

# ***ALAMEDA COUNTY WATER DISTRICT***

## ***MEMORANDUM***

**DATE:** September 10, 2015  
**TO:** Robert Shaver  
**FROM:** Shelley Burgett *Shelley Burgett*  
**SUBJECT:** Connection Fee and Capacity Charge Accounting and Reporting

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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, 2015 and report of Capital Projects budgeted for FY 2015/16 that fully comply with the accounting and reporting provisions of Government Code Section 66013.

**ALAMEDA COUNTY WATER DISTRICT  
REVENUE & EXPENDITURES  
QUARTER ENDED 6/30/15**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
<b>Beginning GF &amp; FIF Cash Balance</b>		<b>\$ 97,842,294</b>	<b>\$ 34,426,360</b>	<b>\$ 63,415,934</b>	<b>\$ -</b>
<b>2015 Bond Proceeds</b>		<b>30,000,000</b>			<b>30,000,000</b>
<b>Revenue</b>					
Water Revenue	0%	80,150,114	-	80,150,114	
Ground Water Revenue	0%	334,181	-	334,181	
Proceeds From Taxation	0%	9,535,109	-	9,535,109	
Interest	31%	634,868	197,523	437,345	
FCC	100%	1,937,104	1,937,104	-	
Customer Jobs Revenue	0%	4,950,705	-	4,950,705	
Other Revenue	2%	1,021,219	22,590	998,629	
<b>Total Revenue</b>	<b>2%</b>	<b>98,563,300</b>	<b>2,157,217</b>	<b>96,406,083</b>	<b>-</b>
<b>Expenditures</b>					
<b>Distribution System Capital</b>					
1. Non-Potable Water System Project	100%	-	-	-	
2. Mowry & PT Wellfield Replacement Well Equipment	0%	29,050	-	29,050	
3. Wellfield - General Improvements & Equip Replacements	0%	-	-	-	
4. Blending Facility Low Flow Control Modific (Baby Blender)	0%	1,155	-	1,155	
5. MSJWTP Process Upgrades and Post Upgrades	20%	102,735	20,547	-	82,188
6. MSJWTP Access Rd Erosion Mitigation Post Const Monitorin	0%	66,841	-	-	66,841
7. MSJWTP Replace Diesel Generator & Cooling System	0%	-	-	-	-
8. MSJ Improvements and Equipment Replacements	0%	-	-	-	
* 9. WTP2 Process Basin Concrete Grouting	0%	38,604	-	38,604	
10. WTP2 Additional LOX Projects	0%	6,772	-	6,772	
* 11. WTP2 - Improvements and Equipment Replacement	0%	63,295	-	63,295	
12. B16 Permanent Pump from TP2 to Zone 3	20%	14,547	2,909	11,638	
13. Whitfield Reservoir Water Quality Improvements	20%	-	-	-	
14. Canyon Heights Tank Improvements	0%	13,147	-	-	13,147
15. MSJ Tank Improvements	0%	13,059	-	-	13,059
16. BART Warm Springs Ext - Pipeline Relocation Work	50%	36,481	18,241	18,241	
17. Iron Horse Lane (Niles Alleys) Main Replacement	75%	52,843	39,632	-	13,211
18. Main Replacements	10%	-	-	-	-
19. Starlite Main Replacement	0%	-	-	-	
20. Middlefield Reservoir Inlet / Outlet Pipe Replacement	20%	24,810	4,962	-	19,848
21. FR1 Flow Meter Upgrade	0%	-	-	-	
22. Cathodic Protection Improvements & Additions	0%	15,933	-	15,933	
23. PB Service Line Emergency Replacement Program	0%	1,655,863	-	1,655,863	
24. PB Service Line Planned Replacement Program	0%	288,823	-	288,823	
25. Water Meter Replacement Program - Medium Meters	0%	15,199	-	15,199	
26. Water Meter Replacement Program - Large Meters	0%	223,790	-	223,790	
* 27. SCADA System Major Improv - SCADA Servers Reconfig	0%	64,803	-	64,803	
28. Distribution PLC Replacement	0%	32,822	-	32,822	
29. WTP2 PLC Replacements	0%	120,498	-	-	120,498
30. Patterson Reservoir Isolation Valve Project	0%	30,635	-	30,635	
31. Middlefield Reservoir Isolation Valve	0%	9,999	-	9,999	
32. Blending Facility Radio Tower Project	0%	155,564	-	-	155,564
* 33. SCADA System Minor Improvements	0%	21,462	-	21,462	
34. Physical Security Upgrades at Critical District Facilities	0%	114,880	-	114,880	
35. Water Meter Replacement Program - Small Meters	0%	123	-	123	
* 36. MSJWTP to WTP2 Electrical & Control Intertie	0%	412	-	412	
37. Tank & Reservoir Isolation Valve Project	0%	-	-	-	
38. Automated Meter Reading System	0%	-	-	-	
39. Communications - Microwave Phase 2	0%	-	-	-	
40. Scada System Major Improvements	0%	200	-	200	
* 41. Middlefield Reservoir Roof Coating Repair	0%	5,701	-	5,701	
* 42. BF PT Blending Facility - Chemical Feed Upgrades	25%	-	-	-	
* 43. BF Alameda Reservoir Lining Relacement	20%	-	-	-	
* 44. BF Peralta - Tyson Wellfield Generators	20%	-	-	-	

