



**DUBLIN SAN RAMON SERVICES DISTRICT
Board of Directors**

NOTICE OF REGULAR MEETING

TIME: 6 p.m.

DATE: Tuesday, June 20, 2017

PLACE: **Quorum will be present at:**
Dublin San Ramon Services District Boardroom
7051 Dublin Boulevard
Dublin, CA 94568

PLACE: **Alternate Teleconference Location:**
65 Vista Knolls Court
Copperopolis, CA 95228

AGENDA

Our mission is to provide reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and environmentally responsible manner.

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL – Members: Duarte, Halket, Howard, Misheloff, Vonheeder-Leopold
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES
5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)
At this time those in the audience are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight’s agenda. Comments should not exceed five minutes. Speakers’ cards are available from the District Secretary and should be completed and returned to the Secretary prior to addressing the Board. The President of the Board will recognize each speaker, at which time the speaker should proceed to the lectern, introduce him/herself, and then proceed with his/her comment.
6. REPORTS
 - 6.A. Reports by General Manager and Staff
 - Event Calendar
 - Correspondence to and from the Board
 - 6.B. Joint Powers Authority and Committee Reports
 - 6.C. Agenda Management (consider order of items)
7. APPROVAL OF MINUTES
 - 7.A. Regular Meeting of June 6, 2017
Recommended Action: Approve by Motion

8. CONSENT CALENDAR

Matters listed under this item are considered routine and will be enacted by one Motion, in the form listed below. There will be no separate discussion of these items unless requested by a Member of the Board of Directors or the public prior to the time the Board votes on the Motion to adopt.

8.A. Authorize Amendment No. 1 to Task Order No. 1 with ArcSine Engineers for Engineering Design Services for the Corporation Yard and Administrative Facilities (CIP 16-A005)
Recommended Action: Authorize by Motion

8.B. Approve Consulting Services Agreement with West Yost Associates, and Authorize Execution of Task Order No. 1 for the Primary Sedimentation Expansion and Improvement Project (CIP 17-P004)
Recommended Action: Approve by Resolution and Authorize by Motion

8.C. Authorize Task Order No. 4 with Mahler Consulting Services, LLC, for Construction Inspection Services for Fiscal Year 2018
Recommended Action: Authorize by Motion

9. BOARD BUSINESS

9.A. Second Reading: Adopt Ordinance Revising District Code Sections 5.30.010, 5.30.020, and 5.30.080 Governing Wastewater User Classifications for Nonresidential Users
Recommended Action: Waive Reading by Motion and Adopt Ordinance

9.B. Hold Public Hearing: Adopt the 2017 Local and Regional Wastewater Rates and Rescind Resolution No. 31-10
Recommended Action: Hold Public Hearing and Adopt by Resolution

9.C. Award Construction Agreement to GSE Construction Company, Inc., Authorize a Construction Change Order Contingency, Authorize Execution of Task Order No. OC-9 with The Covello Group, Inc. for Construction Management Services, and Authorize Execution of Task Order No. 2 with Carollo Engineers, Inc. for Engineering Services During Construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203)
Recommended Action: Approve by Resolution and Authorize by Motion

9.D. Accept the Following Regular and Recurring Reports: Water Supply and Conservation, Warrant List, and Upcoming Board Business
Recommended Action: Accept by Motion

9.E. Consider Conditional Temporary Infrastructure Charge (TIC) Repayment for FYE 2017 Water Expansion Fund Management
Recommended Action: Adopt by Resolution

10. BOARD MEMBER ITEMS

- Submittal of Written Reports from Travel and Training Attended by Directors

11. CLOSED SESSION

11.A. Conference with Labor Negotiators – Pursuant to Government Code Section 54957.6
Agency Negotiators: Dan McIntyre, General Manager
Carol Atwood, Administrative Services Manager

Michelle Gallardo, HR & Risk Supervisor
Employee Organizations: Stationary Engineers, Local 39
Professional Employees' Bargaining Unit (PEBU)
Mid-Management Employees' Bargaining Unit (MEBU)
Additional Attendee: Carl P. A. Nelson, General Counsel

12. REPORT FROM CLOSED SESSION

13. ADJOURNMENT

All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection at the front desk of the District Office at 7051 Dublin Blvd., Dublin, during business hours, or by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

**DUBLIN SAN RAMON SERVICES DISTRICT
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS**

Item 7.A.

June 6, 2017

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6 p.m. by President Richard Halket.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:

President Richard M. Halket, Vice President Georgean M. Vonheeder-Leopold, Director D.L. (Pat) Howard, Director Edward R. Duarte, and Director Madelyne (Maddi) A. Misheloff.

District staff present: Dan McIntyre, General Manager; Carol Atwood, Administrative Services Manager/Treasurer; Judy Zavadil, Engineering Services Manager; Dan Lopez, Operations Support Services Supervisor; Carl P.A. Nelson, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

General Manager McIntyre reported that the Association of California Water Agencies' current call for Region Boards candidates is open until June 30. He advised any interested Boardmembers to contact staff so a resolution can be prepared for approval at the June 20 Board meeting.

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:02 p.m. No public comment was received.

6. REPORTS

A. Reports by General Manager and Staff

- Event Calendar – General Manager McIntyre reported on the following:
 - o The July 4, 2017 Board meeting will likely be cancelled due to falling on the Independence Day Holiday. There are no items scheduled for this meeting date.
 - o Completion of newly required Boardmember harassment prevention training is due June 20, 2017. A reminder notification has been sent to the Board.
- Correspondence to and from the Board on an Item not on the Agenda – None

B. Joint Powers Authority and Committee Reports – None

C. Agenda Management (consider order of items) – No changes were made.

7. APPROVAL OF MINUTES – Regular Meeting of May 16, 2017

Director Howard MOVED for the approval of the May 16, 2017 minutes. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

8. CONSENT CALENDAR

Director Misheloff requested that Item 8.A be removed for discussion. The Board agreed to remove Item 8.A for discussion. The Board took Consent Calendar Item 8.B and passed this Item first.

Director Howard MOVED for approval of Item 8.B on the Consent Calendar. Director Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

- A. REMOVED – Award Construction Agreement to California Trenchless, Inc. and Approve a Capital Improvement Project Budget Increase for the Davona-Berwick 8” Sewer Replacement Project (CIP 16-S019) – Approved – Resolution No. 27-17 and Resolution No. 28-17

Director Misheloff inquired how grout work located in Pasadena, per the bid results information, related to the District’s project. General Counsel Nelson responded that Pasadena is the location of the sub-contractor that will perform the grout work for California Trenchless, Inc.

Director Misheloff MOVED for approval of Item 8.A on the Consent Calendar. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

- B. Correct Error in Signatory for Amendment No. 1 to the DERWA Sales Agreement for the Sale of Recycled Water by the DSRSD-EBMUD Recycled Water Authority (DERWA) to Dublin San Ramon Services District (DSRSD) and the East Bay Municipal Utility District (EBMUD) and Rescind Resolution No. 19-17 – Approved – Resolution No. 26-17

9. BOARD BUSINESS

- A. Public Hearing: Approve Capital Improvement Program (CIP) Ten-Year Plan for Fiscal Years Ending 2018 through 2027 and Adopt Two-Year CIP Budget for Fiscal Years Ending 2018 and 2019

President Halket announced the item and declared the Public Hearing open. He asked for the staff presentation.

Engineering Services Manager Zavadil reviewed the item for the Board including the following updates made since the Board’s draft budget review: updated fund splits in four projects, adjusted one project budget, and added a placeholder project for further DERWA expansion, though it lies beyond the 10-year plan, to provide parity between the capacity reserve fee and CIP Plan. She also recognized CIP Supervisor Steve Delight and Administrative Analyst Gemma Lathi as the principal CIP document coordinators.

President Halket inquired if there were any comments from the public. There was no public comment received.

President Halket solicited a Motion to close the Public Hearing.

Director Howard MOVED to close the Public Hearing. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

President Halket inquired if City of Pleasanton staff had pursued review of the District's proposed CIP fund splits, to which General Manager McIntyre replied they did not.

Director Misheloff MOVED to adopt Resolution No. 29-17, Approving the Capital Improvement Program (CIP) Ten-Year Plan for Fiscal Years Ending 2018 through 2027 and Adopting the Capital Improvement Program Two-Year Budget for Fiscal Years Ending 2018 and 2019. Director Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

B. Public Hearing: Adopt Operating Budget for FYE 2018 and FYE 2019

President Halket announced the item and declared the Public Hearing open. He asked for the staff presentation.

General Manager McIntyre and Administrative Services Manager Atwood reviewed the item for the Board. They provided an overview of the new budget process undertaken this year by the new management team, and reviewed the following updates made since the Board's draft budget review: addition of operations metrics, further information summarizing staffing changes, fund updates reflecting CIP fund splits, and expanded CIP information. Ms. Atwood stated the budget is balanced. She assured the Board that staff will monitor the Local Wastewater fund balance to ensure it does not go below policy level and will continue to take steps to bring it to a healthy position.

President Halket inquired if there were any comments from the public. There was no public comment received.

President Halket solicited a Motion to close the Public Hearing.

Vice President Vonheeder-Leopold MOVED to close the Public Hearing. Director Misheloff SECONDED the MOTION, which CARRIED with FIVE AYES.

Director Duarte MOVED to adopt Resolution No. 30-17, Approving and Adopting the Operating Budget for Fiscal Years Ending 2018 and 2019. Vice President Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES.

In conclusion, President Halket stated that the Board fully understands it is passing the Operating Budget with a deficit balance in one of the funds, and that a plan has been established to mitigate the matter.

- C. First Reading: Introduction of Ordinance Revising District Code Sections 5.30.010, 5.30.020, and 5.30.080 Governing Wastewater User Classifications for Nonresidential Users

President Halket read the title of the Ordinance: An Ordinance of Dublin San Ramon Services District Modifying Sections 5.30.010, 5.30.020 and 5.30.080 of its District Ordinance Code to Revise the Wastewater User Classifications for Nonresidential Users

President Halket solicited a Motion to Waive Reading of the Ordinance.

Director Misheloff MOVED to Waive Reading of Ordinance. Director Howard SECONDED the MOTION, which CARRIED with FIVE AYES.

President Halket asked for the staff presentation. Administrative Services Manager Atwood reviewed the item for the Board. She explained it is necessary to present this particular ordinance revision in order to accomplish appropriate and understandable customer billing reflecting new rates effective July 1, 2017. Ms. Atwood also noted that the ordinance will be brought to the Board again at a later time with further proposed revisions by the Operations and Engineering departments.

President Halket inquired if there were any comments from the public. There was no public comment received.

General Counsel Nelson informed the Board that revised versions of the Attachment 1 to Staff Report and Exhibit 1 to the Ordinance have been provided for the Board's reference, and replace the versions provided in the agenda packet.

- D. Support Association of California Water Agencies' (ACWA) Policy on Bay-Delta Functional Flow Requirements

Community Affairs Supervisor Sue Stephenson reviewed the item for the Board.

The Board and staff discussed various aspects and perspectives regarding this topic, and ACWA's and the State Water Resources Control Board's (SWRCB) opposing positions on this matter.

Vice President Vonheeder-Leopold left the room at 6:35 p.m.

President Halket stated the fundamental problem the District faces with the local water supply from the State Water Project via Zone 7 Water Agency, is that the District receives water from the Delta, so instability impacts the District. He recalled the impossible happened when a judge shut the pipes down for two weeks; fortunately the District could rely on storage at the time. Equally impactful on the Delta is the water diverted upstream. The entities driving this, EBMUD and Hetch Hetchy, divert water for beneficial use but that same water seemingly does not count when time to resolve Delta problems. He noted some agencies are cutting side deals, and that water flows uphill towards money. Both ACWA and the SWRCB will debate the science but ultimately they

will have to negotiate a solution. He feels this is not the District's fight and stated he will vote against the proposed resolution.

Director Duarte MOVED to adopt Resolution No. 31-17, Approving Support of the Association of California Water Agencies' (ACWA) Policy Statement on Bay-Delta Flow Requirements. Director Howard SECONDED the MOTION, which CARRIED with THREE AYES, ONE NO (Halket), and ONE ABSENT (Vonheeder-Leopold).

10. BOARDMEMBER ITEMS

Director Misheloff submitted a written report to Executive Services Supervisor Genzale. She attended East Bay Municipal Utility District Director John Coleman's briefing on May 25 in Lafayette. She summarized the activities and discussions at the meeting.

Vice President Vonheeder-Leopold submitted a written report to Executive Services Supervisor Genzale. She attended the California Association of Sanitation Agencies Board Finance Committee teleconference meeting on May 22.

11. ADJOURNMENT

President Halket adjourned the meeting at 6:40 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor



TITLE: Authorize Amendment No. 1 to Task Order No. 1 with ArcSine Engineers for Engineering Design Services for the Corporation Yard and Administrative Facilities (CIP 16-A005)

RECOMMENDATION:

Staff recommends the Board of Directors authorize, by Motion, the General Manager to execute Amendment No. 1 to Task Order No. 1 with ArcSine Engineers for Engineering Design and Construction Management Services associated with the power distribution system improvements at the Field Operations Facility (FOF) (CIP 16-A005).

SUMMARY:

The existing building does not have backup power systems and is susceptible to PG&E power outages.

On December 19, 2016, the General Manager signed Task Order No. 1 under an existing on-call contract with ArcSine Engineers in the amount of \$98,900 for improvements to the Field Operation Facility power distribution system. The scope of work included design of a backup generator and uninterruptable power supply (UPS) to support critical SCADA communications needed to operate the potable water distribution system during a commercial power outage. Other tasks included evaluation and testing of existing panelboards (120/240-volt and 480-volt) and performing safety studies and testing of existing protective devices. Amendment No. 1 covers design of LED lighting retrofits for high bay metal halide luminaires in the building’s warehouse as well as a new receptacle for equipment used by Field Operations Division (FOD).

Conforming to the Board’s Purchasing policy (P500-17-1) and District purchasing procedures, staff is requesting that Amendment No. 1 for \$6,300 to Task Order No. 1 be authorized by the Board as the amended task order value will be \$105,200, exceeding the General Manager’s purchasing authority limit (\$100,000).

Originating Department: Engineering Services	Contact: R. Mutobe	Legal Review: Not Required
Cost: \$6,300	Funding Source: Water Replacement (Fund 610); Water Expansion (Fund 620); Local Wastewater Replacement (Fund 210); Local Wastewater Expansion (Fund 220)	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	9 of 237	

ArcSine Engineering
Amendment No. 1 to Task Order No. 1 to Agreement dated May 19, 2016
Agreement Expiry Date: April 15, 2019

Issue Date: June 8, 2017

Project Name and Number: Corporation Yard and Administrative Facilities (CIP 16-A005)

Task Title: Power Distribution System Improvements

Project Manager Name & Signature: Robyn Mutobe _____

Main Source of Funds: Water Replacement (Fund 610)

Board Review: Board

Account Number: 16-A005.design.cip

Authorization Amount: Orig PO Amt \$98,900; Inc PO Amt \$6,300; New PO Amt \$105,200

Purchase Order Number: 01008542

Return Purchase Order to: Evita Schnupp

Compensation Method: Time and materials as per Agreement

Completion Date: December 31, 2018

Insurance Requirements: As per Agreement; no special requirements

Work Product: See Attachment "A"

Digital Drawings, if applicable: Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.

Scope of Work: See Attachment "A"

Economic Disclosure: Required – Need to include Attachment B
 Not Required

Recommended by: Judy Zavadil (_____)

Accepted by: _____ Date _____
 Doug McHaney, General Manager
 ArcSine Engineering

Authorized by: _____ Date _____
 Daniel McIntyre, General Manager
 Dublin San Ramon Services District



**SCOPE OF WORK – AMENDMENT 1
DUBLIN SAN RAMON SERVICES DISTRICT
FOD-COMMERCE CIRCLE
POWER DISTRIBUTION SYSTEM IMPROVEMENTS**



ArcSine Project No. 1622

June 2, 2017

PROJECT DESCRIPTION

Dublin San Ramon Services District (DSRSD or District) has recently relocated the Field Operations Division (FOD) headquarters from Camp Parks to a building at 7035 Commerce Circle, in Pleasanton, California (Building). ArcSine Engineering is under contract to the District to provide Electrical Engineering, Construction Management, and Construction Engineering services in support of power distribution (electrical) improvements to the FOD Building (Project).

The District requested the following design services be added to the base Project Scope:

- Design a “truck plug” for running a filter for emissions for non-Tier 4 diesel trucks.
- Evaluate existing exit and emergency for code-compliance, and existing truck bay lighting for retrofitting with high-bay LED fixtures.

This Scope of Work describes electrical engineering and lighting design, bid support services, services during construction, and construction management services to be provided by ArcSine Engineering to the District for design and construction support of the following improvements.

ASSUMPTIONS

This Scope of Work is based on the following assumptions. Any change to these assumptions may impact Project schedule and/or fee.

- Refer to base Scope of Work, Assumptions, which are applicable to this Amendment.

SCOPE OF SERVICES**1.0 PROJECT MANAGEMENT/DATA COLLECTION/MEETINGS**

- 1.1. }
1.2. } For Tasks 1.1-1.3, refer to base Project Scope.
1.3. }

- 1.4. Site Inspection: Conduct an on-site field visit to evaluate the existing Building emergency and exit lighting, the existing high bay lighting in the truck bay, and coordinate location of the Truck Plug.

Task 1 Deliverables:

Refer to Base Project Scope for Task 1 deliverables.

**DSRSD FOD Commerce Circle Building
Power Distribution System Improvements**

2.0 DESIGN ENGINEERING

- 2.1. } For Tasks 2.1-2.5, refer to base Project Scope.
- 2.2. }
- 2.3. }
- 2.4. }
- 2.5. }
- 2.6. }

- 2.7. Truck Plug: Provide power distribution design for truck plug in the truck bay. Coordinate plug type, quantity, and location with FOD staff.
- 2.8. Lighting Design: Based on the results from the lighting evaluation (refer to site inspection, Task 1.4), design code-compliant emergency and exit lighting, and retrofit high bay metal halide luminaires with LED fixtures.

Task 2 Deliverables:
Refer to base Project Scope for Task 2 deliverables.

3.0 DESIGN SUBMITTAL PREPARATION

- 3.1. Drawings: Following is a preliminary drawing list. Drawings shown bold (E9 and E10) are new drawings based on this Amendment; drawings shown shaded were included in the base Project Scope. Final Project drawings and titles will be determined during design:

E1	Legend
E2	One-Line Diagram – Demolition
E3	One-Line Diagram – Improvement
E4	Site Plan
E5	1 st Floor Building Power Plan – Demolition
E6	1 st Floor Building Power Plan – Improvement
E7	2 nd Floor Building Power Plan – Demolition
E8	2 nd Floor Building Power Plan – Improvement
E9	1st Floor Building Lighting Plan
E10	2nd Floor Building Lighting Plan
E11	Schedules-1
E12	Schedules-2
E13	Schedules-3
E14	Details and Elevations-1
E15	Details and Elevations-2

- 3.2. } For Tasks 3.2-3.4, refer to base Project Scope.
- 3.3. }
- 3.4. }

**DSRSD FOD Commerce Circle Building
Power Distribution System Improvements**

Task 3 – Deliverables:

Refer to base Project Scope for Task 3 deliverables.

4.0 BIDDING SUPPORT SERVICES

For Task 4.0, refer to base Project Scope.

5.0 ENGINEERING SERVICES DURING CONSTRUCTION

For Task 5.0, refer to base Project Scope.

6.0 RECORD DOCUMENTATION/O&M MANUALS

For Task 6.0, refer to base Project Scope.

7.0 CONSTRUCTION MANAGEMENT (CM)

For Task 7.0, refer to base Project Scope.

EXCLUSIONS/ADDITIONAL WORK AVAILABLE

The following work items are available but are presently not included in this Scope of Work. Upon request, ArcSine will prepare a proposal to perform any of the following:

- Design of stand-alone fuel storage and transfer for standby generator system.
- Changes or revisions required as a result of changes to Project criteria or assumptions.
- Special phasing or construction sequencing not stated in Project scope.
- Preparation of Operations and Maintenance (O&M) manuals.
- Additional design or engineering not included in this Scope but otherwise required.
- Construction Engineering Services in excess of stated allowances.
- Construction Management Services in excess of stated allowances.

**DSRSD FOD Electrical Improvements
Design, Construction Engineering, Construction Management
AMENDMENT 1 - FEE ESTIMATE**

Task	Description	Rate	Review	Design	Field Engineer	Tech	Drafting	Clerical	Expenses
			198	148	120	83	98	75	
1.0	PROJECT MANAGEMENT/DATA COLLECTION/MEETINGS		UNLISTED TASKS ARE INCLUDED IN BASE PROJECT SCOPE						
1.4	Site Inspection			8					\$150
	<i>Task 1 Subtotal - Hours</i>	0		8	0	0	0	0	
	<i>Task 1 Subtotal - Fee</i>	\$0		\$1,184	\$0	\$0	\$0	\$0	\$150
	Task 1 Subtotal	\$1,300							
2.0	DESIGN ENGINEERING		UNLISTED TASKS ARE INCLUDED IN BASE PROJECT SCOPE						
2.7	Truck Plug	0.5		6			4		
2.8	Lighting Design (Estimated under Task 3, below)								
	<i>Task 2 Subtotal - Hours</i>	0.5		6	0	0	4	0	
	<i>Task 2 Subtotal - Fee</i>	\$99		\$888	\$0	\$0	\$392	\$0	\$0
	Task 2 Subtotal	\$1,400							
3.0	DESIGN SUBMITTAL PREPARATION		UNLISTED TASKS ARE INCLUDED IN BASE PROJECT SCOPE						
3.1	Drawings								
	E9 1st Floor Building Lighting Plan	0.5		6			4		
	E10 2nd Floor Building Lighting Plan	0.5		6			4		
	<i>Task 3 Subtotal - Hours</i>	1		12	0	0	8	0	
	<i>Task 3 Subtotal - Fee</i>	\$198		\$1,776	\$0	\$0	\$784	\$0	\$0
	Task 3 Subtotal	\$2,800							
	DESIGN/BIDDING SUBTOTAL	\$5,500							
	Contingency 15%	\$800							
	AMENDMENT 1 - TOTAL	\$6,300							



TITLE: Approve Consulting Services Agreement with West Yost Associates, and Authorize Execution of Task Order No. 1 for the Primary Sedimentation Expansion and Improvement Project (CIP 17-P004)

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Resolution, a Consulting Services Agreement with West Yost Associates, and authorize, by Motion, execution of Task Order No. 1 in an amount not to exceed \$1,347,418 for the design of the Primary Sedimentation Expansion and Improvement Project (CIP 17-P004).

