



GRANADA COMMUNITY SERVICES DISTRICT

AGENDA

BOARD OF DIRECTORS

SPECIAL MEETING at 6:30 p.m.

REGULAR MEETING at 7:30 p.m.

Thursday, May 17, 2018

CALL SPECIAL MEETING TO ORDER AT 6:30 p.m. District Office Meeting Room,
504 Avenue Alhambra, 3rd Floor, El Granada.

ROLL CALL

Directors:	President:	Leonard Woren
	Vice-President:	Barbara Dye
	Director:	Jim Blanchard
	Director:	Matthew Clark
	Director:	David Seaton
Staff:	General Manager:	Chuck Duffy
	Legal Counsel:	Bill Parkin
	Assistant Manager:	Delia Comito

The Board has the right to take action on any of the items listed on the Agenda. The Board reserves the right to change the order of the agenda items, to postpone agenda items to a later date or to table items indefinitely.

GENERAL PUBLIC PARTICIPATION

Communications from the public and members of the District Board and District Staff concerning matters not on the agenda. Speakers are limited to 3 minutes each.

ADJOURN TO CLOSED SESSION

- 1. Conference with Legal Counsel – Existing Litigation (Gov. Code Section §54956.9(d)(1)).**
City of Half Moon Bay v. Granada Community Services District and Montara Water and Sanitary District (RPI, Sewer Authority Mid-Coastside) - San Mateo Superior Court Case No. 17CIV03092.
- 2. Conference with Legal Counsel – Existing Litigation (Gov. Code Section 54956.9(d)(1)). Administrative Liability Complaint R2-2017-1024 issued by the San Francisco Regional Water Quality Control Board against Sewer Authority Mid-Coastside.**
- 3. Conference with Legal Counsel – Significant Exposure to Litigation (Gov. Code Section 54956.9(d)(2)). (One potential case).**

RECONVENE TO OPEN SESSION

Report final Board action, if any, from Closed Session.

ADJOURN SPECIAL MEETING

CALL REGULAR MEETING TO ORDER AT 7:30 p.m.

ROLL CALL

GENERAL PUBLIC PARTICIPATION

Communications from the public and members of the District Board and District Staff concerning matters under the subject jurisdiction of the board which are not on the agenda. Speakers are limited to 3 minutes each.

ACTION AGENDA

PAGE NUMBER

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1. Consideration of Burnham Strip Park Concept Designs and Community Outreach Plan.
Recommendation: To be made by the Board. | 5 |
| 2. Consideration of Sewer Authority Mid-Coastside Draft Fiscal Year 2018/19 JPA General and Contract Collections Budgets.
Recommendation: To be made by the Board. | 11 |
| 3. Consideration of Granada Community Services District Draft Fiscal Year 2018/19 Budget, and Potential Associated Sewer Service Charge Increase.
Recommendation: To be made by the Board. | 67 |
| 4. Consideration of Appointing Ad-Hoc Litigation Mediation Committee.
Recommendation: To be made by the Board. | 77 |
| 5. Consideration of Approving Director Seaton's Request to Attend Special Districts Legislative Days.
Recommendation: To be made by the Board. | 81 |
| 6. Consideration of Sewer Authority Mid-Coastside Report.
Recommendation: To be made by the Board. | 99 |

CONSENT AGENDA

- 7. Approval of April 19, 2018 Meeting Minutes.**
- 8. Approval of May 10, 2018 Special Meeting Minutes.**
- 9. Approval of May 2018 Warrants for \$207,722.26.**
- 10. Approval of April 2018 Financial Statements.**
- 11. Approval of Assessment District Distribution #10-17/18.**

COMMITTEE REPORTS

12. Report on seminars, conferences, or committee meetings.

INFORMATION CALENDAR

- 13. Attorney's Report. (Wittwer)**
- 14. General Manager's Report. (Duffy)**
- 15. Administrative Staff Report. (Comito)**
- 16. Engineer's Report. (Kennedy Jenks)**
- 17. Future Agenda Items.**

ADJOURN REGULAR MEETING

At the conclusion of the April 19, 2018 Meeting:

Last Ordinance adopted: No. 171

Last Resolution adopted: No. 2018-004

This meeting is accessible to people with disabilities. Individuals who require special assistance to participate may request an alternative format of the agenda and packet materials. Notification in advance of the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. To request a disability-related modification or accommodation, please contact the District office at (650) 726-7093.

Except for records exempt from disclosure under section 6254 of the Public Records Act, all materials distributed for the discussion or consideration of items on the Agenda are disclosable to the public upon request, and shall be made available without delay or at the time of distribution to the Board. Please contact Delia Comito at (650) 726-7093 to request copies of Agenda materials.

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ITEM #1

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GRANADA COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Burnham Strip Park Concept Designs and Community Outreach Plan
Date: May 17, 2018

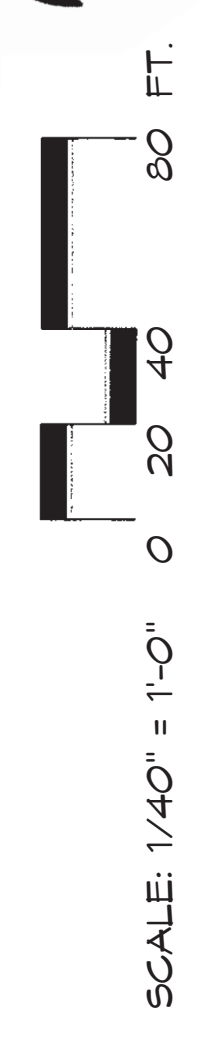
At the December 14, 2017 meeting, the Board considered proposals from three landscape architects, and approved the conceptual design proposal from Kikuchi + Kankel Design Group for the Burnham Strip property.

Attached are Concepts 1, 2, and 3, and the Constraints and Opportunities Plan for Burnham Park from Kikuchi and Kankel, who will provide a detailed presentation at the meeting to discuss the various possibilities. The Board must then discuss how best to move forward and obtain community input.

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SITE DESIGN CONCEPT 1
BURNHAM PARK
 EI GRANADA, CA
 DATE: 05/08/2018



Kikuchi + Kanckel Design Group
 Landscape Architecture
 Environmental Design
 Site Planning
 730 Mill Street, Half Moon Bay, CA, 94019
 (650) 726-7100, Fax: (650) 726-7677
 www.kkdsgroup.com





- GROUP PICNIC AREA
- PICNIC AREA: SINGLE PICNIC AREAS W/ PICNIC TABLES & BBQ WINDBREAK GABION WALLS & EARTHEN MOUNDS
- SUNDIAL AREA: GATHERING PICNIC AREA W/ SUNDIAL SCULPTURE
- BENCH
- BASKETBALL HALF COURT
- BRIDGES OVER EXISTING DRAINAGE SWALE
- PLAYGROUND W/ 'NATURAL' PLAY EQUIPMENTS
- BOCCIE OR HORSESHOE PITS
- INTERPRETIVE SIGN (TYPICAL) ON SITE HISTORY, ENVIRONMENT & CULTURE
- ELEVATED PLAZA W/ SEAT WALLS & STEPPED SEATING
- EXISTING GRAVEL TO REMAIN.

SITE DESIGN CONCEPT 2
BURNHAM PARK
 EL GRANADA, CA

DATE: 05/08/2018

SCALE: 1/4" = 1'-0" 0 20' 40' 80' FT.



Kikuchi + Kanckel Design Group
 Landscape Architecture
 Environmental Design
 Site Planning
 730 Mill Street, Half Moon Bay, CA 94019
 (650) 726-7100, Fax (650) 726-7677
 www.kidesigngroup.com



SITE DESIGN CONCEPT 3

BURNHAM PARK

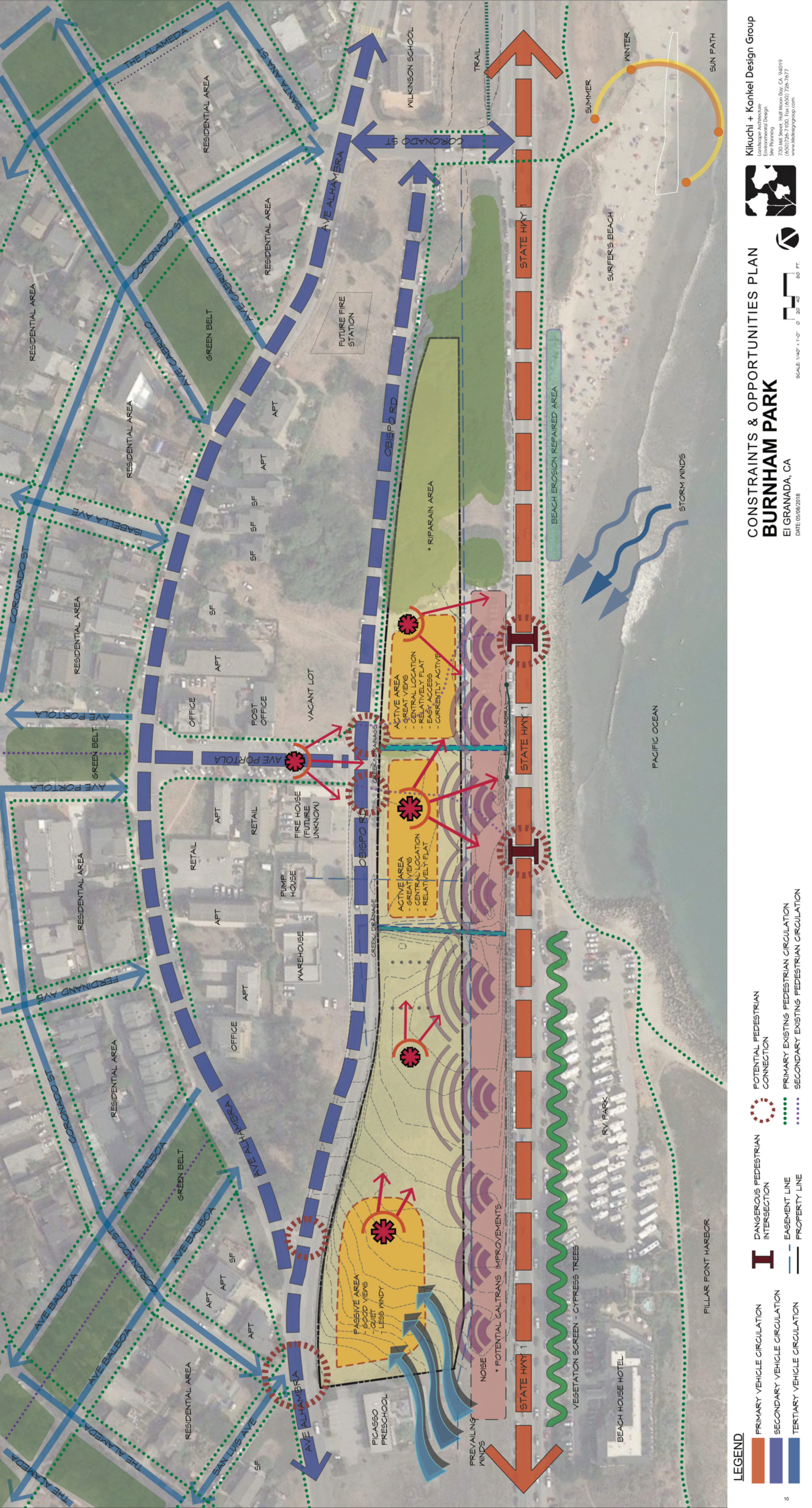
EI GRANADA, CA

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- LEGEND**
- ▬ PRIMARY VEHICLE CIRCULATION
 - ▬ SECONDARY VEHICLE CIRCULATION
 - ▬ TERTIARY VEHICLE CIRCULATION
 - ⊞ DANGEROUS PEDESTRIAN INTERSECTION
 - ⊞ POTENTIAL PEDESTRIAN CONNECTION
 - ⋯ PRIMARY EXISTING PEDESTRIAN CIRCULATION
 - ⋯ SECONDARY EXISTING PEDESTRIAN CIRCULATION
 - ▬ EASEMENT LINE
 - ▬ PROPERTY LINE

VEGETATION SCREEN - CYPRESS TREES

NOISE
• POTENTIAL GALTRANS IMPROVEMENTS

ACTIVE AREA
- GREAT VIEWS
- CENTRAL LOCATION
- RELATIVELY FLAT
- EASY ACCESS
- CURRENTLY ACTIVE

PASSIVE AREA
- GOOD VIEWS
- QUIET
- LESS WINDY

ACTIVE AREA
- GREAT VIEWS
- CENTRAL LOCATION
- RELATIVELY FLAT

BEACH EROSION REPAIRED AREA

BEACH HOUSE HOTEL

RV PARK

PILLAR POINT HARBOR

PACIFIC OCEAN

STORM WINDS

SUN PATH
SUMMER
WINTER

PREVAILING WINDS

NOISE

VEGETATION SCREEN - CYPRESS TREES

BEACH HOUSE HOTEL

RV PARK

PILLAR POINT HARBOR

PACIFIC OCEAN

STORM WINDS

SUN PATH
SUMMER
WINTER

ITEM #2

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SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors

FROM: Beverli A. Marshall, General Manager

SUBJECT: **Discuss Proposed General Budget for Fiscal Year 2018/19 and Authorize General Manager to Submit it to the Member Agencies for Approval**

Executive Summary

The purpose of this report is to allow the Board to discuss the proposed General Budget for Fiscal Year 2018/19 and provide direction to staff.

Fiscal Impact

The expense total proposed for Fiscal Year 2018/19 is \$5.95 million. This is an overall increase of \$0.74 million from the FY 2017/18 original budget. The increase is primarily due to infrastructure spending, preventive maintenance, additional staff positions to meet service level needs, and COLA adjustments per the MOU and Unrepresented Employees Manual.

Division Budgets by Fiscal Year

	FY 2016/17	FY 2017/18	FY 2018/19	\$ Change	% Change
	<u>Actuals</u>	<u>Original</u>	<u>Proposed</u>	<u>Original</u>	<u>Original</u>
Administration	\$1,022,217	\$1,058,663	\$1,135,148	\$ 76,485	7%
Treatment	\$2,677,553	\$2,479,794	\$2,944,958	\$ 465,164	19%
Enviro Comp	\$ 151,386	\$ 165,088	\$ 149,667	\$ (15,421)	(9%)
Infrastructure	<u>\$ 300,221</u>	<u>\$1,505,000</u>	<u>\$1,717,500</u>	<u>\$ 212,500</u>	<u>14%</u>
Total	\$4,151,377	\$5,208,545	\$5,947,273	\$ 738,727	14%

BOARD MEMBERS: J. Blanchard S. Boyd D. Penrose
 D. Ruddock K. Slater-Carter L. Woren

ALTERNATE MEMBERS: M. Clark J. Harvey B. Huber
 R. Kowalczyk³³ H. Rarback 13

Strategic Plan Compliance

The recommendations in the proposed budget comply with SAM Strategic Plan Goal 3: “Consider long-term costs and ensure that finances are stable and understandable by the board, member agencies, and the public.”

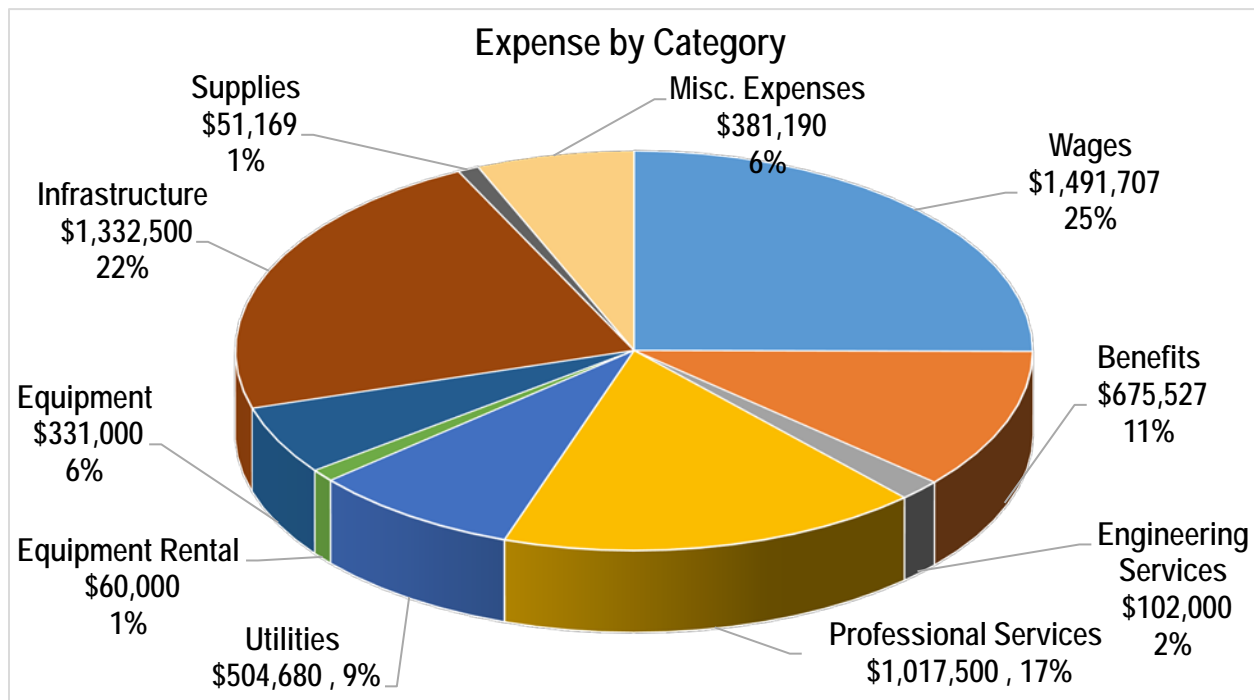
Background and Discussion/Report

This budget includes Administrative Services, Treatment, Environmental Compliance, and Infrastructure. The proposed budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non-discretionary expenses.

Budget Overview

Section V of the Joint Exercise of Powers Agreement (Agreement) states: “prior to each March meeting of the Board, a general budget shall be prepared for the ensuing fiscal year.” The budget shall include: administrative expenses and the expenses of operating and maintaining any improvements operated or maintained by the Authority.

Staff started discussing the General Budget with the Finance Committee in November and has met with the Committee several times. After each Committee meeting, the draft budget, including the Committee’s input, was e-mailed to the member agency managers for feedback. The draft budget was presented to the Board on March 12 to the Board the opportunity to discuss and provide feedback prior to finalizing the proposed budget.



BOARD MEMBERS:	J. Blanchard	S. Boyd	D. Penrose
	D. Ruddock	K. Slater-Carter	L. Woren
ALTERNATE MEMBERS:	M. Clark	J. Harvey	B. Huber
	R. Kowalczyk³⁴	H. Rarback	14

Of the total General Budget expenses, 25% (\$1.49 million) is for wages and 11% (\$0.68 million) is for benefits. The cost of infrastructure improvements is 22% (\$1.33 million). Professional services make up a significant amount (16%, \$1.02 million) due to SAM's dependency on contractors and consultants for technical and specialized services.

Utilities and equipment are significant portions (9% and 6%) of the budget as well. Miscellaneous expenses (liability insurance, professional dues, uniform services, conferences, training, permits, licenses, etc.) make up about 6% (0.38 million).