\* Project Completed in FY 14/15

**ALAMEDA COUNTY WATER DISTRICT  
REVENUE & EXPENDITURES  
QUARTER ENDED 6/30/15**

Description	FIF %	YTD Total	FIF	GF	Bond Fund
47. PT Blending Facility Improv & Equip Replacements	0%	-	-	-	
48. COF Capitol Ave Improvement Proj - Main Repl Proj	10%	82,139	8,214		73,925
49. Washington Blvd / I-680 P/L Improvement Project	20%	2,884	577	2,307	
50. Avalon Site Slope Stability Improvements	0%	23,639	-	23,639	
75. BF WTP2 - LOX Conversion and Process Upgrades	5%	89,656	4,483		85,173
* 76. BF WTP2 - Power Facility Turbine Upgrade	35%	1,094,203	382,971		711,232
* 77. BF Mayhew Reservoir Roof Replacement & Seismic Upgr	20%	173,330	34,666		138,664
78. BF Tank and Reservoir Seismic Upgrades	20%	831,613	166,323		665,290
79. BF Main Relocations-SFPUC Bay Div P/L 3&4 Seismic Proj	20%	232,722	46,544		186,178
* 80. BF Wtr Main Replacement Program-Upper Canyon Heights	20%	405,287	81,057		324,230
81. BF Large Diameter Hayward Fault Seismic Retrofit	20%	8,360,180	1,672,036		6,688,144
82. BF Large Diameter Hayward Fault Seismic Retrofit-Hose Proc	20%	580,201	116,040		464,161
83. BF Seismic Program ER Response Repair Materials & Equip	0%	251,553	-		251,553
<b>Total Distribution System Capital</b>	<b>17%</b>	<b>15,347,453</b>	<b>2,599,202</b>	<b>2,675,345</b>	<b>10,072,905</b>
<b>Groundwater Capital</b>					
1. Montecito Well Site Demolition	0%	37,715	-	37,715	
* 2. Stevenson Pond-Lago Los Osos Diversion Repair	0%	1,338,286	-		1,338,286
3. Vallecitos Channel Betterments	20%	129,700	25,940		103,760
4. Groundwater Monitoring Wells Construction Project	20%	335,840	67,168	268,672	
5. Shinn Pond Fish Screen	20%	10,331	2,066	8,265	
6. Rubber Dam No. 1 Bag Replacement	20%	410,269	82,054		328,215
7. Rubber Dam No. 1 Seismic Upgrades Evaluation	20%	494	99	395	
8. Rubber Dam No. 1 Fish Ladder - Final Design & Construction	20%	156,833	31,367	125,466	
9. Rubber Dam 2 - Larinier Fishway	0%	6,355	-	6,355	
10. Rubber Dam No. 3 Fish Ladder - Design	20%	347,125	69,425	277,700	
11. GW Supply Facilities Improv / Equip Replacements	0%	13,683	-	13,683	
12. Groundwater Recharge Facilities - Control Electrification	20%	-	-	-	
13. Telemetry Equipment for Indicator Monitoring Wells	0%	11,631	-	11,631	
* 14. Kaiser Pond Fish Screen	20%	793	159	634	
* 15. BF Shinn Gravity Rediversion #2	20%	4,673	935	3,738	
<b>Total Groundwater Capital</b>	<b>10%</b>	<b>2,803,728</b>	<b>279,212</b>	<b>754,255</b>	<b>1,770,261</b>
<b>Vehicle Capital</b>					
* 1. Mid-Size Vehicles	0%	83,100	-	83,100	
* 2. Utility Truck	0%	160,884	-	160,884	
* 3. Laboratory Services Van	0%	24,936	-	24,936	
* 4. Medium Duty Truck Replacement	0%	42,501	-	42,501	
* 5. Medium Duty Trucks with Ford Transit Van	0%	41,477	-	41,477	
6. Equipment and Tools	0%	87,997	-	87,997	
<b>Total Vehicle Capital</b>	<b>0%</b>	<b>440,895</b>	<b>-</b>	<b>440,895</b>	
<b>Headquarter Facility Capital</b>					
1. HQ Bldg Renovations - 2 New Eng Offices	100%	16,826	16,826	-	
2. Headquarters Landscape Refurbishing	0%	186,857	-	186,857	
* 3. Headquarters Lighting Control Upgrade	0%	38,743	-	38,743	
* 4. Headquarters Recarpeting	0%	2,370	-	2,370	
<b>Total Headquarter Facility Capital</b>	<b>7%</b>	<b>244,796</b>	<b>16,826</b>	<b>227,970</b>	
<b>Admin &amp; Finance Capital</b>					
1. ITMP - Custom Applications - DCJETS	100%	-	-	-	
2. ITMP - Computerized Maintenance Mgmt System (CMMS)	0%	362,882	-	362,882	
3. ITMP - Share Point	0%	161,782	-	161,782	
* 4. IT Infrastructure Upgrades	0%	148,996	-	148,996	
* 5. JD Edwards Upgrades	0%	1,004,516	-	1,004,516	
6. Custom GIS Applications	0%	-	-	-	
7. IT Infrastructure Upgrades	0%	-	-	-	
<b>Total Admin &amp; Finance Capital</b>	<b>0%</b>	<b>1,678,176</b>	<b>-</b>	<b>1,678,176</b>	
<b>Operations Capital</b>					
* 1. Laboratory Services Equipment Program - GCMS	0%	24,292	-	24,292	
<b>Total Operations Capital</b>	<b>0%</b>	<b>24,292</b>	<b>-</b>	<b>24,292</b>	

