

BOARD OF DIRECTORS  
THURSDAY, APRIL 24, 2025 - 6:30 PM

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## AGENDA

Public comments may be submitted via email to  
Administrative Services Manager, Alison Bell, at [abell@midpeninsulawater.org](mailto:abell@midpeninsulawater.org).  
Please indicate in your email the agenda item to which your comment applies.

Comments submitted before the meeting will be provided to the Board before or during the meeting.  
Comments submitted after the meeting is called to order will be included in correspondence that will be provided to the full Board.

This meeting will be conducted in-person, at the District's 1075 Old County Road, Suite A offices. The public may participate in-person or remotely via Zoom.

The zoom meeting link is available here: <https://www.midpeninsulawater.org/zoom>

Should Zoom not be operational, please check online at: [www.midpeninsulawater.org](http://www.midpeninsulawater.org) for any updates or further instruction.

**Teleconference location: 31 Spring Street, Mosta, Malta**

### 1. OPENING

- A. Call to Order
- B. Establishment of Quorum
- C. Pledge of Allegiance

### 2. PUBLIC COMMENT

*Members of the public are invited to participate and may address the Board on the Consent Agenda or any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Please complete a speaker's form and give it to the District Secretary, or submit comments by email per the instructions above. Each speaker is limited to three (3) minutes.*

### 3. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS

### 4. ACKNOWLEDGEMENTS/PRESENTATIONS

- A. Public Works Week Proclamation
- B. Receive Presentation on Spatial Wave Geospatial Asset Management and Workflow

**5. CONSENT AGENDA**

*All matters on the Consent Agenda are considered routine by the Board of Directors, or included in the approved fiscal year Operating or Capital Budget, and will be acted upon by a single vote by the Board. If Directors wish to discuss a consent item other than simple clarifying questions, a request for removal may be made. Such items are pulled for separate discussion and action after the Consent Agenda is acted upon.*

- A. Approve Minutes for the Regular Board Meeting on March 27, 2025
- B. Approve Expenditures from March 1, 2025 through March 30, 2025

**6. HEARING AND APPEALS - None**

**7. CAPITAL IMPROVEMENT PROGRAM**

- A. Receive Report on Certificates of Participation Close and Current Activities
- B. Consider Resolution 2025-11 Authorizing Award of Construction Contract to K.J. Woods Construction, Inc. for Construction of the Dekoven, Lincoln, Newlands & Oak Knoll Water Main Improvements (CIP 21-01) in the Amount of \$1,888,000, Plus a 10% Contingency in the Amount of \$189,000 for a Total Project Budget of \$2,077,000
- C. Consider Resolution 2025-12 Authorizing Task Order 25-11 with Pakpour Consulting Group, Inc., in the amount of \$259,839, for Design Services for the West Belmont (N), Exbourne (W), Hallmark (N) Tanks Improvement Project (CIP 24-08, 24-09 & 24-10)

**8. REGULAR BUSINESS AGENDA**

- A. Receive and Accept the Financial Audit Report for Fiscal Year Ended June 30, 2024, Presented by District Auditor, C.J. Brown & Company CPAs
- B. Consider adopting Ordinance 131 Amending Attachment "A" Regarding Rates and Fees to the Water Service Ordinance No. 103 for the MPWD
- C. Review Strategic Plan Update Process
- D. Receive Report and Provide Direction on Customer Service Office Hours
- E. Receive BAWSCA Update (March)
- F. Receive Report on the California and San Francisco Regional Water System Conditions

**9. MANAGEMENT AND BOARD REPORTS**

- A. Management Reports
  - 1. District Treasurer and Financial Reports for the Month Ending March 30, 2025
  - 2. District Engineer
  - 3. Administrative Services Manager
  - 4. Operations Manager
  - 5. General Manager

B. Director Reports

**10. COMMUNICATIONS**

**11. ADJOURNMENT**

This agenda was posted at the Mid-Peninsula Water District's offices at 1075 Old County Road, Suite A, in Belmont, California, and on its website at [www.midpeninsulawater.org](http://www.midpeninsulawater.org).

**ACCESSIBLE PUBLIC MEETINGS**

*Upon request, the Mid-Peninsula Water District will provide written agenda materials in appropriate alternative formats, or disability related modification or accommodation (including auxiliary aids or services), to enable individuals with disabilities to participate in public meetings and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested. Requests should be sent to the Administrative Services Manager at (650) 591-8941 or [abell@midpeninsulawater.org](mailto:abell@midpeninsulawater.org). Requests should be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.*

**NEXT REGULAR BOARD MEETING: THURSDAY, MAY 22, 2025 AT 6:30PM**

# *Proclamation*

## *National Public Works Week*

*May 18-24, 2025*

**WHEREAS**, public works services are vital to the health, safety, comfort, and quality of life of the Mid-Peninsula Water District's ratepayers and the greater Belmont and San Carlos communities; and

**WHEREAS**, the infrastructure, facilities, and services that public works professionals provide—such as water distribution, capital project planning, system maintenance, and emergency response—are an essential part of our community's everyday life; and

**WHEREAS**, public works professionals at the Mid-Peninsula Water District serve with commitment and pride, ensuring reliable access to safe, high-quality drinking water to more than 8,100 service connections throughout the District's service area; and

**WHEREAS**, these dedicated employees plan, design, operate, and maintain water systems that are critical to sustainable living and long-term community growth, often working behind the scenes and in all conditions to support public health and environmental stewardship; and

**WHEREAS**, the 2025 theme for National Public Works Week, "**Advancing Quality of Life for All**", highlights how public works professionals contribute to making communities stronger, more resilient, and better connected; and

**WHEREAS**, the Mid-Peninsula Water District proudly recognizes the skill, professionalism, and dedication of its operations, engineering, and administrative staff, who work collaboratively to ensure exceptional public service and long-term infrastructure reliability.

**NOW, THEREFORE, BE IT PROCLAIMED**, that the Board of Directors of the Mid-Peninsula Water District does hereby recognize the week of May 18–24, 2025 as **National Public Works Week**, and urges all community members to join in recognizing the contributions of public works professionals and their role in advancing the quality of life we enjoy each day.

**PASSED AND ADOPTED** this 24<sup>th</sup> day of April 2025, by the Board of Directors of the Mid-Peninsula Water District.

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Kirk R. Wheeler, President

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Louis J. Vella, Vice President

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JoAnn Covington, Director

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Chuck Cotten, Director

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Matthew P. Zucca, Director





# MEETING MINUTES

## BOARD OF DIRECTORS OF THE MID-PENINSULA WATER DISTRICT

Thursday, March 27, 2025  
Belmont, California

### 1. OPENING

#### A. **Call to Order**

The regular meeting of the Mid-Peninsula Water District was called to order by President Wheeler at 6:34 PM.

#### B. **Establishment of Quorum**

Present: President Wheeler, Vice President Vella, Director Covington

Absent: Director Cotten and Director Zucca

Also Present: General Manager (GM) Kat Wuelfing, Operations Manager (OM) Rene Ramirez, Administrative Services Manager (ASM) Alison Bell, Water Resources Coordinator Drew Bost, District Engineer Joubin Pakpour, District Treasurer James Ramsey, District Counsel Julie Sherman, Noll and Tam Representative Tom Beil, Wulff, Hansen & Co Representatives Rob Pankratz and Bud Levine.

#### C. **Pledge of Allegiance**

Operations Manager Rene Ramirez led the Pledge of Allegiance.

### 2. PUBLIC COMMENT

President Wheeler asked for public comment.

There were none.

### 3. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS

President Wheeler asked if there were any additions, deletions, or items to be pulled from consent.

There were none.

### 4. ACKNOWLEDGEMENTS/PRESENTATIONS - None

### 5. CONSENT AGENDA

A. **Approve Minutes for the Regular Board Meeting on February 27, 2025**

B. **Approve Expenditures from February 1, 2025, through February 28, 2025**

Vice President Vella moved to approve the Consent Agenda.

Director Covington seconded the motion.

Roll call vote: 3-0-2

Vice President Vella – Aye

Director Covington – Aye

President Wheeler – Aye

Director Zucca – Absent

Director Cotten - Absent

**6. HEARING AND APPEALS - none**

**7. CAPITAL IMPROVEMENT PROGRAM**

**A. Receive Folger Drive Project Update**

Tom Beil from Noll and Tam provided the Board with an updated presentation of the current scope for Folger Drive with updated cost estimates and schedule. GM Kat Wuelfing also provided information and answered questions from the Board.

**8. REGULAR BUSINESS AGENDA**

**A. Receive Report on Certificates of Participation Sale**

Wulff, Hansen & Co representatives Rob Pankratz and Bud Levine presented an overview to the Board of the timeline, process, and successful outcome of the COP bid process.

**B. Consider Ordinance No. 130 An Ordinance Rescinding Level 1 and Authorizing Level 0 Water Shortage of the MPWD Water Shortage Contingency Plan**

Water Resources Coordinator Drew Bost presented to the Board a recommendation to move from Level 1 Water Shortage to Level 0 Water Shortage.

Director Covington moved to approve Ordinance No. 130 An Ordinance Rescinding Level 1 and Authorizing Level 0 Water Shortage of the MPWD Water Shortage Contingency Plan.

Vice President Vella seconded the motion.

Roll call vote: 3-0-2

Director Covington – Aye

Vice President Vella – Aye

President Wheeler – Aye

Director Zucca – Absent  
Director Cotten - Absent

**C. Receive Report and Provide Preliminary Direction on Fiscal Year 2025/2026  
Water Rate Adjustment**

GM Wuelfing and District Treasurer Ramsey presented to the Board the proposed Water Rate Adjustment for the 2025/2026 Fiscal Year based on the updated wholesale rate from SFPUC. The Board provided direction to staff to prepare the rate adjustment for the April Board meeting.

**D. Receive Report on the California and San Francisco Regional Water System Conditions**

The Board received information from Operations Manager Rene Ramirez.

**10. MANAGEMENT AND BOARD REPORTS**

**A. Management Reports**

**1. District Treasurer and Financial Reports for the Month Ending February 28, 2025**

District Treasurer James Ramsey provided the Board with a financial update.

**2. District Engineer**

District Engineer Joubin Pakpour provided an update on Capital Projects.

**3. Administrative Services Manager**

ASM Bell provided a review of her report.

**4. Operations Manager**

OM Ramirez provided a review of his report.

**5. General Manager**

GM Wuelfing provided a review of her report.

**B. Director Reports**

President Wheeler and Vice President Vella provided updates on meetings they have attended since last board meeting. Director Covington expressed her interest in becoming more involved as she settles into her new position.

**11. COMMUNICATIONS**

There were none.

**12. ADJOURNMENT**

The regular Board Meeting adjourned at 9:58 PM.

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DISTRICT SECRETARY

APPROVED:

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BOARD PRESIDENT

NEXT REGULAR BOARD MEETING: THURSDAY, APRIL 24, 2025 AT 6:30PM

Account Name	Vendor Name	Description	Check Date	Check Number	Amount
Construction in Progress	4 LEAF, INC.	FEB 2025 - OLD COUNTY RD WMI 05-1621-CP	03/27/2025	104070	165.00
Construction in Progress	NOLL & TAM ARCHITECTS	FEB 2025 WORK - FOLGER PROPERTY EOC 24-07	03/27/2025	39490	30,331.75
Construction in Progress	NOLL & TAM ARCHITECTS	FEB 2025 WORK - DAIRY LANE REHAB 20-09	03/27/2025	39490	20,266.00
Construction in Progress	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 24-08/24-10 W BELMONT/EXBOURNE TANK COAT	03/13/2025	104045	4,533.31
Construction in Progress	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 08-1621-CP DEKOVEN TANK REPLACEMENT PROJECT	03/13/2025	104045	136.50
Construction in Progress	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 21-01 DEKOVEN, LINCOLN, NEWLANDS, OAK KNOLL WMI	03/13/2025	104045	10,097.06
COP Long Term Liability	S&P GLOBAL RATINGS	FEE FOR S&P RATING SERVICE	03/13/2025	104048	33,700.00
Acwa Health Care	ACWA JPIA	APRIL 2025 - EAP	03/13/2025	104036	52.08
Acwa Health Care	ACWA JPIA	APRIL 2025 - MEDICAL	03/13/2025	104036	31,219.36
Awca Dental	ACWA JPIA	APRIL 2025 - DENTAL	03/13/2025	104036	2,581.44
Acwa Vision	ACWA JPIA	APRIL 2025 - VISION	03/13/2025	104036	447.72
Acwa Life/Ad&D	ACWA JPIA	APRIL 2025 - LIFE	03/13/2025	104036	666.53
Standard Ldl/Sdl Disability	STANDARD INSURANCE COMPANY	APRIL 2025 PREMIUM	03/27/2025	104079	1,816.29
Retirees' Acwa Health Care	ACWA JPIA	APRIL 2025 - RETIREES	03/13/2025	104036	10,362.01
Directors' Acwa Health Care	ACWA JPIA	APRIL 2025 - DIRECTORS	03/13/2025	104036	5,872.14
Uniforms	UNIFIRST	WEEKLY UNIFORM RENTAL THRU 02-25-2025	03/06/2025	104025	187.36
Uniforms	UNIFIRST	WEEKLY UNIFORM RENTAL THRU 03-11-2025	03/13/2025	104054	184.36
Uniforms	UNIFIRST	WEEKLY UNIFORM RENTAL THRU 03-04-2025	03/13/2025	104054	184.36
Uniforms	UNIFIRST	WEEKLY UNIFORM RENTAL THRU 03-18-2025	03/27/2025	104082	184.36
Sfpuc Treated Water	SAN FRANCISCO WATER DEPT	WATER CONSUMPTION 1-16 THRU 02-14-2025	03/06/2025	104022	435,039.20
Sfpuc Treated Water	SAN FRANCISCO WATER DEPT	02-15 THRU 03-17-2025 - WATER CONSUMPTION CHG	03/27/2025	104078	446,954.70
Bawasca (Debt Service Surcharge)	SAN FRANCISCO WATER DEPT	BAWSCA BOND SURCHARGE 1-16 THRU 02-14-2025	03/06/2025	104022	35,603.00
Bawasca (Debt Service Surcharge)	SAN FRANCISCO WATER DEPT	02-15 THRU 03-17-2025 - BAWSCA BOND SURCHARGE	03/27/2025	104078	35,603.00
Sfpuc Water Service Charge	SAN FRANCISCO WATER DEPT	WATER SERVICE CHARGE 1-16 THRU 02-14-2025	03/06/2025	104022	7,730.00
Sfpuc Water Service Charge	SAN FRANCISCO WATER DEPT	02-15 THRU 03-17-2025 - WATER SVC CHG	03/27/2025	104078	7,730.00
Water Conservation Program	BAY AREA WATER SUPPLY & CONSERVATION AGEN	WATER LOSS CONTROL PROGRAM - CUSTOMER BILLING ANALYSIS	03/20/2025	39483	1,816.50
WELO	GLOBAL SUN LANDSCAPE	WELO POST INSPECTION REPORT - 2108 ARTHUR AVENUE	03/13/2025	39476	950.00
Water Quality	HACH COMPANY INC	CHEMKEYS FOR SAMPLING	03/13/2025	104040	1,132.27
Water Quality	SAN FRANCISCO WATER POWER SEWER	LAB TESTING	03/13/2025	104050	2,080.00
Water Quality	SAN FRANCISCO WATER POWER SEWER	LAB TESTING	03/13/2025	104050	2,085.00
Storage Tanks	ATLAS	TEST OF MSE STRIPS @ EXBOURNE TANK SITE	03/13/2025	39474	367.20
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT WEST BELMONT	03/20/2025	39484	3,135.00
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT HALLMARK	03/20/2025	39484	3,885.00
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT EXBOURNE	03/20/2025	39484	3,885.00
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT BUCKLAND	03/20/2025	39484	3,135.00
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT BUCKLAND	03/20/2025	39484	3,285.00
Storage Tanks	BENNETT MARINE UTILITY, LLC.	DISINFECT HERSOM	03/20/2025	39484	2,885.00
Storage Tanks	CSI SERVICES, INC.	TANK COATINGS INSPECTIONS	03/20/2025	104058	7,400.00
Storage Tanks	HOME DEPOT	TREE NETTING	03/06/2025	104015	95.22
Mains/Distribution	BAIRD TRUCKING INC.	HAULING MATERIALS IN & OUT 3 DAIRY LANE TO OX MTN	03/20/2025	104056	3,987.50
Mains/Distribution	BESS TESTLAB INC	ARV INSTALLATIONS - HARBOR - VACTOR TRUCK RENTAL	03/20/2025	39485	6,986.00
Mains/Distribution	CAL-VET SERVICES INC	TRAFFIC CONTROL - ARV INSTALLATIONS - HARBOR	03/20/2025	39486	3,747.50
Mains/Distribution	CAL-VET SERVICES INC	TRAFFIC CONTROL - ARV INSTALLATIONS - HARBOR	03/20/2025	39486	1,800.00
Mains/Distribution	GRANITE ROCK COMPANY	ASPHALT	03/27/2025	104074	2,414.17
Mains/Distribution	HOME DEPOT	MARKING FLAGS	03/06/2025	104015	84.21
Mains/Distribution	LYNGSO GARDEN MATERIAL INC	SOIL	03/06/2025	39470	174.89
Mains/Distribution	LYNGSO GARDEN MATERIAL INC	SOIL	03/06/2025	39470	174.89
Mains/Distribution	UNDERGROUND REPUBLIC WATER WORKS	REPAIR CLAMPS, TRAFFIC BOXES	03/13/2025	104053	2,015.82
Meters & Service	AQUA-METRIC SALES CO.	MXU'S, REGISTERS	03/13/2025	104037	10,935.41
Meters & Service	PACE SUPPLY CORP	REGISTERS	03/06/2025	104020	299.51
Meters & Service	UNDERGROUND REPUBLIC WATER WORKS	TOOLS FOR METERS	03/20/2025	104065	620.55

Account Name	Vendor Name	Description	Check Date	Check Number	Amount
Meters & Service	UNDERGROUND REPUBLIC WATER WORKS	BALL VALVES	03/27/2025	104081	313.14
Meters & Service	UNDERGROUND REPUBLIC WATER WORKS	ANGLE STOPS, BALL VALVES	03/27/2025	104081	8,361.53
Meters & Service	UNDERGROUND REPUBLIC WATER WORKS	CORP STOPS	03/27/2025	104081	629.99
Fire Hydrants	LYNGSO GARDEN MATERIAL INC	ROCK FOR CONCRETE FINISH - 514 ROXBURY	03/27/2025	39489	24.01
Regulator Stations	UNDERGROUND REPUBLIC WATER WORKS	NIPPLES & FITTINGS	03/20/2025	104065	261.63
Employee Safety	NORTHERN SAFETY CO. INC.	PPE FOR OPERATIONS STAFF - EYEWEAR	03/13/2025	104043	54.37
Employee Safety	NORTHERN SAFETY CO. INC.	PPE FOR OPERATIONS STAFF - EAR PLUGS	03/13/2025	104043	56.04
Employee Safety	NORTHERN SAFETY CO. INC.	PPE FOR OPERATIONS STAFF - GLOVES & VESTS	03/13/2025	104043	1,001.43
Employee Safety	NORTHERN SAFETY CO. INC.	RAIN GEAR FOR OPS	03/20/2025	104059	1,571.85
Employee Safety	SAFETY COMPLIANCE MANAGEMENT, INC.	SAFETY TRAINING - FALL PROTECTION	03/13/2025	104049	1,395.00
Scada Maintenance	INTERSTATE BATTERY SYSTEM, INC.	BATTERY FOR SCADA	03/13/2025	104041	171.60
Scada Maintenance	TELSTAR INSTRUMENTS	EXBOURNE SCADA XIO GENERATOR STARTUP - UPS INSTALL	03/20/2025	104063	7,232.38
Scada Maintenance	TELSTAR INSTRUMENTS	EXBOURNE UPS	03/20/2025	104063	739.06
Scada Maintenance	TELSTAR INSTRUMENTS	EXBOURNE PUMP STATION GENERATOR	03/20/2025	104063	2,413.84
Scada Maintenance	TELSTAR INSTRUMENTS	DEKOVEN PUMP STATION - INSTALLING XIO	03/20/2025	104063	3,016.53
Scada Maintenance	TELSTAR INSTRUMENTS	EXBOURNE SCADA WIRING FOR POWER FAILURE GEN START	03/20/2025	104063	4,998.69
Buildings & Grounds	A-1 FENCE AND DECK, INC.	REPAIR FENCE @ HERSOM TANK	03/13/2025	104035	1,950.00
Buildings & Grounds	A-1 FENCE AND DECK, INC.	REPAIR FENCE @ EXBOURNE	03/13/2025	104035	6,110.00
Buildings & Grounds	AIRGAS, LLC	CYLINDER RENTAL	03/27/2025	104071	282.13
Buildings & Grounds	BAY POINTE LANDSCAPE	LANDSCAPE MAINTENANCE DAIRY LANE - FEB 2025	03/20/2025	104057	1,425.00
Buildings & Grounds	HOME DEPOT	CLEANING SUPPLIES	03/06/2025	104015	134.23
Buildings & Grounds	HOME DEPOT	CLEANING SUPPLIES RETURNED	03/06/2025	104015	-6.53
Buildings & Grounds	HOME DEPOT	CABLE CUTTERS & CLEANING SUPPLIES	03/27/2025	104076	43.66
Buildings & Grounds	HOME DEPOT	TOWEL BAR & RUG	03/27/2025	104076	46.75
Buildings & Grounds	RECOLOGY SAN MATEO COUNTY	FEB 2025 - DAIRY LANE TRASH COLLECTION	03/13/2025	104047	905.75
Buildings & Grounds	UMPQUA BANK	VIDEO INSPECTION OF SEWER LINE - FOLGER PROPERTY	03/20/2025	104064	761.50
Buildings & Grounds	UMPQUA BANK	WINDOW CLEANER FOR AUTO & BUILDINGS	03/20/2025	104064	24.75
Equipment & Tools	CRESCO	WHEEL KIT FOR VIBRA PLATE	03/13/2025	39475	302.84
Equipment & Tools	HASSETT HARDWARE	EQUIPMENT & TOOLS FOR HERSOM - 100FT HOSE & NOZZLE	03/06/2025	104014	62.61
Equipment & Tools	HASSETT HARDWARE	GAS CANS FOR POWER WASHING	03/06/2025	104014	90.79
Equipment & Tools	HOME DEPOT	CHISEL PUNCH SET, UNIVERSAL SET, EXTENSION SET	03/06/2025	104015	77.97
Equipment & Tools	HOME DEPOT	MASONRY SAW BLADES	03/06/2025	104015	56.68
Equipment & Tools	HOME DEPOT	EXTENSION CORD FOR TRUCK 805	03/06/2025	104015	155.69
Equipment & Tools	UNDERGROUND REPUBLIC WATER WORKS	VALVE CURB KEY (SMALL TRUCK)	03/13/2025	104053	767.28
Equipment & Tools	UNDERGROUND REPUBLIC WATER WORKS	FOR 787 SERVICE TRUCK	03/27/2025	104081	381.98
Equipment & Tools	UNDERGROUND REPUBLIC WATER WORKS	CREDIT MEMO FOR RETURNED SPANNER WRENCH	03/27/2025	104081	-89.22
Equipment & Tools	UNDERGROUND REPUBLIC WATER WORKS	FLARING TOOL	03/27/2025	104081	51.83
Vehicle & Large Equip	OREILLY AUTO PARTS, INC.	BLUE DEF	03/06/2025	104019	74.67
Vehicle & Large Equip	OREILLY AUTO PARTS, INC.	SHIFT CABLE	03/06/2025	104019	48.10
Vehicle & Large Equip	OREILLY AUTO PARTS, INC.	MARKER LIGHT - SERVICE TRUCK	03/13/2025	104044	7.43
Vehicle & Large Equip	OREILLY AUTO PARTS, INC.	OIL FOR F150	03/13/2025	104044	99.49
Fuel	VALLEY OIL COMPANY	FUEL	03/13/2025	104055	2,978.92
Office Supplies	OFFICE DEPOT, INC.	OFFICE DEPOT	03/06/2025	104018	136.13
Office Supplies	UMPQUA BANK	OFFICE SUPPLIES	03/20/2025	104064	41.75
Office Supplies	UMPQUA BANK	OFFICE SUPPLIES	03/20/2025	104064	72.31
Office Supplies	UMPQUA BANK	EMPLOYEE DRINKS	03/20/2025	104064	110.70
Office Supplies	UMPQUA BANK	OFFICE SUPPLIES	03/20/2025	104064	18.44
Equipment Services/Maintenance	KBA DOCUMENT SOLUTIONS, LLC	KYOCERA MAINTENANCE AGREEMENT - 01-21 THRU 02-20-2025	03/06/2025	104016	56.87
Computer Supplies & Upgrades	DLT SOLUTIONS LLC	CAD LICENSE FOR OPS	03/13/2025	104038	1,994.07
Website Hosting Services	LIFTOFF DIGITAL	WEBSITE HOSTING & MAINTENANCE - MARCH 2025	03/13/2025	104042	90.00
Security & Safety	NORTHERN SAFETY CO. INC.	EARPLUGS FOR OPS	03/06/2025	104017	54.28

Account Name	Vendor Name	Description	Check Date	Check Number	Amount
Security & Safety	SONITROL / PACIFIC WEST SECURITY, INC.	SECURITY FOR VARIOUS SITES - 04-01 THRU 06-30-2025	03/13/2025	104051	5,298.00
Security & Safety	SONITROL / PACIFIC WEST SECURITY, INC.	LOW BATTERY ALARM	03/20/2025	104061	105.63
Customer Credit Card Svs Fees	SPRINGBROOK HOLDING COMPANY LLC	FEB 2025 - CIVIC PAY & MUNICIPAL PAYMENTS	03/13/2025	104052	4,709.85
PROPERTY LEASE	SWEDCOM CORPORATION	RENT 1075 OCR - FEB 2025	03/05/2025	104008	12,238.00
PROPERTY LEASE	SWEDCOM CORPORATION	APRIL 2025 RENT - OLD COUNTY ROAD, SUITE A	03/20/2025	104062	12,238.00
Dues & Publications	UMPQUA BANK	FASTRAK REPLEN FOR ON CALL OPS	03/20/2025	104064	25.00
Dues & Publications	UMPQUA BANK	CSMFO MEMBERSHIP - PLATH	03/20/2025	104064	60.00
Dues & Publications	UMPQUA BANK	FASTRAK REPLEN FOR ON CALL OPS	03/20/2025	104064	25.00
Dues & Publications	UMPQUA BANK	CMTA MEMBERSHIP	03/20/2025	104064	110.00
Dues & Publications	UMPQUA BANK	FASTRAK REPLEN FOR ON CALL OPS	03/20/2025	104064	25.00
Dues & Publications	UMPQUA BANK	FASTRAK REPLEN FOR ON CALL OPS	03/20/2025	104064	25.00
Dues & Publications	UMPQUA BANK	ZOOM SUBSCRIPTION	03/20/2025	104064	110.00
Gov'T Fees & Licenses	UMPQUA BANK	1099 PROCESSING FEE	03/20/2025	104064	2.90
BAWSCA Water Management Charge	SAN FRANCISCO WATER DEPT	BAWSCA WATER MGMT CHARGE 1-16 THRU 02-14-2025	03/06/2025	104022	2,785.00
BAWSCA Water Management Charge	SAN FRANCISCO WATER DEPT	02-15 THRU 03-17-2025 - BAWSCA WATER MGMT CHG	03/27/2025	104078	2,785.00
Software Licenses	SPATIAL WAVE, INC.	LICENSE FEE 04-2025 THRU 04-2026	03/06/2025	104023	15,000.00
Utilities - Internet/Cable	ACC BUSINESS	INTERNET - OCR - FEB 2025	03/20/2025	39481	187.83
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/06/2025	39468	31.82
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/06/2025	39468	31.81
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/13/2025	39473	62.98
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/20/2025	39482	31.65
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/20/2025	39482	81.64
Utilities - Internet/Cable	AT&T	SCADA ANALOG LINE	03/27/2025	39488	804.91
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/27/2025	39488	31.66
Utilities - Internet/Cable	AT&T	DAIRY LANE ANALOG LINE	03/27/2025	39488	31.65
Utilities - Internet/Cable	COMCAST	INTERNET - VARIOUS SITES	03/06/2025	104009	1,084.63
Utilities - Internet/Cable	COMCAST BUSINESS	VOICE EDGE BUSINESS SERVICES 02-15 THRU 03-14-2025	03/06/2025	104010	836.74
Utilities - Internet/Cable	COMCAST BUSINESS	DAIRY LANE FIBER/ETHERNET 02-15 THRU 03-14-2025	03/06/2025	104010	1,099.52
Utilities - Internet/Cable	COMCAST BUSINESS	DAIRY LANE FIBER/ETHERNET	03/27/2025	104072	1,099.85
Utilities - Internet/Cable	T-MOBILE	AMI REPEATER CELLULAR	03/06/2025	39471	31.40
Utilities - Electric - Pumping	PG&E	DEKOVEN PUMP STATION	03/20/2025	104060	524.91
Utilities - Electric - Pumping	PG&E	W BELMONT PUMP STATION	03/20/2025	104060	557.52
Utilities - Electric - Pumping	PG&E	HALLMARK PUMP STATION	03/20/2025	104060	364.06
Utilities - Electric - Pumping	PG&E	HANNIBAL PUMP STATION	03/20/2025	104060	4,596.37
Utilities - Electric - Pumping	PG&E	BUCKLAND PUMP STATION	03/20/2025	104060	895.93
Utilities - Electric - Pumping	PG&E	TUNNELS PUMP STATION	03/27/2025	104077	18,293.25
Utilities - Electric-Bldgs&Grnd	PG&E	DAIRY LANE AND VARIOUSS TANK SITES	03/06/2025	104021	4,617.93
Utilities - Electric-Bldgs&Grnd	PG&E	DAIRY LANE GAS	03/06/2025	104021	8.38
Utilities - Electric-Bldgs&Grnd	PG&E	FOLGER	03/20/2025	104060	60.60
Utilities - Electric-Bldgs&Grnd	PG&E	1075 OCR	03/20/2025	104060	953.51
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - FINANCIAL MATTERS	03/06/2025	104013	1,162.00
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - REFUNDING COPs	03/06/2025	104013	207.50
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - ADMINISTRATION	03/06/2025	104013	4,440.50
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - CONTRACTS	03/06/2025	104013	913.00
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - MONTHLY RETAINER	03/06/2025	104013	1,300.00
Prof Serv - District Counsel	HANSON, BRIDGETT	DISTRICT COUNSEL SERVICES - JAN 2025 - REAL PROPERTY	03/06/2025	104013	161.00
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - REAL PROPERTY	03/27/2025	104075	2,724.50
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - MONTHLY RETAINER	03/27/2025	104075	1,300.00
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - LABOR - GENERAL	03/27/2025	104075	124.50
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - ADMINISTRATION	03/27/2025	104075	2,448.50
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - CONTRACTS	03/27/2025	104075	622.50

Account Name	Vendor Name	Description	Check Date	Check Number	Amount
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - REFUNDING COPS	03/27/2025	104075	1,867.50
Prof Serv - District Counsel	HANSON, BRIDGETT	FEB 2025 DISTRICT COUNSEL SVCS - FINANCIAL MATTERS	03/27/2025	104075	415.00
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 10012.04 MISC PROJECTS	03/13/2025	104045	7,878.94
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 10012.08 UPDATE STD PLANS & SPECS	03/13/2025	104045	1,399.13
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 10012.05 RETAINER	03/13/2025	104045	1,000.00
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 10012.11 DEVELOPMENT REVIEW	03/13/2025	104045	1,774.50
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - HILLCREST TRANS MAIN ASSESSMENT	03/13/2025	104045	662.81
Prof Serv - District Engineer	PAKPOUR CONSULTING GROUP, INC	FEB 2025 - 10012.09 DIST. SYSTEM ANALYSIS	03/13/2025	104045	4,012.31
Prof Serv - It	STEPFORD BUSINESS, INC.	IT MONTHLY CHARGES - APRIL 2025	03/06/2025	104024	2,982.00
Prof Serv - It	STEPFORD BUSINESS, INC.	ON-CALL IT SERVICES - FEB 2025	03/27/2025	104080	1,443.75
Prof Serv - It	STEPFORD BUSINESS, INC.	MONTHLY SERVER HOSTING SERVICE FEES	03/27/2025	104080	2,982.00
Prof Serv - Customer Billing	DOCUMENT FULFILLMENT SERVICES	DEC 2024 REMINDER NOTICES - POSTAGE	03/06/2025	104012	205.18
Prof Serv - Customer Billing	DOCUMENT FULFILLMENT SERVICES	SEPT 2024 WATER BILLS - POSTAGE	03/06/2025	104012	3,043.17
Prof Serv - Customer Billing	DOCUMENT FULFILLMENT SERVICES	SEPT 2024 REMINDER NOTICES - POSTAGE	03/06/2025	104012	185.61
Prof Serv - Customer Billing	DOCUMENT FULFILLMENT SERVICES	MARCH 2025 POSTAGE - REMINDER NOTICES	03/13/2025	104039	186.80
Prof Serv - Customer Billing	DOCUMENT FULFILLMENT SERVICES	FEB 2025 POSTAGE - REMINDER NOTICES	03/13/2025	104039	206.36





## ***AGENDA ITEM NO. 7.A.***

TO: Board of Directors  
FROM: James W Ramsey, CPA, District Treasurer  
DATE: April 24, 2025

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**SUBJECT: RECEIVE REPORT ON CERTIFICATES OF PARTICIPATION CLOSE AND CURRENT ACTIVITIES**

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On March 19, 2025, the District successfully awarded the 2025 Certificates of Participation in the amount of \$33,100,000 to Morgan Stanley & Co., LLC as under writer. The total estimates costs for the issuance amounted to \$536,903. This includes the actual cost of issuance in the amount of \$291,803 and estimated expenses of \$245,100 to be paid out to the various participants, including bond counsel, rating agency, and others. Overall, the District netted \$33,279,829 to be used on capital projects. This includes \$33,100,000 in principle and \$388,291 in a premium. The sale was fully consummated on April 1, 2025, with a deposit going into a Bank of New York – Mellon account. Overall, the District's timing on the bonds was as close to perfect as can be. In the weeks since the award, we have seen the bond markets fluctuate significantly. The true interest cost that the District will pay out in the future is approximately 4.0%. The bond market as April 17, 2025, reflected ranges between 4.50 and 4.95. As compared to a rate of 4.50, the District saved nearly \$3,310,000. If compared to a 5.00% interest rate, the District saved \$6,000,000 over 30 years.

Management is working with the District's current investment advisor to establish a ladder investment of U.S. Treasuries so that maturities line up with our anticipated cash flows. We have targeted our overall interest rate to coincide with our arbitrage rate (4.0%). Overall, the investment income generated through these investments will be put toward capital projects that have been identified as a funded via the debt issuance.



## ***AGENDA ITEM NO. 7.B.***

DATE: April 24, 2025

TO: Board of Directors

FROM: Kat Wuelfing, General Manager  
Rene A. Ramirez, Operations Manager  
Joubin Pakpour, P.E., District Engineer

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**SUBJECT: CONSIDER RESOLUTION 2025-11 AUTHORIZING AWARD OF CONSTRUCTION CONTRACT TO K.J. WOODS CONSTRUCTION, INC., FOR CONSTRUCTION OF THE DEKOVEN, LINCOLN, NEWLANDS & OAK KNOLL WATER MAIN IMPROVEMENTS (CIP 21-01) IN THE AMOUNT OF \$1,888,000, PLUS A 10% CONTINGENCY IN THE AMOUNT OF \$189,000, FOR A TOTAL PROJECT BUDGET OF \$2,077,000**

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### **RECOMMENDATION**

Approve Resolution 2025-11.

### **FISCAL IMPACT**

Original 2015 CIP Construction Estimate (Project Descriptions: 15-09 & 15-19)	\$1,031,000
FY 2024/2025 CIP Updated Estimate (Project Descriptions: 15-09 & 15-19)	\$2,775,000
2025 Engineer's Opinion of Probable Cost	\$ 2,256,000
Lowest Responsible Bid – K.J. Woods Con. Inc.	\$1,888,000
Plus 10% Contingency	<u>\$ 189,000</u>
Total Project Budget	\$2,077,000

### **DISCUSSION**

Capital project 21-01 combines two (2) project descriptions identified in the 2015 Capital Improvement Program (CIP) report (i.e., 15-09 & 15-19).

- 1) Project description 15-09 is known as the Dekoven Tank Utilization Project. It proposes to install approximately 2,185 linear feet (LF) of 12-inch zinc-coated ductile iron pipe (DIP), 360 LF of 8-inch zinc-coated DIP and 260 LF of 6-inch zinc-coated DIP starting on Dekoven Avenue just outside of the tank site and heads north to Lincoln Avenue. On

Lincoln Avenue the pipe replacement will turn east until Newlands Avenue. On Newlands Avenue, the work will turn south and continue until Cipriani Avenue. The pipeline improvements will also include modernizing two (2) fire hydrants and 14 customer service connections, ancillary appurtenances, and abandoning the existing water mains. The trench and road surface will be restored with the entire road width receiving a slurry seal treatment and striping.

- 2) Project description 15-19 is known as the Oak Knoll Drive Improvements and will rehabilitate 310 LF of existing 6-inch cast iron water main going cross country between 1717 Pine Knoll Drive and 1801 Oak Knoll Drive with a cured-in-place pipe (CIPP). The work will also include the installation of air release valves and other appurtenances.

The contractor will have 150 working days to complete the work from the effective date of the Notice to Proceed.

The form of the contract for K.J. Woods Construction, Inc., of South San Francisco, CA is the same form that has been used now for several capital construction projects and has been approved by District Counsel.

Attachments:     Resolution 2025-11  
                         Form of Contract for Construction for CIP 21-01  
                         Pakpour Consulting Group, Inc., DLNO WMI Bid Results and Award Recommendation Letter dated  
                         April 16, 2025

**RESOLUTION NO. 2025-11**

**AUTHORIZING AWARD OF CONSTRUCTION CONTRACT TO K.J. WOODS CONSTRUCTION, INC., FOR CONSTRUCTION OF THE DEKOVEN, LINCOLN, NEWLANDS & OAK KNOLL WATER MAIN IMPROVEMENTS – CAPITAL PROJECT 21-01 IN THE AMOUNT OF \$1,888,000, PLUS A 10% CONTINGENCY IN THE AMOUNT OF \$189,000, FOR A TOTAL PROJECT BUDGET OF \$2,077,000**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the District solicited competitive bids for the Dekoven, Lincoln, Newlands and Oak Knoll Water Main Improvements Project, #21-01; and

**WHEREAS**, in response to the District's solicitation, five (5) construction firms submitted bids; and

**WHEREAS**, based on review of these bids by the District Engineer and District staff staff recommends that a contract be awarded to K.J. WOODS CONSTRUCTION, INC. of South San Francisco, CA whose bid meets all the requirements of the specification documents and has been determined to be the lowest responsive and responsible bidder.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby:

1. Awards a contract for construction of the Dekoven, Lincoln, Newlands and Oak Knoll Water Main Improvements Project, #21-01, to K.J. WOODS CONSTRUCTION, INC. in the amount of \$1,888,000; and
2. Authorizes a 10% project contingency in the amount of \$189,000 for a total project budget of \$2,077,000; and

3. Authorizes the General Manager to execute a contract on behalf of the District with K.J WOODS CONSTRUCTION, INC., in full conformity with the terms and conditions of this Resolution, the bid and the specification documents.

**REGULARLY PASSED AND ADOPTED** this 24th day of April 2025.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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BOARD PRESIDENT

ATTEST:

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DISTRICT SECRETARY

## CONTRACT

THIS CONTRACT is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the **MID-PENINSULA WATER DISTRICT**, hereinafter called the "Owner" or "District" and \_\_\_\_\_, hereinafter collectively called the "Contractor."

THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The Contractor shall perform all the work and furnish all the labor, materials, tools, equipment, machinery, services, transportation, incidentals and appurtenances required to complete the construction and installation of the work in accordance with the plans and specifications approved by the District entitled: **DEKOVEN, LINCOLN, NEWLANDS, AND OAK KNOLL WATER MAIN IMPROVEMENTS, dated \_\_\_\_\_ 2025**, and which are appended hereto and made part of this agreement.

2. **BEGINNING OF WORK AND CONTRACT TIME OF COMPLETION.** After the Contract has been executed by the Owner, the Contractor shall begin work within five (5) working days from the effective date of the Notice to Proceed, issued by Owner, and shall complete all items required under this Contract within **One Hundred Fifty (150) working days from the effective date of the Notice to Proceed.**

3. **CONTRACT PRICE.** In consideration of the performance of the work as set forth in the Contract Documents, the Owner agrees to pay to the Contractor the amounts set forth in the Contractor's Proposal dated \_\_\_\_\_ 20\_\_\_\_, as it may be hereafter adjusted in accordance with the Contract Documents, and to make such payments in the manner and at the times provided in the Contract Documents. The Contractor agrees to complete the work within the time specified herein and to accept as full payment the amounts provided for herein.

4. **COMPONENTS OF CONTRACT.** This Contract shall consist of the following documents each of which is on file in the Owner's office and all of which are hereby referred to and by this reference made a part hereof as fully and completely as if they were fully set forth herein:

- a) This Contract
- b) Notice Inviting Sealed Bids
- c) The Contractor's signed Proposal
- d) General Provisions
- e) Special Provisions (including permits)
- f) Technical Specifications
- g) Contract Drawings
- h) Addenda (if any)
- i) Contract Bonds
- j) Standard Specifications

The Contract will also include Contract Change Orders, if any, issued by the Owner as provided in the Contract Documents. The Contract represents the entire integrated agreement between the

parties hereto and supersedes prior negotiations, agreements or representations, whether written or oral, except representations contained in the Contractor's Qualifications Statement submitted prior to the award of Contract, if one was required. In the event of a conflict or inconsistency between Contractor's Proposal and this Contract, this Contract shall prevail.

5. **WORKERS' COMPENSATION CERTIFICATION.** By its signature hereunder, the Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the work of this Contract.

6. **NOTICES.** Any notices required or permitted under this Contract may be given by personal delivery to an authorized representative of the recipient or by certified or registered United States mail. In the case of the Contractor, notices shall be addressed to the business address specified in its Proposal. In the case of the Owner, notices shall be addressed to:

**Mid-Peninsula Water District  
1075 Old County Road, Suite A  
Belmont, CA 94002  
Attn: Kat Wuelfing**

A copy of any notices to the Owner shall also be concurrently mailed or delivered personally to the District Engineer.

Notice shall be presumed to be received three (3) business days after deposit in the mail, postage prepaid, or upon the date of delivery, if personally given.

7. **GOVERNING LAW.** This Contract is executed and shall be performed in Santa Clara County, California. It shall be governed by and construed in accordance with the laws of the State of California.

8. **RECORDS.** Owner representatives shall have the right to review and inspect any records of the Contractor related to this Contract during normal business hours at the location where such records are maintained.

9. **LEGAL ACTIONS; AGENT FOR SERVICE OF PROCESS.** Any action relating to this Contract, including all disputes between the parties, shall be instituted and prosecuted in a court of competent jurisdiction in Santa Clara County in the State of California.

Each party hereby appoints the individual listed opposite its name to act as its initial agent for service of process relating to any such action.

**Mid-Peninsula Water District**

1075 Old County Road, Suite A  
Belmont, CA 94002  
(650) 591-1435

\_\_\_\_\_  
Name of Individual Agent for  
Service of Process

CONTRACTOR:

\_\_\_\_\_  
Name of Individual Agent for  
Service of Process

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Telephone

IN WITNESS WHEREOF, the parties hereto have signed this Contract as of the day and year first above written.

**MID-PENINSULA WATER DISTRICT:**

**CONTRACTOR:**

BY: \_\_\_\_\_  
General Manager

\_\_\_\_\_  
Name Under Which Business is Conducted

ATTEST: \_\_\_\_\_  
District Secretary

BY: Name: \_\_\_\_\_

Title: \_\_\_\_\_  
(President or Vice President)

APPROVED AS TO FORM:

California Contractor License No.:

\_\_\_\_\_  
Attorney for the District

\_\_\_\_\_  
Expiration Date: \_\_\_\_\_

Business Address:

**Note:** Format for Contract execution by Contractor will be adapted for a sole owner, partnership, corporation, LLC or joint venture, as appropriate.





April 16, 2025

10012.29

Board of Directors  
Mid-Peninsula Water District  
1075 Old County Road  
Suite A  
Belmont, CA 94002

**Subject: Dekoven, Lincoln, Newlands, and Oak Knoll  
Water Main Improvements  
Bid Results and Award Recommendation  
Mid-Peninsula Water District**

Dear Board Members,

The Mid-Peninsula Water District (District) held a bid opening on April 8, 2025, at 2:00 pm for the Dekoven, Lincoln, Newlands, and Oak Knoll Water Main Improvements (Capital Improvement Project Nos. 15-09 and 15-19). The District received 5 bids out of 7 prospective eligible bidders. They are listed in ascending order based on the lowest total bid price:

	<u>Bidders</u>	<u>Total Bid Price</u>
1	K.J. Woods Construction, Inc.	\$1,888,000.00
2	C2R Engineering, Inc.	\$2,177,387.00
3	Golden Bay Construction, Inc	\$2,259,748.00
4	Cratus, Inc.	\$2,371,160.00
5	Con-Quest Contractors, Inc.	\$2,393,650.00
	Engineer’s Opinion of Probable Cost	\$2,266,680.00

The lowest responsive and responsible bidder for the project is K.J. Woods Construction, Inc. (KJW) with a bid of \$1,888,000.00, which is \$378,680.00 (~16%) lower than the Engineer’s Opinion of Probable Cost and \$289,387.00 lower than the second lowest responsive bidder, C2R Engineering, Inc. The main difference in the bid pricing is the cost of the 12” Ductile Iron Pipe (DIP) installation at \$400.00 per linear foot for KJW and \$470.00 per linear foot for C2R Engineering.

We reviewed KJW’s bid documents and found them in conformance with the project’s minimum qualifications. We also spoke to 3 references, all of whom gave positive feedback. Additionally, we spoke with the company’s owner, Kieran Woods, to ensure KJW stands behind their bid and will not be asking for relief. Mr. Woods stated they are looking forward to the project and stand 100% behind their bid.