The Administrative Services division increased \$76,485 (7%). The significant impacts are from changing the Accounting Technician from part-time to full-time and replacing the carpet in the administration building. The remaining changes are related to COLA and benefit changes per the Local 39 MOU and increases in utility, services, and supplies costs.

The Treatment division increased \$465,164 (19%), which is mostly due to two additional positions (Operator and Utility Worker), repair maintenance at the Princeton and Portola pump stations, and increased preventive maintenance at the plant.

The Environmental Compliance division budget *decreased* \$15,421. This is due to paying for two years of the First Flush program in FY 2017/18.

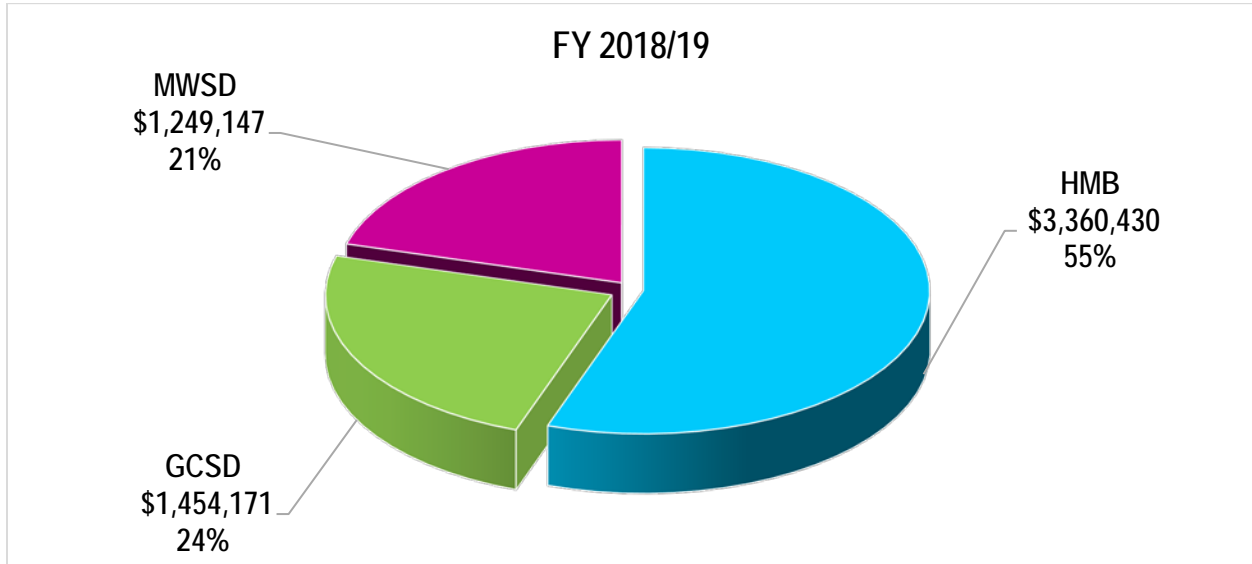
The Infrastructure division increased from \$1.51 million in Fiscal Year 2017/18 to \$1.72 million (14%) in FY 2018/19 to address Priority Level 1 projects identified in the 5-Year Infrastructure Plan.

Of the total proposed revenue, the majority (98%) is from assessments to the JPA member agencies. The remaining revenue is from NDWSCP fees (2%), and miscellaneous revenue (<1%). The most significant increase is \$250,000 to rebuild reserve funds. There is also a shift of funding between agencies due to the flow percentages for 2017. The impact to the member agencies is (rounded to nearest \$):

Total Assessments for Each Member Agency

	FY 2016/17	FY 2017/18	FY 2018/19	\$ Change	% Change
	<u>Actuals</u>	<u>Original</u>	<u>Proposed</u>	<u>Original</u>	<u>Original</u>
Half Moon Bay	\$2,103,982	\$2,688,598	\$3,360,430	\$ 671,832	25%
GCSD	\$1,164,955	\$1,349,449	\$1,454,171	\$ 104,722	8%
MWSD	<u>\$ 848,240</u>	<u>\$1,112,523</u>	<u>\$1,249,147</u>	<u>\$ 136,624</u>	<u>12%</u>
Total	\$4,117,177	\$5,150,570	\$6,063,748	\$ 913,178	18%

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	R. Kowalczyk ³⁵	H. Rarback	15



Changes Within Budget Categories

The significant overall changes in the budget categories are as follows. The numbers are correlated to the line items on the budget spreadsheets.

1. Wages: increased \$246,949 to include 2.5 additional positions; negotiated COLA of 3%; and application of step increases, where appropriate.
2. Premium Pay: increased \$7,528 for negotiated changes in standby pay, certification pay, and overtime pay.
3. Health Benefits: increased \$52,974 to include 2.5 additional positions.
4. Retirement Contributions: *decreased* \$2,076 because half (54%) of the existing and proposed positions are Tier 2 CalPERS retirement plan. The increased contribution rates for Tier 1 members is blended with the nominal increase for Tier 2 members. As employees leave (retire or take jobs elsewhere) and the positions are filled by Tier 2 members, SAM will continue to see a decrease in the overall cost of its share of CalPERS contributions.
5. Retirement Medical: increased \$3,736 for contributions as defined in the MOU and the Unrepresented Employees Manual.
6. Misc. Benefits: increased \$20,894 for benefits defined in the MOU and the Unrepresented Employees Manual. These benefits include: Medicare, workers compensation, long-term and short-term disability, life insurance, safety PPE, and matching contributions to a 457 plan for unrepresented employees.

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	R. Kowalczyk³⁶	H. Rarback	16

7. Personnel Subtotal: overall increase of \$330,006 (18%) in personnel-related costs.
8. Legal Services: increased \$10,000 based on anticipated expenses for FY 2018/19 (does not anticipate expenses related to the HMB lawsuit).
9. Engineering Services: *decreased* \$500 for design and project management services for identified projects from the 5-Year Infrastructure Plan.
10. Professional Services: increased \$164,670 to address the increased need for preventive maintenance work and an assumed CPI for existing services.
11. Professional Memberships: increased \$1,000 based on anticipated rate increases.
12. Insurance Premiums: increased \$1,504 to reflect anticipated adjustments in property, liability, and professional liability premiums.
13. Misc. Expenses: increased \$7,871 to reflect assumed CPI increases. This category includes incidental expenses (uniform services, radio and alarm services, offsite file storage, postage, claims, copier and phone system maintenance agreements, property taxes, etc.)
14. Utilities: increased \$11,000 based on anticipated rate increases for electricity, gas, and water.
15. Travel & Training: increased \$4,150 based on anticipated training needs of staff and participation in industry conferences for management team.
16. Equipment Rental: budget remained flat. This category includes short-term rental or lease of equipment for less than a fiscal year.
17. Building & Maintenance Services: increased \$100,548 for contractors to perform necessary maintenance tasks at the treatment plant and pump stations.
18. Chemicals: increased \$5,000 based on anticipated increases in the Bay Area Chemical Consortium rates for FY 2018/19.
19. Permits & Licenses: increased \$2,000 for anticipated changes in permit fees as well as permits for identified infrastructure projects.
20. Supplies: *decreased* \$2,722 based on anticipated expenses for FY 2018/19.
21. Equipment: increased \$88,200 to purchase equipment as part of infrastructure projects.

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22. Infrastructure: increased \$21,000 to address the projects identified in the 5-Year Infrastructure Plan as well as the Wet Weather Storage Expansion project.
23. Claims/Penalties: *decreased* \$5,000 to reflect anticipated claims for FY 2018/19.
24. Non-Personnel Subtotal: overall increase of \$658,721 (20%) in non-personnel expenses.
25. Total: overall increase of \$738,727 (14%) from the FY 2017/18 original budget.

Challenges

The lawsuit between the City of Half Moon Bay and the other agencies has yet to be settled. While the lawsuit continues, there will be a debate about the member agencies' responsibilities to pay for infrastructure along the IPS.

SAM's reserve policies require a balance of two months of operating reserve (\$0.99 million) and \$1.25 million in emergency repair reserve, for a total reserve of \$2.24 million. As of February 28, 2018, SAM had \$1.40 million invested with LAIF, which is all SAM has in reserve funds. To be compliant with the reserve policies, \$0.84 million is needed to meet the reserve minimum in addition to the assessments needed to pay for FY 2018/19 expenses. This is a difficult goal to achieve on top of the increasing funds needed for infrastructure projects.

Comments from Member Agency Managers

I received some feedback on the draft budget from the managers, which is presented below (my paraphrasing of the comments).

- The Agreement deadline (March) should not drive the process. It is more important to have consensus among the member agency managers than meet a deadline. Need unanimous agreement by the member agency managers before the proposed budget is presented to the SAM Board for authorization or it will be a useless effort
- SAM operations and maintenance should not be dependent upon the availability of contract collection services staff for mutual aid. These two functions should be independent of each other.
- Projects in the 5-Year Infrastructure Plan need to be reprioritized to reflect current conditions. Focus on infrastructure and equipment at high risk for SSOs; other issues can be deferred to future years. End of useful life is an arbitrary designation.
- More narrative needed to explain the budget, changes, and provide better detail of the costs.

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	R. Kowalczyk³⁸	H. Rarback	18

- Concern over the increase in fixed costs like personnel – do not agree with need for additional positions.
- Reserves should be held by member agencies, not SAM. No need to increase reserve funds beyond \$1.40 million already in LAIF.
- Need to adopt a 5-Year Capital Improvement Plan that is approved and adopted by the member agencies. Need to form a working group to review and build consensus on the priorities and projects. Managers must accept and support the final results for it to be successful.
- SAM is not operating in a vacuum and needs to consider impacts on established member agencies' rates.
- HMB does not agree with 2017 flow percentages and should be resolved before the budget is finalized.

The JEPA requires that the SAM Board authorize the budget for submission it to the member agencies no later than the March meeting each year. Unless the Board schedules a special meeting prior to March 31, this is the last opportunity to meet the deadline.

Staff Recommendation

Staff recommends that the Board of Directors discuss the proposed General Budget for Fiscal Year 2018/19 and authorize the General Manager to submit it to the member agencies for approval.

Supporting Documents

Attachment A: Proposed General Budget for FY 2018/19

BOARD MEMBERS:	J. Blanchard	S. Boyd	D. Penrose
	D. Ruddock	K. Slater-Carter	L. Woren
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SEWER AUTHORITY MID-COASTSIDE



PROPOSED GENERAL BUDGET FISCAL YEAR 2018/19 MARCH 26, 2018



**SEWER AUTHORITY MID-COASTSIDE
GENERAL BUDGET
FISCAL YEAR 2018/19**

JIM BLANCHARD
CHAIR

DR. DEBORAH PENROSE
VICE-CHAIR

KATHRYN SLATER-CARTER
SECRETARY

DEBORAH RUDDOCK
TREASURER

LEONARD WOREN
DIRECTOR

SCOTT BOYD
DIRECTOR

GENERAL MANAGER
Beverli A. Marshall

GENERAL COUNSEL
Carl Nelson



SUPERVISOR OF TREATMENT/FIELD OPERATIONS **ADMINISTRATIVE SERVICES SUPERVISOR**
TIM COSTELLO *KATHY MATTHEWS*

ENGINEERING & CONSTRUCTION CONTRACTS MANAGER
KISHEN PRATHIVADI

**SEWER AUTHORITY MID-COASTSIDE
GENERAL BUDGET
FISCAL YEAR 2018/19**

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Treatment	II-11
Environmental Compliance	I-17
Infrastructure	II-23
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Contract Collection Services	TBD
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EXECUTIVE SUMMARY

The Joint Exercise of Powers Agreement (Agreement) that created SAM and governs its day-to-day operations specifies that “The total expenses of operation and maintenance shall be shared in a manner based on flows into the single consolidated treatment plant.” The General Budget is divided into Administrative Services, Treatment, Environmental Compliance, and Infrastructure.

The proposed budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non-discretionary expenses.

Proposed Income & Expenses

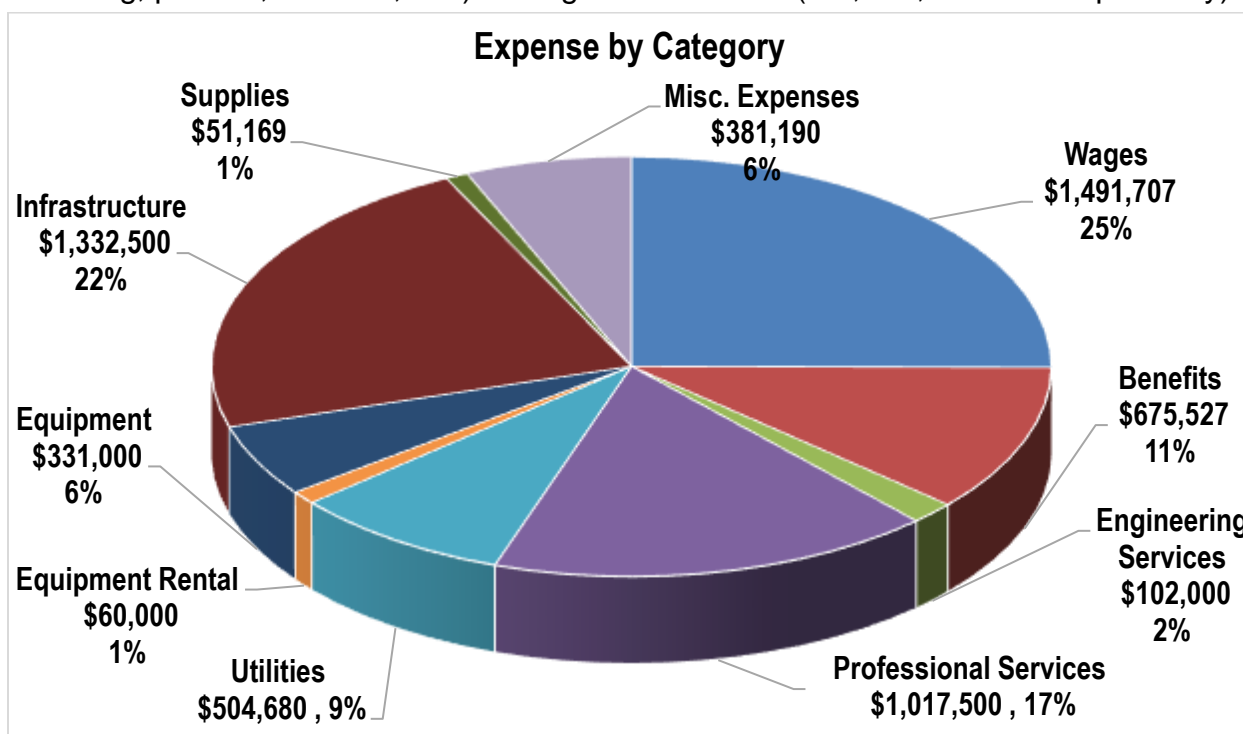
Operating Income	
Assessments - City of Half Moon Bay	3,360,430
Assessments - Granada Community Services District	1,454,171
Assessments - Montara Water & Sanitary District	1,249,147
NDWSCP Fees	118,025
Miscellaneous Revenue	9,000
Total Operating Income	\$ 6,190,773
Operating Expenses	
Wages	1,491,707
Benefits	675,527
Legal Services	56,500
Engineering Services	102,000
Professional & Technical Services	802,000
Professional Memberships	35,100
Insurance Premiums	51,000
Miscellaneous Expenses	79,640
Utilities	504,680
Travel & Training	42,450
Equipment Rental/Lease	60,000
Building & Maintenance Services	159,000
Chemicals	135,000
Permits & Licenses	33,000
Supplies	51,169
Equipment	331,000
Infrastructure Projects	1,332,500
Claims & Penalties	5,000
Total Operating Expenses	\$ 5,947,273
Net Operating Income	\$ 243,500
Non-Operating Income	
Interest Income	6,500
Total Non-Operating Income	\$ 6,500
Contribution to Reserve Funds	\$ 250,000

The overall change from the original Fiscal Year 2017/18 budget to Fiscal Year 2018/19 is an increase of \$.74 million (14%). This is primarily due to increasing staff to meet service level needs, infrastructure spending, and COLA adjustments.

Division Budgets by Fiscal Year

	FY 2016/17	FY 2017/18	FY 2018/19	\$ Change	% Change
	<u>Actuals</u>	<u>Original</u>	<u>Proposed</u>	<u>Original</u>	<u>Original</u>
Administration	\$1,022,217	\$1,058,663	\$1,135,148	\$ 76,485	9%
Treatment	\$2,677,553	\$2,479,794	\$3,194,958	\$ 465,164	29%
Environ Comp	\$ 151,386	\$ 165,088	\$ 149,667	(\$ 15,421)	(9%)
Infrastructure	<u>\$ 300,221</u>	<u>\$1,505,000</u>	<u>\$1,717,500</u>	<u>\$ 212,500</u>	<u>14%</u>
Total	\$4,151,377	\$7,095,463	\$6,197,273	\$ 738,727	14%

Of the total budget expenses, 25% (\$1.49 million) is for wages and 11% (\$0.68 million) is for benefits. Infrastructure is 22% (\$1.33 million). Professional services make up a significant amount (17%, \$1.02 million) due to SAM's dependency on contractors and consultants for technical and specialized services. Utilities, equipment purchases, and miscellaneous expenses (liability insurance, professional dues, uniform services, training, permits, licenses, etc.) are significant as well (9%, 6%, and 6% respectively).



The Administrative Services division increased \$76,485 (9%). The significant impacts are from changing the Accounting Technician from part-time to full-time and replacing the carpet in the administration building. The remaining changes are related to COLA and benefit changes per the Local 39 MOU, increases in utility, services, and supplies

costs, and replacement of the carpet in the Administration Building.

The Treatment division increased \$465,164 (19%), primarily due to adding two positions (Operator and Utility Worker) and small (<\$50k) repair projects at SAM facilities.

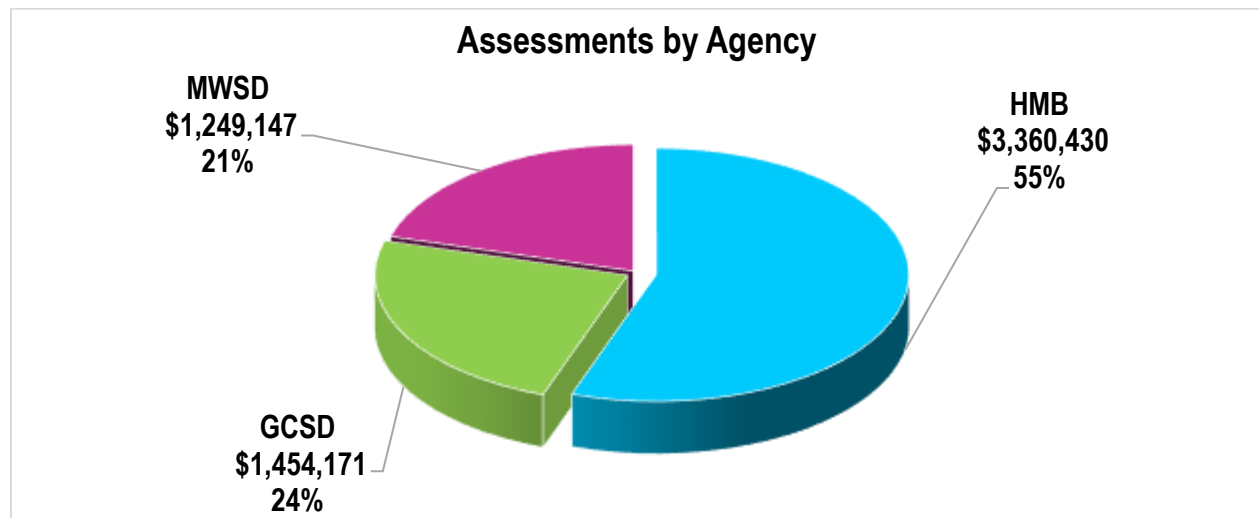
The Environmental Compliance division budget *decreased* \$15,421 (-9%). In FY 2017/18, SAM paid for two years of the First Flush program with the San Mateo County RCD. Therefore, there are no expenses budgeted in FY 2018/19 for this program.