\* Project Completed in FY 14/15

ALAMEDA COUNTY WATER DISTRICT  
REVENUE & EXPENDITURES  
QUARTER ENDED 6/30/15

Description	FIF %	YTD Total	FIF	GF	Bond Fund
<b>Engineering Capital</b>					
1. Engineering Department - Capital Equipment and Materials	0%	7,503	-	7,503	
<b>Total Engineering Capital</b>	<b>0%</b>	<b>7,503</b>	<b>-</b>	<b>7,503</b>	
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<b>Grand Total - Capital Expenditures</b>	<b>14%</b>	<b>20,546,843</b>	<b>2,895,240</b>	<b>5,808,437</b>	<b>11,843,167</b>
<b>Customer Jobs</b>		<b>3,762,312</b>		<b>3,762,312</b>	
<b>Grand Total - Operating Expenses (includes Extraordinary Exp)</b>	<b>0%</b>	<b>76,008,660</b>	<b>-</b>	<b>76,008,660</b>	
<b>Retirement of Bonded Debt</b>		<b>4,999,434</b>	<b>-</b>	<b>4,999,434</b>	
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<b>Total Expenditures (Capital, Expense &amp; Debt)</b>	<b>3%</b>	<b>105,317,249</b>	<b>2,895,240</b>	<b>90,578,843</b>	<b>11,843,167</b>
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<b>Ending Balance</b>	<b>28%</b>	<b>121,088,345</b>	<b>33,688,337</b>	<b>69,243,175</b>	<b>18,156,833</b>
<b>Reimbursement of 2015 Bond Expense for June 2014 to GF</b>				<b>1,128,637</b>	<b>(1,128,637)</b>
<b>Reconciling Time Difference</b>		<b>(482,271)</b>	<b>-</b>	<b>(482,271)</b>	<b>-</b>
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<b>Ending Cash Balance</b>		<b>\$ 120,606,074</b>	<b>\$ 33,688,337</b>	<b>\$ 69,889,541</b>	<b>\$ 17,028,196</b>

