0%	126,090,064	3,440,471	537,609	122,111,984
Ending Balance	37%	0%	169,947,933	63,632,575	-	106,315,358
Reconciling Time Difference			1,086,777	-	-	1,086,777
Ending Cash Balance			171,034,710	63,632,575	-	107,402,135

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 2019/20 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	FRF %	Total	FIF	FRF	GF
Distribution System Capital						
1. BB0101B - CANYON HEIGHTS BOOSTER STATION	20%	-	134,000	26,800	-	107,200
2. BB1501 - PR-1 BOOSTER STATION	20%	-	100,000	20,000	-	80,000
3. EE0201B - ENGINEERING REPORT FOR CIP	20%	-	681,200	136,240	-	544,960
4. MM4011 - EAST WEST CONNECTOR PROJECT	50%	-	5,001	2,501	-	2,500
5. MM4012 - ACFC CROSSINGS	20%	-	70,560	14,112	-	56,448
6. MM8007 - MAIN RENEWAL - MR1 DRISCOLL	20%	-	600,000	120,000	-	480,000
7. MM8008 - MAIN RENEWAL - MR3 CENTRAL NEW	20%	-	790,839	158,168	-	632,671
8. MM8006 - ALVARADO NILES PIPELINE SEISMI	20%	-	6,336,000	1,267,200	-	5,068,800
9. MN0101B - CATHODIC PROTECTION IMPROVEMEN	20%	-	215,500	43,100	-	172,400
10. PJ0110 - BF MSJWTP REPLACE DIESEL GENER	0%	-	160,000	-	-	160,000
11. SR0650 - PATTERSON RESERVOIR REMEDIATIO	20%	-	166,000	33,200	-	132,800
12. ST0251B - CANYON HEIGHTS TANK IMPROVEMEN	20%	-	1,012,950	202,590	-	810,360
13. AK0111 - ELECTRONIC OPERATING LOGS	20%	-	106,000	21,200	-	84,800
14. BB0203B - CURTNER ROAD BOOSTER STATION U	20%	-	958,000	191,600	-	766,400
15. BB1351B - AVALON HEIGHTS BOOSTER IMPROVE	10%	-	55,000	5,500	-	49,500
16. EE0601 - HAZARD MITIGATION AND EMERGENC	0%	-	277,000	-	-	277,000
17. GA5005 - DESAL PRODUCTION WELL EQUIPMEN	0%	-	160,000	-	-	160,000
18. MD0101 - SERVICE LINE EMERGENCY REPLACE	0%	-	1,581,000	-	-	1,581,000
19. MD0102 - SERVICE LINE INCIDENTAL REPLAC	0%	-	205,000	-	-	205,000
20. MD6005 - ADVANCED METERING INFRASTRUCTU	10%	-	1,346,000	134,600	-	1,211,400
21. MD0111 - SERVICE LINES - LEAD EVALUATIO	0%	-	154,600	-	-	154,600
22. MD0201 - WATER METER REPLACEMENT PROGRA	0%	-	105,000	-	-	105,000
23. MD0202 - WATER METER REPLACEMENT PROGRA	0%	-	280,000	-	-	280,000
24. MD5001B - DISTRIBUTION SYSTEM LARGE VALV	0%	-	200,600	-	-	200,600
25. MU5002 - REGULATOR SITE IMPROVEMENTS AN	0%	-	15,000	-	-	15,000
26. PF0201 - DURHAM TAKE-OFF IMPROVEMENTS	20%	-	10,000	2,000	-	8,000
27. PH0151B - PT BLENDING FACILITY IMPROV &	10%	-	25,000	2,500	-	22,500
28. PH0251B - DESAL FACILITY IMPROVEMENTS /	10%	-	170,000	17,000	-	153,000
29. PH0252B - MEMBRANES FOR DESAL FACILITY	5%	-	-	-	-	-