The Infrastructure division increased from \$1.51 million in Fiscal Year 2017/18 to \$1.72 million (14%) in FY 2018/19 to address the most urgent of the Priority 1 projects identified in the adopted 5-Year Infrastructure Plan.

Of the total proposed revenue, the majority (98%) is from assessments paid by the JPA member agencies. The most significant increase is \$250,000 to rebuild reserve funds. The remaining revenue is from NDWSCP fees (2%), and miscellaneous revenue (<1%). The impact to the JPA member agency assessments is (rounded to nearest \$):

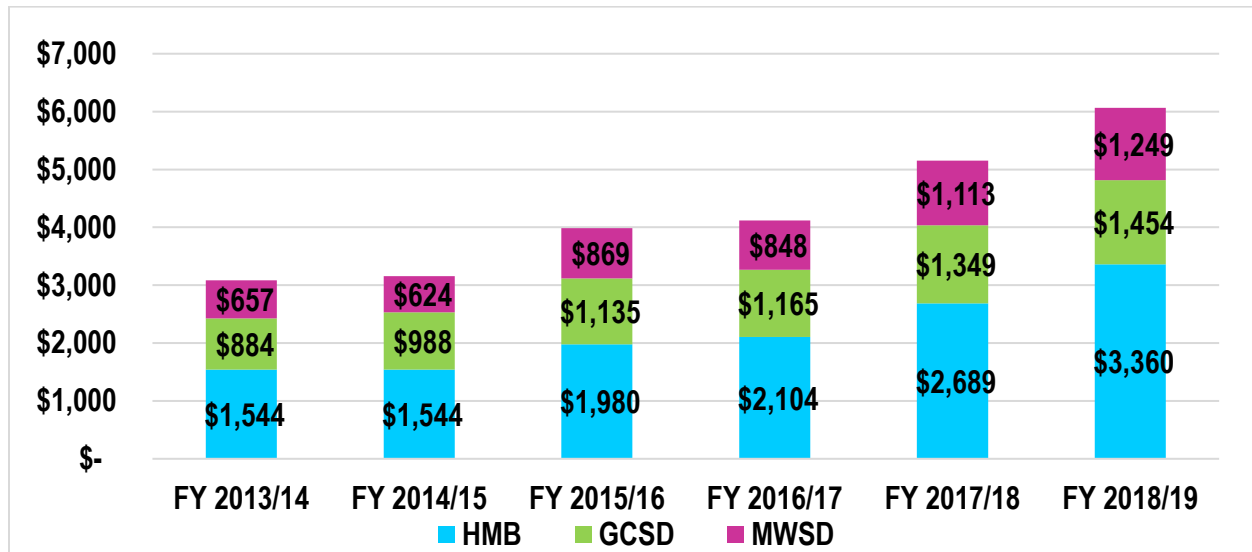
Total Assessments for Each Member Agency

	FY 2016/17	FY 2017/18	FY 2018/19	\$ Change	% Change
	<u>Actuals</u>	<u>Original</u>	<u>Proposed</u>	<u>Original</u>	<u>Original</u>
Half Moon Bay	\$2,417,806	\$2,688,598	\$3,360,430	\$ 671,832	25%
GCSD	\$1,425,166	\$1,349,449	\$1,454,171	\$ 104,722	8%
MWSD	<u>\$1,169,848</u>	<u>\$1,112,523</u>	<u>\$1,249,147</u>	<u>\$ 136,624</u>	<u>12%</u>
Total	\$5,012,820	\$5,150,570	\$6,063,748	\$ 913,178	18%



The member agency assessments are allocated based on flow percentages from the previous calendar year. This allocation varies each year.

Assessments by Agency – Past Five Years



Staffing at SAM was kept low for many years to reduce the impact on member agency assessments. Recognizing that a significant number of employees are reaching retirement age, staffing has increased as part of a succession plan. The following table reflects the staffing for SAM functions over the past five years.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
JPA functions	8.85	8.85	8.525	10.75	11.00	13.00

Section I of the budget document provides budget worksheets for each division. Section II provides a brief narrative of each division’s goals and performance metrics. Section III includes the contract collection services budget. Section IV provides charts, glossary, and other relevant data related to SAM.

GENERAL BUDGET

(Includes: Administrative Services, Treatment, Environmental Compliance, and Infrastructure)

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	919,245	1,130,610	1,174,648	1,177,489	1,421,597	246,949	21%
2	Premium Pay	31,398	79,860	62,582	78,654	70,110	7,528	12%
3	Health Benefits	35,882	226,314	246,493	237,427	299,467	52,974	21%
4	Retirement Cont.	156,415	237,634	260,102	138,009	258,026	(2,076)	-0.8%
5	Retirement Medical	28,974	35,639	27,062	23,616	30,798	3,736	14%
6	Misc. Benefits	257,854	46,972	66,340	58,840	87,235	20,894	31%
7	Subtotal	1,429,768	1,757,029	1,837,228	1,714,034	2,167,234	330,006	18%

Non-Personnel

8	Legal Services	103,449	49,324	46,500	98,562	56,500	10,000	22%
9	Engineering Services	66,966	244,106	102,500	314,000	102,000	(500)	0%
10	Professional Services	361,792	694,397	637,330	568,232	802,000	164,670	26%
11	Prof. Memberships	20,133	30,800	34,100	30,000	35,100	1,000	3%
12	Insurance Premiums	57,858	26,251	49,496	50,000	51,000	1,504	3%
13	Misc. Expenses	91,371	108,869	71,769	297,301	79,640	7,871	11%
14	Utilities	459,316	507,015	493,680	495,439	504,680	11,000	2%
15	Travel & Training	11,223	12,615	38,300	18,619	42,450	4,150	11%
16	Equipment Rental	-	65,009	60,000	121,855	60,000	-	0%
17	Bldg & Maint Services	38,704	154,362	58,452	196,966	159,000	100,548	172%
18	Chemicals	195,468	128,595	130,000	149,420	135,000	5,000	4%
19	Permits & Licenses	36,983	31,103	31,000	31,000	33,000	2,000	6%
20	Supplies	55,639	61,278	53,891	68,339	51,169	(2,722)	-5%
21	Equipment	418,928	280,294	242,800	646,973	331,000	88,200	36%
22	Infrastructure Projects	1,353,921	-	1,311,500	1,964,500	1,332,500	21,000	2%
23	Claims/Penalties	-	330	10,000	300,000	5,000	(5,000)	-50%
24	Subtotal	3,271,751	2,394,348	3,371,318	5,351,205	3,780,039	408,721	12%

25 TOTAL		4,701,519	4,151,377	5,208,545	7,065,239	5,947,273	738,727	14%
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Key Changes

Personnel: COLA of 3%, applicable step increases, CalPERS rate increase	\$ 69,006
Personnel: additional 2.5 positions (Utility Worker, Operator II, Accounting Tech)	\$ 261,000
3% CPI increase for utilities, services, and supplies	\$ 24,303
Legal Services: increase based on anticipated expenses	\$ 10,000
Professional Services: increase preventive maintenance and repair/replace projects	\$ 164,670
Bldg & Maint: small projects at pump stations and Administration Bldg.	\$ 100,548
Equipment: increase in repair/replace projects	\$ 88,200
Infrastructure: increase in repair/replace projects	\$ 21,000
Total	738,727

GENERAL BUDGET

(Includes: Administrative Services, Treatment, Environmental Compliance, and Infrastructure)

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	4,484,212	4,117,177	5,150,570	7,065,277	6,063,748	913,178	18%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	74,593	81,228	22,025	24,925	118,025	96,000	436%
29 Misc. Fees	7,225	5,415	8,200	8,532	8,500	300	4%
30 Interest Earnings	8,365	5,741	6,500	6,500	6,500	-	0%
31 Misc. Revenue	36,350	26,550	21,250	250	500	(20,750)	-98%
32 (From) Reserves	(500,000)	-	-	-	-	-	0%
33	4,110,745	4,236,111	5,208,545	7,105,484	6,197,273	988,728	19%

By Agency:

34 Half Moon Bay	1,980,157	2,103,982	2,688,598	3,682,090	3,360,430	671,832	25%
35 Granada CSD	1,135,497	1,164,955	1,349,449	1,860,182	1,454,171	104,722	8%
36 Montara WSD	868,558	848,240	1,112,523	1,523,005	1,249,147	136,624	12%
37	3,984,212	4,117,177	5,150,570	7,065,277	6,063,748	913,178	18%

Key Changes

Assessment allocations change each year based on flow percentages.

Start replenishing operating reserve funds

250,000

Funded Positions:

Operating Fund FTE	8.53	10.75	10.50	11.00	13.00	2.50	24%
Other Funds FTE	-	-	-	-	-	-	0%
	8.53	10.75	10.50	11.00	13.00	2.50	24%

ADMINISTRATIVE SERVICES

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL	
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EXPENDITURES

Personnel

1	Wages	431,898	447,732	459,157	450,061	506,020	46,863	10%
2	Premium Pay	2,021	-	200	73	200	-	0%
3	Health Benefits	25,494	64,135	83,703	77,352	93,840	10,137	12%
4	Retirement Cont.	76,014	93,205	110,237	62,831	106,996	(3,241)	-3%
5	Retirement Medical	18,216	24,229	16,301	16,360	17,040	739	5%
6	Misc. Benefits	89,174	21,294	17,613	19,272	22,364	4,751	27%
7	Subtotal	642,817	650,595	687,211	625,950	746,460	59,249	9%

Non-Personnel

8	Legal Services	103,449	49,324	46,000	93,114	56,500	10,500	23%
9	Engineering Services	66,966	7,244	2,000	-	2,000	-	0%
10	Professional Services	316,814	165,728	105,280	98,082	108,950	3,670	3%
11	Prof. Memberships	18,975	19,615	24,000	24,000	25,000	1,000	4%
12	Insurance Premiums	56,041	26,251	49,496	50,000	51,000	1,504	3%
13	Misc. Expenses	30,375	28,476	28,794	11,575	27,840	(954)	-3%
14	Utilities	24,678	26,043	20,180	22,968	20,180	-	0%
15	Travel & Training	260	8,504	15,500	9,642	16,500	1,000	6%
16	Equipment Rental	-	9,638	10,000	9,855	10,000	-	0%
17	Bldg & Maint Services	5,379	16,267	24,452	15,929	37,000	12,548	51%
18	Chemicals	-	-	-	-	-	-	0%
19	Permits & Licenses	-	-	-	-	-	-	0%
20	Supplies	16,674	8,406	8,750	4,310	8,718	(32)	0%
21	Equipment	2,781	5,796	27,000	12,000	20,000	(7,000)	-26%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	-	330	10,000	300,000	5,000	(5,000)	-50%
24	Subtotal	642,392	371,622	371,452	651,474	388,688	17,236	5%

25 TOTAL		1,285,209	1,022,217	1,058,663	1,277,424	1,135,148	76,485	7%
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Key Changes

COLA of 3%, applicable step increases, CalPERS rate changes	12,000
Increase Accounting Technician from part-time to full-time	46,000
Legal Services: increase based on anticipated expenses	10,500
3% increase for utilities, services, and supplies	5,985
Bldg. & Maint: Replace carpet in Administration building	25,000
Bldg. & Maint: reduce janitorial due to addition of Utility Worker	(11,000)
Equipment: increased FY 17/18 to replace server	(7,000)
Reduce budget for claims/penalties	(5,000)
	76,485

ADMINISTRATIVE SERVICES

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL	
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REVENUE

By Type:

26 JPA Assessments	1,122,456	991,864	1,030,913	1,370,913	1,128,148	97,235	9%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	-	-	-	-	-	-	0%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	8,365	5,741	6,500	6,500	6,500	-	0%
31 Misc. Revenue	36,350	26,550	21,250	250	500	(20,750)	-98%
32 (From) Reserves	-	-	-	-	-	-	0%
33	1,167,171	1,024,155	1,058,663	1,377,663	1,135,148	76,485	7%

By Agency:

34 Half Moon Bay	557,868	502,565	538,137	715,617	625,201	87,064	16%
35 Granada CSD	319,896	284,951	270,099	359,179	270,545	446	0%
36 Montara WSD	244,692	204,348	222,677	296,117	232,401	9,724	4%
37	1,122,456	991,864	1,030,913	1,370,913	1,128,148	97,235	9%

Key Changes

Assessments allocated based on CY 2017 flow calculation

Eliminate assumptions of receiving miscellaneous revenue

\$ (20,750)

Funded Positions:

Operating Fund FTE	3.98	3.50	3.50	4.00	4.00	0.50	14%
Other Funds FTE	-	-	-	-	-	-	0%
	3.98	3.50	3.50	4.00	4.00	0.50	14%

TREATMENT
By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL	
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EXPENDITURES

Personnel

1	Wages	486,492	612,185	621,377	676,667	878,692	257,315	41%
2	Premium Pay	29,377	78,604	61,591	77,716	69,095	7,504	12%
3	Health Benefits	10,297	152,910	144,843	154,636	199,410	54,567	38%
4	Retirement Cont.	80,271	133,867	137,082	70,346	142,110	5,028	4%
5	Retirement Medical	10,314	11,167	9,322	6,774	13,180	3,858	41%
6	Misc. Benefits	167,914	26,350	43,504	38,006	62,571	19,067	44%
7	Subtotal	784,665	1,015,083	1,017,719	1,024,145	1,365,058	347,339	34%

Non-Personnel

8	Legal Services	-	-	-	-	-	-	0%
9	Engineering Services	-	42,223	500	162,000	15,000	14,500	2900%
10	Professional Services	37,529	471,602	429,500	375,512	432,500	3,000	1%
11	Prof. Memberships	1,158	11,185	10,000	6,000	10,000	-	0%
12	Insurance Premiums	1,817	-	-	-	-	-	0%
13	Misc. Expenses	60,989	32,243	41,150	25,066	41,200	50	0%
14	Utilities	434,638	480,972	473,500	472,471	484,500	11,000	2%
15	Travel & Training	10,963	4,111	19,500	8,837	22,500	3,000	15%
16	Equipment Rental	-	55,371	50,000	112,000	50,000	-	0%
17	Bldg & Maint Services	33,325	138,095	34,000	181,037	122,000	88,000	259%
18	Chemicals	195,468	120,953	125,000	147,775	130,000	5,000	4%
19	Permits & Licenses	36,983	31,103	31,000	31,000	33,000	2,000	6%
20	Supplies	38,965	47,604	35,125	57,185	31,200	(3,925)	-11%
21	Equipment	416,147	227,008	212,800	295,853	208,000	(4,800)	-2%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	1,267,982	1,662,470	1,462,075	1,874,736	1,579,900	117,825	8%

25 TOTAL 2,052,647 2,677,553 2,479,794 2,898,881 2,944,958 465,164 19%

Key Changes

COLA of 3%, applicable step increases, CalPERS rate changes	\$ 48,339
Add 2 new positions (Utility Worker, Operator II)	\$ 216,000
Shift .50 Engineering & Construction Contracts Manager from Infrastructure	\$ 83,000
Engineering: technical support for small repair projects	\$ 14,500
Professional Services: preventive maintenance on electrical bus duct/panel	\$ 25,000
Bldg & Maint: Replace hatches at Portola PS wet well	\$ 40,000
Bldg & Maint: Repair rainwater intrusion at Princeton PS MCC room	\$ 38,000
Total	\$ 464,839

TREATMENT

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL	
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REVENUE

By Type:

26 JPA Assessments	2,124,756	2,209,193	2,452,593	3,023,835	2,821,458	368,865	15%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	-	81,228	19,000	21,900	115,000	96,000	505%
29 Misc. Fees	7,225	5,415	8,200	8,532	8,500	300	4%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 (From) Reserves	-	-	-	-	-	-	0%
33	2,131,981	2,295,836	2,479,793	3,054,267	2,944,958	465,165	19%

By Agency:

34 Half Moon Bay	1,056,000	1,138,924	1,280,254	1,572,457	1,563,606	283,352	22%
35 Granada CSD	605,556	645,762	642,579	801,324	676,625	34,046	5%
36 Montara WSD	463,200	424,507	529,760	650,054	581,227	51,467	10%
37	2,124,756	2,209,193	2,452,593	3,023,835	2,821,458	368,865	15%

Key Changes

Funded Positions:

<i>Operating Fund FTE</i>	4.275	6.25	6.25	6.50	8.75	2.50	40%
<i>Other Funds FTE</i>	-	-	-	-	-	-	0%
	4.275	6.25	6.25	6.50	8.75	2.50	40%

ENVIRONMENTAL COMPLIANCE

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	855	55,899	33,283	30,761	36,886	3,603	11%
2	Premium Pay	-	1,256	791	864	815	24	3%
3	Health Benefits	91	7,281	6,217	5,439	6,217	(0)	0%
4	Retirement Cont.	129	9,812	8,577	4,831	8,920	343	4%
5	Retirement Medical	444	227	524	482	578	54	10%
6	Misc. Benefits	767	(1,035)	1,080	1,562	2,300	1,220	113%
7	Subtotal	2,286	73,440	50,472	43,939	55,716	5,244	10%

Non-Personnel

8	Legal Services	-	-	-	-	-	-	0%
9	Engineering Services	-	-	-	-	-	-	0%
10	Professional Services	7,449	57,067	92,550	84,638	60,550	(32,000)	-35%
11	Prof. Memberships	-	-	100	-	100	-	0%
12	Insurance Premiums	-	-	-	-	-	-	0%
13	Misc. Expenses	7	479	650	6,679	10,600	9,950	1531%
14	Utilities	-	-	-	-	-	-	0%
15	Travel & Training	-	-	3,300	140	3,450	150	5%
16	Equipment Rental	-	-	-	-	-	-	0%
17	Bldg & Maint Services	-	-	-	-	-	-	0%
18	Chemicals	-	7,642	5,000	1,646	5,000	-	0%
19	Permits & Licenses	-	-	-	-	-	-	0%
20	Supplies	-	5,268	10,016	6,844	11,251	1,235	12%
21	Equipment	-	7,490	3,000	2,120	3,000	-	0%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	7,456	77,946	114,616	102,066	93,951	(20,665)	-18%
25	TOTAL	9,742	151,386	165,088	146,004	149,667	(15,421)	-9%

Key Changes

COLA of 3%, applicable step increases, CalPERS rate changes	\$ 5,244
3% CPI increase for utilities, services, and supplies	\$ 1,385
Professional Services: new requirement for pollution prevention program	\$ 9,950
Professional Services: First Flush paid for 2 fiscal years in 2017/18	\$ (32,000)
Total	\$ (15,421)