SUMMARY:

The recent Wastewater Treatment Plant and Biosolids Facilities Master Plan recommended expansion of the wastewater treatment plant primary sedimentation basins to treat current and future wastewater flows. The loading rate on the existing four primary sedimentation basins exceeds industry standards resulting in reduced solids removal and added burden on the downstream treatment processes. The Primary Sedimentation Expansion and Improvement Project (Project) will add at least one new primary treatment basin, potentially two basins depending on the results of solids settling tests and hydraulic modeling. The additional basin(s) will reduce the loading to the downstream treatment processes, reduce operational costs, and improve effluent water quality. The Project will also evaluate the flow distribution between the existing grit tanks and the primary sedimentation tanks.

Staff sent a Request for Proposals (RFP) for primary sedimentation and grit tank evaluation and design to 10 engineering consulting firms. Proposals were received from four firms: West Yost Associates, Carollo Engineers, Inc., Brown and Caldwell, and MWH/Stantec. The West Yost Associates team was selected based on the depth and breadth of their design team experience on similar projects and their knowledge of primary sedimentation basins and grit tanks.

Staff recommends the Board approve a Consulting Services Agreement and Task Order with West Yost Associates for the Project design in the amount of \$1,347,418.

Originating Department: Engineering Services	Contact: J. Yee	Legal Review: Not Required
Cost: \$1,347,418	Funding Source: Regional Wastewater Replacement (Fund 310); Regional Wastewater Expansion (Fund 320)	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	15 of 237	

West Yost Associates

Task Order No. 1 to Agreement dated _____, 2017

Agreement Expiry Date: December 31, 2020

Issue Date:	May 22, 2017
Project Name and Number:	Primary Sedimentation Expansion and Improvements (CIP 17-P004)
Task Title:	Design of Primary Sedimentation Expansion and Improvements
Project Manager Name & Signature:	Jackie Yee _____
Main Source of Funds:	Regional Wastewater Expansion (Fund 320)
Board Review:	Board
Account Number:	17-P004.design.cip
Authorization Amount:	\$1,347,418 NTE
Purchase Order Number:	TBD
Return Purchase Order to:	Evita Schnupp
Compensation Method:	Time and materials as per Agreement
Completion Date:	December 31, 2020
Insurance Requirements:	As per Agreement; no special requirements
Work Product:	See Attachment "A"
Digital Drawings, if applicable:	Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.
Scope of Work:	See Attachment "A"
Economic Disclosure:	<input type="checkbox"/> Required – Need to include Attachment B <input checked="" type="checkbox"/> Not Required
Recommended by:	Judy Zavadil (_____)

Accepted by: _____
Jeffrey D. Pelz, Vice President
West Yost Associates
Date _____

Authorized by: _____
Daniel McIntyre, General Manager
Dublin San Ramon Services District
Date _____



SCOPE OF SERVICES DESIGN OF PRIMARY SEDIMENTATION EXPANSION AND IMPROVEMENTS

Task 1. Preliminary Design

This task will involve developing recommended design criteria, defining improvements that will satisfy these criteria, and preparing conceptual drawings and a preliminary construction cost estimate for these improvements. Subtasks are as follows:

Subtask 1.1 – Data Gathering, Testing, and Evaluation

Subtask 1.2 – Process Technical Memoranda

Subtask 1.3 – Conceptual Drawings

Subtask 1.4 – Geotechnical Report

Subtask 1.5 – Construction Cost Estimate

Subtask 1.6 – Preliminary Design Report

Subtask 1.7 – Project Meetings and Workshops

Subtask 1.8 – Project Management and Quality Control

Subtask 1.9 – Environmental Document Support

Subtask 1.1 Data Gathering, Testing, and Evaluation

This effort will include the following:

1.1.1 Review Historic Performance Data

The performance evaluation completed as part of the recent WWTP Master Plan efforts will be updated to reflect data collected since late 2015. Emphasis will be given to the grit and primary solids and biochemical oxygen demands (BODs). Design flows for the grit and primary treatment system will be summarized from the recent Master Plan efforts.

1.1.2 Determine Settling Velocity Distribution of Grit and Primary Influent Solids

Solids Settling Velocity Column testing will be performed to determine the grit and solids settling velocity distribution (SVD) specific to the District's WWTP.

Grit Testing: Black Dog Analytical will be retained to perform grit sampling at two locations at the treatment plant. The grit samples will be used to determine the settling velocity of the grit particles using HDR settling column. The grit sampling and determination of grit settling velocity will take four days. The four days includes setup and take down of the sampler. Prior to start of sampling, a testing protocol will be prepared and submitted to the District in PDF format for review and approval.

Primary Solids Testing: Two engineers will be onsite performing the primary sedimentation basin solids tests over a period of three days. The settling velocity will be determined using Kemmerer samplers. The West Yost team will include a Senior Sanitary for up to 1-day plus a Staff Engineer for all 3-days. The total suspended solids analysis will be performed by a commercial laboratory retained by the design team. The analysis will be used to determine the SVD.

1.1.3 Basis of Design (TM No. 1)

The data gathered and reviewed under 1.1.1 and data generated under 1.1.2 will be used to develop a recommended Basis of Design for the project. This information will be summarized in TM No. 1 and presented to District staff at Workshop 1. TM No. 1 will be modified, as appropriate, to address District comments.

Subtask 1.1 Deliverables: One (1) electronic copy (in PDF format) of the draft Basis of Design (TM No. 1.) A revised draft TM No. 1 will be incorporated as a chapter of the PDR discussed under Subtask 1.6

Subtask 1.2 Process Design Technical Memoranda

This effort will include the following:

1.2.1. Existing Grit Tank Performance Evaluation and Recommended Improvements (TM No. 2)

The SVD data will be used to assess the performance of the grit removal system to diagnose deficiencies and identify potential improvements. An assessment of the existing grit pumping and grit washer/compactor equipment will also be completed to identify improvements needed. The District will provide the West Yost team with available data and reports on current operations. A one-day site visit (up to 8 hrs) will be scheduled to cover the assessment and review of current operations. The West Yost team will include a Senior and Staff Engineer during the site visit. The District will need to have an operations staff available during the site visit. Current operations will be reviewed with District staff to help identify additional improvements needed to address operational concerns.

The data collected during field testing will be used to determine the optimal efficiency under different flow rates. The grit removal efficiency and flow rate relationship will be established. The relationship will be used to evaluate the historical performance of the grit units. Potential modifications, if any, will be identified in the TM.

The information developed under this Task will be presented to District staff at Workshop 2, and summarized in draft TM No. 2. The TM will be modified, as appropriate, to address District comments.

1.2.2. Existing Primary Sedimentation Basin Performance Evaluation and Recommended Improvements (TM No. 3)

Utilizing the primary solids SVD measured in Task 1.1.2, a computational fluid dynamics (CFD) model of existing primary sedimentation basin will be built to diagnose deficiencies and identify recommended improvements to increase solids removal capacity in the primary sedimentation basins. Recommendations will address the use of internal baffles and effluent launder

configuration/location. The analysis will define the capacity of the existing sedimentation basins with the recommended improvements.

This analysis will also consider potential performance of the modified sedimentation basins with chemical addition. The expectation is that the District would reserve the ability to use chemicals to improve sedimentation basin performance to achieve removal rates that exceed the 65 percent target. This analysis will quantify the performance improvements that could be achieved.

This evaluation of the existing sedimentation basins will also include assessments of: (1) water level control in the effluent launder and channels, (2) the primary gallery flooding problem; (3) sludge and scum collection and pumping equipment and piping; and (4) capacity of existing 3W system. The purpose of these assessments is to identify improvements needed to address deficiencies in structures or systems. It is anticipated that District staff will assist in identifying likely causes and conducting tests to confirm causes of launder water level control and primary effluent flooding problems. Due to the unknowns involved, efforts attempting to identify and design corrective measures to address the primary gallery flooding are limited to budgeted hours. In addition, a site visit will be scheduled to review current operations with District staff and identify additional improvements needed to address operational concerns. This site visit will be in tandem with the site visit under 1.2.1 (up to 8 hrs total for 1.2.1 and 1.2.2). As under 1.2.1 the West Yost team will include a Senior and Staff Engineer during the site visit.

The information developed under this effort will be presented to District staff at Workshop 2, and summarized in draft TM No. 3. The TM will be modified, as appropriate, to address District comments.

1.2.3. Primary Sedimentation Basin Expansion Alternatives (TM No. 4)

Alternatives will be identified for expanding the primary sedimentation basin capacity to meet the design flow and solids removal conditions defined. The alternatives analysis will be based on the assumption that the existing sedimentation basins will be modified to increase performance (and capacity) following the recommendations identified under 1.2.2.

It is anticipated that between one and two additional sedimentation basins will be required to meet the performance and capacity goals. Alternatives will be considered for adding one or two sedimentation basins of similar size as the existing facilities, but with an increased depth to improve performance. If appropriate, the addition of one new sedimentation basin that is wider than the existing units will also be considered. For the alternatives considered, the internal configuration of the new sedimentations will be optimized for solids removal that exceeds the target removal of 65 percent. Similar to 1.2.2, this analysis will also consider potential performance of the modified sedimentation basins with chemical addition.

This analysis will also consider influent flow-splitting between the existing sedimentation basins and the new units that is consistent with identified capacities and recommended loading rates. CFD analysis of the distribution channel will be performed utilizing the optimal number of primary basins. The use of flow vanes will be tested using CFD to confirm the optimal way to achieve reasonable flow split between the old and new basins. The results of the CFD analysis conducted in the task will be considered preliminary results and will be confirmed and refined during the detailed design phase (as part of the 50 percent design submittal). The information developed under

this effort will be presented to District staff at Workshop 3, and summarized in draft TM No. 4. The TM will be modified, as appropriate, to address District comments.

1.2.4 Supporting Facilities (TM No. 5)

Facilities needed to support the recommended improvements will be evaluated. These improvements include the electrical improvements, and the instrumentation and control improvements.

The information developed under this Task will be presented to District staff at Workshop 4, and summarized in draft TM No. 5. The TM will be modified, as appropriate, to address District comments.

1.2.5 Construction Staging and Scheduling (TM No. 6)

Specific protocols for construction staging and process shutdown and bypass constraints will be defined in concert with District staff. This information will be presented to District staff at Workshop 4, and summarized in draft TM No. 6. The TM will be modified, as appropriate, to address District comments.

Subtask 1.2 Deliverables: One (1) electronic copy (in PDF format) of the draft TM Nos. 1 through 6. Revised draft TM s will be incorporated as chapters of the PDR discussed under Subtask 1.6

Subtask 1.3 Conceptual Drawings

The West Yost team will prepare conceptual drawings showing the recommended project. We anticipate that the following design drawings will be provided:

General Drawings

- Liquid and Solids Treatment Flow Diagrams
- Design Data
- Site Plan

Civil Drawings

- Paving Plan
- Outside Piping Plan
- Process Mechanical Drawings
- Typical Existing Primary Sedimentation Basin Plan and Sections
- New Sedimentation Basin(s) Plan and Sections

Process Instrumentation Drawings

- PLC/SCADA Block Diagram
- Typical Grit Tank P&ID
- Typical Primary Sedimentation Tank P&ID

Electrical Drawings

- Headworks MCC Single Line Diagram Modifications
- Headworks Electrical Room Demolition and Modifications

The conceptual drawings will be presented to District staff at Workshop 5, and the drawings will be updated, as appropriate, and included in the PDR discussed under Task 1.6.

Subtask 1.3 Deliverables: Electronic (PDF) copies of half-size (11" x 17") conceptual drawings and seven (7) hardcopies of the conceptual drawings

Subtask 1.4. Geotechnical Report

From a cursory review of limited published geologic information in the site area, it is anticipated that the site is underlain by fill and predominantly clayey alluvial soil. Based on these conditions, we have developed a proposed scope for subsurface exploration program and analysis assuming that the new basin can be supported on a shallow footing or mat foundation bearing on the alluvial soil, and that no deep foundations (such as piles or anchors) will be needed for foundation support or to resist hydrostatic uplift.

Field Exploration and Laboratory Testing

We propose a field investigation program consisting of two test borings in the proposed basin expansion area. We will retain the services of a drilling subcontractor who will perform the borings using hollow stem auger drilling equipment. The borings will be advanced to a depth of about 40 feet or to practical refusal, whichever is shallower.

Our field representative will observe drilling of the borings, log the soil encountered, and obtain soil samples for further visual classification and laboratory testing. Laboratory testing will be conducted on selected samples recovered from the test borings.

Engineering Analyses and Report Preparation

Based on the conditions encountered in the field explorations and laboratory test results, we will perform engineering analyses to develop geotechnical conclusions and recommendations for the project. We will prepare a report that will describe the subsurface conditions encountered and will include, as appropriate, field and laboratory test data, logs of the test borings, and a site plan showing the location of each exploration. The report will present our discussions, conclusions, and recommendations regarding the following, as appropriate:

- Vicinity map and exploration location plan;
- Logs of test borings;
- Site geology and seismicity;
- Soil and groundwater conditions encountered;
- Discussion of the potential for seismic hazards;
- Geotechnical parameters/coefficients for seismic design, based on the 2013 California Building Code (CBC);
- Recommendations for earthwork, including subgrade preparation, allowable fill materials, placement and compaction of fill, and suitability of onsite soil for use as fill;
- Recommended foundation type (shallow footing or mat) and corresponding geotechnical design criteria, including allowable bearing capacities and lateral resistance;
- Recommended lateral earth pressures on below-grade walls; and
- Estimates of total and differential foundation settlement.

Assumptions and Basis of Scope and Fee

Our proposed scope and fee are based on the following:

- Field work will occur during normal weekday work hours;
- We will be provided ready access to boring locations;
- The soil cuttings will be relatively free of contaminants. If that is not the case, additional fee would be required for special handling and disposal;
- The subgrade soil encountered is sufficiently competent to support the basin on shallow (footing or mat) foundations, and no deep foundations (such as piles or anchors) will be needed for foundation support or to resist hydrostatic uplift;
- Potentially liquefiable soil would not be encountered to an extent that would lead to the site being categorized as Soil Type F. The CBC requires that a site-specific seismic response analysis be performed for Soil Type F sites. The scope and fee required for such an analysis is additional to what is presented herein and should be determined at a later time, should it be needed. Additional time in the project schedule would also be required to perform such an analysis.
- Our scope and fee presented herein are based on a single basin expansion, and that geotechnical input for other project features are not needed.

Subtask 1.4 Deliverables: One (1) electronic copy (in PDF format) of the draft Geotechnical Report. Seven (7) hard copies of the draft Geotechnical Report an attachment to the draft PDR discussed under Task 6. Seven (7) hard copies of a final Geotechnical Report will be provided with the Final PDR.

Subtask 1.5. Construction Cost Estimate

The West Yost team will prepare an opinion of probable construction cost (OPCC) for the recommended project based on preliminary quotes from major equipment vendors, and judgment about the constructability of the project. Bids prepared by contractors reflect many factors that are beyond the control of the design professional including market forces at the time of bidding such as competing demands for construction labor and the number of firms with capacity to bid for the work. As a result, the OPCC may be higher or lower than bids. The cost estimate will be provided to the District for review to ensure District staff concurrence and agreement with projected project costs.

Subtask 1.5 Electronic (PDF) copies of tables showing the opinion of probable construction cost

Subtask 1.6. Preliminary Design Report

The information described under Subtasks 1.1 through 1.5 above will be combined into a complete draft Preliminary Design Report (PDR). The PDR will be submitted to the District for review, and following a review meeting, a final PDR will be prepared that incorporates District staff comments and suggestions.

Subtask 1.6 Deliverables: One (1) electronic copy (in PDF format) and seven (7) hard copies of the draft PDR. Seven (7) hard copies of a final PDR

Task 1.7. Preliminary Design Project Meetings and Workshops

Kickoff Meeting: Overall project goals and assumptions will be presented and discussed. One primary objective of this meeting is to confirm the approach for the Predesign task.

Predesign Evaluation Workshops:

- **Workshop 1:** Performance Review, Settling Velocity, and Basis of Design Criteria
- **Workshop 2:** Existing Grit and Primary Treatment Performance and Recommended Improvements
- **Workshop 3:** Primary Treatment Expansion Alternatives and Recommendations
- **Workshop 4:** Supporting Facilities and Construction Staging
- **Workshop 5:** Conceptual Drawings

Preliminary Design Report Review Meeting: A review meeting will be held approximately three weeks after the Draft Preliminary Design Report is submitted. The West Yost team will walk the District staff through the final recommendations and receive feedback from District staff regarding outstanding questions or concerns. The final Preliminary Design Report will address any outstanding concerns, as appropriate.

Subtask 1.7 Deliverables: Meeting Agenda and Minutes

Task 1.8 Project Management and Quality Control (During Preliminary Design)

This task provides the overall management and quality control of the design effort and includes the following items:

- Assignment and supervision of design team staff; project coordination; planning and monitoring of work products; and correspondence with the District or others.
- Preparation and update of a project schedule and budgets.
- Preparation of monthly invoices.
- Preparation of a project management plan to clearly define responsibilities, the communication plan, and a systematic progress reporting procedure that provides a mechanism to quickly address items requiring action.
- Informal meetings/conference calls between District staff and consultant team members, as needed.
- Quality assurance, inter-discipline coordination, and buildability reviews of all formal project submittals.

Subtask 1.8 Deliverables: Invoices and updated project schedules, budgets, and project management plan as required.

Subtask 1.9 Environmental Document Support

This effort will involve supporting an environmental consultant retained by the District to prepare an environmental document for the Primary Sedimentation Expansion and Improvements project. We understand that the environmental document is expected to be a Mitigated Negative Declaration (MND), and that our involvement would consist of:

- Preparing a project description suitable for inclusion in a MND;
- Providing construction related information to the environmental consultant, such as information regarding likely construction equipment and operating hours.

- Subtask 1.9 Deliverables: A project description suitable for inclusion in a MND and construction related information.

Task 2. Final Design

This task will involve preparing detailed plans, specification, and construction cost estimates for the improvements identified in the PDR. Subtasks are as follows:

Subtask 2.1 – 50% Complete Design Submittal

Subtask 2.2 – 90% Complete Design Submittal

Subtask 2.3 – 100% Design Submittal

Subtask 2.1 - 50% Complete Design Documents

The design team will prepare and present 50% complete design documents for the District's review. Anticipated design drawings are listed in Table 1. Drawings that italicized are expected to be included with the 50% complete design documents. As previously mentioned under Task 1.2, the findings of the flow split CFD analysis will be confirmed and refined as part of the 50 percent design to ensure full integration of the recommended flow split improvements. The budget associated with this refinement is within this subtask.

The 50% complete design submittal will also an outline of the technical specifications, a plan for operations during construction, and identification of significant changes to the construction cost estimate.

Table 1. Anticipated Design Drawings
General
<i>Title Sheet, Location Map, and Vicinity Map</i>
<i>Index of Drawings Legend, General Notes & Abbreviations</i>
<i>Liquid and Solids Flow Schematics</i>
<i>Design Data, Hydraulic Profile</i>
<i>Site Plan</i>
Civil
<i>Site Plan, Control Points</i>
<i>Staging/Parking Areas, Traffic Routing</i>
<i>Site Demolition Plan</i>
<i>Grading and Paving Plan</i>
<i>Outside Piping Plan</i>
Piping Profiles 1
Piping Profiles 2
Civil Details 1
Civil Details 2
Civil Details 3
Civil Details 4

Table 1. Anticipated Design Drawings
Structural
General Structural Notes
Special Inspections 1
Special Inspections 2
Concrete Typical Details 1
Concrete Typical Details 2
Typical Reinforcing Details
Steel Typical Details
Seismic Bracing and Restraints
<i>Sedimentation Basin Top Plan</i>
<i>Sedimentation Basin Foundation Plan</i>
Sedimentation Basin Sections and Details 1
Sedimentation Basin Sections and Details 2
<i>Modifications to Existing Grit Tank Plans</i>
<i>Modifications to Existing Grit Tank Sections and Details</i>
Modifications to Existing Sedimentation Basin Plans
Modifications to Existing Sedimentation Basin Sections and Details
Pipe Gallery Sections
Mechanical
<i>Headworks Through Primary Treatment Mechanical Key Plan</i>
<i>Mechanical Demolition Plan</i>
<i>Typical Grit Tank Top and Bottom Mech Plans</i>
Grit Tank Mechanical Sections
<i>Typical Bottom Mech Plan - Primary Sedimentation Basins 1 - 4</i>
<i>Typical Top Mech Plan - Primary Sedimentation Basins 1 - 4</i>
Partial Mech Plans - Sedimentation Basins 1-4
<i>Typical Bottom Mech Plan - Primary Sedimentation Basins 5 - _</i>
<i>Typical Top Mech Plan - Primary Sedimentation Basins 5 - _</i>
Partial Plans - Sedimentation Basins 5-__
Mechanical Details 1
Mechanical Details 2
Mechanical Details 3
Mechanical Details 4
Mechanical Details 5
Mechanical Details 6
Electrical
Symbols and Legends
<i>Site Plan</i>
<i>Single Line</i>

Table 1. Anticipated Design Drawings
MCC Elevations
MCC Control Diagrams 1
MCC Control Diagrams 2
Panel Schedules
Conduit and Wiring Schedules
Grit Tank Plan
<i>Sedimentation Basin Plan</i>
<i>Electrical Demo Plan</i>
<i>Electrical Room Enlarged Plan</i>
Lighting Plan and Schedule
Electrical Details 1
Electrical Details 2
Instrumentation
Symbols and Legend
<i>Typical Grit Tank P&ID</i>
<i>Typical Primary Sedimentation Basin P&ID</i>
<i>Misc Systems P&IDs</i>
<i>PLC/SCADA Block Diagram</i>
Instrument Details 1
Instrument Details 2
Symbols and Legend

Subtask 2.1 Deliverables: 50% design submittal workshop agenda and minutes. Five sets ½-size sets of 50% complete plans, preliminary specification outline, and an updated construction cost estimate based on the 50% complete submittal

Subtask 2.2 - 90% Complete Design Documents

The design team will prepare and submit 90% complete design documents for the District’s review. The submittal will reflect comments received from the District on the 50% design submittal, and will include:

- 90% complete design drawings;
- Red-lined “front-end” specifications (based on the District’s standard Division 0 and Division 1 contract documents);
- Draft technical specifications (Division 2 through 16) in CSI format;
- An updated construction cost estimate

The 90% design submittal will be presented to District staff along with an explanation as to how 50% design submittal comments have been addressed.