**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 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.

**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 15/16 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF	Bond Fund
<b>Distribution System Capital</b>					
1. CIP Planning	0%	\$ 100,000	\$ -	\$ 100,000	\$ -
2. Non-Potable Water System Project	100%	700,000	700,000	-	-
3. Mowry and PT Wellfield Replacement Well Equip	0%	126,000	-	126,000	-
4. Wellfield General Improvements and Equip Replacements	0%	21,000	-	21,000	-
9. MSJWTP Access Road Erosion Mitigation Project	0%	59,800	-	59,800	-
10. MSJ Improvements and Equip Replacements	0%	32,000	-	32,000	-
11. WTP No.2 Improvements and Equip Replacements	0%	105,000	-	105,000	-
12. Washington Booster Station Flowmeter - Planning / Feasibility	0%	50,000	-	50,000	-
13. B16 Permanent Booster	20%	80,000	16,000	64,000	-
14. Alameda Reservoir Altitude Valve Replacement	0%	152,100	-	152,100	-
16. Patterson Reservoir Remediation	20%	158,700	31,700	127,000	-
17. Avalon Tank Slope Stabilization Improvements	0%	242,800	-	242,800	-
18. Cathodic Protection Improvements and Additions	0%	41,700	-	41,700	-
19. Zone Valve Relocations - Warm Springs	0%	53,000	-	53,000	-
20. Distribution System Large Valve Replacement Program	0%	194,000	-	194,000	-
21. SCADA Distribution Server Reconfiguration	0%	84,000	-	84,000	-
23. SCADA Security Implementation	0%	50,000	-	50,000	-
24. Data Integration & Reporting Services Plan	0%	50,000	-	50,000	-
25. Alarm Management Plan	0%	50,000	-	50,000	-
26. Distribution PLC Replacement Program	0%	126,000	-	126,000	-
27. Communications - Microwave Phase II	0%	125,000	-	125,000	-
28. Alameda Creek Communications	0%	50,000	-	50,000	-
29. SCADA System Minor Improvements	0%	50,000	-	50,000	-
30. Physical Security Upgrades at Critical District Facilities	0%	100,000	-	100,000	-
75. BF MSJWTP - Process Upgrades and Post Upgrades	20%	2,353,700	470,700	-	1,883,000
76. BF MSJWTP - Replace Diesel Generator & Cooling System	0%	95,200	-	-	95,200
77. BF WTP 2 LOX Conversion and Process Upgrades	5%	134,000	6,700	-	127,300
78. BF Tank and Reservoir Seismic Upgrades	20%	3,448,700	689,700	-	2,759,000
80. BF MSJWTP Tank Improvements	0%	20,000	-	-	20,000
81. BF Main Relocation for SFPUC BDPL 3&4	20%	1,335,000	267,000	-	1,068,000
82. BF Iron Horse Lane (Niles Alleys) Main Replacement	75%	695,800	521,900	-	173,900
83. BF Capital Avenue Main Replacement Project	10%	515,000	51,500	-	463,500
84. BF Main Replacements	10%	191,500	19,200	-	172,300
85. BF Middlefield Reservoir Inlet / Outlet Pipe Replacement	20%	269,500	53,900	-	215,600
86. BF Washington Boulevard / I680 Bridge Pipeline Improvement	20%	223,000	44,600	-	178,400
87. BF Service Line Emergency Replacement Program	0%	1,741,000	-	-	1,741,000
88. BF Service Line Planned Replacement Program	0%	238,600	-	-	238,600
89. BF Water Meter Replacement Program - Medium Meters	0%	554,000	-	-	554,000
90. BF Water Meter Replacement Program - Large Meters	0%	324,800	-	-	324,800
91. BF Large Diameter Hayward Fault Seismic Retrofit	20%	1,330,600	266,100	-	1,064,500
92. BF Fault Crossings Flexible Hose Procurement - Phase 2	20%	360,000	72,000	-	288,000
93. BF WTP2 PLC Replacement	0%	705,800	-	-	705,800
94. BF Patterson Reservoir Valve Actuator Project	0%	59,600	-	-	59,600
95. BF Middlefield Reservoir Isolation Valve	0%	27,100	-	-	27,100
96. BF Blending Facility Communications Project	0%	239,800	-	-	239,800
<b>Total Distribution System Capital</b>	<b>18%</b>	<b>\$ 17,663,800</b>	<b>\$ 3,211,000</b>	<b>\$ 2,052,400</b>	<b>\$ 12,299,400</b>
<b>Groundwater Capital</b>					
1. Montecito Well Site Demolition	0%	\$ 199,900	\$ -	\$ 199,900	\$ -
2. Desal Production Well Equipment Replacement	0%	116,000	-	116,000	-
3. Bunting Pumping Plant Decommissioning	0%	105,000	-	105,000	-
4. Pit T-2 Slope Rehabilitation	20%	105,000	21,000	84,000	-
5. Niles Cone Saltwater Intrusion and Aquifer Characterization Project	20%	67,000	13,400	53,600	-
6. GW Supply Facilities Improv / Equip Replacements	0%	102,000	-	102,000	-
7. Groundwater Recharge Facilities - Control Electrification	20%	53,000	10,600	42,400	-
8. Telemetry Equipment for Indicator Monitoring Wells	0%	83,000	-	83,000	-
30. BF Kaiser Pond Diversion Pipe Improvement Project	0%	102,200	-	-	102,200
31. BF Vallecitos Channel Betterments	20%	932,500	186,500	-	746,000
32. BF Shinn Pond Fish Screen	20%	228,600	45,700	-	182,900
33. BF Rubber Dam No. 1 Bag Replacement	20%	3,806,000	761,200	-	3,044,800
34. BF Rubber Dam No. 1 Fish Ladder	20%	508,000	101,600	-	406,400
35. BF Rubber Dam No. 2 Larinier Fishway	0%	238,100	-	-	238,100
36. BF Rubber Dam No. 3 Fish Ladder	20%	395,600	79,100	-	316,500