ENVIRONMENTAL COMPLIANCE

By Category

FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	-	170,045	162,064	142,979	146,642	(15,422)	-10%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	74,593	-	3,025	3,025	3,025	-	0%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 (From) Reserves	-	-	-	-	-	-	0%
33	74,593	170,045	165,089	146,004	149,667	(15,422)	-9%

By Agency:

34 Half Moon Bay	-	66,605	84,597	74,635	81,267	(3,330)	-4%
35 Granada CSD	-	37,765	42,461	37,461	35,167	(7,294)	-17%
36 Montara WSD	-	65,675	35,006	30,884	30,209	(4,797)	-14%
37	-	170,045	162,064	142,979	146,642	(15,422)	-10%

Key Changes

Funded Positions:

Operating Fund FTE	0.28	0.50	0.25	0.25	0.25	-	0%
Other Funds FTE	-	-	-	-	-	-	0%
	0.28	0.50	0.25	0.25	0.25	-	0%

INFRASTRUCTURE

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	-	14,794	60,831	20,000	-	(60,831)	-100%
2	Premium Pay	-	-	-	-	-	-	0%
3	Health Benefits	-	1,988	11,730	-	-	(11,730)	-100%
4	Retirement Cont.	-	750	4,206	-	-	(4,206)	-100%
5	Retirement Medical	-	16	915	-	-	(915)	-100%
6	Misc. Benefits	-	363	4,143	-	-	(4,143)	-100%
7	Subtotal	-	17,911	81,825	20,000	-	(81,825)	-100%

Non-Personnel

8	Legal Services	-	-	500	5,448	-	(500)	-100%
9	Engineering Services	-	194,639	100,000	152,000	85,000	(15,000)	-15%
10	Professional Services	-	-	10,000	10,000	200,000	190,000	1900%
11	Prof. Memberships	-	-	-	-	-	-	0%
12	Insurance Premiums	-	-	-	-	-	-	0%
13	Misc. Expenses	-	47,671	1,175	253,982	-	(1,175)	0%
14	Utilities	-	-	-	-	-	-	0%
15	Travel & Training	-	-	-	-	-	-	0%
16	Equipment Rental	-	-	-	-	-	-	0%
17	Bldg & Maint Services	-	-	-	-	-	-	0%
18	Chemicals	-	-	-	-	-	-	0%
19	Permits & Licenses	-	-	-	-	-	-	0%
20	Supplies	-	-	-	-	-	-	0%
21	Equipment	-	40,000	-	337,000	100,000	100,000	0%
22	Infrastructure Projects	1,353,921	-	1,311,500	1,964,500	1,332,500	21,000	2%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	1,353,921	282,310	1,423,175	2,722,930	1,717,500	294,325	21%
25	TOTAL	1,353,921	300,221	1,505,000	2,742,930	1,717,500	212,500	14%

Key Changes

Shift all personnel costs to Treatment division	\$ (81,825)
Wet Weather Storage Expansion Project	\$ 400,000
Shift small (<\$50k) repair projects to Treatment division	\$ (105,675)
Total	\$ 212,500

INFRASTRUCTURE

By Category

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ORIGINAL	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	1,237,000	746,075	1,505,000	2,527,550	1,967,500	462,500	31%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	-	-	-	-	-	-	0%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 (From) Reserves	(500,000)	-	-	-	-	-	0%
33	737,000	746,075	1,505,000	2,527,550	1,967,500	462,500	31%

By Agency:

34 Half Moon Bay	366,289	395,888	785,610	1,319,381	1,090,356	304,746	39%
35 Granada CSD	210,045	196,477	394,310	662,218	471,834	77,524	20%
36 Montara WSD	160,666	153,710	325,080	545,951	405,310	80,230	25%
37	737,000	746,075	1,505,000	2,527,550	1,967,500	462,500	31%

Key Changes

Assessments allocated based on CY 2017 flow calculation

Start replenishing operating reserve funds 250,000

Funded Positions:

Operating Fund FTE	-	0.50	0.50	0.25	-	(0.50)	-100%
Other Funds FTE	-	-	-	-	-	-	0%
	-	0.50	0.50	0.25	-	(0.50)	-100%

OPERATION & MAINTENANCE



PROGRAM DESCRIPTION

This section of the budget provides the service descriptions and performance metrics for the different Operation & Maintenance (O & M) functions by division. O & M (Administrative Services, Treatment, Environmental Compliance, and Infrastructure) staffing remained static until 2016/17. In FY 2016/17, the cost for staff that supervise and provide support for the contract collection services was reallocated to keep the JPA staff independent of the contract staff. This was to clearly identify which staff might be affected if the contract services were terminated. The following staffing summary reflects the historical cost allocation of staff in O & M.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Regular Positions	8.85	8.85	8.85	8.525	10.75	10.50	13.00

The Joint Exercise of Powers Agreement (JEPA) stipulates that the total expenses of operation and maintenance of all of the components of the Present Project (intertie pipeline and attendant pump facilities, ocean outfall, treatment plant) shall be shared in a manner based on flows.

Operation & Maintenance Flow Calculations

	HMB	GCSD	MWSD	
FY 2017/18	55.4%	24.0%	20.6%	(Based on Calendar Year 2017)
FY 2017/18	<u>52.3%</u>	<u>26.2%</u>	<u>21.5%</u>	(Based on Calendar Year 2016)
Variance	3.1%	-2.2%	-0.9%	

FINANCIAL DETAILS

The following is a list of budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #	FY 2017/18	FY 2018/19
1. Wages Increased for COLA adjustments of 3% and step increases per MOU. Includes wages for all staff allocated to O & M, which reflects the addition of 2.50 positions.	\$1,174,648	\$1,421,597
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times.	\$62,582	\$70,110
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees Manual. Increased to reflect the addition of 2.50 positions.	\$246,493	\$299,467
4. Retirement Contributions SAM pays the employer contribution but no portion of the employee contribution to CalPERS for retirement benefits. SAM is in compliance with PEPRA.	\$260,102	\$258,026
5. Retirement Medical Increased to make contributions for future retirement medical costs in compliance with GASB as well as current retiree medical premiums.	\$27,062	\$30,798
6. Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan. Increased to reflect the addition of 2.50 positions.	\$66,340	\$87,235
7. Personnel Subtotal Subtotal of all costs associated with SAM staff wages and benefits.	\$1,837,228	\$2,167,634
8. Legal Services Increased based on anticipated meetings and projects.	\$46,500	\$56,500

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY 2017/18</u>	<u>FY 2018/19</u>
9. Engineering Services Increased to provide technical design and project management related to infrastructure and maintenance projects.	\$102,500	\$102,000
10. Professional Services Includes ongoing services that are specialized and need to be performed by consultants rather than staff. Assumes a 3% CPI increase to these services.	\$632,630	\$802,000
11. Professional Membership Increased to reflect rate increases for memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$34,100	\$35,100
12. Insurance Premiums Property and liability premiums based on utilization rates.	\$49,496	\$51,000
13. Misc. Expenses Includes incidental expenses (uniforms laundry services, radio and alarm systems, offsite file storage, postage, claims, copier, phone system, property taxes, etc.) not reflected in other categories.	\$75,819	\$79,640
14. Utilities Electricity, water, telephone, solid waste, etc. Increased to reflect anticipated rate changes.	\$494,330	\$504,680
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices.	\$38,300	\$42,450
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.) for less than a fiscal year.	\$60,000	\$60,000

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY 2017/18</u>	<u>FY 2018/19</u>
17. Building & Maintenance Services Includes janitorial, landscaping, and other regular building maintenance services.	\$58,452	\$159,000
18. Chemicals Includes chemicals (sodium hypochlorite, polymer, ferric chloride) used in the treatment of wastewater to meet regulatory standards.	\$130,000	\$135,000
19. Permits & Licenses Annual costs for permits with local, regional and state agencies. Increase reflects anticipated changes in fees.	\$31,000	\$33,000
20. Supplies Office, computer, breakroom, and general supplies.	\$53,891	\$51,169
21. Equipment Purchase Purchase of equipment for repair and rehabilitation of SAM facilities not captured in infrastructure projects.	\$242,800	\$331,000
22. Infrastructure Projects Contract construction costs are included in this category. Includes costs associated with projects that exceed \$50,000 each.	\$1,311,500	\$1,332,500
23. Claims/Penalties Decreased to reflect claim experience.	\$10,000	\$5,000
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$3,371,318	\$3,780,039
25. Total Total of all costs for O & M (sum of Personnel and Non-Personnel subtotals).	\$5,208,545	\$5,947,273

TREATMENT DIVISION

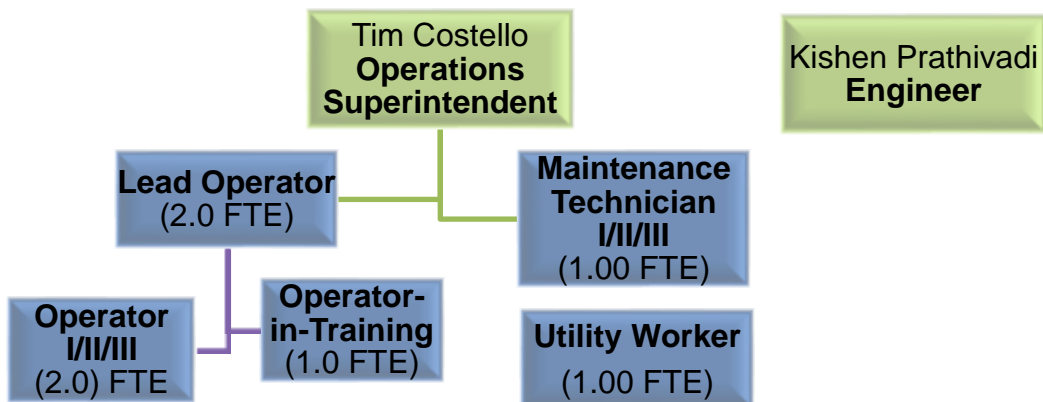


PROGRAM DESCRIPTION

The Treatment division is responsible for the safe, economical, and environmentally acceptable treatment and reclamation of all sanitary wastewater flows from the City of Half Moon Bay, Granada Community Services District, and the Montara Water & Sanitary District. The division is responsible for the reliability and integrity of systems and equipment at the Plant and the operation and maintenance of three SAM pump stations and the transmission pipeline. Staff performs predictive and preventive maintenance programs, corrective and rehabilitative maintenance, and in-house equipment and process improvements.

Over recent years we have lost some of the key personal and with that institutional knowledge and ability. While staff is trying to keep up with the current needs of an aging system we have had to bring in people that specialize in certain pieces of equipment as necessary. We are also finding that a growing portion of our equipment no longer has parts available on the primary market which can be problematic at best.

Division services are supervised by the Operations Superintendent. The following organizational chart reflects the reporting structure of the division.



FISCAL YEAR 2018/19

The following staffing summary reflects the historical cost allocation for the division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Regular Positions	4.60	4.60	4.70	4.275	5.95	6.25	8.75

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #	FY2017/18	FY 2018/19
1. Wages Increased for COLA adjustments of 3% per MOU, addition of two new positions (Operator-in-Training and Utility Worker), a shift of 0.50 Engineer (was Engineering & Construction Contracts Manager), and merit step increases, where applicable.	\$621,377	\$878,692
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times as well as standby pay.	\$61,591	\$69,095
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees Manual. Reflects the increase of two new positions.	\$144,843	\$199,410
4. Retirement Contributions Increased to reflect two new positions. SAM pays the employer contribution but no portion of the employee contribution to CalPERS for retirement benefits. SAM is in compliance PEPRA.	\$137,082	\$142,110
5. Retirement Medical Increased to reflect two new positions.	\$9,322	\$13,180
6. Misc. Benefits Increased to reflect two new positions. Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan.	\$43,504	\$62,571

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY2017/18</u>	<u>FY 2018/19</u>
7. Personnel Subtotal Subtotal of all costs associated with SAM staff wages and benefits.	\$1,017,719	\$1,365,058
8. Legal Services There are no legal services budgeted to Treatment.	\$0	\$0
9. Engineering Services Specialized services related to small maintenance projects.	\$500	\$15,000
10. Professional Services Services that are specialized and need to be performed by contractors rather than staff (GIS software hosting, electrical maintenance, safety training, permit compliance assistance, SSMP audit and updates, outfall inspection, inspections, SCADA support, etc.). Increased for additional electrical equipment preventive maintenance.	\$429,500	\$432,500
11. Professional Membership Memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$10,000	\$10,000
12. Insurance Premiums There are no insurance premiums charged to Treatment.	\$0	\$0
13. Misc. Expenses Includes incidental expenses (uniform laundry services, radio and alarm systems, etc.) not captured in other categories. Increase based on anticipated needs.	\$41,150	\$41,200
14. Utilities Electricity, water, telephone, solid waste, etc. Increased to reflect anticipated rate changes.	\$473,500	\$484,500

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY2017/18</u>	<u>FY 2018/19</u>
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices and safety training.	\$19,500	\$22,500
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.) for less than a fiscal year.	\$50,000	\$50,000
17. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset. Includes small projects costing less than \$50,000.	\$34,000	\$122,000
18. Chemicals Includes chemicals (sodium hypochlorite, polymer, ferric chloride) used in the treatment of wastewater to meet regulatory standards.	\$125,000	\$130,000
19. Permits & Licenses Annual costs for permits with local, regional and state agencies. Increase reflects anticipated changes in fees.	\$31,000	\$33,000
20. Supplies Office, computer, and general supplies.	\$35,125	\$31,200
21. Equipment Purchase of equipment for repair and rehabilitation of SAM facilities not captured in infrastructure projects.	\$212,800	\$208,000
22. Infrastructure There are no project costs budgeted to Treatment. These costs are generally reflected in the Infrastructure division and exceed \$50,000 per project.	\$0	\$0
23. Claims/Penalties There are no claims/penalties budgeted to Treatment.	\$0	\$0

FISCAL YEAR 2018/19

Budget Line #	FY2017/18	FY 2018/19
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$1,462,075	\$1,579,900
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$2,479,794	\$2,944,958

The significant changes in the Treatment division from FY 2017/18 included in the FY 2018/19 budget are:

1. Reallocated 0.50 FTE of Engineer (was Engineering & Construction Contracts Manager) from Infrastructure to Treatment to reflect the support provided for Treatment-related functions.
2. Add two new positions (Operator-in-Training and Utility Worker) to address manhour needs as well as succession planning.
3. Increased the retirement contributions budget to CalPERS for classic employees based on projected rate changes and blended with PEPRA rates.
4. Small (<\$50k) repair/replace projects at plant and pump stations.
5. Increased funds for preventive maintenance on electrical, pumps, and other key equipment.

GOALS

- Operate the wastewater system for current and future customers with safe, efficient, and cost-effective treatment services.
- Achieve 100% compliance with all NPDES limits for conventional pollutants.
- Maintain appropriate capacities and effective operations and assure no spills or overflows at SAM facilities.
- Maintain SAM facilities at a level that assures uninterrupted quality service and no process interruptions due to equipment failures.
- Promote the development and education of staff to assure the ongoing ability to operate, maintain, troubleshoot and repair all systems and equipment.
- Maintain equipment and facilities to improve reliability and reduce operating and maintenance costs.

HIGHLIGHTS

- Performed process related laboratory analysis for the Environmental Compliance division on weekends.
- Conducted all required annual safety training programs.
- Administered the Trucked Waste Acceptance Program.
- Worked to optimize processes to improve reliability.
- Developed and implemented standard operating procedures (SOPs) for operations and maintenance functions.
- Purchased and implemented new computer maintenance management system to replace outdated system.

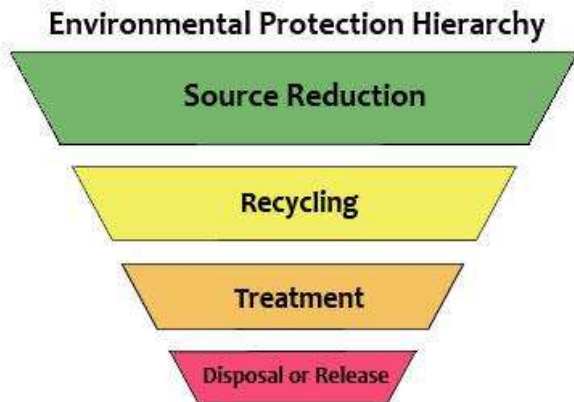
PROGRAM OBJECTIVES

- Perform required preventive and predictive maintenance to eliminate spills, overflows, bypasses, or discharge permit violations, and to minimize the possibility of equipment breakdowns
- Promote comprehensive training of division personnel.
- Continue to promote and provide a safe and healthy environment for all staff, contractors, and community.
- Develop and implement maintenance plan for routine maintenance on all equipment.

PERFORMANCE MEASURES

- Meet all effluent quality targets described in the NPDES permit.
- Perform all routine maintenance tasks in a timely manner.

ENVIRONMENTAL COMPLIANCE DIVISION



PROGRAM DESCRIPTION

The Environmental Compliance division provides services and oversight in four areas: National Pollutant Discharge Elimination System (NPDES) permit compliance, Laboratory Operations, Non-Domestic Waste Source Control (NDWSCP) Program, and Pollution Prevention (P2) Program. NPDES permit compliance involves maintaining compliance with permit parameters, implementing investigations and additional sampling programs to address specific pollutants, developing action plans to reduce these pollutants and reporting levels of progress to the Regional Board. The in-house laboratory conducts analyses of various plant samples for process control, some NPDES permit parameters, and special projects as needed. We do contract with outside lab analysis for NPDES requirements that our in-house lab is not certified to do to be in compliance with ELPA, (Environmental Lab Accreditation Program).

The NDWSC Program includes evaluating facilities and dischargers within SAM's service area that could adversely affect the SAM collection system and/or treatment plant, evaluating discharge permit applications and issuing permits, performing inspections, sampling and monitoring and conducting enforcement when needed. The P2 Program focuses on educating commercial businesses and residents on pollutants that are harmful to the collection system, treatment plant and the environment, including fats, oils, and grease (F.O.G.), and how to reduce or eliminate them. Public information, plant tours, and participation in outreach activities are significant elements.

Division functions are supervised by the Operations Superintendent. The following organizational chart reflects the reporting structure of the division.