April 16, 2025 – Page 2

Board of Directors –Dekoven, Lincoln, Newlands, and Oak Knoll Bid Results and Award Recommendation

## **Bid Analysis**

Enclosed, please find the Bid Analysis with cost breakdowns for each contractor's bid items and a Bid Checklist to verify responsiveness. We also analyzed each bid item to ensure there were no anomalies or busts; none were found, requiring further communication with KJW.

KJW has successfully completed DIP water main related projects of similar scope and value with Contra Costa Water District, San Francisco Public Utilities Commission, City of Mountain View, and City of Watsonville. They also worked with the District on a joint project with the City of Belmont in 2017, and their work met the District's expectations.

Based on our analysis, *Pakpour Consulting Group* recommends that the Board of Directors authorize a contract award to K.J. Woods Construction, Inc. in the amount of \$1,888,000.00 as the lowest, most responsive, and most responsible bidder.

Very truly yours,

***Pakpour Consulting Group, Inc.***

DocuSigned by:  
*Joubin Pakpour*  
FD1650F8C0904EA...

Joubin Pakpour, PE  
District Engineer

Enclosures:

Bid Analysis  
Bid Checklist

### ***Note to Contractors:***

*This recommendation will be presented to the Board of Directors at the MPWD Board Meeting held on Thursday, April 24, 2025.*

*Pursuant to General Provision G3.08, any protest of the staff recommendation for award of contract must be submitted within 48 hours of your receipt of this letter (by Friday, April 18, 2025, 10:00 am).*

cc: Kat Wuelfing, Mid-Peninsula Water District, via email [KWuelfing@midpeninsulawater.org](mailto:KWuelfing@midpeninsulawater.org)  
Rene Ramirez, Mid-Peninsula Water District, via email [RRamirez@midpeninsulawater.org](mailto:RRamirez@midpeninsulawater.org)  
Michael Anderson, Mid-Peninsula Water District, via email [MikeA@midpeninsulawater.org](mailto:MikeA@midpeninsulawater.org)  
Julie Sherman, Hanson Bridgett, via email [JSherman@hansonbridgett.com](mailto:JSherman@hansonbridgett.com)  
Michael Altland, Mott MacDonald, Via Email [michael.altland@mottmac.com](mailto:michael.altland@mottmac.com)  
Kieran Woods, K.J. Woods Construction, via email [office@kjwoods.com](mailto:office@kjwoods.com)  
Trevor Connolly, C2R Engineering, via email [trevor@c2rengineering.com](mailto:trevor@c2rengineering.com)  
Brent Zanette, Golden Bay Construction, via email [brent@gbayinc.com](mailto:brent@gbayinc.com)  
Odhran Potter, Cratus Inc, via email [estimating@cratusinc.com](mailto:estimating@cratusinc.com)  
Paul Loukanoff, Con-Quest Contractors, via email [bidday@cqcontractors.com](mailto:bidday@cqcontractors.com)

J:\Projects\MPWD - 10012.00\29 - Dekoven, Lincoln, Newlands & Oak Knoll Water Main Improvements\Design\Correspondence\Letters\29-MPWD-Board-25.04.16-Bid Results-Award Recommendation.docx

**BID-CHECKLIST**  
**Mid-Peninsula Water District**  
**DLNO Water Main Improvements**

Item No.	Item	K.J.Woods Construction	C2R Engineering	Golden Bay Construction	Cratus	Con-Quest Contractors
1	Proposal Execution (B-9 thru B-14)	√	√	√	√	√
2	Addendum No. 1, 2 & 3 Acknowledgement (B-10) with attachment	√	√	√	√	√
3	Bid Schedule- Rev. 02 (B-14 thru B-15)	√	√	√	√	√
4	List of Subcontractors (B-17)	√	√	√	√	√
5	Non-Collusion Declaration (B-19)	√	√	√	√	√
6	Bidders Bond (B-21 thru B-22) & Notary Seal or Bid Security Form (B-23)	√	√	√	√	√
7	Statement of Qualifications Contractor and Foremen (B-25 thru B -37)	√	√	√	√	√
8	Statement of Qualifications CIPP Sub	√	√	√	√	√
<b>Total Bid Price</b>		<b>\$1,888,000.00</b>	<b>\$2,177,387.00</b>	<b>\$2,259,748.00</b>	<b>\$2,371,160.00</b>	<b>\$2,393,650.00</b>
<b>Engineer's Opinion of Probable Construction Cost</b>		<b>\$2,266,680.00</b>				

BID ANALYSIS

Mid-Peninsula Water District

DLNO Blvd Water Main Improvements

Bid Opening - 4/8/2025

Bid Item No.	Item	QTY.	UNIT	Engineer's Opinion of Probable Construction Cost \$2,266,680		K.J.Woods Construction \$1,888,000.00		C2R Engineering \$2,177,387.00		Golden Bay Construction \$2,259,748.00		Cratus \$2,371,160.00		Con-Quest Contractors \$2,393,650.00		All Bidders Average (less low and high bid)		All Bidders Average Less Engineers Opinion of Probable Construction Cost		Bid Item Minimum		Bid Item Maximum	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Price Diff (+ or -)	Percent (+ or -)	Unit Price	Total Price	Unit Price	Total Price
1	12" DIP	2,185	LF	\$ 450.00	\$ 983,250.00	\$ 400.00	\$ 874,000.00	\$ 470.00	\$ 1,026,950.00	\$ 516.00	\$ 1,127,460.00	\$ 525.00	\$ 1,147,125.00	\$ 488.00	\$ 1,066,280.00	\$ 503.67	\$ 1,100,511.67	\$ 117,261.67	12%	\$ 400.00	\$ 874,000.00	\$ 525.00	\$ 1,147,125.00
2	8" DIP	360	LF	\$ 400.00	\$ 144,000.00	\$ 500.00	\$ 180,000.00	\$ 450.00	\$ 162,000.00	\$ 505.00	\$ 181,800.00	\$ 450.00	\$ 162,000.00	\$ 445.00	\$ 160,200.00	\$ 468.33	\$ 168,600.00	\$ 24,600.00	17%	\$ 445.00	\$ 160,200.00	\$ 505.00	\$ 181,800.00
3	6" DIP	260	LF	\$ 400.00	\$ 104,000.00	\$ 480.00	\$ 124,800.00	\$ 420.00	\$ 109,200.00	\$ 492.00	\$ 127,920.00	\$ 400.00	\$ 104,000.00	\$ 515.00	\$ 133,900.00	\$ 437.33	\$ 113,706.67	\$ 9,706.67	9%	\$ 400.00	\$ 104,000.00	\$ 515.00	\$ 133,900.00
4	Rehabilitate Existing 6" CIP Cross-Country	310	LF	\$ 500.00	\$ 155,000.00	\$ 500.00	\$ 155,000.00	\$ 380.00	\$ 117,800.00	\$ 535.00	\$ 165,850.00	\$ 450.00	\$ 139,500.00	\$ 226.00	\$ 70,060.00	\$ 455.00	\$ 141,050.00	\$ (13,950.00)	-9%	\$ 226.00	\$ 70,060.00	\$ 535.00	\$ 165,850.00
5	1" Service (Same Location)	10	EA	\$ 4,500.00	\$ 45,000.00	\$ 1,500.00	\$ 15,000.00	\$ 3,200.00	\$ 32,000.00	\$ 5,200.00	\$ 52,000.00	\$ 6,000.00	\$ 60,000.00	\$ 7,400.00	\$ 74,000.00	\$ 4,800.00	\$ 48,000.00	\$ 3,000.00	7%	\$ 1,500.00	\$ 15,000.00	\$ 7,400.00	\$ 74,000.00
6	1" Service (Relocate)	7	EA	\$ 5,000.00	\$ 35,000.00	\$ 1,500.00	\$ 10,500.00	\$ 3,800.00	\$ 26,600.00	\$ 5,800.00	\$ 40,600.00	\$ 6,000.00	\$ 42,000.00	\$ 8,000.00	\$ 56,000.00	\$ 5,200.00	\$ 36,400.00	\$ 1,400.00	4%	\$ 1,500.00	\$ 10,500.00	\$ 8,000.00	\$ 56,000.00
7	12" Gate Valve	21	EA	\$ 6,000.00	\$ 126,000.00	\$ 4,500.00	\$ 94,500.00	\$ 4,800.00	\$ 100,800.00	\$ 4,850.00	\$ 101,850.00	\$ 6,000.00	\$ 126,000.00	\$ 5,300.00	\$ 111,300.00	\$ 5,216.67	\$ 109,550.00	\$ (16,450.00)	-13%	\$ 4,500.00	\$ 94,500.00	\$ 6,000.00	\$ 126,000.00
8	8" Gate Valve	7	EA	\$ 4,500.00	\$ 31,500.00	\$ 2,500.00	\$ 17,500.00	\$ 4,000.00	\$ 28,000.00	\$ 4,410.00	\$ 30,870.00	\$ 4,000.00	\$ 28,000.00	\$ 3,300.00	\$ 23,100.00	\$ 4,136.67	\$ 28,956.67	\$ (2,543.33)	-8%	\$ 2,500.00	\$ 17,500.00	\$ 4,410.00	\$ 30,870.00
9	6" Gate Valve	6	EA	\$ 4,000.00	\$ 24,000.00	\$ 2,000.00	\$ 12,000.00	\$ 3,500.00	\$ 21,000.00	\$ 3,255.00	\$ 19,530.00	\$ 3,300.00	\$ 19,800.00	\$ 2,500.00	\$ 15,000.00	\$ 3,351.67	\$ 20,110.00	\$ (3,890.00)	-16%	\$ 2,000.00	\$ 12,000.00	\$ 3,500.00	\$ 21,000.00
10	2" Combination Air Valve	1	EA	\$ 6,000.00	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 9,240.00	\$ 9,240.00	\$ 7,000.00	\$ 7,000.00	\$ 18,700.00	\$ 18,700.00	\$ 8,746.67	\$ 8,746.67	\$ 2,746.67	46%	\$ 7,000.00	\$ 7,000.00	\$ 18,700.00	\$ 18,700.00
11	Anode Test Station	7	EA	\$ 3,000.00	\$ 21,000.00	\$ 4,000.00	\$ 28,000.00	\$ 5,000.00	\$ 35,000.00	\$ 5,000.00	\$ 35,000.00	\$ 5,000.00	\$ 35,000.00	\$ 8,000.00	\$ 56,000.00	\$ 5,000.00	\$ 35,000.00	\$ 14,000.00	67%	\$ 4,000.00	\$ 28,000.00	\$ 8,000.00	\$ 56,000.00
12	Potential Test Station	6	EA	\$ 3,000.00	\$ 18,000.00	\$ 1,000.00	\$ 6,000.00	\$ 1,000.00	\$ 6,000.00	\$ 2,050.00	\$ 12,300.00	\$ 2,500.00	\$ 15,000.00	\$ 5,500.00	\$ 33,000.00	\$ 1,850.00	\$ 11,100.00	\$ (6,900.00)	-38%	\$ 1,000.00	\$ 6,000.00	\$ 5,500.00	\$ 33,000.00
13	Insulating Test Station	15	EA	\$ 3,000.00	\$ 45,000.00	\$ 1,200.00	\$ 18,000.00	\$ 1,200.00	\$ 18,000.00	\$ 4,900.00	\$ 73,500.00	\$ 2,500.00	\$ 37,500.00	\$ 6,200.00	\$ 93,000.00	\$ 2,866.67	\$ 43,000.00	\$ (2,000.00)	-4%	\$ 1,200.00	\$ 18,000.00	\$ 6,200.00	\$ 93,000.00
14	Potholing (District Requested)	10	EA	\$ 400.00	\$ 4,000.00	\$ 500.00	\$ 5,000.00	\$ 200.00	\$ 2,000.00	\$ 400.00	\$ 4,000.00	\$ 1,000.00	\$ 10,000.00	\$ 800.00	\$ 8,000.00	\$ 533.33	\$ 5,333.33	\$ 1,333.33	33%	\$ 200.00	\$ 2,000.00	\$ 1,000.00	\$ 10,000.00
15	Water Main Abandonment (before)	1	LS	\$ 40,000.00	\$ 40,000.00	\$ 5,000.00	\$ 5,000.00	\$ 9,000.00	\$ 9,000.00	\$ 4,500.00	\$ 4,500.00	\$ 10,000.00	\$ 10,000.00	\$ 13,100.00	\$ 13,100.00	\$ 7,833.33	\$ 7,833.33	\$ (32,166.67)	-80%	\$ 4,500.00	\$ 4,500.00	\$ 13,100.00	\$ 13,100.00
16	Abandon Water Main	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 10,000.00	\$ 10,000.00	\$ 12,000.00	\$ 12,000.00	\$ 6,500.00	\$ 6,500.00	\$ 20,000.00	\$ 20,000.00	\$ 13,100.00	\$ 13,100.00	\$ 12,833.33	\$ 12,833.33	\$ (12,166.67)	-49%	\$ 6,500.00	\$ 6,500.00	\$ 20,000.00	\$ 20,000.00
17	Abandon Water Main at Dekoven Tank	1	LS	\$ 20,000.00	\$ 20,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00	\$ 13,100.00	\$ 13,100.00	\$ 6,666.67	\$ 6,666.67	\$ (13,333.33)	-67%	\$ 5,000.00	\$ 5,000.00	\$ 13,100.00	\$ 13,100.00
18	Abandon Water Main at Wooster Ave	1	LS	\$ 20,000.00	\$ 20,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00	\$ 3,000.00	\$ 3,000.00	\$ 13,100.00	\$ 13,100.00	\$ 5,333.33	\$ 5,333.33	\$ (14,666.67)	-73%	\$ 3,000.00	\$ 3,000.00	\$ 13,100.00	\$ 13,100.00
19	Abandon Fire Hydrent	3	EA	\$ 700.00	\$ 2,100.00	\$ 500.00	\$ 1,500.00	\$ 1,000.00	\$ 3,000.00	\$ 840.00	\$ 2,520.00	\$ 500.00	\$ 1,500.00	\$ 4,200.00	\$ 12,600.00	\$ 780.00	\$ 2,340.00	\$ 240.00	11%	\$ 500.00	\$ 1,500.00	\$ 4,200.00	\$ 12,600.00
20	Remove Gate Valve and Gate Valve Box	8	EA	\$ 5,000.00	\$ 40,000.00	\$ 500.00	\$ 4,000.00	\$ 1,000.00	\$ 8,000.00	\$ 1,900.00	\$ 15,200.00	\$ 500.00	\$ 4,000.00	\$ 1,700.00	\$ 13,600.00	\$ 1,133.33	\$ 9,066.67	\$ (30,933.33)	-77%	\$ 500.00	\$ 4,000.00	\$ 1,900.00	\$ 15,200.00
21	Abandon Gate Valve	22	EA	\$ 2,500.00	\$ 55,000.00	\$ 200.00	\$ 4,400.00	\$ 300.00	\$ 6,600.00	\$ 580.00	\$ 12,760.00	\$ 400.00	\$ 8,800.00	\$ 600.00	\$ 13,200.00	\$ 426.67	\$ 9,386.67	\$ (45,613.33)	-83%	\$ 200.00	\$ 4,400.00	\$ 600.00	\$ 13,200.00
22	6" Fire Hydrant	4	EA	\$ 20,000.00	\$ 80,000.00	\$ 15,000.00	\$ 60,000.00	\$ 18,500.00	\$ 74,000.00	\$ 18,000.00	\$ 72,000.00	\$ 22,000.00	\$ 88,000.00	\$ 24,000.00	\$ 96,000.00	\$ 19,500.00	\$ 78,000.00	\$ (2,000.00)	-3%	\$ 15,000.00	\$ 60,000.00	\$ 24,000.00	\$ 96,000.00
23	Sampling Station	1	EA	\$ 2,000.00	\$ 2,000.00	\$ 3,700.00	\$ 3,700.00	\$ 4,000.00	\$ 4,000.00	\$ 6,825.00	\$ 6,825.00	\$ 7,000.00	\$ 7,000.00	\$ 7,500.00	\$ 7,500.00	\$ 5,941.67	\$ 5,941.67	\$ 3,941.67	197%	\$ 3,700.00	\$ 3,700.00	\$ 7,500.00	\$ 7,500.00
24	Retaining Wall	3	EA	\$ 3,000.00	\$ 9,000.00	\$ 3,000.00	\$ 9,000.00	\$ 4,200.00	\$ 12,600.00	\$ 2,750.00	\$ 8,250.00	\$ 5,000.00	\$ 15,000.00	\$ 8,200.00	\$ 24,600.00	\$ 3,983.33	\$ 11,950.00	\$ 2,950.00	33%	\$ 2,750.00	\$ 8,250.00	\$ 8,200.00	\$ 24,600.00
25	Service Pad	2	EA	\$ 2,700.00	\$ 5,400.00	\$ 800.00	\$ 1,600.00	\$ 4,000.00	\$ 8,000.00	\$ 1,785.00	\$ 3,570.00	\$ 2,000.00	\$ 4,000.00	\$ 4,800.00	\$ 9,600.00	\$ 2,595.00	\$ 5,190.00	\$ (210.00)	-4%	\$ 800.00	\$ 1,600.00	\$ 4,800.00	\$ 9,600.00
26	Curb and Gutter	80	LF	\$ 110.00	\$ 8,800.00	\$ 80.00	\$ 6,400.00	\$ 100.00	\$ 8,000.00	\$ 90.00	\$ 7,200.00	\$ 100.00	\$ 8,000.00	\$ 150.00	\$ 12,000.00	\$ 96.67	\$ 7,733.33	\$ (1,066.67)	-12%	\$ 80.00	\$ 6,400.00	\$ 150.00	\$ 12,000.00

BID ANALYSIS

Mid-Peninsula Water District

DLNO Blvd Water Main Improvements

Bid Opening - 4/8/2025

Bid Item No.	Item	QTY.	UNIT	Engineer's Opinion of Probable Construction Cost \$2,266,680		K.J.Woods Construction \$1,888,000.00		C2R Engineering \$2,177,387.00		Golden Bay Construction \$2,259,748.00		Cratus \$2,371,160.00		Con-Quest Contractors \$2,393,650.00		All Bidders Average (less low and high bid)		All Bidders Average Less Engineers Opinion of Probable Construction Cost		Bid Item Minimum		Bid Item Maximum	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Price Diff (+ or -)	Percent (+ or -)	Unit Price	Total Price	Unit Price	Total Price
27	Concrete Sidewalk/ Driveway Approch	180	SF	\$ 30.00	\$ 5,400.00	\$ 35.00	\$ 6,300.00	\$ 35.00	\$ 6,300.00	\$ 30.00	\$ 5,400.00	\$ 35.00	\$ 6,300.00	\$ 85.00	\$ 15,300.00	\$ 33.33	\$ 6,000.00	\$ 600.00	11%	\$ 30.00	\$ 5,400.00	\$ 85.00	\$ 15,300.00
28	City Standard Concrete Valley Gutter	45	LF	\$ 100.00	\$ 4,500.00	\$ 60.00	\$ 2,700.00	\$ 100.00	\$ 4,500.00	\$ 115.00	\$ 5,175.00	\$ 85.00	\$ 3,825.00	\$ 155.00	\$ 6,975.00	\$ 100.00	\$ 4,500.00	\$ -	0%	\$ 60.00	\$ 2,700.00	\$ 155.00	\$ 6,975.00
29	Striping, Marking, 22	1,170	LF	\$ 6.00	\$ 7,020.00	\$ 6.50	\$ 7,605.00	\$ 10.00	\$ 11,700.00	\$ 15.00	\$ 17,550.00	\$ 15.00	\$ 17,550.00	\$ 13.50	\$ 15,795.00	\$ 13.33	\$ 15,600.00	\$ 8,580.00	122%	\$ 6.50	\$ 7,605.00	\$ 15.00	\$ 17,550.00
30	12" White	30	LF	\$ 15.00	\$ 450.00	\$ 55.00	\$ 1,650.00	\$ 15.00	\$ 450.00	\$ 25.00	\$ 750.00	\$ 40.00	\$ 1,200.00	\$ 30.00	\$ 900.00	\$ 26.67	\$ 800.00	\$ 350.00	78%	\$ 15.00	\$ 450.00	\$ 55.00	\$ 1,650.00
31	Pavement Marking	84	SF	\$ 15.00	\$ 1,260.00	\$ 105.00	\$ 8,820.00	\$ 18.00	\$ 1,512.00	\$ 20.00	\$ 1,680.00	\$ 40.00	\$ 3,360.00	\$ 25.00	\$ 2,100.00	\$ 26.00	\$ 2,184.00	\$ 924.00	73%	\$ 18.00	\$ 1,512.00	\$ 105.00	\$ 8,820.00
32	Storm Water Pollution Control Plan/BMPs	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 12,075.00	\$ 12,075.00	\$ 20,000.00	\$ 20,000.00	\$ 3,000.00	\$ 3,000.00	\$ 5,000.00	\$ 5,000.00	\$ 35,000.00	\$ 35,000.00	\$ 9,333.33	\$ 9,333.33	\$ (666.67)	-7%	\$ 3,000.00	\$ 3,000.00	\$ 35,000.00	\$ 35,000.00
33	Type II Slurry Seal	54,000	SF	\$ 1.00	\$ 54,000.00	\$ 0.55	\$ 29,700.00	\$ 1.00	\$ 54,000.00	\$ 0.60	\$ 32,400.00	\$ 0.80	\$ 43,200.00	\$ 0.71	\$ 38,340.00	\$ 0.80	\$ 43,200.00	\$ (10,800.00)	-20%	\$ 0.55	\$ 29,700.00	\$ 1.00	\$ 54,000.00
34	Street Sweeping	50	DAY	\$ 600.00	\$ 30,000.00	\$ 300.00	\$ 15,000.00	\$ 350.00	\$ 17,500.00	\$ 400.00	\$ 20,000.00	\$ 800.00	\$ 40,000.00	\$ 820.00	\$ 41,000.00	\$ 516.67	\$ 25,833.33	\$ (4,166.67)	-14%	\$ 300.00	\$ 15,000.00	\$ 820.00	\$ 41,000.00
35	Traffic Control Plan	1	LS	\$ 50,000.00	\$ 50,000.00	\$ 30,000.00	\$ 30,000.00	\$ 155,000.00	\$ 155,000.00	\$ 9,500.00	\$ 9,500.00	\$ 70,000.00	\$ 70,000.00	\$ 35,000.00	\$ 35,000.00	\$ 78,166.67	\$ 78,166.67	\$ 28,166.67	56%	\$ 9,500.00	\$ 9,500.00	\$ 155,000.00	\$ 155,000.00
36	Remove & Replace Monument	2	EA	\$ 5,000.00	\$ 10,000.00	\$ 2,500.00	\$ 5,000.00	\$ 3,000.00	\$ 6,000.00	\$ 4,500.00	\$ 9,000.00	\$ 3,000.00	\$ 6,000.00	\$ 3,500.00	\$ 7,000.00	\$ 3,500.00	\$ 7,000.00	\$ (3,000.00)	-30%	\$ 2,500.00	\$ 5,000.00	\$ 4,500.00	\$ 9,000.00
37	Trench Shoring	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 67,000.00	\$ 67,000.00	\$ 32,000.00	\$ 32,000.00	\$ 6,798.00	\$ 6,798.00	\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00	\$ 29,599.33	\$ 29,599.33	\$ 4,599.33	18%	\$ 6,798.00	\$ 6,798.00	\$ 67,000.00	\$ 67,000.00
38	Vertical Depth Adjustment (1 ft to 3 ft)	100	LF	\$ 100.00	\$ 10,000.00	\$ 200.00	\$ 20,000.00	\$ 50.00	\$ 5,000.00	\$ 60.00	\$ 6,000.00	\$ 50.00	\$ 5,000.00	\$ 37.00	\$ 3,700.00	\$ 53.33	\$ 5,333.33	\$ (4,666.67)	-47%	\$ 37.00	\$ 3,700.00	\$ 200.00	\$ 20,000.00
39	2" Asphalt Conncrete Averlay	25	TON	\$ 400.00	\$ 10,000.00	\$ 650.00	\$ 16,250.00	\$ 515.00	\$ 12,875.00	\$ 330.00	\$ 8,250.00	\$ 300.00	\$ 7,500.00	\$ 300.00	\$ 7,500.00	\$ 381.67	\$ 9,541.67	\$ (458.33)	-5%	\$ 300.00	\$ 7,500.00	\$ 650.00	\$ 16,250.00
TOTAL					\$ 2,266,680.00		\$ 1,888,000.00		\$ 2,177,387.00		\$ 2,259,748.00		\$ 2,371,160.00		\$ 2,393,650.00		\$ 2,269,431.67		0.121%		\$ 1,625,475.00		\$ 2,844,790.00

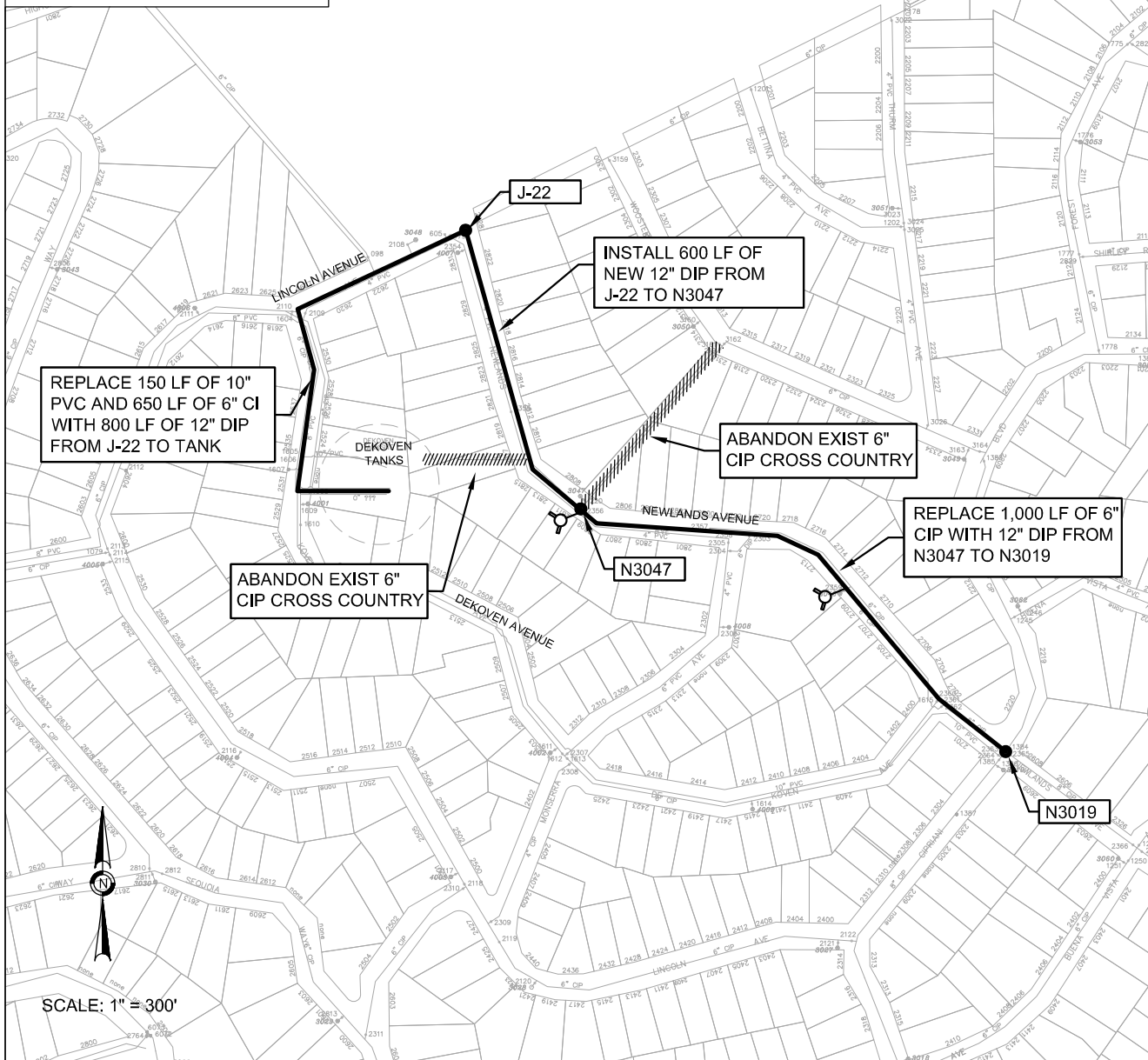
## EXISTING PIPE INFORMATION

Size: 6", 10"

Type: CIP, PVC

Year Installed: 1960, 1983

Static Pressure Range (psi): 10-45



## DEKOVEN TANK UTILIZATION PROJECT

### PROJECT BACKGROUND

The Dekoven Tank Site serves Zone 3 with total storage capacity of 1.7 million gallons. Water is primarily gravity fed from Zone 7 through the West Belmont Pump Station regulator located on Ralston Avenue. Hersom Pump Station can also provide water to the tank however is infrequently used due to over pressurization of the undersized water mains in the area. Each tank has an 8" outlet connected to a 10" polyvinyl chloride pipe (PVC) transitioning to 6" and 8" cast iron pipe (CIP) shortly thereafter. In addition, a 6" CIP cross country main extends of the backside of the tank to Newlands Avenue. This project increases the tank outlets to 12" and continues a 12" ductile iron pipe (DIP) out to Lincoln Avenue and Newlands Avenue. The project abandons the 6" cross country main between Newlands Avenue and Wooster Avenue.

### PROPOSED IMPROVEMENTS

Install new 600 LF of 12" DIP  
Replace 150 LF of 10" PVC and 1,650 LF of 6" CIP with 12" DIP  
Replace 2 fire hydrants  
Replace 14 service connections  
Abandon 2 - 6" cross country mains  
Abandon 325 LF 8" PVC dead end on Dekoven Avenue

### PROJECT BENEFITS

The Dekoven Tanks Utilization Project provides zone wide fire flow improvement, abandons two cross country water mains, and promotes improved water movement.

### PROJECT BUDGET (2024)

12" DIP - 2,400 LF @ \$575/LF	\$ 1,380,000
Fire Hydrants - 2 @ \$15,000/EA	\$ 30,000
Service Connections - 14 @ \$5,250/EA	\$ 73,500
Subtotal Construction	\$ 1,483,500
Planning, Design & Construction Support	\$ 225,000
Construction Inspection	\$ 150,000
Contingency (±10%)	\$ 186,500
<b>Project Budget</b>	<b>\$ 2,045,000</b>

### PROJECT COMPLETED

Completion Date:	
Actual Expenditures	
Planning, Design, & Construction Support:	\$
Construction:	\$
Total Expenditures:	\$



Pakpour Consulting Group, Inc.  
6601 Owens Drive, Suite 230  
Pleasanton, CA 94588  
P: 925.224.7717  
www.pcgengr.com

JOB No.	10012.07
DATE	08/21/24
SCALE	AS NOTED
DRAWN:	BY: BL
	CKD: JP



MID-PENINSULA  
WATER DISTRICT

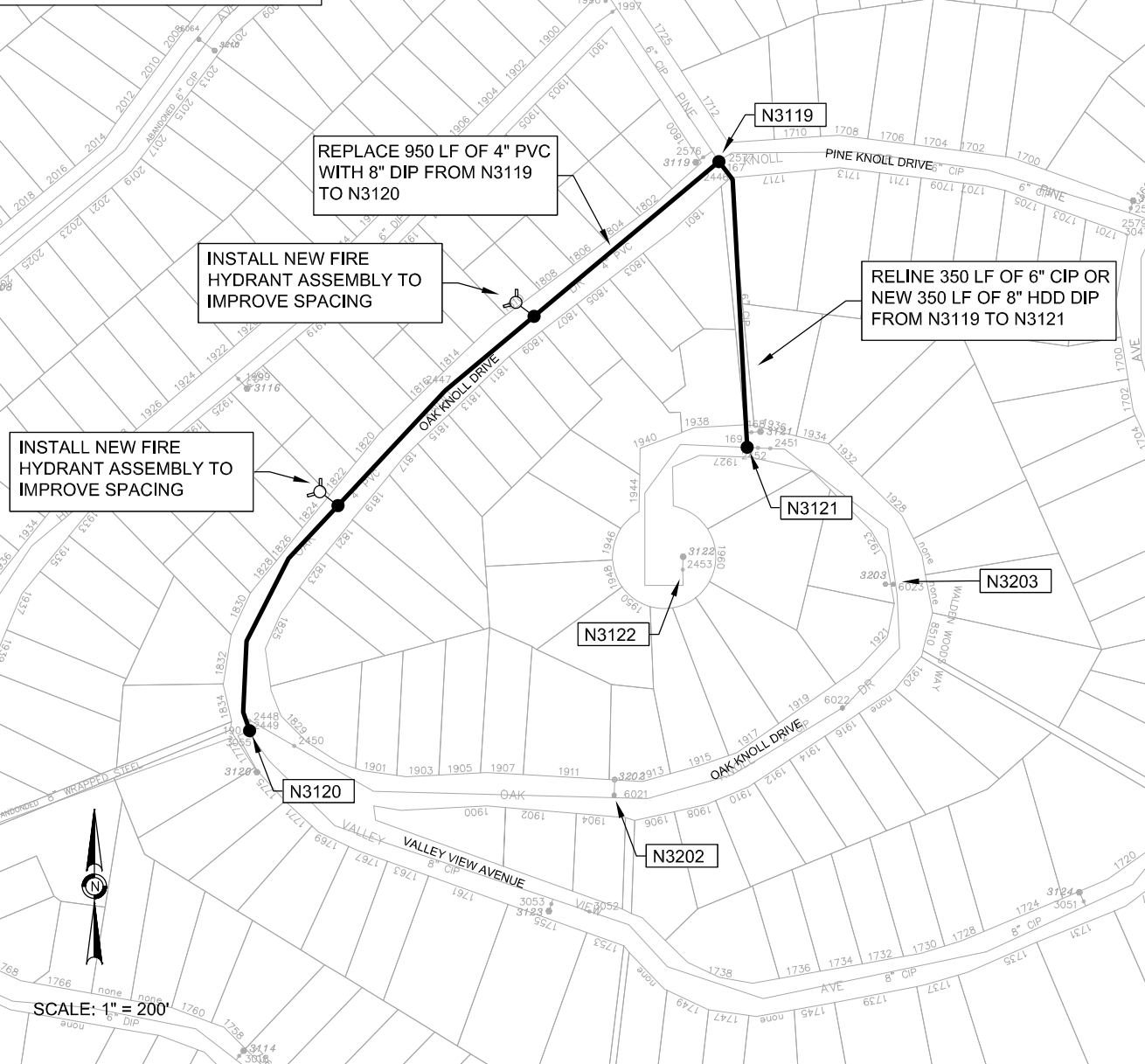
CAPITAL IMPROVEMENT PROGRAM  
DEKOVEN TANK UTILIZATION PROJECT  
PROJECT 15-09

Rev 2 - 2024  
Rev 1 - 2020  
Original 2015



### EXISTING PIPE INFORMATION

Size: 4", 6"  
Type: PVC  
Year Installed: 1956, 1974  
Static Pressure Range (psi): 65-105



## OAK KNOLL DRIVE IMPROVEMENTS

### PROJECT BACKGROUND

Water is currently provided to a portion of Oak Knoll Drive through a 1,520 LF 6" polyvinyl chloride pipe (PVC). A 350 LF 6" cast iron pipe (CIP) cross country main between 1717 Pine Knoll Drive and 1801 Oak Knoll Drive also fed this area however was recently abandoned. In addition, 950 LF of 4" PVC creates a bottleneck on Oak Knoll Drive between Pine Knoll Drive and Valley View Avenue (there are also no hydrants in this section) and the cul-de-sac on Oak Knoll is 100 feet higher than the surrounding streets. All of these characteristics, especially the cross country abandonment, substantially decrease the amount of available fire flows along both Oak Knoll Drive and portions of Valley View Avenue. This project replaces the undersized 4" PVC on Oak Knoll with an 8" ductile iron pipe (DIP) and also reinstates the cross country water main by either relining the existing 6" CIP or installing a new 8" DIP using horizontal directional drilling (HDD). Two new hydrants will also be added to Oak Knoll Drive. Hydraulic analysis indicates a 18% to 68% increase in available fire flows. Distribution System Analysis No. 022

### PROPOSED IMPROVEMENTS

Replace 950 LF of 4" PVC with 8" DIP  
Reline 350 LF of 6" CIP or install new 8" HDD DIP  
Install 2 new fire hydrants  
Replace 33 service connections

### PROJECT BENEFITS

The Oak Knoll Drive Improvements replaces an undersized 4" water main with an 8" DIP and reinstates the previously existing cross country water main to provide additional fire flows in the area. Fire flows on Oak Knoll Drive and Valley View Avenue increase by 18% to 68%.

### PROJECT BUDGET (2024)

8" DIP 950 LF @ \$475/LF	\$ 451,250
8" HDD - 350 LF @ \$1,100/LF	\$ 385,000
Fire Hydrants - 2 @ \$15,000/LF	\$ 30,000
Service Connections - 33 @ \$5,250/EA	\$ 173,250
Subtotal Construction	\$ 1,039,500
Planning, Design & Construction Support	\$ 160,000
Construction Inspection	\$ 105,000
Contingency (±10%)	\$ 130,500
<b>Project Budget</b>	<b>\$ 1,435,000</b>

### PROJECT COMPLETED

Completion Date:	
Actual Expenditures	
Planning, Design, & Construction Support:	\$
Construction:	\$
Total Expenditures:	\$



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JOB No.	10012.07
DATE	08/21/24
SCALE	AS NOTED
DRAWN:	BY <u>BL</u>
CKD	<u>JP</u>



CAPITAL IMPROVEMENT PROGRAM  
OAK KNOLL DRIVE IMPROVEMENTS  
PROJECT 15-19

Rev 2 - 2024  
Rev 1 - 2020  
Original 2015



## ***AGENDA ITEM NO. 7.C.***

DATE: April 24, 2025

TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager  
Kat Wuelfing, General Manager

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**SUBJECT: CONSIDER RESOLUTION 2025-12 AUTHORIZING TASK ORDER 25-11 WITH PAKPOUR CONSULTING GROUP, INC., IN THE AMOUNT OF \$259,839, FOR DESIGN SERVICES FOR THE WEST BELMONT (N), EXBOURNE (W), HALLMARK (N) TANKS IMPROVEMENT PROJECT (CIP 24-08, 24-09 & 24-10)**

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### **RECOMMENDATION**

Approve Resolution 2025-12.

### **FISCAL IMPACT**

The Board had previously approved design work for Pakpour Consulting Group (PCG) for minor improvements and recoating of exteriors and/or interiors of the north West Belmont tank and the west Exbourne tank in the amount of \$78,541.

The work related to Additional Service Request No. 1 (ASR No. 1) is specific to the north Hallmark tank and involves other consultants in addition to PCG. The proposed cost for the consultant services is \$259,839, which would adjust this capital project's budget to \$338,380.

Funding for this capital project would come from the District's Pay-Go capital fund.

### **BACKGROUND**

Design work to prepare plans and specifications for the recoating of tanks at Exbourne and West Belmont have been under way. PCG and staff decided to include the north Hallmark tank in order to increase the capital project size and obtain better bid proposals.

The Hallmark tanks were constructed in 1967 and are the largest capacity tanks in the system at 2.5 million gallons each. Each tank is 24 foot tall, 140 feet in diameter and was built with an overflow of 22 feet to prevent overfilling. They were designed under known seismic criteria at the time, which has evolved. Engineers now have more information about earthquake fault lines and how tanks can be affected during an earthquake. In 2016, both tanks received a structural



analysis using the latest seismic criteria and determined that the maximum operating limit in the tanks should be reduced to 14.5 feet from the initial design of 22 feet to allow adequate freeboard, or distance between the tank water level with the tank's top, to withstand seismic events. The analysis studied several tanks retrofit alternatives to increase each tank's operating level from 14.5 feet using current seismic codes in 2016. The District chose to retrofit each tank to a 16-foot operating level, or about 1.67 million gallons of storage in each tank.

## **DISCUSSION**

The work proposed with ASR No. 1, via TO 25-11, not only prepares the north Hallmark tank for a recoating of the interior and exterior, but it would also follow up on a structural analysis carried out almost 10 years ago. There are new and adopted seismic hazard maps that might change how much it could cost to increase the current maximum operating level of 14.5 feet or increase to 16 feet, or more. The structural engineer sub-consultant, ZFA Structural Engineers, will re-analyze the tank in accordance with AWWA D100-11 and ASCE 07-16 code documents while keeping the maximum operating level at 16 feet. ZFA will also analyze how much it might cost to increase the maximum operating level above 16 feet. It must be noted, the work in ASR No. 1 does not include costs in the event the latest seismic code updates require additional structural engineering services related to foundation improvements, or something else. Once the structural re-evaluation has been completed, then Romig Engineers, a geotechnical engineering firm will carry out a geotechnical investigation of the site to evaluate foundation materials on site and make recommendations to the structural engineer regarding any tank improvements.

The other sub-consultants and PCG will provide supporting work for the overall project. A project schedule for this capital project including all three (3) tank sites will be provided once the seismic re-evaluation for the Hallmark tank has been completed and there is a better sense of how much work beyond the recoating of three tanks is to take place. PCG anticipates that design work will be completed by all consultants so that the project can be bid on with construction starting in the winter of 2025.

### Attachments:

- Resolution 2025-12
- ASR No. 1
- Task Order 25-11
- Project Exhibits

## **RESOLUTION 2025-12**

**AUTHORIZING TASK ORDER 25-11 WITH PAKPOUR CONSULTING GROUP, INC., IN THE AMOUNT OF \$259,839, FOR DESIGN SERVICES FOR THE WEST BELMONT (N), EXBOURNE (W), HALLMARK (N) TANKS IMPROVEMENT PROJECT (CIP 24-08, 24-09 & 24-10).**

\* \* \*

### **MID-PENINSULA WATER DISTRICT**

**WHEREAS**, Pakpour Consulting Group, the District Engineer (PCG) had been previously authorized to prepare plans and specifications for a capital project to make improvements and recoat the exteriors and/or interiors of the north tank at West Belmont (CIP 24-08) and west tank at Exbourne (CIP 24-10) with a budget of \$78,541; and

**WHEREAS**, District staff and PCG decided to include the north tank at Hallmark (CIP 24-09) to the capital project through Additional Service Request No. 1 (ASR No. 1) from PCG at a cost of \$259,839; and

**WHEREAS**, ASR No. 1 includes a structural re-evaluation of the Hallmark north tank (CIP 24-09), a geotechnical report, California Environmental Quality Act analysis, surveying, and a coating analysis in addition to plans and specifications such that the capital project will include improvements and recoating to three (3) of the District's 11 water storage tanks.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby authorizes Task Order 25-11, thereby approving ASR No. 1, which includes additional engineering analysis and design efforts to the north Hallmark tank (CIP 24-09) to be included with the plans and specifications for the north tank at West Belmont (CIP 24-08) and the west tank at Exbourne (CIP 24-10) capital projects. That the budget is increased from \$78,541 by \$259,839 for a new budget of \$338,380.

**REGULARLY PASSED AND ADOPTED** this 24th day of April 2025 by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

---

Board President

ATTEST:

---

District Secretary



April 17, 2025

10012.30

Kat Wuelfing  
General Manager  
Mid-Peninsula Water District  
1075 Old County Road, Ste A  
Belmont, CA 94002

**Subject: Additional Service Request No. 1  
Add Hallmark Tank (North) Structural Retrofit/Recoating CIP 24-09  
West Belmont (N), Exbourne (W), Hallmark (N) Tank Improvements  
Mid-Peninsula Water District**

Dear Kat,

At the District’s request, Pakpour Consulting Group (PCG) is pleased to provide the following proposal to prepare plans, specifications, and cost estimate to add Hallmark Tank (North) Structural Retrofit/Recoating (CIP 24-09) to the existing West Belmont (North), Exbourne (West) Tanks Improvements project now retitled “West Belmont (N), Exbourne (W), Hallmark (N) Tank Improvements.” PCG will team with the following subconsultants to complete this project:

- Structural Engineer: ZFA Structural Engineers (ZFA)
- Environmental Engineer: MIG
- Geotechnical Engineer: Romig Engineers (Romig)
- Surveyor: Dains Land Surveying (DLS)
- Coating Specialist: CSI Services

**Overall Project Budget**

Approved Project Budget – CIP 24-08 & CIP 24-10	\$ 78,541
ASR No. 1 – CIP 24-09 – Hallmark Tank (N) (this request)	\$ 259,839
<b>Revised Budget</b>	<b>\$ 338,380</b>

**Project Background**

**CIP 24-09 – Hallmark Tank (North) Structural Retrofit / Recoating**

The Hallmark Tanks, constructed in 1967, are a critical element of the District's water distribution system providing water to Zone 8 and lower zones. The existing tanks are 140 feet in diameter, approximately 24 feet tall and have capacities of 2.5 million gallons each. A structural analysis in 2016 determined the maximum operating limit (MOL) in the tanks should be reduced to 14.5 feet (from the current 22 feet) allowing adequate freeboard to

withstand seismic events. To increase the useable storage in the tanks, structural engineers assessed several retrofit alternatives while also meeting current seismic codes at the time. For each foot of water level increase in the tanks, the District can gain an additional 230,000 gallons. The District selected to retrofit the tanks to a 16-foot operating level.

A 2023 coating investigation of the North Tank concluded the exterior paint system was weathered, chalked, and in fair condition with some localized rust development and topcoat peeling, primarily at the roof. The interior lining condition and age indicates it is reaching the end of its serviceable life. In addition, the lining on the interior roof is beginning to yield and corrosion of the roof structure will continue to advance. The report recommended full removal/replacement of the exterior coating and interior lining.

In addition to recoating the tank, we will also address any appurtenance upgrades the District requires such as ladders, safety cages, sampling stations, guardrails.

### **Scope of Work**

#### **Task 1.0 – Meetings/Field Investigations/Project Management**

PCG will conduct up to three (3) meetings and up to three (3) field investigations with District staff and/or subconsultants during the design phase. This task also includes various project management tasks throughout the project.

*Deliverables: Meeting Notes as necessary.*

#### **Task 2.0 – Seismic Re-Evaluation**

Our subconsultant, ZFA, will perform an updated seismic analysis for Hallmark Tank. The previous Structural Review and Retrofit Strategy Report, by Cornerstone Structural Engineering Group (CSEG), dated October 12, 2016, identified several seismic vulnerabilities including roof framing damage from wave sloshing and shell overstresses from hydrodynamic hoop tension stress. CSEG completed the report utilizing design seismic values from the American Society of Civil Engineers (ASCE) 07-10 code, which is now outdated. Since the original report, ASCE adopted new seismic hazard maps which further increase the design spectral values and seismic design forces for the site.