30. PJ0251C - WTP NO.2 IMPROVEMENTS AND EQUI	10%	-	240,000	24,000	-	216,000
31. PW0351B - MOWRY & PT WELLFIELD REPLACEME	0%	-	188,000	-	-	188,000
32. PW5001B - WELLFIELD GENERAL IMPROVEMENTS	10%	-	45,000	4,500	-	40,500
33. YI0102B - DISTRIBUTION PLC UPGRADE	10%	-	254,800	25,480	-	229,320
34. YI0103B - WATERSHED SCADA ADDITIONS TO D	0%	-	10,000	-	-	10,000
35. BB0851 - WASHINGTON BOOSTER IMPROVEMENT	20%	-	28,000	5,600	-	22,400
36. ST0752 - AVALON TANK SLOPE STABILIZATIO	17%	-	329,816	56,069	-	273,747
37. AK0352 - WATER QUALITY LABORATORY EQUIP	0%	-	190,000	-	-	190,000
38. BB5001 - BOOSTER STATIONS FACILITY IMPR	0%	-	30,000	-	-	30,000
39. MD0112 - DISTRIBUTION LEAK DETECTION SY	10%	-	75,000	7,500	-	67,500
40. MD5001 - DISTRIBUTION SYSTEM LARGE VALV	0%	-	207,600	-	-	207,600
41. MM8011 - MAIN RENEWAL - SMALL DIAMETER	20%	64%	2,291,130	458,226	1,475,890	357,014
42. PH0154B - BLENDING FACILITY LOW FLOW CON	10%	-	87,800	8,780	-	79,020
43. PJ0208B - WTP2 PROCESS BASIN CONCRETE GR	20%	-	80,000	16,000	-	64,000
44. SR0201 - DECOTO RESERVOIR ROOF REPLACEM	20%	-	338,004	67,601	-	270,403
45. SR5001 - RESERVOIR FACILITY IMPROVEMENT	10%	-	25,000	2,500	-	22,500
46. ST5001 - TANKS - FACILITIY IMPROVEMENTS	10%	-	25,000	2,500	-	22,500
47. YI0204 - SOLAR POWER AT WHITFIELD	20%	-	260,000	52,000	-	208,000
Total Distribution System Capital	15%	7%	20,625,400	3,129,067	1,475,890	16,020,443
Groundwater Capital						
1. GG0302B - KAISER POND DIVERSION IMPROVEM	20%	-	472,201	94,400	-	377,801
2. GG0305 - PIT T-2 SLOPE REHABILITATION	0%	-	29,200	-	-	29,200
3. GG0501 - VALLECITOS CHANNEL BETTERMENTS	20%	-	220,800	44,200	-	176,600
4. GG1301B - SHINN POND FISH SCREEN	20%	-	4,584,890	917,000	-	3,667,890
5. GG4103B - RUBBER DAM 1 - FISH LADDER	20%	-	9,401,562	1,880,300	-	7,521,262
6. GG4302B - RUBBER DAM NO. 3 FABRIC REPLAC	20%	-	33,000	6,600	-	26,400
7. GG4303B - RUBBER DAM NO. 3 FISH LADDER	20%	-	120,000	24,000	-	96,000

**ALAMEDA COUNTY WATER DISTRICT
FY 2019/20 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	FRF %	Total	FIF	FRF	GF
8. GA0901 - NEW AQUIFER RECLAMATION PROGRA	20%	-	112,000	22,400	-	89,600
9. GG0601B - MONITORING WELL CONSTRUCTION P	20%	-	19,600	3,900	-	15,700
10. GG5001 - GW SUPPLY FACILITIES IMPROV/EQ	0%	-	40,000	-	-	40,000
11. GG5004 - OLD JARVIS ROAD IRRIGATION WEL	0%	-	271,315	-	-	271,315
12. GG7001 - GROUNDWATER BASIN FLOW MODEL U	50%	-	191,000	95,500	-	95,500