FISCAL YEAR 2018/19

The following staffing summary reflects the historical cost allocation for the division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Regular Positions	0.25	0.25	0.225	0.275	0.50	0.25	0.25

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

<u>Budget Line #</u>	<u>FY2017/18</u>	<u>FY 2018/19</u>
1. Wages Increased for COLA adjustments of 3%.	\$33,284	\$36,886
2. Premium Pay Special compensation for certification above that required by the position.	\$791	\$815
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees Manual.	\$6,217	\$6,217
4. Retirement Contributions SAM pays the employer contribution but no portion of the employee contribution to CalPERS for retirement benefits. SAM is in compliance with PEPRA.	\$8,577	\$8,920
5. Retirement Medical Increased to reflect contributions to an OPEB trust in compliance with GASB as well as current retiree medical premiums.	\$524	\$578
6. Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan.	\$1,080	\$2,300
7. Personnel Sub-total Subtotal of all costs associated with SAM staff wages and benefits.	\$50,472	\$55,716

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY2017/18</u>	<u>FY 2018/19</u>
8. Legal Services There are no legal services budgeted to EC.	\$0	\$0
9. Engineering Services There are no engineering costs budgeted to EC.	\$0	\$0
10. Professional Services Services that are specialized and must be performed by outside laboratories and consultants (SVCW, laboratories, SMCRCD, event registration, etc.). Change reflects required outreach program expenses.	\$92,550	\$60,550
11. Professional Membership The cost of the laboratory certification.	\$100	\$100
12. Insurance Premiums There are no insurance premiums budgeted to EC.	\$0	\$0
13. Misc. Expenses Includes incidental expenses (outreach materials, postage, etc.) not reflected in other categories.	\$650	\$10,600
14. Utilities There are no utility costs budgeted to EC.	\$0	\$0
15. Travel & Training Training and travel related costs for attendance at industry conferences, seminars, and other related events to keep current on technical skills and industry practices and required safety training.	\$3,300	\$3,450
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.) for less than a fiscal year.	\$0	\$0
17. Building & Maintenance Services There are no building maintenance services budgeted to EC.	\$0	\$0
18. Chemicals Includes chemicals used in the laboratory.	\$5,000	\$5,000

FISCAL YEAR 2018/19

Budget Line #	FY2017/18	FY 2018/19
19. Permits & Licenses There are no permits or licenses budgeted to EC.	\$0	\$0
20. Supplies Lab and general supplies including materials for biology student field trips to the plant.	\$10,016	\$11,251
21. Equipment Purchase of equipment and tools for the laboratory to replace noncompliant or inoperable equipment.	\$3,000	\$3,000
22. Infrastructure Projects There are no project costs budgeted to EC.	\$0	\$0
23. Claims/Penalties There are no claims or penalties budgeted to EC.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$114,616	\$93,951
25. Total Total of all costs for EC (sum of Personnel and Non-Personnel subtotals).	\$165,088	\$149,667

The significant changes in the Environmental Compliance division from the Adopted Budget for FY 2015/16 included in the FY 2016/17 budget are:

1. Increased retirement contributions to CalPERS for classic employees based on projected rate changes.
2. Increased professional services to reflect costs associated with pollution prevention and outreach requirements in new NPDES permit.

GOALS

- Achieve and maintain 100 % compliance with the District's NPDES permit requirements, including the NDWSC and Pollution Prevention (P2) programs.
- Promote and maintain a positive, safe and productive work environment while cultivating a sense of environmental stewardship.
- Promote and maintain representative sampling, perform exceptional analyses and accurately report data collected to evaluate industrial and commercial

discharges, the operational status of the treatment plant and the quality of the bio-solids generated.

- Effectively regulate dischargers of industrial, commercial and other types of wastewater to protect the sanitary sewer system, the treatment plant, staff, the public and the environment.
- Effectively implement the Pollution Prevention (P2) Program and provide public outreach to reduce and or prevent the discharge of pollutants to the collection system, treatment plant and the environment; this includes implementing tools to measure the progress of these efforts.
- Effectively build and maintain partnerships with other agencies that have similar requirements and goals (Green Business Program, Household Hazardous Waste/Pharmaceutical Collection, Bay Area Pollution Prevention Group, etc.)
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification for conventional pollutants and coliform bacteria.

ACHIEVEMENTS

- Identified deficiencies in the necessary ELAP certification requirements and implemented necessary changes.
- Performed the annual NDWSC program inspections and sampling at commercial facilities and inspections at food service establishments (FSEs) and dentists in the SAM's service area.
- Conducted classroom tours of the treatment plant for over 280 students.

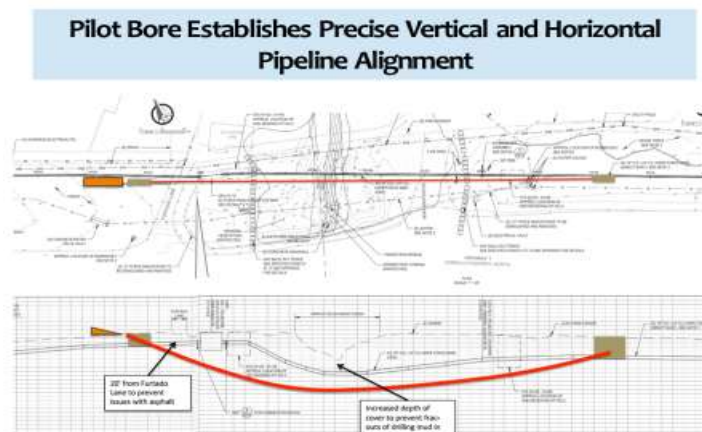
PROGRAM OBJECTIVES

- Perform all required sampling, inspections, studies and outreach to comply with the District's NPDES permit, NDWSCP and Pollution Prevention programs, F.O.G. program, and process control.
- Maintain compliance with all programs and requirements listed above.
- Maintain ELAP certification for laboratory functions.
- Continue to educate and increase the level of awareness on pollution prevention and water quality issues with the goals of changing behavior and decreasing the volume of pollutants entering the treatment plant and the bay.
- Participate in public outreach activities such as the Half Moon Bay Art & Pumpkin Festival and Pacific Coast Dream Machines.
- Distributed informational materials, brochures, and notices regarding proper discharge of wastes to residents, commercial businesses, and public events.
- Coordinate Plant Tour program for Half Moon Bay High School biology students.

PERFORMANCE MEASURES

- Complete 100% NDWSCP inspections as required by SAM permits.
- Meet and maintain ELAP compliance requirements.
- Complete all of the necessary annual continued learning units to maintain required Environmental Compliance Inspector and Laboratory Analyst certifications from the California Water Environment Association.

INFRASTRUCTURE DIVISION



PROGRAM DESCRIPTION

The Infrastructure Division is responsible for the management and technical support necessary to develop and manage an infrastructure program and provide project management and construction inspection services of SAM facilities.

Division services are managed by the Engineer; however, none of the related personnel costs are allocated to this division. The following staffing summary reflects the historical cost allocation to this division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Regular Positions	0.00	0.00	0.00	0.00	0.80	0.50	0.0

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #	FY2017/18	FY 2018/19
1. Wages All personnel costs have been reallocated to Treatment.	\$60,831	\$0
2. Premium Pay All personnel costs have been reallocated to Treatment.	\$0	\$0
3. Health Benefits All personnel costs have been reallocated to Treatment.	\$11,730	\$0
4. Retirement Contributions All personnel costs have been reallocated to Treatment.	\$4,206	\$0

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY2017/18</u>	<u>FY 2018/19</u>
5. Retirement Medical All personnel costs have been reallocated to Treatment.	\$915	\$0
6. Misc. Benefits All personnel costs have been reallocated to Treatment.	\$4,143	\$0
7. Personnel Subtotal Subtotal of all costs associated with staff wages and benefits.	\$81,825	\$0
8. Legal Services Costs associated with general contract review reallocated to Administration.	\$500	\$0
9. Engineering Services Engineering services requiring specialized certification or skills will be performed by consulting engineers.	\$100,000	\$85,000
10. Professional Services Specialized services that cannot be provided by staff.	\$10,000	\$200,000
11. Professional Memberships There are no professional memberships budgeted to Infrastructure.	\$0	\$0
12. Insurance Premiums There are no insurance premiums budgeted to Infrastructure.	\$0	\$0
13. Misc. Expenses There are no utilities budgeted to Infrastructure.	\$1,175	\$0
14. Utilities There are no utilities budgeted to Infrastructure.	\$0	\$0
15. Travel & Training There are no costs budgeted to Infrastructure.	\$550	\$0
16. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset.	\$0	\$0

FISCAL YEAR 2018/19

Budget Line #	FY2017/18	FY 2018/19
17. Chemicals There are no chemical costs budgeted to Infrastructure.	\$0	\$0
18. Permits & Licenses There are no permit and license costs budgeted to Infrastructure.	\$0	\$0
19. Supplies There are no supply costs budgeted to Infrastructure.	\$0	\$0
20. Equipment Equipment costs associated with projects that exceed \$50,000 each.	\$0	\$100,000
21. Tools There are no tool costs budgeted to Infrastructure.	\$0	\$0
22. Infrastructure Contract construction costs are included in this category. Includes costs associated with projects that exceed \$50,000 each.	\$1,311,500	\$1,332,500
23. Claims/Penalties There are no costs budgeted to Infrastructure.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$1,423,175	\$1,717,500
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$1,505,000	\$1,717,500

The Infrastructure division budget increased from \$1.51 million in Fiscal Year 2017/18 to \$1.72 million. The significant changes in the Infrastructure division included in the FY 2018/19 budget are:

1. Reallocated wage and benefit costs of 0.50 Engineer (was Engineering & Construction Contracts Manager) to Treatment division.

2. Increased the Infrastructure budget by \$212,500 to fund Priority Level 1 projects. The projects planned for this fiscal year are:

➤ Portola Pump Station Replacement Pump	\$202,500
➤ Replace ATS at all three pump stations	\$225,000
➤ Replace Electrical Switch Gear at Plant	\$500,000
➤ Replace Force Air Ventilation System at Plant	\$100,000
➤ Wet Weather Storage Expansion	\$690,000

GOALS

- To provide engineering analysis and project development for cost effective implementation of all SAM facility infrastructure projects.
- To effectively plan and implement future rehabilitation and replacement of the facilities to maintain an efficient, reliable system and to provide timely response with plan review for new development.
- To maintain accurate reproducible records of facility improvements and records.
- To keep informed of all construction that may affect SAM facilities.

HIGHLIGHTS

- Directed design approval, implementation and construction inspection for all facility projects.
- Infrastructure Projects completed in FY 2017/18:
20-Year Capital Improvement Plan
IPS Repair Project Segments 1 – 3

PROGRAM OBJECTIVES

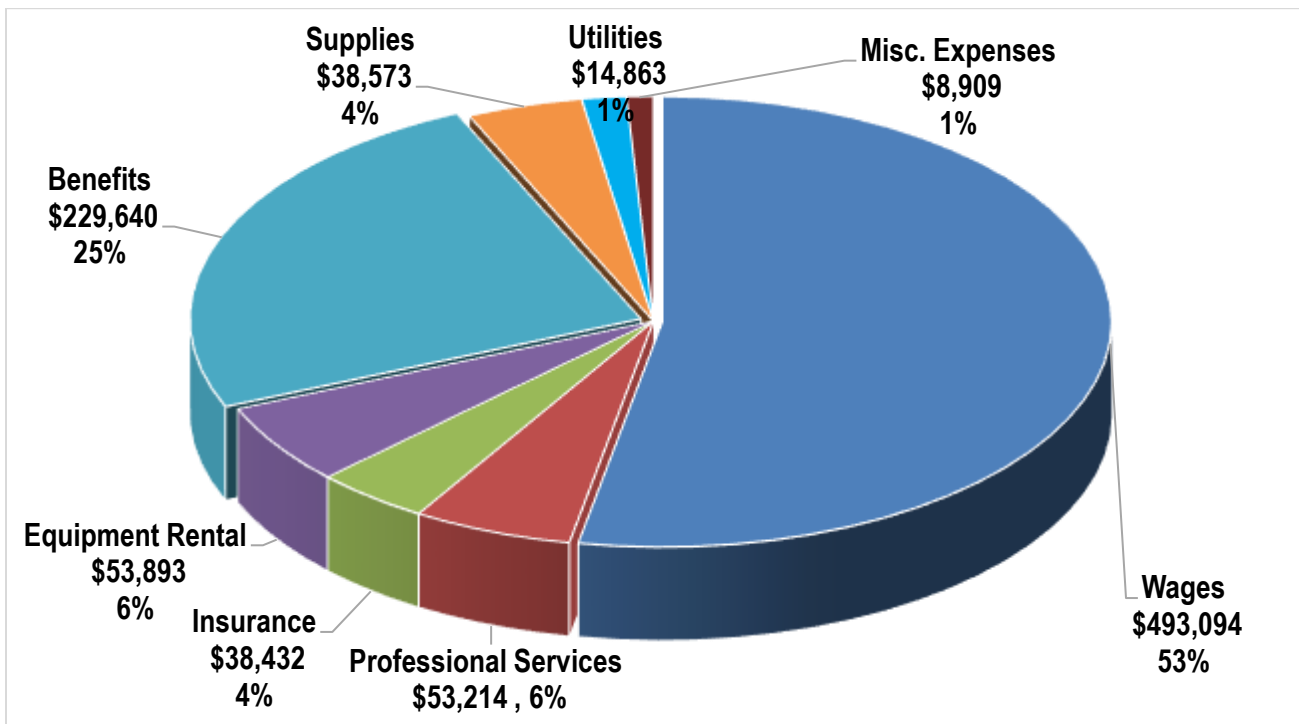
- Provide research, design, bidding and construction inspection services for infrastructure projects.
- Prioritize infrastructure projects to meet SAM needs, compliance with new regulatory requirements, and update 5-Year CIP.

CONTRACT COLLECTION SERVICES BUDGET

Each year SAM makes assumptions regarding revenue and expenses. While some of the expenses are outside of SAM's control (utilities, collection flow levels, emergency repairs), it is still possible to estimate the cost from year to year. The Board and the contracting agencies expect staff to continue to identify areas that can be made more efficient and cost effective.

The budget includes obligations for wages and benefits as stipulated in employment and bargaining contracts, increases in retirement contributions, utilities, fuel, and other non-discretionary expenses. Costs were recommended by staff based on identified needs and industry best practices.

As for most service agencies, the most significant costs are for employee wages (53%) and benefits (25%). Providing necessary equipment (6%) and professional support services (6%) required to meet the scope of services are the next largest portions of the budget.



The overall change from the Contract Collection Services Budget for Fiscal Year 2017/18 to Fiscal Year 2018/19 is an increase of \$117,059 (14%). Each agency is invoiced monthly for one-twelfth of the annual cost as well as any requests for reimbursement for contract services performed by vendors in response to requests by the contracting agency.

The change in assessments to each member agency is shown in the following table.

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	\$ Change	%
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Adopted</u>	<u>Change</u>
Half Moon Bay	\$ 319,741	\$ 351,881	\$ 274,596	\$ 310,908	\$ 36,312	13%
GCSD	\$ 242,391	\$ 242,350	\$ 239,954	\$ 284,500	\$ 44,546	19%
MWSD	\$ 325,958	\$ 321,608	\$ 279,411	\$ 328,036	\$ 48,625	17%
Total	\$ 888,090	\$ 915,839	\$ 793,961	\$ 923,444	\$ 129,483	16%

The primary change in the assessments is that the cost of services methodology for HMB is based on SAM's proposal in response to the Request for Proposals, which reflects the requested change in service levels. The changes for GCSD and MWSD are based on the cost of services methodology used for HMB but reflecting no change in service levels (status quo). The amount assessed for each agency FY 2018/19 assumes that SAM continues to collect the FOG inspection fees on behalf of GCSD and MWSD only.

CONTRACT COLLECTION SERVICES

Consolidated (Half Moon Bay, GCSD, MWSD)

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ADOPTED	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED		CHANGE FROM FY 2017/18 ADOPTED
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EXPENDITURES

Personnel

1	Wages	430,134	317,229	390,503	342,945	446,177	55,674	14%
2	Premium Pay	15,545	60,217	48,096	36,868	46,917	(1,179)	-2%
3	Health Benefits	129,030	93,486	117,300	90,651	128,663	11,363	10%
4	Retirement Cont.	71,986	46,635	45,043	28,624	53,499	8,456	19%
5	Retirement Medical	11,942	14,461	5,856	5,342	6,693	837	14%
6	Misc. Benefits	12,233	(8,804)	37,016	27,437	40,785	3,769	10%
7	Subtotal	670,870	523,224	643,813	531,867	722,734	78,920	12%

Non-Personnel

8	Legal Services	-	-	-	-	-	-	0%
9	Engineering Services	-	-	-	-	-	-	0%
10	Professional Services	37,454	153,956	36,400	51,619	53,214	16,814	46%
11	Prof. Memberships	245	1,056	259	183	802	543	210%
12	Insurance Premiums	51,718	71,996	77,761	77,761	38,432	(39,329)	-51%
13	Misc. Expenses	47,103	5,374	5,446	4,359	6,232	786	14%
14	Utilities	942	10,667	12,500	9,328	14,863	2,363	19%
15	Travel & Training	10,666	1,533	2,880	2,387	1,875	(1,005)	-35%
16	Equipment Rental	-	-	100	-	53,893	53,793	53793%
17	Bldg & Maint Services	22	97,568	-	117,994	-	-	0%
18	Chemicals	-	4,153	941	3,877	3,238	2,297	244%
19	Permits & Licenses	-	3,338	6,400	-	-	(6,400)	-100%
20	Supplies	16,229	26,960	18,118	27,628	35,335	17,217	95%
21	Equipment	57,425	2,033	8,942	-	-	(8,942)	-100%
22	Infrastructure	-	-	-	-	-	-	0%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	221,804	378,634	169,747	295,135	207,885	38,138	22%
25	TOTAL	892,674	901,858	813,560	827,002	930,619	117,059	14%

Key Changes

COLA and applicable step increases for field staff.	\$ 25,976
QA/QC and support services previously subsidized by JPA.	\$ 37,184
No longer providing FOG inspections and related services for HMB per RFP.	\$ (10,240)
Services to cover for employee leave, training, and technical support.	\$ 11,000
Rent/lease equipment from JPA instead of purchasing as part of CCS.	\$ 53,793
Pooled liability insurance through CSRMA for GCSD and MWSD only.	\$ (39,329)
All vehicles and equipment belong to JPA along with maintenance costs.	\$ (8,942)
Safety supplies, general supplies, and services previously allocated by % share.	\$ 32,617
Services supporting 3 SSOs per year for HMB only.	\$ 15,000
	\$ 117,059

CONTRACT COLLECTION SERVICES

Consolidated (Half Moon Bay, GCSD, MWSD)

	FY 2015/16 ACTUAL	FY 2016/17 ACTUAL	FY 2017/18 ADOPTED	FY 2017/18 ESTIMATE	FY 2018/19 PROPOSED	CHANGE FROM FY 2017/18 ADOPTED
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REVENUE

By Type:

26 JPA Assessments	-	-	-	-	-	-	0%
27 Contract Services	888,090	915,839	793,961	807,402	923,444	129,483	16%
28 NDWSCP Fees	-	-	19,600	19,600	7,175	(12,425)	-63%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 From/(To) Reserves	-	-	-	-	-	-	0%
33	888,090	915,839	813,561	827,002	930,619	117,058	14%

By Agency:

34 Half Moon Bay	319,741	351,881	274,596	281,645	310,908	36,312	13%
35 Granada CSD	242,391	242,350	239,954	226,623	284,500	44,546	19%
36 Montara WSD	325,958	321,608	279,411	299,133	328,036	48,625	17%
37	888,090	915,839	793,961	807,402	923,444	129,483	16%

Key Changes

SAM continues to perform and invoice for FOG inspections for GCSD and MWSD.

Cost of services based on methodology used for proposal to HMB.