The tank is proposed to be analyzed and potentially retrofitted in accordance with the American Water Works Association (AWWA) D100-11 and ASCE 07-16 code documents, while maintaining an MOL of approximately 16 feet. ZFA will also analyze additional MOL's above 16 ft with preliminary cost estimates after which the District will select an MOL. ZFA will review existing documents and provide the seismic analysis in a narrative format for review along with cost estimations for the various options. This work is dependent on the District's sampling and subsequent testing of the tank's lower/middle shell courses. Once this information is obtained, the re-evaluation can begin.

Note, this proposal does not include foundation retrofits as ZFA does not anticipate a foundation retrofit will be needed at this time. However, if the District selects a higher MOL or it is determined the 16' MOL requires modifications based on the code updates, we may need to request an additional service request for foundation design.

*Deliverables: Seismic Analysis Narrative*

### **Task 3.0 – Geotechnical Investigation**

Our subconsultant, Romig, will perform a site geotechnical investigation to evaluate the foundation materials in the area and to provide geotechnical recommendations for design and construction of the proposed water tank improvements. Work will include review of the geologic, geotechnical, seismic conditions in the site vicinity; subsurface exploration consisting of drilling, logging, and sampling; laboratory testing; geotechnical analysis and evaluation; preparation of geotechnical recommendations.

*Deliverables: Geotechnical Report*

### **Task 4.0 – Environmental Investigation**

Our subconsultant, MIG, will conduct an environmental investigation and prepare the necessary environmental documentation. Given the project's nature, we do not anticipate significant environmental impacts, thus hopefully qualifying this project as a CEQA Categorical Exemption (CE). For the purposes of this proposal, we assume this project will qualify for a CE. Should additional environmental documentation be necessary and the project move into an Initial Study, a budget amendment may be required.

*Deliverables: CEQA Documentation*

### **Task 5.0 – Topographic Survey**

If the updated seismic analysis in Task 2.0 indicates Hallmark Tank's foundation requires retrofit, a survey will then be required for the site. We along with our subconsultant, DLS, will research City of Belmont and San Mateo County records for "As-Built" improvement plans, reports, studies and other data pertinent to the project. Topography will be established and tied to horizontal and vertical control. The survey scope will consist of providing reference points, topographic information, establishment and listing of benchmarks and field monuments, site data control, and utility information along affected roads. Existing right-of-way and adjoining property information will be obtained and shown on the project base map.

*Deliverables: Topographic Survey*

### **Task 6.0 – 65% Plans, Specifications, EOPC**

In addition to previously mentioned subconsultants, PCG will team with CSI Services, a coating design/selection specialist, in assisting us in selecting the best coating system for the tank and preparing the technical specifications. Work will include sampling the interior and exterior of Hallmark Tank for heavy metals in accordance with proper EPA Protocols. Sampling will allow

the District to properly address in the specifications any special handling requirements for said material if determined hazardous.

PCG will prepare the 65% specifications (Word), plans (22x34 sheets in AutoCAD Civil 3D), and Estimate of Probable Costs (EOPC) and submit for District review and comment. PCG will participate in the review process. The 65% submittal will be reissued in its entirety to capture all three tanks (Exbourne, West Belmont, and Hallmark).

*Deliverables: 65% Plans, Specifications, EOPC*

#### **Task 7.0 – 90% Plans, Specifications, EOPC**

PCG will carry the 65% submittal to 90% completion by adding details, additional information, and addressing District comments. The specifications will be incorporated into the District's "boilerplate" to produce draft bid documents. Bid quantities will be estimated for each item of work and cost estimate refined. PCG will submit the 90% design for review and participate in the review process.

*Deliverables: 90% Plans, Specifications, EOPC*

#### **Task 8.0 – Final Bid Documents**

Upon receiving 90% review comments, PCG will review each comment and address accordingly. PCG will make appropriate modifications to the bid documents to finalize and set the project up for advertising.

*Deliverables: Final Bid Documents*

#### **Task 9.0 – Advertisement/Award Period**

PCG will administer the advertisement and award process on the District's behalf and will include written responses to bidder inquiries, preparation of contract addenda, and attend/lead the pre-bid conference and site visit.

*Deliverables: Bidder Inquiry Responses, Addendums*

#### **Proposed Schedule**

PCG will provide a schedule once the seismic re-evaluation is complete as it will dictate topographic survey/geotechnical investigation necessity which will ultimately impact the schedule. PCG anticipates design completion finished in time to begin construction in Winter 2025.

April 17, 2025 – Page 5

Wuelfing – West Belmont (N), Exbourne (W), Hallmark (N) Tank Improvements – ASR No. 1

**Proposed Budget**

Task	Description	District Engineer \$270	Senior Engineer \$235	Assistant Engineer \$165	TOTAL
		Hours			
1.0	Meetings/Field Investigations/PM	4	60	20	84
2.0	Seismic Re-Evaluation	2	8	8	18
3.0	Geotechnical Investigation	0	4	16	20
4.0	Environmental Investigation	0	4	16	20
5.0	Topographic Survey	0	4	16	20
6.0	65% Plans, Specifications, EOPC	4	80	20	104
7.0	90% Plans, Specifications, EOPC	4	60	20	84
8.0	Final Bid Documents	4	40	20	64
9.0	Advertisement / Award Period	4	40	20	64
Total Hours		22	300	156	478
Direct Labor		<b>\$5,940</b>	<b>\$70,500</b>	<b>\$25,740</b>	<b>\$102,180</b>

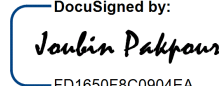
Structural Consultant - ZFA	<b>\$95,700</b>
Environmental Consultant - MIG	<b>\$12,041</b>
Topographic Surveyor - DLS	<b>\$20,075</b>
Geotechnical Consultant - Romig	<b>\$22,000</b>
Coating Consultant - CSI Services	<b>\$2,734</b>
5% Direct Expense Fee (Mileage, Copies, Plots, Etc.)	<b>\$5,109</b>

<b>Total Budget</b>	<b>\$259,839</b>
---------------------	------------------

Should you have any questions regarding this proposal, please do not hesitate to contact me at (925) 224-7717. We look forward to working with the District on this project.

Very truly yours,

**Pakpour Consulting Group, Inc.**

DocuSigned by:  
  
 FD1650F8C0904EA...  
 Joubin Pakpour, PE  
 President

Enclosures: CIP 24-09 Exhibit

cc: Rene Ramirez, Operations Manager, MPWD, [rramirez@midpeninsulawater.org](mailto:rramirez@midpeninsulawater.org)  
 Mike Anderson, Field Operations Supervisor, MPWD, [MikeA@midpeninsulawater.org](mailto:MikeA@midpeninsulawater.org)  
 Brandon Laurie, Senior Engineer, PCG, [blaurie@pcgengr.com](mailto:blaurie@pcgengr.com)  
 Hamed Khatibi, Assistant Engineer, PCG, [hkhatibi@pcgengr.com](mailto:hkhatibi@pcgengr.com)

J:\Projects\MPWD - 10012.00\30 - West Belmont (N), Exbourne (W), Hallmark (N) Tanks Improvements\Contract\Agency\30-MPWD-Wuelfing-25.04.17-West Belmont (N), Exbourne (W), Hallmark (N) Tank Improvements-ASR 1.docx



## Mid-Peninsula Water District Task Order Form

<b>Title:</b> Hallmark Tank (North) Structural Retrofit / Recoating (CIP 24-09)		Page 1 of 1	
<b>1. Consultant:</b> Pakpour Consulting Group, Inc.		<b>2. Reference Contract No. &amp; Date:</b> Amended & Restated Contract for Professional Services dated July 1, 2021	
<b>3. Task Order No.:</b> 25-11		<b>4. Task Order Type:</b> District Engineer Capital Project Support	
<b>5. Period Of Performance:</b> Services through duration of project			
<b>6. Cost History</b>		COST	FEE
This Action Amount		\$	259,839.00
Previously Approved Amount		\$	78,541.00
NEW TOTAL		\$	338,380.00
Except as otherwise expressly provided herein, the Contractor/Consultant shall perform the work described below in accordance with all terms and conditions of the Contract referenced above.			
<b>7. Summary of Work to be Performed Under Task Order:</b>  The scope for this task order entails preparing plans, specifications, and cost estimate to add Hallmark Tank (North) Structural Retrofit / Recoating (CIP 24-09) to the existing West Belmont (North), Exbourne (West) Tanks Improvements project now retitled "West Belmont (N), Exbourne (W), Hallmark (N) Tank Improvements."			
<b>8. T. O. Documentation Requirements:</b> PCG Proposal Dated April 17, 2025. Update to District expense tracking sheet for professional services.		<b>9. Schedule/Deliverables:</b> As listed in PCG Proposal Dated April 17, 2025.	
<b>10. Payment Provisions:</b> District will remit payment upon receipt of monthly invoice from District Engineer.			
<b>11. Contractor/Consultant Project Manager:</b> Joubin Pakpour, PE		<b>Phone Number:</b> (925) 224-7717	
<b>AUTHORIZED SIGNATURES</b>			
<b>12. Mid-Peninsula Water District</b>		<b>13. Contractor/Consultant</b>	
Signature: _____		Signature: _____	
Print Name: _____ Kat Wuelfing		Print Name: _____ Joubin Pakpour, PE	
Title: _____ General Manager		Title: _____ President	
Date: _____		Date: _____	

**EXISTING PIPE INFORMATION**  
Size: N/A  
Type: N/A  
Year Installed: N/A  
Static Pressure Range (psi): N/A



## EXBORNE TANK (WEST) RECOATING

### PROJECT BACKGROUND

The Exborne Tanks in combination with Hersom Tank provide water to Zone 2. The Exborne site has two tanks with 1 MG (West) and 1.5 MG (East) capacities. A 2023 coating investigation of the West Tank concluded the exterior paint system was weathered, chalked, and in fair to poor condition with some localized rust development and topcoat peeling. The interior lining was in poor condition above the highest water level (HWL) and fair below the HWL. The lining of the interior roof has failed and corrosion of the roof structure will continue to advance unless coating replacement occurs. The report recommended spot repairs and an overcoat of the exterior and a full removal/replacement of the interior lining.

### PROPOSED IMPROVEMENTS

Recoat the West Tank's exterior and interior.

### PROJECT BENEFITS

The Exborne Tank (West) Recoating will extend the service life of the tank an additional 20-30 years.

### PROJECT BUDGET (2024)

Exterior Spot Repair / Overcoat	\$ 100,000
Interior Relining	\$ 350,000
Subtotal Construction	\$ 450,000
Planning, Design & Construction Support	\$ 115,000
Construction Inspection	\$ 45,000
Contingency (±10%)	\$ 65,000
Project Budget	\$ 675,000

### PROJECT COMPLETED

Completion Date:	
Actual Expenditures	
Planning, Design, & Construction Support:	\$
Construction:	\$
Total Expenditures:	\$



Pakpour Consulting Group, Inc.  
6601 Owens Drive, Suite 230  
Pleasanton, CA 94588  
P: 925.224.7717  
www.pcgengr.com

JOB No.	10012.07
DATE	08/21/24
SCALE	AS NOTED
DRAWN: BY	BL
CKD	JP



CAPITAL IMPROVEMENT PROGRAM  
EXBORNE TANK (WEST) RECOATING  
PROJECT 24-08

Original 2024

EXISTING PIPE INFORMATION

Size: N/A  
Type: N/A  
Year Installed: N/A  
Static Pressure Range (psi): N/A



HALLMARK TANK (NORTH)  
STRUCTURAL RETROFIT / RECOATING

PROJECT BACKGROUND

The Hallmark Tanks, constructed in 1967, are a critical element of the District's water distribution system providing water to Zone 8 and lower zones. The existing tanks are 140 feet in diameter, approximately 24 feet tall and have capacities of 2.5 million gallons each. A structural analysis determined the maximum capacity level (MCL) in the tanks should be reduced to 14.5 feet (from the current 22 feet) allowing adequate freeboard to withstand seismic events. To increase the useable storage in the tanks, structural engineers assessed several retrofit alternatives while also meeting current seismic codes. For each foot of water level increase in the tanks, the District can gain an additional 230,000 gallons. The District selected to retrofit the tanks to a 16 foot operating level.

A 2023 coating investigation of the North Tank concluded the exterior paint system was weathered, chalked, and in fair condition with some localized rust development and topcoat peeling, primarily at the roof. The interior lining condition and age indicates it is reaching the end of its serviceable life. In addition, the lining on the interior roof is beginning to yield and corrosion of the roof structure will continue to advance. The report recommended full removal/replacement of the exterior coating and interior lining.

PROPOSED IMPROVEMENTS

Structurally retrofit the tank to accommodate a 16 ft operating level. Recoat the exterior and interior.

PROJECT BENEFITS

The Hallmark Tank (North) Structural Retrofit / Recoating increases the operating level to 16 feet while still being able to withstand a seismic events. Recoating the tank will also extend the tanks service life.

PROJECT BUDGET (2024)

Structural Retrofit	\$ 600,000
Exterior Recoat	\$ 600,000
Interior Relining	\$ 1,000,000
Subtotal Construction	\$ 2,200,000
Planning, Design & Construction Support	\$ 330,000
Construction Inspection	\$ 220,000
Contingency (±10%)	\$ 300,000
Project Budget	\$ 3,050,000

PROJECT COMPLETED

Completion Date:	
Actual Expenditures	
Planning, Design, & Construction Support:	\$
Construction:	\$
Total Expenditures:	\$



Pakpour Consulting Group, Inc.  
6601 Owens Drive, Suite 230  
Pleasanton, CA 94588  
P: 925.224.7717  
www.pcgengr.com

JOB No.	10012.07
DATE	07/18/24
SCALE	AS NOTED
DRAWN: BY	BL
CKD	JP



CAPITAL IMPROVEMENT PROGRAM  
HALLMARK TANK (NORTH) RETROFIT / RECOATING  
PROJECT 24-09

Original 2024



**EXISTING PIPE INFORMATION**  
Size: N/A  
Type: N/A  
Year Installed: N/A  
Static Pressure Range (psi): N/A



**WEST BELMONT TANK (NORTH)  
RECOATING**

**PROJECT BACKGROUND**  
The West Belmont Tanks provide water to Zone 7 in addition to the lower zones. The West Belmont site has two tanks with 1.6 MG capacities. A 2023 coating investigation of the North Tank concluded the exterior paint system was weathered, chalked, and in poor to fair condition with widespread rust development and topcoat peeling, primarily at the shell. The paint adhesion is satisfactory and film thickness measurements indicate the existing paint system is suitable for overcoating. The interior lining was in good condition both above and below the highest water level (HWL) however it is progressing towards the end of its serviceable life. The report recommended spot repairs and an overcoat of the exterior and adding the tank to a 5 year inspection schedule per AWWA.

**PROPOSED IMPROVEMENTS**  
Recoat the North tank's exterior.

**PROJECT BENEFITS**  
The West Belmont Tank (North) Recoating will extend the service life of the tank an additional 20-30 years.

PROJECT BUDGET (2024)	
Exterior Spot Repair/Overcoat	\$ 70,000
Interior Dive inspection	\$ 6,500
Subtotal Construction	\$ 76,500
Planning, Design & Construction Support	\$ 30,000
Construction Inspection	\$ 10,000
Contingency (±10%)	\$ 13,500
Project Budget	\$ 130,000

PROJECT COMPLETED	
Completion Date:	
Actual Expenditures	
Planning, Design, & Construction Support:	\$
Construction:	\$
Total Expenditures:	\$



Pakpour Consulting Group, Inc.  
6601 Owens Drive, Suite 230  
Pleasanton, CA 94588  
P: 925.224.7717  
www.pcgengr.com

JOB No.	10012.07
DATE	08/21/24
SCALE	AS NOTED
DRAWN: BY	BL
CKD	JP



**CAPITAL IMPROVEMENT PROGRAM  
WEST BELMONT TANK (NORTH) RECOATING  
PROJECT 24-10**



## ***AGENDA ITEM NO. 8.A.***

DATE: April 24, 2025

TO: Board of Directors

FROM: Kat Wuelfing, General Manager  
James Ramsey, District Treasurer

---

**SUBJECT: RECEIVE AND ACCEPT THE FINANCIAL AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024, PRESENTED BY DISTRICT AUDITOR, C.J. BROWN & COMPANY CPAS**

---

### **RECOMMENDATION**

Receive and accept the financial audit report for the fiscal year ended June 30, 2024, presented by Jonathan Abadesco from the office of District auditor, C.J. Brown & Company CPAs (C.J. Brown).

### **FISCAL IMPACT**

The cost of this year's audit was \$23,705 to C.J. Brown, plus the cost of time to support the audit by the District Treasurer.

### **DISCUSSION**

Attached are the financial audit reports for Fiscal Year Ended June 30, 2024 and related documents, which will be presented by Jonathan Abadesco from the firm. These are marked draft and will be finalized by C.J. Brown following acceptance by the Board. This is the second year that C.J. Brown has performed an audit of the District.

An audit exit conference was facilitated by Chris Brown on April 17, 2025, with the Board's Finance Committee, District Treasurer, and District Management.

Attachments: MPWD Annual Financial Report for the Fiscal Year Ended June 30, 2024, Draft  
MPWD Management Report, June 30, 2024, Draft



# MID-PENINSULA WATER DISTRICT

**Mid-Peninsula Water District**

**Annual Financial Report**

**For the Fiscal Years Ended June 30, 2024 and 2023**

Working Draft Subject to Review



### **Mission Statement**

*The mission of MPWD is to deliver a safe, high-quality, reliable supply of water for current and future generations in a cost-effective, environmentally sensitive, and efficient manner.*

### **Mid-Peninsula Water District**

#### **Board of Directors as of June 30, 2024**

<u>Name</u>	<u>Title</u>	<u>Elected/ Appointed</u>	<u>Current Term</u>
Matthew P. Zucca	President	Elected	11/20 - 11/24
Catherine M. Jordan	Vice President	Elected	11/22 - 11/26
Brian Schmidt	Director	Elected	11/22 - 11/26
Louis J. Vella	Director	Elected	11/20 - 11/24
Kirk R. Wheeler	Director	Elected	11/22 - 11/26

**Mid-Peninsula Water District  
Kat Wuelfing, General Manager  
1075 Old County Road, Suite A  
Belmont, California 94002  
(650) 591-8941 – [www.midpeninsulawater.org](http://www.midpeninsulawater.org)**

**Mid-Peninsula Water District**  
**Annual Financial Report**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

Working Draft Subject to Review



**Mid-Peninsula Water District**  
**Annual Financial Report**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

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## **Financial Section**

Working Draft Subject to Review

*Working Draft Subject to Review*

## **Independent Auditor's Report**

Board of Directors  
Mid-Peninsula Water District  
Belmont, California

### **Report on the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Mid-Peninsula Water District (District), which comprises the statement of net position as of June 30, 2024 and 2023, and the related statement of revenues, expenses, and changes in net position for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Mid-Peninsula Water District as of June 30, 2024 and 2023, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Independent Auditor's Report, continued**

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audits.

### ***Emphasis of Matter***

As described in Note 12 to the financial statements, the District restated its net position for material differences identified for the year ended June 30, 2023 during the audit of the June 30, 2024 financial statements. As a result, the District has restated its net position. Our opinion is not modified with respect to this matter.

## **Independent Auditor's Report, continued**

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 and the required supplementary information on pages 55 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 59 and 60.

**C.J. Brown & Company, CPAs**  
Cypress, California  
April 24, 2025

**Mid-Peninsula Water District**  
***Management's Discussion and Analysis***  
**For the Fiscal Years Ended June 30, 2024 and 2023**

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Mid-Peninsula Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

**Financial Highlights**

- In the fiscal year 2024, the District's net position increased 2.48% or \$951,814 to \$39,394,885 as a result from ongoing operations. In the fiscal year 2023, the District's net position increased 0.20% or \$77,738 to \$38,443,071 as a result from ongoing operations.
- In the fiscal year 2024, the District's operating revenues increased 7.85% or \$1,024,951 to \$14,078,840. In the fiscal year 2023, the District's operating revenues decreased 7.54% or \$1,065,140 to \$13,053,889.
- In the fiscal year 2024, the District's non-operating revenues increased 55.87% or \$874,007 to \$2,438,262. In the fiscal year 2023, the District's non-operating revenues increased 17.17% or \$229,175 to \$1,564,255. Please see the Total Revenues table on page 7.
- In the fiscal year 2024, the District's operating expenses (excluding depreciation) decreased 4.49% or \$637,193 to \$13,551,815. In the fiscal year 2023, the District's operating expenses (excluding depreciation) increased 56.76% or \$5,137,303 to \$14,189,008.
- In the fiscal year 2024, the District's non-operating expenses decreased 30.76% or \$288,072 to \$648,462. In the fiscal year 2023, the District's non-operating expenses increased 44.12% or \$286,718 to \$936,534. Please see the Total Expenses table on page 8.
- In the fiscal year 2024, the District's capital contributions decreased 100.00% or \$1,645,297 to \$0. In the fiscal year 2023, the District's capital contributions increased 1.64% or \$26,597 to \$1,645,297.

**Required Financial Statements**

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position include all of the District's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows report cash receipts, cash payments, and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

### Financial Analysis of the District

One of the most important question asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in it. One can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 16 through 54.

### Statements of Net Position

Condensed Statements of Net Position					
	2024	As Restated 2023	Change	As Restated 2022	Change
<b>Assets:</b>					
Current assets	\$ 20,790,723	23,001,789	(2,211,066)	24,683,369	(1,681,580)
Non-current assets	1,461,841	3,120,085	(1,658,244)	2,613,036	507,049
Capital assets, net	37,728,150	31,942,206	5,785,944	30,415,663	1,526,543
<b>Total assets</b>	<b>59,980,714</b>	<b>58,064,080</b>	<b>1,916,634</b>	<b>57,712,068</b>	<b>352,012</b>
<b>Deferred outflows of resources</b>	<b>1,660,054</b>	<b>2,190,025</b>	<b>(529,971)</b>	<b>388,783</b>	<b>1,801,242</b>
<b>Liabilities:</b>					
Current liabilities	3,014,543	2,441,604	572,939	2,272,857	168,747
Non-current liabilities	16,846,827	17,107,918	(261,091)	17,287,167	(179,249)
<b>Total liabilities</b>	<b>19,861,370</b>	<b>19,549,522</b>	<b>311,848</b>	<b>19,560,024</b>	<b>(10,502)</b>
<b>Deferred inflows of resources</b>	<b>2,384,513</b>	<b>2,261,512</b>	<b>123,001</b>	<b>2,736,860</b>	<b>(475,348)</b>
<b>Net position:</b>					
Net investment in capital assets	20,972,252	19,574,695	1,397,557	20,051,512	(476,817)
Restricted	528,881	5,459,867	(4,930,986)	7,634,741	(2,174,874)
Unrestricted	17,893,752	13,408,509	4,485,243	10,679,080	2,729,429
<b>Total net position</b>	<b>\$ 39,394,885</b>	<b>38,443,071</b>	<b>951,814</b>	<b>38,365,333</b>	<b>77,738</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$39,394,885 and \$38,443,071 as of June 30, 2024 and 2023, respectively.



**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Statements of Net Position, continued**

By far, the largest portion of the District's net position (53% and 51% as of June 30, 2024 and 2023, respectively) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending or liquidating liabilities.

At the end of fiscal year 2024 and 2023, the District showed a positive balance in its unrestricted net position of \$17,893,752 and \$13,408,509, respectively, which may be utilized in future years. See Note 11 for further information.

**Statements of Revenues, Expenses, and Changes in Net Position**

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	2024	As Restated 2023	Change	As Restated 2022	Change
<b>Operations:</b>					
Operating revenues	\$ 14,078,840	13,053,889	1,024,951	14,119,029	(1,065,140)
Operating expenses	13,551,815	14,189,008	(637,193)	9,051,705	5,137,303
Operating (loss) income before depreciation	527,025	(1,135,119)	1,662,144	5,067,324	(6,202,443)
Depreciation	(1,365,011)	(1,060,161)	(304,850)	(1,045,659)	(14,502)
<b>Operating (loss) income</b>	<b>(837,986)</b>	<b>(2,195,280)</b>	<b>1,357,294</b>	<b>4,021,665</b>	<b>(6,216,945)</b>
<b>Non-operating revenue (expenses):</b>					
Property tax revenue	542,478	506,145	36,333	438,258	67,887
Rental income – cellular site leases	189,456	180,005	9,451	172,281	7,724
Investment earnings, net of fair value	1,132,554	775,171	357,383	(79,849)	855,020
Interest expense – long-term debt	(618,351)	(638,204)	19,853	(649,816)	11,612
Gain(Loss) on asset disposal	11,453	(205,630)	217,083	-	(205,630)
Flood damage insurance proceeds	539,706	-	539,706	-	-
Capital contribution to other agency	-	(92,700)	92,700	-	(92,700)
Other non-operating revenues	22,615	102,934	(80,319)	804,390	(701,456)
Other non-operating expenditures	(30,111)	-	(30,111)	-	-
Total non-operating revenues, net	1,789,800	627,721	1,162,079	685,264	(57,543)
<b>Net income (loss) before capital contributions</b>	<b>951,814</b>	<b>(1,567,559)</b>	<b>2,519,373</b>	<b>4,706,929</b>	<b>(6,274,488)</b>
<b>Capital contributions:</b>					
Developers and others	-	-	-	13,332	(13,332)
Capacity charges	-	1,645,297	(1,645,297)	1,605,368	39,929
Total capital contributions	-	1,645,297	(1,645,297)	1,618,700	26,597
<b>Change in net position</b>	<b>951,814</b>	<b>77,738</b>	<b>874,076</b>	<b>6,325,629</b>	<b>(6,247,891)</b>
<b>Net position, beginning of period, as previously stated</b>	<b>38,443,071</b>	<b>36,355,311</b>	<b>2,087,760</b>	<b>32,039,704</b>	<b>4,315,607</b>
Prior period adjustment	-	2,010,022	(2,010,022)	-	2,010,022
<b>Net position, beginning of period, as restated</b>	<b>38,443,071</b>	<b>38,365,333</b>	<b>77,738</b>	<b>32,039,704</b>	<b>6,325,629</b>
<b>Net position, end of period</b>	<b>\$ 39,394,885</b>	<b>38,443,071</b>	<b>951,814</b>	<b>38,365,333</b>	<b>77,738</b>

**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Statements of Revenues, Expenses, and Changes in Net Position, continued**

The Statements of Revenues, Expenses, and Changes of Net Position show how the District's net position changed during the fiscal years. In the case of the District, net position increased 2.48% or \$951,814, in fiscal year 2024 to \$39,394,885 as a result from ongoing operations. In fiscal year 2023, net position increased 0.20% or \$77,738 to \$38,443,071 as a result from ongoing operations.

**Total Revenues**

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>	<u>As Restated 2022</u>	<u>Change</u>
<b>Operating revenues:</b>					
Water consumption sales	\$ 10,600,551	9,591,422	1,009,129	10,717,520	(1,126,098)
Meter service charges	3,246,456	3,175,460	70,996	3,176,734	(1,274)
Other charges	231,833	287,007	(55,174)	224,775	62,232
Total operating revenues	<u>14,078,840</u>	<u>13,053,889</u>	<u>1,024,951</u>	<u>14,119,029</u>	<u>(1,065,140)</u>
<b>Non-operating revenues:</b>					
Property tax revenue	542,478	506,145	36,333	438,258	67,887
Rental income – cellular site leases	189,456	180,005	9,451	172,281	7,724
Investment earnings, net of fair value	1,132,554	775,171	357,383	(79,849)	855,020
Gain on asset disposal	11,453	-	11,453	-	-
Flood damage insurance proceeds	539,706	-	539,706	-	-
Other non-operating revenues, net	22,615	102,934	(80,319)	804,390	(701,456)
Total non-operating revenues	<u>2,438,262</u>	<u>1,564,255</u>	<u>874,007</u>	<u>1,335,080</u>	<u>229,175</u>
<b>Capital contributions:</b>					
Developers and others	-	-	-	13,332	(13,332)
Capacity charges	-	1,645,297	(1,645,297)	1,605,368	39,929
Total capital contributions	<u>-</u>	<u>1,645,297</u>	<u>(1,645,297)</u>	<u>1,618,700</u>	<u>26,597</u>
<b>Total revenues</b>	<u>\$ 16,517,102</u>	<u>16,263,441</u>	<u>253,661</u>	<u>17,072,809</u>	<u>(809,368)</u>

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2024, total revenues increased 1.56% or \$253,661 to \$16,517,102. Operating revenues increased 7.85% or \$1,024,951 to \$14,078,840, due to increases of \$1,009,129 in water consumption sales and \$70,996 in meter service charges, offset by a decrease of \$55,174 in other charges as compared to the prior year. In fiscal year 2023, total revenues decreased 4.74% or \$809,368 to \$16,263,441. Operating revenues decreased 7.54% or \$1,065,140 to \$13,053,889, due to a decrease in water consumption sales.

Non-operating revenues increased 55.87% or \$874,007 to \$2,438,262, primarily due to increases of \$539,706 in flood damage insurance recovery, \$357,383 in investment returns, and \$36,333 in property taxes, offset by a decrease of \$80,319 in other non-operating revenues as compared to the prior year. In fiscal year 2023, non-operating revenues increased 17.17% or \$229,175 to \$1,564,255, primarily due to increases of \$855,020 in investment returns and \$67,887 in property taxes, offset by a decrease of \$701,456 in other non-operating revenues as compared to the prior year.

In fiscal year 2024, the District's capital contributions decreased 100.00% or \$1,645,297 to \$0, due to a decrease in capacity charges as compared to the prior year. In fiscal year 2023, the District's capital contributions increased 1.64% or \$26,597 to \$1,645,297 due to an increase of \$39,929 in capacity charges, offset by a decrease of \$13,332 in capital contributions sourcing from developers and others as compared to the prior year.

**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Total Expenses**

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>	<u>As Restated 2022</u>	<u>Change</u>
<b>Operating expenses including depreciation expense:</b>					
Salaries and benefits	\$ 3,957,209	5,587,769	(1,630,560)	573,160	5,014,609
Purchased water	6,271,170	5,751,769	519,401	5,435,495	316,274
Maintenance and rehabilitation	787,431	735,753	51,678	735,845	(92)
Utilities	524,734	430,917	93,817	371,870	59,047
Professional services	1,147,892	742,212	405,680	1,061,545	(319,333)
General and administrative	863,379	940,588	(77,209)	873,790	66,798
Depreciation and amortization	1,365,011	1,060,161	304,850	1,045,659	14,502
<b>Total operating expenses including depreciation and amortization expense</b>	<u>14,916,826</u>	<u>15,249,169</u>	<u>(332,343)</u>	<u>10,097,364</u>	<u>5,151,805</u>
<b>Non-operating expenses:</b>					
Interest expense – long-term debt	618,351	638,204	(19,853)	649,816	(11,612)
Loss on asset disposal	-	205,630	(205,630)	-	205,630
Capital contribution to other agency	-	92,700	(92,700)	-	92,700
Other non operating expense	30,111	-	30,111	-	-
<b>Total non-operating expenses</b>	<u>648,462</u>	<u>936,534</u>	<u>(288,072)</u>	<u>649,816</u>	<u>286,718</u>
<b>Total expenses</b>	<u>\$ 15,565,288</u>	<u>16,185,703</u>	<u>(620,415)</u>	<u>10,747,180</u>	<u>5,438,523</u>

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2024, total expenses decreased 3.83% or \$620,415 to \$15,565,288. Operating expenses (including depreciation) decreased 2.18% or \$332,343 to \$14,916,826, due to decreases of \$1,630,530 in salaries and benefits which includes \$1,626,910 in pension and OPEB related actuarial adjustments as compared to prior year and \$77,209 in general and administrative expenses, offset by increases of \$519,401 in purchased water, \$405,680 in professional fees, \$304,850 in depreciation and amortization, \$93,817 in utilities, and \$51,678 in maintenance and rehabilitation as compared to the prior year. In fiscal year 2023, total expenses increased 50.60% or \$5,438,523 to \$16,185,703. Operating expenses (including depreciation) increased 51.02% or \$5,151,805 to \$15,249,169, primarily due to increases of \$5,014,609 in salaries and benefits which includes \$2,054,495 in pension related prior period and actuarial adjustments as compared to prior year, \$316,274 in purchased water, \$66,798 in general and administrative, and \$59,047 in utilities, which were offset by a decrease of \$319,333 in professional fees as compared to the prior year.

Non-operating expenses decreased 30.76% or \$288,072 to \$648,462, due to decreases of \$205,630 in loss on asset disposal, \$92,700 in capital contribution to other agency, \$19,853 in interest related to long-term debt, offset by an increase of \$30,111 in other non-operating expenses as compared to the prior year. In fiscal year 2023, non-operating expenses increased 44.12% or \$286,718 to \$936,534, due to increases of \$205,630 in loss on asset disposal and \$92,700 in capital contribution to other agency, offset by a decrease of \$11,612 in interest related to long-term debt as compared to the prior year.

**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Capital Asset Administration**

Changes in capital asset amounts for 2024 were as follows:

	<u>As Restated 2023</u>	<u>Additions</u>	<u>Transfers / Deletions</u>	<u>Balance 2024</u>
Capital assets:				
Non-depreciable assets	\$ 9,387,895	7,373,081	(7,280,303)	9,480,673
Depreciable and amortizable assets	54,297,731	7,058,177	-	61,355,908
Accumulated depreciation and amortization	<u>(31,743,420)</u>	<u>(1,365,011)</u>	<u>-</u>	<u>(33,108,431)</u>
Total capital assets, net	\$ <u>31,942,206</u>	<u>13,066,247</u>	<u>(7,280,303)</u>	<u>37,728,150</u>

At the end of fiscal year 2024, the District's investment in capital assets amounted to \$37,728,150 (net of accumulated depreciation and amortization). This investment in capital assets includes land, utility plant in service, vehicles, machinery and equipment, computer system, leased office building, leased software, and construction-in-process.

Changes in capital asset amounts for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Transfers / Deletions</u>	<u>As Restated 2023</u>
Capital assets:				
Non-depreciable assets	\$ 8,308,513	2,513,712	(1,434,330)	9,387,895
Depreciable and amortizable assets	52,974,277	1,507,322	(183,868)	54,297,731
Accumulated depreciation and amortization	<u>(30,867,127)</u>	<u>(1,060,161)</u>	<u>183,868</u>	<u>(31,743,420)</u>
Total capital assets, net	\$ <u>30,415,663</u>	<u>2,960,873</u>	<u>(1,434,330)</u>	<u>31,942,206</u>

At the end of fiscal year 2023, the District's investment in capital assets amounted to \$31,942,206 (net of accumulated depreciation and amortization). This investment in capital assets includes land, utility plant in service, vehicles, machinery and equipment, computer system, leased office building, leased software, and construction-in-process. See Note 4 to the basic financial statements for further detailed information on the District's capital assets.

**Mid-Peninsula Water District**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Debt Administration**

Changes in long-term debt amounts for 2024 were as follows:

	<u>Balance 2023</u>	<u>Additions/ Deletions</u>	<u>Principal Payments</u>	<u>Balance 2024</u>
Long-term debt:				
Lease and SBITA payable	\$ 234,089	-	(144,419)	89,670
Bonds payable, net	<u>17,117,510</u>	<u>-</u>	<u>(451,282)</u>	<u>16,666,228</u>
Total long-term debt	17,351,599	<u>-</u>	<u>(595,701)</u>	16,755,898
Less: current portion	<u>(564,419)</u>			<u>(524,670)</u>
Non-current portion	<u>\$ 16,787,180</u>			<u>16,231,228</u>

In fiscal year 2024, long-term debt decreased by \$595,701 due to current year scheduled principal payments.

Changes in long-term debt amounts for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions/ Deletions</u>	<u>Principal Payments</u>	<u>Balance 2023</u>
Long-term debt:				
Lease and SBITA payable	\$ -	296,102	(62,013)	234,089
Bonds payable, net	<u>17,553,792</u>	<u>-</u>	<u>(436,282)</u>	<u>17,117,510</u>
Total long-term debt	17,553,792	<u>296,102</u>	<u>(498,295)</u>	17,351,599
Less: current portion	<u>(467,013)</u>			<u>(564,419)</u>
Non-current portion	<u>\$ 17,086,779</u>			<u>16,787,180</u>

In fiscal year 2023, long-term debt decreased by \$202,193 due to current year scheduled principal payments of \$498,295, offset by an increase of \$296,102 due to new lease and subscription-based information technology arrangement additions implemented under GASB Statements No. 87 and 96. The long-term debt position of the District is more fully analyzed in Note 6 to the basic financial statements.

**Conditions Affecting Current Financial Position**

On April 1, 2025, the District issued \$33,100,000 in water revenue bonds to fund capital projects. Additionally, on November 21, 2024, the Board of Directors completed the Proposition 218 hearing process and approved a water rate study allowing rate adjustments for the next five (5) years, beginning in January 2025 and updated every July through 2029.

Management is unaware of any other conditions which could have a significant impact on the District's current financial position, net position or operating results in terms of past, present, and future periods.

**Requests for Information**

This financial report is designed to provide the District's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability with respect to the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager at 1075 Old County Road, Suite A, Belmont, California 94002 – (650) 591-8941.

## **Basic Financial Statements**

Working Draft Subject to Review

**Mid-Peninsula Water District**  
**Statements of Net Position**  
**June 30, 2024 and 2023**

	<u>2024</u>	<u>As Restated 2023</u>
<b>Current assets:</b>		
Cash and cash equivalents (note 2)	\$ 4,490,266	7,649,672
Cash and cash equivalents – restricted (note 2, 10)	528,881	5,459,867
Investments (note 2)	12,481,562	7,164,612
Accrued interest receivable	155,836	52,567
Accounts receivable – water sales and services	2,690,308	2,320,679
Accounts receivable – other	89,751	69,706
Lease receivables (note 3)	144,946	140,810
Prepaid expenses and other deposits	209,173	143,876
<b>Total current assets</b>	<u>20,790,723</u>	<u>23,001,789</u>
<b>Non-current assets:</b>		
Investments (note 2)	-	2,038,612
Lease receivables (note 3)	801,281	946,227
Net other post-employment benefits asset (note 7)	660,560	135,246
Capital assets – not being depreciated (note 4)	9,480,673	9,387,895
Depreciable capital assets, net (note 4)	28,247,477	22,554,311
<b>Total non-current assets</b>	<u>39,189,991</u>	<u>35,062,291</u>
<b>Total assets</b>	<u>59,980,714</u>	<u>58,064,080</u>
<b>Deferred outflows of resources:</b>		
Deferred other post-employment benefits outflows (note 7)	346,521	291,399
Deferred pension outflows (note 8)	1,313,533	1,898,626
<b>Total deferred outflows of resources</b>	<u>\$ 1,660,054</u>	<u>2,190,025</u>

*Continued on next page*

See accompanying notes to the basic financial statements

**Mid-Peninsula Water District**  
**Statements of Net Position, continued**  
**June 30, 2024 and 2023**

	<b>2024</b>	<b>As Restated 2023</b>
<b>Current liabilities:</b>		
Accounts payable	\$ 2,092,079	1,431,472
Accrued expenses	108,733	144,401
Accrued interest on long-term debt	52,809	55,303
Unearned revenue	55,122	97,315
Long-term liabilities – due within one year:		
Compensated absences (note 5)	181,130	148,694
Lease and SBITA payable (note 6)	89,670	144,419
Bond payable (note 6)	435,000	420,000
<b>Total current liabilities</b>	<b>3,014,543</b>	<b>2,441,604</b>
<b>Non-current liabilities:</b>		
Long-term liabilities – due in more than one year:		
Compensated absences (note 5)	60,377	49,565
Lease and SBITA payable (note 6)	-	89,670
Bond payable, net (note 6)	16,231,228	16,697,510
Net pension liability (note 8)	555,222	271,173
<b>Total non-current liabilities</b>	<b>16,846,827</b>	<b>17,107,918</b>
<b>Total liabilities</b>	<b>19,861,370</b>	<b>19,549,522</b>
<b>Deferred inflows of resources:</b>		
Deferred lease inflows (note 3)	833,477	950,069
Deferred other post-employment benefits inflows (note 7)	956,301	467,328
Deferred pension inflows (note 8)	594,735	844,115
<b>Total deferred inflows of resources</b>	<b>2,384,513</b>	<b>2,261,512</b>
<b>Net position:</b>		
Net investment in capital assets (note 9)	20,972,252	19,574,695
Restricted (note 10)	528,881	5,459,867
Unrestricted (note 11)	17,893,752	13,408,509
<b>Total net position</b>	<b>\$ 39,394,885</b>	<b>38,443,071</b>

See accompanying notes to the basic financial statements



**Mid-Peninsula Water District**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>As Restated 2023</b>
<b>Operating revenues:</b>		
Water consumption sales	\$ 10,600,551	9,591,422
Meter service charges	3,246,456	3,175,460
Other charges	231,833	287,007
Total operating revenues	<u>14,078,840</u>	<u>13,053,889</u>
<b>Operating expenses:</b>		
Salaries and benefits	3,428,910	3,432,563
Pension benefits (income) expense	619,762	2,038,098
Other post-employment benefits (income) expense	(91,463)	117,108
Purchased water	6,271,170	5,751,769
Maintenance and rehabilitation	787,431	735,753
Utilities	524,734	430,917
Professional services	1,147,892	742,212
General and administrative	863,379	940,588
Total operating expenses	<u>13,551,815</u>	<u>14,189,008</u>
Operating loss before depreciation and amortization	527,025	(1,135,119)
Depreciation and amortization	(1,365,011)	(1,060,161)
<b>Operating loss</b>	<u>(837,986)</u>	<u>(2,195,280)</u>
<b>Non-operating revenue (expenses):</b>		
Property tax revenue	542,478	506,145
Rental income – cellular site leases	189,456	180,005
Investment earnings, net of fair value	1,132,554	775,171
Interest expense – long-term debt	(618,351)	(638,204)
Gain (Loss) on asset disposal	11,453	(205,630)
Flood damage insurance proceeds	539,706	-
Capital contribution to other agency	-	(92,700)
Other non-operating revenues	22,615	102,934
Other non-operating expenses	(30,111)	-
Total non-operating revenues, net	<u>1,789,800</u>	<u>627,721</u>
<b>Net income (loss) before capital contributions</b>	<u>951,814</u>	<u>(1,567,559)</u>
<b>Capital contributions:</b>		
Capacity charges	-	1,645,297
Total capital contributions	<u>-</u>	<u>1,645,297</u>
<b>Change in net position</b>	951,814	77,738
<b>Net position, beginning of period, as previously stated</b>	<u>38,443,071</u>	<u>36,355,311</u>
Prior period adjustments (note 12)	-	2,010,022
<b>Net position, beginning of period, as restated</b>	<u>38,443,071</u>	<u>38,365,333</u>
<b>Net position, end of period</b>	<u><u>\$ 39,394,885</u></u>	<u><u>38,443,071</u></u>

See accompanying notes to the basic financial statements

**Mid-Peninsula Water District**  
**Statements of Cash Flows**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>As Restated 2023</b>
<b>Cash flows from operating activities:</b>		
Cash receipts from customers for water sales and services	\$ 13,639,477	12,481,056
Cash paid to employees for salaries and wages	(2,399,897)	(2,581,443)
Cash paid to vendors and suppliers for materials and services	(10,020,729)	(9,261,292)
<b>Net cash provided by operating activities</b>	<b>1,218,851</b>	<b>638,321</b>
<b>Cash flows from non-capital financing activities:</b>		
Proceeds from property taxes	542,478	506,145
Proceeds from rental income	189,456	180,005
<b>Net cash provided by non-capital financing activities</b>	<b>731,934</b>	<b>686,150</b>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition and construction of capital assets	(7,150,955)	(2,290,602)
Proceeds from capital contributions and connection fees	-	1,645,297
Principal paid on long-term debt	(595,701)	(467,013)
Interest paid on long-term debt	(618,351)	(638,868)
<b>Net cash used in capital and related financing activities</b>	<b>(8,365,007)</b>	<b>(1,751,186)</b>
<b>Cash flows from investing activities:</b>		
Investment earnings, net of fair value	1,029,285	775,976
Purchases and sales of investments, net	(2,705,455)	(9,559,645)
<b>Net cash used in by investing activities</b>	<b>(1,676,170)</b>	<b>(8,783,669)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(8,090,392)</b>	<b>(9,210,384)</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>13,109,539</b>	<b>22,319,923</b>
<b>Cash and cash equivalents – end of year</b>	<b>\$ 5,019,147</b>	<b>13,109,539</b>
<b>Reconciliation of cash and cash equivalents to statement of financial position:</b>		
Cash and cash equivalents	\$ 4,490,266	7,649,672
Cash and cash equivalents – restricted	528,881	5,459,867
<b>Cash and cash equivalents – end of year</b>	<b>\$ 5,019,147</b>	<b>13,109,539</b>

*Continued on next page*

See accompanying notes to the basic financial statements

**Mid-Peninsula Water District**  
**Statements of Cash Flows, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>As Restated 2023</u>
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>		
Operating loss	\$ (837,986)	(2,195,280)
<b>Adjustments to reconcile operating income to net cash used in operating activities:</b>		
Depreciation and amortization	1,365,011	1,060,161
Other non-operating revenues	22,615	102,934
Other non-operating expenses	(30,111)	-
<b>Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:</b>		
(Increase) decrease in assets and deferred outflows of resources:		
Accounts receivable – water sales and services, net	(369,629)	(287,163)
Accounts receivable – other	(20,045)	2,934
Prepaid expenses and other deposits	(65,297)	(49,013)
Net other post-employment benefits asset	(525,314)	34,119
Net pension asset	-	1,356,634
(Increase)Decrease in deferred outflows of resources:		
Other post-employment benefits related	(55,122)	122,263
Pension related	585,093	637,861
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable	660,607	318,923
Accrued expenses	(35,668)	72,288
Unearned revenue	(42,193)	89,962
Customer construction deposits	-	(481,500)
Compensated absences	43,248	(78,491)
Net pension liability	284,049	271,173
Increase(Decrease) in deferred inflows of resources:		
Other post-employment benefits related	488,973	(111,914)
Pension related	(249,380)	(227,570)
<b>Total adjustments</b>	<u>2,056,837</u>	<u>2,833,601</u>
<b>Net cash provided by operating activities</b>	<u>\$ 1,218,851</u>	<u>638,321</u>
<b>Non-cash investing, capital, and financing transactions:</b>		
Changes in fair value of investments	\$ 206,612	225,166
Amortization of bond premium	(31,282)	(31,282)
Issuance of lease and subscription-based information technology arrangement	-	(296,102)
<b>Total non-cash investing, capital, and financing transactions</b>	<u>\$ 175,330</u>	<u>(102,218)</u>

See accompanying notes to the basic financial statements

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**Organization and Operations of the Reporting Entity**

The Mid-Peninsula Water District (District) was formed on July 2, 1929, for the purposes of furnishing potable water within the District's service area. The District operates under the authority of the provisions found in Division 12 of the State of California Water Code. The District is located in San Mateo County and serves the City of Belmont and portions of the City of San Carlos, Redwood City, and parts of the unincorporated County of San Mateo. The District provides water to approximately 31,000 customers over approximately five square miles. The District is governed by a five-member Board of Directors who serve overlapping four-year terms.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

**Basis of Accounting and Measurement Focus**

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water purchases, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

**Financial Reporting**

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Financial Reporting**

The District has adopted the following GASB pronouncements in the current year:

*Governmental Accounting Standards Board Statement No. 99*

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

*Governmental Accounting Standards Board Statement No. 100*

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. See Note 12 for the impact of this note on the financial statements due to a correction of an error.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Financial Reporting, continued**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position**

**1. Use of Estimates**

The preparation of the basic financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

**2. Cash and Cash Equivalents**

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

**3. Restricted Assets**

Restricted assets are financial resources generated for a specific purpose such as capital projects, debt service, or on behalf of employee benefits (Section 115 Trust). These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

**4. Investments**

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**5. Fair Value Measurements**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- *Level 1* – This valuation level is based on quoted prices in active markets for identical assets.
- *Level 2* – This valuation level is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- *Level 3* – This valuation level is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

**6. Accounts Receivable**

The District extends credit to customers in the normal course of operations. Management has evaluated the accounts and believes all accounts are collectible at June 30. When management deems customer accounts uncollectible, the District uses the direct write off method for the write-off those accounts to bad debt expense.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**7. Lease Receivables**

Lease receivables are recorded by the District as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the District charges the lessee.