The design team will complete a detailed quality control review of the 90% design drawings, specifications, and construction cost estimate. The review will be completed by senior level engineering personnel who are not involved in the design of the project. The review will check for correctness of the documents as well as provide a constructability review of the documents.

Subtask 2.2 Deliverables: 90% design submittal workshop agenda and minutes. An explanation as to how 50% design submittal comments have been addressed. Five sets ½-size sets of 90% complete plans and specifications, and an updated construction cost estimate based on the 90% complete submittal.

Subtask 2.3 - 100% Design Documents

We will prepare 100% design documents by incorporating review comments from District staff and from the independent quality control check. The 100% design submittal shall also include an engineer's cost estimate to be used for the bidding phase.

The completed design will allow for public bidding and construction of the proposed project. Design drawings will be prepared stamped and signed by California Registered Professional Engineers of the applicable discipline.

Subtask 2.3 Deliverables: 100% design submittal workshop agenda and minutes. An explanation as to how 90% design submittal comments have been addressed. Five sets ½-size sets of 100% complete plans and specifications, and a final construction cost estimate based on the 100% complete submittal.

Task 3. Design Services During Bid Phase

This task will involve assisting the District, as required during the bid phase of the Project. We understand that assistance may include:

- Attendance and assistance at the pre-bid meeting.
- Respond to bidder's inquiries during the bidding process. Responses will be closely coordinated through District staff.
- If it becomes necessary, the design team will develop addenda that may be needed to document responses to bidders' inquiries. Up to three addenda will be prepared and delivered to the District for distribution.
- Review bids, make a recommendation to award the contract
- Preparation of conformed design drawings and technical specifications in PDF format that incorporate changes made by addenda during the bidding period.

Task 4. Design Services During Construction Phase

This task will involve providing design engineering support during the construction phase of this project. Subtasks are as follows:

Subtask 4.1 - Submittal Reviews

The design team will review submittals for compliance with the design concepts and specifications, certificates, samples, tests, methods, schedules, and manufacturers' installation and other instructions required to be submitted by the Contract Documents.

We will review the contractor's submittals, including shop drawings and operations and maintenance (O&M) manuals, from the contractor as required by the technical specifications, for work related to our scope of design services. We will review and accept the contractor submittals, such as shop drawings, product data, samples, and other data, for the limited purpose of checking for conformance with the design concept and the information expressed in the contract documents. This review will not include review of the accuracy or completeness of details, such as quantities, dimensions, weights or gauges, fabrication process, construction means or methods, coordination of the work with other trades, or construction safety precautions, all of which are the sole responsibility of the contractor. Our review will be conducted with reasonable promptness while allowing sufficient time in our judgment to permit adequate review. Review of a specific item will not indicate that we have reviewed the entire assembly of which the item is a component. We will not be responsible for any deviations from the contract documents not brought to the attention of us in writing by the contractor. We will not be required to review partial submissions nor those for which submissions of correlated items have not been received.

The budget allows for a single resubmittal by the contractor of selected submittals, with very few requiring a second revision. Submittal review process will be conducted in PDF format, and will be coordinated by the District's construction manager.

Subtask 4.1 Deliverables: Submittal review forms with comments and/or indicating accepted actions.

Subtask 4.2 - Interpretation and Clarification of Contract Documents

The design team will prepare written interpretation and clarifications of the Contract Documents in response to written requests from the Contractor (RFIs). Preparation of responses to a reasonable number of RFIs has been budgeted.

Subtask 4.2 Deliverables: Written interpretation and clarifications of the Contract Documents.

Subtask 4.3 - Change Order Support

We anticipate that there could be changes to the project. Some typical examples are: differences in conditions, Contractor suggestions approved by the District, additions to the work, changes in methods of construction, omissions, and Contract Document conflicts. As requested by the Construction Manager, West Yost and our design sub-consultants will issue design engineer initiated clarifications (DEICs) and provide new or amend contract documents for inclusion in a change order when necessary. The budget for this task includes assistance in preparing up to ten potential change items and eight change orders, with the understanding that there will be other change orders not involving the design team.

Subtask 4.3 Deliverables: DEICs and/or revised design documents to support contract change orders

Subtask 4.4 – Attend Progress Meetings

A design team member will periodically attend progress meetings with District staff, the Construction Manager, and Contractor's representatives. In addition, at the Construction Manager's request West Yost and sub-consultant representatives will visit the project site to provide advice and assistance, or to answer any questions that may arise concerning design intent. Up to twelve progress meetings have been budgeted.

Subtask 4.5 – Prepare Record Drawings

Upon completion of the project, the design team will produce formal project record drawings. This task will be performed using information provided from the Contractor’s working record drawings. Editable electronic files will omit the engineer’s stamp and signature.

Subtask 4.5 Deliverables: One full-size (22" x 34") set of record drawings and electronic files will be submitted to the District.

Subtask 4.6 – Update Electronic Operations and Maintenance Manual

The design team will provide information necessary to update the sections of the District’s existing electronic operations manual that are applicable to the project area. This information will include equipment and process information summarized on tables, diagrams, and/or photographs. The information will be provided in pdf format.

Subtask 4.7 Project Management (During Construction)

This task includes continued project management during construction, and includes the applicable the items or work listed under subtask 1.8.

ANTICIPATED SCHEDULE

It is anticipated that services will be performed in accordance with Table 2.

Table 2. Anticipated Project Milestones	
Milestone	Approximate Completion Date
District Board Approval	June 6, 2017
Pre-Design Services	April 2018
Detailed Design Services	October 2018
Design Services During Bidding	December 2018
Design Services During Construction	March 2020

This schedule assumes:

1. A two-week review of deliverables, and receipt of consolidated and coordinated comments from the District.
2. That detailed design services will proceed following submission of a Draft PDR in February 2018.

ESTIMATED FEE

DESIGN OF PRIMARY SEDIMENTATION EXPANSION AND IMPROVEMENTS

1 – Preliminary Design Phase		
1.1	Data Gathering, Testing, and Evaluation	63,460
1.2	Process Design Technical Memoranda	186,839
1.3	Conceptual Drawings	61,989
1.4	Geotechnical Report	49,530
1.5	Preliminary Construction Cost Estimate	16,146
1.6	Preliminary Design Report	32,244
1.7	Project Meetings and Workshops	71,313
1.8	Project Management and Quality Control	56,180
1.9	Environmental Document Support	14,360
	Preliminary Design Subtotal	552,062
2 – Detailed Design Phase		
2.1	50% Design Submittal	312,928
2.2	Final Design Submittal	274,592
2.3	Services during Bidding	151,153
	Detailed Design Subtotal	738,672
3 – Design Services During Bid Phase		
3.1	Attend Pre-Bid Meeting	7,375
3.2	Respond to Bidder's Inquiries	13,241
3.3	Prepare Addenda	11,254
3.4	Review Bids, Make Recommendations	5,937
3.5	Prepare Conformed Documents	18,876
	Design Services During Bidding Subtotal	56,684
4 – Design Services During Construction Phase		
4.1	Submittal Review	65,062
4.2	Respond to Requests for Information	34,269
4.3	Change Order Support	30,649
4.4	Attend Progress Meetings	78,124
4.5	Prepare Record Drawings	22,022
4.6	Update Electronic O&M Manual	7,971
4.7	Project Management	24,651
	Design Services During Construction Subtotal	262,749
	TOTAL – ALL TASKS	1,610,166

Distribution of budget among tasks may be adjusted according to project demands.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING CONSULTING SERVICES AGREEMENT WITH WEST YOST ASSOCIATES FOR DESIGN OF PRIMARY SEDIMENTATION EXPANSION AND IMPROVEMENTS PROJECT (CIP 17-P004)

WHEREAS, the District desires to obtain professional consulting services for the design of Primary Sedimentation Expansion and Improvements (CIP 17-P004) (Project) and solicited a Request for Proposals in accordance with the District Purchasing policy; and

WHEREAS, District staff have evaluated professional consulting services proposals and conducted interviews for said consulting services, and have recommended the selection of West Yost Associates for providing design services related to the Project; and

WHEREAS, West Yost Associates was selected based on their depth and breadth of their design team experience on similar projects and their knowledge of primary sedimentation basins and grit tanks.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

That certain "Master Agreement for Consulting Services" (Exhibit A) by and between the Dublin San Ramon Services District and West Yost Associates is hereby approved, and the General Manager and District Secretary are hereby authorized and directed to execute, and to attest thereto, respectively, said agreement for and on behalf of Dublin San Ramon Services District.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 20th day of June, 2017, and passed by the following vote:

AYES:

NOES:

ABSENT:

Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

MASTER AGREEMENT for CONSULTING SERVICES
WITH
West Yost Associates

THIS AGREEMENT, made and entered into this ____ day of _____, 20__ by and between DUBLIN SAN RAMON SERVICES DISTRICT, a public agency in the counties of Alameda and Contra Costa, California (“District”) and West Yost Associates (“Consultant”), 2020 Research Park Drive, Suite 100, Davis, CA 95618, (530) 756-5905;

WHEREAS, District requires professional design consulting services; and

WHEREAS, Consultant’s principals are duly licensed engineer in the State of California and Consultant represents that it is experienced in performing, and uniquely qualified to perform, the professional design consulting services; and

WHEREAS, District desires to engage Consultant for such services; and

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES. Consultant shall perform assignments in accordance with the terms and conditions of this Agreement and written Task Orders issued from time to time by District to Consultant and accepted by Consultant. Each such Task Order shall include, but not be limited to: (i) a description of the services to be performed by Consultant, and the key personnel to be assigned by Consultant to the performance of the specific Task (who shall not be replaced without the prior written approval of the District, which shall not be unreasonably withheld); (ii) the time of performance for providing such services; (iii) maximum compensation payable for providing such services, provided that such compensation shall be payable pursuant to Paragraph 2 hereof unless otherwise expressly provided in the Task Order; (iv) District’s source of funding; and (v) such other provisions as the parties deem appropriate or necessary to accomplish the purpose of the Task Order. To the extent not expressly modified by Task Order, all other terms and conditions of this Agreement shall be deemed incorporated in each Task Order.

2. COMPENSATION. District shall compensate Consultant for all services performed by Consultant pursuant to Paragraph 1 in an amount equal to Consultant’s hourly rates of charge for Consultant’s personnel times the number of hours, or portions thereof, of services correspondingly performed by said personnel. Said rates of charge are set forth in Exhibit “A” hereof, attached hereto, and by reference incorporated herein. Said rates may be adjusted, from time to time, upon written approval of the District.

District shall reimburse Consultant for other expenses directly incurred in performing services hereunder, if any, described in Exhibit “A.”

Compensation and reimbursement of expenses shall be payable by District within thirty (30) days upon receipt of billing by Consultant. Billing by Consultant to District shall not be more often than monthly for services corresponding to each Task Order. The billing shall include

an itemized statement briefly describing the services rendered and costs incurred and the authorized amount remaining.

3. RECORDS. Consultant shall keep and maintain accurate records of all time expended and costs and expenses incurred relating to services to be performed by Consultant hereunder. Said records shall be available to District for review and copying during regular business hours at Consultant's place of business, or as otherwise agreed upon by the parties.

4. NON-ASSIGNABILITY. Consultant shall not subcontract, assign, sell, mortgage, hypothecate or otherwise transfer its interest or obligations in this agreement or any Task Order issued hereunder in any manner, without the express prior written consent of District, which consent shall not be unreasonably withheld. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant, upon District's written consent, from employing such independent consultants, associates, and subcontractors as may be necessary to assist in the performance of the services hereunder. Nothing herein shall be construed to give any rights or benefits to anyone other than District and Consultant.

5. STATUS. In the performance of services hereunder, Consultant shall be, and is, an independent contractor, and shall not be deemed to be an employee or agent of District. All services provided pursuant to this Agreement shall be authorized by Task Order issued by the District's General Manager or his or her designated representative and signed by the Consultant.

6. PERIOD OF SERVICE. Unless extended by Task Order, this Master Agreement shall expire on December 31, 2020.

7. PERFORMANCE STANDARDS. In performing services hereunder, Consultant shall adhere to the standards generally prevailing for the performance of expert technical and consulting services similar to those to be performed by Consultant hereunder, shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional under similar circumstances, and shall, at no cost to District, re-perform services which fail to satisfy the foregoing standard of care. All drawings and specifications requiring certification by a Professional Engineer shall bear the stamp and signature of a registered engineer in the State of California.

Any costs incurred by the District (including but not limited to additional design costs, construction costs, and construction management costs, to the extent that any such costs are recoverable under California law) and used to correct deficiencies caused by Consultant's negligent errors and omissions or willful misconduct shall be borne solely by the Consultant. The District is relying upon the Consultant's qualifications concerning the services furnished hereunder and, therefore, the fact that the District has accepted or approved the Consultant's work shall in no way relieve the Consultant of these responsibilities.

8. TERMINATION. Either party may terminate this Agreement without cause by

giving the other party written notice thereof not less than sixty (60) days in advance of the effective date of termination, which date shall be included in said notice.

In the event of such termination, District shall compensate Consultant for services rendered to the date of termination, as the case may be, calculated in accordance with the provisions of Paragraph 2. In ascertaining services actually rendered to the date of termination, consideration shall be given both to work completed and work in process of completion. Nothing herein contained shall be deemed a limitation upon the exercise of the right of District to terminate this Agreement for cause, or otherwise to exercise such legal or equitable rights, and to seek such remedies as may accrue to District, or to authorize Consultant to terminate this Agreement for cause.

9. TITLE TO, POSSESSION OF, AND RELIANCE UPON DOCUMENTS. All documents, work products, plans, specifications, negatives, drawings, computer disks, electronic tapes, renderings, data reports, files, estimates and other such papers, information and materials (collectively, "materials"), or copies thereof (except proprietary computer software purchased or developed by Consultant) obtained or prepared by Consultant pursuant to the terms of this Agreement, shall become the property of District. District and Consultant shall, from time to time pursuant to Task Orders, specify which materials Consultant shall deliver to District ("Deliverables"). Deliverables are intended to, and may, be relied upon by District, or others designated by District, where appropriate, for those purposes for which District requested their preparation, or for use in connection with planning-level activities including, without limitation, the preparation of environmental documentation pursuant to the California Environmental Quality Act ("CEQA") or the National Environmental Policy Act ("NEPA") or similar statutes. Consultant will not be responsible for use of Deliverables, or portions thereof, for any purpose other than those specified in the preceding sentence.

Materials not delivered to District ("Non-Deliverables") shall be retained by Consultant, but Consultant shall provide District access to such Non-Deliverables at all reasonable times upon District's request. District may make and retain copies of all Non-Deliverables, at District's expense, for information and reference. Unless otherwise specified in writing by Consultant, use thereof for any purpose other than the purpose for which the Non-Deliverables were prepared, or for use in connection with planning-level activities including, without limitation, the preparation of environmental documentation pursuant to CEQA or NEPA or similar statutes, shall be at the user's sole risk.

10. COMPLIANCE WITH LAWS. In performance of this Agreement, Consultant shall exercise due professional care in compliance with all applicable federal, state and local laws, rules, regulations, orders, codes, criteria and standards. Consultant shall procure all permits, certificates, and licenses necessary to allow Consultant to perform the Services specified herein. Consultant shall not be responsible for procuring permits, certificates, and licenses required for any construction unless such responsibilities are specifically assigned to Consultant under a Task Order.

Consultant shall comply at all times with California Occupational Safety and Health Act ("OSHA") regulations regarding necessary safety equipment or procedures and shall take all necessary precautions for safe operation of its work, and the protection of its personnel and the public from injury and damage from such work.

11. NON-DISCLOSURE OF PROPRIETARY INFORMATION. Consultant shall consider and treat all drawings, reports, studies, design calculations, specifications, and other documents and information provided to Consultant by District in furtherance of this Agreement to be the District's proprietary information, unless said information is available from public sources other than District. Consultant shall not publish or disclose District's proprietary information for any purpose other than in the performance of services hereunder without the prior written authorization of District or in response to legal process. Nothing herein contained shall be deemed to abrogate compliance with the California Public Records Act (Government Code Section 6250, et seq.); provided that District shall determine and advise Consultant which documents, if any, are required to be disclosed under said Act.

12. INSURANCE. Consultant shall procure and maintain for the duration of this Agreement, and any Task Orders issued hereunder, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope and Limit of Insurance. Coverage shall be at least as broad as:

A. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

B. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

C. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. *(Not required if consultant provides written verification it has no employees.)*

D. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the Consultant maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

A. Additional Insured Status: The District, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability

arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

B. Primary Coverage: For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

C. Notice of Cancellation: Each insurance policy required above shall not be canceled, except with 30 days advance written notice to the District.

D. Waiver of Subrogation: Consultant hereby grants to District a waiver of any right to subrogation which any insurer of said Consultant may acquire against the District by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the District has received a waiver of subrogation endorsement from the insurer.

E. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the District. The District may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

F. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the District.

G. Claims Made Policies: If any of the required policies provide coverage on a claims-made basis:

i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

ii. Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

iii. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of *five (5) years* after completion of contract work.

H. Verification of Coverage: Consultant shall furnish the District with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The District reserves the right to require complete, certified

copies of all required insurance policies, including endorsements required by these specifications, at any time.

I. Subcontractors: Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that District is an additional insured on insurance required from subcontractors.

J. Special Risks or Circumstances: District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

13. INDEMNIFICATION. Consultant shall hold harmless, indemnify and defend District, its governing Board of Directors, other boards, commissions, committees, officers, officials, employees, volunteers, and agents (collectively, "Indemnities") from and against all claims for liability, losses, damages, expenses, costs (including, without limitation, costs and fees of litigation) of every nature, kind and description, which may be brought against or suffered or sustained by Indemnities, to the extent caused in whole or in part by the negligence, intentional tortuous acts or omissions, or willful misconduct of Consultant, its officers, employees or agents, in the performance of any services or work pursuant to this Agreement or any Task Order issued hereunder. Consultant's duty to indemnify and save harmless shall include the duty to defend as set forth in California Civil Code Section 2778; provided, that nothing herein contained shall be construed to require Consultant to indemnify Indemnities against any responsibility or liability in contravention of California Civil Code Section 2782.

A. In the event Consultant provides a defense pursuant to this Paragraph and such action or other claim is resolved by a final judicial determination, which includes a finding that there was no negligence on the part of Consultant, its officers, employees or agents, District shall refund to Consultant all defense costs, judgments and/or amounts paid by Consultant on behalf of Indemnities.

B. In the event Consultant provides a defense pursuant to this Paragraph and such action or other claim is resolved by a final judicial determination which includes a finding as to the respective negligence of Consultant, its officers, employees or agents and any Indemnities(s), then District shall be responsible to pay that portion of the judgment attributed to Indemnities(s), and shall refund to Consultant a pro rata share of any defense costs expended on behalf of Indemnities.

C. In the event Consultant provides a defense pursuant to this Paragraph and such action or other claim is finally resolved by any other means than those stated in Paragraphs 13(a) and 13(b), or in the event Consultant fails to provide a defense to Indemnities, Consultant and District shall meet and confer in an attempt to reach a mutual agreement regarding the apportionment of costs (including attorneys' fees), judgments and/or amounts paid by Consultant and/or Indemnities. In the event Consultant and District are unable to reach agreement regarding such an apportionment, said dispute shall be submitted to arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association in effect on the date a demand for arbitration is submitted. The arbitration panel shall award the prevailing party its costs (including attorneys' fees) incurred in the arbitration.

14. COVENANT AGAINST CONTINGENCY FEES. Consultant hereby warrants that Consultant has not employed or retained any company or person, other than a *bona fide* employee working for Consultant, to solicit or secure this Agreement, and Consultant has not paid or agreed to pay any company or person, other than a *bona fide* employee, any fee, commission, percentage, brokerage fees, gifts or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, District shall have the right to annul this Agreement without liability or at District's discretion, to deduct from the Agreement price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fees, gifts or contingent fee.

15. ECONOMIC DISCLOSURE. Upon District's determination that the services provided through this Agreement involve making, or participation in making, decisions which may foreseeably have a material effect on a financial interest, Consultant and/or any of its employees identified by District shall prepare and file an Economic Disclosure Statement(s) consistent with District's local conflict of interest code and the Political Reform Act.

16. PARAGRAPH HEADINGS. Paragraph headings as used herein are for convenience only and shall not be deemed to be a part of any such paragraph and shall not be construed to change the meaning thereof.

17. WAIVER. A waiver by either District or Consultant of any breach of this Agreement shall not be binding upon the waiving party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

18. SURVIVABILITY. The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular portion or provision held to be void.

19. INTEGRATION AND MODIFICATION. This Agreement, together with the Compensation Schedule setting forth Consultant's rates and charges and compensable expenses, attached hereto as Exhibit "A," is adopted by District and Consultant as a complete and exclusive statement of the terms of this Agreement between District and Consultant, except to the extent revised and/or implemented through issuance of Task Orders hereunder. This Agreement supersedes all prior agreements, contracts, proposals, representations, negotiations, letters, or other communications between the District and Consultant, whether written or oral.

20. AMENDMENTS. This Agreement may be amended or supplemented by the parties by written agreement approved and executed in the same manner as this Agreement.