<u>Funded Positions:</u>	6.47	4.75	5.00	5.00	5.00	-	0%
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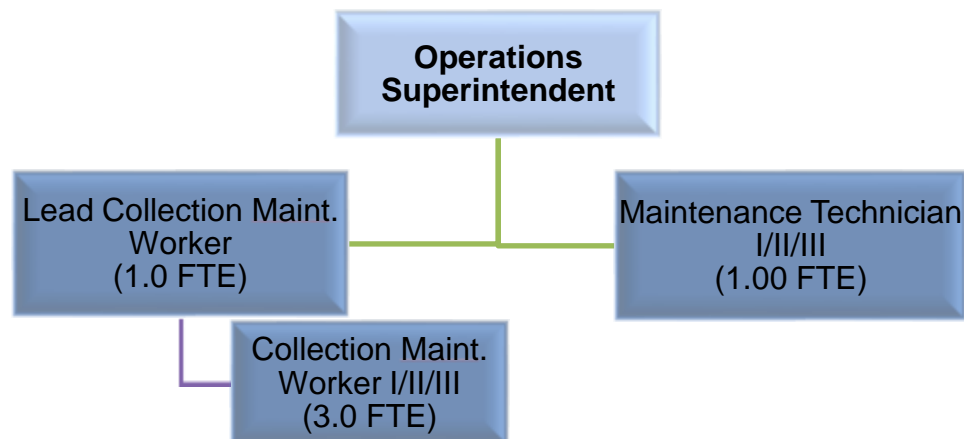


CONTRACT COLLECTION SERVICES

The Contract Collection Services (CCS) division budget is a discrete function at SAM and not included in the JEPA. This division provides preventive and corrective maintenance of the wastewater main lines and lift stations and responds to customer requests for service for the City of Half Moon Bay, Granada Community Services District, and the Montara Water & Sanitary District. The service levels are identified in the service agreements between SAM and each contracting agency.

Starting with FY 2017/18, the allocation of costs between the contracting agencies was based on the percentage of total lines cleaned and percentage of lift stations maintained rather than on a percentage of total CCS man hours.

This program is managed by the Operations Superintendent. The following chart reflects the organizational structure.



FISCAL YEAR 2018/19

The following staffing summary reflects the historical cost allocation for this function.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Positions	6.15	6.15	6.15	6.47	4.75	5.00	5.00

The following pages provide the Contract Collection Services budget line items as well as the cost allocation for each contracting agency.

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #	FY 2017/18	FY 2018/19
1. Wages Increased for COLA adjustments of 3% per MOU and merit step increases, where applicable.	\$390,503	\$446,177
2. Premium Pay Includes overtime paid for staff to perform tasks outside of normal work times as well as standby pay.	\$48,096	\$46,917
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU.	\$117,300	\$128,663
4. Retirement Contributions SAM pays the employer contribution but no portion of the employee contribution to CalPERS for retirement benefits. SAM is in compliance with PEPRA.	\$45,043	\$53,499
5. Retirement Medical Reflects contributions to an OPEB fund in compliance with GASB.	\$5,856	\$6,693
6. Misc. Benefits Includes Medicare, long-term and short-term disability, and workers compensation premiums.	\$37,016	\$40,785
7. Personnel Subtotal Subtotal of all costs associated with SAM staff wages and benefits.	\$643,813	\$722,734

FISCAL YEAR 2018/19

<u>Budget Line #</u>	<u>FY 2017/18</u>	<u>FY 2018/19</u>
8. Legal Services There are no legal services budgeted to CCS.	\$0	\$0
9. Engineering Services There are no engineering costs budgeted to CCS.	\$0	\$0
10. Professional Services Includes ongoing services that are specialized and need to be performed by consultants rather than staff.	\$36,400	\$53,214
11. Professional Membership Includes memberships in professional organizations (CWEA) for SAM to keep current on industry practices and service delivery improvements.	\$259	\$802
12. Insurance Premiums The liability insurance premiums for coverage of the member agencies' collection systems are charged to this budget. Assumes that HMB is no longer covered under this pooled plan.	\$77,761	\$38,432
13. Misc. Expenses Includes incidental expenses (employee physicals, uniform laundry services, radio and alarm systems, etc.) not captured in other categories.	\$5,446	\$6,232
14. Utilities Water for cleaning the sewer lines and cell phone reimbursement for CCS staff.	\$12,500	\$14,863
15. Travel & Training Training and travel related costs for required safety and industry training.	\$2,880	\$1,875
16. Equipment Rental/Lease Rental or lease of equipment necessary to perform the identified scope of services.	\$100	\$53,893
17. Building & Maintenance Services This line reflects the maintenance work performed through 3 rd party vendors. There is no budget and expenses are billed only if approved by the agency.	\$0	\$0

FISCAL YEAR 2018/19

18. Chemicals	\$941	\$3,238
Chemicals are purchased to address issues at the contracting agency lift stations as needed.		
19. Permits	\$6,400	\$0
There are no permit fees budgeted to CCS.		
20. Supplies	\$18,118	\$35,335
Safety, general, and miscellaneous supplies necessary to perform the contract services.		
21. Equipment	\$8,942	\$0
There are no equipment costs budgeted to CCS. All equipment used for the CCS program owned by SAM.		
22. Infrastructure	\$0	\$0
SAM does not perform infrastructure work as part of CCS.		
23. Claims/Penalties	\$0	\$0
There are no claims/penalties budgeted to CCS. Claim recovery costs are reimbursed by the contracting agency when they occur.		
24. Non-Personnel Subtotal	\$169,747	\$207,885
Subtotal of all costs not associated with wages and benefits.		
25. Total	\$813,560	\$930,619
Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).		

The significant changes in the Contract Collection Services department from FY 2017/18 included in FY 2018/19 budget are:

1. The budget for HMB is based on the services described in the Request for Proposals issued by the City. For GCSD and MWSD, each agency's budget is based on the services currently provided by SAM (status quo) based on the same cost for service methodology used for the HMB proposal.
2. QA/QC and support services previously subsidized by JPA now charged to each agency based on cost for service methodology.
3. Rent or lease equipment from JPA rather than CCS purchasing it.

4. Pooled liability insurance through CSRMA for GCSD and MWSD only.
5. Safety supplies, general supplies, and services previously allocated by percentage share of total service hours.

GOALS

- Perform all scheduled and emergency maintenance at the service levels defined in the scope of service for each agency.
- Reduce sanitary sewer overflows (SSOs) through use of industry best practices.
- Provide customers with quick, knowledgeable, and complete response to calls.
- Promote the development and education of staff to assure the ongoing ability to maintain, troubleshoot and repair all systems and equipment.

HIGHLIGHTS

- Cleaned participating agency sewer lines as required in the service agreements.
- Responded to service requests as required in the service agreements.
- Responded to all emergency service requests within 60 minutes or less.
- Performed preventive maintenance at all contract lift stations to maintain station reliability.
- Conducted all required annual safety training programs.
- Responded to requests for USA markings.
- Performed connection inspections for GCSD as requested.
- Performed project oversight as requested by contracting agencies.

PROGRAM OBJECTIVES

- Perform required preventive and predictive maintenance to eliminate spills, overflows, and to minimize the possibility of equipment breakdowns
- Continue to promote and provide a safe environment for all staff.
- Develop and implement standard operating procedures (SOPs) for contract collection and maintenance functions.
- Develop and implement maintenance plan for routine equipment maintenance.
- Perform annual F.O.G. program inspections on behalf of contracting agencies.

PERFORMANCE MEASURES

- Clean all segments of contracting agency sewer lines each year for regular cleaning and more frequently for “hot spots” or problem areas.
- Reduce sanitary sewer overflows (SSOs) to achieve the goal of no spills.
- No lost time due to injuries or accidents.

FISCAL YEAR 2018/19

- Completion of 100% of required annual safety trainings.
- Respond to 100% of emergency service requests within 60 minutes.
- Achieve 100% customer satisfaction for all service calls.

ITEM #3

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GRANADA COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

To: Board of Directors
From: Chuck Duffy, General Manager
Subject: Draft GCSD Operations and Capital Budget for Fiscal Year 2018/19
Date: May 17, 2018

Attached for your Board's consideration are the Fiscal Year 2018/19 Sewer District and Parks and Recreation District budgets. The draft budgets are presented each year at the May board meeting for discussion and input from the Board. Based on these discussions, the budgets are then finalized and presented for approval at a later meeting. Also attached is a 5 Year Projected Revenue, Expense, Capital Projects, and Reserve Level table. I have included in this table a proposed increase in the sewer service charge of approximately 15% per year due to the following reasons:

- Increases in costs at the Sewer Authority Mid-Coastside (SAM) – SAM operates the treatment plant which treats the District's sewage to a level suitable for safe disposal. Operational costs at SAM have increased relatively substantially over the past 3 years due to increased staffing and generally increased costs. SAM has also undertaken a capital improvement program which will cost approximately \$2,000,000 per year for at least the next 5 years. GCSD's share of that CIP will average about \$600,000 per year.
- Repair and replacement of collections system components – The District's aging sewer system needs continual repair and replacement. Some of our sewer mains date back to 1920, and pose the potential to cause spills based on offsets in the pipe joints, and root intrusion through cracks and joints.
- The Medio Creek Bridge Crossing – This project will redirect the remaining flow over the bridge directly to the Naples Beach Pump Station.
- Property tax revenues have been allocated to both the Sewer Budget and the Parks and Recreation Budget. I have allocated \$200,000 to the Sewer Budget, and \$400,000 to the Parks and Recreation Budget, but the final allocations will be at the discretion of your board.

Note that property tax revenues have been allocated to both the Sewer budget and the Parks and Recreation budget. I have allocated \$200,000 to the sewer side, and \$400,000 to the parks side, but the final allocations will be at the discretion of your board. Also, for parks and recreation, because we are literally just starting the discussion on what may be constructed on the medians and the Burnham Strip, I believe any budget we put together now will need a mid-year amendment once we have solicited public input and have a concrete plan in place for the parks. We will discuss the budget in greater detail at our May 17 meeting.

GRANADA COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2018/19 SEWER DISTRICT BUDGET

	FY 2017/18		Over/
	FY 2017/18	Projected	(Under)
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
<u>SEWER - OPERATING REVENUES</u>			
1 . Property Tax Allocation-Sewer (split between sewer and parks)	\$200,000	\$200,000	\$0
2 . Annual Sewer Service Charges	\$ 1,282,000	\$1,281,000	(\$1,000)
3 . Reim. from A.D. - Salary and Overhead	\$30,000	\$28,000	(\$2,000)
4 . Recology of the Coast Franchise Fee	\$32,000	\$30,000	(\$2,000)
5 . Miscellaneous	\$2,000	\$2,000	\$0
TOTAL REVENUES	\$1,546,000	\$1,541,000	(\$5,000)

Budget Revenue Assumptions:

- 1 . 3,200 ERU's of sewer service charge at \$402 per ERU
- 2 . Property Tax Revenue now allocated between Sewer and Parks and Recreation departments

SEWER - EXPENDITURES

	FY 2017/18		Over/
	FY 2017/18	Projected	(Under)
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
<u>SEWER - OPERATING EXPENSES</u>			
1 . SAM General (Treatment and Admin.)	\$955,139	\$955,139	\$0
2 . SAM Collections	\$239,954	\$239,954	\$0
3 . SAM Environmental Compliance	\$42,456	\$42,456	\$0
4 . Lateral Repairs	\$40,000	\$10,000	(\$30,000)
5 . CCTV	\$20,000	\$5,000	(\$15,000)
6 . Pet Waste Stations	\$1,000	\$1,500	\$500
Sub-Total Operations Expenditures	\$1,256,093	\$1,254,049	(\$44,500)
TOTAL EXPENDITURES	\$1,546,000	\$1,541,000	(\$5,000)

GRANADA COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2018/19 SEWER DISTRICT BUDGET

	FY 2017/18		Over/ (Under)	FY 2018/19	
	Budget	Actual		Budget	Budget
SEWER - ADMINISTRATIVE OPERATING EXPENSES					
1 . Accounting	\$30,000	\$30,000	\$0	\$30,000	\$30,000
2 . Auditing	\$15,000	\$15,000	\$0	\$15,000	\$15,000
3 . Copier Lease	\$7,500	\$7,000	(\$500)	\$7,500	\$7,500
4 . Directors' Compensation	\$11,000	\$12,000	\$1,000	\$11,000	\$11,000
5 . Education & Travel Reimbursement	\$2,000	\$1,000	(\$1,000)	\$2,000	\$2,000
6 . Employee Salaries	\$150,000	\$155,000	\$5,000	\$160,000	\$160,000
7 . Employee Medical, Payroll Taxes, and Retirement	\$60,000	\$55,000	(\$5,000)	\$60,000	\$60,000
8 . Engineering Services (General)	\$20,000	\$14,000	(\$6,000)	\$20,000	\$20,000
9 . Insurance	\$6,000	\$5,000	(\$1,000)	\$10,000	\$10,000
10 . Legal Services - General	\$65,000	\$110,000	\$45,000	\$75,000	\$75,000
11 . Legal Services - Project/Case Related	\$0	\$70,000	\$70,000	\$100,000	\$100,000
11 . Memberships	\$9,000	\$8,800	(\$200)	\$9,000	\$9,000
12 . Newsletter	\$2,500	\$6,000	\$3,500	\$6,000	\$6,000
13 . Office Lease	\$52,000	\$52,000	\$0	\$54,000	\$54,000
14 . Office Maintenance and Repairs	\$2,500	\$2,000	(\$500)	\$2,500	\$2,500
15 . Office Supplies	\$6,000	\$5,000	(\$1,000)	\$6,000	\$6,000
16 . Professional Services - Other	\$65,000	\$85,000	\$20,000	\$65,000	\$65,000
17 . Publications & Notices	\$10,000	\$5,000	(\$5,000)	\$10,000	\$10,000
18 . Utilities	\$10,000	\$10,000	\$0	\$10,000	\$10,000
19 . Video Taping of Board Meetings	\$3,500	\$3,500	\$0	\$3,500	\$3,500
20 . Computers	\$2,000	\$4,500	\$2,500	\$2,000	\$2,000
21 . Miscellaneous	\$7,000	\$7,000	\$0	\$7,000	\$7,000
Sub-Total Administration Expenditures	\$536,000	\$662,800	\$126,800	\$665,500	\$665,500
SEWER - TOTAL OPERATING EXPENDITURES	\$1,792,093	\$1,916,849	\$82,300	\$1,963,337	\$1,963,337
SEWER - OPERATING NET TO/(FROM) RESERVES	(\$246,093)	(\$375,849)	(\$405,337)		

GRANADA COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2018/19 SEWER DISTRICT BUDGET

	FY 2017/18		Over/
	FY 2017/18	Projected	(Under)
<u>SEWER - NON-OPERATING REVENUES</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
1 . Interest on Reserves	\$28,400	\$48,000	\$19,600
2 . Connection Fees	\$47,000	\$55,000	\$8,000
3 . SAM Refund from Prior Year Allocation	\$5,000	\$0	(\$5,000)
4 . Repayment from Assessment District-Current FY	\$127,000	\$188,000	\$61,000
5 . ERAF Refund from Prior Year	\$250,000	\$274,000	\$24,000
TOTAL NON-OPERATING REVENUES	\$457,400	\$565,000	\$107,600

Budget Revenue Assumptions:

- 1 . 1.30% Interest on average yearly reserve
- 2 . 10 Connections at \$4700 per connection

GRANADA COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2018/19 SEWER DISTRICT BUDGET

SEWER - CAPITAL PROJECTS AND RESERVE FUND BALANCE

	FY 2017/18		FY 2017/18 Projected Actual	Over/ (Under) Budget	FY 2018/19 Budget
	Budget				
<u>SEWER - CAPITAL PROJECTS</u>					
1 . Mainline System Repairs	\$10,000	\$2,000	\$2,000	(\$8,000)	\$10,000
2 . Medio Creek Crossing Sewer Re-alignment	\$350,000	\$62,000	\$62,000	(\$288,000)	\$350,000
3 . Sewer Service Charge Rate and Reserve Study	\$35,000	\$0	\$0		\$0
4 . SAM - Recycled Water Project	\$15,000	\$0	\$0	(\$15,000)	\$0
5 . SAM - Capital Maintenance/Infrastructure Budget (orig. \$394,310)*	\$573,924	\$573,924	\$573,924	\$0	\$471,834
6 . SAM - Repair of Treatment Plant Power System Feed (unbudgeted)**	\$128,380	\$128,380	\$128,380	\$0	\$0
7 . SAM - Addtl. Funds Request-staffing, legal, ACL, equipment repair***	\$106,110	\$87,000	\$87,000	(\$19,110)	\$0
TOTAL CAPITAL IMPROVEMENT PROJECTS	\$1,218,414	\$853,304	\$853,304	(\$330,110)	\$831,834

* As amended at the 10-19-2017 GCSD board meeting

** As amended at the 12-14-2017 GCSD board meeting

*** As amended at the 02-15-2018 GCSD board meeting

SEWER - CAPITAL RESERVE FUND BALANCE

1 . Beginning Balance on July 1	\$ 3,628,000
2 . Capital Projects	(\$831,834)
3 . Transfer (to)/from Operating Budget	(\$405,337)
4 . Transfer (to)/from Non-Operating Revenues	\$475,400
TOTAL RESERVE AT END OF FISCAL YEAR	\$2,866,229

GRANADA COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2018/19 PARKS AND RECREATION DISTRICT BUDGET

	FY 2017/18 Budget	FY 2017/18 Projected Actual	Over/ (Under) Budget	FY 2018/19 Budget
<u>PARKS AND RECREATION - OPERATING REVENUES</u>				
1 . Property Tax Allocation-Parks (split between sewer and parks)	\$400,000	\$400,000	\$0	\$400,000
2 . Miscellaneous	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$400,000	\$400,000		\$400,000
<u>PARKS AND RECREATION - OPERATING EXPENDITURES</u>				
1 . Projects	\$100,000	\$40,000	(\$60,000)	\$100,000
2 . RCD	\$5,000	\$15,000	\$10,000	\$5,000
3 . Professional Services	\$0	\$8,000	\$8,000	\$20,000
4 . Reimbursement to Half Moon Bay per Property Tax Agreement	\$20,000	\$44,000	\$24,000	\$25,000
TOTAL EXPENDITURES	\$130,000	\$107,000	(\$23,000)	\$150,000
NET TO/(FROM) PARKS AND RECREATION RESERVE	\$270,000	\$293,000		\$250,000
<u>PARKS AND RECREATION - CAPITAL RESERVE FUND</u>				
1 . Beginning Balance on July 1				\$334,000
3 . Transfer (to)/from Operating Revenues				\$250,000
PARKS AND RECREATION RESERVE AT FYE				\$584,000

GRANADA COMMUNITY SERVICES DISTRICT

SEWER DISTRICT

5 YEAR PROJECTED REVENUE, EXPENSE, CAPITAL PROJECTS, and RESERVE LEVEL TABLE

	<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>FY 2021/22</u>	<u>FY 2022/23</u>
Sewer Service Charge (currently \$402 per ERU)	\$460	\$520	\$580	\$640	\$700
ERU's connected	3198	3208	3218	3228	3238
<u>Projected Revenues</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>FY 2021/22</u>	<u>FY 2022/23</u>
1 . Annual Sewer Service and Standby Charges	\$1,471,000	\$1,668,000	\$1,866,000	\$2,066,000	\$2,267,000
1 . Property Tax	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
2 . Other Revenues (Non-Operating)	\$539,000	\$549,780	\$560,776	\$571,991	\$583,431
Total	\$2,210,000	\$2,417,780	\$2,626,776	\$2,837,991	\$3,050,431

Assumptions:

- 10 New connections per year
- 2% Inflation escalator on Other Revenues

	<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>FY 2021/22</u>	<u>FY 2022/23</u>
<u>Projected Operating Expenses</u>					
1 . Operations	\$1,281,120	\$1,306,742	\$1,332,877	\$1,359,535	\$1,386,725
2 . Administration	\$546,720	\$557,654	\$568,807	\$580,184	\$591,787
Total	\$1,827,840	\$1,864,397	\$1,901,685	\$1,939,718	\$1,978,513

Net Gain for Capital Projects Funding **\$382,160** **\$553,383** **\$725,091** **\$898,273** **\$1,071,918**

Assumptions:

- 2% Inflation escalator on costs

GRANADA COMMUNITY SERVICES DISTRICT

SEWER DISTRICT

5 YEAR PROJECTED REVENUE, EXPENSE, CAPITAL PROJECTS, and RESERVE LEVEL TABLE

<u>CAPITAL PROJECTS</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>FY 2021/22</u>	<u>FY 2022/23</u>
1 . Mainline System Replacements	\$350,000	\$300,000	\$300,000	\$300,000	\$300,000
2 . Medio Creek Crossing Sewer Re-alignment	\$472,000	\$600,000	\$600,000	\$600,000	\$600,000
3 . SAM - Capital Maintenance/Infrastructure Budget	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
4 . Miscellaneous Projects	\$832,000	\$910,000	\$910,000	\$910,000	\$910,000
TOTAL CAPITAL IMPROVEMENT PROJECTS					
<u>RESERVE FUND</u>					
Reserve Fund at Beginning of Fiscal Year	\$3,628,000	\$3,178,160	\$2,821,543	\$2,636,634	\$2,624,907
Transfer From Operating Budget	\$382,160	\$553,383	\$725,091	\$898,273	\$1,071,918
Total Capital Improvement Projects	(\$832,000)	(\$910,000)	(\$910,000)	(\$910,000)	(\$910,000)
Reserve Fund at End of Fiscal Year	\$3,178,160	\$2,821,543	\$2,636,634	\$2,624,907	\$2,786,825

ITEM #4

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AGENDA NOTICE

There are no documents for this Agenda Item.