**8. Prepaids**

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

**9. Capital Assets**

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Utility plant infrastructure – 10 to 50 years
- Vehicles – 5 to 10 years
- Machinery and equipment – 7 years
- Computer system – 5 years

Right-to-use leased and subscription-based information technology assets are recognized at the lease or subscription arrangement commencement date and represent the District's right to use an underlying asset for the agreement term. Right to use assets are measured at the initial value of the liability plus any payments made to the vendor before commencement of the agreement term, less any incentives received from the vendor at or before the commencement of the lease term, plus any initial direct costs, such as shipping, installation, or capitalizable initial implementation costs, necessary to place the asset into service. Right to use assets are amortized over the shorter of the agreement term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued**

**10. Deferred Outflows of Resources**

The statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets applicable to future periods and therefore will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following pension related items that qualify for reporting in this category:

*Post-Employment Benefits Other Than Pensions (OPEB)*

- Deferred outflow for the net changes in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with OPEB through the Plan.
- Deferred outflow for the Plans' experience (gains)/losses which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with OPEB through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the other post-employment benefit plans fiduciary net position. This amount is amortized over a 5-year period.

*Pensions*

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net differences between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over a 5-year period.
- Deferred outflow for the net difference in actual and proportionate share of employer contributions which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.
- Deferred outflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.

**11. Compensated Absences**

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and portions of sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued**

**12. Post-Employment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2023 and 2021
- Measurement Dates: June 30, 2024 and 2023
- Measurement Periods: July 1, 2023 to June 30, 2024 and July 1, 2022 to June 30, 2023

**13. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2022 and 2021
- Measurement Dates: June 30, 2023 and 2022
- Measurement Periods: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

**14. Deferred Inflows of Resources**

The statements of net position will sometimes report a separate section for deferred inflows of net assets. This financial statement element, *deferred inflows of resources*, represents an acquisition of resources applicable to future periods and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The District has the following pension related item that qualifies for reporting in this category:

*Post-Employment Benefits Other Than Pensions (OPEB)*

- Deferred inflow for the net changes in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with OPEB through the Plan.
- Deferred inflow for the Plans' experience (gains)/losses which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with OPEB through the Plan.
- Deferred inflow for the net difference in projected and actual earnings on investments of the other post-employment benefit plans fiduciary net position. This amount is amortized over a 5-year period.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued**

**14. Deferred Inflows of Resources, continued**

*Pensions*

- Deferred inflow for the net difference in actual and proportionate share of employer contribution which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.
- Deferred inflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all active employees that are provided with pensions through the Plan.

*Leases*

- Deferred inflows related to leases where the District is the lessor and is reported in the Statement of Net Position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on a straight-line basis over the term of the lease.

**15. Net Position**

The District follows the financial reporting requirements of the GASB and reports net position under the following classifications:

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt is included in this component of net position.
- *Restricted* – Consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- *Unrestricted* – The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

**16. Property Taxes**

Property taxes receivable at year-end are related to property taxes collected by the County of San Mateo, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

- |                    |                           |
|--------------------|---------------------------|
| • Lien date        | January 1                 |
| • Levy date        | July 1                    |
| • Due dates        | November 1 and February 1 |
| • Collection dates | December 10 and April 10  |

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued**

**17. Unearned Revenue**

Contractors developing projects, which include construction of facilities to bring water from District mains into the project, deposit a construction advance with the District for an amount estimated to cover the District's costs related to the project. The District accounts for expenditures as construction in progress until the completion of the project. Upon the final inspection and approval of the District, the District will then capitalize the project as part of its capital assets. Revenues are recognized as the project progresses. At the completion of the project, any excess funds are refunded to the contractor.

**18. Water Sales**

Water sales are billed on a monthly cyclical basis and recognize the respective revenues when they are earned.

**19. Capital Contributions**

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies or real estate developers desiring services that require capital expenditures or capacity commitment.

**20. Budgetary Policies**

The District adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

**(2) Cash and Investments**

Cash and investments as of June 30 are classified in the accompanying financial statements as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 4,490,266	7,649,672
Restricted – cash and cash equivalents	528,881	5,459,867
Total cash and cash equivalents	<u>5,019,147</u>	<u>13,109,539</u>
Investments	12,481,562	7,164,612
Investments – non-current	-	2,038,612
Total investments	<u>12,481,562</u>	<u>9,203,224</u>
Total cash and investments	<u>\$ 17,500,709</u>	<u>22,312,763</u>

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Investments, continued**

Cash and cash equivalents as of June 30 consist of the following:

	<u>2024</u>	<u>2023</u>
Cash on hand	\$ 600	600
Deposits with financial institutions	1,840,367	1,159,154
Deposits with bond institution for project funding	-	4,984,088
Deposits with Section 115 Trust	528,881	475,779
Deposits in State of California pooled fund	2,649,299	6,489,918
Investments	<u>12,481,562</u>	<u>9,203,224</u>
Total	<u>\$ 17,500,709</u>	<u>22,312,763</u>

As of June 30, 2024, the District's authorized deposits had the following maturities:

Investment type	Amount	Remaining Maturity (in Months)	
		12 months or less	13 to 24 months
United States Treasury notes	\$ 12,476,877	12,476,877	-
Money market mutual fund	<u>4,685</u>	<u>4,685</u>	-
Total	<u>\$ 12,481,562</u>	<u>12,481,562</u>	<u>-</u>

As of June 30, 2023, the District's authorized deposits had the following maturities:

Investment type	Amount	Remaining Maturity (in Months)	
		12 months or less	13 to 24 months
United States Treasury notes	\$ 9,191,370	7,152,758	2,038,612
Money market mutual fund	<u>11,854</u>	<u>11,854</u>	-
Total	<u>\$ 9,203,224</u>	<u>7,164,612</u>	<u>2,038,612</u>

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Investments, continued**

***Investments Authorized by the California Government Code and the District's Investment Policy***

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>	<b>Maximum Percentage Of Portfolio</b>	<b>Maximum Investment in One Issuer</b>
State and Local Agency Bonds*	5 years	None	None
U.S. Treasury Obligations	5 years**	None	None
U.S. Agency Securities	5 years**	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Non-negotiable Certificates of Deposit	1 year	30%	None
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Repurchase Agreements	1 year	20%	None
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Supranational Obligations	N/A	30%	None
County Pooled Investment Funds	N/A	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	\$75 Million

\* Excluding amounts held by bond trustee that are not subject to California Government Code.

\*\* Except when authorized by the District's legislative body in accordance with Government Code Section 53601

N/A – Not Applicable

***Investment in State Investment Pool***

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Investments, continued**

***Custodial Credit Risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits.

The California Government Code requires that a financial institution, secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balances, up to \$250,000 held at each institution were federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and the Pool).

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change with market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide for cash flow requirements and liquidity needed for operations.

***Credit Risk***

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Investments, continued**

***Credit Risk, continued***

Credit ratings at June 30, 2024 consisted of the following:

Investment type	June 30, 2024	Minimum Legal Rating	Exempt from Disclosure	Ratings AA+ to AA-
United States Treasury notes	\$ 12,476,877	N/A	12,476,877	-
Money market mutual fund	4,685	Aaa	-	4,685
Total	\$ 12,481,562		12,476,877	4,685

Credit ratings at June 30, 2023 consisted of the following:

Investment type	June 30, 2023	Minimum Legal Rating	Exempt from Disclosure	Ratings AA+ to AA-
United States Treasury notes	\$ 9,191,370	N/A	9,191,370	-
Money market mutual fund	11,854	Aaa	-	11,854
Total	\$ 9,203,224		9,191,370	11,854

***Concentration of Credit Risk***

The District's investment policy contains no limitations on the amounts that can be invested in any one issuer as beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than for external investment pools) that represent 5% or more of total District's investments at June 30, 2024 and 2023, respectively.

***Fair Value Measurements***

Investments measured at fair value on a recurring and non-recurring basis at June 30, 2024 are as follows:

Investment type	June 30, 2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 1)	Significant Unobservable Inputs (Level 1)
United States Treasury notes	\$ 12,476,877	12,476,877	-	-
Total investments measured at fair value	12,476,877	12,476,877	-	-
Investments not subject to fair value hierarchy				
Money market mutual fund	4,685			
Total	\$ 12,481,562			

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Investments, continued**

***Fair Value Measurements, continued***

Investment type	June 30, 2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 1)	Significant Unobservable Inputs (Level 1)
United States Treasury notes	\$ 9,191,370	9,191,370	-	-
Total investments measured at fair value	9,191,370	9,191,370	-	-
Investments not subject to fair value hierarchy				
Money market mutual fund	11,854			
Total	\$ 9,203,224			

**(3) Leases Receivable**

Changes in leases receivable for the year ended June 30, 2024, were as follows:

Leases receivable:	Balance 2023	Additions	Principal Payments	Balance 2024	Current Portion	Long-term Portion	Deferred Inflows
Buckland Tank - cell tower	\$ 59,829	-	(14,512)	45,317	14,805	30,512	(36,748)
Devoken Tank - cell tower #1	103,951	-	(33,617)	70,334	34,640	35,694	(47,802)
Exbourne Tank - cell tower	122,003	-	(39,455)	82,548	40,656	41,892	(56,103)
Hallmark Tank - cell tower	84,314	-	(29,858)	54,456	30,767	23,689	(35,117)
Devoken Tank - cell tower #2	716,940	-	(23,368)	693,572	24,078	669,494	(657,707)
Total leases receivable	\$ 1,087,037	-	(140,810)	946,227	144,946	801,281	(833,477)

Changes in leases receivable for the year ended June 30, 2023, were as follows:

Leases receivable:	Balance 2022	Additions	Principal Payments	Balance 2023	Current Portion	Long-term Portion	Deferred Inflows
Buckland Tank - cell tower	\$ 74,054	-	(14,225)	59,829	14,512	45,317	(48,998)
Devoken Tank - cell tower #1	136,576	-	(32,625)	103,951	33,617	70,334	(71,702)
Exbourne Tank - cell tower	160,294	-	(38,291)	122,003	39,455	82,548	(84,154)
Hallmark Tank - cell tower	113,292	-	(28,978)	84,314	29,859	54,455	(56,188)
Devoken Tank - cell tower #2	739,617	-	(22,677)	716,940	23,367	693,573	(689,027)
Total leases receivable	\$ 1,223,833	-	(136,796)	1,087,037	140,810	946,227	(950,069)

***Buckland Tank – Cell Tower***

On February 7, 2003, the District entered into a lease agreement with City of Belmont (City). The City has agreed to pay the District for the purpose of leasing communication tower space at the Buckland Tank site. The terms of the agreement require City to pay the District in annual installments through 2027 and is adjusted annually by the Consumer Price Index.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(3) Leases Receivable, continued**

***Buckland Tank – Cell Tower, continued***

Following the provisions set forth by *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 2.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, deferred inflows were reported at \$36,748. Interest revenue recognized on the lease was \$1,064 for the year ended June 30, 2024. Principal receipts of \$14,512 were recognized during the year. As of June 30, 2023, deferred inflows were reported at \$48,998. Interest revenue recognized on the lease was \$1,351 for the year ended June 30, 2023. Principal receipts of \$14,225 were recognized during the year.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$	14,805	771	15,576	\$ (12,250)
2026		15,104	472	15,576	(12,249)
2027		15,408	167	15,575	(12,249)
Total		45,317	1,410	46,727	\$ (36,748)
Current		(14,805)			
Non-current	\$	30,512			

***Devoken Tank – Cell Tower #1***

On August 15, 1996, the District entered into a lease agreement with Metro PCS Wireless (Metro). Metro has agreed to pay the District for the purpose of leasing communication tower space at the Devoken Tank site. The terms of the agreement require Metro to pay the District in annual installments through 2026 and is adjusted annually by the Consumer Price Index.

Following the provisions set forth by *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, deferred inflows were reported at \$47,802. Interest revenue recognized on the lease was \$2,659 for the year ended June 30, 2024. Principal receipts of \$33,617 were recognized during the year. As of June 30, 2023, deferred inflows were reported at \$71,702. Interest revenue recognized on the lease was \$3,651 for the year ended June 30, 2023. Principal receipts of \$32,625 were recognized during the year.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$	34,640	1,636	36,276	\$ (23,900)
2026		35,694	582	36,276	(23,902)
Total		70,334	2,218	72,552	\$ (47,802)
Current		(34,640)			
Non-current	\$	35,694			

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(3) Leases Receivable, continued**

***Exbourne Tank – Cell Tower***

On November 26, 2006, the District entered into a lease agreement with Sprint Wireless (Sprint). Sprint has agreed to pay the District for the purpose of leasing communication tower space at the Exbourne Tank site. The terms of the agreement require Sprint to pay the District in annual installments through 2026 and is adjusted annually by the Consumer Price Index.

Following the provisions set forth by GASB Statement No. 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, deferred inflows were reported at \$56,103. Interest revenue recognized on the lease was \$3,121 for the year ended June 30, 2024. Principal receipts of \$39,455 were recognized during the year. As of June 30, 2023, deferred inflows were reported at \$84,154. Interest revenue recognized on the lease was \$4,285 for the year ended June 30, 2023. Principal receipts of \$38,291 were recognized during the year.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>		<u>Deferred Inflows</u>
2025	\$	40,656	1,920	42,576	\$	(28,052)
2026		41,892	684	42,576		(28,051)
Total		82,548	2,604	85,152	\$	(56,103)
Current		(40,656)				
Non-current	\$	41,892				

***Hallmark Tank – Cell Tower***

On April 1, 2006, the District entered into a lease agreement with Sprint Wireless (Sprint). Sprint has agreed to pay the District for the purpose of leasing communication tower space at the Hallmark Tank site. The terms of the agreement require Sprint to pay the District in annual installments through March 25, 2026 and is adjusted annually by the Consumer Price Index.

Following the provisions set forth by GASB Statement No. 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, deferred inflows were reported at \$35,117. Interest revenue recognized on the lease was \$2,121 for the year ended June 30, 2024. Principal receipts of \$29,858 were recognized during the year. As of June 30, 2023, deferred inflows were reported at \$56,188. Interest revenue recognized on the lease was \$3,002 for the year ended June 30, 2023. Principal receipts of \$28,978 were recognized during the year.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(3) Leases Receivable, continued**

***Hallmark Tank – Cell Tower, continued***

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$ 30,767	1,213	31,980	\$ (21,070)
2026	23,689	296	23,985	(14,047)
Total	54,456	1,509	55,965	\$ (35,117)
Current	(30,767)			
Non-current	\$ 23,689			

***Devoken Tank – Cell Tower #2***

On July 1, 2020, the District entered into a lease agreement with T-Mobile (T-Mobile). T-Mobile has agreed to pay the District for the purpose of leasing communication tower space at the Devoken Tank site. The terms of the agreement require T-Mobile to pay the District in annual installments through June 25, 2045 and is adjusted annually by the Consumer Price Index.

Following the provisions set forth by *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, deferred inflows were reported at \$657,707. Interest revenue recognized on the lease was \$21,189 for the year ended June 30, 2024. Principal receipts of \$23,368 were recognized during the year. As of June 30, 2023, deferred inflows were reported at \$689,026. Interest revenue recognized on the lease was \$21,878 for the year ended June 30, 2023. Principal receipts of \$22,677 were recognized during the year.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$ 24,078	20,478	44,556	\$ (31,319)
2026	24,810	19,746	44,556	(31,319)
2027	25,565	18,991	44,556	(31,319)
2028	26,343	18,213	44,556	(31,319)
2029	27,144	17,412	44,556	(31,319)
2030-2034	148,618	74,162	222,780	(156,597)
2035-2039	172,637	50,143	222,780	(156,597)
2040-2044	200,538	22,242	222,780	(156,598)
2045	43,839	717	44,556	(31,320)
Total	693,572	242,104	935,676	\$ (657,707)
Current	(24,078)			
Non-current	\$ 669,494			

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(4) Capital Assets**

Changes in capital assets for the year ended June 30, 2024 were as follows:

	<u>As Restated 2023</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2024</u>
Non-depreciable assets:				
Land	\$ 1,045,264	-	-	1,045,264
Construction-in-process	8,342,631	7,373,081	(7,280,303)	8,435,409
Total non-depreciable assets	9,387,895	7,373,081	(7,280,303)	9,480,673
Depreciable assets:				
Utility Plant In Service	51,081,993	6,978,005	-	58,059,998
Structures	-	61,172	-	61,172
Vehicles	1,832,358	-	-	1,832,358
Machinery and Equipment	590,893	19,000	-	609,893
Computer System	496,385	-	-	496,385
Office Building - Right-to-use Asset	281,535	-	-	281,535
Subscription IT - Right-to-use Asset	14,567	-	-	14,567
Total depreciable assets	54,297,731	7,058,177	-	61,355,908
Accumulated depreciation and amortization:				
Utility Plant In Service	(29,366,782)	(1,084,510)	-	(30,451,292)
Structures	-	(9,278)	-	(9,278)
Vehicles	(1,745,646)	(46,185)	-	(1,791,831)
Machinery and Equipment	(9,357)	(9,379)	-	(18,736)
Computer System	(560,554)	(70,036)	-	(630,590)
Office Building - Right-to-use Asset	(58,653)	(140,767)	-	(199,420)
Subscription IT - Right-to-use Asset	(2,428)	(4,856)	-	(7,284)
Total accumulated depreciation and amortization	(31,743,420)	(1,365,011)	-	(33,108,431)
Total depreciable assets, net	22,554,311	5,693,166	-	28,247,477
Total capital assets, net	\$ 31,942,206			37,728,150

Major changes to capital assets in 2024 consisted primarily of additions of \$7,373,081 in additions to construction-in-progress, \$6,978,005 in upgrades to utility plant in service assets, \$61,172 in additions to structures, and \$19,000 in upgrades to machinery and equipment. Major deletions include \$7,280,303 in transfers from construction in progress to depreciable assets. Of the \$7,280,303, \$302,298 was abandoned and expensed.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(5) Capital Assets**

Changes in capital assets for the year ended June 30, 2023 were as follows:

	<u>As Restated 2022</u>	<u>Category Reclass</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>As Restated 2023</u>
Non-depreciable assets:					
Land	\$ 1,045,264	-	-	-	1,045,264
Construction-in-process	<u>7,263,249</u>	<u>-</u>	<u>2,513,712</u>	<u>(1,434,330)</u>	<u>8,342,631</u>
Total non-depreciable assets	<u>8,308,513</u>	<u>-</u>	<u>2,513,712</u>	<u>(1,434,330)</u>	<u>9,387,895</u>
Depreciable assets:					
Utility Plant In Service	50,675,999	(333,254)	923,116	(183,868)	51,081,993
Vehicles	1,791,206	-	41,152	-	1,832,358
Machinery and Equipment	-	343,941	246,952	-	590,893
Computer System	507,072	(10,687)	-	-	496,385
Office Building - Right-to-use Asset	-	-	281,535	-	281,535
Subscription IT - Right-to-use Asset	<u>-</u>	<u>-</u>	<u>14,567</u>	<u>-</u>	<u>14,567</u>
Total depreciable assets	<u>52,974,277</u>	<u>-</u>	<u>1,507,322</u>	<u>(183,868)</u>	<u>54,297,731</u>
Accumulated depreciation and amortization:					
Utility Plant In Service	(28,653,658)	219,540	(896,992)	183,868	(29,366,782)
Vehicles	(1,685,086)	-	(60,560)	-	(1,745,646)
Machinery and Equipment	-	(301,277)	(9,357)	-	(9,357)
Computer System	(528,383)	81,737	(32,171)	-	(560,554)
Office Building - Right-to-use Asset	-	-	(58,653)	-	(58,653)
Subscription IT - Right-to-use Asset	<u>-</u>	<u>-</u>	<u>(2,428)</u>	<u>-</u>	<u>(2,428)</u>
Total accumulated depreciation and amortization	<u>(30,867,127)</u>	<u>-</u>	<u>(1,060,161)</u>	<u>183,868</u>	<u>(31,743,420)</u>
Total depreciable assets, net	<u>22,107,150</u>	<u>-</u>	<u>447,161</u>	<u>-</u>	<u>22,554,311</u>
Total capital assets, net	<u>\$ 30,415,663</u>				<u>31,942,206</u>

Major changes to capital assets in 2023 consisted primarily of additions of \$2,513,712 in additions to construction-in-progress, \$923,116 in upgrades to utility plant in service assets, \$246,952 in upgrades to machinery and equipment, \$41,152 in upgrades to vehicle assets, \$281,535 in leased office building, and \$14,567 in leased software was added during the implementation of GASB 96. Major deletions include \$1,434,330 in transfers from construction in progress to depreciable assets and \$183,868 in disposal of utility plant in service assets.

**(5) Compensated Absences**

Changes to compensated absences for the year ended June 30, 2024 were as follows:

	<u>Balance 2023</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2024</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
\$	<u>198,259</u>	<u>230,246</u>	<u>(186,998)</u>	<u>241,507</u>	<u>181,130</u>	<u>60,377</u>

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(5) Compensated Absences, continued**

Changes to compensated absences for the year ended June 30, 2023 were as follows:

<u>As Restated</u> <u>2022</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance</u> <u>2023</u>	<u>Due Within</u> <u>One Year</u>	<u>Due in More</u> <u>Than One Year</u>
\$ 276,750	53,619	(132,110)	198,259	148,694	49,565

**(6) Long-term Debt**

Changes in long-term debt amounts for the year ended June 30, 2024 were as follows:

	<u>Balance</u> <u>2023</u>	<u>Additions</u>	<u>Principal</u> <u>Payments</u>	<u>Balance</u> <u>2024</u>	<u>Current</u> <u>Portion</u>	<u>Long-term</u> <u>Portion</u>
Long-term debt:						
Lease and SBITA payable:						
Old County Road – office building lease	\$ 224,522	-	(139,706)	84,816	84,816	-
ESRI subscription arrangement	9,567	-	(4,713)	4,854	4,854	-
Subtotal lease and SBITA payable	234,089	-	(144,419)	89,670	89,670	-
Bond payable:						
2016 Certificates of Participation	16,385,000	-	(420,000)	15,965,000	435,000	15,530,000
Add: Unamortized premium	732,510	-	(31,282)	701,228	-	701,228
Subtotal bond payable	17,117,510	-	(451,282)	16,666,228	435,000	16,231,228
Total long-term debt	\$ 17,351,599	-	(595,701)	16,755,898	524,670	16,231,228

Changes in long-term debt amounts for the year ended June 30, 2023 were as follows:

	<u>Balance</u> <u>2022</u>	<u>Additions</u>	<u>Principal</u> <u>Payments</u>	<u>Balance</u> <u>2023</u>	<u>Current</u> <u>Portion</u>	<u>Long-term</u> <u>Portion</u>
Long-term debt:						
Lease and SBITA payable:						
Old County Road – office building lease	\$ -	281,535	(57,013)	224,522	139,706	84,816
ESRI subscription arrangement	-	14,567	(5,000)	9,567	4,713	4,854
Subtotal lease and SBITA payable	-	296,102	(62,013)	234,089	144,419	89,670
Bond payable:						
2016 Certificates of Participation	16,790,000	-	(405,000)	16,385,000	420,000	15,965,000
Add: Unamortized premium	763,792	-	(31,282)	732,510	-	732,510
Subtotal bond payable	17,553,792	-	(436,282)	17,117,510	420,000	16,697,510
Total long-term debt	\$ 17,553,792	296,102	(498,295)	17,351,599	564,419	16,787,180

**Old County Road – Office Building Lease**

On January 24, 2023, the District entered into an agreement with Swedcom Corporation, to lease office space for the purpose of the District's administrative office operations. Terms of the agreement commenced on February 1, 2023, maturing on January 31, 2025, with base rent due monthly at \$11,908 per month for the entire lease term.

Following the provisions set forth by *GASB Statement No. 87*, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.00%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(6) Long-term Debt, continued**

***Old County Road – Office Building Lease, continued***

Annual lease payments are as follows:

<u>Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$	84,816	850	85,666
Total		84,816	850	85,666
Current		(84,816)		
Non-current	\$	-		

***ESRI Software – Subscription Lease***

On October 26, 2022, the District entered into an agreement with ESRI to lease geographic information system software for the purpose of mapping of the District's infrastructure. Terms of the agreement commenced on December 9, 2022, for a period of three years, with payments due annually at \$5,000 per year for the entire lease term.

Following the provisions set forth by GASB Statement No. 96, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.00%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

<u>Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$	4,854	146	5,000
Total		4,854	146	5,000
Current		(4,854)		
Non-current	\$	-		

***2016 Series Certificates of Participation***

On December 1, 2016, the District issued \$18,570,000 of 2016 Series Certificates of Participation. The Bonds purpose is to finance the acquisition and construction of certain improvements and facilities which constitute part of the District's water system infrastructure. Under terms of the Installment Sale Agreement Contract associated with the Bonds, the District makes principal and interest payments that are paid on a semiannual basis by the District to the holders of the Bonds. Interest is payable on December 1<sup>st</sup> and June 1<sup>st</sup> of each year, and principal is payable June 1<sup>st</sup> of each year commencing December 1, 2017, with an interest rate of 4.00%. The Bonds are scheduled to mature on December 1, 2046. The rate covenants of the Installment Purchase Contract require that net revenues of the District for each fiscal year be equal to at least 130% of the annual debt service payments required for that fiscal year.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(6) Long-term Debt, continued**

Future principal and interest obligations on the note as of June 30, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 435,000	629,900	1,064,900
2026	455,000	612,100	1,067,100
2027	470,000	593,600	1,063,600
2028	490,000	574,400	1,064,400
2029	510,000	554,400	1,064,400
2030-2034	2,870,000	2,443,000	5,313,000
2035-2039	3,495,000	1,808,500	5,303,500
2040-2044	4,255,000	1,036,100	5,291,100
2045-2047	2,985,000	182,300	3,167,300
Total	15,965,000	8,434,300	24,399,300
Premium	701,228		
Current	(435,000)		
Non-current	\$ 16,231,228		

**(7) Other Post-employment Benefits (OPEB) Plan**

***General Information about the OPEB Plan***

***Plan Description***

The District provides other post-employment benefits (OPEB) to qualified employees who retire from the District and meet the District's vesting requirements. The Plan is a single employer defined benefit OPEB plan administered by the District. The District participates in the Public Agency Retirement Services Trust Program (PARS), a Prefunding Plan trust fund intended to perform an essential government function within the meaning of Section 115 of the Internal Revenue Code. The reporting requirements for these benefit programs as they pertain to the District are set forth on the following page.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(7) Other Post-employment Benefits (OPEB) Plan, continued**

***Benefits Provided***

Medical, dental, and vision coverage is provided through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). Eligibility requirements vary by employee classification and date of hire.

To be eligible for retiree health benefits, an employee must retire from the District on or after age 50 with at least 15 years of continuous service. Tier 1 (hired prior to June 27, 2008): 100% of the medical, dental, and vision premiums paid by the District for the lifetime of the retiree and the retiree's partner, and surviving partner. Tier 2 (hired between June 27, 2008 and September 26, 2014): 100% of the medical, dental, and vision premiums paid by the District for the lifetime of the retiree only. Tier 3 (hired on or after September 26, 2014): 50% of the medical, dental, and vision premiums paid by the District for the lifetime of the retiree only. Spousal support is not provided for Tiers 2 and 3. The District makes an HSA contribution of \$1,500 per year for single retirees under Tiers 1 and 2 and an additional \$1,500 per year for married retirees under Tier 1 until age 65. Tier 3 employees and retirees are not eligible for this benefit. Effective for retirements on or after January 1, 2017, the District's contribution is limited to the premium for the Consumer Driven Health Plan, with the retiree paying the cost of a more expensive plan if selected. Retirees under Tier 1 and Tier 2 with fewer than 20 years of service at retirement have benefits permanently reduced by 25%, that is, the District will contribute 75% of the amounts described above. The District's General Managers become eligible for 100% District-paid benefits, for the lifetime of the retiree only, after completion of 7.5 years of service with the District.

***Employees Covered by Benefit Terms***

At June 30, the following employees were covered by the benefit terms:

	<u>2024</u>	<u>2023</u>
Active plan members	15	17
Retiree's receiving benefit payments	<u>9</u>	<u>7</u>
Total Plan membership	<u>24</u>	<u>24</u>

***Contributions***

The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays its share of the cost of health and vision insurance for retirees and dental insurance under any group plan offered by ACWA-JPIA, subject to certain restrictions as determined by the District.

No contributions were made for the fiscal years ending June 30, 2024 and 2023, respectively.

***Net OPEB Liability***

As of the fiscal year ended June 30, the District reported its net OPEB asset as follows:

	<u>2024</u>	<u>2023</u>
Net OPEB asset	\$ <u>(660,560)</u>	<u>(135,246)</u>
Total employer paid contribution:	\$ <u>(660,560)</u>	<u>(135,246)</u>

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(7) Other Post-employment Benefits (OPEB) Plan, continued**

***Net OPEB Liability, continued***

The District's net OPEB liability was measured as of June 30, 2024 and 2023, and the total OPEB liability used to calculate the net OPEB liability were determined by the actuarial valuation date as of June 30, 2022 and 2021, respectively. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

***Changes in the Net OPEB Liability***

Changes in the net OPEB liability as of June 30, were as follows:

	<b>June 30, 2024</b>			<b>June 30, 2023</b>		
	<b>Total OPEB Liability</b>	<b>Fiduciary Net Position</b>	<b>Net OPEB (Asset)</b>	<b>Total OPEB Liability</b>	<b>Fiduciary Net Position</b>	<b>Net OPEB (Asset)</b>
Balance at beginning of year	\$ 3,495,503	3,630,749	(135,246)	\$ 3,304,226	3,473,591	(169,365)
Changes for the year:						
Service cost	67,746	-	67,746	98,315	-	98,315
Interest	174,020	-	174,020	184,652	-	184,652
Benefit payments	(87,835)	(87,835)	-	(91,690)	(91,690)	-
Difference between expected and actual experience	(379,862)	-	(379,862)	-	-	-
Change in assumptions	23,937	-	23,937	-	-	-
Employer contributions	-	18,129	(18,129)	-	12,033	(12,033)
Net investment income	-	414,608	(414,608)	-	257,075	(257,075)
Administrative expenses	-	(21,582)	21,582	-	(20,260)	20,260
Net change	(201,994)	323,320	(525,314)	191,277	157,158	34,119
Balance at end of year	\$ 3,293,509	3,954,069	(660,560)	\$ 3,495,503	3,630,749	(135,246)

***Changes in Assumptions***

During the measurement period, the inflation rate was reduced from 2.50 to 2.30 percent, salary increases were reduced from 3.00 percent, to 2.80 percent, and the healthcare cost trend rate increased from 5.20 percent for 2023 through 2024 to 5.00 percent for 2024 through 2034.

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the fiscal years ended June 30, 2024 and 2023, the District recognized OPEB income of \$73,334 and OPEB expense of \$56,501, respectively.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(6) Other Post-employment Benefits (OPEB) Plan, continued**

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Description</b>	<b>June 30, 2024</b>		<b>June 30, 2023</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ -	(578,615)	45,779	(128,950)
Differences between expected and actual experience	43,453	(103,159)	-	(338,378)
Net differences between expected and actual return on investments	303,068	(274,527)	245,620	-
Total	\$ 346,521	(956,301)	291,399	(467,328)

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued***

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<b>Fiscal Year Ending June 30:</b>	<b>Net Deferred Outflows/ (Inflows) of Resources</b>
2025	\$ (125,843)
2026	(28,805)
2027	(179,726)
2028	(170,131)
2029	(50,130)
Thereafter	(55,145)
Total	\$ (609,780)

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(7) Other Post-employment Benefits (OPEB) Plan, continued**

***Actuarial Assumptions***

The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2024 – 2.30 percent 2023 – 2.50 percent
Salary increases	2024 – 2.80 percent, average, including inflation 2023 – 3.00 percent, average, including inflation
Discount rate	2024 – 5.50 percent 2023 – 5.50 percent
Healthcare cost trend rates	2024 – 5.50 percent for 2024 through 2034; 4.50 percent for 2035 through 2074; and 4.00 percent for 2075 and beyond. 2023 – 5.20 percent for 2023 through 2034; 5.00 percent for 2035 through 2049; 4.50 percent for 2050 through 2064; and 4.00 percent for 2065 and beyond.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the most recent applicable experience study and a review of plan experience during the period July 1, 2023 to June 30, 2024.

***Discount Rate***

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The District has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are expected to be sufficient. The discount rate used to measure the total OPEB liability is equal to the long-term expected rate of return.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(7) Other Post-employment Benefits (OPEB) Plan, continued**

***Discount Rate, continued***

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The table below provides the long-term expected real rates of return by asset class.

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Rate of Return</u>
Broad U.S. Equity	50.0%	5.30%
U.S. Fixed	50.0%	0.09%
Total	100%	

As of June 30, 2024, the discount rate used to measure the net OPEB liability was 5.50%. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the retirees' benefits. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate***

The following tables present the District's net OPEB liability calculated using the discount rate, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

At June 30, 2024, the discount rate comparison are the following:

	<u>Discount Rate - 1%</u>	<u>Current Discount Rate 5.50%</u>	<u>Discount Rate + 1%</u>
Net OPEB asset	\$ (181,029)	(660,560)	(1,052,354)

At June 30, 2023, the discount rate comparison are the following:

	<u>Discount Rate - 1%</u>	<u>Current Discount Rate 5.50%</u>	<u>Discount Rate + 1%</u>
Net OPEB (asset) liability	\$ 383,368	(135,246)	(559,914)

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(7) Other Post-employment Benefits (OPEB) Plan, continued**

***Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate***

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

At June 30, 2024, the healthcare cost trend rate comparison was the following:

		<b>Healthcare Cost Trend Rates</b>	
		<b>Current</b>	
	<b>1% Decrease</b>		<b>1% Increase</b>
Net OPEB asset	\$ (1,110,337)	(660,560)	(99,431)

At June 30, 2023, the healthcare cost trend rate comparison was the following:

		<b>Healthcare Cost Trend Rates</b>	
		<b>Current</b>	
	<b>1% Decrease</b>		<b>1% Increase</b>
Net OPEB (asset) liability	\$ (663,647)	(135,246)	529,725

See pages 55 and 56 for the Required Supplementary Information.

**(8) Defined Benefit Pension Plan**

***Plan Description***

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

***Benefits Provided***

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 55 (New Classic) Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. Employees hired after January 1, 2013, and have not previously participated in a CalPERS plan are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA. New employees that have previously participated in the Classic Plan are eligible for the District's CalPERS 2.0% at 55 Retirement Plan.

The Plan's provisions and benefits in effect at June 30 are summarized as follows:

	<b>Miscellaneous Plan</b>	
	<b>Tier 1</b>	<b>Tier 2</b>
	<b>Prior to January 1, 2013</b>	<b>On or after January 1, 2013</b>
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
2024:		
Required employee contribution rates	6.92%	7.75%
Required employer contribution rates	11.84%	7.68%
2023:		
Required employee contribution rates	6.92%	6.75%
Required employer contribution rates	10.32%	7.47%

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

***Contributions***

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers to be determined on an annual basis by the actuary and shall be effective on the July 1, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

As of the fiscal year ended June 30, the contributions for the Plan were as follows:

	<u>2024</u>	<u>2023</u>
Contributions – employer	\$ 195,804	196,490

***Net Pension Liability***

As of the fiscal year ended June 30, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan was as follows:

	<u>2024</u>	<u>2023</u>
Miscellaneous Plan	\$ 555,222	271,173

The District's net pension liability for the PERF C is measured as the proportionate share of the net pension liability for the miscellaneous pool. As of June 30, 2024 and 2023, the net pension liability of the Plan is measured as of June 30, 2023 and 2022 (the measurement dates), respectively. The total pension liability for the PERF C's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 and 2021 (valuation dates), rolled forward to June 30, 2023 and 2022, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the net pension liability as of the fiscal years ended June 30, were as follows:

	<u>2024</u>	<u>2023</u>
Proportion – beginning of year	0.00235%	-0.02508%
Proportion – end of year	0.00445%	0.00235%
Change – Increase (Decrease)	0.00210%	0.02743%

***Pension Expense and Deferred Pension Outflows (Inflows) of Resources***

As of June 30, 2024 and 2023, the District recognized pension expense of \$619,078 and \$2,063,801, respectively.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

***Deferred Pension Outflows (Inflows) of Resources, continued***

As of June 30, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	June 30, 2024		June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 195,804	-	196,490	-
Differences between actual and expected experience	23,964	-	1,798	-
Change in assumptions	33,521	-	27,787	-
Net difference between projected and actual earnings on plan investments	89,895	-	49,672	-
Differences between actual contribution and proportionate share of contribution	299,404	(356,333)	729,123	(265,137)
Net adjustment due to differences in proportions of net pension liability	670,945	(238,402)	893,756	(578,978)
Total	\$ 1,313,533	(594,735)	1,898,626	(844,115)

As of June 30 2024 and 2023, the District reported \$195,804 and \$196,490, respectively, as deferred outflows of resources related to contributions subsequent to the measurement dates. Pension contributions subsequent to the measurement date for the year ended June 30, 2024, will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Pension contributions subsequent to the measurement date for the year ended June 30, 2023, were recognized as a reduction of the net pension liability for the year ended June 30, 2024.

At June 30, 2024, other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/ (Inflows) of Resources
2025	\$ 310,109
2026	164,557
2027	45,749
2028	2,579
Total	\$ 522,994

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

***Actuarial Assumptions***

The total pension liability in the June 30, 2022, actuarial valuation report was determined using the following actuarial assumptions:

Valuation dates	June 30, 2022 and 2021
Measurement dates	June 30, 2023 and 2022
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	2024 - 6.90%
	2023 - 6.90%
Inflation	2024 - 2.30%
	2023 - 2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90% Net of pension plan investment and administrative expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' membership data for all funds
Period upon which actuarial Experience Survey assumption were based	2024 – 1997-2015
	2023 – 1997-2015
Post retirement benefit	2024 & 2023 – Contract COLA up to 2.30% until Purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

\* The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report. Further details of the Experience Study can be found on the CalPERS website.

***Discount Rate***

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

***Long-term Rate of Return***

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

As of June 30, 2024, the target allocation and the long-term expected real rate of return by asset class were as follows:

Asset Class	New Strategic Allocation	Real Return Years 1–10*
Global Equity - Cap-weighted	30.00 %	4.45 %
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	-5.00	-0.59
Total	100.00 %	

\* An expected inflation of 2.30% used for this period

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The table above presents the District's proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the District's proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

At June 30, 2024 the discount rate comparison was the following:

	Discount Rate - 1% <b>5.90%</b>	Current Discount Rate <b>6.90%</b>	Discount Rate + 1% <b>7.90%</b>
District's net pension liability (asset)     \$	2,105,769	555,222	(721,011)

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Defined Benefit Pension Plan, continued**

At June 30, 2023 the discount rate comparison was the following:

	<b>Discount Rate - 1% 5.90%</b>	<b>Prior Discount Rate 6.90%</b>	<b>Discount Rate + 1% 7.90%</b>
District's net pension (asset)	\$ 1,711,831	271,173	(914,132)

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See pages 57 and 58 for the Required Supplementary Information.

**(9) Net Investment in Capital Assets**

Calculation of net investment in capital assets as of June 30 were as follows:

	<b>2024</b>	<b>As Restated 2023</b>
Capital assets:		
Capital assets – not being depreciated	\$ 9,480,673	9,387,895
Capital assets, net – being depreciated or amortized	28,247,477	22,554,311
Unspent capital project proceeds	-	4,984,088
Current:		
Leases and SBITAs payable	(89,670)	(144,419)
Bonds payable	(435,000)	(420,000)
Non-current:		
Leases and SBITAs payable	-	(89,670)
Bonds payable	(16,231,228)	(16,697,510)
Total net investment in capital assets	\$ 20,972,252	19,574,695

**(10) Restricted Net Position**

Calculation of restricted net position as of June 30 was as follows:

	<b>2024</b>	<b>As Restated 2023</b>
Project funds –Bank of New York	\$ -	4,984,088
Retirement funds –PARS	528,881	475,779
Total restricted net position	\$ 528,881	5,459,867

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(11) Unrestricted Net Position**

Unrestricted net position as of June 30 were categorized as follows:

	<u>2024</u>	<u>As Restated 2023</u>
Non-spendable net position:		
Prepaid expenses and other deposits	\$ 209,173	143,876
Total non-spendable net position	<u>209,173</u>	<u>143,876</u>
Spendable net position are as follows:		
Unrestricted	<u>17,684,579</u>	<u>13,264,633</u>
Total spendable net position	<u>17,684,579</u>	<u>13,264,633</u>
Total unrestricted net position	\$ <u>17,893,752</u>	<u>13,408,509</u>
Total net position	<u>\$ 39,394,885</u>	<u>38,443,071</u>

**(12) Adjustments to Net Position**

In fiscal year 2024, the District identified a prior year misstatement relating to the prior year reported balances in the June 30, 2023 financial statements. Below is a summary of the identified misstatements:

During the fiscal year, it was identified that the reported construction-in-progress balance did not include amounts which should have been recorded in construction-in-progress and accrued for in accounts payable at fiscal year-end. As a result, construction in progress and accounts payable were understated in the amount \$81,326.

In fiscal year 2023, the District identified several prior year misstatements relating to the prior year reported balances in the June 30, 2022 financial statements. Below is a summary of the identified misstatements:

During the fiscal year, it was identified that the prior year reported investment balance for the District's Local Agency Investment Fund (LAIF) balance did not include the fair market value adjustment which is required under Generally Accepted Accounting Principles. As a result, cash and cash equivalents were overstated in the amount \$175,533.

During the fiscal year, it was identified that the prior year reported receivable balance was not adjusted for unbilled receivables related to the fiscal year end. As a result, accounts receivable was understated in the amount \$934,660.

During the fiscal year, it was identified that the prior year reported lease receivables balance as incorrect due to errors identified in the calculation. As a result, lease receivables were understated in the amount \$21,651.

During the fiscal year, it was identified that the reported construction-in-progress balance did not include amounts which should have been recorded in construction-in-progress and accrued for in accounts payable at fiscal year-end. As a result, construction in progress and accounts payable were understated in the amount \$434,740.

During the fiscal year, it was identified that the prior year reported compensated absences included amounts which should not have been included as part of the liability balance based on the District's Vacation and Sick Leave policy. As a result, compensated absences were overstated by \$44,504.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(12) Adjustments to Net Position, continued**

During the fiscal year, it was identified that the prior year reported pension related deferred outflows of resources and deferred inflows of resources contained material errors in the calculation of pension amounts. As a result, pension deferred outflows of resources and deferred inflows of resources were understated by \$1,311,069 and \$126,329, respectively.

As a result of the identified misstatements, the District recorded has recorded prior period adjustments to restate net position as of June 30, 2022.

In fiscal year 2024, the adjustments to net position were as follows:

Net position at June 30, 2022	\$ 38,365,333
Effect of adjustment for 2023 to record construction in-progress	81,326
Effect of adjustment for 2023 to record payable for construction-in-progress	<u>(81,326)</u>
Total adjustments to net position	-
Change in net position at June 30, 2023, as previously stated	<u>77,738</u>
Net position at June 30, 2023, as restated	<u><u>\$ 38,443,071</u></u>

In fiscal year 2023, the adjustments to net position were as follows:

Net position at June 30, 2021	\$ 32,039,704
Effect of adjustment for 2022 to record fair market value for Local Agency Investment Fund	(175,533)
Effect of adjustment for 2022 calculation of unbilled accounts receivable related to water sales	934,660
Effect of adjustment for 2022 calculation of lease receivables related to GASB 87	21,651
Effect of adjustment to record construction-in-progress project activity in 2022	434,740
Effect of adjustment for 2022 to pension related related deferred outflows of resources	1,311,069
Effect of adjustment to record June 30, 2022 payable related to construction-in-progress project activity	(434,740)
Effect of adjustment for 2022 calculation of eligible sick leave accrual related to compensated absences	44,504
Effect of adjustment for 2022 calculation of pension related deferred inflows of resources	<u>(126,329)</u>
Total adjustments to net position	2,010,022
Change in net position at June 30, 2022, as previously stated	<u>4,315,607</u>
Net position at June 30, 2022, as restated	<u><u>\$ 38,365,333</u></u>

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(13) Other District Sponsored Retirement Plan**

*Deferred Compensation Savings Plan*

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust. The assets are held with MissionSquare Retirement for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. The total market value of all plan assets held in trust at June 30, 2024 and 2023, were \$872,627 and \$884,599, respectively.

The District has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statements of net position.