21. SUCCESSORS AND ASSIGNS. This agreement shall be binding upon the

respective successors, executors, administrators, assigns, and legal representatives to the parties.

22. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

23. DISPUTE RESOLUTION. The parties agree to first submit any dispute arising out of or in connection with this Agreement to a mutually acceptable professional mediator and to negotiate in good faith toward an agreement with respect to the dispute. Either party within 30 days of providing written notice may initiate mediation. Either party within 60 days of having participated in the first mediation session may provide notice of termination of mediation and thereafter proceed with whatever remedies it may choose in law or in equity.

24. NOTICES. All notices to be given hereunder shall be written, and shall be sent by certified or registered mail, postage prepaid, addressed as follows:

To District: General Manager
Dublin San Ramon Services District
7051 Dublin Boulevard
Dublin, CA 94568

To Consultant: Jeff Pelz
West Yost Associates
2020 Research Park Drive, Suite 100
Davis, CA 95618

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first written.

DUBLIN SAN RAMON SERVICES DISTRICT, a public agency

By _____
Daniel McIntyre, General Manager

Attest:

Nicole Genzale, District Secretary

WEST YOST ASSOCIATES

Jeffrey D. Pelz, Vice President



2017 Billing Rate Schedule

(Effective January 1, 2017 through December 31, 2017) *

POSITIONS	LABOR CHARGES (DOLLARS PER HR)
ENGINEERING	
Principal/Vice President	\$273
Engineering/Scientist/Geologist Manager I / II	\$251 / \$263
Principal Engineer/Scientist/Geologist I / II	\$229 / \$243
Senior Engineer/Scientist/Geologist I / II	\$205 / \$215
Associate Engineer/Scientist/Geologist I / II	\$182 / \$195
Engineer/Scientist/Geologist I / II	\$147 / \$170
Engineering Aide	\$83
Administrative I / II / III / IV	\$75 / \$94 / \$114 / \$126
ENGINEERING TECHNOLOGY	
Engineering Tech Manager I / II	\$259 / \$269
Principal Tech Specialist I / II	\$239 / \$249
Senior Tech Specialist I / II	\$219 / \$229
Senior GIS Analyst	\$200
GIS Analyst	\$189
Technical Specialist I / II / III / IV	\$139 / \$159 / \$179 / \$199
CAD Manager	\$159
CAD Designer I / II	\$123 / \$138
CONSTRUCTION MANAGEMENT	
Senior Construction Manager	\$261
Construction Manager I / II / III / IV	\$159 / \$170 / \$182 / \$227
Resident Inspector (Prevailing Wage Groups 4 / 3 / 2 / 1)	\$138 / \$153 / \$170 / \$177
Apprentice Inspector	\$125
CM Administrative I / II	\$68 / \$91

- Hourly rates include Technology and Communication charges such as general and CAD computer, software, telephone, routine in-house copies/prints, postage, miscellaneous supplies, and other incidental project expenses.
- Outside Services such as vendor reproductions, prints, shipping, and major West Yost reproduction efforts, as well as Engineering Supplies, etc. will be billed at actual cost plus 15%.
- Mileage will be billed at the current Federal Rate and Travel will be billed at cost.
- Subconsultants will be billed at actual cost plus 10%.
- Expert witness, research, technical review, analysis, preparation and meetings billed at 150% of standard hourly rates. Expert witness testimony and depositions billed at 200% of standard hourly rates.
- A Finance Charge of 1.5% per month (an Annual Rate of 18%) on the unpaid balance will be added to invoice amounts if not paid within 45 days from the date of the invoice.

* This schedule is updated annually

2017 Billing Rate Schedule (continued)

(Effective January 1, 2017 through December 31, 2017) *

Equipment Charges

EQUIPMENT	BILLING RATES
Gas Detector	\$80/day
Hydrant Pressure Gage	\$10/day
Hydrant Pressure Recorder, Standard	\$40/day
Hydrant Pressure Recorder, Impulse (Transient)	\$55/day
Trimble GPS – Geo 7x	\$220/day
Vehicle	\$10/hour
Water Flow Probe Meter	\$20/day
Water Quality Multimeter	\$185/day
Well Sounder	\$30/day

* This schedule is updated annually



TITLE: Authorize Task Order No. 4 with Mahler Consulting Services, LLC, for Construction Inspection Services for Fiscal Year 2018

RECOMMENDATION:

Staff recommends the Board of Directors authorize, by Motion, the General Manager to execute Task Order No. 4 to the Master Agreement for Consulting Services dated May 19, 2016 with Mahler Consulting Services, LLC, in an amount not to exceed \$440,019.

SUMMARY:

In accordance with the District Code, developers are responsible for the installation of potable water and recycled water distribution systems and wastewater collection systems in order for their projects to obtain services from the District. Those facilities must be inspected by a District construction inspector to ensure that they are in conformance with the District’s Standard Procedures, Specifications and Drawings. This process ensures that the District receives water and wastewater facilities that can be maintained reliably and cost effectively.

Construction inspectors monitor the work and ensure that the facilities are installed in accordance with District specifications. They ensure that the work is conducted safely and that the environment and public health are protected. They conduct testing and coordinate tie-ins to the District’s existing water and wastewater systems while ensuring that existing customers are minimally affected by the developers’ work. The construction inspectors also inspect every building’s connection to the potable water and recycled water distribution main pipeline and wastewater collection main pipeline. They conduct cross-connection testing between potable water and recycled water systems. Upon satisfactory inspection, the construction inspectors coordinate the setting of water meters and provide District approval for occupancy of buildings.

The availability of construction inspection services affects the construction schedule of development projects, which in turn affects the economy of the cities and counties that the District serves. The District currently has two construction inspectors and two contract construction inspectors conducting inspection of developer-installed and dedicated potable water, recycled water, and wastewater facilities. Inspection services for development projects may have a term of several months for smaller projects, or years for larger projects. Projected demand for construction inspection services shows a continued need for four construction inspectors in Fiscal Year Ending (FYE) 2018. Staff requests the Board approve a task order with Mahler Consulting Services, LLC, (MCS) for contract construction inspection services. MCS was selected through a competitive process for on-call services for the District in March 2016. Task Order No. 1 was issued to MCS for construction inspection services for FYE 2016; and Task Orders No. 2 and 3 were issued with MCS for construction inspection services for FYE 2017. Task Order No. 4 is for construction inspection services for FYE 2018. This task order is for two inspectors, one inspector for all of FYE 2018 and one inspector until the District hires a limited-term construction inspector as authorized in the Operating Budget for FYEs 2018 and 2019. The cost of this task order is \$440,019.

The cost of this task order is paid by developers through inspection fees. Construction inspection fees are collected at the time that staff issue construction permits for the project. After payment of fees and obtaining construction permits, the developer commences construction of potable water and recycled water distribution systems and wastewater collection systems under the watchful eyes of the construction inspectors.

Originating Department: Engineering Services	Contact: R. Biagtan	Legal Review: Not Required
Cost: \$440,019	Funding Source: 620 (60%) and 220 (40%)	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	43 of 237	

Mahler Consulting Services, LLC
Task Order No. 4 to Agreement dated May 19, 2016
Agreement Expiry Date: April 15, 2019

Issue Date: June 20, 2017

Project Name and Number: Development Project Inspection Support

Task Title: Field Observation Support Services

Project Manager Name & Signature: Rhodora Biagtan _____

Main Source of Funds: 620 (Water Expansion) and 220 (Sewer Expansion)

Board Review: Board

Account Number: 60% - 620.40.42.000.3.312, 40% - 220.40.42.000.3.312

Authorization Amount: \$440,019.00

Purchase Order Number: TBD

Return Purchase Order to: Sara Tom

Compensation Method: Time and materials as per Agreement

Completion Date: June 30, 2018

Insurance Requirements: As per Agreement; no special requirements

Work Product: See Attachment "A"

Digital Drawings, if applicable: Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.

Scope of Work: See Attachment "A"

Economic Disclosure: Required – Need to include Attachment B
 Not Required

Recommended by: Judy Zavadil (_____)

Accepted by: _____
 Boudewijn Mahler
 Mahler Consulting Services, LLC

 Date

Authorized by: _____
 Daniel McIntyre, General Manager
 Dublin San Ramon Services District

 Date

SCOPE OF WORK

Mahler Consulting Services, LLC

FIELD INSPECTION SERVICES

- 1. Field Inspection**
 - a. Mahler Consulting Services, LLC (MCS) will provide field inspection services to monitor compliance with District Standards and Specifications.
 - b. MCS will provide and maintain photographs of field conditions and activities as needed, files will be provided to District electronically.
 - c. MCS will provide final inspection for air testing of sewer and pressure testing of water mains on assigned projects.
 - d. The District will take the lead in conducting pre-construction meetings. MCS will attend pre-construction and construction meetings for assigned projects.
 - e. MCS will review pipeline video for compliance prior to final acceptance.
- 2. Reports**
 - a. The scope of our services includes field presence, inspections, and written reports as required.
 - b. The District will have access to the reports during construction and will receive an electronic copy at the end of the project.
 - c. MCS will maintain the master file of all reports.
- 3. Coordination with Outside Agencies and Public**
 - a. The District shall take lead and provide field coordination with the agencies. MCS will provide support as requested by the District.
- 4. Public Information Program**
 - a. The District will have primary responsibility for preparation and coordination of the distribution of information to the public.
 - b. MCS will furnish technical information and input for the public information program.
- 5. Final Inspection and Deficiency Lists**
 - a. MCS will generate a final deficiency list and inspection with approval of District. If the District retains primary responsibility, MCS will participate and provide input on final inspection and assist in preparing the list of outstanding deficiencies.
 - b. MCS will redline any approved field changes on the plans for accurate as-built drawings and/or record drawings.
 - c. The District will prepare and issue the list of deficiencies to the Contractor.

MAHLER CONSULTING SERVICE, LLC

1518 Terracina Circle, Manteca, CA 95336 (209) 629-6669

PROPOSED BUDGET FY17/18

Field Inspection Services Budget

(Budget for Inspection services from, July 1, 2017-June 30, 2018)

Month	No. of Inspectors	Work Days (each insp)	Work Hours (Days x Insp)	Ot Hours (If needed)	OT Days (If needed)	Truck Work Days (Inc. OT)	Truck @120 Miles Day
July	2	20	320	40	5	45	5,400
August	2	23	368	40	5	51	6,120
September	2	20	320	40	5	45	5,400
October	2	22	352	40	5	49	5,880
*November	2	13	208	0	0	26	3,120
*November	1	8	64	0	0	8	960
December	1	20	160	0	0	20	2,400
January	1	22	176	0	0	22	2,640
February	1	20	160	0	0	20	2,400
March	1	22	176	0	0	22	2,640
April	1	21	168	0	0	21	2,520
May	1	23	184	24	3	26	3,120
June	1	21	168	24	3	24	2,880
Total			2,824	208		379	45,480
Rate			\$130.00	\$130.00		\$55.00	\$0.55
			\$367,120.00	\$27,040.00		\$20,845.00	\$25,014.00

Grand Total

\$440,019.00

*2 inspectors through November 16, then 1 inspector



TITLE: Second Reading: Adopt Ordinance Revising District Code Sections 5.30.010, 5.30.020, and 5.30.080 Governing Wastewater User Classifications for Nonresidential Users

RECOMMENDATION:

Staff recommends the Board of Directors waive, by Motion, the second reading of an Ordinance revising provisions of the District Code, sections 5.30.010, 5.30.020 and 5.30.080, governing wastewater user classifications for nonresidential users, and adopt the Ordinance.

SUMMARY:

This is the second of two readings of the proposed revisions to sections 5.30.010, 5.30.020 and 5.30.080 of the District Code. The District recently completed Local and Regional Wastewater Rate studies which sought to simplify the billing process and better reflect the customers’ respective impacts on the regional and local wastewater systems. The revisions will categorize wastewater user classifications for nonresidential users as low, medium, or high to coincide with the rate studies.

Originating Department: Administrative Services	Contact: K. Vaden	Legal Review: Yes
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)	Attachment 1 – Proposed Code Revisions	

5.30.010 User classification.

Users of the treatment works shall be categorized as follows for billing purposes:

A. Residential Users. **“Residential user”** means a resident of a single- or multiple-family dwelling receiving District services at his or her place of residence. The classes of residences are generally defined in subsections (A)(1) through (A)(4) of this section, and the District Engineer shall have discretion to determine which class is applicable to a particular residential user where that user shares some characteristics of more than one class. In the absence of a determination to the contrary, each residential user shall be deemed to be residing in a single-family dwelling unit (or residence).

1. **“Multifamily residence”** (or **“multiple-family residence”**) means a residential unit (other than a second dwelling unit) attached to one or more other residential units, with one or more adjacent common areas irrigated through a separate irrigation water meter. This includes apartments, condominiums, and townhomes as further described in subsections (A)(1)(a) through (A)(1)(c) of this section. Neither a single-family dwelling nor a second dwelling unit is a multifamily residence.

a. **“Apartment”** means a multifamily residence that is owned in common with one or more other apartments, and with the underlying land and one or more adjacent common areas. Apartments are intended to be rented to a tenant or other occupant.

b. **“Condominium”** means a multifamily residence that is individually owned, where the underlying land and one or more adjacent common areas are under common ownership.

c. **“Townhome”** means a multifamily residence that is individually owned along with the underlying land, but adjacent to common areas under separate or common ownership.

2. **“Second dwelling unit”** means a residential unit, no larger than the maximum size authorized for such use by the local agency with land use authority, with a separate entrance, kitchen, sleeping, and bathroom facilities, which receives water service through the same water meter as, and which is located on the same individual parcel of land with the same numerical street address as, the single-family dwelling unit, but which is smaller than (or otherwise subservient to) the single-family dwelling unit that serves as the principal residence on the parcel of land.

3. **“Single-family dwelling unit”** (or **“residence”**) means a residential unit located on its own individual parcel of land (with or without a second dwelling unit) and designed to house one family and which is not attached to another dwelling (other than a second dwelling unit).

a. **“Single-family dwelling unit”** (or **“residence”**) includes each mobile home located on its own individual parcel of land and not in a mobile home park.

b. **“Single-family dwelling unit”** (or **“residence”**) also includes each residential dwelling unit attached to one or more other residential units where each unit is located on its own individual parcel of land, but without an adjacent common area irrigated through a separate irrigation water meter.

4. Notwithstanding the foregoing, each mobile home located in a mobile home park is also defined as a multifamily residence, subject to the District Engineer’s discretion to determine that another class is more appropriate.

B. High Strength Nonresidential and Non-Industrial Dischargers/Users. Nonresidential and non-industrial users are characterized by the District Engineer as low, medium, and high strength uses based on estimate of the respective BOD and SS being discharged.

1. The following categories ~~encompass high strength~~ are examples of low strength institutional, ~~intermediate industrial~~ and commercial uses:

~~1a. Bakery. Primarily engaged in baking of products which may include breads, cakes, pastries, cookies, doughnuts, bagels, biscuits, rolls or other related confections.~~

~~2b. Car Wash with Steam Cleaning. Primarily engaged in mechanical and hydraulic washing, rinsing, cleaning and drying of mobile equipment including steam cleaning. May be performed by on-site personnel or coin-operated public devices.~~

~~c. Mortuary. Primarily engaged in handling and storing of the dead until burial.~~

~~d. Gas stations, banks, hotels, private office complexes, schools (excluding cafeterias), retail and wholesale stores, bars~~

Low strength uses includes all users not assigned by the District Engineer to a higher strength classification.

2. The following categories are examples of medium strength institutional and commercial uses:

3a. Fast Food Restaurant. Primarily engaged in cooking and serving of food utilizing disposable serving products (i.e., styrofoam, plastic or paper). May perform limited baking activities relative to foods which are served with the meal and are generally not sold separately.

4b. Full Service Restaurant, Cafeteria and Banquet Facilities. Primarily engaged in cooking and serving of meals utilizing flatware, silverware, glasses, dishwashing and limited baking activities for on-site use.

~~5. Market. Primarily engaged in selling of goods and food products that are not dry goods, where food products are prepared on site.~~

~~6. Mortuary. Primarily engaged in handling and storing of the dead until burial.~~

~~7. Other uses as determined by the District Engineer.~~

3. The following categories are examples of high strength industrial and commercial uses:

a. Grocery Market with garbage disposal primarily engaged in selling of goods and food products that are not dry goods, where food products are prepared on site

b. Bakery

~~C. Regular Strength, Nonresidential User. Primarily engaged in activities including, but not limited to, gas stations, hotels, private office complexes, schools, retail and wholesale stores, bars, etc. (all excluding dining facilities), and who introduces wastewater that is determined by the District Engineer to consist primarily of sewage into the District's wastewater facilities. Classification includes all users not defined in another classification.~~

DC. Significant Industrial User. As defined in the definition for "Significant industrial user" in DSRSDC 5.20.030, Definitions. Other industrial users are characterized as low, medium, and high strength dischargers as determined by the District Engineer.

E. Subscribing Agency. A public agency that contributes wastewater from its wastewater collection system to a wastewater system operated by the District. [Ord. 142, 1978; Ord. 146, 1979; Ord. 165, 1981; Ord. 273, 1997; Ord. 327, 2010; Ord. _____, 2017]

5.30.020 Establishment of service and calculation of service charges.

A. Establishment. Periodic service charges, including a local service charge and a regional service charge, are established for all users connected to the wastewater system according to the schedule set forth by separate ordinance or resolution duly adopted from time to time by the Board. As is set forth in DSRSDC 5.10.050(E), Liability of Owner and Tenant, owners, their tenants, and other users of the property shall be jointly and severally liable for payment of charges, including the service, demand, and loading charges described in this section.

B. Calculation. Service charges shall be calculated by user class in the following manner: ~~the service charge shall be calculated based on the flow measured by the flow meter and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the type of use~~

1. Residential Users. Service charges for residential users shall be based on discharges of wastewater flow based on water deliveries, and the BOD and SS as estimated by the District Engineer. The service charge will apply to each residential dwelling unit, as such units are described in DSRSDC 5.30.010(A), Residential. The Board may adopt a flat rate for all residential customers residing in a certain residence class or dwelling unit type.

2. ~~High Strength Nonresidential Dischargers/Users and Regular Strength, Nonresidential Users.~~ Except as specified in DSRSDC 5.30.080, Shared potable meter or nonmetered service, or in DSRSDC 5.30.020.B.3, Significant Industrial Users, service charges for institutional, intermediate industrial and commercial users shall be based on flow as measured by deliveries of potable water through the potable water meter serving that user, and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the type of use. The District Engineer has the discretion to recommend that a flat rate or a minimal charge be developed for and levied upon all institutional, intermediate industrial and commercial users of a common type or classification.

3. Significant Industrial Users. Service charges for such industrial users shall be based on measured discharges of wastewater flow, BOD and SS. The measurements shall be obtained from monitoring facilities installed on public property at the points of discharge to the sewer system, unless another location is approved by the District Engineer. Both installation and operating costs of the monitoring facilities shall be at the sole expense of the user. Frequency of monitoring shall be determined by the District Engineer.

Service charges for such industrial users shall be comprised of demand charges and loading charges. Demand charges shall be based on capacity rights for each peak month billable parameter and shall be collected in periodic installments. Upon determining that an unusually high measurement is not representative of a user's long-term use of the wastewater system and/or can be explained by a onetime event, the District Engineer shall have discretion to decline to use such measurement as the peak month billable parameter for the calculation of demand charges. Daily use shall be based on the number of normal working days in the peak month. Normal working days shall be defined as the normal five-day work week of Monday through Friday, less holidays. For a user's normal work days to exceed five days a week, the flow from the sixth and/or seventh day must approximate the average daily flow of the five-day work week.

The District Engineer has the discretion to use a user's peak month use for each billable parameter to calculate demand charges, if: (a) each billable parameter used is greater than the capacity rights; (b) the user does not want to purchase more capacity rights; and (c) it appears that the user will eventually lower use to within the user's capacity rights.

When a user discharges less than the peak month use figures used to calculate the demand charge, regardless of whether they are based on capacity rights or actual wastewater discharges, the user shall be billed for the full amount for which capacity was reserved. Should the peak month use figures be exceeded, the user shall be billed the demand unit costs multiplied by the new peak month discharge. This amount shall be assessed retroactively to the beginning of the fiscal year and for each month through the remainder of the fiscal year. The new peak month discharge shall also be used to calculate demand charges for the following four years or until either a higher peak month discharge occurs or the user maintains discharges within the user's capacity rights for a period of one year.

Loading charges shall be computed and derived according to the recorded discharge for the billing period.

If the user's wastewater flow and strengths are relatively constant, the District Engineer may establish a unit rate per hundred cubic feet (ccf) of metered water use or wastewater discharged until the time that it has been determined that there has been a significant change, as determined at the discretion of the District Engineer, in the user's operation which would materially affect sewage flows and strengths.

4. **Subscribing Agencies.** Service charges to subscribing agencies shall be based on measured discharges of wastewater flow, BOD and SS and shall be established by contract, or, if the contract so provides, as determined by the District Engineer from time to time. [Ord. 142, 1978; Ord. 146, 1979; Ord. 165, 1981; Ord. 185, 1983; Ord. 187, 1984; Ord. 192, 1984; Ord. 197, 1985; Ord. 199, 1985; Ord. 214, 1987; Ord. 221, 1988; Ord. 228, 1989; Ord. 231, 1990; Ord. 237, 1991; Ord. 245, 1991; Ord. 253, 1993; Ord. 257, 1994; Ord. 262, 1995; Ord. 267, 1995; Ord. 270, 1996; Ord. 273, 1997; Ord. 319, 2007; Ord. 327, 2010; Ord. _____, 2017.]

5.30.080 Shared potable meter or nonmetered service.

A. **Shared Potable Meter.** The service charges for multiple nonresidential users who receive water service through a single water meter shall be calculated using the estimated BOD and SS for the classification (selected from the classifications applicable to the use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer.

If the customer properly installs and maintains an approved submeter in full compliance with DSRSDC 5.30.050(C), Submetering Requested by Customer, and with the agreement between the customer and the District pursuant thereto:

1. The estimated BOD and SS for the classification (selected from the classifications applicable to the use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer, shall be applied to the full quantity of water delivered through the submeter.
2. The estimated BOD and SS for the classification (selected from the classifications applicable to the remaining use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer, shall be applied to the remainder of the quantity of water delivered through the shared meter.