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ITEM #5

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AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Director Seaton's Request to Attend Special Districts Legislative Days
Date: May 17, 2018

Director Seaton is requesting approval to attend the CSDA Special Districts Legislative Days conference in Sacramento, being held on May 22 -23, 2018. The District's By-laws, Section V.2. states that reimbursable expenses for conferences must be approved by the Board. If approved, either Director Seaton or staff may enroll him to attend the conference. The conference cost is \$325.00. He may then complete a Reimbursement Request Form to submit with receipts to staff, for reimbursement of his costs for mileage, hotel, etc.

Attachments:

- 1). CSDA Conference Information,
- 2). Excerpt of Section V2 of District By-laws,
- 3). Reimbursement Form



SPECIAL DISTRICTS LEGISLATIVE DAYS

Advocacy Day and Policy Day

EARLY BIRD DISCOUNT!
Register at legislatedays.csdanet.net.

EARLY BIRD PRICING – REGISTER ON OR BEFORE APRIL 20, 2018

- **CSDA Member - \$275 Early Registration / \$325 Regular Registration**
- **Non-Member - \$365 Early Registration / \$440 Regular Registration**

Three Ways to Register

- *Online:* Visit legislatedays.csdanet.net
- *Fax number:* 916.520.2465. All faxed forms must include credit card payment.
- *Mail:* CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814. Please include registration form and payment. Checks should be made payable to: California Special Districts Association.

Who qualifies for "member" rates?

All California Special Districts Association and Special District Risk Management Authority members.
Not sure if you are a member? Simply contact Cathrine Lemaire at cathrine@csda.net or call toll-free at 877-924-2732.
It's not too late to become a CSDA member.

Registration includes the evening reception, legislative visits arranged by CSDA, written materials, and meals as indicated in the agenda.
Payment must accompany registration in order to process.

<input type="checkbox"/> CSDA Member: \$275/EARLY BIRD	<input type="checkbox"/> Non-Member: \$365/EARLY BIRD	Total \$: <input type="text"/>
<input type="checkbox"/> CSDA Member: \$325/AFTER APRIL 20	<input type="checkbox"/> Non-Member: \$440/AFTER APRIL 20	

Name/Title:		
District:		
Address:		
City:	State:	ZIP:
Phone:	Fax:	
Email:		
Emergency Contact Name/Phone Number:		

LEGISLATIVE OFFICE VISITS

CSDA will make every attempt to schedule meetings, for you and other attendees from your region, with your region's legislative representatives or staff. You will advocate as a group on the top issues facing special districts.

Yes, I want to participate in prearranged meetings in the Capitol. No, I do not want to participate in prearranged meetings in the Capitol.

PAYMENT

Check Visa MasterCard Discover American Express

Acct. name:	Acct. Number:
Expiration date:	Authorized Signature:

SPECIAL NEEDS

Vegetarian Other:

CANCELLATION POLICY: Cancellations must be made IN WRITING and received via fax, mail or email no later than three days prior to the event. All cancellations made within the specified time will be refunded less a \$75 processing fee.



California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814



A proud California Special Districts Alliance partner.

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Agenda At A Glance

Agenda subject to change

ADVOCACY DAY: TUESDAY, MAY 22 – 7:30 A.M. - 6:30 P.M.

Get updated on what's happening in the Capitol, then join special district leaders from throughout California to take action on the priority issues facing special districts.

- Hear directly from State leadership on hot topics affecting local services and infrastructure.
- Participate in pre-arranged meetings with State Legislators and staff in their Capitol offices, followed by a private reception.
- Explore how decisions are really made in the Capitol and help shape their outcome.

POLICY DAY: WEDNESDAY, MAY 23 – 8:00 A.M. - 12:00 P.M.

Gain insights from legal experts and CSDA lobbyists on the newest laws and legal challenges to come out of Sacramento.

- Connect the action in the Capitol with the implementation in your community.
- Drill into hot topics through breakout sessions on key issues that may affect your district's revenue, governance, public works or personnel.
- Find answers to your tough questions from expert panels.

HOTEL INFORMATION

Hyatt Regency Sacramento

1209 L Street
Sacramento,
CA 95814

CSDA room rate is \$199 plus tax. Call to reserve at 1.800.233.1234.

Room reservation cut-off is April 30, 2018.



@SPECIALDISTRICT



FACEBOOK.COM/SPECIALDISTRICT



California Special Districts Association



Districts Stronger Together

new
Policy Day added to 2018 format!

SPECIAL DISTRICTS LEGISLATIVE DAYS

'18 Special Districts Legislative Days: Advocacy Day and Policy Day

Gain the edge on policy changes impacting your agency and exchange ideas with California's top decision-makers at the 2018 Special Districts Legislative Days, an interactive and informative two-day legislative conference in our State's Capitol.

EARLY BIRD DISCOUNT! Register at legislativedays.csdanet.net.

May 22-23, 2018

THE SACRAMENTO CONVENTION CENTER

1400 J Street • Sacramento, CA 95814

85

#districtsadvocate

EXCERPT FROM DISTRICT BY LAWS

ARTICLE V – Financial Procedures

B. Seminars, Conferences, Workshops and Similar Events

1. Reimbursable attendance at a seminar, conference, workshop, or similar event directly related to special districts, by a member of the Board of Directors of the Granada Community Services District, or other District official or employee, shall first be approved by three or more members of the Board of Directors of the Granada Community Services District. Post-attendance reimbursement may be available in situations in which Board approval would not be available prior to the date of attendance.
2. Reimbursable expenses are those reasonably required and actually incurred for the attendance at and travel for a seminar, conference, workshop or similar event. Expenses for which reimbursement is available include the following:
 - (1) Lodging and related tips.
 - (2) Travel expenses and related tips.
 - (3) Meals and related tips.
 - (4) Business telephone calls.
 - (5) Laundry and/or dry cleaning expenses for trips in excess of five days.
 - (6) Car rental expenses.
 - (7) Mileage per current State of California standard.
 - (8) Tolls.
 - (9) Seminar, conference, workshop, or similar event attendance fees.
 - (10) Parking.
 - (11) Other reasonable and necessary expenses to be approved by the Board of Directors of the Granada Community Services District.
3. Directors are eligible to receive reimbursements for actual and necessary expenses incurred in the performance of official duties. Whenever Directors desire to be reimbursed for actual and necessary out-of-pocket expenses relating to District business, they shall submit their requests on a reimbursement form approved by the General or Assistant General Manager. Included on the reimbursement form will be an explanation of the District-related purpose for the expenditure(s); receipts evidencing each expense shall be attached to the reimbursement form. Expense reports shall be submitted within a reasonable time.

The General Manager or Assistant General Manager will review and approve or deny reimbursement requests. Expenses that do not adhere to this adopted reimbursement policy shall not be eligible for reimbursement.

Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.

1. The rate of reimbursement shall be:
 - a. If travel and lodging is required in connection with a reimbursable activity, government or group rates offered by the provider of transportation or lodging shall be used when available. If such rates are unavailable, reimbursement shall be at rates set by the Internal Revenue Service (“IRS”) Publication 463 or its successor publication(s). If the lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the District Director at the time of booking. If the group rate is not available, the District Director shall use comparable lodging that is consistent with government or group rates, or if a government or group rate is unavailable, reimbursement for such comparable lodging shall be at rates set by the IRS Publication 463 or its successor publication(s).
 - b. All other Reimbursement rates not specified in this policy shall coincide with rates set by IRS Publication 463 or its successor publication(s).
 - c. Any and all expenses that do not fall within the adopted reimbursement policy or rates set by IRS Publication 463 are required to be approved by the Board in a public meeting prior to the expense(s) being incurred.
2. Violation of This Policy. Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:
 - a. Loss of reimbursement privileges.
 - b. A demand for restitution to the Granada Community Services District.
 - c. Civil penalties for misuse of public resources pursuant to Section 8314 of the Government Code.
 - d. Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.

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MEETING, TRAVEL, & MILEAGE REIMBURSEMENT REQUEST FORM

SUBMITTED BY (NAME): _____ DATE: _____

REASON FOR REQUEST: Meeting Attendance _____

(Check all that apply) Out-of-pocket Expenses: _____

REIMBURSEMENT EXPENSE DETAIL:

(Please list items separately)

Date	Description of Expense	Expense Amount \$	No. of Miles (if applicable)	Mileage Rate (IRS)	Mileage Reim Amt. \$	TOTAL

Signature of Requestor: **X** _____

REIMBURSEMENT TOTAL: \$ _____

Reimbursement requests may be submitted for actual and necessary out-of-pocket expenses relating to District business, and for expenses incurred from APPROVED attendance at a seminar conference, workshop or similar event related to special districts.
See list of qualified reimbursable expenses below.

TO BE COMPLETED BY STAFF		
Date	Ck #	Amount

- Qualified Expenses:
- a. Lodging and related tips.
 - b. Travel expenses and related tips.
 - c. Meals and related tips.
 - d. Business telephone calls.
 - e. Laundry and/or dry cleaning expenses for trips

- g. Mileage per current State of California standard.
- h. Tolls.
- i. Seminar, conference, workshop, or similar event attendance fees.
- j. Parking.

f. Car rental expenses.

k. Other approved reasonable and necessary expenses.

ITEM #6

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SEWER AUTHORITY MID-COASTSIDE

Board of Directors Meeting Agenda

Special Board Meeting 7:00 PM, Monday, May 7, 2018

SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019

1. CALL TO ORDER

A. Roll Call Chair: Jim Blanchard (GCSD)
 Vice-Chair: Dr. Deborah Penrose (HMB)
 Secretary: Kathryn Slater-Carter (MWSD)
 Treasurer: Deborah Ruddock (HMB)
 Director: Scott Boyd (MWSD)
 Director: Leonard Woren (GCSD)

2. PUBLIC COMMENT / ORAL COMMUNICATION

3. CONVENE IN CLOSED SESSION (*Items discussed in Closed Session comply with the Ralph M. Brown Act.*)

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Paragraph (1) of Subdivision (d) of Section 54956.9:
(San Francisco Bay Regional Water Quality Control Board v. Sewer Authority Mid-Coastside, Complaint R2-2017-1024)

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Paragraph (1) of Subdivision (d) of Section 54956.9:
(Half Moon Bay v. Granada CSD, Montara WSD & Sewer Authority Mid-Coastside)

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 (circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 54656.9)

D. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code 54957 – Title: General Manager

4. CONVENE IN OPEN SESSION (*Report Out on Closed Session Items*)

5. PUBLIC COMMENT / ORAL COMMUNICATION

6. **CONSENT AGENDA** *(Consent items are considered routine and will be approved / adopted by a single motion and vote unless a request for removal for discussion or explanation is received from the public or Board.)*
 - A. Approve Minutes of March 12 and April 23, 2018, Regular Board Meetings **(Attachment)**
 - B. Approve Disbursements for May 7, 2018 **(Attachment)**
 - C. Authorize the General Manager to Attend, and be Reimbursed for Expenses Related to, the Annual CASA Conference August 8 – 10, 2018, in Monterey CA **(Attachment)**
7. **REGULAR BUSINESS** *(The Board will discuss, seek public input, and possibly take action on the following items.)*
 - A. Authorize the General Manager to Execute a Contract with the City of Half Moon Bay to Provide Collection System Maintenance Services for July 1, 2018, through June 30, 2021 **(Attachment)**
 - B. Adopt a Resolution Setting Regular Board Meetings as the Fourth Monday of Each Month and Designating Alternative Locations for Meetings **(Attachment)**
 - C. Discuss and Give Direction to the General Manager Regarding Memorializing the Member Agency Manager Meetings **(Attachment)**
8. **GENERAL MANAGER’S REPORT**
9. **ATTORNEY’S REPORT**
10. **DIRECTORS’ REPORT**
11. **TOPICS FOR FUTURE BOARD CONSIDERATION (Attachment)**
12. **ADJOURNMENT**
 - Upcoming Regular Board Meetings: June 11 and June 25, 2018

The meeting will end by 9:00 p.m. unless extended by board vote.

INFORMATION FOR THE PUBLIC

This agenda contains a brief description of each item to be considered. Those wishing to address the Board on any matter not listed on the Agenda, but within the jurisdiction of the Board, may do so during the Public Comment section of the Agenda and will have a maximum of three minutes to discuss their item. Those wishing to speak on a matter listed on the Agenda will be called forward at the appropriate time.

Any writing that is a public record and relates to an agenda item for an open session of a regular meeting, that is distributed to the Board less than 72 hours prior to the meeting, is available for public inspection, during normal business hours, at the Authority's office.

Board meetings are accessible to people with disabilities. Upon request, this agenda will be made available in appropriate alternative formats to persons with a disability. In compliance with the Americans with Disabilities Act, special assistance for participation in this meeting can be obtained by contacting Kathy Matthews at (650) 726-0124. Request for a disability-related modification or an accommodation in order to participate in the public meeting must be made at least two working days in advance of the meeting.

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ITEM #7

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GRANADA COMMUNITY SERVICES DISTRICT

Minutes BOARD OF DIRECTORS SPECIAL AND REGULAR MEETINGS

April 19, 2018

CALL SPECIAL MEETING TO ORDER

The special meeting was called to order at 6:30 p.m.

ROLL CALL

Vice President Barbara Dye, Director Jim Blanchard, Director Matthew Clark, and Director David Seaton. Board President Leonard Woren was absent.

Staff: General Manager Chuck Duffy, District Counsel William Parkin, and Assistant General Manager Delia Comito (in open session only).

GENERAL PUBLIC PARTICIPATION

None.

ADJOURN TO CLOSED SESSION

1. **Conference with Legal Counsel – Existing Litigation (Gov. Code Section §54956.9(d)(1)).**

City of Half Moon Bay v. Granada Community Services District and Montara Water and Sanitary District (RPI, Sewer Authority Mid-Coastside) - San Mateo Superior Court Case No. 17CIV03092.

RECONVENE TO OPEN SESSION

There was no reportable action from the Closed Session.

ADJOURN SPECIAL MEETING

CALL REGULAR MEETING TO ORDER

The Regular meeting was called to order at 7:30 p.m.

ROLL CALL

GENERAL PUBLIC PARTICIPATION

None.

ACTION AGENDA

President Pro-tem Dye moved Item 3 to be before Item 7.

3. Consideration of District Communications Policy, Including Newsletter Publication and Website Improvements.

Duffy explained that the Board Communications Committee met with the Newsletter & Website Committee of the Parks Advisory Committee (PAC) to work on the newsletter and parks web page. A discussion was held.

ACTION: Director Clark moved to approve sending out the newsletter subject to final approval by the Board Ad-Hoc Communications Committee and staff, with a not to exceed cost of \$6,000. (Clark/Blanchard). Approved 4-0.

The Board directed staff to work with the Ad-Hoc Communications Committee to draft a communications policy to bring back to the May meeting.

2. Consideration of Approving Parks and Recreation Webpage from the Park Advisory Committee.

This Item was tabled until the communications policy is presented.

4. Consideration of Park Advisory Committee Summer Special Events Program.

Mr. Duffy explained that PAC had drafted some suggested summer recreation programs, and that time is of the essence to include the program in the newsletter, which needs to be mailed out by the end of May. PAC approved proposed 12 programs. District Counsel indicated that it's important to state that parents or guardians will need to participate in any program with children under 18, in lieu of training and fingerprinting required under State laws.

The Board held a discussion and approved the program in concept. Staff was directed to verify insurance liability coverage for the program.

5. Consideration of Letter to CUSD Regarding Short-term Lease Proposal of EG Property for a Bike Pump Track.

A discussion was held regarding the need to consider locating a pump track on the CUSD property, when the County Master Plan for Quarry Park includes a pump track, which the District pledged to support. It was noted that the County would be holding a meeting to solicit public input on the Quarry Park Master Plan next week. The following persons made comments to the Board:

Paul Koelsch, PAC Member, read a statement from resident Chris Johnson, who supports a pump track.

Nancy March, PAC Member, asked for permission to state at the County meeting that the District promised funding support of the pump track project, to which the Board agreed.

Fran Pollard, PAC Member, was against having a pump track in Quarry Park.

Susannah Cantrell, PAC Member, supports a pump track in Quarry Park.

Rick Barker, a resident, suggested considering the CUSD property for other projects if a pump track is proposed for Quarry Park.

ACTION: Director Clark moved to have staff notify the County of the District's commitment to funding a pump track in Quarry Park.

6. Consideration of Draft Landscape Architect RFP for EG Medians 7, 8, and 11 Improvements from the Park Advisory Committee.

The General Manager indicated that PAC had prepared an RFP for conceptual design services for the medians. It was suggested that PAC use the prepared RFP as a guideline and contact Kikuchi & Kankel, the firm preparing the concept design for the Burnham Strip property, to see if they could work with PAC to develop a conceptual design plan for medians 8 and 7. It was the consensus of the Board to have the Burnham Strip Committee and the PAC Medians Committee meet with Kikuchi & Kankel.

1. Consideration of Sewer Authority Mid-Coastside Draft FY 2017/18 JPA General Budget and Contract Collections Budget.

Mr. Duffy reviewed the SAM budget. He indicated that wages had increased by approximately 50% over the past 3 years, and that professional services and equipment repair costs are extremely high. Director Dye noted that some of the numbers in the budget documents she had seen did not tie out correctly.

Delia Comito, speaking as a District ratepayer, stated that employee wages at SAM are increasing at a far greater rate than average private-sector wages, and greater than GCSD wages, and that the recent increase in benefits provided to the unrepresented employees equated to a gift of public funds.