**ALAMEDA COUNTY WATER DISTRICT  
FY 15/16 ADOPTED BUDGET - CAPITAL PROJECTS**

Description	FIF %	Total	FIF	GF	Bond Fund
<b>Total Groundwater Capital</b>	<b>17%</b>	<b>\$ 7,041,900</b>	<b>\$ 1,219,100</b>	<b>\$ 785,900</b>	<b>\$ 5,036,900</b>
<b>Vehicle Capital</b>					
1. Portable Emergency Generator	0%	\$ 175,000	\$ -	\$ 175,000	\$ -
2. Utility Beds for DMD Utility Trucks	0%	200,000	-	200,000	-
3. Mid-Size Vehicle (Sedan)	0%	30,000	-	30,000	-
4. Ford Transit Van	0%	50,000	-	50,000	-
5. 2 - Pickup Trucks	0%	55,000	-	55,000	-
8. Equipment and Tools	0%	66,000	-	66,000	-
9. Equipment and Tools - Facilities Maintenance Section	0%	10,000	-	10,000	-
<b>Total Vehicle Capital</b>	<b>0%</b>	<b>\$ 586,000</b>	<b>\$ -</b>	<b>\$ 586,000</b>	<b>\$ -</b>
<b>Headquarter Facility Capital</b>					
1. Headquarters Building Renovations - New Offices	100%	\$ 364,300	\$ 364,300	\$ -	\$ -
2. Headquarters HVAC Upgrade	0%	20,000	-	20,000	-
3. HQ Landscape - Frontage & Demonstration Garden Project	0%	13,000	-	13,000	-
4. Headquarters Facility Improvements & Equipment Replacement	0%	74,400	-	74,400	-
6. Headquarters Reroofing	0%	42,600	-	42,600	-
<b>Total Headquarter Facility Capital</b>	<b>71%</b>	<b>\$ 514,300</b>	<b>\$ 364,300</b>	<b>\$ 150,000</b>	<b>\$ -</b>
<b>Engineering Capital</b>					
1. ITMP - Custom Applications - DCJETS	100%	\$ 189,000	\$ 189,000	\$ -	\$ -
2. ITMP - Computerized Maintenance Management System (CMMS)	0%	303,000	-	303,000	-
3. ITMP - Share Point	0%	284,000	-	284,000	-
4. IT Infrastructure Upgrades	0%	150,000	-	150,000	-
5. Engineering Department - Capital Equipment and Materials	0%	11,000	-	11,000	-
6. CIP Software	0%	300,000	-	300,000	-
<b>Total Admin &amp; Finance Capital</b>	<b>15%</b>	<b>\$ 1,237,000</b>	<b>\$ 189,000</b>	<b>\$ 1,048,000</b>	<b>\$ -</b>
<b>Operations Capital</b>					
1. Laboratory Services Equipment Program - Inductively Coupled Plasma	0%	175,000	-	175,000	-
<b>Total Operations Capital</b>	<b>0%</b>	<b>\$ 175,000</b>	<b>\$ -</b>	<b>\$ 175,000</b>	<b>\$ -</b>
 <b>Grand Total - Capital Projects</b>	 <b>18%</b>	 <b>\$ 27,218,000</b>	 <b>\$ 4,983,400</b>	 <b>\$ 4,798,300</b>	 <b>\$ 17,436,300</b>