B. Nonresidential Users Not Receiving Metered Water Service. Service charges for nonresidential users not receiving metered water service shall be based on discharges of wastewater flow, BOD, and SS as estimated by the District Engineer.

C. Flow Meters. Notwithstanding DSRSDC 5.30.020(B)(2), Low, Medium and High Strength Dischargers/Users~~High Strength Dischargers/Users and Regular Strength, Nonresidential Users~~, or the preceding provisions of this section, where a flow meter has been installed and is maintained pursuant to DSRSDC 5.30.050(A), Flow Meter, or Other Monitoring Device(s) Required by District, the service charge shall be calculated based on the flow measured by the flow meter and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the estimated strength (typically classified as low, medium, or high) of that type of use.

D. Deduct Meters. Notwithstanding DSRSDC 5.30.020(B)(2), ~~High Strength~~Low, Medium, and High Strength Dischargers/Users ~~and Regular Strength, Nonresidential Users~~, or the provisions of subsection (C) of this section, Flow Meters, where a deduct meter has been installed and is maintained pursuant to DSRSDC 5.30.050(B), Deduct Meter, or Other Measuring Device(s) Requested by Customer, the service charge shall be calculated based on the flow through the water meter less the flow measured by the deduct meter and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the type of use, to the extent pursuant to, and in accordance with the terms and conditions specified in, a written agreement between the District and the customer. [Ord. 327, 2010; Ord. ____, 2017.]

ORDINANCE NO. ____

AN ORDINANCE OF DUBLIN SAN RAMON SERVICES DISTRICT MODIFYING SECTIONS 5.30.010, 5.30.020 AND 5.30.080 OF ITS DISTRICT ORDINANCE CODE TO REVISE THE WASTEWATER USER CLASSIFICATIONS FOR NONRESIDENTIAL USERS

WHEREAS, the District Ordinance Code was recodified on November 2, 2010 in its entirety; and

WHEREAS, Sections 5.30.010, 5.30.020, and 5.30.080 of the current District Ordinance Code include wastewater user classifications for nonresidential users; and

WHEREAS, the District retained HDR Engineering, Inc. (HDR) to analyze the cost of providing regional wastewater service to various classifications of District customers and to perform a rate design analysis to ensure that the District's regional wastewater rates continue to properly allocate the costs of service such that the rates do not exceed the reasonable cost of providing the service, and do not exceed the proportional cost of providing service to the customers, which analyses were set forth in the 2017 Regional Wastewater Rate Study of May 2017; and

WHEREAS, the District performed a similar analysis of the cost of providing local wastewater service to various classifications of District customers and to perform a rate design analysis to ensure that the District's local wastewater rates continue to properly allocate the costs of service such that the rates do not exceed the reasonable cost of providing the service, and do not exceed the proportional cost of providing service to the customers, which analyses were set forth in the 2017 Local Wastewater Rate Study of May 2017; and

WHEREAS, these studies recommended certain changes to the classifications of nonresidential wastewater uses to simplify the billing process and to better reflect the customers' respective impacts on the regional and local wastewater systems, including the establishment of low, medium, and high categories in connection with rate adjustments currently contemplated; and

WHEREAS, pursuant to sections 25128 and 61060 of the Government Code, three (3) copies of the proposed revised sections of the District Ordinance Code have been on file in the office of the District Secretary since June 1, 2017 and available for use and examination by the public during regular business hours.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Dublin San Ramon Services District as follows:

1. Section 5.30.010 of the District Ordinance Code, entitled "User classification," section 5.30.020 of the District Ordinance Code, entitled "Establishment of service and calculation of service

Ord. No. _____

charges,” and Section 5.30.080 of the District Ordinance Code, entitled “Shared potable meter or nonmetered service,” are hereby repealed and replaced by the new section 5.30.010, entitled “User classification,” Section 5.30.020, entitled “Establishment of service and calculation of service charges,” and Section 5.30.080, entitled “Shared potable meter or nonmetered service,” in the respective form in which each appears in Exhibit 1. Notwithstanding the preceding sentence, wherever a provision of the new sections 5.30.010, 5.30.020, and 5.30.080 are substantially the same as the previous version thereof, the provision shall be deemed to be a continuation of the previous version of the provision and not a new enactment.

2. This Ordinance will be effective thirty (30) days after its adoption.

ADOPTED by the Board of Directors of Dublin San Ramon Services District at its regular meeting held on the 20th day of June 2017, by the following vote:

AYES:

NOES:

ABSENT:

Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Proposed revision to DSRSD code sections 5.30.010, 5.30.020 and 5.30.080

5.30.010 User classification.

Users of the treatment works shall be categorized as follows for billing purposes:

A. Residential Users. **“Residential user”** means a resident of a single- or multiple-family dwelling receiving District services at his or her place of residence. The classes of residences are generally defined in subsections (A)(1) through (A)(4) of this section, and the District Engineer shall have discretion to determine which class is applicable to a particular residential user where that user shares some characteristics of more than one class. In the absence of a determination to the contrary, each residential user shall be deemed to be residing in a single-family dwelling unit (or residence).

1. **“Multifamily residence”** (or **“multiple-family residence”**) means a residential unit (other than a second dwelling unit) attached to one or more other residential units, with one or more adjacent common areas irrigated through a separate irrigation water meter. This includes apartments, condominiums, and townhomes as further described in subsections (A)(1)(a) through (A)(1)(c) of this section. Neither a single-family dwelling nor a second dwelling unit is a multifamily residence.

a. **“Apartment”** means a multifamily residence that is owned in common with one or more other apartments, and with the underlying land and one or more adjacent common areas. Apartments are intended to be rented to a tenant or other occupant.

b. **“Condominium”** means a multifamily residence that is individually owned, where the underlying land and one or more adjacent common areas are under common ownership.

c. **“Townhome”** means a multifamily residence that is individually owned along with the underlying land, but adjacent to common areas under separate or common ownership.

2. **“Second dwelling unit”** means a residential unit, no larger than the maximum size authorized for such use by the local agency with land use authority, with a separate entrance, kitchen, sleeping, and bathroom facilities, which receives water service through the same water meter as, and which is located on the same individual parcel of land with the same numerical street address as, the single-family dwelling unit, but which is smaller than (or otherwise subservient to) the single-family dwelling unit that serves as the principal residence on the parcel of land.

3. **“Single-family dwelling unit”** (or **“residence”**) means a residential unit located on its own individual parcel of land (with or without a second dwelling unit) and designed to house one family and which is not attached to another dwelling (other than a second dwelling unit).

a. **“Single-family dwelling unit”** (or **“residence”**) includes each mobile home located on its own individual parcel of land and not in a mobile home park.

b. **“Single-family dwelling unit”** (or **“residence”**) also includes each residential dwelling unit attached to one or more other residential units where each unit is located on its own individual parcel of land, but without an adjacent common area irrigated through a separate irrigation water meter.

4. Notwithstanding the foregoing, each mobile home located in a mobile home park is also defined as a multifamily residence, subject to the District Engineer’s discretion to determine that another class is more appropriate.

B. Nonresidential Non-Industrial Dischargers/Users. Nonresidential Non-Industrial Dischargers/Users are characterized by the District Engineer as low, medium, and high strength uses based on estimates of the respective BOD and SS being discharged.

1. The following categories are examples of low strength institutional, commercial uses:

a. Gas stations, banks, hotels, private office complexes, schools (excluding cafeterias), retail and wholesale stores, bars.

Low strength uses includes all users not assigned by the District Engineer to a higher strength classification.

2. The following categories are examples of medium strength institutional and commercial uses:

a. Fast Food Restaurant. Primarily engaged in cooking and serving of food utilizing disposable serving products (i.e., styrofoam, plastic or paper). May perform limited baking activities relative to foods which are served with the meal and are generally not sold separately.

b. Full Service Restaurant, Cafeteria and Banquet Facilities. Primarily engaged in cooking and serving of meals utilizing flatware, silverware, glasses, dishwashing and limited baking activities for on-site use.

3. The following categories are examples of high strength industrial and commercial uses:

a. Grocery Market with garbage disposal. Primarily engaged in selling of goods and food products that are not dry goods, where food products are prepared on site.

b. Bakeries

C. Significant Industrial User. As defined in the definition for "Significant industrial user" in DSRSDC 5.20.030, Definitions. Other industrial users are characterized as low, medium, and high strength dischargers as determined by the District Engineer.

D. Subscribing Agency. A public agency that contributes wastewater from its wastewater collection system to a wastewater system operated by the District. [Ord. 142, 1978; Ord. 146, 1979; Ord. 165, 1981; Ord. 273, 1997; Ord. 327, 2010; Ord. ____, 2017.]

5.30.020 Establishment of service and calculation of service charges.

A. Establishment. Periodic service charges, including a local service charge and a regional service charge, are established for all users connected to the wastewater system according to the schedule set forth by separate ordinance or resolution duly adopted from time to time by the Board. As is set forth in DSRSDC 5.10.050(E), Liability of Owner and Tenant, owners, their tenants, and other users of the property shall be jointly and severally liable for payment of charges, including the service, demand, and loading charges described in this section.

B. Calculation. Service charges shall be calculated by user class in the following manner:

1. Residential Users. Service charges for residential users shall be based on discharges of wastewater flow based on water deliveries, and the BOD and SS as estimated by the District Engineer. The service charge will apply to each residential dwelling unit, as such units are described

in DSRSDC 5.30.010(A), Residential. The Board may adopt a flat rate for all residential customers residing in a certain residence class or dwelling unit type.

2. Nonresidential Dischargers/Users. Except as specified in DSRSDC 5.30.080, Shared potable meter or nonmetered service, or in DSRSDC 5.30.020.B.3, Significant Industrial Users, service charges for institutional, industrial and commercial users shall be based on flow as measured by deliveries of potable water through the potable water meter serving that user, and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the estimated strength (typically classified as low, medium, or high) of that type of use. The District Engineer has the discretion to recommend that a flat rate or a minimal charge be developed for and levied upon all institutional, industrial and commercial users of a common type or classification.

3. Significant Industrial Users. Service charges for such industrial users shall be based on measured discharges of wastewater flow, BOD and SS. The measurements shall be obtained from monitoring facilities installed on public property at the points of discharge to the sewer system, unless another location is approved by the District Engineer. Both installation and operating costs of the monitoring facilities shall be at the sole expense of the user. Frequency of monitoring shall be determined by the District Engineer.

Service charges for such industrial users shall be comprised of demand charges and loading charges. Demand charges shall be based on capacity rights for each peak month billable parameter and shall be collected in periodic installments. Upon determining that an unusually high measurement is not representative of a user's long-term use of the wastewater system and/or can be explained by a onetime event, the District Engineer shall have discretion to decline to use such measurement as the peak month billable parameter for the calculation of demand charges. Daily use shall be based on the number of normal working days in the peak month. Normal working days shall be defined as the normal five-day work week of Monday through Friday, less holidays. For a user's normal work days to exceed five days a week, the flow from the sixth and/or seventh day must approximate the average daily flow of the five-day work week.

The District Engineer has the discretion to use a user's peak month use for each billable parameter to calculate demand charges, if: (a) each billable parameter used is greater than the capacity rights; (b) the user does not want to purchase more capacity rights; and (c) it appears that the user will eventually lower use to within the user's capacity rights.

When a user discharges less than the peak month use figures used to calculate the demand charge, regardless of whether they are based on capacity rights or actual wastewater discharges, the user shall be billed for the full amount for which capacity was reserved. Should the peak month use figures be exceeded, the user shall be billed the demand unit costs multiplied by the new peak month discharge. This amount shall be assessed retroactively to the beginning of the fiscal year and for each month through the remainder of the fiscal year. The new peak month discharge shall also be used to calculate demand charges for the following four years or until either a higher peak month discharge occurs or the user maintains discharges within the user's capacity rights for a period of one year.

Loading charges shall be computed and derived according to the recorded discharge for the billing period.

If the user's wastewater flow and strengths are relatively constant, the District Engineer may establish a unit rate per hundred cubic feet (ccf) of metered water use or wastewater discharged until the time that it has been determined that there has been a significant change, as determined at the discretion of the District Engineer, in the user's operation which would materially affect sewage flows and strengths.

4. Subscribing Agencies. Service charges to subscribing agencies shall be based on measured discharges of wastewater flow, BOD and SS and shall be established by contract, or, if the contract so provides, as determined by the District Engineer from time to time. [Ord. 142, 1978; Ord. 146, 1979; Ord. 165, 1981; Ord. 185, 1983; Ord. 187, 1984; Ord. 192, 1984; Ord. 197, 1985; Ord. 199, 1985; Ord. 214, 1987; Ord. 221, 1988; Ord. 228, 1989; Ord. 231, 1990; Ord. 237, 1991; Ord. 245, 1991; Ord. 253, 1993; Ord. 257, 1994; Ord. 262, 1995; Ord. 267, 1995; Ord. 270, 1996; Ord. 273, 1997; Ord. 319, 2007; Ord. 327, 2010; Ord. ____, 2017.]

5.30.080 Shared potable meter or nonmetered service.

A. Shared Potable Meter. The service charges for multiple nonresidential users who receive water service through a single water meter shall be calculated using the estimated BOD and SS for the classification (selected from the classifications applicable to the use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer.

If the customer properly installs and maintains an approved submeter in full compliance with DSRSDC 5.30.050(C), Submetering Requested by Customer, and with the agreement between the customer and the District pursuant thereto:

1. The estimated BOD and SS for the classification (selected from the classifications applicable to the use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer, shall be applied to the full quantity of water delivered through the submeter.
2. The estimated BOD and SS for the classification (selected from the classifications applicable to the remaining use(s) of water served through the shared meter) that will result in the greatest burden on the District's wastewater system, as determined by the District Engineer, shall be applied to the remainder of the quantity of water delivered through the shared meter.

B. Nonresidential Users Not Receiving Metered Water Service. Service charges for nonresidential users not receiving metered water service shall be based on discharges of wastewater flow, BOD, and SS as estimated by the District Engineer.

C. Flow Meters. Notwithstanding DSRSDC 5.30.020(B)(2), Low, Medium and High Strength Dischargers/Users or the preceding provisions of this section, where a flow meter has been installed and is maintained pursuant to DSRSDC 5.30.050(A), Flow Meter, or Other Monitoring Device(s) Required by District, the service charge shall be calculated based on the flow measured by the flow meter and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the estimated strength (typically classified as low, medium, or high) of that type of use.

D. Deduct Meters. Notwithstanding DSRSDC 5.30.020(B)(2), Low, Medium and High Strength Dischargers/Users, or the provisions of subsection (C) of this section, Flow Meters, where a deduct meter has been installed and is maintained pursuant to DSRSDC 5.30.050(B), Deduct Meter, or Other Measuring Device(s) Requested by Customer, the service charge shall be calculated based on the flow

through the water meter less the flow measured by the deduct meter and the estimated BOD and SS as established by the District Engineer, which estimate may be based on the classification of the estimated strength (typically classified as low, medium, or high) of that type of use, to the extent pursuant to, and in accordance with the terms and conditions specified in, a written agreement between the District and the customer. [Ord. 327, 2010; Ord.____,2017.]



TITLE: Hold Public Hearing: Adopt the 2017 Local and Regional Wastewater Rates and Rescind Resolution No. 31-10

RECOMMENDATION:

Staff recommends the Board of Directors hold a Public Hearing related to the 2017 Local and Regional Wastewater Rates, and after receiving public comments and any written protests brought to the public hearing, (a) adopt, by Resolution, wastewater rates as shown in Exhibit A, and (b) rescind Resolution No. 31-10.

SUMMARY:

DSRSD adopted rate increases for its regional wastewater services in 2010. As per Board policy, staff reviews rates every five years to ensure that our charges are reflective of our cost of service and asset replacement needs. In the fall of 2016, DSRSD engaged the firm of HDR, Inc. to review our regional wastewater rates. Concurrently, staff analyzed our local wastewater rates.

Based on the rate study, our Local Wastewater Enterprise fund (Fund 200) will need proposed increases of \$15/year for single family residential customers for FYE 2018 and FYE 2019, with future increases in later years. This is due to recommended staffing increases in the operating budget and increased funding of current and future capital replacement needs, including the Dublin Trunk Line project. This fund has not had a rate increase for our single family customers since July 1, 2015 and adopted rates as of that date were 11.8% below the 2004 rate charges. All other residential, commercial and industrial rates have been adjusted at the same percentage as residential rates.

The Regional Wastewater Enterprise fund (Fund 300) will require, for the most part, only minor adjustments to the rates in FYE 2018 with CPI adjustments in future years. Although this fund has not had a rate adjustment since July 1, 2015 as well, operations and asset management needs are adequately funded and will be sustainable with only minor adjustments at this time. Adjustments for FYE 2018 are the result of equitably allocating rates to customer classes.

The required Proposition 218 notices for this study are included for your reference (Attachment 1 and Attachment 2). The Board received a report on the rate study results at its meeting of April 18, 2017 and both the Proposition 218 notices and the local and regional rate studies (Attachment 4 and 5) have been posted on the DSRSD website. Finally, as of the date of this report, a total of four protest letters have been received out of approximately 20,900 accounts (Attachment 3).

Originating Department: Administrative Services	Contact: C. Atwood	Legal Review: Not Required
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)	Attachment 1 – Prop 218 Residential Notice Attachment 2 – Prop 218 Industrial Notice Attachment 3 – Summary of Protest Comments Attachment 4 – Regional Sewer Rate Study Attachment 5 – Local Wastewater Rate Study	
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STAFF REPORT



District Board of Directors
June 20, 2017

HOLD A PUBLIC HEARING ON 2017 LOCAL AND REGIONAL WASTEWATER RATES AND SET RATES FOR FYE 2018 – FYE 2022

BACKGROUND

Regional Wastewater Program Overview

DSRSD treats wastewater at the Regional Wastewater Treatment Plant for the District’s customers in Dublin and southern San Ramon, as well as by contract for the City of Pleasanton. Approximately 50% of the customers are within Pleasanton. The District provides wastewater treatment services to a population of approximately 150,000. By agreement between DSRSD and Pleasanton, Pleasanton is required to adopt the same regional wastewater treatment rates as the District.

The costs for treatment are accounted for in the Regional Enterprise Fund (Fund 300). Capital replacement costs are accounted for in the Regional Replacement Fund (Fund 310). Necessary expansion improvements to serve new development are accounted for in the Regional Expansion Fund (Fund 320). The District’s current Regional Wastewater Rate for single family residents is \$312.54 annually and pays for wastewater treatment, as well as disposal costs through the LAVWMA system.

Local (Collection) Wastewater Program Overview

The collection of wastewater and transmission of wastewater from Dublin and southern San Ramon is accounted for by the Local Wastewater Enterprise Fund (Fund 200). Capital replacement costs for projects such as the pending Dublin Trunkline Sewer (“Village Parkway Sewer”) project are accounted for in the Local Wastewater Replacement Fund (Fund 210). The District’s current Local Wastewater Rate for single family residents is \$69.84 annually and pays for the cleaning, operation, and rehabilitation of the sewer collection system in Dublin and southern San Ramon.

For District single family residential customers the total annual wastewater bill is for \$382.38 (\$312.54 + \$69.84). This annual amount compares quite favorably with the cost for wastewater collection and treatment elsewhere in the Tri-Valley. For comparison, Livermore single family residents will be charged \$554.16 per year in FYE17 for wastewater collection and treatment. DSRSD’s residential bills are collected as a supplemental item on the annual county property tax bill. Commercial customers are billed directly by the District bimonthly.

District Historical Rate Review Process Review

The Board of Directors last established a program of increased Local and Regional Wastewater Rates on July 20, 2010. Those rate adjustments were for the period of January 1, 2011 – June 30, 2016. A first year adjustment was approved, along with automatic Consumer Price Index (CPI) adjustments in later fiscal years, which were implemented automatically by staff per Board direction. Per the Board’s Rate policy, utility rates are to be reviewed no less than once every five years, as stated in Section 3.1.4:

A comprehensive rate study will be conducted at least once every five years in order to assess the fairness of the rates to the District's ratepayers and to ensure that the necessary revenue is available for the District's operating and replacement needs.

In conformance with this policy, one of the work items for the 2015 Strategic Plan was to update the Local and Regional Wastewater rates in 2016 for FYE 2017 (and beyond). However, staff presented a recommendation to the Board on June 7, 2016 to postpone action on Wastewater Rates for one year based on the fiscal strength of the Local and Regional Wastewater Enterprises. Moreover, the Rate Stabilization Funds for both programs were sound. The "working capital" in the respective Enterprise Funds and Rate Stabilization Funds was found to be in conformance with the Board's Financial Reserves policy (P400-15-1). The Board concurred with staff recommendations, and thus no rate increase for the Local and Regional Wastewater programs was implemented in 2016 (for FYE 2017).

DISCUSSION

Under the provisions of the Board's Rate Policies and Guidelines policy a rate study is to be completed in accordance with a number of industry-wide best management practices. The rate study considers the District's revenue requirements to meet costs and other financial obligations, the cost of service (portion of cost borne by different categories of customers), and appropriate rate design to achieve various public policy goals. The District has commissioned a study by HDR, Inc. (HDR), a well-qualified firm that has completed rate studies for the District previously. The Rate Study examines the effects of growth, future expenditures, general inflation, and planned capital replacement funding, and develops a model for providing the necessary Regional Wastewater revenues to meet District obligations over the next five years. Moreover, the model looks ahead over the subsequent five years to examine future trends. Staff has completed a separate analysis on Local Wastewater Rates.

The analysis and results of the Regional Wastewater portion of the rate study has been coordinated with the City of Pleasanton staff. A number of staff meetings between the two agencies have been held over the last seven months. Comments from Pleasanton staff have been incorporated into the rate model and rate design. Additionally, staff presented a brief overview for the elected officials and the April 20 DSRSD/Pleasanton Liaison Committee meeting.