7. Consideration of District's Sewer Authority Mid-Coastside Report.

Director Blanchard reported on the April 9 SAM meeting.

CONSENT AGENDA

8. Approval of March 15, 2018 Meeting Minutes.

9. Approval of April 2018 Warrants for \$203,348.35.

10. Approval of February 2018 Financial Statements.

11. Approval of Assessment District Distribution #9-17/18.

ACTION: Director Clark moved to approve the consent agenda.
(Clark/Blanchard). Approved 4-0.

COMMITTEE REPORTS

12. Report on seminars, conferences, or committee meetings.

Director Dye thanked members of the PAC for their hard work on a parks and recreation plan.

INFORMATION CALENDAR

- 13. Attorney's Report. (Wittwer)
- 14. General Manager's Report. (Duffy)
- 15. Administrative Staff Report. (Comito)
- 16. Engineer's Report. (Kennedy Jenks)
- 17. Future Agenda Items.

ADJOURN REGULAR MEETING

The regular meeting was adjourned at 9:56 p.m.

SUBMITTED BY:

APPROVED BY:

Delia Comito, Secretary

Chuck Duffy, General Manager

Date Approved by Board: May 17, 2018

ITEM #8

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GRANADA COMMUNITY SERVICES DISTRICT

Minutes **BOARD OF DIRECTORS** **OF THE GRANADA COMMUNITY SERVICES DISTRICT** **SPECIAL MEETING** **May 10, 2018**

JOINT SPECIAL MEETING **WITH MONTARA WATER AND SANITARY DISTRICT**

CALL SPECIAL MEETING TO ORDER

The special meeting was called to order at 6:42 p.m.

ROLL CALL

President Leonard Woren, Director Jim Blanchard, Director Matthew Clark, and Director David Seaton. Vice President Barbara Dye was absent.

Staff: General Manager Chuck Duffy, District Counsel Jonathan Wittwer and Bill Parkin.

GENERAL PUBLIC PARTICIPATION

None.

CONVENE IN JOINT CLOSED SESSION

1. Joint Conference with Legal Counsel – Existing Litigation (Gov. Code Section 54956.9(d)(1)).

City of Half Moon Bay v. Granada Community Services District and Montara Water and Sanitary District (RPI, Sewer Authority Mid-Coastside) – Santa Clara Superior Court Case No. 17CV316927. Joint conference with Montara Water and Sanitary District and its Legal Counsel.

RECONVENE TO OPEN SESSION

There was no reportable action from the Closed Session.

ADJOURN JOINT SPECIAL MEETING

The Joint Special Meeting was adjourned at 9:00 p.m.

SUBMITTED BY:

APPROVED BY:

Delia Comito, Secretary

Chuck Duffy, General Manager

Date Approved by Board: May 17, 2018

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ITEM #9

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Granada Community Services District
May 2018 Warrants
For the May 17, 2018 Board of Director's Meeting

Date	Num	Name	Memo	Account	Amount
04/19/18	6869	SMC RCD	Invoice #2 for Mgmt Plan	5110 · RCD - Parks	2,424.50
04/19/18	6870	SMC RCD	Invoice #3 for Mgmt Plan	5110 · RCD - Parks	2,625.00
05/17/18	6871	Alhambra & Sierra Springs	Apr 2018	6140 · Office Supplies	26.00
05/17/18	6872	AT&T	4/05/18 - 5/04/18 Pump Stn Alarm Svc	6170 · Utilities	80.04
05/17/18	6873	Barbara Dye	04/19/18 GCSD	6040 · Directors' Compensation	145.00
05/17/18	6874	Comcast	5/13 - 6/12 Svcs	6170 · Utilities	188.79
05/17/18	6875	CoreLogic Solutions, LLC	May 2018	6100 · Memberships	160.50
05/17/18	6876	David Seaton	04/19/18 GCSD	6040 · Directors' Compensation	145.00
05/17/18	6877	Dudek	03/31/18 - 04/27/18 Prof. Svcs	6151 · General Manager	7,262.50
05/17/18	6878	Environmental Clearinghouse	CA Environmental Insider Renewal	6100 · Memberships	597.00
05/17/18	6879	Express Plumbing	Medio Creek-Maint & Monitoring Lease Feb/Mar/Apr	1617-1 · Medio Creek Xing/Mirada	2,925.00
05/17/18	6880	Hue & Cry	May 2018 Pmp Stn Alarm	6170 · Utilities	32.65
05/17/18	6881	Jim Blanchard	04/19/18 GCSD & 04/09 & 04/23/18 SAM	6040 · Directors' Compensation	235.00
05/17/18	6882	Leonard Woren	04/09/18 SAM	6040 · Directors' Compensation	45.00
05/17/18	6883	Matthew Clark	04/19/18 GCSD & 04/23/18 SAM	6040 · Directors' Compensation	190.00
05/17/18	6884	Office Depot	Invoice dtd 4/27/18	6140 · Office Supplies	164.32
05/17/18	6885	Pacifica Community TV	4/19/8 GCSD Board Mtg, 5/08/18 PAC Mtg	6180 · Video Taping	500.00
05/17/18	6886	PG&E	Pump Station Inv dtd 4/16/18	6170 · Utilities	292.00
05/17/18	6887	PGE	Office Inv dtd 4/24/18	6170 · Utilities	166.31
05/17/18	6888	Rodolfo Romero	May 2018 Cleaning 2x	6130 · Office Maint & Repairs	140.00
05/17/18	6889	Sewer Authority Mid-Coastside	May 2018 Assessments	5020 · SAM- Admin, Collect	170,049.00
05/17/18	6890	Somach Simmons & Dunn	Mar 2018 Enforcement Action Legal Fees	6091 · Legal	527.00
05/17/18	6891	US Bank Equipment Finance	4/24/18-5/24/18	6020 · Copier Lease	447.58
05/17/18	6892	Verizon Wireless	Apr 2018	6170 · Utilities	103.14
05/17/18	6893	Wells Fargo Credit Card	Mar 2018 Credit Card Charges	6140 · Office Supplies	146.21
05/17/18	6894	White Nelson Diehl Evans	Apr 2018	6152 · Accounting	2,500.00
05/17/18	6895	Wittwer & Parkin	Apr 2018 Svcs	6090 · Legal- Gen, IPS, Parks	11,142.50
05/17/18	6896	Working Dirt Management	June 2018	6120 · Office Lease	4,450.00
05/17/18	6897	PG&E-2	Mirada Rd Inv dtd 04/30/18	6170 · Utilities	12.22
				TOTAL	207,722.26

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ITEM #10

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Granada Community Services District
Statement of Net Position (Unaudited)

As of March 31, 2018

ASSETS

Current Assets	
1000 · Wells Fargo Checking - Gen Op	\$ 57,907
1010 · Wells Fargo Checking - Deposit	5,298
1020 · Petty Cash	190
1030 · Cash - LAIF	4,108,161
1100 · Accounts Receivable	-
1550 · Prepaid Expenses	416
Total Current Assets	4,171,972
Fixed Assets	
1600 · Land	1,063,640
1610 · Construction in Progress	800,813
1615 · Equipment	22,153
1620 · Collections System	10,350,890
1630 · Accumulated Depreciation	(6,168,876)
Total Fixed Assets	6,068,620
Other Assets	
1700 · Advance to MWSD	1,085,094
1710 · Allowance - for Advance to MWSD	(1,085,094)
1720 · Advance to AD- Bond Reserve	494,890
1730 · Advance to AD- NCA Fund	585,866
1735 · Advance to AD- Assesmnt Revenue	353,542
1740 · Security Deposit Office Lease	3,000
1750 · Investment in SAM	3,769,159
1760 · Deferred Outflows of Resources	101,671
Total Other Assets	5,308,128
Total Assets	15,548,720

LIABILITIES

Current Liabilities	
2000 · Accounts Payable	14,574
2001 · Accrued Vacation	5,571
2020 · Class 3 Deposits	9,196
2100 · Payroll Liabilities	1,413
2225 · Recology-Del Garbage	10,064
2300 · Due to AD	-
2310 · Relief Refund Advance	350
Total Current Liabilities	41,168
Long Term Liabilities	
2401 · Net Pension Liability	170,410
2402 · Deferred Inflows of Resources	20,515
Total Long Term Liabilities	190,925
Total Liabilities	232,093

NET POSITION

3000 · Net Assets	6,131,128
3005 · Contributed Capital	9,595,349
Net Income	(409,850)
Total Net Position	\$ 15,316,627

**Granada Community Services District
Revenue & Expenses (Unaudited)
July 1, 2017 through March 31, 2018**

	July 1 - Mar 31, 2018	Expected To Date	Variance Favorable/ (Unfavorable)	FY 2017/2018 Budget
Revenues				
Operating Revenue				
4010 · Property Tax Allocation	382,033	150,000	232,033	200,000
4015 · Park Tax Allocation	-	300,000	(300,000)	400,000
4020 · Sewer Service Charges-SMC	786,359	961,500	(175,141)	1,282,000
4021 · Sewer Svc Charges Pro-rated	4,157	-	4,157	-
4030 · AD OH Reimbursement	22,064	22,500	(436)	30,000
4040 · Recology Franchise Fee	18,544	24,000	(5,456)	32,000
Total Operating Revenue	<u>1,213,157</u>	<u>1,458,000</u>	<u>(244,843)</u>	<u>1,944,000</u>
Non Operating Revenue				
4120 · Interest on Reserves	23,819	21,300	2,519	28,400
4130 · Connection Fees	23,500	35,250	(11,750)	47,000
4150 · Repayment of Adv to AD-NCA	117,173	59,403	57,770	79,204
4155 · Repayment of Adv to AD-ARF	70,708	35,847	34,861	47,796
4160 · SAM Refund from Prior Yr	-	3,750	(3,750)	5,000
4170 · ERAF Refund	273,905	187,500	86,405	250,000
4180 · Misc Income	3,437	1,500	1,937	2,000
Total Non Operating Revenue	<u>512,542</u>	<u>344,550</u>	<u>167,992</u>	<u>459,400</u>
Total Revenues	<u>1,725,699</u>	<u>1,802,550</u>	<u>(76,851)</u>	<u>2,403,400</u>
Expenses				
Operations				
5010 · SAM - General	716,355	716,355	-	955,141
5020 · SAM - Collections	179,964	179,966	2.00	239,954
5050 · Mainline System Repairs	-	7,500	7,500	10,000
5060 · Lateral Repairs	9,516	30,000	20,484	40,000
5065 · CCTV	-	15,000	15,000	20,000
5070 · Pet Waste Station	846	750	(96)	1,000
5100 · County Staff Time - Parks	-	3,750	3,750	5,000
5110 · RCD - Parks	550	3,750	3,200	5,000
5120 · Half Moon Bay Reimb - Parks	43,373	15,000	(28,373)	20,000
Total Operations	<u>950,604</u>	<u>972,071</u>	<u>21,467</u>	<u>1,296,095</u>

No assurance is provided on these financial statements.

**Granada Community Services District
Revenue & Expenses (Unaudited)
July 1, 2017 through March 31, 2018**

	July 1 - Mar 31, 2018	Expected To Date	Variance Favorable/ (Unfavorable)	FY 2017/2018 Budget
Expenses (Continued)				
Administration				
6010 · Auditing	7,721	11,250	3,529	15,000
6020 · Copier lease	3,505	5,625	2,120	7,500
6040 · Directors' Compensation	8,525	917	(7,608)	11,000
6050 · Education & Travel Reimb	249	1,500	1,251	2,000
6060 · Employee Compensation	161,541	157,500	(4,041)	210,000
6070 · Engineering Services	6,489	15,000	8,511	20,000
6080 · Insurance	1,487	4,500	3,013	6,000
6090 · Legal Services	160,951	48,750	(112,201)	65,000
6100 · Memberships	7,262	6,750	(512)	9,000
6110 · Newsletter	-	1,875	1,875	2,500
6120 · Office Lease	43,000	39,000	(4,000)	52,000
6130 · Office Maintenance & Repairs	1,305	1,875	570	2,500
6140 · Office Supplies	4,804	4,500	(304)	6,000
6150 · Professional Services - Other	2,700	-	(2,700)	-
6151 · General Manager	64,501	48,750	(15,751)	65,000
6152 · Accounting	22,731	22,500	(231)	30,000
6153 · Temp Labor	2,763	-	(2,763)	-
6160 · Publications & Notices	4,829	7,500	2,671	10,000
6170 · Utilities	7,535	7,500	(35)	10,000
6180 · Video Taping	1,625	2,625	1,000	3,500
6190 · Computers	720	1,500	780	2,000
6220 · Miscellaneous	4,806	5,250	444	7,000
6230 · Bank Service Charges	2,331	-	(2,331)	-
6310 · Park Related Misc Expenses	7,196	-	(7,196)	-
Total Administration	528,576	394,667	(133,909)	536,000
Capital Projects				
1415-2 · Update SSMP	359	-	(359)	-
1617-1 · Medio Creek Xing Crossing	26,118	262,500	236,382	350,000
1617-2 · SAM-Lift Station	4,391	-	(4,391)	350,000
1718-1 · EP Mirada Rd Half Moon Bay	37,975	-	(37,975)	350,000
1718-2 · SAM - Recycled Water Proj	-	11,250	11,250	15,000
1718-3 · SSC Rate & Reserve Study	-	26,250	26,250	35,000
7100 · SAM - Infrastructure	587,526	430,443	(157,083)	573,924
7500 · Projects - Parks	-	75,000	75,000	100,000
Total Capital Projects	656,369	805,443	149,074	1,773,924
Total Expenses	2,135,549	2,172,181	36,632	3,606,019
Net Income	(409,850)	(369,631)	(40,219)	(1,202,619)

No assurance is provided on these financial statements.

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ITEM #11

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DISTRIBUTION REQUEST NO.: #10-17/18
BOND ADMINISTRATION FUND
(Account Number: 94673305)

DISTRIBUTION TOTAL: \$3,018.00

\$6,100,000.00
GRANADA SANITARY DISTRICT
LIMITED OBLIGATION REFUNDING IMPROVEMENT BONDS 2003
Reassessment & Refunding Project

DISTRIBUTION REQUEST
For Payment of Bond Administration Costs

The undersigned Treasurer of the Granada Sanitary District (the "District") hereby requests of the Fiscal Agent for the District the payment of Bond Administration Costs for the items and in the manner and amount stated in the attached Schedule A, and in connection herewith hereby certifies that the payment requested is for the Administrative Costs, and that funds are available in the Bond Administration Fund (Account #94673305) to make such payment, and further states that all requirements for the payment of the amount to be disbursed pursuant hereto have been met.

Dated:
May 17, 2018

Chuck Duffy, Finance Officer/Treasurer

SCHEDULE "A"

DISTRIBUTION REQUEST NO.: #10-17/18

DATE: May 17, 2018

DISTRIBUTE FROM ACCOUNT #: 94673305

ACCOUNT NAME: Bond Administration Fund

DISTRIBUTION AMOUNT: \$ 3,018.00

PAYMENT INSTRUCTIONS: Issue checks and mail as listed below.

Payee	Mailing Address	Services Provided	Amount
Taussig & Assoc	5000 Birch St, #6000, Newport Bch, CA 92660	17/18 Admin Svcs March	\$ 830.00
GCSD	P.O. Box 335, El Granada, CA 94018	GCSD OH Reim: May 2018	\$ 2,188.00
TOTAL:			\$ 3,018.00

ITEM #12

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GRANADA COMMUNITY SERVICES DISTRICT

AGENDA NOTICE

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ITEM #13

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AGENDA NOTICE

There are no documents for this Agenda Item.

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ITEM #14

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GRANADA COMMUNITY SERVICES DISTRICT

Administrative Staff Report

Report Period: April 14, 2018 to May 9, 2018

To: Board of Directors
 From: Delia Comito, Assistant General Manager
 Date: May 17, 2018

PUBLIC RECORDS REQUESTS – There were no public records requests received this period.

APPLICATIONS RECEIVED – There were five (5) applications received this period:

Rec'd	Type	Owner or Agent	APN	Address	Sq. Ft.	Zone
08/10/17	1A	Rogers Clay	047-141-240	243 Del Monte, EG	8,310	R-1/S-17
09/22/17	Cl 3	Big Wave, LLC/Peck Jeff	047-311-060	207 Airport Rd, Princeton	17,600	W/DR/AO
09/28/17	2A	Coastside Fire Protection Dist	047-261-030	Obispo Rd, EG	103,518	COSC DR
10/19/17	1A	Bettencourt Joe	047-234-220	619 The Alameda	6,273	R-3/S-17
12/26/17	VAR	Coastside Fire Protection Dist	047-261-030	Obispo Road, EG	103,518	EG Gateway
01/18/18	VAR	Wilkinson Phillip	048-093-040	495 Mirada Rd., HMB	3,697	R-1/S-17
04/25/18	1A	Petersen Steve	048-072-290	15 Terrace Ave, Miramar	22,327	R-1/S-17
04/27/18	1A	Silveira Manny	047-043-240	0 Avenue Alhambra, EG	6,486	R-1/S-17
04/30/18	1A	Beveridge Maria	047-271-170	110 Isabella, EG	5,276	R-1/S-17
04/30/18	C3	Churichillo Dominick	048-121-100	2782 Pullman, HMB	5,000	R-1/S-94
05/07/18	1A	Carkeek-Harris Susan	047-243-010	912 Columbus, EG	6,170	R-1/S-17

Note: Shaded information was previously reported.

PERMITS ISSUED – One new permit was issued this period:

Permit No.	Type	Issue Date	Owner or Agent	APN	Address	Sq. Ft.	Zone
3166	1A	07/13/17	Lang Justin	047-105-240	755 San Carlos, EG	6,209	R-1/S-17
3167	1A	07/27/17	365 Miramar Drive	048-054-120	365 Miramar Dr., Miramar	5,320	R-1/S-17
3168	1A	08/15/17	Rogers Clay	047-141-240	243 Del Monte Rd, EG	8,310	R-1/S-17
3169	1A	08/18/17	Cuvelier Jacqueline	047-175-250	265 El Granada Blvd, EG	9,732	R-1/S-17
3170	1A	11/29/17	Bettencourt Joe	047-234-220	619 The Alameda	6,273	R-1/S-17
3171	1A	05/09/18	Beveridge Maria	047-271-170	110 Isabella, EG	5,276	R-1/S-17

Note: Shaded information was previously reported.

SEWER HOOK-UPS – There were no new sewer hook-ups this period.

Hook-up Date	Type	Permit No.	Permit Issue Date	Owner	APN	Address
08/09/17	1A	3159	08/07/17	Conran Steve	047-233-360	425 Coronado St, EG
09/13/17	1A	3165	09/12/17	Carey Tom	048-024-430	467 Coronado Ave, Miramar
02/05/18	1A	3167	07/27/17	Carey Tom	048-054-120	365 Miramar Dr, Miramar
04/10/18	1B	3144	04/29/15	Irizarry Jim	047-271-200	195 Avenue Cabrillo, EG

Note: Shaded information was previously reported and some information has been corrected.

REPAIRS – There were no lateral repairs this period.

Repair Date	Type	Problem	Location or Address	Cause	Cost
03/09/18	Lateral	Back-up Roots	731 Valencia	Roots/broken pipe	\$9,226

Note: Shaded information was previously reported.

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ITEM #15

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ITEM #16

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GRANADA COMMUNITY SERVICES DISTRICT

AGENDA NOTICE

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