**(14) Section 115 Trust**

In fiscal year 2022, the District's Board approved the creation of a Section 115 Trust Agreement with the Public Agency Retirement Services (PARS), Trustee and Trust Administrator. The Section 115 Trust was established as a means to set aside monies to fund the District's pension plan obligation. Contributions to the Section 115 Trust are irrevocable, the assets are dedicated to providing benefits to plan members, and the assets are protected from creditors of the District. The purpose of the creation of the Section 115 Trust was to address the District's pension obligations by accumulating assets to reduce the net pension liability. However, in accordance with generally accepted accounting principles, the assets in the Section 115 Trust are not considered to have present service capacity as plan assets and are therefore considered restricted assets of the District rather than pension plan assets. Accordingly, the Section 115 Trust's assets are recorded as restricted for pension benefits in the District's fund net position rather than assets of the pension plan during the measurement date of the net pension liability. The assets held in trust will be considered pension plan assets at the time they are transferred out of the Trust into the pension plan.

During the fiscal year ended June 30, 2024, the District deposited \$0 into the Trust. During the fiscal year ended June 30, 2024, the Trust earned \$55,967 in interest income and incurred \$2,865 in bank fees. The Trust account balance on June 30, 2023, amounted to \$528,881.

During the fiscal year ended June 30, 2023, the District deposited \$0 into the Trust. During the fiscal year ended June 30, 2023, the Trust earned \$14,397 in interest income and incurred \$226 in bank fees. The Trust account balance on June 30, 2023, amounted to \$475,779.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(15) Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

At June 30, 2024, the District participates in the ACWA/JPIA pooled programs for liability, property, and workers' compensation programs as follows:

- General and auto liability, public officials and employees' errors and omissions: The ACWA/JPIAs total risk financing self-insurance limits of \$5,000,000 per occurrence. The ACWA/JPIA purchased additional excess coverage layers: \$50 million for general, auto and public officials' liability, which increases the limits on the insurance coverage noted above.

In addition, the District also has the following insurance coverage:

- Crime coverage up to \$1,100,000, which includes District excess coverage of \$100,000, per loss includes public employee dishonesty, depositor's forgery or alteration, theft, computer and funds transfer fraud coverage's, subject to \$1,000 deductible per loss.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$500 million per loss, subject to a \$5,000 deductible per loss. Mobile equipment and vehicles, on file, are paid on actual cost value basis at time of loss and subject to \$1,000 deductible per loss.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment, on file.
- Cyber liability: including cyber-security up to \$3,000,000 per member maximum limit, subject to a \$2,000,000 limit maximum per member. Cyber liability deductible is \$100,000 per incident.
- Workers' compensation coverage up to California statutory limits for all work-related injuries/illnesses covered by California law; a pooled self-insured limit of \$2,000,000. The ACWA/JPIA purchased additional excess coverage layer: \$2,000,000 employer's liability.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2024, 2023 and 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2024, 2023, and 2022, respectively.

**(16) Governmental Accounting Standards Board Statements Issued, Not Yet Effective**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2024 that have effective dates that may impact future financial presentations.

The following pronouncement implementation dates have been delayed due to the COVID-19 pandemic.

***Governmental Accounting Standards Board Statement No. 101***

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.



**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(16) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 101, continued***

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 102***

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 103***

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

**Mid-Peninsula Water District**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(16) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 104***

In September 2024, the GASB issued Statement No. 104 – Disclosure of Certain Capital Assets. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

**(17) Commitments and Contingencies**

***Grant Awards***

Grant funds received by the District are subject to audit by the grantor agencies. Such an audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

***Construction Contracts***

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water and wastewater facilities and distribution systems within its service area. The financing of such construction contracts is being provided primarily from the District's replacement reserves and capital contributions.

***Litigation***

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**(18) Subsequent Events**

***2025 Certificates of Participation Bonds***

On April 1, 2025, the District entered into an installment sale agreement with The Bank of New York Mellon in the amount \$33,100,000 for the purpose of finance the acquisition and construction of certain improvements and facilities which constitute part of the municipal water system. Terms of the agreement call for semi-annual principal and interest payments payable on June 1st and December 1st each year at an interest rate ranging from 4.125% to 4.250%, commencing on June 1, 2025, and maturing in fiscal year 2047.

Management is not aware of any other events or transactions, including estimates that provide additional evidence about conditions which existed after June 30, 2024, which require disclosure as of April 24, 2025, which is the date the financial statements were available to be issued.

## **Required Supplementary Information**

Working Draft Subject to Review

*Working Draft Subject to Review*

**Mid-Peninsula Water District**  
**Schedules of Changes in the District's Net OPEB Liability and Related Ratios**  
**As of June 30, 2024**  
**Last Ten Years\***

Fiscal year ending	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
<b>Total OPEB liability</b>							
Service cost	\$ 67,746	98,315	95,451	89,496	86,889	103,576	100,557
Interest	174,020	184,652	174,549	194,087	185,027	170,863	162,026
Differences in expected and actual experience	(379,862)	-	(386,217)	(3,676)	(182,016)	-	-
Changes in assumptions	23,937	-	(180,532)	-	137,343	-	-
Benefit payments	(87,835)	(91,690)	(86,733)	(66,803)	(63,015)	(139,440)	(63,392)
Actuary valuation adjustment	-	-	-	-	-	-	-
Net change in total OPEB liability	(201,994)	191,277	(383,482)	213,104	164,228	134,999	199,191
Total OPEB liability – beginning	3,497,503	3,306,226	3,689,708	3,476,604	3,312,376	3,177,377	2,978,186
Total OPEB liability – ending	\$ 3,295,509	3,497,503	3,306,226	3,689,708	3,476,604	3,312,376	3,177,377
<b>Plan fiduciary net position</b>							
Contributions employer	\$ 18,129	12,033	86,733	749,216	63,015	1,264,440	599,502
Net investment income	414,608	257,075	(513,767)	616,363	102,367	171,926	39,388
Benefit payments	(87,835)	(91,690)	(86,733)	(66,803)	(63,015)	(139,440)	(65,392)
Administrative expense	(21,582)	(20,260)	(23,319)	(17,760)	(14,193)	(5,038)	(2,698)
Actuary valuation adjustment	-	-	-	-	-	253	2,000
Net change in plan fiduciary net position	323,320	157,158	(537,086)	1,281,016	88,174	1,292,004	572,684
Plan fiduciary net position – beginning	3,632,749	3,475,591	4,012,677	2,731,661	2,643,487	1,351,483	778,799
Plan fiduciary net position – ending	\$ 3,956,069	3,632,749	3,475,591	4,012,677	2,731,661	2,643,487	1,351,483
Net OPEB (asset) liability – ending	\$ (660,560)	(135,246)	(169,365)	(322,969)	744,943	668,889	1,825,894
Covered payroll	\$ 2,348,687	2,493,837	2,173,535	2,131,467	2,069,385	1,677,384	1,695,877
Net OPEB (asset) liability as a percentage of covered payroll	-28.12%	-5.42%	-7.79%	-15.15%	36.00%	39.88%	107.67%

**Notes to Schedule**

Valuation dates	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Methods and assumptions used to determine contribution rates:							
Single and agent employers	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market value	Market value	Market value	Market value	Market value	Market value	Market value
Inflation	2.30%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increases	2.80%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Mortality, retirement, disability							
Termination	(4)	(4)	(4)	(3)	(3)	(2)	(2)
Other information	(6)	(6)	(6)	(5)	(5)	N/A	N/A

- (1) Level percentage of payroll, closed  
(2) Pre-retirement mortality based on RP-2014 Employee Mortality Tables, Post-retirement mortality rates based on RP-2014 Health Annuity Mortality Table  
(3) CalPERS 1997-2015 Experience Study  
(4) CalPERS 2000-2019 Experience Study  
(5) Mortality projected fully generational with Scale MP-2019  
(6) Mortality projected fully generational with Scale MP-2021

\*The District has presented information for those years for which information is available until a full 10-year trend is compiled.

**Mid-Peninsula Water District**  
**Schedules of OPEB Plan Contributions**  
**As of June 30, 2024**  
**Last Ten Years\***

Fiscal year ending	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Actuarially determined contribution	\$ -	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	<u>(18,129)</u>	<u>(12,033)</u>	<u>(86,733)</u>	<u>(66,803)</u>	<u>(63,015)</u>	<u>(139,440)</u>	<u>(65,392)</u>
Contribution deficiency (excess)	\$ <u>(18,129)</u>	<u>(12,033)</u>	<u>(86,733)</u>	<u>(66,803)</u>	<u>(63,015)</u>	<u>(139,440)</u>	<u>(65,392)</u>
Covered payroll	\$ <u>2,348,687</u>	<u>2,493,837</u>	<u>2,173,535</u>	<u>2,131,467</u>	<u>2,069,385</u>	<u>1,677,384</u>	<u>1,695,877</u>
Contribution's as a percentage of covered payroll	<u>0.77%</u>	<u>0.48%</u>	<u>3.99%</u>	<u>3.13%</u>	<u>3.05%</u>	<u>8.31%</u>	<u>3.86%</u>

\*The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Working Draft Subject to Review

**Mid-Peninsula Water District**  
**Schedules of the District's Proportionate Share of the Net Pension Liability**  
**As of June 30, 2024**  
**Last Ten Years**

Measurement dates	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability	0.00445%	0.00235%	-0.02508%	0.01601%	-0.00185%	0.03991%	0.04031%	0.03995%	0.04059%	0.04525%
District's proportionate share of the net pension liability (asset)	\$ 555,222	271,173	(1,356,634)	(11,893)	(74,271)	1,503,970	1,588,940	1,387,977	1,113,540	1,118,234
District's covered payroll	\$ 1,720,615	1,787,222	1,672,922	1,649,407	1,582,623	1,519,722	1,489,649	1,299,254	1,144,064	1,143,034
District's proportionate share of the net pension liability as a percentage of its covered payroll	32.27%	15.17%	-81.09%	-0.72%	-4.69%	98.96%	106.67%	106.83%	97.33%	97.83%
District's fiduciary net position as a percentage of the District's total pension liability	95.16%	97.43%	114.72%	83.28%	83.84%	84.37%	82.04%	80.93%	79.23%	81.15%

Notes to schedule:

Benefits changes:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that long-term expected rate of return should be determined net of pension plan investment expense but without reduction of pension plan administrative expense.

The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced from 7.15% to 6.90%.

The inflation rate was reduced from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

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**Mid-Peninsula Water District**  
**Schedules of Pension Plan Contributions**  
**As of June 30, 2024**  
**Last Ten Years**

Fiscal year ending	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 202,864	189,308	170,713	298,100	313,615	266,231	244,660	213,992	189,429	186,823
Contributions in relation to the actuarially determined contribution	(202,864)	(189,308)	(170,713)	(298,100)	(313,615)	(266,231)	(244,660)	(213,992)	(189,429)	(186,823)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
Covered payroll	\$ 1,857,561	1,720,615	1,787,222	1,672,922	1,649,407	1,582,623	1,519,722	1,489,649	1,299,254	1,178,386
Contribution's as a percentage of covered payroll	10.92%	11.00%	9.55%	17.82%	19.01%	16.82%	16.10%	14.37%	14.58%	15.85%

Notes to schedule:

Valuation dates	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
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**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market value	Market value	Market value	Market value	Market value	Market value	Market value	Market value	Market value	15 year Smoothed Market Method
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%	2.750%	2.750%	2.750%	2.750%	2.750%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	6.90% (3)	7.150% (3)	7.000% (3)	7.250% (3)	7.375% (3)	7.500% (3)	7.500% (3)	7.500% (3)	7.500% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation'

(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.



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*Working Draft Subject to Review*

# **Report on Internal Controls and Compliance**

Working Draft Subject to Review

*Working Draft Subject to Review*

**Independent Auditor's Report on Internal Controls Over Financial Reporting  
and on Compliance and Other Matters Based on Audits of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Board of Directors  
Mid-Peninsula Water District  
Belmont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Mid-Peninsula Water District (District) as of and for the year ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated April 24, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected, and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor's Report on Internal Controls Over Financial Reporting  
and on Compliance and Other Matters Based on Audits of Financial Statements  
Performed in Accordance with *Government Auditing Standards*, (continued)**

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**C.J. Brown & Company, CPAs**  
Cypress, California  
April 24, 2025

Working Draft Subject to Review

**Mid-Peninsula Water District**

**Management Report**

**June 30, 2024**

Working Draft Subject to Review

## Mid-Peninsula Water District

### Management Report

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Working Draft Subject to Review

Board of Directors  
Mid-Peninsula Water District  
Belmont, California

**Dear Members of the Board:**

In planning and performing our audit of the financial statements of the Mid-Peninsula Water District (District) as of and for the years ended June 30, 2024 and 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Current Year Comment and Recommendation**

### *Disclosure of Audit Adjustments and Reclassifications*

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

### *Management's Response*

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at June 30, 2024.

## **Prior Year Comment and Recommendation**

### *Disclosure of Audit Adjustments and Reclassifications*

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

### *Management's Response*

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at June 30, 2023.

\* \* \* \* \*

This report is intended solely for the information and use of management and the Board of Directors of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

**C.J. Brown & Company, CPAs**  
Cypress, California  
April 24, 2025

## **APPENDIX**

**Mid-Peninsula Water District**

**Audit/Finance Committee Letter**

**June 30, 2024**

Working Draft Subject to Review

Board of Directors  
Mid-Peninsula Water District  
Belmont, California

We have audited the financial statements of the business-type activities of the Mid-Peninsula Water District (District) for the years ended June 30, 2024 and 2023, and have issued our report thereon dated April 24, 2025. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated October 1, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated April 24, 2025.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

### **Required Risk Assessment Procedures per Auditing Standards:**

As auditors of the District, we are required per AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit”, to “ordinarily” presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

### **Qualitative Aspects of the Entity’s Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management’s estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of the allowance for delinquent/doubtful accounts is based on historical write-offs of past due delinquent/doubtful customer accounts, customer creditworthiness, and calculated assumptions of expected future write-offs. We evaluated the key factors and assumptions used to develop the allowance for delinquent/doubtful accounts in determining that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of capital assets depreciation is based on historical estimates of each capitalized item’s useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of the other post-employment benefits (OPEB) plan: deferred outflows of resources, net OPEB liability, and deferred inflows of resources is based on the alternative measurement method to determine the liability balance. This alternative measurement method was determined and prepared by the District’s third-party actuary. We evaluated the basis, methods, and assumptions used by the actuary in determining that they are reasonable in relation to the financial statements taken as a whole.

## **Qualitative Aspects of the Entity's Significant Accounting Practices, continued**

### *Significant Accounting Estimates, continued*

Management's estimate of the defined benefit pension plan's: deferred outflows of resources, net pension liability, and deferred inflows of resources is based on an actuarial evaluation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods, and assumptions used by the actuary to calculate these amounts for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The disclosure of fair value of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of the District's allowance for delinquent/doubtful accounts in Note 3 to the basic financial statements represents amounts susceptible to external factors the District has no control over, such as, the state of the economy in the District's service area.

The disclosure of capital assets, net in Note 4 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the District's other post-employment benefits plan, in Note 7 to the basic financial statements is based on information which could differ from those in future periods.

The disclosure of the District's defined benefit pension plan in Note 8 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

### **Identified or Suspected Fraud**

We have not identified or have not obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### **Uncorrected and Corrected Misstatements, continued**

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 6 through 10 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated April 24, 2025.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

### **Other Matters**

We applied certain limited procedures to the management discussion and analysis, schedules of changes in the District's net OPEB liability and related ratios, schedules of the District's proportionate share of net pension liability, and the schedule of pension plan contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining schedules and budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

**Other Matters, continued**

We were not engaged to report on the introductory section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Restriction on Use**

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended to us by Kat Wuelfing, General Manager, James Ramsey of Eide Bailly, and the District's administrative staff in the performance of our audit testwork. We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

**C.J. Brown & Company, CPAs**

Cypress, California

April 24, 2025

Working Draft Subject to Review

**Mid-Peninsula Water District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

Account	Description	Debit	Credit
<b>Adjusting Journal Entries</b>			
<b>Adjusting Journal Entries JE # 1</b>			
AJE - To adjust beginning equity difference located during review of trial balance.			
1-380-3940-00-00	Fund Balance Invest In Ut Plant	92,083.01	
1-900-9020-00-00	Gain/Loss on Sale of FA's		92,083.01
<b>Total</b>		<b>92,083.01</b>	<b>92,083.01</b>
<b>Adjusting Journal Entries JE # 2</b>			
CPE - To reclassify suspense account balance.			
1-900-9050-00-00	Other Non Operating Expense	30,115.84	
1-900-9998-00-00	Suspense Clearing		30,115.84
<b>Total</b>		<b>30,115.84</b>	<b>30,115.84</b>
<b>Adjusting Journal Entries JE # 3</b>			
AJE - To reclass amortization related to SBIT from Office space accumulated amortization account.			
1-160-1640-00-00	Accumulated amortization	7,283.67	
1-160-1641-10-00	SBITA Accumulated Amortization		7,283.67
<b>Total</b>		<b>7,283.67</b>	<b>7,283.67</b>
<b>Adjusting Journal Entries JE # 4</b>			
PPA - To prior period adjust 2023 invoices for CIP project 21-01, vendor mott macdonald recorded in 2024 for CIP and AP.			
1-170-1700-00-00	Construction in Progress	67,306.39	
1-170-1700-00-00	Construction in Progress	14,019.79	
1-200-2100-20-00	Accounts Payable	67,306.39	
1-200-2100-20-00	Accounts Payable	14,019.79	
1-170-1700-00-00	Construction in Progress		67,306.39
1-170-1700-00-00	Construction in Progress		14,019.79
1-200-2100-20-00	Accounts Payable		67,306.39
1-200-2100-20-00	Accounts Payable		14,019.79
<b>Total</b>		<b>162,652.36</b>	<b>162,652.36</b>
<b>Adjusting Journal Entries JE # 5</b>			
AJE - To reclass Flood Damage Insurance Proceeds for Financial Reporting.			
1-400-4090-00-00	Misc - Non Operating Revenue	11,453.00	
1-400-4090-00-00	Misc - Non Operating Revenue	539,705.88	
1-900-9999-00-00	Flood Damage Insurance Recovery		11,453.00
1-900-9999-00-00	Flood Damage Insurance Recovery		539,705.88
<b>Total</b>		<b>551,158.88</b>	<b>551,158.88</b>
<b>Adjusting Journal Entries JE # 6</b>			
AJE - To close project 15-76 el Camino Real Improvements noted during review of Stale CIP at June 30, 2024.			
1-150-1532-00-00	Main Replacement	3,398,646.57	
1-900-9010-00-00	Depreciation And Amortization	136,134.68	
1-160-1632-00-00	Accum Depr - Main Replacement		136,134.68
1-170-1700-00-00	Construction in Progress		3,398,646.57
<b>Total</b>		<b>3,534,781.25</b>	<b>3,534,781.25</b>



**Mid-Peninsula Water District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 7</b>			
CPE - (JE 234-05-2024) - Various water charges, employment expenses, maintenance expenses, utilities, and professional services.			
1-400-4010-40-00	Water Charges	13,512.15	
1-603-6030-63-00	Standard Ldl/Sdl Disability	1,536.00	
1-603-6030-73-00	Uniforms	469.20	
1-634-6304-81-00	Irrigation Hardware Rebate	263.83	
1-640-6403-00-00	Storage Tanks	3,200.00	
1-640-6404-00-00	Mains/Distribution	8,806.57	
1-640-6405-00-00	Meters & Service-In House	3,559.70	
1-640-6406-00-00	Fire Hydrants	31.29	
1-640-6408-00-00	Employee Safety	3,577.81	
1-640-6409-00-00	Scada Maintenance	675.00	
1-640-6410-00-00	Generator Maintenance	606.92	
1-650-6501-00-00	Buildings & Grounds	877.65	
1-650-6503-00-00	Vehicle & Large Equip	380.28	
1-650-6504-00-00	Fuel	2,028.65	
1-700-7001-00-00	Utilities - Internet/Cable	1,919.39	
1-700-7002-00-00	Utilities - Cell Telephone	1,193.66	
1-700-7003-00-00	Utilities - Electric - Pumping	20,514.52	
1-700-7004-00-00	Utilities - Electric-Bldgs&Grnd	8.11	
1-700-7005-00-00	Utilities - Telephones	907.38	
1-710-7103-00-00	Prof Serv - It	6,206.70	
1-720-7204-00-00	Employee Travel/Training	2,116.88	
1-100-1030-00-00	Cash- Checking		72,391.69
<b>Total</b>		<b>72,391.69</b>	<b>72,391.69</b>
<b>Adjusting Journal Entries JE # 8</b>			
CPE - Sweep investment income February, March, April, May, and June.			
1-100-1030-00-00	Cash- Checking	1,963.85	
1-100-1030-00-00	Cash- Checking	9,458.52	
1-100-1030-00-00	Cash- Checking	10,748.23	
1-100-1030-00-00	Cash- Checking	6,592.17	
1-100-1030-00-00	Cash- Checking	2,414.50	
1-410-4106-00-00	Investment Revenue - Sweep		1,963.85
1-410-4106-00-00	Investment Revenue - Sweep		9,458.52
1-410-4106-00-00	Investment Revenue - Sweep		10,748.23
1-410-4106-00-00	Investment Revenue - Sweep		6,592.17
1-410-4106-00-00	Investment Revenue - Sweep		2,414.50
<b>Total</b>		<b>31,177.27</b>	<b>31,177.27</b>
<b>Adjusting Journal Entries JE # 9</b>			
CPE - Missing fees recorded as part of reconciling the cash account.			
1-670-6709-00-00	Customer Credit Card Svs Fees	15,687.74	
1-720-7204-00-00	Employee Travel/Training	4,117.42	
1-100-1030-00-00	Cash- Checking		19,805.16
<b>Total</b>		<b>19,805.16</b>	<b>19,805.16</b>
<b>Adjusting Journal Entries JE # 10</b>			
CPE - Voided Check / JE recorded as part of reconciling the cash account.			
1-100-1030-00-00	Cash- Checking	2,677.56	
1-603-6030-66-00	Calpers Retirement Cont.		106.50
1-670-6709-00-00	Customer Credit Card Svs Fees		2,571.06
<b>Total</b>		<b>2,677.56</b>	<b>2,677.56</b>

**Mid-Peninsula Water District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 11</b>			
CPE - ACH adjustments recorded as part of reconciling the cash account.			
1-140-1440-00-00	Payroll Clearing A/C	10,800.35	
1-603-6030-58-00	Fica/Medicare Pr Tax	298.73	
1-603-6030-70-00	Medical Reimbursement	860.75	
1-100-1030-00-00	Cash- Checking		6,113.88
1-601-6010-50-00	Salaries & Wages		5,738.20
1-601-6010-51-00	Director Compensation		92.35
1-640-6406-00-00	Fire Hydrants		3.83
1-650-6501-00-00	Buildings & Grounds		11.57
<b>Total</b>		<b>11,959.83</b>	<b>11,959.83</b>
<b>Adjusting Journal Entries JE # 12</b>			
CPE - Annual contribution JE 238-07-2024 recorded as part of reconciling the cash account.			
1-140-1410-00-00	Prepaid Expenses	25,414.59	
1-603-6030-70-00	Medical Reimbursement	25,414.58	
1-100-1030-00-00	Cash- Checking		50,829.17
<b>Total</b>		<b>50,829.17</b>	<b>50,829.17</b>
<b>Adjusting Journal Entries JE # 13</b>			
CPE - Missing ACH Entries (tab 4) recorded as part of reconciling the cash account.			
1-140-1410-00-00	Prepaid Expenses	4,425.00	
1-603-6030-70-00	Medical Reimbursement	3,175.00	
1-670-6710-00-00	PROPERTY LEASE	12,238.00	
1-100-1030-00-00	Cash- Checking		12,238.00
1-140-1440-00-00	Payroll Clearing A/C		7,600.00
<b>Total</b>		<b>19,838.00</b>	<b>19,838.00</b>
<b>Adjusting Journal Entries JE # 14</b>			
CPE - JE 236-07-2024 Missing Payroll recorded as part of reconciling the cash account.			
1-601-6010-50-00	Salaries & Wages	52,922.68	
1-601-6010-52-00	Sick Leave	1,674.99	
1-601-6010-53-00	Vacation	4,162.54	
1-601-6010-54-00	Holiday	24,541.52	
1-601-6010-55-00	Administrative	978.55	
1-602-6020-56-00	Overtime Labor	2,908.01	
1-602-6020-57-00	Standby Labor	1,133.60	
1-603-6030-58-00	Fica/Medicare Pr Tax	6,609.66	
1-100-1030-00-00	Cash- Checking		88,366.27
1-603-6030-59-00	Acwa Health Care		438.50
1-603-6030-60-00	Awca Dental		44.02
1-603-6030-62-00	Acwa Life/Ad&D		47.90
1-603-6030-66-00	Calpers Retirement Cont.		6,034.86
<b>Total</b>		<b>94,931.55</b>	<b>94,931.55</b>
<b>Adjusting Journal Entries JE # 15</b>			
CPE - Utility Billing Adjustments - Tab 5 recorded as part of reconciling the cash account.			
1-100-1030-00-00	Cash- Checking	34,384.26	
1-400-4010-41-00	Water Refunds	8,957.26	
1-400-4010-42-00	Returned Water Charges	93.44	
1-120-1210-00-00	Accounts Receivable Water		10,772.19
1-400-4010-40-00	Water Charges		31,090.32
1-400-4020-00-00	Fixed System Charges		1,572.45
<b>Total</b>		<b>43,434.96</b>	<b>43,434.96</b>

**Mid-Peninsula Water District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 16</b>			
CPE - Umpqua Adjustments - Tab 6 recorded as part of reconciling the cash account.			
1-100-1030-00-00	Cash- Checking	55,690.59	
1-200-2045-00-00	UMPQUA Credit Cards		55,121.09
1-400-4090-00-00	Misc - Non Operating Revenue		569.50
<b>Total</b>		<b>55,690.59</b>	<b>55,690.59</b>
<b>Adjusting Journal Entries JE # 17</b>			
CPE - Payroll Adjustments - Tab 7 recorded as part of reconciling the cash account.			
1-140-1440-00-00	Payroll Clearing A/C	3,487.34	
1-601-6010-50-00	Salaries & Wages	3,949.43	
1-603-6030-66-00	Calpers Retirement Cont.	16.12	
1-100-1030-00-00	Cash- Checking		7,452.89
<b>Total</b>		<b>7,452.89</b>	<b>7,452.89</b>
<b>Adjusting Journal Entries JE # 18</b>			
CPE - CalPERS Adjustments - Tab 8 recorded as part of reconciling the cash account.			
1-603-6030-66-00	Calpers Retirement Cont.	89,781.31	
1-100-1030-00-00	Cash- Checking		89,781.28
1-140-1440-00-00	Payroll Clearing A/C		0.02
1-601-6010-50-00	Salaries & Wages		0.01
<b>Total</b>		<b>89,781.31</b>	<b>89,781.31</b>
<b>Adjusting Journal Entries JE # 19</b>			
CPE - Misc. Entries - Tab 9 recorded as part of reconciling the cash account.			
1-400-4090-00-00	Misc - Non Operating Revenue	1,659.54	
1-100-1030-00-00	Cash- Checking		1,659.54
<b>Total</b>		<b>1,659.54</b>	<b>1,659.54</b>
<b>Adjusting Journal Entries JE # 20</b>			
CPE - Suspense Clearing Entries - Tab 10 recorded as part of reconciling the cash account.			
1-400-4010-40-00	Water Charges	23,002.92	
1-400-4041-00-00	Late Fees	50.00	
1-100-1030-00-00	Cash- Checking		16,858.76
1-400-4090-00-00	Misc - Non Operating Revenue		4,680.23
1-900-9998-00-00	Suspense Clearing		1,513.93
<b>Total</b>		<b>23,052.92</b>	<b>23,052.92</b>
<b>Adjusting Journal Entries JE # 21</b>			
CPE - Payroll Clearing - Tab 11 recorded as part of reconciling the cash account.			
1-100-1030-00-00	Cash- Checking	83,104.91	
1-603-6030-66-00	Calpers Retirement Cont.	131.51	
1-140-1440-00-00	Payroll Clearing A/C		83,236.42
<b>Total</b>		<b>83,236.42</b>	<b>83,236.42</b>
<b>Adjusting Journal Entries JE # 22</b>			
CPE - Close out of remaining items recorded as part of reconciling the cash account.			
1-120-1210-00-00	Accounts Receivable Water	10,772.19	
1-380-3900-00-00	Unappropriated Fund Balance	1,071,203.60	
1-900-9998-00-00	Suspense Clearing	1,513.93	
1-380-3950-00-00	Prior Period Adjustment		1,071,203.60
1-400-4090-00-00	Misc - Non Operating Revenue		12,286.12
<b>Total</b>		<b>1,083,489.72</b>	<b>1,083,489.72</b>

**Mid-Peninsula Water District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 23</b>			
AJE - To record client reclass difference between 10/7 and 10/8/ trial balance analysis.			
1-650-6501-01-00	Buildings & Furniture Purchase	61,171.85	
1-950-9500-00-00	Capitalized Equipment		61,171.85
<b>Total</b>		<b>61,171.85</b>	<b>61,171.85</b>
<b>Total Adjusting Journal Entries</b>		<b>6,130,655.44</b>	<b>6,130,655.44</b>
<b>Total All Journal Entries</b>		<b>6,130,655.44</b>	<b>6,130,655.44</b>
<b>Legend:</b>			
AJE	Audit Adjusting Journal Entry		
CPE	District Prepared Adjusting Journal Entry		
PPA	Prior Period Adjusting Journal Entry		

Working Draft Subject to Review



**Board of Directors**

**Presentation of the June 30, 2024**

**Annual Audited Financial Statements**

**C.J. Brown and Company, CPAs – An Accountancy Corporation**

## Professional Guidance

- **The Audit Process is Governed by:**
  - **The AICPA's Statements of Auditing Standards**
  - **Federal and State Requirements**
- **GAAP (Generally Accepted Accounting Principles) is Established By The Governmental Accounting Standards Board (GASB)**

# Auditor's Report – Page 1

## Independent Auditor's Report

### ■ Unmodified “CLEAN” Opinion

- In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Mid-Peninsula Water District as of June 30, 2024....

# Management Report

## Communication to Governing Board

- Auditor's Responsibility Under U.S. GAAS
- Scope of Audit
- District's Accounting Practices
- Adjustments to the General Ledger
- Difficulties Encountered in Performing the Audit – None Noted
- Disagreements with Management – None Noted



# Statements of Net Position – Page 5

## Condensed Statements of Net Position

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 20,790,723	23,001,789	(2,211,066)
Non-current assets	1,461,841	3,120,085	(1,658,244)
Capital assets, net	<u>37,728,150</u>	<u>31,942,206</u>	<u>5,785,944</u>
<b>Total assets</b>	<u>59,980,714</u>	<u>58,064,080</u>	<u>1,916,634</u>
<b>Deferred outflows of resources</b>	<u>1,660,054</u>	<u>2,190,025</u>	<u>(529,971)</u>
<b>Liabilities:</b>			
Current liabilities	3,014,543	2,441,604	572,939
Non-current liabilities	<u>16,846,827</u>	<u>17,107,918</u>	<u>(261,091)</u>
<b>Total liabilities</b>	<u>19,861,370</u>	<u>19,549,522</u>	<u>311,848</u>
<b>Deferred inflows of resources</b>	<u>2,384,513</u>	<u>2,261,512</u>	<u>123,001</u>
<b>Net position:</b>			
Net investment in capital assets	20,972,252	19,574,695	1,397,557
Restricted	528,881	5,459,867	(4,930,986)
Unrestricted	<u>17,893,752</u>	<u>13,408,509</u>	<u>4,485,243</u>
<b>Total net position</b>	<u>\$ 39,394,885</u>	<u>38,443,071</u>	<u>951,814</u>

# Total Revenues – Page 7

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>
<b>Operating revenues:</b>			
Water consumption sales	\$ 10,600,551	9,591,422	1,009,129
Meter service charges	3,246,456	3,175,460	70,996
Other charges	231,833	287,007	(55,174)
Total operating revenues	<u>14,078,840</u>	<u>13,053,889</u>	<u>1,024,951</u>
<b>Non-operating revenues:</b>			
Property tax revenue	542,478	506,145	36,333
Rental income – cellular site leases	189,456	180,005	9,451
Investment earnings, net of fair value	1,132,554	775,171	357,383
Gain on asset disposal	11,453	-	11,453
Flood damage insurance proceeds	539,706	-	539,706
Other non-operating revenues, net	22,615	102,934	(80,319)
Total non-operating revenues	<u>2,438,262</u>	<u>1,564,255</u>	<u>874,007</u>
<b>Capital contributions:</b>			
Capacity charges	-	1,645,297	(1,645,297)
Total capital contributions	<u>-</u>	<u>1,645,297</u>	<u>(1,645,297)</u>
<b>Total revenues</b>	<u>\$ 16,517,102</u>	<u>16,263,441</u>	<u>253,661</u>

# Total Expenses – Page 8

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>
<b>Operating expenses including depreciation expense:</b>			
Salaries and benefits	\$ 3,957,209	5,587,769	(1,630,560)
Purchased water	6,271,170	5,751,769	519,401
Maintenance and rehabilitation	787,431	735,753	51,678
Utilities	524,734	430,917	93,817
Professional services	1,147,892	742,212	405,680
General and administrative	863,379	940,588	(77,209)
Depreciation and amortization	<u>1,365,011</u>	<u>1,060,161</u>	<u>304,850</u>
<b>Total operating expenses including depreciation and amortization expense</b>	<u>14,916,826</u>	<u>15,249,169</u>	<u>(332,343)</u>
<b>Non-operating expenses:</b>			
Interest expense – long-term debt	618,351	638,204	(19,853)
Loss on asset disposal	-	205,630	(205,630)
Capital contribution to other agency	-	92,700	(92,700)
Other non operating expense	<u>30,111</u>	<u>-</u>	<u>30,111</u>
<b>Total non-operating expenses</b>	<u>648,462</u>	<u>936,534</u>	<u>(288,072)</u>
<b>Total expenses</b>	<u>\$ 15,565,288</u>	<u>16,185,703</u>	<u>(620,415)</u>

# SUMMARY

## **In 2024:**

- 1. The District received an unmodified “CLEAN” opinion**
- 2. Total revenues increased by \$254K primarily due to:**
  - a) Increases in water consumption sales (\$1.02M), flood damage insurance proceeds (\$540K), and investment earnings (\$357K).**
  - b) Decrease in capacity charges of \$1.6M.**
- 3. Total expenses decreased by \$620K primarily due to an:**
  - a) Decrease in salaries and benefits of \$1.6M, which includes a decrease in non-cash CalPERS actuarial pension expense adjustment of \$1.4M, and non-cash OPEB actuarial expense adjustment of \$200K, compared to the prior year;**
  - b) Increase in purchased water of \$519K as compared to the prior year; and**
  - c) Increase in professional services of \$406K.**
- 4. Total net position increased by \$952K.**



# Questions

## ***AGENDA ITEM NO. 8.B.***

DATE: April 24, 2025  
TO: Board of Directors  
FROM: Kat Wuelfing, General Manager

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**SUBJECT: CONSIDER ADOPTING ORDINANCE NO. 131 AMENDING  
ATTACHMENT “A” REGARDING RATES AND FEES TO THE WATER  
SERVICE ORDINANCE NO. 103 FOR THE MPWD**

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### **RECOMMENDATION**

Adopt Ordinance No. 131.

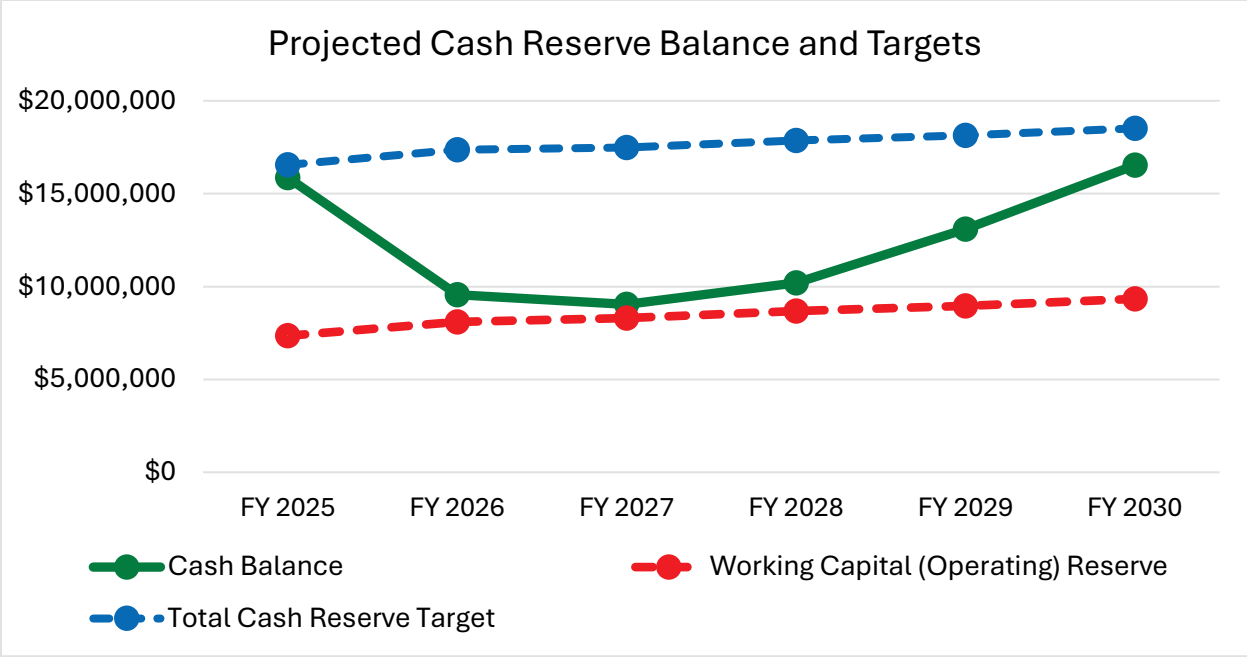
### **FISCAL IMPACT**

On March 21, 2025, San Francisco Public Utilities Commission (SFPUC) provided a letter stating that the wholesale water rate will increase by 2.3%, or from \$5.67 per hundred cubic feet (CCF) to \$5.80/CCF, effective July 1, 2025. A hearing for this rate increase will be held by SFPUC on April 22, 2025. This increase is \$0.06/CCF less than the SFPUC rate included in our 2024 Five-Year Rate Study, which was based on prior SFPUC projections. Because of the pass-through mechanism included in our Proposition 218 process, this \$0.06/CCF savings will be passed on to customers.

Water rate adjustments are needed, effective July 1, 2025, to recover the increased cost of wholesale purchased water from the SFPUC and to support the District's revenue needs as outlined in the 2024 Rate Study and affirmed by the analysis presented to the Board at the March 27, 2025 meeting.

### **BACKGROUND**

At the March 27, 2025 Board meeting, staff presented to the Board a recommendation to adjust MPWD rates per the tables provided below under discussion. This recommendation was based on a detailed cashflow analysis, the near-term pay-go capital expenditures expected, and the trends towards inflation we are seeing at a national level. The results of this analysis are summarized in the chart below.



The proposed rate adjustment is supported by a five-year rate study and accompanying Proposition 218 process, which was completed in November 2024.

**DISCUSSION**

Based on the District’s 2024 Five-Year Rate Study and the Proposition 218 process that concluded in November 2024, and given the SFPUC wholesale water rate of \$5.80/CCF, the Board may elect to increase rates as of July 1, 2025 up to the amounts shown below.

**Volumetric Water Rates**

Tier Size	Current Rate	Proposed July 1, 2025 Rate	Increase from Current Rate	
Residential, Single- Family				
Tier 1 0-6 CCF	\$9.75	\$10.18	\$0.43	4.41%
Tier 2 7 to 14 CCF	\$14.56	\$15.23	\$0.67	4.60%
Tier 3 15+ CCF	\$19.10	\$20.00	\$0.90	4.71%
Non-Residential				
All Use	\$12.80	\$13.38	\$0.58	4.53%

### Fixed Meter Service Charges

Meter Size	Current Monthly Rate	Proposed July 1, 2025 Rate	Increase from Current Rate	
5/8"	\$35.15	\$36.91	\$1.76	5.0%
1"	\$72.39	\$76.01	\$3.62	5.0%
1-1/2"	\$134.44	\$141.16	\$6.72	5.0%
2"	\$208.90	\$219.35	\$10.45	5.0%
3"	\$407.47	\$427.84	\$20.37	5.0%
4"	\$630.86	\$662.40	\$31.54	5.0%
6"	\$1,251.39	\$1,313.96	\$62.57	5.0%

Ordinance No. 131 with Attachment A is attached reflecting the change to the water rate schedule, which passes through the increase in the SFPUC wholesale water rates, effective July 1, 2025 as well as an increase to meet the District's revenue needs.

A notice will be mailed to all customers to inform them of the water rate adjustment beginning on July 1, 2025. This notice will be mailed more than 30 days prior to the rate change.

Attachment: Ordinance No. 131 with Attachment A  
Customer Notice



**ORDINANCE NO. 131**

**AN ORDINANCE AMENDING ATTACHMENT A REGARDING RATES AND FEES  
TO THE WATER SERVICE ORDINANCE NO. 103  
FOR THE MID-PENINSULA WATER DISTRICT**

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the Board of Directors of the Mid-Peninsula Water District (District) is authorized to establish and modify, as necessary, the rates and fees imposed for the provision of water service to its customers; and

**WHEREAS**, these rates and fees are set forth in Attachment A to the Water Service Ordinance No. 103, which was most recently updated and adopted pursuant to Ordinance No. 129 on November 21<sup>st</sup>, 2025; and

**WHEREAS**, California Water Code Section 31007 authorizes the District to establish rates and charges to yield an amount sufficient to pay operating expenses, to provide for repairs and depreciation of works owned and operated by the District, to pay interest on bonded debt, and to provide a fund to pay principal on bonded debt; and

**WHEREAS**, the District has evaluated the District's Water Volume Rates, Meter Service Charges, and Water Shortage Rate Factors, in light of the cost of providing service, including providing wholesale water provided by the San Francisco Public Utilities Commission (SFPUC), maintaining adequate reserves, the increase in operating expenses, and the capital improvement projects in the District's updated Fiscal Year (FY) 2024/2025 Capital Improvement Program (CIP) and 5-Year CIP budget; and

**WHEREAS**, the Board of Directors (Board) believes that the projects identified in the District's updated FY 2024/2025 CIP and 5-Year CIP budget are important for the safe and efficient operation of the District's water system and should not be foregone or deferred, and that the existing reserves and targeted reserve amounts are prudent and reasonable and need to be maintained; and

**WHEREAS**, the District has determined that the District's Water Volume Rates, Meter Service Charges, and Water Shortage Rate Factors must be adjusted in order to fund District operations and maintenance activities, to provide for adequate reserves, and to carry out capital improvements necessary to preserve and improve the reliability of the water system; and

**WHEREAS**, the District's rate consultant, HF&H Consultants, LLC, prepared a cost-of-service analysis and Water Rate Study covering the period Fiscal Year (FY) 2024/2025 through FY 2028/2029 that analyzed the District's revenue requirements, provided a recommendation for adjusting the District's Water Volume Rates, Meter Service Charges, and Water Shortage Rate Factors, and established a rationale for the increased charges, as required under Proposition 218; and

**WHEREAS**, the District is also proposing, pursuant to California Government Code Section 53756, to pass through the SFPUC wholesale rate increases that are above the projected rate increases identified in the cost-of-service analysis and Water Rate Study. On March 21, 2025, the SFPUC provided a notice that the wholesale water rate will increase by 2.3%, or from \$5.67 per hundred cubic feet (CCF) to \$5.80/CCF, effective July 1, 2025. This rate increase will be included in the proposed rate increase; and

**WHEREAS**, the District followed the Proposition 218 process, including all public noticing and holding a public hearing on November 21, 2024, following which the Board adopted the 5-year Water Rate Study and rate increase via Ordinance 129; and

**WHEREAS**, the Board finds that the amendments to the Schedule of Rates and Fees do not exceed the amount of the estimated costs required to provide the services for which the rates and charges are levied and that the rate structure is aligned under the proportional costs of providing the services within each tier; and

**WHEREAS**, the Board further finds that the amendments to the Schedule of Rates and Fees are reasonable and required for the proper operation of the District, and are exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Section 21080(b)(8) of the Public Resources Code because it is for the purposes of (1) meeting operating expenses; (2) purchasing or leasing supplies; (3) meeting financial reserve requirements; and (4) obtaining funds for capital projects necessary to maintain services within existing service areas and that the analysis in this Ordinance and the documents incorporated into this Ordinance justify that the modifications to the rates and charges are for the purposes set forth on Section 21080 (b) (8); and

**WHEREAS**, the District will send notification to all customers at least 30 days prior to implementation.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Directors of the Mid-Peninsula Water District as follows:

**Section 1:** Attachment A to the Water Service Ordinance No. 103 of the Mid-Peninsula Water District is amended and restated in its entirety as set forth on Attachment A attached hereto.

**Section 2 – Effective Date:** This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2025. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 131 hereby are repealed.

**REGULARLY PASSED AND ADOPTED** at a meeting of the Board of Directors of the Mid-Peninsula Water District duly held on April 24, 2025, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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President of the Board of Directors  
Mid-Peninsula Water District

ATTEST:

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District Secretary



## **ATTACHMENT A WATER SERVICE ORDINANCE 103**

### **SCHEDULE OF RATES AND FEES**

#### **I. SERVICE CONNECTION CHARGES**

Service connections to the Mid-Peninsula Water District (MPWD) system require payment of a Meter Charge, Service Line and Installation Charge, Water Capacity Charge, and Water Demand Offset Charge. Charges are based upon the size of the service connection.

A. Meter Charge – CURRENT ACTUAL COST

B. Service Line and Installation Charge – CURRENT ACTUAL COST

An advance deposit will be required for service connections in the amount of the MPWD's estimate of the total cost to install. Any excess of actual installed costs shall be refunded to applicant. Any shortfall between the MPWD's estimate and actual installed costs shall be paid by the applicant prior to water service being activated.