13. GG4101B - BF RUBBER DAM #1 BAG REPLACEME	20%	-	1,548,615	309,700	-	1,238,915
14. GA1001 - NILES CONE GROUNDWATER BASIN E	20%	-	181,625	36,300	-	145,325
Total Groundwater Capital	20%	0%	17,225,808	3,434,300	-	13,791,508
Vehicle Capital						
1. AV0101 - VEHICLE CAPITAL - AIR QUALITY	0%	-	200,000	-	-	200,000
2. AV0102 - VEHICLE CAPITAL - LIGHT DUTY V	0%	-	180,000	-	-	180,000
3. AV0104 - VEHICLE CAPITAL - HEAVY DUTY V	0%	-	100,000	-	-	100,000
4. AV0152 - EQUIPMENT AND TOOLS - DISTRIBU	0%	-	220,000	-	-	220,000
5. AV0153 - EQUIPMENT AND TOOLS - FACILITI	0%	-	20,000	-	-	20,000
6. AV0154 - EQUIPMENT AND TOOLS - GENERAL	0%	-	10,000	-	-	10,000
7. AV0103 - VEHICLE CAPITAL - CONSTRUCTION	0%	-	150,000	-	-	730,000
Total Vehicle Capital	0%	0%	880,000	-	-	1,460,000
Headquarter Facility Capital						
1. AQ0110 - BOARD ROOM AUDIO-VISUAL UPGRAD	0%	-	230,600	-	-	230,600
2. AQ0103 - HEADQUARTER FACILITY -HVAC UPG	0%	-	70,000	-	-	70,000
3. AQ0151C - HEADQUARTERS FACILITY IMPROVEM	0%	-	252,000	-	-	252,000
Total Headquarter Facility Capital	0%	0%	552,600	-	-	552,600
Engineering Capital						
1. AK0103 - IT CUSTOM APPLICATIONS-DCJETS	100%	-	201,000	201,000	-	-
2. AK0104B - IT - CITYWORKS FOR GROUNDWATER	30%	-	50,000	15,000	-	35,000
3. AK0109 - IT INFRASTRUCTURE UPGRADES - C	0%	-	100,000	-	-	100,000
4. AK0110 - IT RECORDS MANAGEMENT PROJECT	0%	-	563,800	-	-	563,800
5. AK0251 - ENGINEERING DEPT - CAPITAL EQU	0%	-	32,200	-	-	32,200
6. AK0165 - IT ENTERPRISE SOFTWARE UPGRADE	0%	-	272,000	-	-	272,000
Total Engineering Capital	18%	0%	1,219,000	216,000	-	1,003,000
Operations Capital						
1. AK0104 - ITMP - COMPUTERIZED MAINTENANC	0%	-	100,000	-	-	100,000
2. AK0353 - FACILITY DIVISION ASSET MANAGE	0%	-	35,000	-	-	35,000
3. AK0365 - FACILITIES MAINTENANCE SHOP	0%	-	150,000	-	-	150,000
4. GA5006 - DESAL SUPPLY WELL PILOT STUDY	20%	-	334,400	66,900	-	267,500
5. PH0155 - REPIPE BLENDING FACILITY S-1 S	20%	-	1,000	200	-	800
6. YI0101 - SCADA DISTRIBUTION SERVER RECO	10%	-	56,000	5,600	-	50,400
7. YI0101B - SCADA REPLACEMENTS & UPGRADES	0%	-	70,000	-	-	70,000
8. YI0502B - COMMUNICATIONS PROJECT - PRODU	0%	-	230,000	-	-	230,000
9. YI0601 - FACILITY ARC FLASH CALCULATION	0%	-	150,000	-	-	150,000
10. YI5002B - PHYSICAL SECURITY UPGRADES AT	0%	-	70,000	-	-	70,000
11. YI5003 - DISTRICT SECURITY REVIEW	0%	-	113,440	-	-	113,440
Total Operations Capital	6%	0%	1,309,840	72,700	-	1,237,140
Grand Total - Capital Projects	16%	4%	41,812,648	6,852,067	1,475,890	34,064,691