Regional Wastewater (Treatment) Program Revenue Requirement

The Regional Wastewater Program encompasses all the costs of operating, maintaining, and replacing the Regional Wastewater Treatment facility, as well as related LAVWMA disposal costs. Based on the adopted FYE 2017 budget, the total program revenues are \$20.6 million, with rates collected from Pleasanton and DSRSD ratepayers. Following is a summary of major Regional Wastewater Program costs:

- Direct staffing (excluding reimbursements by LAVWMA and DERWA) - \$8.0 million
- Indirect staffing and overhead costs - \$2.9 million
- Power, chemicals, equipment, and contractor support - \$2.2 million
- LAVWMA Operating Costs (DSRSD portion) - \$2.1 million
- LAVWMA Debt Service for Rehabilitation Project (to be retired in 2031) - \$1.4 million
- Replacement transfers for capital replacement/improvement - \$2.5 million
- CalPERS Liability payment (third of three annual installments) - \$2.7 million

Thus, total program costs are \$21.8 million, per the approved FYE 2017 budget. For FYE 2017, it is anticipated that expenditures will exceed revenues by a modest amount based on the approved budget, and there will be

some use of reserves to make up the difference. Following is a summary chart (Figure 1) showing the various categories of major expenditures for the Regional Wastewater Program:

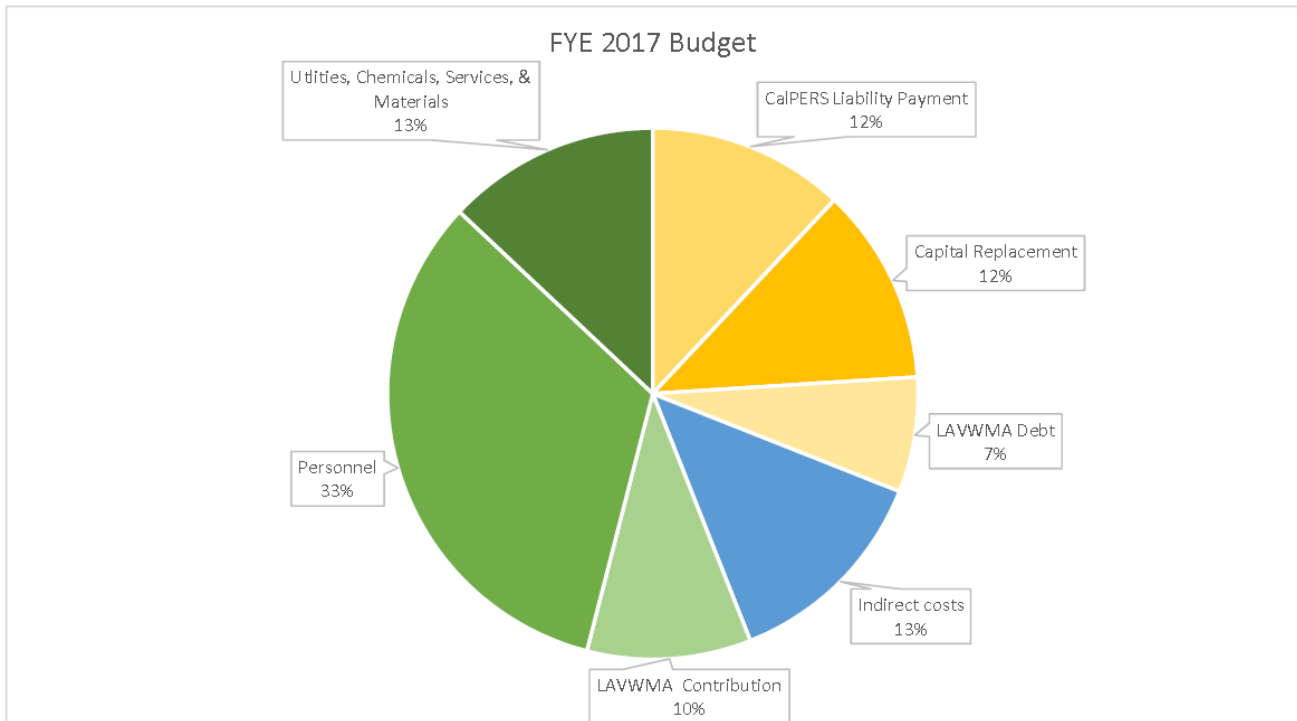


Figure 1 – FYE 2017 Regional Wastewater Cost Allocation

It should be noted that with the third and final installment of the \$2.7 million CalPERS Liability payment being concluded in FYE 2017, this terminated obligation frees up resources for other activities. When combined with an anticipated operating loss of \$1.2 million, the net effect is that approximately \$1.5 million is available for other purposes in future years.

Currently, the Regional Wastewater Enterprise Fund (Fund 300) is transferring \$2.5 million to the Regional Wastewater Replacement/Improvement Fund (Fund 310) to long-term capital replacement and improvement obligations. These long-term obligations are defined by the approved 10 Year Capital Improvement Program, as well as the long-term Asset Management Program that examines maintenance and replacement needs over the next 20+ years. The Asset Management “Preliminary Replacement Model” suggests that annual funding of the Regional Replacement Fund at a level of \$4.5 million per year is appropriate to meet known needs over the next 15-20 years. The difference between the \$4.5 million needed and the \$2.5 million currently provided by ratepayers is being provided by the Regional Wastewater Capacity Reserve Fee “buy-in” from new development. However, this development contribution arising from the “buy-in” component is anticipated to phase out over the next 10 years. Thus, the Regional Wastewater Asset Replacement Program, currently well-funded, will become underfunded if no corrective action is taken.

To address this issue of underfunding of the Asset Management Program on the horizon as the District approaches buildout, the Board’s Rate Policies and Guidelines policy (Section 1.1.2) states that funding for asset replacement should be 100% funded by rate revenue by the end of the 10-year planning period (2027). To achieve this goal, transfers from the Enterprise fund to the Regional Replacement Reserve fund (310) will be increasing from the FYE 2017 level of \$2.5 million per year to \$4.5 million per year over the next ten years. In

addition, approximately \$90,000 per year, starting in FYE 2018, will be transferred from the Enterprise fund to the Regional Wastewater Expansion fund (320) for the Pleasanton advance sale of sewer permits.

The comprehensive Asset Management Program encompasses not only a capital replacement program, but also a preventative maintenance program that is needed to optimize capital and maintenance costs over the long-term. With regard to day-to-day operations and maintenance, the District has a backlog of work at the Regional Wastewater Treatment Plant. Approximately two-thirds of maintenance is “corrective” or “unscheduled”, and only about one-third is planned “preventative” maintenance. A fully healthy operations and maintenance program would demonstrate that a majority of work is planned preventative maintenance. With the presentation of the Strategic Plan, staff recommended that additional staff resources, as well as additional equipment and materials, be considered by the Board with the FYE 2018 and FYE 2019 budget. The Board approved these additional resources with the adoption of the FYE 2018 and 2019 budget on June 6, 2017. The District will be adding two mechanics and one electrician to bolster the preventative maintenance program.

The “ramping up” of capital replacement funding, combined with additional operating staffing, would require additional revenues. The costs for these recommended options are considered by the Regional Wastewater Rate Study. To give a sense of scale, increasing capital replacement costs would add about 1% to the costs of the entire Regional Wastewater program each year over the next 5 years. The changes in staff, equipment, and supplies, would add approximately 4% - 5% to the cost of the Regional Wastewater Program. These additional costs will be at least partially offset by savings from the CalPERS Liability payment program mentioned above.

The Regional Wastewater Program is healthy, but some additional modest investment may be warranted to implement a “fully integrated Asset Management Program as the backbone of a cohesive business management strategy” (2017 Strategic Goal #1).

Local Wastewater Program Revenue Requirement

The Local Wastewater Program consists of all the costs of operating, maintaining, and replacing the wastewater collection system in Dublin and southern San Ramon. Based on the adopted FYE 2017 operating budget, the total program revenues are \$2.4 million, making this a considerably smaller program than the Regional Wastewater Program. Note that Pleasanton is NOT served by this Local Wastewater Program, it manages its own local sewer program separately from the District. Following is a summary of major Local Wastewater Program costs:

- Direct staffing costs - \$1.4 million
- Indirect staffing and overhead costs - \$0.5 million
- Materials and contractor costs - \$0.2 million
- Replacement transfers for capital replacement/improvement - \$0.3 million

The District faces significant capital replacement obligations in 2017 with the Dublin Boulevard Sewer Lift Station relocation project and the Dublin Trunkline Rehabilitation (“Village Parkway Sewer”). Moreover, there are additional costs over the next 10 years that are needed to address significant infiltration and inflow issues in our sewer system. To fund these projects, an interfund loan was approved by the Board on May 2 for \$5 million from the Local Wastewater Expansion fund, to be repaid over a 6 year period. The loan repayment represents an additional cost to the Local Wastewater Replacement Fund. The Preliminary Asset Management model and the draft 10 Year Capital Improvement Plan suggests that capital replacement should be in the \$0.7 million to \$1 million per year range, far above the current \$0.3 million provided by the capital transfer from the Local Wastewater Enterprise Fund to the Local Wastewater Replacement Fund. A portion of this obligation is being temporarily met by developers through a system “buy-in” contribution at the \$0.5 million level. This contribution will likely phase out over the next 10 years. Additionally, the revenue stream is uncertain from year to year because of local economic factors. If development experiences a lull, the revenue stream from the “buy-

in” contribution shrinks, potentially aggravating cash flow problems for the Local Wastewater Replacement Fund. The FYE 2018 and 2019 budget will “ramp up” capital replacement transfers by an immediate increase of \$281,000 per year, and increasing by approximately \$100,000 per year thereafter. The capital replacement (and loan repayment) program would add 20% to the cost of the Local Wastewater Program in the first year, and an additional 5% each year thereafter.

Additionally, the Board approved the addition of two maintenance staff to bolster the Local Wastewater maintenance program in the upcoming budget. DSRSD’s staffing levels are below the level of our peer agencies in the Tri-Valley. Moreover, we have been unable to keep up with the needs of preventative maintenance. The cost for additional staffing would be partially offset by the elimination of one temporary/seasonal employee. The cost for this additional staffing will be in the \$200,000 - \$300,000 range and will add about 10% to the cost of the Local Wastewater Program.

Even with these recommended steps, additional corrective action will likely be needed in future years. It may take up to 10 years to fully stabilize the Local Wastewater program. The Board should consider further program and funding options with the next update of the Local Wastewater assessment in 2022. Factors to consider would be long-term Asset Management Program needs, the scale of the District’s customer base at that time, and the scale of remaining development. With the 2017 Local Wastewater Rate assessment by staff and the adopted FYE 2018 and FYE 2019 operating budget, aggressive steps are proposed to stabilize the Local Wastewater Program. The staff Local Wastewater assessment assumes significant rate increases for the Local Wastewater Program over the next five years.

Other considerations on Local and Regional Revenue requirements

It should be emphasized that for a rapidly growing agency such as DSRSD, needed rate increases are very sensitive to growth assumptions in our service area. Firstly, because a majority of the District’s wastewater costs are fixed, growth in the customer base tends to mitigate the need for rate increases arising from inflation and program needs. Specifically, growth in the customer base creates additional revenues to meet fixed costs. If the development materializes at a lesser rate than the rate study anticipates, this creates revenue shortfalls in the intermediate term. For a time these revenue shortfalls could be mitigated through the use of the District’s Rate Stabilization Reserves. Secondly, if development declines precipitously, the developer “buy-in” component to replacement funds falters, and could require sudden accelerated capital transfers from the Regional and Local Enterprise Funds to the associated Replacement funds that are not anticipated by the rate model. The current pattern of development creates a very fluid financial situation, most especially for the Local Wastewater program. Fortunately, the effect on the Regional Wastewater Program is muted by the comparative current financial strength of that program.

Staff built a “full budget proposal” for FYE 2018 and FYE 2019, which carries forward into the HDR rate model’s Regional rates and staff’s Local Wastewater assessment. If approved by the Board as proposed by staff, the proposed rates will collect the revenue to address the goals of the 2017 Strategic Plan. However, Board has discretion over the timing of allocation of capital and operating resources within the five-year window of the Strategic Plan. The Board could choose to implement rates less than recommended by the Rate Study (and staff assessment), and adjust the budget accordingly.

Rate Proposal

For ease of illustration, the following discussion shows the impacts of recommended Local and Regional Wastewater rate adjustments on single family residences. The actual rates for other categories of residential and commercial customers varies depending on a number of technical factors arising out of the “Cost of Service” analysis performed by HDR and a staff assessment in conformance with State law.

Regional Wastewater Proposed Rates

The current baseline rate for single family residential is \$312.54 annually (\$52.09 bimonthly). The HDR recommended rate adjustments are:

- FYE 2018 – 0%
- FYE 2019 – Consumer Price Index (CPI) adjustment
- FYE 2020 – CPI
- FYE 2021 – CPI
- FYE 2022 – CPI

It may be that through growth in the customer base, cost controls, and other economic factors, that a CPI rate adjustment in future years will generate more revenue than necessary. The District's traditional practice has been for CPI adjustments to be made automatically each year, after originally authorized by the Board at the beginning of a five-year rate adjustment program. Staff recommends that if (and only if) revenues are coming in higher than necessary in any future year, that staff be directed to bring back the next year's proposed CPI adjustment for a "second review" by the Board prior to implementation. This provides an opportunity for the Board to reduce the increase scheduled in accordance with the CPI formula. If, on the other hand, revenues are tracking costs, then staff would administratively implement each year's CPI formula per the Board's original approval without further discussion. Thus, a "check-in" mechanism is created, but only exercised if warranted.

As with prior CPI rate increases, the Board will authorize the General Manager to increase the regional user charges by the percentage change in the February to February CPI. District staff will then post the new user charges on the website by March 31 of each year and customers shall receive notification of the new rates in accordance with Section 53756 of the Government Code. Assuming a 2% inflation rate, the first rate increase for FYE 2019 rates is estimate to increase the charge by \$6.24 per year (\$1.04/bimonthly).

Local Wastewater Proposed Rates

The current baseline rate for single family residents is \$69.84/year (\$11.64 bimonthly). The Local Wastewater assessment by staff is recommending the following annual increases over the next five years (for single family residences):

- FYE 2018 – Increase \$15
- FYE 2019 – Increase \$15
- FYE 2020 – Increase \$12
- FYE 2021 – Increase \$12
- FYE 2022 – Increate \$12

Other classes of customers are having proportional increases to these single family residential changes.

Combined Local and Regional Proposed Rates

Although on a percentage basis the Local Wastewater rate increases represent a significant increase, on an absolute dollar basis, the increases are less significant. Moreover, when considered in the context of the combined Regional and Local Wastewater Rate, the impact of the Local Wastewater increases are mitigated. Following is a table showing the changing single family combined wastewater rates, assuming a 2% inflation rate for illustration (Table 1):

Table 1: Combined Regional and Local Wastewater Rates for Single Family Residences

	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Regional	\$312.54	\$312.54	\$318.79	\$325.17	\$331.67	\$338.30
Local	\$69.84	\$84.84	\$99.84	\$111.84	\$123.84	\$135.84
TOTAL	\$382.38	\$397.38	\$418.63	\$437.01	\$455.51	\$474.14

In this scenario the compound average rate of return for the combined rates over five years is 4.4%.

Rate Adjustment Process ("Proposition 218")

Increases in charges for "property related fees and charges" are subject to the "majority protest" provisions of Article XIII(D), Section 6 of the California State Constitution. This provision of the State Constitution was added by the voters through an initiative process in 1996, known as Proposition 218. Public involvement in the rate setting process is mandated by Proposition 218. The District must mail out notices of proposed rate increases no less than 45 days prior to a scheduled public hearing on the rate increases. Under provisions of Proposition 218, if a majority of property owners file a written protest to the rate increases prior to the end of the public hearing, the District is prohibited from implementing the rate increases. Typically, utility agencies in the Tri-Valley receive anywhere from 5-20 protests with each Proposition 218 notification, and therefore a majority protest does not exist. In those historical cases, the agencies have been at liberty to finalize the rate increases disclosed in the Proposition 218 notifications.

The process for notification and rate setting is as follows:

- Board receives background on proposed rates – April 18 - COMPLETED
- Board directs issuance of required Proposition 218 notice to property owners – April 18 - COMPLETED
- Board sets public hearing not less than 45 days after the mailing of the Proposition 218 notice – April 18 - COMPLETED
- Staff completes drafting of Proposition 218 notices and mails them – May 5 (latest) - COMPLETED
- The finalized Local and Regional Rate Study is made available on the District's web-site – May 12 - COMPLETED
- Public hearing is held by the Board on June 20 (46 days after latest date that Proposition 218 notices are mailed). Protests may be filed up to the end of the Public Hearing.
- In absence of majority protest (most common situation), the Board is at liberty to enact recommended rates for FYE 2018 (and later years), or some lesser amount at its discretion.
- If approved, rates would be effective July 1, 2017.

RECOMMENDATION

Staff recommends that the Board hold a Public Hearing on the Local and Regional Wastewater Rate Study (FYE 2018 – FYE 2022) and adopt the proposed rates for the period of FYE 2018 through the end of FYE 2022.

Customer Notification

Proposed Wastewater Rate Adjustments



Dublin San Ramon Services District (DSRSD) began providing wastewater services 24 hours a day, 365 days a year, ten years after it was founded in 1953. Today, DSRSD provides wastewater services to approximately 150,000 people living in Dublin, south San Ramon, the U.S. Army's Parks Reserve Forces Training Area, and the City of Pleasanton (the latter by contract).

While most customers rarely think about it, sewer service is an essential utility. Whatever goes down toilets and drains travels through DSRSD's vast sewer collection system (206 miles of pipe) to the District's treatment plant in Pleasanton. The plant treats ten million gallons of wastewater a day; about one third is recycled into irrigation water and the remainder is safely released into San Francisco Bay.

For a single-family residence in Dublin, 20 percent of the annual sewer bill covers the cost of wastewater collection and 80 percent covers the cost of treatment and disposal. For commercial, industrial, and institutional customers the split ranges from 10 to 20 percent for collection and 80 to 90 percent for treatment and disposal. (Recycled water customers pay the cost of recycling.)

In setting wastewater rates, one goal is to allocate the costs equitably to the various customers. Another goal is to achieve maximum use of the District's infrastructure with minimum disruption of service while protecting public health and the environment. The District needs to rehabilitate and replace various parts of the system as they age. To plan this work, the District has an extensive asset management program and updates its Sewer System Management Plan every five years. These efforts and wastewater rate studies have determined that additional investment will be needed to maintain the community's multi-million dollar wastewater system. That is why the District is proposing wastewater rate adjustments.

How are Rates Set?

We calculated the proposed wastewater rates based on two studies:

- 2018 Regional Wastewater Rate Study
- 2018 Local Wastewater Rate Study

For more information, visit:
www.drsrd.com/wastewater-rates



Residential Customers

Customers who live in single-family homes, townhouses, and condos are billed an annual flat rate for wastewater services. For almost a decade, this charge has been listed as DSRSD SEWER SVC on the owner's property tax bill. Owners of multi-family properties (e.g., apartments) also pay a flat rate for wastewater services. They are charged for these services on their bimonthly water bills. Rates for these customers are proposed to increase each year for the next five years as shown in the table below.

The rates below include fees for collection and treatment services. Collection fees will increase by \$15, \$15, \$12, \$12, and \$12 in fiscal years 2018-2022. Treatment fees will not increase the first fiscal year, but will increase annually thereafter based on the February Consumer Price Index (All Urban Consumers for San Francisco/Oakland/San Jose) starting in fiscal year ending (FYE) 2019.

RESIDENTIAL Collection and treatment	Current Total Annual Rate	PROPOSED ANNUAL RATE				
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Annual billing on property tax roll						
Single Family or Townhouse	382.38	397.38	418.63	437.01	455.51	474.14
Condo	260.34	271.60	287.02	300.28	313.61	327.03
Bi-monthly billing						
Residential - Multi-family	219.54	229.32	242.58	253.98	265.44	276.96

Commercial Customers

Commercial and industrial customers are charged variable rates and billed bimonthly.

The rate structure for commercial customers is proposed to change: rates will no longer be based on customer categories—restaurant, bakery, mortuary, laundry, car wash, grocery, etc.—but on wastewater strength levels—high, medium, and low—and on volume of wastewater treated. Wastewater strength is measured by the degree of organic pollution in the wastewater, called BOD and TSS.*

In FYE 2018, many commercial customers' rates will decrease. The following four fiscal years, the commercial rates will increase based on the annual change in the February Consumer Price Index (All Urban Consumers for San Francisco/Oakland/San Jose).

The District will continue to charge customers based on the cost of service. The higher the strength level of the wastewater, the higher the organic pollution in the wastewater and the more costly it is for the District to treat and dispose of the wastewater. For example, grocery stores often contribute wastewater

with high strength level, while car washes or laundry services contribute wastewater with low strength level. The District has determined rates based on historic wastewater strength data for each customer category and will verify these rates through periodic, random sampling.

Of the District's 1,358 commercial customers, 78 percent currently are in the low strength category, 21 percent in the medium strength category, and only one percent are in the high strength category.

The District has only seven industrial customers; each is unique, so they are being contacted directly to review their rate adjustments.

* **BOD**, biochemical oxygen demand, is the industry standard for measuring the strength of wastewater. It is commonly expressed in milligrams of oxygen consumed per liter of wastewater (mg/L, equivalent to parts per million) during five days of incubation at 20 degrees Centigrade.

TSS is total suspended solids, the entire amount of organic and inorganic particles dispersed in wastewater. It is also expressed as mg/L.

COMMERCIAL ** Collection and treatment	Current per Unit Rate	PROPOSED PER UNIT RATE				
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Low: Less than 300 mg/L						
Car Wash	7.94	3.12	3.30	3.46	3.61	3.77
Bakery	6.13	3.12	3.30	3.46	3.61	3.77
Commercial Laundry	3.76	3.12	3.30	3.46	3.61	3.77
Mortuaries	6.77	3.12	3.30	3.46	3.61	3.77
All Other Commercial	3.25	3.12	3.30	3.46	3.61	3.77
Medium: > 300 and <600 mg/L						
Restaurant Fast Food	4.45	5.50	5.73	5.93	6.14	6.35
Restaurant Full Service	5.00	5.50	5.73	5.93	6.14	6.35
High: >600 mg/L						
Grocery - Garbage Disposal	6.39	7.38	7.65	7.89	8.13	8.38

** Strength factor is an average of biochemical oxygen demand and total suspended solids. The commercial businesses listed on the left in Low/Medium/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.