## C. Water System Capacity Charges

<b>Water System Capacity Charges</b>	
<b>RESIDENTIAL</b>	<b>EFFECTIVE 10/01/18</b>
<i>Charge applies per residential dwelling unit</i>	<u>Capacity Charge</u>
<b>Single Family Detached Dwelling Unit</b>	-
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>	\$10,043
<b>Multi-Family Dwelling Unit</b>	\$6,026
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>	
<b>OTHER CONNECTIONS</b>	-
<i>Charge applies based on meter size</i>	<b>EFFECTIVE 10/01/18</b>
<u>Meter Size</u>	<u>Capacity Charge</u>
Up to 3/4-inch	\$10,043
1-inch	\$16,738
1-1/2-inch	\$33,476
2-inch	\$53,561
3-inch	\$100,427
4-inch	\$167,379
6-inch	\$334,758
8-inch	\$535,613
<hr/>	
<i>Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.</i>	

## D. Water Demand Offset Charges

Water Demand Offset Charges					
		UWMP Water Shortage Response Stages			
		Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction		Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset		25%	50%	75%	100%
RESIDENTIAL					
Charge applies per residential dwelling unit					
Single Family Detached Dwelling Unit					
EFF					
10/01/18		\$673	\$1,294	\$1,913	\$2,533
Applies to residential dwelling units served by meters up to 1-inch.					
Multi-Family Dwelling Unit					
EFF					
10/01/18		\$404	\$776	\$1,148	\$1,520
Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District					
OTHER CONNECTIONS - Charge based on meter size					
Meter Size		EFFECTIVE 10/01/18			
Up to 3/4-inch		673	1,294	1,913	2,533
1-inch		1,121	2,156	3,189	4,222
1-1/2-inch		2,243	4,312	6,378	8,443
2-inch		3,589	6,900	10,204	13,509
3-inch		6,729	12,936	19,133	25,330
4-inch		11,214	21,560	31,889	42,218
6-inch		22,428	43,121	63,778	84,434
8-inch		35,886	68,994	102,044	135,095

## II. MONTHLY FIXED SYSTEM AND COMMODITY CHARGES

MPWD WATER RATES EFFECTIVE JANUARY 1, 2025				
<b>Fixed Monthly Charges</b>				
<i>Billed based on meter size</i>				
<u>Meter Size</u>	Effective January 1, 2025		Effective July 1, 2025	
	<u>Meter Ratio</u>	<u>Rates</u>	<u>Meter Ratio</u>	<u>Rates</u>
<b>5/8"</b>	1.00	\$ 35.15	1.00	<b>\$36.91</b>
<b>1"</b>	2.50	\$ 72.39	2.50	<b>\$76.01</b>
<b>1 1/2"</b>	5.00	\$ 134.44	5.00	<b>\$141.16</b>
<b>2"</b>	8.00	\$ 208.90	8.00	<b>\$219.35</b>
<b>3"</b>	16.00	\$ 407.47	16.00	<b>\$427.84</b>
<b>4"</b>	25.00	\$ 630.86	25.00	<b>\$662.40</b>
<b>6"</b>	50.00	\$ 1,251.39	50.00	<b>\$1,313.96</b>
<b>Water Consumption Charges</b>				
<i>Billed based on monthly metered water use (\$/HCF)</i>				
<u>Residential</u> <u>Rate Tiers</u>	Effective January 1, 2025		Effective July 1, 2025	
Tier 1	0 - 6 HCF	\$ 9.75	0 - 6 HCF	<b>\$10.18</b>
Tier 2	7 - 14 HCF	\$ 14.56	7 - 14 HCF	<b>\$15.23</b>
Tier 3	Over 15 HCF	\$ 19.10	Over 15 HCF	<b>\$20.00</b>
<u>Commercial Rate Tiers</u>				
Tier 1	All use	\$ 12.80	All use	<b>\$13.38</b>
Note: 1 HCF = one hundred cubic feet or approximately 748 gallons.				

Pursuant to the Government Code, the MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

### III. WATER SHORTAGE EMERGENCY RATES

Water Shortage Emergency Rates may be implemented by authorization of MPWD's Board of Directors. The table below shows that factors that would be applied to customer volumetric rates.

WATER SHORTAGE EMERGENCY RATE FACTORS						
Class	Stage 1 Up to 10% Reduction	Stage 2 Up to 20% Reduction	Stage 3 Up to 30% Reduction	Stage 4 Up to 40% Reduction	Stage 5 Up to 50% Reduction	Stage 6 Greater than 50% Reduction
Single Family Residential (SFR)	1.051	1.114	1.195	1.302	1.452	1.676
Multi-Family Residential (MFR)	1.043	1.094	1.157	1.237	1.340	1.490
Commercial	1.059	1.135	1.237	1.382	1.603	1.957

### IV. PRIVATE FIRE PROTECTION SERVICE CHARGES

A. Residential	\$1.25/Month
B. Non-Residential	\$6.25/Month



## V. MISCELLANEOUS CHARGES – Effective January 1, 2019

User Fee Item	Fee
Application for Regular or Temporary Service	\$10.00
Security Deposit	\$0.00
Payment with Credit/Debit Card	\$3.00
Late Payment Charge	\$10 per Month
48-Hour Notice	\$35.00
Shut-off/Restore Service	\$75.00
After-Hours Service Call	\$100.00
Returned Check	\$25.00
Photocopies, per page	\$0.25
Electronic Files via USB Storage Device	\$10 per service
Meter Test (Refundable if bad meter)	\$200.00
Fire Flow Test Report (Actual Cost)	\$500 Deposit for Actual Cost
Temporary Construction Water Connection: 1" Meter	\$550 dep + Fixed Monthly + Volume
Temporary Construction Water Connection: 3" Meter	\$2,500 dep + Fixed Monthly + Volume
Unauthorized Connection to Fire Hydrant	\$1,000.00
Unauthorized Hydrant Valve Operation	\$500.00
Commercial Plan Check Review	\$5,000.00
Residential Plan Check Review (3 units or larger)	\$3,000.00
Landscape Plan Check Review	\$400.00
Review, planning, and meeting time for projects not otherwise covered	Actual Cost
Labor - Administration	\$60.00
Labor - Operations Personnel w/Truck (Business Hours)	\$76.00
Labor - Operations Personnel w/Truck (Off Hours)	\$95.00
Equipment - Back Hoe, Dump Truck, Compressor	\$113.00
Labor - Executive Staff	\$121.00
Labor - Outside Principal Engineer	\$212.00
Labor - Outside Supporting Engineer	\$159.00
Labor - Outside Professional Services	Cost + 15%



### ***AGENDA ITEM NO. 8.C.***

DATE: April 24, 2025  
TO: Board of Directors  
FROM: Kat Wuelfing, General Manager

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**SUBJECT: REVIEW STRATEGIC PLAN UPDATE PROCESS**

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**RECOMMENDATION**

Receive report.

**FISCAL IMPACT**

None.

**BACKGROUND**

The Board developed a new Two-Year Strategic Plan over the course of several meetings in 2023, and adopted the 2023-2024 Strategic Plan in July 2023. Many of the changes made reflect a shift in the District's work culture that has evolved over time into a "People First, Mission Always" focus. The Board historically has developed a new two-year plan in odd years, and meets to consider updates to the plan in even years. This plan was last updated in January 2024 and is provided as an attachment.

Each year, the Board updates its Strategic Plan as a way of measuring progress and setting priorities for management and the organization. This process typically happens in January, but given the changes in Board members, this year it has been delayed so that all board members can participate in the process. During this process, the Board also updates the roster of Director Assignments, which indicates what board member is responsible for what committee and other outside engagements.

**DISCUSSION**

We have a special meeting scheduled for May 19<sup>th</sup> at 6:30 pm to update and provide feedback on proposed updates to the Strategic Plan. At the meeting, staff will report on accomplishments and status of each priority in the document. Staff will also provide a

redline version with proposed updates to the document, and present on additional information to provide further context to these suggestions.

The discussion will be facilitated by Julie Brown, who has been a facilitator and management consultant supporting the District through the Strategic Plan and other processes for more than 12 years.

Board members are asked to review the Strategic Plan and provide the GM with any suggestions or questions that have in the near term. This will help staff prepare and work to plan and guide the special meeting discussion.

Prior to the special meeting, the Board will be provided with the draft document materials for review. If one special meeting is not sufficient to cover all topics, additional meetings can be scheduled, including taking time at a regular meeting. Once the Strategic Plan is updated, the Board will be asked to adopt the document.

Attachments: Mid-Peninsula Water District Two-Year Strategic Plan, Updated January 2024



**FY2023-24**

# STRATEGIC PLAN

# 10-YEAR



# ***MID-PENINSULA WATER DISTRICT***

## ***TWO-YEAR STRATEGIC PLAN – FY2023-24***

*Updated January 2024*

### **BOARD OF DIRECTORS**

Matthew P. Zucca, President  
Catherine M. Jordan, Vice President  
Brian Schmidt, Director  
Kirk R. Wheeler, Director  
Louis J. Vella, Director

### **APPOINTED OFFICIALS**

Julie Sherman, District Counsel  
Joubin Pakpour, District Engineer  
James Ramsey, District Treasurer

### **EXECUTIVE STAFF**

Kathryn Wuelfing, General Manager  
Rene Ramirez, Operations Manager  
Monique Madrid, Board Secretary/Administrative Services Manager

## INTRODUCTION

The Mid-Peninsula Water District (MPWD) Board of Directors held special meetings on March 9, 2023 and June 29, 2023 to develop a new Two-Year Strategic Plan for the Fiscal Year (FY) 2023/24 through FY 2024/25 period (Plan). This Plan was updated during a January 9, 2024 Special Meeting and approved during the January 25, 2024 regular meeting of the Board.

This Plan reflects MPWD’s current vision for the District. Many of these changes reflect a shift in the District’s work culture that has evolved over time into a “People First, Mission Always” focus. Strategic priority items are classified as either “A” or “B” generally reflecting the current priority for each item, as identified in the attached Plan. It is noted that priorities may shift and evolve as circumstances change, and that this represents a general policy direction.

Notably, the Vision Statement was updated to reflect MPWD staff’s shared vision for the District. To develop this statement, suggestions for new vision statements were solicited from all staff, and all staff were polled as to their preferences in statements. The suggested vision statements were compiled into the “word cloud” below. The updated Vision Statement on the next page reflects the collective input of all MPWD staff. Director Assignments were updated and that roster is included at the end of the Plan.



## OUR MISSION

**The mission of the Mid-Peninsula Water District is to deliver a safe, high quality, reliable supply of water for current and future generations in a cost effective, environmentally sensitive and efficient manner.**

## OUR VISION

**Providing quality water and essential service, since 1929...now...and into the future.**

## STRATEGIC GOALS



1. Demonstrate outstanding stewardship in the management of District water resources, demands and infrastructure.



2. Provide exceptional levels of service and value to the community in a cost-effective manner.



3. Foster open and candid communication with community, staff and directors that results in collaborative, innovative operations.



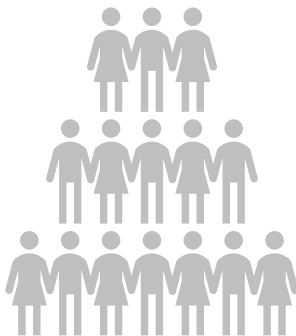
4. Be viewed as an industry leader for water management best practices.

Strategic  
Element

1

# Employee Services

Maintain a  
workplace worthy of  
our employees and  
community.



## OBJECTIVES

- Foster a culture of learning and innovation.
- Promote professional development and growth.
- Prioritize health and safety, including through support of safety and wellness programs.
- Continue pro-active succession planning.
- Support employee well-being and work-life balance.
- Foster a diverse and inclusive workforce.
- Promote employee engagement and recognition.

## A Priorities

**No. A-1.1:** Leadership and organizational development, including:

- Transition to permanent General Manager (*compl. October 2023*),
- Continue succession planning and employee leadership development training,
- Continue in-house Operator certification training of Maintenance Technicians,
- Continue education and professional development for all employees, and
- Evolve recruiting process e.g., through further website updates and development of a recruiting video.

**No. A-1.2:** Create organizational succession plan, including stages of impact.

**No. A-1.3:** Complete bargaining with MPWD Employee Association (*compl. March 2023*).

**No. A-1.4:** Complete update of Personnel Manual.

**No. A-1.5:** Maintain staff cohesiveness throughout duration of separated workplaces, and work to reunite staff at Dairy Lane Operations Center following building rehabilitation.

## B Priorities

**No. B-1.1:** Review and update performance review tool and process.

**No. B-1.2:** Review/update Rules of the Board of Directors.

**No. B-1.3:** Improve the workflow with our current payroll system, and if appropriate, explore transition to new payroll system.

**No. B-1.4:** Review and revise safety and wellness programs (*compl. July 2023, to be reviewed annually*).



## Strategic Element 2

## External Relationships & Customer Service

Partners with our  
community. Leaders  
in our industry.



### OBJECTIVES

- Provide community members with prompt, professional, and courteous service.
- Empower efficient and thorough customer service through tools and education.
- Emphasize customer service as a priority for all employees.
- Maintain active working relationships with external agencies.
- Maintain outreach and project coordination with City of Belmont, City of San Carlos, and the County of San Mateo.
- Engage in local, regional and state industry organizations and activities.

### A Priorities

**No. A-2.1:** Open Old County Road temporary administrative offices to customers following completion of tenant improvements (*compl. June 2023*).

**No. A-2.2:** Continue coordination with City of Belmont on all capital projects.

**No. A-2.3:** Explore additional benefits of customer messaging about customer service portal (e.g., Water Watch, etc.).

**No. A-2.4:** Encourage involvement of all staff in professional organizations (e.g., AWWA, BayWork, CalWEP, CMSFO, etc.)

**No. A-2.5:** Participate in annual two-by-two meetings between District Board and management and City of Belmont Council and management (*first meeting compl. July 2023*).

**No. A-2.6:** Maintain a high level of customer service under 4-day employee workweek.

### B Priorities

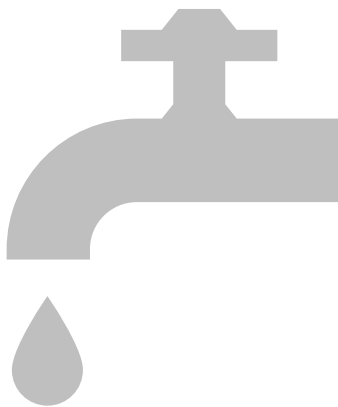
**No. B-2.1:** Broaden the use of telephone system automation.

**No. B-2.2:** Create a customer-service follow-up survey.

Strategic  
Element 3

Resource Management & Resiliency

Dedicated stewards of  
our most essential  
natural resource.



OBJECTIVES

- Provide water efficiency programs, education, and outreach to customers.
- Optimize water efficiency in our water distribution system.
- Ensure water quality meets all required regulatory standards.
- Develop long-term resource sustainability and resiliency through energy and water conservation measures and partnerships.
- Invest in resilient infrastructure.
- Pursue opportunities for more sustainable fuel and energy use.

A Priorities

**No. A-3.1:** Follow development of and comply with State regulations: Long-Term Urban Water Conservation Policy: “Making Water Conservation A California Way of Life” (first report submitted Dec. 2023).

**No. A-3.2:** Maintain active engagement and participation in Bay Area Water Supply and Conservation Agency (BAWSCA).

**No. A-3.3:** Continue to participate in development of Tier 2 drought water supply management plan with the other BAWSCA agencies.

**No. A-3.4:** Expand emergency preparation and resiliency messaging to customers (e.g., turn off irrigation system after earthquake, have 3 days of water stored on hand, etc.).

**No. A-3.5:** Explore expansion of dedicated irrigation metering to support water efficiency, with consideration for Making Water Conservation A California Way of Life regulations when finalized.

**No. A-3.6:** Inventory commercial, industrial, institutional (CII) non-functional turf within service area and evaluate application of Lawn Be Gone program to CII accounts, with consideration for changing State law on non-functional turf.

B Priorities

**No. B-3.1:** Investigate potential water supply alternative options and partnerships, including but not limited to the San Francisco Peninsula Regional Potable Reuse Project (SPRP), and groundwater development.

**No. B-3.2:** Explore solar, renewable fuels/non-fossil sources, and other related climate-positive opportunities.

**No. B-3.3:** Explore solar panels and batteries as part of Dairy Lane Operations Center and Folger Drive Facility building rehabilitation projects.

**No. B-3.4:** Coordinate with the cities of Belmont and San Carlos and their Housing Element Plans, Specific Plans, and other large projects expected to be served with MPWD water supply.

**No. B-3.5:** Track new development and customer demand changes relative to the District’s San Francisco Public Utilities Commission (SFPUC) supply allocation on a routine basis.

Strategic  
Element

4

Infrastructure Management & Operations

**Maintain and invest  
judiciously in a  
reliable distribution  
system.**



**OBJECTIVES**

- Maintain proactive operations and maintenance programs.
- Embrace technology for streamlined operations.
- Prioritize documentation to support consistent practices and succession planning.
- Maintain long-term capital improvement program that protects the community's investment.
- Follow industry best management practices.

**A Priorities**

**No. A-4.1:** Complete Dairy Lane Operations Center Rehabilitation project.

**No. A-4.2:** Complete Folger Drive Remodel and Repurpose project.

**No. A-4.3:** Incorporate CARB Advanced Clean Fleets rule electrification needs into facility rehabilitation projects.

**No. A-4.4:** Complete 2016 Certificates of Participation (COP).

**No. A-4.5:** Complete CIP projects:

- Harbor Boulevard Improvements (*substantially compl.*)
- Hastings Dr. Service Connections (*compl. Sept. 2023*)
- Old County Road and Ralston Avenue Improvements
- Oak Knoll / Newlands / Dekoven/ Lincoln/ Pine Knoll Improvements

**No. A-4.6:** Identify next CIP projects and prioritization, to be informed by lifecycle analysis and hydraulic modeling.

**No. A-4.7:** Implement GIS-based asset management system (Spatial Wave).

**No. A-4.8:** Develop and implement Water Service Regulations from Water Service Ordinance No. 103 and industry best management practices.

**No. A-4.9:** Develop a tree assessment and maintenance program.

**B Priorities**

**No. B-4.1:** Continue implementation of the Emergency Response Plan (ERP), including coordination with other local agencies.

**No. B-4.2:** Continue to develop a comprehensive set of Operational Standard Operating Procedures (SOPs), including measurement and tracking tools.

**No. B-4.3:** Develop and implement records retention policy.

**No. B-4.4:** Create schedule of timing for policy updates.

**No. B-4.5:** Evaluate vehicle fleet, and consider new CARB Advanced Clean Fleets rule, including Peninsula Clean Energy electric vehicle opportunities.

**No. B-4.6:** Maintain a calibrated hydraulic model of the District's system.

**No. B-4.7:** Develop a proactive meter replacement program.

Strategic  
Element

5

# Financial Management

## Honest and transparent stewardship of public funds.



### OBJECTIVES

- Monitor and ensure that water rates and fees represent a good value to our customers.
- Complete annual budget process on a timely basis.
- Utilize data-driven financial planning and budgeting, and conduct routine monitoring of projections.
- Maintain financial management policy and internal control procedures in accordance with best management practices.
- Utilize Board Finance Committee for detailed review of financial matters.
- Foster a culture of financial responsibility among all employees.
- Leverage technology for financial efficiency.
- Maintain clear financial reporting and transparency.

### A Priorities

- No. A-5.1:** Complete and implement Financial Management Policy.
- No. A-5.2:** Complete and implement updated Miscellaneous Fees.
- No. A-5.3:** Complete and implement water rate study and Proposition 218 process.
- No. A-5.4:** Complete and implement updated Water Capacity Charges.
- No. A-5.5:** Review and consider Water Demand Offset charges and policy.
- No. A-5.6:** Complete Governmental Accounting Standards Board (GASB) 75 Other Postemployment Benefits (OPEB) Actuarial Report (*compl. October 2023*).
- No. A-5.7:** Evaluate bond financing for Capital Improvement Program.
- No. A-5.8:** Select and engage a new financial auditor firm (*compl. July 2023*).

### B Priorities

- No. B-5.1:** Investigate divestment from companies that lack greenhouse compliance.
- No. B-5.1:** Evaluate and pursue grant funding and partnership opportunities.
- No. B-5.2:** Evaluate further U.S. Treasury investments or other appropriate conservative investment strategies.

## DIRECTOR ASSIGNMENTS/COMMITTEES

Updated January 25, 2024

ASSIGNMENT	2024
ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)/REGION 5	All
ACWA/JOINT POWERS INSURANCE AUTHORITY (JPIA)	Brian Schmidt Kirk Wheeler (Directors are voting members GM is the alternate)
BAY AREA WATER SUPPLY & CONSERVATION AGENCY (BAWSCA)	Louis Vella Four-Year Term Ends: June 30, 2025
SAN MATEO CHAPTER - CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)	Louis Vella Kirk Wheeler <i>Kat Wuelfing, General Manager</i>
GENERAL MANAGER SUPPORT & PERFORMANCE EVALUATION	Cathy Jordan Matt Zucca
HARBOR INDUSTRIAL ASSOCIATION (HIA)	Brian Schmidt Kirk Wheeler Louis Vella
CHAMBER SAN MATEO COUNTY	All

STANDING COMMITTEE	2024
FINANCE COMMITTEE	Kirk Wheeler Louis Vella <i>James Ramsey, District Treasurer</i>

AD HOC COMMITTEE	2024
TWO-BY-TWO WITH CITY OF BELMONT COMMITTEE	Louis Vella Cathy Jordan

## ***AGENDA ITEM NO. 8.D.***

DATE: April 24, 2025  
TO: Board of Directors  
FROM: Alison Bell, Administrative Services Manager

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**SUBJECT: Receive Report and Provide Direction on Customer Service Office Hours**

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### **RECOMMENDATION**

Provide direction on acceptability of closing customer service office on Fridays.

### **FISCAL IMPACT**

None

### **BACKGROUND/ DISCUSSION**

In June 2023, the Board approved the District's transition to a 4-day work week, with administrative staff initially alternating schedules between Monday–Thursday or Tuesday–Friday. This schedule presented challenges and impacts on staff productivity and ability to respond to customer service needs, particularly on limited staff Mondays. A proposal to close the office to customer service on Fridays was presented to the Board at their January 2024 special meeting on the Strategic Plan. The Board provided feedback that they did not support the closure of the office on Friday at that time because of concerns about how it could impact customer service.

In September 2024, for greater consistency and to promote more collaborative in-office time, all administrative staff were shifted to a Monday–Thursday schedule, with the exception of one Administrative Specialist who continued to work a 5-day week while maintaining a 36-hour schedule. This employee remains the only District staff member working five days a week. Additionally, at this time, the on-call operator schedule was shifted such that the week an operator was on call their regular work schedule becomes Tuesday through Friday. Among other things, this reduced the amount of overtime costs associated with responding to customer needs on Friday.

Having one staff member working a 5-day schedule, while all others work a 4-day schedule is not ideal and can be viewed as inequitable. In order to better understand the effect closing the office on Friday would have on customer service, management collected six months of customer service data for Fridays.

During this period, two separate phone tree messages were implemented on Fridays as a pilot study to evaluate customer needs. In both cases, the Administrative Specialist

immediately listened and responded to any messages left by customers and was available to support an issue not readily resolved by the on-call operator, so that customer service was not interrupted during this time. The initial phone tree provided customers with multiple options, including direct access to the on-call operator, which resulted in a high volume of non-emergency/non-urgent calls being routed to operations staff. Based on the experiences with the first phone tree, the message was revised after three months, leading to a noticeable reduction in unnecessary call transfers. The current phone tree language is as follows:

*Thank you for calling the Mid-Peninsula Water. Today is Friday. There is no one to answer the phone right now. Please leave a message and we will return your call. If this is an emergency, please press one and you will be transferred to our on-call staff.*

To support the shift of responsibilities on Fridays, operations staff were trained to assist with customer inquiries and were provided with Standard Operating Procedure (SOP) manuals for reference. Although in-person customer service was limited, the Administrative Specialist ensured that all customer voicemails left on Fridays were returned promptly, maintaining a high level of service.

It should be noted that during COVID and until we moved to the Old County Road location, the District's offices were closed to customer service on Fridays (i.e., from early 2020 through June 2023). It is not uncommon now for certain agencies or agency departments to be closed to customers on Fridays. For example, the City of San Bruno recently adopted a 4-day work week for staff, with offices closed on Fridays. Office doors are locked, however, management is still available in the office on Fridays to handle urgent situations if they arise.

Staff will walk through a presentation of the data found through this phone tree pilot study. Data shows that customer needs are low on Fridays and with the proper training and support, the on-call Water Systems Operator is able to manage the incoming calls from customers. Therefore, it is recommended that we close the administrative office on Fridays and allow the phone tree to direct customers to leave a message for staff to return phone calls the following business day and for emergencies to be immediately directed at the on-call Operations Operator.

Attachments

PowerPoint Presentation





# Consider New Customer Service Office Hours

# What “problems” are we trying to solve?

- We want to make the 4-day work week equitable to all employees
- Keep serving customers at the same high standards they’re used to
- Need resolution to post and recruit for customer service position

- **Early 2020 – June 2023** – District offices were closed to all walk-in traffic on Fridays.
- **July 2023** – The District implemented the 4-day, 36-hour work week
  - Operations Staff worked a Monday-Thursday schedule
  - Administrative/Office Staff had alternating schedules of either Monday-Thursday or Tuesday-Friday
- **January 2024** – Management asked the Board for their consideration to close the office on Friday. Board requested more data and information to be collected before a decision was to be made.
- **September 2024** – Management determined that the Administrative/Office Staff work schedule needed to be consistent with Operations Staff with a Monday-Thursday schedule to allow for more opportunities for staff to be together in the office.
  - This schedule excluded one Administrative Specialist who was required to work a Monday-Friday schedule and did not receive the benefit of the 4-day work week but was allowed to still work a 36-hours per week.
- **January 2025** – A phone tree pilot was implemented on Fridays, with the Administrative Specialist monitoring the phones. The phone tree directed customers to leave a message and staff would return their call, or if this was an emergency, to press 2 to be directed to the on-call Operations Operator. All messages were monitored and responded to right away. Walk-in customer traffic was tracked.
  - The purpose of this phone tree was to see if it would be viable to have the office close on Fridays, allowing equity across all staff to have the same benefit of the 4-day work week.
  - Data collection to see the impact of the office closing would have on customer service and the impact it would have on the on-call Operations Operator.

# Phone Tree Pilot

To help us collect meaningful data and see if closing the office on Fridays would be a viable option, we set up a phone tree to collect real data on customer calls and needs. Before putting the phone tree in place, we made sure our operations staff were trained on how to answer customer calls and provided them with easy-to-use SOPs for quick reference. Throughout the trial period, our Administrative Specialist stayed by the phone, monitoring calls as they came in, quickly returning voicemails, and following up with any customers who called multiple times. There were two versions of the phone tree over the six-month trial period. The phone tree helped us track the types of calls we received, how often customers needed help, and whether our operations team could step in when needed. It also gave us a way to make sure customers were still getting support, even if an administrative staff member wasn't immediately available. If the office is closed on Fridays, the phone tree will continue to be a helpful tool to make sure customers are still directed to the right place quickly and easily.

## Phone Tree Pilot #1

“Hello, you have reached the Mid-Peninsula Water District. If this is an emergency, please dial 0 and you will be transferred to our on-call technician. If you are calling to make a payment, please visit our website at [www.midpeninsulawater.org/billpay.org](http://www.midpeninsulawater.org/billpay.org). If you are calling to start water service or if you need assistance with your water service, please press 1. If you would like to leave a message for District staff please press 2 to hear our company directory. For all other inquiries please contact the District office on Monday and we will be able to assist you. Thank you and have a great day.”

### On Average, Over 10 Fridays:

- 35 phone calls/day [7 repeat callers, 28 unique callers]
  - 8 calls hang up (did not leave message or need Operator)
  - 20 calls transferred to on-call Operator
  - 0.8 Emergencies/Urgent needs
  - 6 messages left
  - 1.5 Office Visits

## Phone Tree Pilot #2

“Thank you for calling the Mid-Peninsula Water. Today is Friday. There is no one to currently answer the phone right now. Please leave a message and we will return your call. If this is an emergency, please press one and you will be transferred to our on-call staff. ”

### On Average, Over 9 Fridays:

- 29 phone calls/day [5 repeat callers, 22 unique callers]
  - 16 calls hang up (did not leave message or need Operator)
  - 4 calls transferred to on-call Operator
  - 0.6 Emergencies/Urgent needs
  - 1 message left
  - 1.5 Office Visits

## What were the emergencies/urgent needs?

- Shut Offs
- Turn On's
- Reporting a leak
- Reporting a main break

## What were messages left?

- Balance inquiry
- Why is my bill so high?
- Did I pay my bill this month?
- I would like to pay my bill

## Office Visits

- All office visits were customers to pay their bills
  - We have a few methods for customers to pay their bills including online, drop boxes in multiple locations, over the phone during working hours.

## Recommendation:

- Support the closure of the administrative office on Friday for all staff
- Update the phone tree message to say that our offices are closed on Friday, and continue process allowing the phone tree to direct customers to leave a message or to connect with the on-call water system operator for emergencies/urgent needs
- Continue to monitor to make sure we're meeting the needs of our customers





***AGENDA ITEM NO. 8.F.***

DATE: April 24, 2025  
TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager

---

**SUBJECT: RECEIVE REPORT ON:**  
- CALIFORNIA AND SAN FRANCISCO REGIONAL WATER  
SYSTEM CONDITIONS

---

**RECOMMENDATION**

Receive verbal report.

**FISCAL IMPACT**

None.

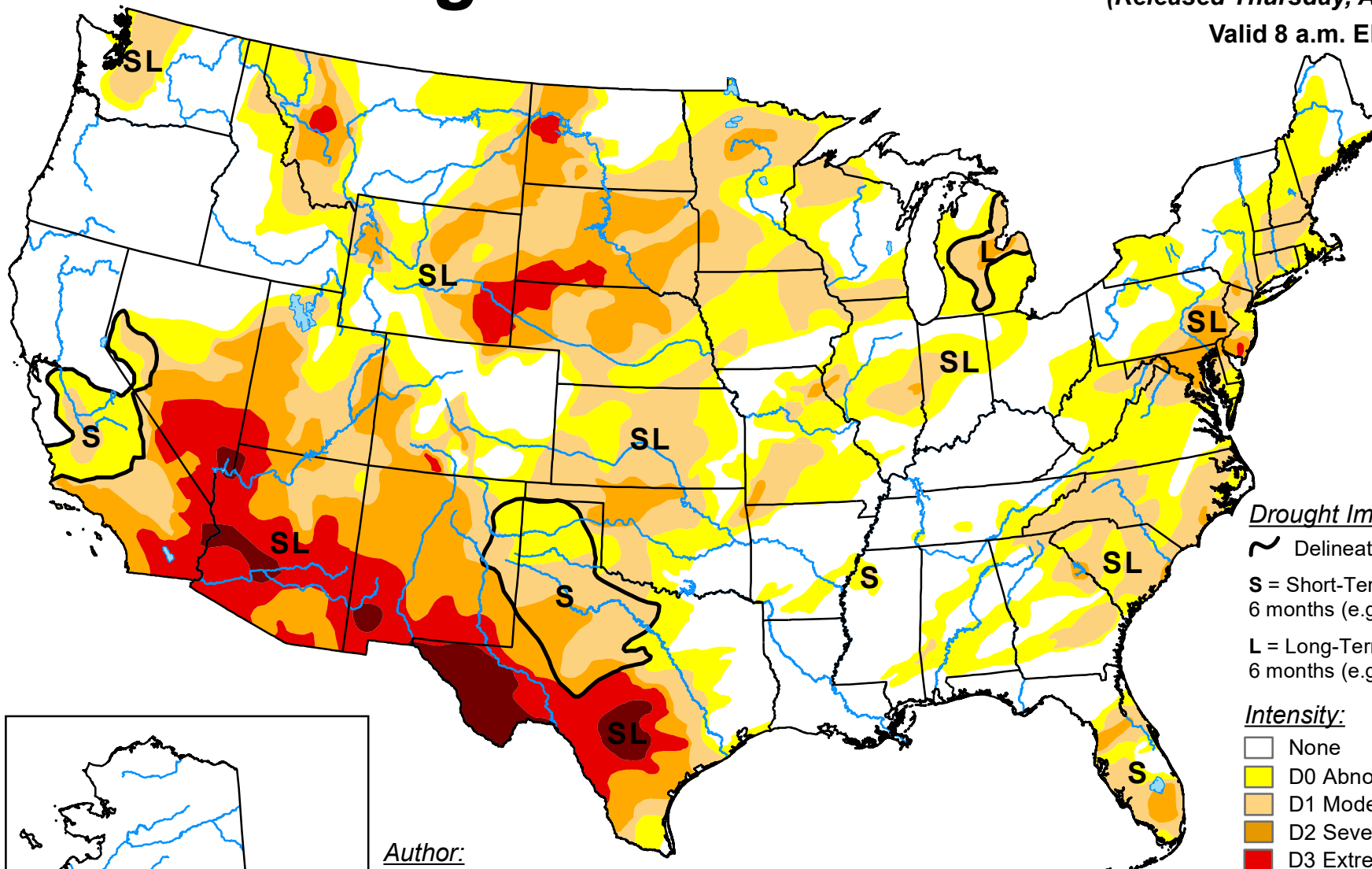
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# U.S. Drought Monitor

April 1, 2025

(Released Thursday, Apr. 3, 2025)

Valid 8 a.m. EDT



## Drought Impact Types:

~ Delineates dominant impacts

**S** = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)

**L** = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

## Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

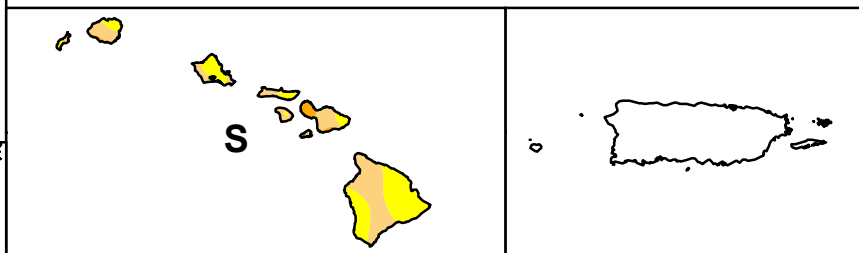
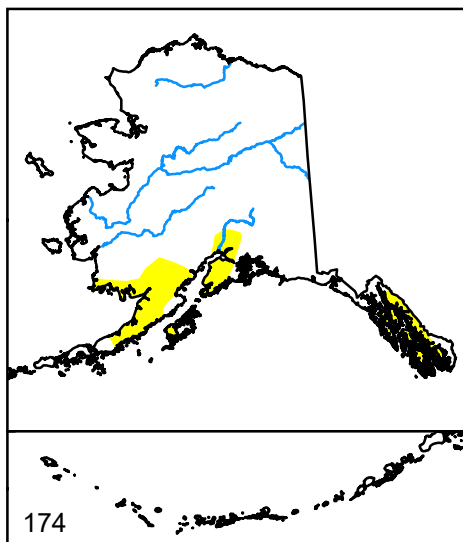
## Author:

David Simeral  
Western Regional Climate Center

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

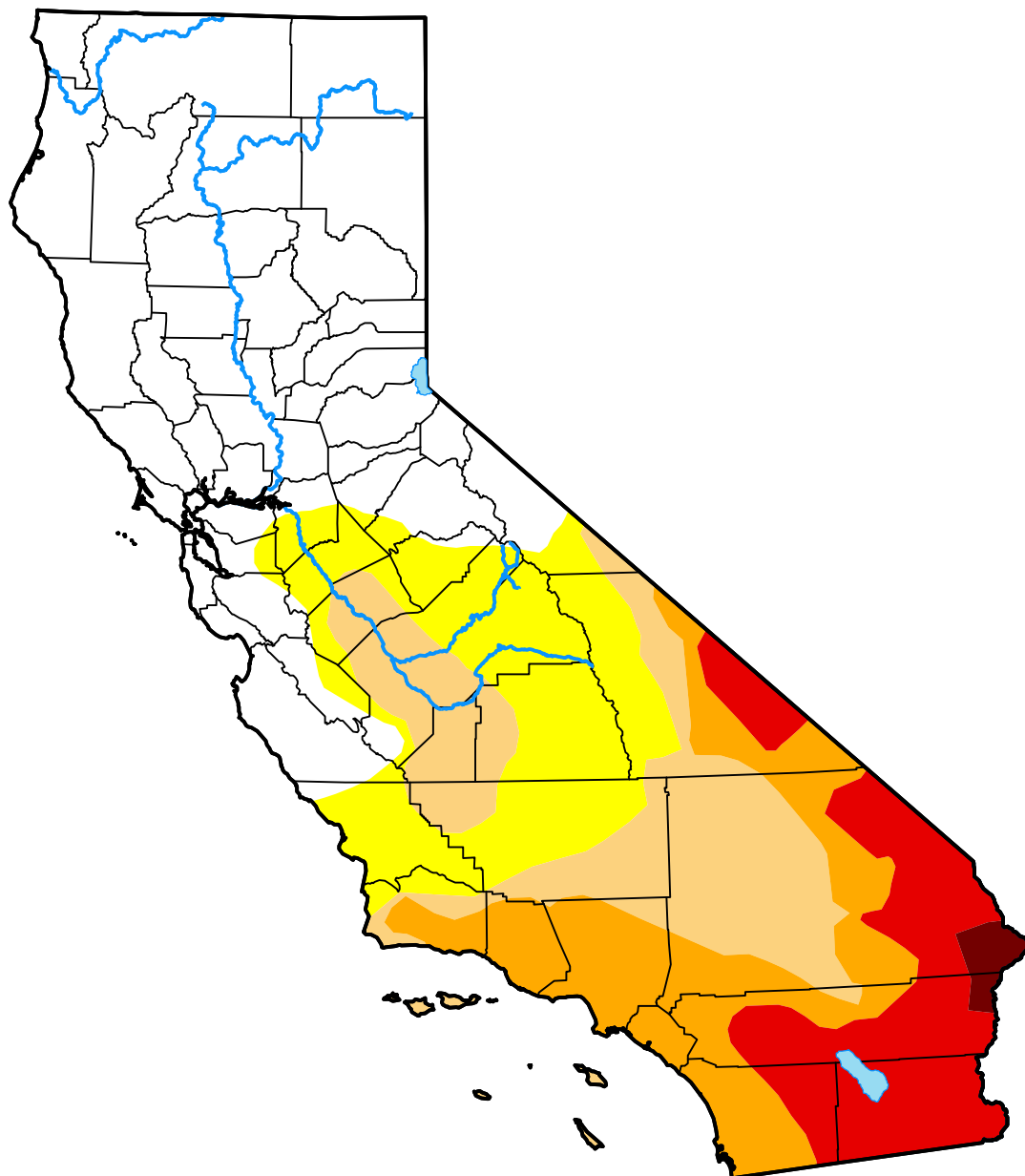


[droughtmonitor.unl.edu](https://droughtmonitor.unl.edu)



# U.S. Drought Monitor California

**April 1, 2025**  
(Released Thursday, Apr. 3, 2025)  
Valid 8 a.m. EDT



*Drought Conditions (Percent Area)*

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
<b>Current</b>	43.71	56.29	39.81	24.73	11.77	0.73
<b>Last Week</b> <i>03-25-2025</i>	43.71	56.29	39.81	24.73	11.76	0.73
<b>3 Months Ago</b> <i>12-31-2024</i>	40.90	59.10	31.52	5.70	1.06	0.00
<b>Start of Calendar Year</b> <i>01-07-2025</i>	39.11	60.89	35.93	10.43	1.06	0.00
<b>Start of Water Year</b> <i>10-01-2024</i>	28.40	71.60	10.67	0.08	0.00	0.00
<b>One Year Ago</b> <i>04-02-2024</i>	95.46	4.54	0.00	0.00	0.00	0.00

## Intensity:

None	D2 Severe Drought
D0 Abnormally Dry	D3 Extreme Drought
D1 Moderate Drought	D4 Exceptional Drought

*The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>*

## Author:

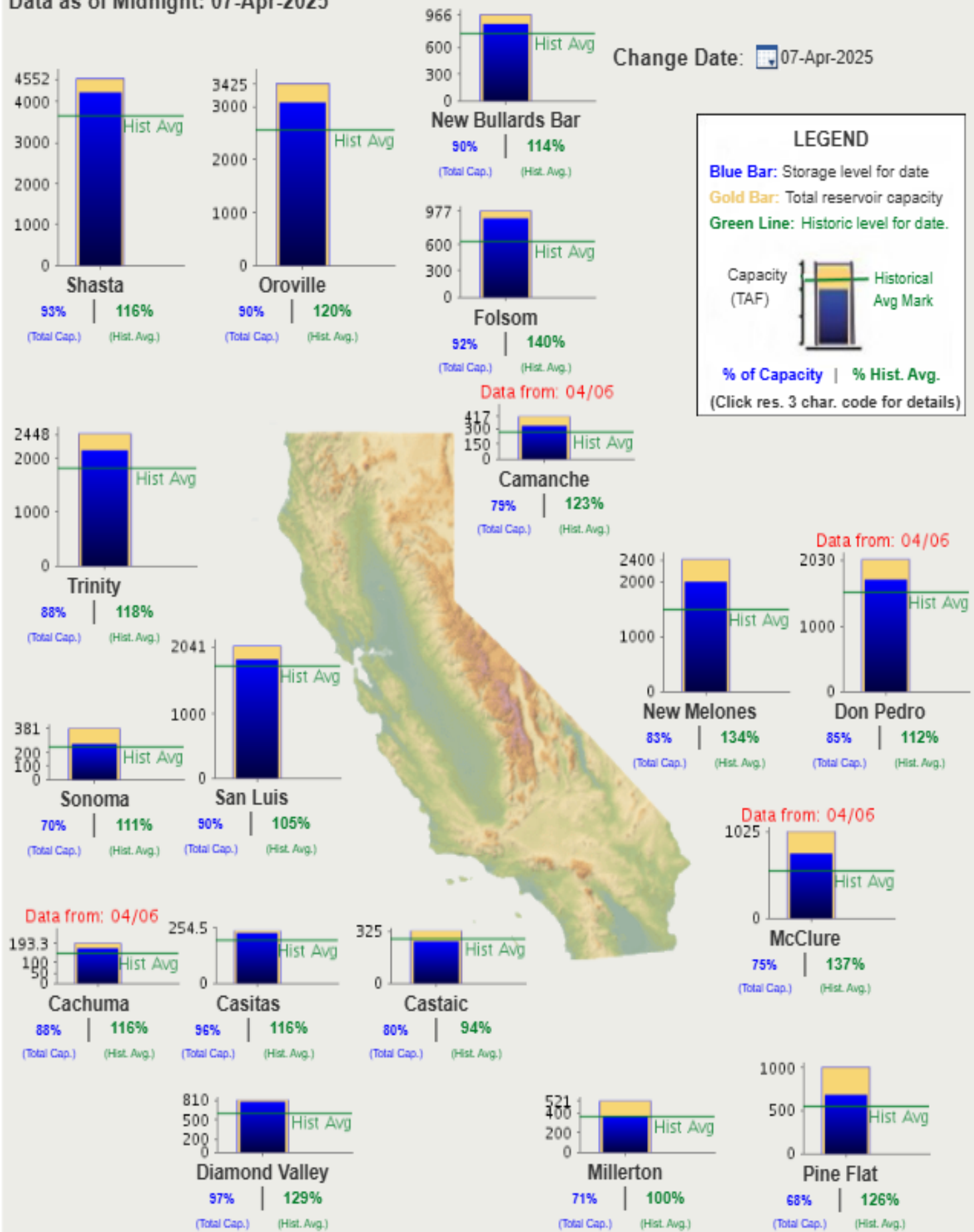
David Simeral  
Western Regional Climate Center



**droughtmonitor.unl.edu**

CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:07-APR-2025

Data as of Midnight: 07-Apr-2025



[Click to download printable version of current data.](#)

Report Generated: 08-Apr-2025 9:27 AM

The CSI link has been disabled to zoom in, for the lack of historical data.

Precip Data Ending 4pm on	July 1, 2024 to Apr 7, 2025					Last Year on Apr 6, 2024		
City	To Date			Full Season		Rainfall to (inches)	Rainfall Normal (inches)	% Normal
	Rainfall July 1 to Apr 7 (inches)	Rainfall Normal (inches)	% Normal	Rainfall Normal (inches)	% Normal			
San Francisco Downtown	19.59	20.93	94%	22.89	86%	24.17	20.86	116%
SFO Airport	16.06	18.14	89%	19.64	82%	18.97	18.08	105%
Oakland	9.12	16.99	54%	18.68	49%	15.14	16.93	89%
San Jose	9.14	12.19	75%	13.48	68%	16.00	12.14	132%
Sacramento - CSUS	14.21	17.15	83%	19.20	74%	14.60	14.42	101%
Modesto	8.62	10.80	80%	12.27	70%	16.27	10.75	151%
Fresno	8.34	9.63	87%	10.99	76%	8.81	9.59	92%
Bakersfield	4.09	5.66	72%	6.36	64%	7.26	5.63	129%
Santa Barbara	M	M	M	17.25	M	24.63	16.13	153%
LAX Airport	M	M	M	12.23	M	21.65	11.47	189%
Los Angeles Downtown	7.87	13.42	59%	14.25	55%	24.53	13.39	183%
San Diego Montgomery Field	5.06	10.12	50%	11.02	46%	14.57	10.09	144%
Palm Springs	1.54	4.53	34%	4.61	33%	6.47	4.52	143%

Data from NOAA  
ggweather.com

M = missing

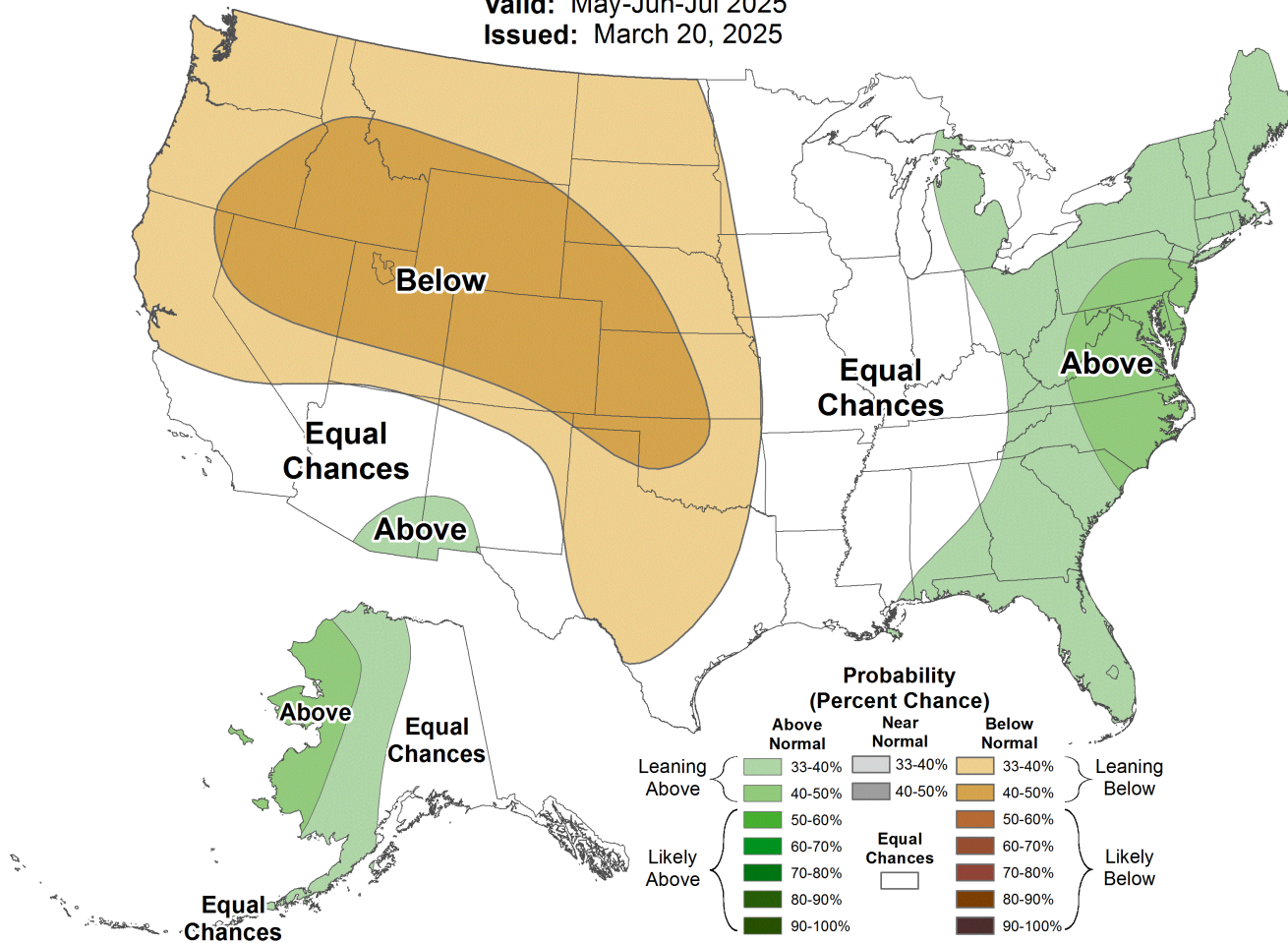


# Seasonal Precipitation Outlook



Valid: May-Jun-Jul 2025

Issued: March 20, 2025





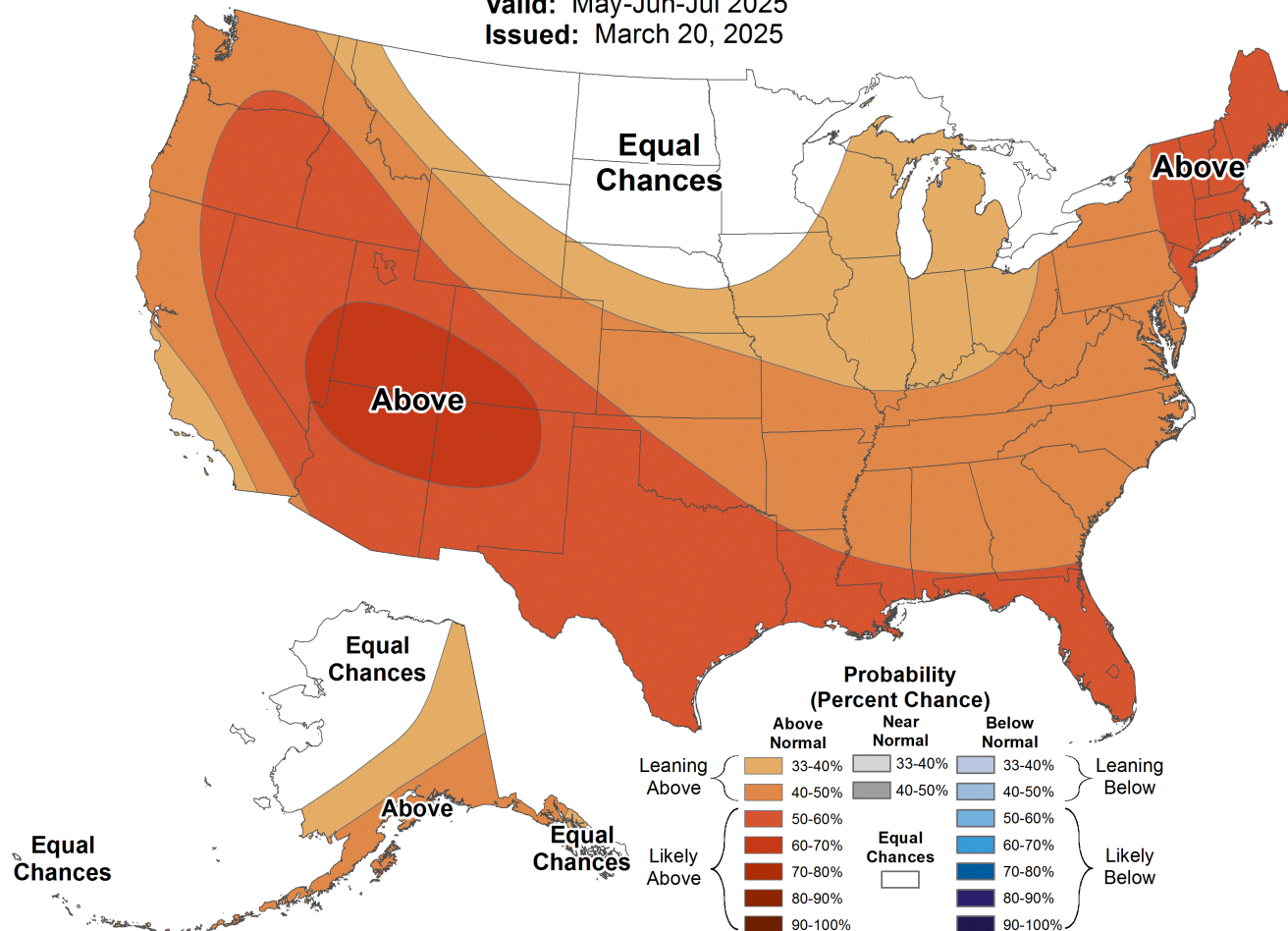


# Seasonal Temperature Outlook

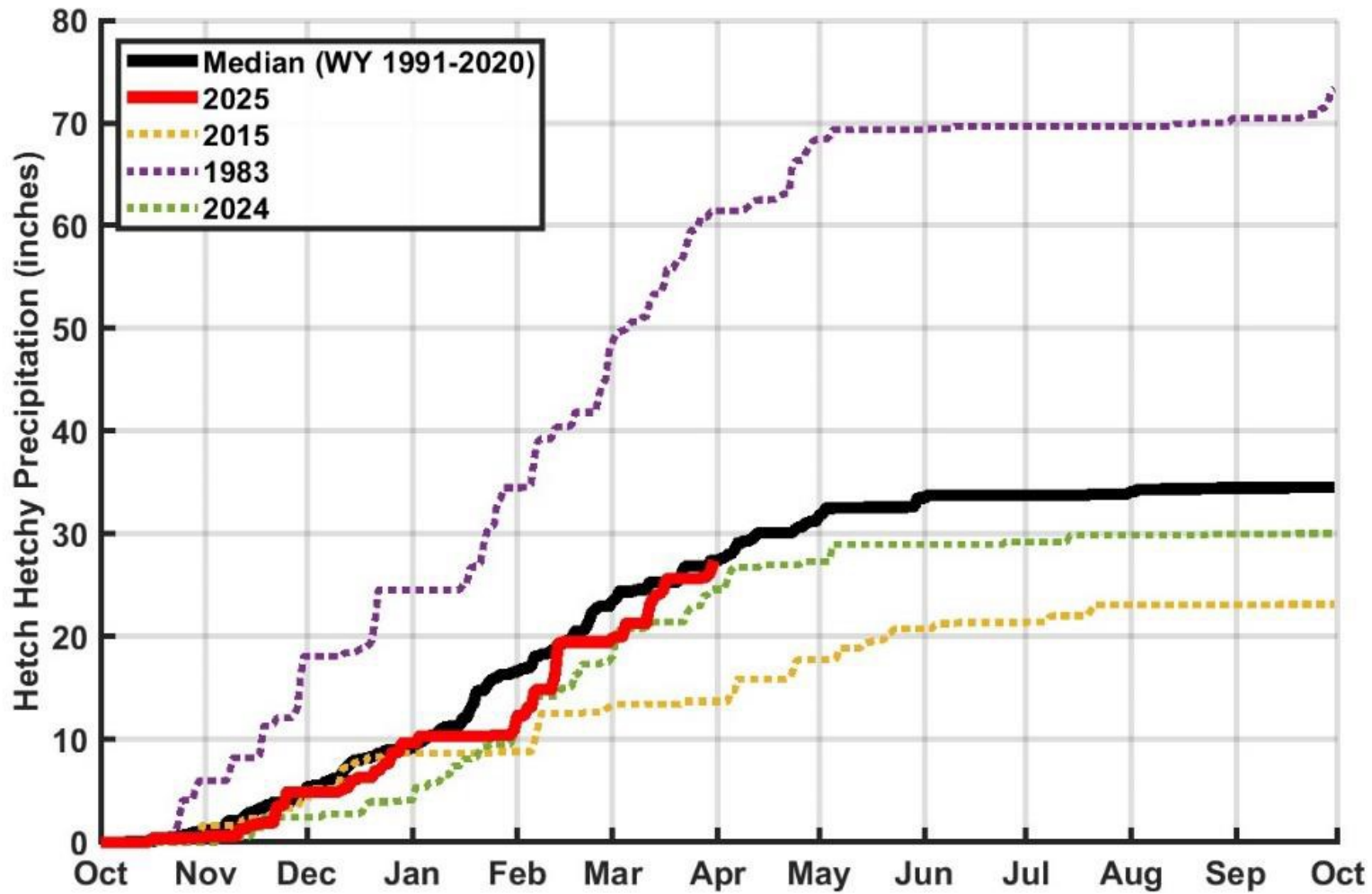


Valid: May-Jun-Jul 2025

Issued: March 20, 2025

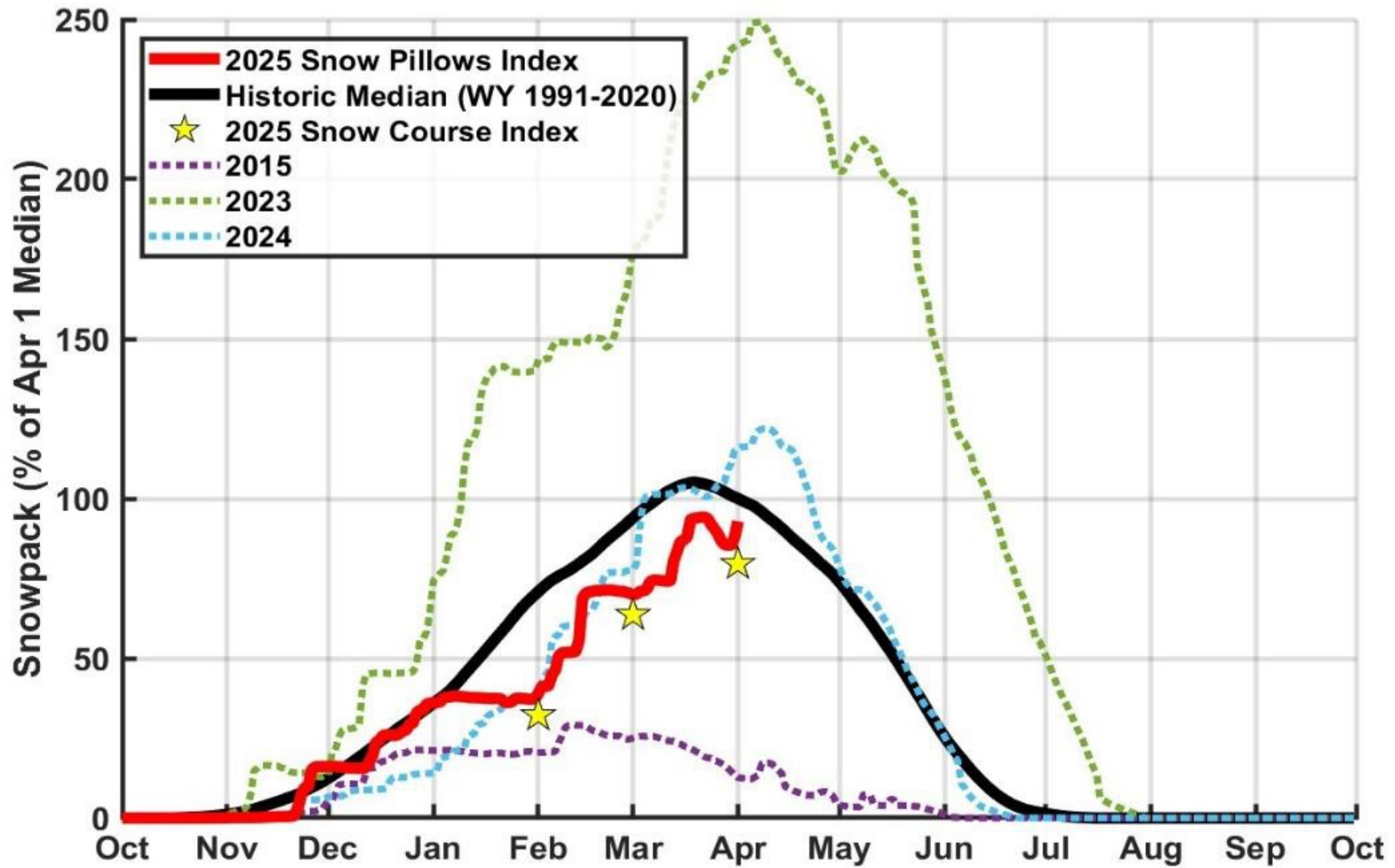


## Hetch - Hetchy Precipitation





# Upcountry Snowpack





## RWS - Storage Conditions Comparison

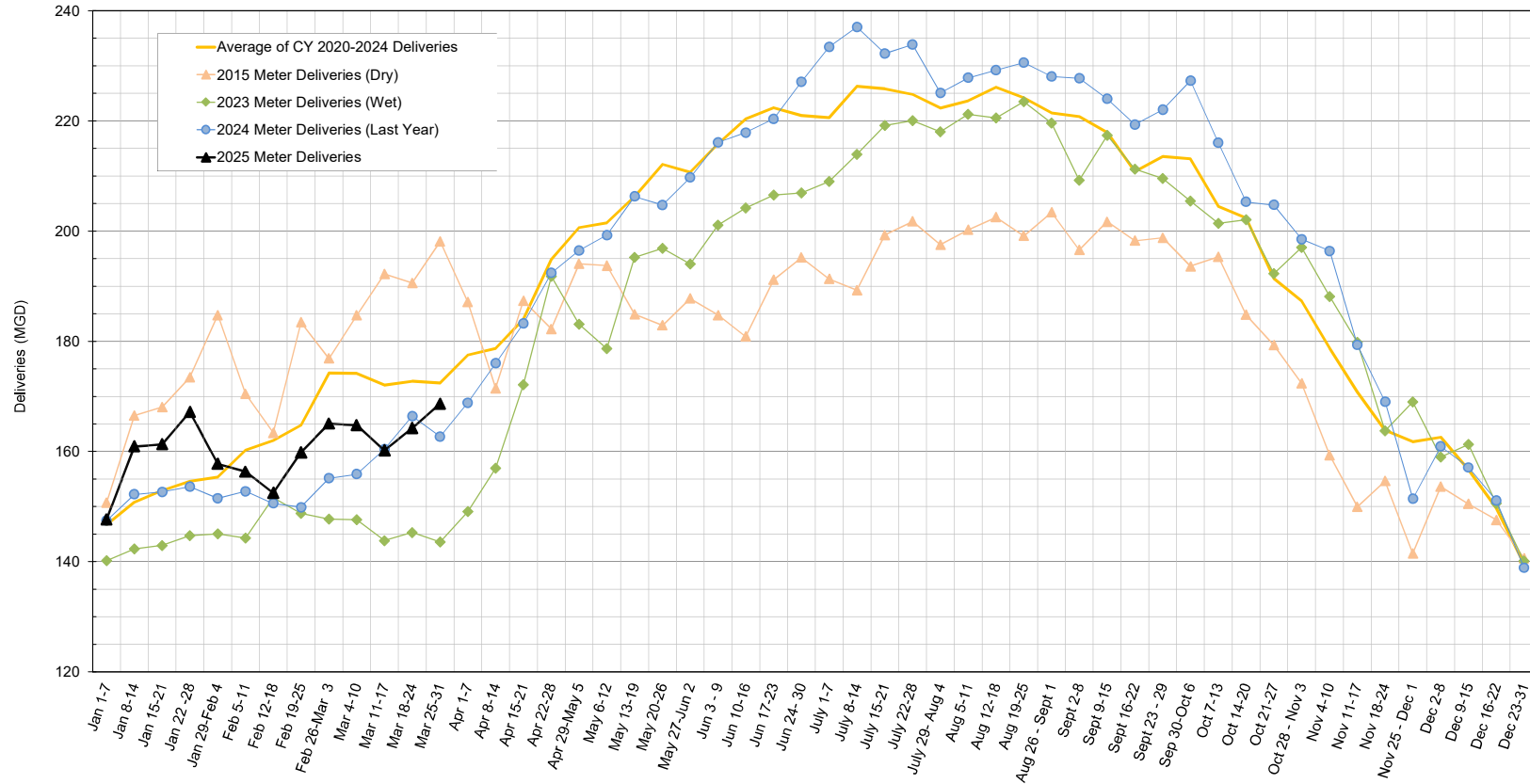
	4/1/2025			4/1/2024			Comparing This Year to Last Year	4/3/2023	
	Maximum Storage Acre-Feet	Current Storage Acre-Feet	Pct. Of Maximum Storage	Maximum Storage Acre-Feet	Current Storage Acre-Feet	Pct. Of Maximum Storage		Current Storage Acre-Feet	Pct. Of Maximum Storage
Tuolumne System									
Hetch Hetchy Rsvr	340,830	269,609	79.1%	360,360	292,200	81.1%	-7.7%	239,900	66.6%
Cherry Rsvr	268,811	244,884	91.1%	273,345	241,400	88.3%	1.4%	179,700	65.7%
Lake Eleanor	21,495	23,727	110.4%	27,100	22,710	83.8%	4.5%	15,520	57.3%
Water Bank	570,000	570,000	100.0%	570,000	570,000	100.0%	0.0%	570,000	100.0%
Total Tuoloumne Storage	1,201,136	1,108,220	92.3%	1,230,805	1,126,310	91.5%	-1.6%	1,005,120	81.7%
Local Bay Area Storage									
Calaveras Rsvr	96,670	80,961	83.7%	96,670	92,703	95.9%	-12.7%	96,834	100.2%
San Antonio Rsvr	52,506	44,981	85.7%	53,266	50,522	94.8%	-11.0%	53,380	100.2%
Crystal Springs Rsvr	68,473	43,382	63.4%	68,953	45,615	66.2%	-4.9%	56,573	82.0%
San Andreas Rsvr	18,898	15,753	83.4%	18,572	13,804	74.3%	14.1%	16,715	90.0%
Pilarcitos Rsvr	3,118	1,906	61.1%	3,125	2,613	83.6%	-27.1%	2,896	92.7%
Total Local Storage	239,665	186,983	78.0%	240,586	205,257	85.3%	-8.9%	226,398	94.1%
Total RWS Storage	1,440,801	1,295,203	89.9%	1,471,391	1,331,567	90.5%	-2.7%	1,231,518	74.3%
Total RWS Storage on 3/3/2025		1,292,813	Total RWS Storage on 3/4/2024		1,369,972	Total RWS Storage on 2/28/2023		1,295,003	
Inc/Dec over the month		2,390			(38,405)			(63,485)	

SAN FRANCISCO PUBLIC UTILITIES COMMISSION  
REGIONAL WATER SYSTEM DELIVERY REPORT  
Calendar Year 2025  
(Monitoring Year #19)

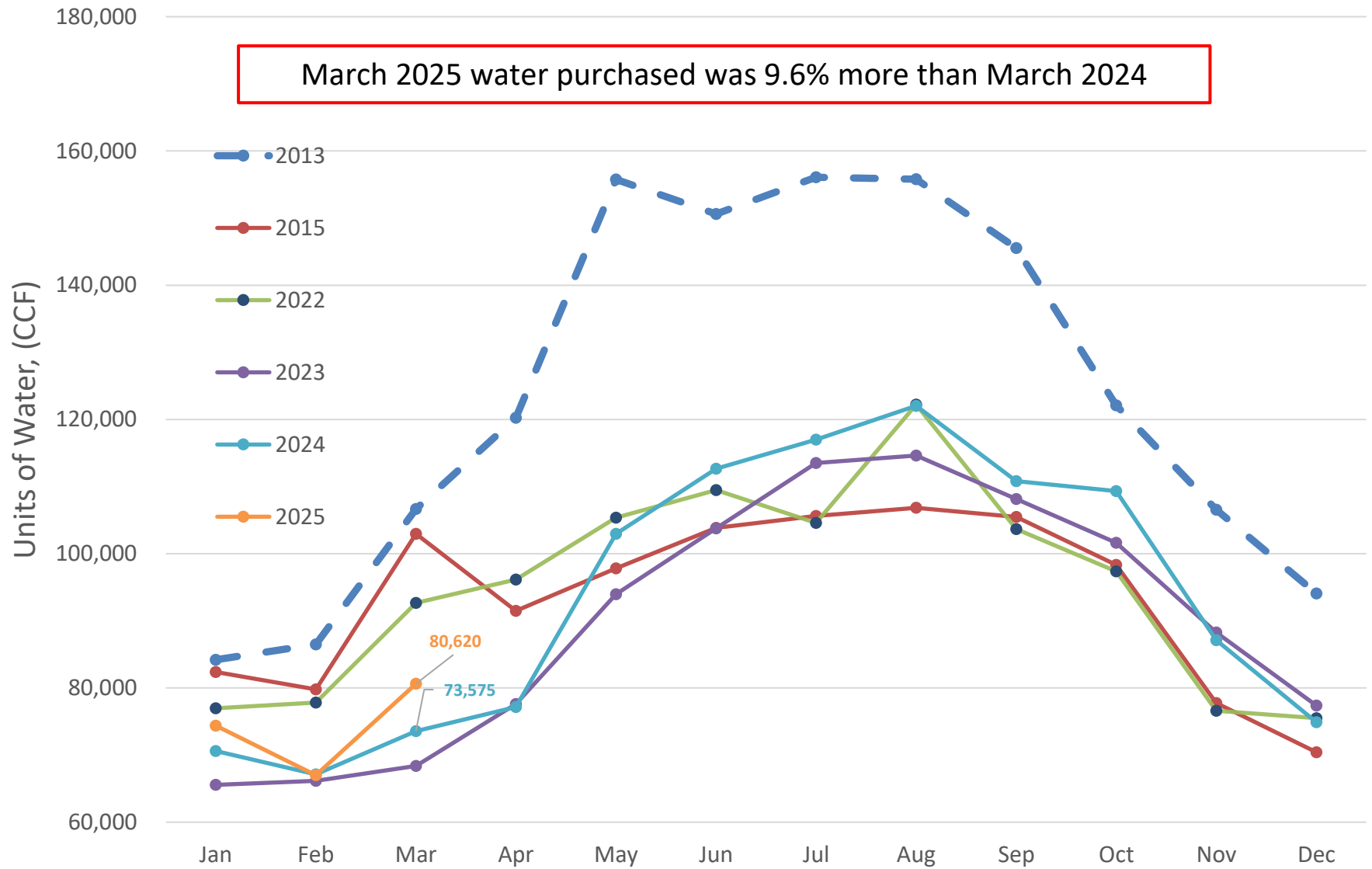


SFPUC Regional Water System - Meter Deliveries  
Total SFPUC Service Area  
Source: SFPUC Regional Water System County Meters

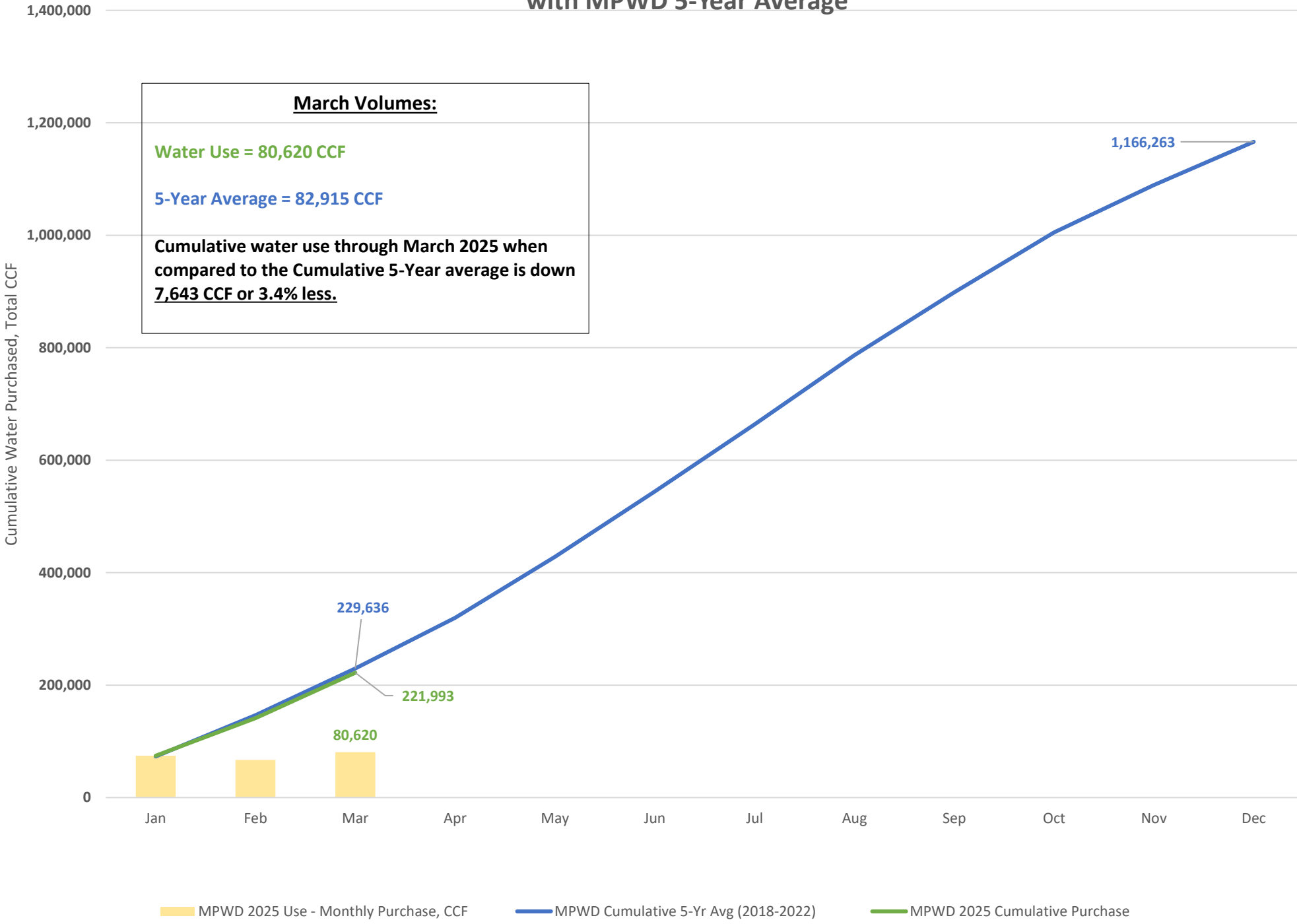
----- Provisional Data Subject to Revision -----

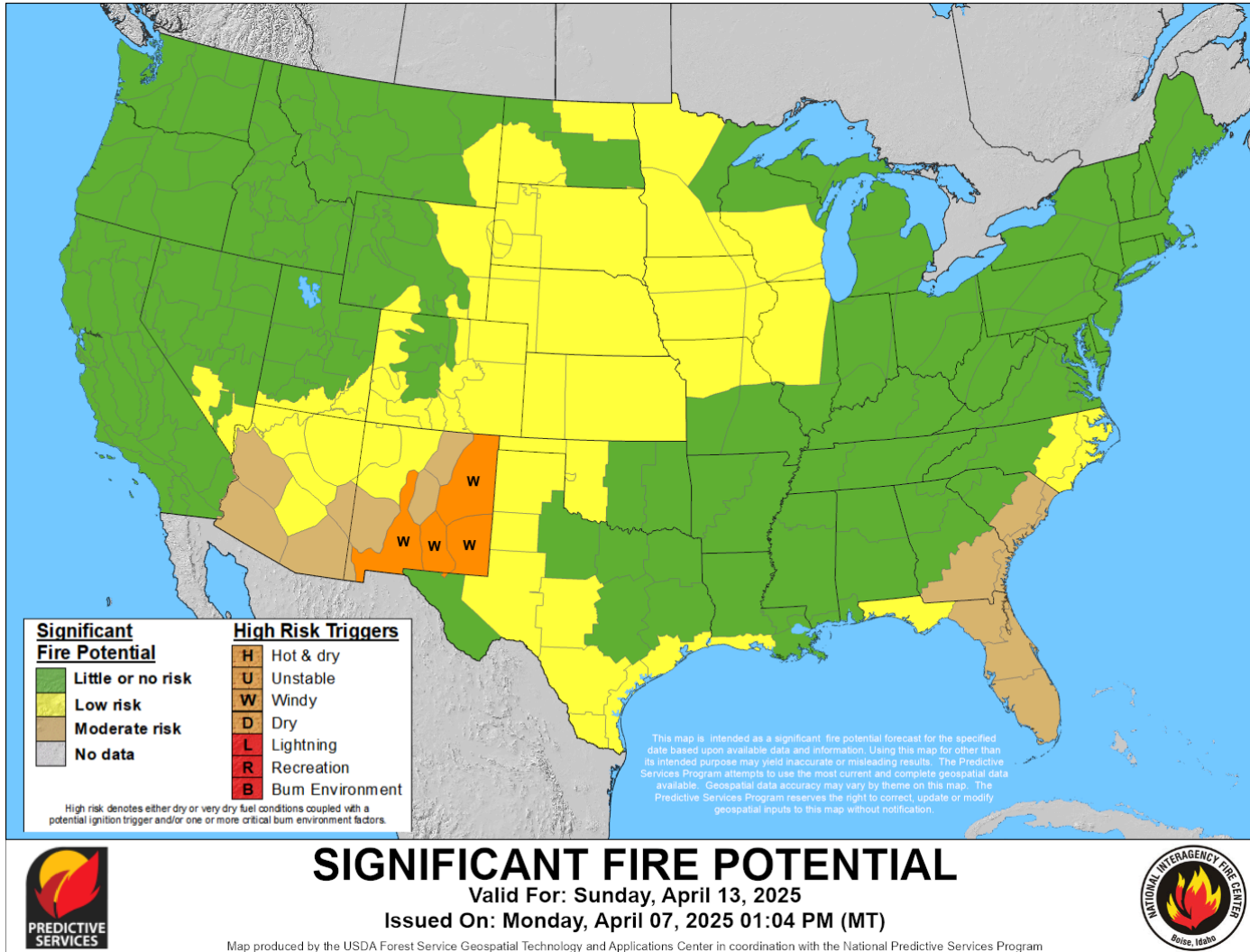


# MPWD Annual Water Use



# Comparing 2025 Monthly Cumulative Water Use with MPWD 5-Year Average







TO: Board of Directors  
FROM: James W Ramsey, CPA, District Treasurer  
DATE: April 24, 2025

---

**Budget Performance and Financial Position Report  
March 2025**

---

Please find the enclosed fiscal year 2024/25 (FY 24/25) unaudited Statements of Financial Position as of March 31, 2025, and March 31, 2024, as well as the monthly budget report for the period of July 1-June 30, 2025.

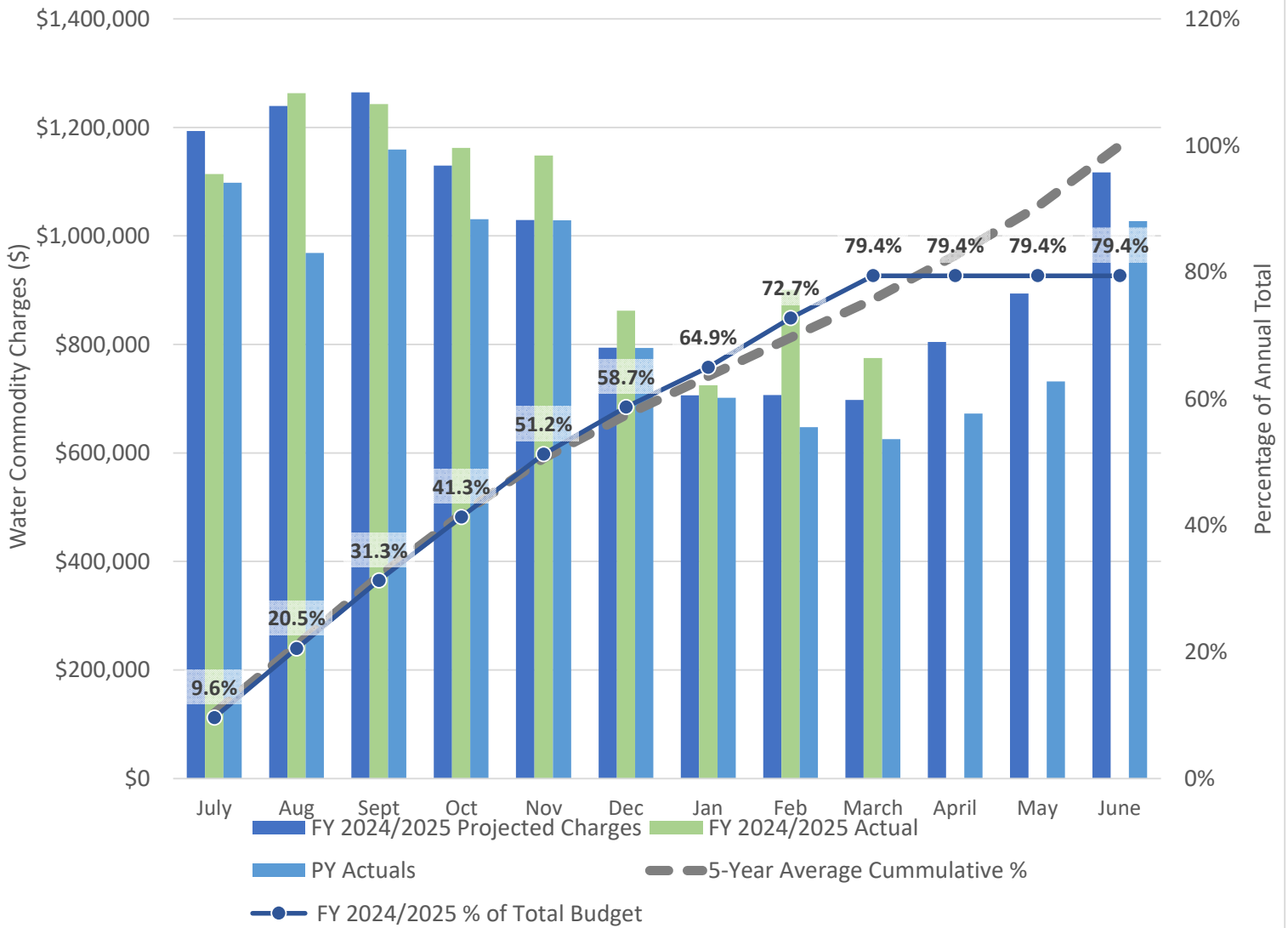
The following highlights significant activity through and as of March 31, 2025:

- The net surplus from operations is \$2,909,163, a decrease of \$297,092 as compared to the same period last year. The primary changes stem from water commodity charges that is \$1,153,187 higher than this time last year and water system capacity charges which is \$807,339 higher as compared to this time last year. This is offset by purchased water running \$936,409 higher as compared to this time last year. Salaries and Wages is \$436,553 more this year as compared to last year, and payroll taxes and benefits is running \$196,137 higher for the same comparison. Additionally, professional services is running \$234,867 more than last year at this time.
- Debt service payments of \$754,300 was made on the COPs as of December 2, 2024. Next scheduled payment is \$319,300 of only interest on June 1, 2025. There is also a payment due for the 2025 COP interest cost that is currently estimated to be \$250,000.
- Water Commodity Charges totaled \$9,193,822. This is 72.0% of budget.
- Fixed System Charges were \$2,671,295, which is 75.7% of budget.
- The total interest revenue from all sources is \$584,622.
- Total Operating Revenue is \$12,058,910 which is 72.9% of budget. Total Non-Operating Revenue is \$2,186,552 which is 110.6% of the budget.
- Total Revenue is \$14,245,462 which is 76.9% of budget.
- Combined Salaries & Wages and Payroll Taxes & Benefits is \$2,873,342, which is 77% of budget.
- Purchased Water is \$4,912,432. Purchased Water cost for the year ended June 30, 2024, was \$5,797,950.
- Total Operating Expenditures were \$11,336,299, which is 71.5% of budget.

- The capital budget includes payments of \$160,319 for the purchase of an F-450 and (2) Ford F-150's (including tool boxes), \$62,067 for the purchase of two (2) new vehicles using prior year budgeted amounts, and \$31,496 for purchase and installation of a backflow regulator.
- Additionally, there are \$1,204,392 in expenditures related to capital projects that have been incurred during the fiscal year.
- Unrestricted Cash & Cash Equivalents is \$15,921,394, which is a decrease of \$2,795,693 from March 2024.
- Unrestricted Net Position was \$15,167,546 with Total Net Position of \$43,653,444.



## Analysis of Water Commodity Charges



	5-Year Average Cumulative %	Expected Monthly Percentage	PY Actuals	FY 2024/2025 Projected Charges	FY 2024/2025 Actual	FY 2024/2025 % of Total Budget
July	10.3%	10.3%	1,098,097	1,193,599	1,114,313	9.6%
August	21.0%	10.7%	968,623	1,239,525	1,263,265	20.5%
September	31.9%	10.9%	1,159,108	1,264,714	1,242,910	31.3%
October	41.7%	9.8%	1,030,999	1,129,414	1,162,175	41.3%
November	50.6%	8.9%	1,028,758	1,029,169	1,148,035	51.2%
December	57.4%	6.9%	793,729	793,919	862,208	58.7%
January	63.5%	6.1%	701,568	705,962	725,006	64.9%
February	69.7%	6.1%	647,539	706,654	900,824	72.7%
March	75.7%	6.0%	625,568	697,650	775,011	79.4%
April	82.6%	6.9%	672,435	804,474	-	79.4%
May	90.3%	7.7%	731,935	893,920	-	79.4%
June	100.0%	9.7%	1,027,158	1,117,200	-	79.4%
<b>TOTAL</b>		<b>100.0%</b>	<b>10,485,518</b>	<b>11,576,200</b>	<b>9,193,747</b>	

**MID-PENINSULA WATER DISTRICT  
MONTHLY BUDGET REPORT-OPERATING  
FOR THE 9 MONTHS ENDED MARCH 31, 2025  
SUMMARY (UNAUDITED)**

**Target 75.00%**

DESCRIPTION	APPROVED AMENDED FY 2024-25 BUDGET	ACTUALS 7/1/2024- 3/31/2025	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
<b>OPERATING REVENUE</b>				
WATER COMMODITY CHARGES	12,766,915	9,193,822	3,573,093	72.0%
FIXED SYSTEM CHARGES	3,530,021	2,671,295	858,726	75.7%
FIRE SERVICE CHARGES	18,000	13,375	4,625	74.3%
MISC CUSTOMER ACCOUNT FEES	107,100	76,506	30,594	71.4%
SERVICE LINE & INSTALLATION CHARGES	111,000	84,911	26,089	76.5%
MISCELLANEOUS OPERATING	19,500	19,000	500	97.4%
<b>TOTAL OPERATING REVENUE (SOURCES)</b>	<b>16,552,536</b>	<b>12,058,910</b>	<b>4,493,626</b>	<b>72.9%</b>
WATER SYSTEM CAPACITY CHARGES	807,300	807,339	(39)	100.0%
WATER DEMAND OFFSET CHARGES	-	-	-	-
PROPERTY TAX REVENUE	545,000	444,311	100,689	81.5%
LEASE OF PHYSICAL PROPERTY	168,000	117,147	50,853	69.7%
MISCELLANEOUS NON-OPERATING	6,600	229,533	(222,933)	3477.8%
INTEREST REVENUE - PARS	41,000	32,878	8,122	80.2%
INTEREST REVENUE - LAIF	73,640	53,640	20,000	72.8%
INTEREST REVENUE - COP	38,000	21,573	16,427	56.8%
INTEREST REVENUE - US TREASURIES	251,723	446,248	(194,525)	177.3%
INTEREST REVENUE - SWEEP ACCOUNT	42,000	30,282	11,718	72.1%
LANDSCAPE PERMIT REVENUE	4,000	3,600	400	90.0%
<b>TOTAL NON-OPERATING REVENUE (SOURCES)</b>	<b>1,977,263</b>	<b>2,186,552</b>	<b>(209,289)</b>	<b>110.6%</b>
<b>TOTAL REVENUE (SOURCES)</b>	<b>18,529,799</b>	<b>14,245,462</b>	<b>4,284,337</b>	<b>76.9%</b>
<b>OPERATING EXPENDITURES (USES)</b>				
SALARIES & WAGES	2,771,305	1,578,306	1,192,999	57.0%
PAYROLL TAXES & BENEFITS	1,335,100	1,295,036	40,064	97.0%
PURCHASED WATER	6,619,719	4,912,432	1,707,287	74.2%
OUTREACH & EDUCATION	95,000	26,020	68,980	27.4%
M&R - OPS SYSTEM	63,000	405,685	(342,685)	643.9%
M&R - FACILITIES & EQUIPMENT	653,500	239,756	413,744	36.7%
SYSTEM SURVEYS	715,000	2,100	712,900	0.3%
ADMINISTRATION & EQUIPMENT	727,000	626,793	100,207	86.2%
MEMBERSHIP & GOV FEES	196,000	371,100	(175,100)	189.3%
BAD DEBT & CLAIMS	15,000	-	15,000	-
UTILITIES	576,500	418,592	157,908	72.6%
PROFESSIONAL SERVICES	675,000	701,139	(26,139)	103.9%
TRAINING/TRAVEL & RECRUITMENT	111,500	58,257	53,243	52.2%
DEBT SERVICE	1,305,000	701,083	603,917	53.7%
<b>TOTAL OPERATING EXPENDITURES (USES)</b>	<b>15,858,624</b>	<b>11,336,299</b>	<b>4,522,325</b>	<b>71.5%</b>
<b>NET SURPLUS/LOSS</b>	<b>2,671,175</b>	<b>2,909,163</b>		
<b>DEBT SERVICE COVERAGE</b>	<b>2.33</b>	<b>2.37</b>		

\*No assurance provided on financial statements. Financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

**MID-PENINSULA WATER DISTRICT  
MONTHLY BUDGET REPORT-CAPITAL  
FOR THE 9 MONTHS ENDED MARCH 31, 2025  
SUMMARY (UNAUDITED)**

**Target 75.00%**

DESCRIPTION	APPROVED AMENDED FY 2024-25 BUDGET	ACTUALS 7/1/2024- 3/31/2025	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
<b>CAPITAL ASSETS</b>				
Trucks (2)	\$ 200,000	\$ 160,319	\$ 39,681	80.2%
Trucks (2) - rollover from prior year budget*	63,000	62,057	943	98.5%
Surveillance Equipment for Tanks / Facilities	40,000	-	40,000	-
Misc. Equipment	30,000	39,068	(9,068)	130.2%
Valve Turner	30,000	26,598	3,402	88.7%
Air Relief and Vacuum Valves	20,000	-	20,000	-
<b>TOTAL CAPITAL ASSET</b>	<b>383,000</b>	<b>288,042</b>	<b>94,958</b>	<b>75.2%</b>
<b>CAPITAL PROJECTS - PAYGO</b>				
20-07 Harbor Blvd WMI Project	50,000	23,322	26,678	46.6%
15-75A Old County Road Improvements	613,000	691,130	(78,130)	112.7%
21-01 Dekoven Tank Util / Lincoln / Newlands / Oak Knoll WMR	3,000,000	101,867	2,898,133	3.4%
24-08 Exborne West Tank Recoating	675,000	19,935	655,065	3.0%
24-09 Hallmark North Tank Recoating	610,000	-	610,000	-
24-10 West Belmont North Tank Recoating	130,000	19,935	110,065	15.3%
<b>TOTAL CAPITAL PROJECTS - PAYGO</b>	<b>5,078,000</b>	<b>856,190</b>	<b>4,221,810</b>	<b>16.9%</b>
<b>CAPITAL PROJECTS - DEBT FINANCING</b>				
20-09 Dairy Lane Ops Center Rehab Design	2,400,000	103,853	2,296,147	4.3%
24-07 Folger Drive Property Improvements	2,700,000	243,977	2,456,023	9.0%
15-89 Dekoven Tank Replacement	1,897,500	373	1,897,127	0.0%
15-72b SR 101 Crossing at PAMF Hospital - Phase 2	691,250	-	691,250	-
<b>TOTAL CAPITAL PROJECTS - DEBT FINANCING</b>	<b>7,688,750</b>	<b>348,203</b>	<b>7,340,547</b>	<b>4.5%</b>
<b>TOTAL CAPITAL PROJECTS</b>	<b>12,766,750</b>	<b>1,204,392</b>	<b>11,562,358</b>	
<b>TOTAL CAPITAL</b>	<b>13,149,750</b>	<b>1,492,434</b>	<b>11,657,316</b>	

\*Rollover amounts were approved in the amount of \$60,000 in March 28, 2024 meeting as part of the mid-year budget amendment. Additional \$3,000 was approved at the May 23, 2024 Board meeting due to increased costs. Order of vehicles was made in May, 2024 and vehicles were not received until October 2024.