DUBLIN SAN RAMON SERVICES DISTRICT

Notice of Public Hearing: Proposed Change to Wastewater Rates

Public Hearing
June 20, 2017 at 6:00 p.m.

7051 Dublin Boulevard, Dublin, CA

The DSRSD Board of Directors is holding a public hearing to discuss and potentially adopt a change in its wastewater service rate structure to equitably allocate costs among customer classes, to adequately fund necessary replacement projects, and to focus on preventive maintenance. These adjustments are proposed to take effect on July 1, 2017. Public comments and written protests will be accepted in advance of and at the public hearing.

How Can I Learn More?

For additional information, visit:

www.dsrdsd.com/wastewater-rates

Questions: Contact DSRSD Administrative Services Manager Carol Atwood, (925) 875-2270, atwood@dsrdsd.com

Attend the public hearing: June 20, 2017, at 6:00 p.m. in the District Office Boardroom, 7051 Dublin Blvd, Dublin. Video recordings of Board meetings are posted the next day on www.dsrdsd.com (click the Board Meetings button on the home page).

How Do I Protest?

The District and its Board of Directors welcomes and will consider input from the community on the proposed changes to rates and service charges at any time, including during the public hearing. However, in accordance with Proposition 218, only valid written protests received by the pertinent deadline below will be counted as formal protests.

Protests submitted by mail, fax, or email must be received by 5:00 p.m. on June 20, 2017.

Hand-delivered protests must be received before the close of the public hearing on June 20, 2017.

Any record property owner or tenant-customer of a parcel receiving water service may submit a written protest, but only one protest will be counted per parcel served by the District.

The written protest must identify the affected property by assessor's parcel number, street address or DSRSD account number; identify the record property owner or tenant-customer; clearly state that the transmittal is a protest to the proposed rate and charge; identify what proposed rate and charge is being protested; and bear the original signature of the record property owner or tenant-customer. In the case of electronically delivered documents, a scanned signature will be accepted, subject to verification.

Mail or deliver protests to:

Nicole Genzale, District Secretary
Dublin San Ramon Services District
7051 Dublin Boulevard, Dublin, CA 94568

Please note on the envelope: "Protest of Proposed Wastewater Rates"

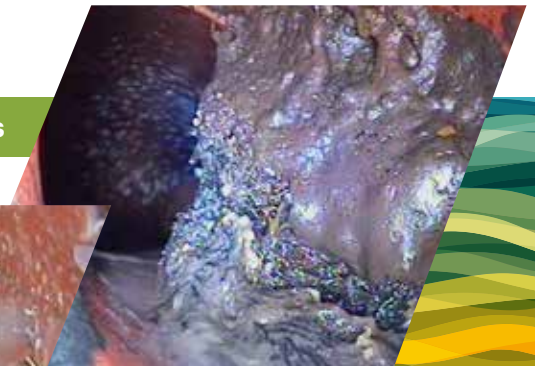
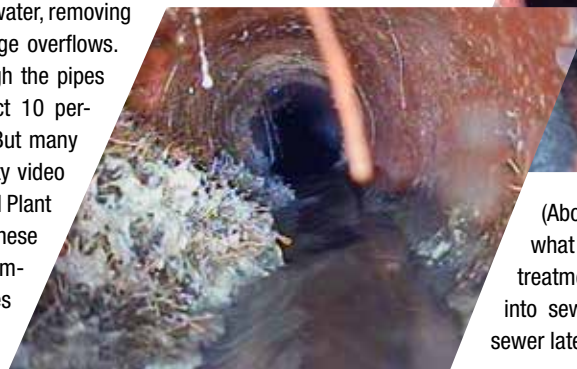
Or, email protests as a PDF document attached to an email to Board@dsrdsd.com. Please note in the subject line: "Protest of Proposed Wastewater Rates."

Or, fax protests to (925) 829-1180. Please note in the subject line: "Protest of Proposed Wastewater Rates."

For more information, read the complete *DSRSD Policy on Proposition 218 Receipt, Tabulation and Validation of Written Protests* on www.dsrdsd.com (click About Us, then District Policies).

Prioritizing Maintenance and Planning for Future Sewer Replacements

DSRSD hydro cleans its sewer pipes with recycled water, removing grease and roots that can cause clogs and sewage overflows. Then a closed-circuit video camera is sent through the pipes to record their condition. Normally, crews inspect 10 percent of the 206 miles of sewage pipes annually. But many sewer lines installed before 2000 have poor quality video recordings, or none at all. The District hired National Plant Services to clean and inspect 350,000 feet of these older pipelines. This \$450,000 project will be completed in 2017. Using the data collected, staff rates the condition of every pipeline according to national standards to prioritize repairs.



(Above) Household grease clogs sewers. Learn what not to flush to keep wastewater flowing to the treatment plant. (Left) Moisture-seeking roots intrude into sewers. Avoid planting trees over your home's sewer lateral pipeline.



**Dublin San Ramon
Services District**

Water, wastewater, recycled water

7051 Dublin Blvd.
Dublin, CA 94568
www.dsrds.com

Notice of Public Hearing: Proposed Change to Wastewater Rates

Public Hearing

June 20, 2017 at 6:00 p.m.

Large Sewer Pipe Project Happening This Summer

Inspections revealed significant concrete erosion (yellow patches) inside the Dublin trunk sewer, a 55-year-old pipe that runs under Village Parkway in Dublin all the way to the wastewater treatment plant in Pleasanton. Sulfides in wastewater have caused the erosion and exposed reinforcing rebar in some places. DSRSD will rehabilitate the pipe this summer by inserting a flexible liner that hardens in place to restore the old pipe's interior to near-new condition. The project will add 50 years to the pipe's expected life. Estimated construction cost is \$8.3 million. Learn more: www.dsrds.com/trunksewer

Customer Notification

Proposed Wastewater Rate Adjustments



Dublin San Ramon Services District (DSRSD) began providing wastewater services 24 hours a day, 365 days a year, ten years after it was founded in 1953. Today, DSRSD provides wastewater services to approximately 150,000 people living in Dublin, south San Ramon, the U.S. Army’s Parks Reserve Forces Training Area, and the City of Pleasanton (the latter by contract).

While most customers rarely think about it, sewer service is an essential utility. Whatever goes down toilets and drains travels through DSRSD’s vast sewer collection system (206 miles of pipe) to the District’s treatment plant in Pleasanton. The plant treats ten million gallons of wastewater a day; about one third is recycled into irrigation water and the remainder is safely released into San Francisco Bay.

For a single-family residence in Dublin, 20 percent of the annual sewer bill covers the cost of wastewater collection and 80 percent covers the cost of treatment and disposal. For commercial, industrial, and institutional customers the split ranges from 10 to 20 percent for collection and 80 to 90 percent for treatment and disposal. (Recycled water customers pay the cost of recycling.)

In setting wastewater rates, one goal is to allocate the costs equitably to the various customers. Another goal is to achieve maximum use of the District’s infrastructure with minimum disruption of service while protecting public health and the environment. The District needs to rehabilitate and replace various parts of the system as they age. To plan this work, the District has an extensive asset management program and updates its Sewer System Management Plan every five years. These efforts and wastewater rate studies have determined that additional investment will be needed to maintain the community’s multi-million dollar wastewater system. That is why the District is proposing wastewater rate adjustments.

How are Rates Set?

We calculated the proposed wastewater rates based on two studies:

- 2018 Regional Wastewater Rate Study
- 2018 Local Wastewater Rate Study

For more information, visit:

www.dsrds.com/wastewater-rates



Industrial and Institutional Customers

Commercial, industrial, and institutional (CII) customers are billed bimonthly and their rates are based on cost of service. Wastewater rates have two components: “collection” through the sanitary sewer system and “treatment” (including disposal) at the District’s facility in Pleasanton. The collection portion of the rate is based on volume only, while the treatment portion is based on volume and wastewater strength.

Wastewater strength is measured by the degree of organic pollution in the wastewater, called BOD and TSS.* Rates are higher for customers with a higher level of organic pollution because it costs the District more to treat the wastewater. Rates are higher for customers with a higher wastewater flow, higher volume. On the bills, the volume of service demand is noted in units and one unit is 100 cubic feet which is equivalent to 748 gallons.

Industrial Customers

Currently, charges for industrial customers are calculated individually according to their wastewater strength and volume. Under the proposed rate structure, customers will be assigned to a category – low, medium, or high – based on historic wastewater

Changes to the wastewater rate are based on necessary maintenance and rehabilitation of the system.

The treatment portion of the rate has been adjusted based on the regional wastewater rate study for the first fiscal year, but will increase annually based on the February Consumer Price Index (All Urban Consumers for San Francisco/Oakland/San Jose) starting in fiscal year ending (FYE) 2019.

Proposed changes to commercial and residential rates are detailed in a separate notice at www.dsrdsd.com/wastewater-rates.

* **BOD**, biochemical oxygen demand, is the industry standard for measuring the strength of wastewater. It is commonly expressed in milligrams of oxygen consumed per liter of wastewater (mg/L, equivalent to parts per million) during five days of incubation at 20 degrees Centigrade.

TSS is total suspended solids, the entire amount of organic and inorganic particles dispersed in wastewater. It is also expressed as mg/L.

strength and volume data. DSRSD will verify rates for each customer category through annual, periodic, random sampling and rates will be altered accordingly. Some industrial customers’ rates will decrease while others will experience a slight increase.

INDUSTRIAL AND DEMAND USERS**	Current Total Annual Rate	PROPOSED ANNUAL RATE (per unit = 100 cubic feet = 748 gallons)				
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Low - <1,000 mg/L-Collection	Not comparable	0.75	0.89	0.99	1.10	1.21
Low - <1,000 mg/L-Treatment/Disposal		8.14	8.30	8.47	8.64	8.81
	6.34-8.50	8.89	9.19	9.46	9.74	10.02
Medium >1,000 and < 1,500 mg/L-Collection	Not comparable	0.75	0.89	0.99	1.10	1.21
Medium >1,000 and < 1,500 mg/L-Treatment/Disposal		10.23	10.43	10.64	10.86	11.07
	13.31	10.98	11.32	11.63	11.96	12.28
High > 1,500 mg/L-Collection	Not comparable	0.75	0.89	0.99	1.10	1.21
High > 1,500 mg/L-Treatment/Disposal		12.33	12.58	12.83	13.08	13.35
	9.34	13.08	13.47	13.82	14.18	14.56

** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The industrial customers listed above in the Low category are only examples of where they may fall; the business’ actual strength factor will determine their billing category.

Institutional Customers

The treatment rate for sub-metered schools (those with separate water meters for indoor, aka domestic, use and irrigation) is proposed to increase as shown below. The new rate is the same as the proposed low strength commercial rate and will continue

to be applied to domestic water meter volume. Rates for non-sub-metered schools will increase by the same percentage, but will be applied to their historical volume (based on estimated domestic water use). The proposed rates for schools are detailed below.

SCHOOLS	Current Total Annual Rate	PROPOSED ANNUAL RATE (per unit = 100 cubic feet = 748 gallons)				
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Schools-Submetered-Collection	0.62	0.75	0.89	0.99	1.10	1.21
Schools-Submetered-Treatment/Disposal	2.29	2.37	2.42	2.47	2.52	2.57
	2.91	3.12	3.31	3.46	3.62	3.78
Schools-Not submetered-Collection	0.62	0.75	0.89	0.99	1.10	1.21
Schools-Not submetered-Treatment/Disposal	1.75	1.81	1.85	1.88	1.92	1.96
	2.37	2.56	2.74	2.87	3.02	3.17

DUBLIN SAN RAMON SERVICES DISTRICT

Notice of Public Hearing: Proposed Change to Wastewater Rates

Public Hearing
June 20, 2017 at 6:00 p.m.

7051 Dublin Boulevard, Dublin, CA

The DSRSD Board of Directors is holding a public hearing to discuss and potentially adopt a change in its wastewater service rate structure to equitably allocate costs among customer classes, to adequately fund necessary replacement projects, and to focus on preventive maintenance. These adjustments are proposed to take effect on July 1, 2017. Public comments and written protests will be accepted in advance of and at the public hearing.

How Can I Learn More?

For additional information, visit:

www.dsrdsd.com/wastewater-rates

Questions: Contact DSRSD Administrative Services Manager Carol Atwood, (925) 875-2270, atwood@dsrdsd.com

Attend the public hearing: June 20, 2017, at 6:00 p.m. in the District Office Boardroom, 7051 Dublin Blvd, Dublin. Video recordings of Board meetings are posted the next day on www.dsrdsd.com (click the Board Meetings button on the home page).

How Do I Protest?

The District and its Board of Directors welcomes and will consider input from the community on the proposed changes to rates and service charges at any time, including during the public hearing. However, in accordance with Proposition 218, only valid written protests received by the pertinent deadline below will be counted as formal protests.

Protests submitted by mail, fax, or email must be received by 5:00 p.m. on June 20, 2017.

Hand-delivered protests must be received before the close of the public hearing on June 20, 2017.

Any record property owner or tenant-customer of a parcel receiving water service may submit a written protest, but only one protest will be counted per parcel served by the District.

The written protest must identify the affected property by assessor's parcel number, street address or DSRSD account number; identify the record property owner or tenant-customer; clearly state that the transmittal is a protest to the proposed rate and charge; identify what proposed rate and charge is being protested; and bear the original signature of the record property owner or tenant-customer. In the case of electronically delivered documents, a scanned signature will be accepted, subject to verification.

Mail or deliver protests to:

Nicole Genzale, District Secretary
Dublin San Ramon Services District
7051 Dublin Boulevard, Dublin, CA 94568

Please note on the envelope: "Protest of Proposed Wastewater Rates"

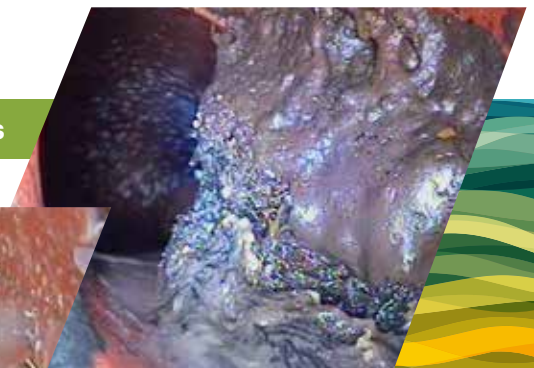
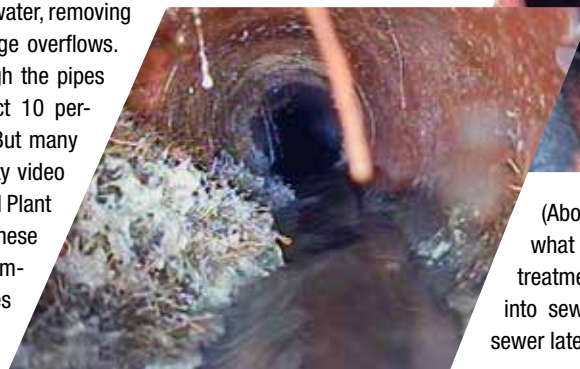
Or, email protests as a PDF document attached to an email to Board@dsrdsd.com. Please note in the subject line: "Protest of Proposed Wastewater Rates."

Or, fax protests to (925) 829-1180. Please note in the subject line: "Protest of Proposed Wastewater Rates."

For more information, read the complete *DSRSD Policy on Proposition 218 Receipt, Tabulation and Validation of Written Protests* on www.dsrdsd.com (click About Us, then District Policies).

Prioritizing Maintenance and Planning for Future Sewer Replacements

DSRSD hydro cleans its sewer pipes with recycled water, removing grease and roots that can cause clogs and sewage overflows. Then a closed-circuit video camera is sent through the pipes to record their condition. Normally, crews inspect 10 percent of the 206 miles of sewage pipes annually. But many sewer lines installed before 2000 have poor quality video recordings, or none at all. The District hired National Plant Services to clean and inspect 350,000 feet of these older pipelines. This \$450,000 project will be completed in 2017. Using the data collected, staff rates the condition of every pipeline according to national standards to prioritize repairs.



(Above) Household grease clogs sewers. Learn what not to flush to keep wastewater flowing to the treatment plant. (Left) Moisture-seeking roots intrude into sewers. Avoid planting trees over your home's sewer lateral pipeline.



**Dublin San Ramon
Services District**

Water, wastewater, recycled water

7051 Dublin Blvd.
Dublin, CA 94568
www.dsrds.com

Notice of Public Hearing: Proposed Change to Wastewater Rates

Public Hearing
June 20, 2017 at 6:00 p.m.

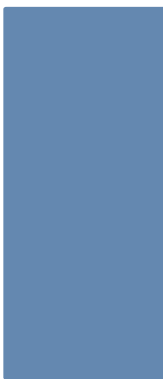
Large Sewer Pipe Project Happening This Summer

Inspections revealed significant concrete erosion (yellow patches) inside the Dublin trunk sewer, a 55-year-old pipe that runs under Village Parkway in Dublin all the way to the wastewater treatment plant in Pleasanton. Sulfides in wastewater have caused the erosion and exposed reinforcing rebar in some places. DSRSD will rehabilitate the pipe this summer by inserting a flexible liner that hardens in place to restore the old pipe's interior to near-new condition. The project will add 50 years to the pipe's expected life. Estimated construction cost is \$8.3 million. Learn more: www.dsrds.com/trunksewer

SUMMARY OF COMMENTS MADE IN PROTEST LETTERS RELATED TO JUNE 20, 2017 LOCAL AND REGIONAL WASTEWATER RATES PROPOSAL

No.	Date Received	Apparent Protest?	Summary of Comments Made
RECEIVED BEFORE AGENDA PREPARATION DEADLINE (SUMMARIZED IN STAFF REPORT FOR WASTEWATER RATES)			
1	May 9, 2017	Yes	<ul style="list-style-type: none"> • Requesting exemption, senior discount, single person house discount and that the proposed annual fee rates for wastewater include following adjustments or exclusion: <ol style="list-style-type: none"> 1. On limited fixed income, hardship 2. Do not contribute to pipe damage as much as a 3-5 family home 3. Condos get lower rate (why?) 4. Base rates on number of family members-give lower rate if 1 person 5. Live in small house yet pay same as large home with many people, get punished for living in small house
2	May 12, 2017	Yes	<ul style="list-style-type: none"> • “Protesting residential rate changes: annual at rate for wastewater services. DSRSD SEWER SVC already on the owner’s property tax bill.” • Already pay a high amount, monthly water bills are very high too
3	May 19, 2017	Yes	<ul style="list-style-type: none"> • Feel already burdened with high standing charges which are extremely steep and have to be paid regardless of the quantity of water consumption • Feel these need to be reduced, should be made proportionate to quantity consumed • Oppose any further increase in rates
4	June 7, 2017	Yes	<ul style="list-style-type: none"> • Express opposition to proposed increase in wastewater rates for all residential customers • Rate increase from 2017 to 2022 is near \$100 for single-family homes and townhouses yet rate will be cut in half for car wash business by 2022 • If DSRSD needs investment to maintain wastewater system, reduction in commercial rates appears to be counterproductive; does not make sense • This change heavily favors businesses and appears to be the work of companies who are heavily represented • Fail to see how this benefits the Dublin community
RECEIVED AFTER AGENDA PREPARATION DEADLINE (NOT SUMMARIZED IN STAFF REPORT FOR WATER RATES)			
N/A			

DRAFT REPORT



Dublin San Ramon Services District
2017 Regional Sewer Rate Study
May 2017

HDR Engineering, Inc.





May 12, 2017

Ms. Carol Atwood
Administrative Services Manager
Dublin San Ramon Services District
7051 Dublin Blvd.
Dublin, California 94568

Subject: 2017 Comprehensive Regional Sewer Rate Study

Dear Ms. Atwood:

HDR Engineering, Inc. (HDR) is pleased to present to the Dublin San Ramon Service District (District) the draft report for the 2017 regional sewer rate study. A key objective of the District's study was to adjust rates to generate sufficient revenue to fund operations and capital needs of the regional sewer system. Ultimately, this study has designed and proposed cost-based and equitable rates among the regional customers of the District.

This report was developed utilizing the District's accounting, operating and management records. HDR has relied upon this cost and planning information to develop the analyses which provided the basis for our findings, conclusions and recommendations. At the same time, this study was developed utilizing industry recognized sewer rate setting principles and methodologies. This report provides the basis for developing and implementing rates which are cost-based, equitable and defensible to the District's regional customers.

We appreciate the assistance provided by the District's management team in the development of this study. More importantly, HDR appreciates the opportunity to provide these technical and professional services to the District.

Sincerely yours,
HDR Engineering, Inc.

Shawn Koorn
Associate Vice President

hdrinc.com

500 108th Ave NE, Suite 1200, Bellevue, WA 98004-5549
(425) 450-6200



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Technical Appendix A – Technical Analysis

Executive Summary

Introduction

HDR Engineering, Inc. (HDR) was retained by the Dublin San Ramon Services District (District) to conduct a regional sewer rate study. The objective of the rate study was to review the District's operating and capital costs in order to establish regional rates at a cost-based level. This study determined the adequacy of the District's existing regional sewer rates and provided the framework for the proposed rate adjustments.

As a part of the 2017 rate setting process, the District intends to change their rate structure for commercial and industrial customers to better reflect their impact on the system and simplify the billing process. Currently the District's rates are based on the business type such as, bakery, carwash, restaurant etc. The proposed rate structure is based on high, medium, and low strength, where strength is an average of Biochemical oxygen demand and total suspended solids on a milligram per liter basis.