**MID-PENINSULA WATER DISTRICT  
INVESTMENT & RESERVES REPORT (UNAUDITED)  
AS OF MARCH 31, 2025**

Cash Analysis				Interest Earned (Fiscal - to date)			
Account	Investment	Cost	Market Value		Yield	Maturity Date	Days to Maturity
Petty Cash	Cash	\$ 600	\$ 600	\$ -	n/a	n/a	n/a
Umpqua Credit Card	Cash	150,000	150,000	-	n/a	n/a	n/a
Wells Fargo	Cash	1,354,702	1,354,702	30,282	n/a	n/a	n/a
LAIF	LAIF	1,411,844	1,411,844	53,640	4.43% +	n/a	0
BNY - Reserve *	Money Market Funds	532,935	532,935	21,573	4.17%	n/a	0
PARS - Pension *	Money Market Funds	548,933	548,933	32,878	4.05% ++	n/a	0
PARS - OPEB **	Money Market Funds	4,103,987	4,103,987	205,800	4.05% ++	n/a	0
Zions	Money Market Funds	1,531,911	1,531,911		4.02%	n/a	0
	US Treasury Bills	2,184,754	2,225,608		4.18%	5/1/2025	31
	US Treasury Notes	2,654,843	2,774,233		0.38%	4/30/2025	30
	US Treasury Notes	4,543,870	4,702,610		0.25%	7/31/2025	122
	US Treasury Notes	1,799,147	1,811,380		0.26%	10/31/2025	214
	Total Zions	<u>12,714,525</u>	<u>13,045,741</u>	<u>75,213</u>			
	Total Cash and investments	<u>\$ 20,817,526</u>	<u>\$ 21,148,742</u>	<u>\$ 419,387</u>			
<b>Reserves Analysis</b>							
Priority	Reserve	Target	Funded Amount	% Funded	Description of amount		
1	Working Capital (Operating) Reserve	\$ 7,929,312	\$ 7,929,312	100.00%	50% of annual fiscal year budgeted expenditures		
2	Capital Reserve	8,000,000	8,000,000	100.00%	Fixed amount		
3	IRC 115 Irrevocable Trust - Pension	271,173	548,933	202.43%	100% of the District's projected net pension/total OPEB liability, or \$500,000 if no liability is outstanding. Based on most recent audited financial statements.		
	IRC 115 Irrevocable Trust - OPEB **	3,495,503	4,103,987	117.41%			
4	Rate Stabilization Reserves	1,200,000	33,575	2.80%	Fixed amount or \$500,000 if no bonds are outstanding		
n/a	Reserve for debt service	765,600	532,935	69.61%	Required by bond agreements for the COP. Amount based on next scheduled debt service.		
	Total Reserves	<u>\$ 21,661,588</u>	<u>\$ 21,148,742</u>	97.63%	NOTE: This has not been updated for the 2025 Bonds.		

\* - Restricted accounts

\*\* - amounts not reported in financial statements due to accounting treatment

+ - based on a rolling 12 - month average

++ - based on a 3-year annualized return

\*No assurance provided on financial statements. Financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

**MID-PENINSULA WATER DISTRICT  
STATEMENT OF NET POSITION (UNAUDITED)  
AS OF MARCH 31, 2025 AND MARCH 31, 2024**

	AS OF 3/31/2025	AS OF 3/31/2024
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 2,917,145	\$ 6,364,693
Investments	13,004,249	12,352,394
Accounts receivable	2,661,697	2,166,646
Prepaid expenses and other assets	80,913	72,194
Total Current Assets	18,664,004	20,955,927
Restricted cash with fiscal agent	1,094,694	1,198,449
Lease receivable	958,464	1,099,275
Construction in progress	9,643,778	12,603,252
Capital assets, net	29,585,790	23,599,575
Net OPEB asset	660,560	135,246
TOTAL ASSETS	<u>\$ 60,607,290</u>	<u>\$ 59,591,724</u>
Deferred Outflows of Resources		
Pension related deferred outflows	\$ 1,313,533	\$ 1,898,626
OPEB related deferred outflows	346,521	291,399
Total Deferred Outflows	<u>\$ 1,660,054</u>	<u>\$ 2,190,025</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	\$ 12,938	\$ (2,006)
Accrued expenses	55,122	89,452
Interest Payable	-	-
Current portion of long-term debt	544,670	579,419
Total Current Liabilities	612,730	666,865
Noncurrent Liabilities		
Compensated absences	241,507	198,259
Lease liability	-	84,816
SBITA Liability	-	4,854
Long-term portion of Certificates of Participation	15,776,229	16,262,510
Net pension liability	555,222	271,173
Total Noncurrent Liabilities	16,572,958	16,821,612
TOTAL LIABILITIES	<u>17,185,688</u>	<u>17,488,477</u>
Deferred Inflows of Resources		
Pension related deferred inflows	594,735	844,115
Lease receivable related deferred inflows	833,477	950,069
Total Deferred Inflows	<u>1,428,212</u>	<u>1,794,184</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 28,485,898	\$ 23,272,143
Unrestricted	15,167,546	19,226,945
TOTAL NET POSITION	<u>\$ 43,653,444</u>	<u>\$ 42,499,088</u>

*\*No assurance provided on financial statements. Financial statements do not include a statement of cash flows.  
Substantially all disclosures required by accounting principles generally accepted in the United States not included.*



**AGENDA ITEM NO. 9.A.2**

DATE: April 24, 2025  
TO: Board of Directors  
FROM: Joubin Pakpour, PE – District Engineer

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**SUBJECT: Capital Project Update**

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**Dekoven, Lincoln, Newlands & Oak Knoll Water Main Improvements (15-09 &15-19)**

See separate report for recommendation to award.

**West Belmont (N), Exbourne (W), Hallmark (N) Tanks Improvements (24-08, 24-09 & 24-10)**

The scope of this combined project consists of exterior coating repairing and recoating of the West Belmont (N) Tank, interior and exterior recoating of the Exbourne (W) Tank and structural retrofit, interior and exterior recoating of the Hallmark (N) Tank. The project design is at 90% for the West Belmont and Exbourne Tanks. Hallmark (N) Tank was added two month, and the design is kicking off. We have contracted a structural engineer to complete the design of the Hallmark (N) Tank. Unfortunately, we have been unable to locate structural record drawings of the tank, which means that the structural engineer may need to visually inspect and measure the structural elements of the tank. This inspection occurred last month. Based on this information a proposal and task order was prepared and presented to the board under a separate agenda item.

**SR101 Crossing @ PAMF Hospital, Phase II (15-72b)**

A kick off meeting was held with the design consultant, West Yost. They will be submitting a project schedule in the next few weeks. We are also re-engaging Silicon Valley Clean Water for coordination on the large diameter sewer main on Shoreway and Tanner Pacific for Construction Management Services.

**Dekoven Tanks Replacement (15-89)**

The Dekoven Tanks, constructed in 1952, are a critical element of the Zone 3 water distribution system. The existing tanks are 52 and 60 feet in diameter, approximately 48 feet tall and have capacities of 720,000 gallons and 1,000,000 gallons respectively. A recent structural analysis determined the tanks are seismically deficient and could fail in a major earthquake. In response to this report the maximum capacity level in the tanks was reduced to 22 feet to withstand seismic events. However, the District lost more than half of the tanks capacity making summer

operation difficult, in addition to losing emergency storage. The coatings on each tank are also failing, increasing the urgency to replace the tanks. Given the seismic vulnerability and the coating failures, the District explored 3 options for rehabilitation / replacement including a) only recoating the tanks and reducing the MCL to 22 feet, b) seismic retrofits to each tank, and c) demolish and rebuild two 800,000 gallon tanks. After a cost analysis of each option and viewing potential construction difficulties, the District determined replacement of the tanks was the best option. The project was fully designed and bid in 2021. We received proposals from two contractors and the low bid exceeded the District's available budget by over 20%. It was decided to reject all bids and shelve the project. In 2025 the project was revived, and we are in the process of preparing it for advertisement. A complication arose in that the structural engineer of record is no longer in business. We solicited proposals from various structural engineers to take over the project, the approval of which was presented to the board under a separate agenda item.

#### **Transmission Water Main Assessment (20-05)**

The District is supplied with water from two source locations being 1) the Tunnels Pump Station located below Hallmark Tanks and 2) the SFPUC Hillcrest Connection located approximately 3 miles southwest of the District service area. The Tunnels transmission water main was inspected in 2023 and found to be sound. The Hillcrest transmission water main, from the Hillcrest Connection to the Hannibal Pump Station, is comprised of 18"-20" Polyvinyl Chloride (PVC) and Concrete Cylinder Pipe (CCP). This particular water main brings water into Zone 1 allowing the District to feed water from bottom up. This project is an assessment of Hillcrest transmission water main to determine the existing conditions, identify any leaks, and remaining life expectancy. We had meetings yesterday with two separate consultants providing pipeline inspection services and are currently evaluating which one to consider contracting with for this work.

#### **City Project Updates**

2025 Sewer Projects – No update.

Twin Pines Park Detention Basin Water Main Improvement – The District is reviewing options to abandon the water main in the City hall parking lot which conflicts with a new detention basin being designed by the City. Both the District and City are researching the right-of-way for the water main in the parking lot. No update from last month.

## AGENDA ITEM NO. 9.A.3

TO: Board of Directors  
FROM: Alison Bell, Administrative Services Manager  
DATE: April 24, 2025

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### ADMINISTRATIVE SERVICES MANAGER'S REPORT

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#### APRIL

##### Operations Manager Recruitment


On April 1<sup>st</sup>, the OM recruitment went live on multiple job posting platforms local and statewide! As well as a mass email and mailing campaign within that week. The position has been posted to 15 different online job platforms. The brochure has been mailed to 72 Public Works departments within San Mateo County, Santa Clara County, East Bay, Human Resources Departments, and Water Districts. The recruitment has also been mass emailed to my extensive contact list of HR professionals and direct contacts within Public Works departments within said counties.


There are two major differences that the district made with this recruitment than in previous management recruitments:

- 1) We are handling the recruitment in-house, whereas past practice was to hire a recruitment firm.
- 2) We moved the application process from paper to an online platform.

The district chose to handle this recruitment in-house. With my extensive recruitment background, I felt confident that I could provide the same level of service and outcome that a recruitment firm could produce. The benefit of conducting the recruitment in-house is the control of the process and the cost savings. As a comparison, the last management recruitment was for my position, and the district paid \$25,000 for a firm to post the position, create a brochure, recruit, accept and review applications, phone screen, and set up interviews. In total, the ASM position was open for one month and 60 applicants applied. As of today, the OM recruitment has been open for 14 days and has received 44 applications thus far. Since this is management recruitment, it will remain open for close to a two-month period. This is based on giving the candidates the opportunity to reach out to me for questions (which many have through phone calls and emails) and for candidates to prepare resumes and cover letters during their non-working hours which are limited. After the close of the first month, a second push of online campaigning will be blasted out across job platforms again which will continue to refresh the job market and potentially connect with candidates who may not have seen the initial job posting the previous month. In total, this recruitment has cost the district \$3,017 to date.

April 10, 2025 - Latest Job Postings

 Water District Jobs <steve@waterdistrictjobs.ccsend.com>  
To: Alison Bell


 If there are problems with how this message is displayed, click here to view it in a web browser.

  
**Operations Manager**  
Mid-Peninsula Water District  
Belmont, Calif.  
Salary: \$158,829 to \$207,450 Annually

##### Operations Manager Recruitment for Mid-Pen Water

The Mid-Peninsula Water District (MPWD), an independent special district serving Belmont and its surrounding areas, has provided high-quality drinking water for over 95 years. MPWD is now seeking an [Operations Manager](#) to join its three-manager leadership team. MPWD offers a generous [benefit package](#) which includes a four-day, 36-hour work week. [Read the full job description here](#) and [apply here](#).

CITY OF BELMONT



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We moved away from the paper application process that the district had been historically doing up until my hiring. We purchased a one-year subscription to an online software platform called JotForm (\$249 annually) that collects and stores our applications for us. It also allows us to customize our applications, and we are able to link multiple aspects of our website and information within the application, including our “Working for MPWD” video and information on our CIP projects. This implementation has made the process of reviewing applications more efficient and streamlined the review process. If you have not done so yet please go onto our website and take a look at it!



**95<sup>th</sup> MPWD**  
SERVING YOU SINCE 1929

## OPERATIONS MANAGER

Annual Salary \$158,829-\$207,450 DOE/DOQ

The Mid-Peninsula Water District (MPWD), an independent special district serving Belmont, California, and surrounding areas, has provided high-quality drinking water for over 95 years. MPWD is seeking an Operations Manager to join its three-manager leadership team. Reporting to the General Manager, this role is essential in ensuring efficient water service delivery, overseeing a 14-member operations team, managing the Capital Improvement Program (CIP), and spearheading key infrastructure projects. The Operations Manager will collaborate closely with the Superintendent, District Engineer, Board of Directors, and external partners to align operational priorities with strategic goals. This role requires a hands-on leader who excels in problem-solving, regulatory compliance, budgeting, and interagency coordination. MPWD fosters a collaborative and forward-thinking workplace, offering professional development opportunities and a 4-day, 36-hour workweek with full pay to enhance work-life balance. This is a unique opportunity to lead a dedicated, long-tenured team while ensuring a safe, sustainable water supply for the community.

If you have any questions, please feel free to reach out to Alison Bell, Administrative Services Manager, at [abell@midpeninsulawater.org](mailto:abell@midpeninsulawater.org).

*First-round interviews will take place in early June!*

**MPWD Key Points:**

[Benefits](#)

[Personnel Manual](#)

[Working for MPWD Video!](#)

[Capital Improvement Program](#)

*Equal Opportunity Statement*

### **ADP Employment Law Webinar**

I attended an ADP-hosted Employment Law webinar that provided key updates on recent federal and California-specific legislative and regulatory developments impacting employers. The training covered important topics such as the Department of Labor's proposed overtime rule changes under the Fair Labor Standards Act, evolving paid leave laws, and new federal guidance on restrictive covenants. Of particular relevance to California employers, the session addressed updates on pay statement compliance, limitations on time clock rounding practices, and the continued push for pay transparency, including expanded requirements for job postings and internal pay reporting. Additionally, the training provided an overview of recent National Labor Relations Board decisions and upcoming legislation that may impact wage taxation. This training helps ensure that the District remains informed and compliant with the latest employment regulations.

### **AWWA Conference**

I was fortunate to be able to attend my first official water conference and while it was a lot of information to take in, I had the benefit of attending with a few of my colleagues that were able to answer my plethora of questions! I will admit that my favorite part of the whole conference were the competitions. Do I believe after watching them that I can put a fire hydrant together myself? Yes, I do! I look forward to attending a few more water conferences in the future to continue to gain knowledge of the water industry.



### **Folger Records Management Update**

Current count is 48 boxes of the original 60! My find of the month is minutes from a special meeting from 1917!



Belmont, November 10, 1917.

A special meeting of the "Belmont Water Committee" was called to order by Mr. W. T. Reid, Chairman. Present:- W. T. Reid, Geo. L. Center and John R. Hillman. The Chairman reported the death of the other member of the Committee, Dr. A. M. Gardner. The Secretary presented the following report:

Mr. Chairman and Members of the Water Committee:

As the greater portion of the business of this Committee has been conducted informally and as this is the first formal meeting since the installation of the water pipe system, I have prepared a full report of all matters pertaining thereto. It being the desire of Mr. W. T. Reid, Geo. L. Center, A. M. Gardner and John R. Hillman to procure water from the Spring Valley Water Co., an application was made on June 7, 1912, in form submitted by said Company as follows:

The following Regulations have been duly adopted by resolutions of the Board of Trustees of the Spring Valley Water Co. They are to be strictly observed by consumers of Spring Valley Water, and considered a part of this agreement.

1. In all cases of non-payment of the water rent within three days after the presentation of the bill the supply will be cut off, and the water shall not again be let on, either for the present, or any subsequent occupant, except upon the payment of the amount due, together with the sum of two dollars; provided, that in case of specific supplies, or for the fractional parts of the month, where the water has been let on, it may be cut off immediately, after notice given at the place that the rent is not paid, and may be let on again upon the condition before mentioned.

2. The Company does not guarantee pressure.

3. Consumers shall prevent all unnecessary waste of water, and shall make no concealment of the purposes for which it is used.

4. No alteration shall be made in any water pipe or fixture without first giving notice of the intended alteration at the office of the Company.

5. In all cases where water is to be supplied to several parties or tenants from one connection or tap, the Company contracts only with one of said several parties, and on his default to abide by these regulations and pay the rates, will cut off the connection.

6. Whenever any of these regulations shall be violated, the supply of water will be discontinued, and not resumed until all charges and expenses are satisfied.

7. All persons taking water shall keep the service pipes in good repair, at their own expense, and they will be held liable for all damages which may result from their failure to do so.

**Utility Billing:**

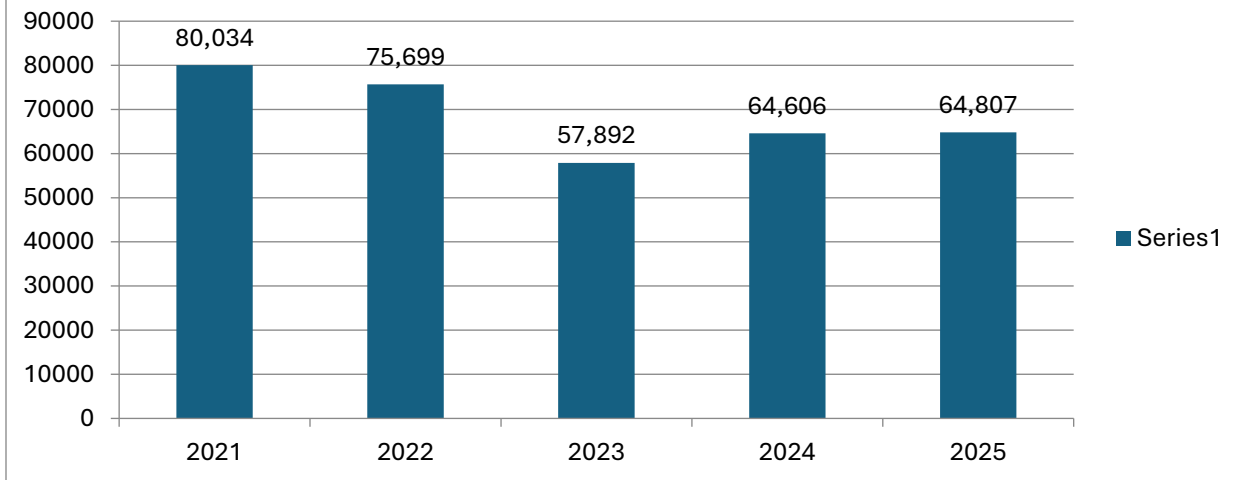
Account information

	Commercial Accounts	Residential Accounts	Multi- Family Accounts	Irrigation Accounts	Institutional Accounts	Industrial Accounts	Temporary Hydrant Accounts	Inactive Accounts	Total Accounts
January	414	7280	204	89	62	46	9	32	8104
February	415	7272	204	90	62	46	10	35	8099
March	416	7262	205	90	62	45	10	31	8090
April									
May									
June									
August									
September									
October									
November									
December									

Billing information:

2025	Reminder letters	Final notices	Sent to collections	Collections Amount	Shut Offs	New Payment Plans	Active Payment plans (in good standing)	Payments in default
January	348	36	0	0	9	1	6	3
February	315	41	0	0	4	2	6	2
March	294	26	0	0	1	1	5	1
April								
May								
June								
August								
September								
October								
November								
December								

## Historical Water Usage for March



### **PUBLIC SERVICE ETHICS EDUCATION (AB 1234)**

Everyone is current with their Ethics training. The due dates (in alphabetical order) for certification renewal of Public Service Ethics education, required every two (2) years by AB 1234:

- |                  |                   |
|------------------|-------------------|
| • Joubin Pakpour | December 9, 2026  |
| • Rene Ramirez   | December 7, 2026  |
| • James Ramsey   | October 19, 2025  |
| • Julie Sherman  | March 9, 2025     |
| • Louis Vella    | December 17, 2026 |
| • Kirk Wheeler   | January 30, 2027  |
| • Kat Wuelfing   | March 22, 2025    |
| • Matt Zucca     | April 10, 2027    |
| • Alison Bell    | June 12, 2026     |

For compliance, training should be completed on or before the due date, and the certificate turned into the MPWD.

Here is the link to the FPPC free online ethics training:

<http://localethics.fppc.ca.gov/login.aspx>

### **SEXUAL HARASSMENT PREVENTION EDUCATION (AB 1825 FOR MANAGERS, SB 1343 FOR EMPLOYEES, AB 1661 FOR ELECTED OFFICIALS)**

Everyone is current with Harassment Prevention training (required every two years). Due dates (in alphabetical order) for certification renewal of Sexual Harassment Prevention Education:

- |                  |                   |
|------------------|-------------------|
| • Joubin Pakpour | March 18, 2027    |
| • Rene Ramirez   | December 14, 2026 |
| • James Ramsey   | October 19, 2025  |
| • Julie Sherman  | January 31, 2026  |
| • Louis Vella    | October 25, 2025  |
| • Kirk Wheeler   | December 10, 2025 |
| • Kat Wuelfing   | February 1, 2027  |
| • Matt Zucca     | March 23, 2025    |
| • Alison Bell    | June 10, 2026     |

For compliance, training should be completed on or before the due date, and the certificate turned into the MPWD.

Here is the link to the DFEH free online Sexual Harassment Prevention training:

<https://www.dfeh.ca.gov/shpt/>

On the DFEH website, review the information on the webpage, click CONTINUE at the bottom of the page, select ENGLISH as the language, and select SUPERVISORY (2-hour course). You will be able to print, save, or screenshot your training certificate at the end of the training.

Once you have completed the training and obtained your certificate, please transmit it to Alison Bell at [abell@midpeninsulawater.org](mailto:abell@midpeninsulawater.org).





TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: April 24, 2025

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## **OPERATIONS REPORT – March**

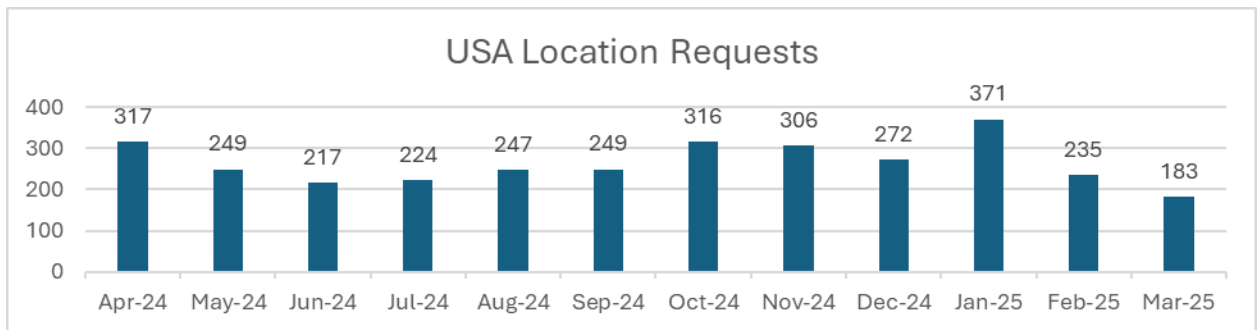
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### **Projects:**

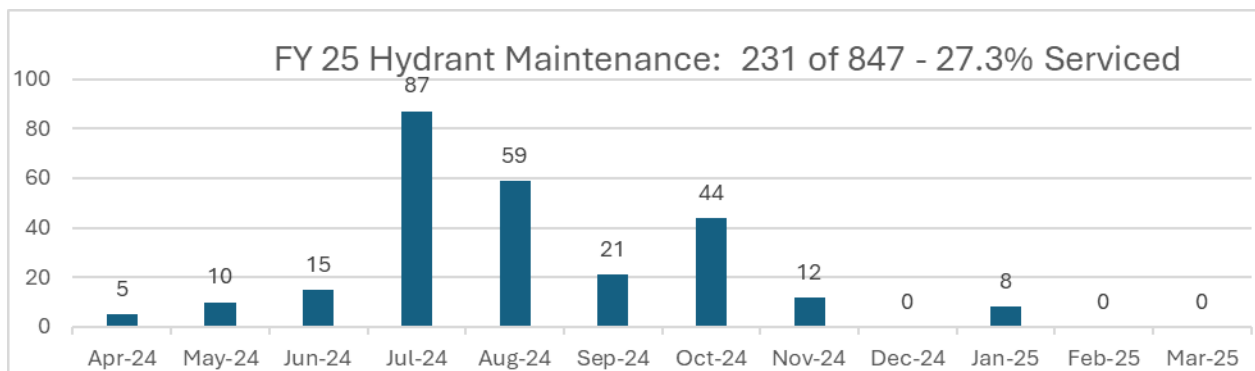
- Continue working with Noll and Tam to prepare for the re-making of the Folger property into a District Emergency Operations Center and getting ready for a Planning Commission hearing to re-zone the Folger property for public space designation instead of current single-family residential designation;
- An internal team completed and submitted the State Annual Report (the eAR) for the District that was due on April 1, 2025;
- Planning to remove four (4) coupons (1.5"W x 16"L) each from the bottom two courses from each Hallmark Tank, one tank at a time, to identify the metal's ASTM specification in preparation of their rehabilitation;
- Completed two (2) 1-inch service upgrades for 1656 Sunnyslope and 3510 Hillcrest in front of installation of a fire sprinkler system during other home improvements; and
- Continued efforts to develop a cross-connection plan update for the District due to the State on July 1, 2025.

### **Maintenance:**

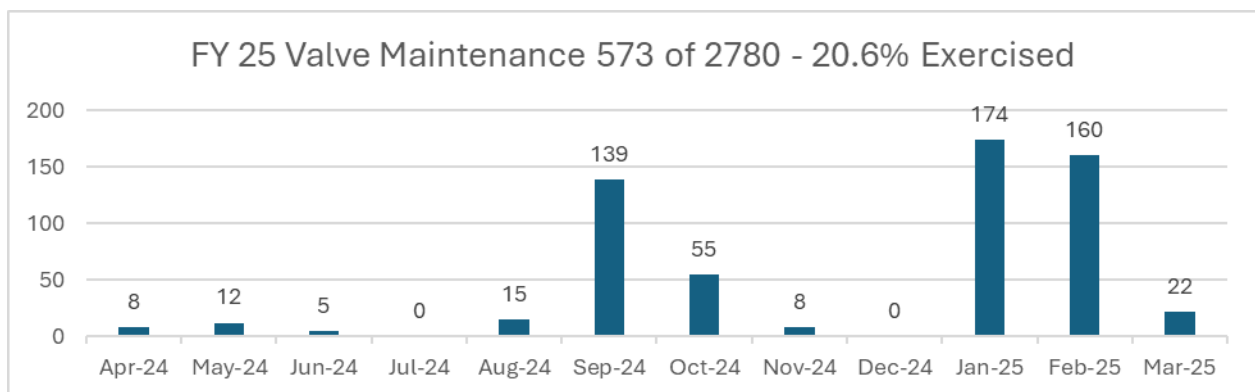
- Repaired main line break in front of 1610 Clee Street;
- Replaced a leaking plastic service line that had been a dual service (i.e. 1 service serving 2 homes) with 2 separate and new 1-inch service lines for 3639 and 3641 Hillcrest Drive;
- Replaced 5 aged fire hydrants with current fire hydrant standard in front of 514 Roxbury, the corner of Bragato and Glen, at Laxague Drive, the corner of St. James and Heritage and in front of 2739 Hallmark;
- Replaced 3 water meters during a service upgrade;
- Replaced 5 meters registers with weak batteries;
- Replaced 11 meters transceivers due to weak batteries;
- Responded to and completed 183 USA (underground service alerts) location requests during month. Running 12-month location requests totals 3,186, an average of 266 per month;



- Hydrant maintenance visits: 0



- Valves exercised during the month: 22



- Collected the requisite 44 water samples in March from 11 sample station sites. None of the samples tested positive for total coliform;
- Staff continue to closely monitor the water quality and system conditions as part of normal operations; and
- During March staff flushed 4 water lines with dead ends.

**System Repairs:**

Date	Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
3/14/25	1610 Clee St.	PVC Split	4" Steel-sized PVC	1970	~ 45,000

**Development:**

Staff continue to work with developers and monitor 74 development projects:

**Mixed Use Commercial/Multi-Family Residential: 14**

- 1324 Old County Road; a 2- or 3-unit multi-family with ground floor retail space; moving forward slowly, fire flow test requested and performed several months ago;
- 1301 Shoreway Road; proposed life science building. A water supply assessment was prepared and approved and nothing since, but Carlos DeMelo mentioned movement at HIA;
- 2 Davis Drive; offices and research space, & fire station; no forward progress to staff's knowledge since late 2019;
- 500-530 Harbor – information provided to developer and nothing new to report;
- 580 Masonic – information provided to developer and Carlos DeMelo mentioned some progress on this development, just not with us yet;
- 608 Harbor: a 103-unit multi-family development; letter of intent to serve provided and no progress staff is aware of;
- 800 Laurel Avenue; a 16-unit town home residential project (area not provided); currently reviewing plans and have asked for a resubmittal of civil plans;
- 678 Ralston; 65-unit, 100% affordable apartment complex; no contact from developer yet;
- 800 Belmont Avenue; information provided to developer and no forward progress;
- 803 Belmont Avenue; a 125-unit multi-family residential project (area not provided); under construction, but have not started utility work yet;
- 601 Harbor Blvd/1421 Old County Road: proposed life science building working through entitlement process and a Water Supply Assessment in late 2022;
- Island Parkway Life Science Campus; office, research & development project; no contact from developer yet;
- 900 El Camino Real; a 37-unit multi-family residential project starting on 2<sup>nd</sup> floor with commercial lease space on 1<sup>st</sup> floor (area not provided); plans



- approved;
- 642 Quarry Road – preliminary, information provided to developer.

**Commercial: 16**

- Reviewing Plans – 12
- Approvals Received – 2
- In Construction - 2

**Residential: 44**

- Plans In Review – 31 including 1 ADU (auxiliary dwelling unit)
- Plans Through Staff Approval Process – 10
- Project In Construction - 3

**Administration:**

- Ops Team accomplishments:
  - Operator Eric Perez, who has been a District employee for slightly more than one year and had recently passed the D-3 Water Distribution Operator Exam has just recently passed the T-2 Water Treatment Operator exam. The District now has three (3) operators holding both a D-3 and a T-2 water operator certificate from the SWRCB, a first.
- Continued efforts to develop budget needs for the Operations Budget in FY25/26;
- Participated in a Finance Committee meeting to go over the process for the 2025 COPs;
- Purchased a Computer Aided Drafting (CAD) license in order for staff to continue efforts to update District Geographical Information System (GIS);
- Participated in a virtual meeting with Bond Counsel and Wulff-Hansen to discuss the Preliminary Official Statement, and the need to review District information contained within in preparation of the 2025 COP issue;
- Ops staff continue to make progress on creating a list of District asset inventory using a cloud-based database tool;
- Attended staff meeting for management and supervisors;
- Participated in weekly call with District Engineer, General Manager, and Operations Supervisor on District matters and projects; and
- Continue to actively manage power use for pumping operations via SCADA.



## ***AGENDA ITEM NO. 9.A.5.***


TO: Board of Directors  
FROM: Kathryn Wuelfing, General Manager  
DATE: April 24, 2025

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### **GENERAL MANAGER'S REPORT**

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#### **Key Activities Since March Meeting**

- **Submitted Requesting Congressionally Directed Spending** – We worked with iParametrics to submit letters requesting congressional directed spending (appropriations) to our Congress members Adam Schiff and Alex Padilla. Our request letter was signed by President Wheeler. We also had support letter submitted by Senator Becker's and Assemblymember Papan's offices.
- **SFPUC Water Rates** – On March 21, 2025, SFPUC provided its rate letter, stating that "the San Francisco Public Utilities Commission (SFPUC) has determined that the Fiscal Year 2025-26 Wholesale Water Rates will be \$5.80 per CCF, representing a \$0.13 per CCF or 2.3% increase from the current rate for treated wholesale water, effective July 1, 2025." SFPUC let us know that that the Commission Hearing on April 22, 2025 where SFPUC staff was planning to present the proposed rate updates (noticed to BAWSCA on March 21, 2025) has been cancelled. The agenda item to adopt the Fiscal Year 2026 Wholesale Water Rates has been moved to the May 13<sup>th</sup> commission meeting.The logo for San Francisco Water Power Sewer features a stylized blue and green wave graphic to the left of the text "San Francisco Water Power Sewer" in a sans-serif font. Below the text is the tagline "Operator of the Hetch Hetchy Regional Water System".
- **SFPUC Water Supply Availability Letter** - On April 15<sup>th</sup>, SFPUC provided their final Water Supply Availability letter for the year – provided as an attachment here. The letter summarizes the available water in the system and notes that we continue to be in a solid position for water supply this year.
- **Folger Drive EOC** – A Hearing for the rezoning of the Folger Drive property was held at the City of Belmont Planning Commission on April 15<sup>th</sup>. President Wheeler, our architect Tom Beil and myself attended the meeting in person, and Vice President Vella attended remotely. I gave a brief presentation on the importance of the project for us and City

staff and I answered questions by the commission. The commission approved the recommendations to City Council to support the rezoning. It's anticipated that the first reading of the ordinance will be at the May 13th City Council meeting, under the consent calendar.

- **Emergency Planning** – We provided our detailed list of critical infrastructure locations to the City of Belmont PD, who added this to the Genasys mapping system used by emergency responders county-wide and beyond. Belmont PD will be holding a tabletop exercise in late May, which will include a quick refresher for ICS/EOC operations and a tabletop utilizing a sand table simulator. Staff plans to participate in this exercise.
- **AWWA Water Conference of the West** – Myself and several staff attended the California-Nevada American Water Works Association Water Conference of the West. This was a great conference, covering a wide variety of topics, including a full day of talks on wildfire and drinking water systems. A few talks I attended included: California DDW Regulatory Update; Big Pipes, Big Data; Metering Round table, AMI Round Table, a full day of wildlife talks, and a full day on current water conservation issues and technology. Staff in attendance included ASM Bell, Water Resources Coordinator Bost, and four operations staff – including several of our newer hires. I am very excited that staff are getting the opportunity to attend these educational events, and we've received great feedback from them.
- **Meeting with Supervisor David Canepa** – David Canepa was planning to tour our Dairy Lane facility on April 15<sup>th</sup>, however, he had to cancel. We are working to reschedule this meeting.
- **Tier 2 and Minimum Purchase Quantities** – BAWSCA plans to provide member agencies with information to support the adoption (e.g., draft resolutions and staff reports) to the member agencies. The latest update from BAWSCA is that as of March 18<sup>th</sup>, they received additional edits on the proposed changes from SFPUC and are working on reviewing these new edits with Hanson Bridgett. Given this, the timing of completion and when this item will be brought to the Board is not known.
- **Building Project Program/Construction Manager** – We are working on putting together an RFQ to distribute to firms.
- **Dairy Lane Rehab** – Design work is underway. An initial cost estimate was received, and Noll & Tam are currently working on reviewing it in detail. Based on the cost estimate, we will review the design and potentially adjust scope to best optimize project costs with needs.
- **Conferences & Training** – Scheduled to attend:

- California Municipal Treasurers Association Conference, Monterey – April 22-25, 2025
- Chamber San Mateo Progress Seminar, Santa Rosa – May 2-4, 2025
- ACWA and ACWA JPIA Fall Conference, Monterey – May 12-15, 2025
- CSDA Legislative Days, Sacramento – May 20-21, 2025

### **Key Meetings and Conferences Attended**

- Finance Committee Meeting – 4/17/2025
- Meetings with PCG and Pipe Condition Assessment Companies to Discuss potential project – 4/16/2025
- Planning Commission Hearing for Rezoning of 1510 Folger Drive Property – 4/15/2025
- Meeting with West Yost Re: 101 Undercrossing Project – 4/10/2025
- AWWA Water in the West Conference – 4/8/2025 – 4/10/2025
- Meeting with Wulff Hansen and Causey Demgen & Moore PC to discuss COP investment options – 4/7/2025
- ACWA JPIA Leadership Essentials Program webinar session – 4/4/2025
- Harbor Industrial Association Lunch Meeting – 4/3/2025
- BAWSCA Water Management Representatives meeting – 4/3/2025
- Meeting with Wulff Hansen – 3/31/2025
- Meeting with iParametrics to discuss Congressional Directed Spending Requests – 3/28/2025
- Assemblymember Diane Papan's Women's Power Breakfast – 3/28/2025
- ACWA Legislative Symposium – 3/26/2025
- Weekly meetings with Noll & Tam Architects
- Weekly meetings with James Ramsey of Eide Bailly
- Weekly meetings with Joubin Pakpour of PCG
- Bi-Weekly Safety/Rap Session Meetings with All Staff

### **3-MONTH LOOK AHEAD FOR BOARD MEETINGS**

#### **Special Meeting Re: Strategic Plan – May 19, 2025**

- Review of Accomplishments and Progress Strategic Plan
- Review Key Items Identified by Management
- Review and Discuss Potential Updates to Strategic Plan
- Review Director Assignments for 2024

#### **May 22, 2025 (Fourth Thursday)**

- Consider final draft and adopt Operating Budget for next fiscal year
- Consider final draft and adopt Capital Budget for next fiscal year
- Receive Dairy Lane Project Update
- Consider vacating an easement
- Consider updating the MPWD Compensation Plan to Add New Job Descriptions
- Authorize a Professional Service Agreement for Structural Engineering Services for the Dekoven Tanks Replacement Project

- Quarterly Water Conservation Report
- Receive BAWSCA report
- Receive Report on the California and San Francisco Regional Water System Conditions

June 26, 2025 (Fourth Thursday)

- Consider proposed SFPUC Minimum Purchase Quantity and BAWSCA Tier 2 Allocation Methodology Changes
- Consider Budgeted Annual Professional Services Agreements
  - Eide Bailey
  - Pakpour Consulting Group
  - John Davidson
  - DACO On-Call Services
  - C2R On-Call Services
- Consider Updating Ordinance 128 to Comply with New State Law
- Approve Escheat of Unclaimed Assets
- Consider Establishing the Appropriations Limit Applicable to the Mid-Peninsula Water District during Fiscal Year 2025/2026
- Receive Report on the California and San Francisco Regional Water System Conditions

July 24, 2025 (Fourth Thursday)

- Receive report on 2x2 meeting with the City of Belmont
- Consider/approve updated salary schedule with living wage adjustment
- Receive Semi-Annual Reports on any COP financing through June 30th
- Receive progress report on MPWD website, marketing, and public relations/outreach efforts by consultant
- Consider Resolution Approving Updated MPWD Personnel Manual
- Quarterly Water Conservation Report
- Receive BAWSCA Update
- Receive Report on the California and San Francisco Regional Water System Conditions
- Set process for GM annual performance review (closed session)

Special Meeting for Board Member Field Day – Date TBD

- Opportunity for Board Members to Tour some District Facilities

## **Committee Activities**

Finance Committee Meeting – Date TBD

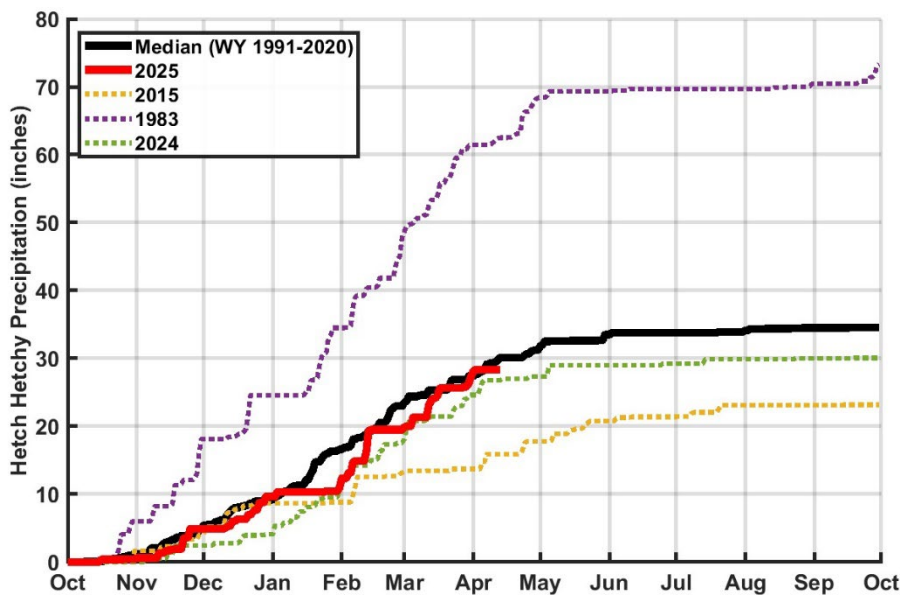
- None currently identified



TO: SFPUC Wholesale Customers  
FROM: Steven R. Ritchie, Assistant General Manager, Water  
DATE: April 15, 2025  
RE: Water Supply Availability Update

This memo provides the water supply availability estimate for Water Year 2025 and the current hydrologic conditions.

The plots below provide precipitation at Hetch Hetchy and snowpack in the watershed through April 15, 2025. As the plots show, the Hetch Hetchy watershed has experienced nearly average conditions this year. The April 1st manually measured snow course index is 83% of median April 1st snowpack indicated by the yellow star and about 95% of median April 1st snowpack indicated by snow pillow index (the red line). The latest snow course survey found at the Aspen Meadow snow measurement location which is elevation 7,000 feet in the North Fork of the Tuolumne River basin had a measured snow water content of 24.8" (April 1st survey).



Daniel L. Lurie  
Mayor

Kate H. Stacy  
President

Joshua Arce  
Vice President

Avni Jamdar  
Commissioner

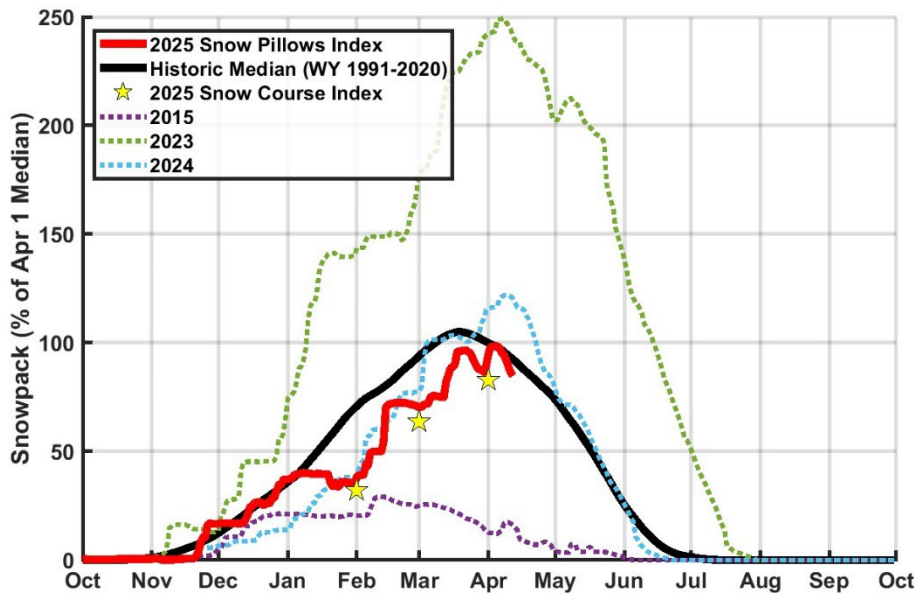
Steve Leveroni  
Commissioner

Dennis J. Herrera  
General Manager

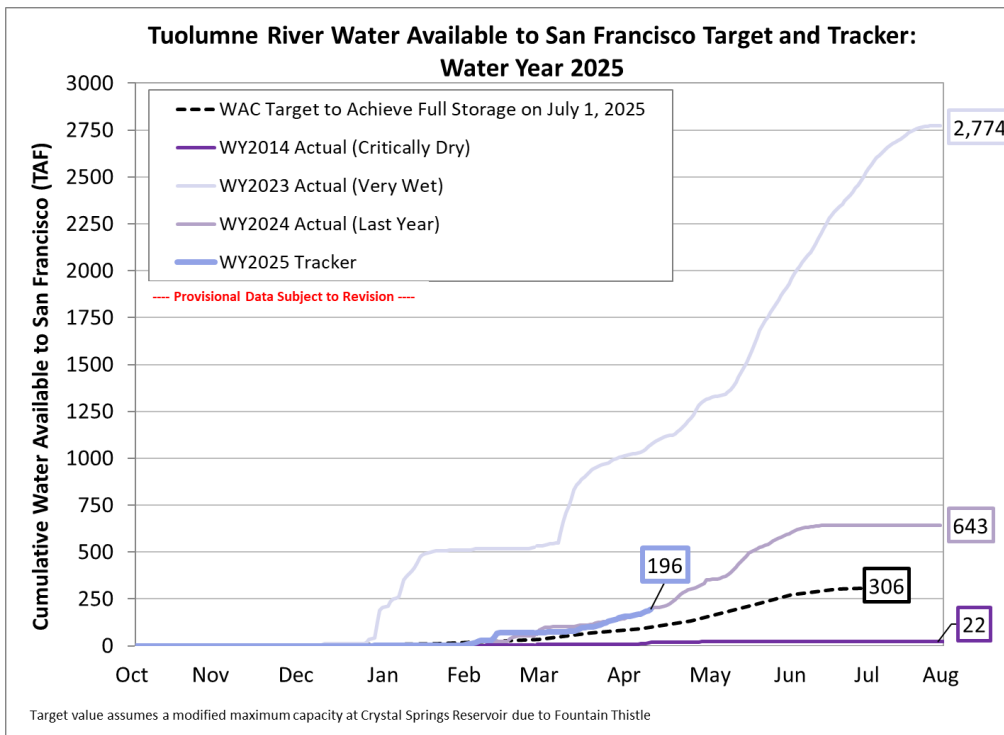
Services of the San Francisco Public Utilities Commission

**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.





Water available to San Francisco under the Raker Act has produced 196,024 acre-feet to date, with additional gains estimated during snowmelt from now through June. San Francisco needs 306,000 acre-feet to fill the system. Considering the amount that is forecasted for those additional gains from now through June, it is very likely that we will fill the entire water system by July 1, 2025. Water Bank is currently full, supporting water deliveries throughout the year.



Though we continue to be in a solid position for water supply this year, as always, we appreciate the continued efforts of our customers to encourage water conservation in their service areas.

cc: Tom Smegal, CEO/General Manager, BAWSCA