Goals and Objectives

The District had a number of key objectives in developing the 2017 regional sewer rate study. These key objectives were as follows:

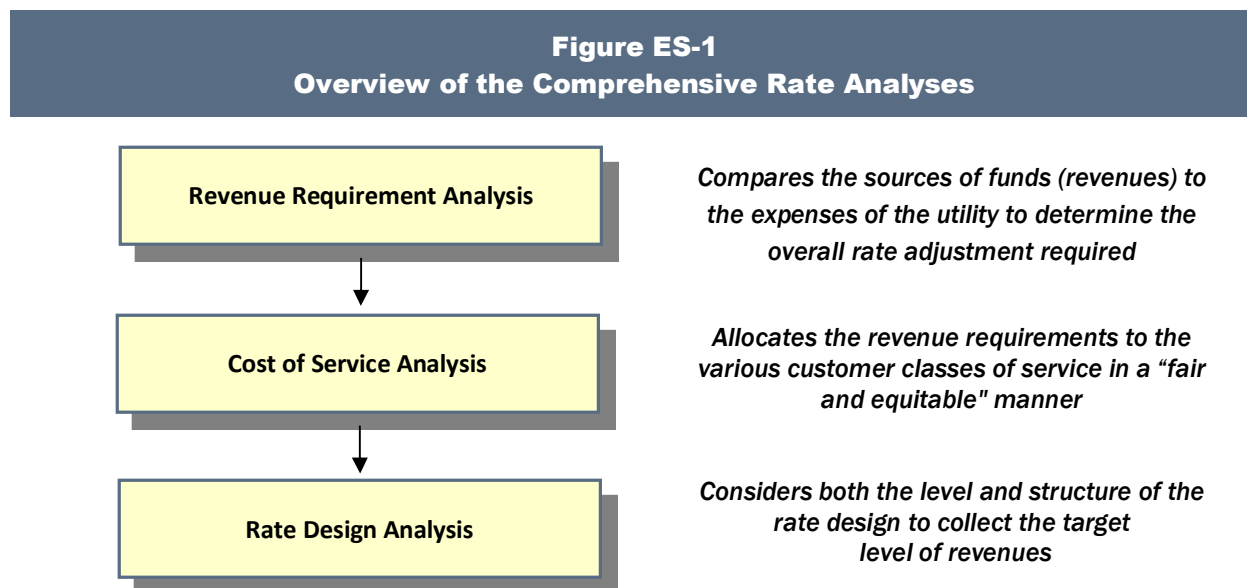
- Develop the study in a manner that is consistent with the principles and methodologies established by the Water Environment Federation (WEF), Manual of Practice No. 27, Financing and Charges for Sewer Systems.
- In establishing the District's regional rates, review and utilize best industry practices, while recognizing and acknowledging the specific and unique characteristics of the District's regional system.
- Utilize the findings, conclusions from the District's 2017 rate study to establish cost-based, equitable and legally defensible rates for FY 2018.
- Provide rates which meet the legal requirements of Proposition 218. Under Proposition 218 requirements, to be legally compliant, a utility must have rates which do not exceed the reasonable cost of providing the service, and do not exceed the proportional cost of providing service to that parcel.

"This study determined the adequacy of the existing regional sewer rates and provides the framework for any needed future adjustments."

These key objectives provided a framework for the policy decisions in the analysis that follows.

Overview of the Rate Study Process

To evaluate the adequacy of the District’s existing rates, a sewer rate study was performed. Provided below in Figure ES-1 is an overview of the key analyses undertaken.



The above comprehensive framework was used to review the regional sewer system. The regional system was reviewed independently and separately on a “stand-alone” basis.

Key Regional Sewer Rate Study Results

In conducting the comprehensive review of the District’s regional sewer rates, the regional sewer system was evaluated on a “stand alone” basis to determine the level of rates needed to adequately fund both O&M and transfer payments for capital infrastructure. These findings must be balanced against the rate impacts to customers. Based on the technical analysis undertaken as part of this study, the following findings, conclusions, and recommendations were noted for the regional sewer system.

- HDR has worked with the District for many years in development of regional sewer rates. The methodology has been consistent with past studies as well as industry standards.
- As a part of the previous studies conducted for the District, HDR has provided the Excel file to the district. As a starting point for this study District staff updated significant portions of the model.
- In developing the cost of service analysis, the allocation factors were based on data and information provided by the District. Further discussion of these assumption and the resulting allocation factors can be found in the cost of service section later in the report.
- The analysis indicated cost of service differences between the various classes of service. This study proposes cost of service adjustments be made between the various customer classes of service to move towards cost-based rates.

- Based upon the results of the revenue requirement and cost of service study, proposed rates were developed for FY 2018. For this study the various commercial customer class's were reorganized to simplify the customer grouping and better reflect customer usage characteristics. Commercial customers will be placed into high, medium, and low strength rate classes rather than the current classes which are based on business type.
- Individual rate increase were applied to each customer class based on cost of service results.

Provided below is a more detailed summary of the comprehensive regional sewer rate study undertaken for the District.

Summary of the Regional Sewer Revenue Requirement Analysis

The sewer revenue requirement analysis sums the regional sewer system's operating and maintenance and reserve fund transfers used for capital projects and compares it to the total revenues of the system to determine the overall rate adjustment required. District staff updated the revenue requirement based on current budget and customer characteristics. HDR reviewed the revenue requirement as part of the study.

The District provides sewer collection for local customers in the Dublin and South San Ramon area and is the regional provider of wastewater treatment serving Pleasanton in addition to Dublin and South San Ramon. This study is focused on the regional treatment portion of the Districts business, only treatment revenue and expenses are used in the development of rates.

For this study, a revenue requirement analysis was developed for a projected 10-year period of FY 2017 through FY 2026. It has been the Districts policy to conduct regular rate studies to determine the needs for rate adjustments over several years. For the last rate setting period the District adopted inflationary adjustments based on the February Consumer Price Index (All urban Consumers for San Francisco/Oakland/San Jose. The average annual growth rate for that index has been 2.5% over the last 10 years.

For the revenue requirement analysis a "cash basis" approach was utilized to accumulate the District's costs. This methodology conforms to industry standards and is reflective of the methodology used by the District in past studies. The primary financial inputs in the development of the revenue requirement were the District's budget documents and capital improvement plan.

Given a projection of revenues and expenses, the District's revenue requirement analysis can be summarized. Provided below in Table ES-1 is a summary of the revenue requirement analysis as updated by District staff.

Table ES - 1
Summary of Regional Sewer Revenue Requirements (\$000s)

	Budget		Projected							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Sources of Funds										
Rate Revenue										
Dublin San Ramon	\$10,574	\$10,839	\$11,449	\$11,727	\$11,938	\$12,200	\$12,351	\$12,495	\$12,636	\$12,818
Pleasanton	10,119	10,242	10,550	10,665	10,781	10,897	11,013	11,129	11,245	11,361
Miscellaneous Revenue	<u>729</u>	<u>996</u>	<u>1,018</u>	<u>1,045</u>	<u>1,093</u>	<u>1,141</u>	<u>1,190</u>	<u>1,239</u>	<u>1,289</u>	<u>1,340</u>
Total Source of Funds	\$21,421	\$22,077	\$23,016	\$23,437	\$23,812	\$24,238	\$24,554	\$24,864	\$25,170	\$25,519
Applications of Funds										
O&M Expenses										
Personnel Services	\$7,390	\$7,122	\$7,452	\$7,816	\$8,366	\$8,905	\$9,329	\$9,783	\$10,268	\$10,789
Material & Services	2,056	2,361	2,421	2,519	2,621	2,727	2,838	2,953	3,074	3,200
Contract Services	645	998	981	1,010	1,040	1,071	1,104	1,137	1,171	1,206
Other Expenses	6,716	6,755	7,019	7,445	7,658	7,878	8,108	8,355	8,597	8,856
Debt Service	0	0	0	0	0	0	0	0	0	0
Capital Replacement	<u>4,616</u>	<u>4,841</u>	<u>3,009</u>	<u>3,219</u>	<u>3,429</u>	<u>3,639</u>	<u>3,849</u>	<u>4,059</u>	<u>4,269</u>	<u>4,479</u>
Total Application of Funds	\$21,421	\$22,077	\$20,881	\$22,008	\$23,114	\$24,220	\$25,228	\$26,287	\$27,380	\$28,530
Balance/(Deficiency) of Funds	\$0	\$0	\$2,135	\$1,429	\$698	\$18	(\$674)	(\$1,423)	(\$2,209)	(\$3,012)
Balance as % of Rev from Rates	0.0%	0.0%	-9.7%	-6.4%	-3.1%	-0.1%	2.9%	6.0%	9.3%	12.5%

The revenue requirement sums the District’s direct and indirect operating expenses, treatment costs, debt service, and capital improvement projects. The total revenue requirement is then compared to the total sources of funds, which includes the rate revenues, at present rate levels, and other miscellaneous revenues. From this comparison a balance or deficiency of funds can be determined. This balance or deficiency of funds is then compared to the rate revenues to determine the level of rate adjustment needed to meet the revenue requirement.

As can be seen, over the time period reviewed, rate adjustments will be necessary to fund the long-term operating and capital needs of the regional sewer system. In reviewing the projections, it is recommended that annual inflationary increases be implemented by the District over the next five-year period. A more detailed discussion of the revenue requirement is provided in Section 3 of this report.

Summary of the Regional Sewer Cost of Service Analysis

A cost of service analysis determines the equitable allocation of the regional sewer revenue requirement to the various customer classes of service. The cost of service takes into account the individual customer classes of service wastewater flows and strength levels to equitably allocate the regional sewer operating and capital costs.

A key aspect of this study was the movement of commercial customers from the current customer type rate structure to the commercial high, medium, low rate structure. To accomplish this, District staff and City of Pleasanton staff, reviewed the customer data and based on industry standard strength factors placed customers into the appropriate commercial rate structure. Given the customer characteristics of each customer class, the previously developed revenue requirement for FY 2018 was allocated to the customer classes of service. A summary of the regional sewer cost of service analysis is shown in Table ES-2.

Table ES - 2				
Summary of the Sewer Cost of Service Results (\$000's)				
	Present Rate	Allocated	\$	%
	Revenue	Costs	Change	Change
Residential	\$15,508	\$15,555	\$48	0.3%
Commercial				
High	150	180	30	20.3%
Medium	1,430	1,626	195	13.7%
Low	1,919	1,601	(318)	-16.6%
Institutional				
School (submetered)	144	164	20	13.8%
School (non-submetered)	88	101	12	13.7%
Industrial	1,828	1,827	(1)	-0.1%
Septic Hauler (per Gallon)	14	11	(3)	-22.0%
Fats Oils and Grease	0	16	16	-
Total	\$21,081	\$21,081	\$0	0.0%

The cost of service analysis results indicate that cost differences exist between the various customer classes of service. Based upon the results of the cost of service analysis it is proposed that cost of service adjustments be made to establish the FY 2018 rates. Section 4 of this report provides a more detailed summary of the development of the cost of service analysis.

Summary of the Regional Sewer Rate Designs

The final step of the District’s sewer rate study is the design of sewer rates to collect the desired levels of revenue, based on the results of the prior analyses. In reviewing the District’s rates, consideration is given to the level of the rates and the structure of the rates. The proposed rates within this report reflect the findings, conclusions and recommendations of the District’s revenue requirement and cost of service analyses.

Table ES-3 provides the regional rates for residential customers. The residential regional rate structure is currently a fixed charge per two months. Based on the cost of service analysis, the residential customer’s rates reflect the overall costs placed on the system. Given this, no changes in the residential rate structure were proposed and the current rate structure and rate levels were maintained.

Table ES - 3				
Current and Proposed Residential Regional Sewer Rates				
	Current	Change In Rate	Proposed	
Bi-Monthly Base Charge - Residential				
Single Family Home	\$52.09	\$0.00	\$52.09	Bi-Monthly
Condominium	\$34.65	0.00	\$34.65	Bi-Monthly
Multi-Family	\$28.99	0.00	\$28.99	Bi-Monthly

The commercial customer rate structure review was a key aspect of this study. In prior studies the District had discussed alternative rate structures to simplify the commercial customer classes while still maintaining equitable rates for the various customer types. In the development of the study, it was determined that a commercial high, medium, and low rate structure would be developed and customers would be placed in the appropriate class based on wastewater strength levels to reflect the cost differences of serving customers at varying strength levels. To establish the strength levels, the low commercial reflects strength levels of up to 300 mg/L of BOD and TSS, medium strength are those customers with 300 – 600 mg/L of BOD and TSS, and high strength is 600 – 800 mg/L of BOD and TSS. Based on these strength categories, District staff and City of Pleasanton staff, determined the appropriate rate class for each commercial customer.

The institutional customer class was also revised, regrouping the All Other Institutional into the commercial low rate class leaving the sub metered and non-sub metered schools in the institutional class. The two school customer classes are necessary as the rate varies depending

on the school having a separate irrigation meter given the use of water consumption for sewer billing purposes.

Septic haulers, previously included in the industrial customer class, were separated creating a new customer class due to the unique characteristics of septic haulers usage. Table ES-4 provides the current and proposed rates for the commercial, institutional, and septic hauler customer classes.

Table ES - 4				
Summary of the Proposed Commercial Regional Sewer Rates				
	Current	Change In Rate	Proposed	
Commercial				
High - 600 to 800 mg/L	N/A	N/A	\$6.63	\$/CCF
Medium - 300 to 600 mg/L	N/A	N/A	4.75	\$/CCF
Low - < 300 mg/L	N/A	N/A	2.37	\$/CCF
Institutional				
School (submetered)	\$2.29	\$0.08	\$2.37	\$/CCF
School (non-submetered)	1.75	0.06	1.81	\$/CCF
Septic Hauler	N/A	N/A	\$0.056	\$/Gallon

The industrial class of service includes those customers with higher than commercial strength loadings as well as other testing requirements due to their waste stream characteristics. Currently, industrial customers are being charged a volume and loading rate. However, these customers are hand billed as the billing data is provided through testing results. Given this, the District was interested in moving to a volume based billing, similar to other commercial customers, to simplify the billing and include it in the billing system. To accomplish this, the proposed industrial rate was separated into three categories reflecting strength levels and billing on a water consumption basis. Provided in Table E-5 is a summary of the proposed industrial regional sewer rates.

Table ES - 5				
Summary of Proposed Industrial Regional Sewer Rates				
	Current	Change In Rate	Proposed	
Industrial				
A - < 1,000 mg/L	N/A	N/A	\$8.14	\$/CCF
B - 1,000 to 1,500 mg/L	N/A	N/A	10.23	\$/CCF
C - > 1,500 mg/L	N/A	N/A	12.33	\$/CCF

The regional sewer rates, as proposed herein, are cost-based and were developed using “generally accepted” rate making methods and principles. The proposed rates should enable the District’s regional sewer system to operate in a financially sound and prudent manner. A more

detailed discussion of the development of the proposed rates is included in Section 5 of this report.

Summary of the Rate Study

The above summary of the rate study is the culmination of an extensive effort by the Dublin San Ramon Services District and HDR Engineering to develop a comprehensive review of the regional sewer rates. The recommendations and proposed rates contained herein are intended to provide a prudent level of funding for the regional system while providing equitable and cost-based rates to the regional sewer customers.

1. Introduction and Overview

1.1 Introduction

HDR Engineering, Inc. (HDR) was retained by the Dublin San Ramon Services District (District) to conduct a regional sewer rate study. The objective of the rate study was to review the District's operating and capital costs in order to establish rates at a cost-based level. This study determined the overall adequacy of the District's existing sewer rates and provided the framework for the proposed cost-based rates.

1.2 Goals and Objectives

The District had a number of key objectives in developing the 2017 regional sewer rate study. These key objectives were as follows:

- Develop the study in a manner that is consistent with the principles and methodologies established by the Water Environment Federation (WEF), Manual of Practice No. 27, Financing and Charges for Sewer Systems.
- In establishing the District's regional rates, review and utilize best industry practices, while recognizing and acknowledging the specific and unique characteristics of the District's regional system.
- Utilize the findings, conclusions from the District's 2017 rate study to establish cost-based, equitable and legally defensible rates for FY 2018.
- Provide rates which meet the legal requirements of Proposition 218. Under Proposition 218 requirements, to be legally compliant, a utility must have rates which do not exceed the reasonable cost of providing the service, and do not exceed the proportional cost of providing service to that parcel.

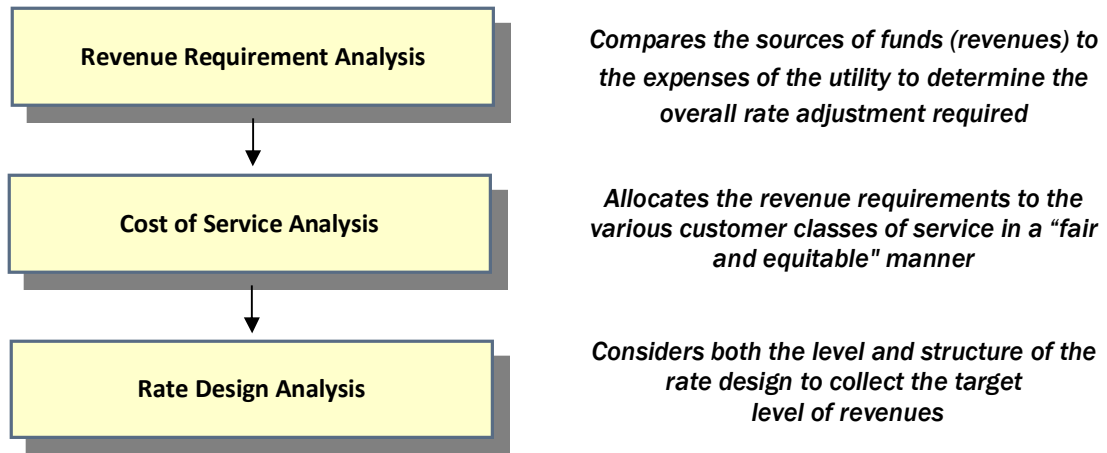
"This study determined the adequacy of the existing regional sewer rates and provides the framework for any needed future adjustments."

These key goals and objectives for the study provided a framework for the technical analysis that follows.

1.3 Overview of the Rate Study Process

User rates must be set at a level where a utility's operating and capital expenses are met with the revenues received from customers. This is an important point, as failure to achieve this objective may lead to insufficient funds to maintain system integrity. To evaluate the adequacy of the District's existing rates, a sewer rate study was performed. Provided below in Figure 1-1 is an overview of the key analyses undertaken.

Figure 1-1
Overview of the Comprehensive Rate Analyses



The above framework for reviewing and evaluating rates was utilized in the District’s 2017 rate study and in the current study.

1.4 Organization of the Study

This report is organized in a sequential manner that first provides an overview of utility rate setting principles, followed by sections that detail the specific steps used to review the District’s sewer rates. The following sections comprise the District’s sewer rate study report:

- Section 2 – Overview of Sewer Rate Setting Principles
- Section 3 – Development of the Revenue Requirement
- Section 4 – Development of Cost of Service Analysis
- Section 5 – Development of the Sewer Rate Designs

A Technical Appendices is attached at the end of this report, which details the various technical analyses that were undertaken in the preparation of this report.

1.5 Summary

This report will review the comprehensive sewer rate analyses prepared for the District. This report has been prepared utilizing “generally accepted” sewer rate setting techniques. The next section of the report will provide a brief overview of the general rate setting process that was used to analyze and establish the proposed sewer rates for the District.

2. Overview of Sewer Rate Setting Principles

2.1 Introduction

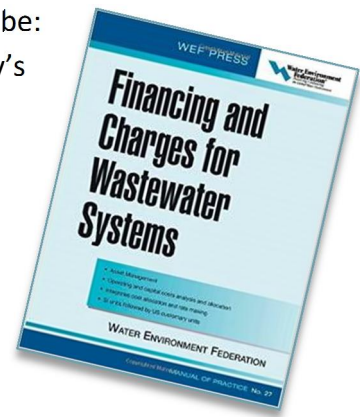
This section of the report provides background information about the sewer rate setting process, including descriptions of generally accepted principles, methods of determining a revenue requirement and designing rates. This information is useful for gaining a better understanding of the details presented in Sections 3, 4, and 5.

2.2 Generally Accepted Rate Setting Principles

As a practical matter, utilities should consider setting their rates around some generally accepted or global principles and guidelines. For sewer utilities, the source for these generally accepted or global principals is contained in the Water Environment Federation (WEF) Manual of Practice No. 27, *Financing and Charges for Wastewater Systems*.

In general, and paraphrased from the WEF manual, utility rates should be:

- Cost-based, equitable, and set at a level that meets the utility's full revenue requirement.
- Easy to understand and administer.
- Designed to conform with "generally accepted" rate setting techniques.
- Stable in their ability to provide adequate revenues for meeting the utility's financial, operating, and regulatory requirements.
- Established at a level that is stable from year-to-year from a customer's perspective.



The above global principles have been used by the District to establish their rates in the past and are utilized in the current study.

2.3 Types of Utilities

Utilities are generally divided into two types:

- Public utilities are usually owned by a city, county, or special district, and are theoretically operated at zero profit. A public utility is locally owned since its customers are also its owners. Public utilities are capitalized or financed by issuing debt and soliciting funds from customers through direct capital contributions or user rates. Public or municipal utilities are typically exempt from state and federal income taxes. A publicly elected city council or board of trustees usually regulates public utilities.
- Private utilities are "for profit" enterprises and are owned by a private company and/or stockholders. The shareholders are, in essence, the owners of the private utility.

Therefore, the owners of a private utility may not be customers or local citizens, but rather numerous individuals or shareholders spread across the United States.

A private utility is capitalized by issuing stock to the general public. Private utilities are taxable entities. Given their for profit status, their rates and operations are generally regulated by a state public utility commission or other regulatory body.

As a point of reference, the Dublin San Ramon Services District is a public utility and the analysis developed within this report has been based on the methodology generally utilized by a public utility.

2.4 Determining the Revenue Requirement

Most public utilities, such as the District, use the “cash basis”¹ approach for establishing their revenue requirement and setting rates. This approach conforms to most public utility budgetary requirements and the calculation is easy to understand. A public utility totals its cash expenditures for a period of time to determine required revenues. The revenue requirement for a public utility is usually comprised of the following costs or expenses:

- Operation and maintenance (O&M) expenses which typically includes the materials, electricity, labor, supplies, etc. needed to keep the utility functioning.
- Taxes and/or Transfers, either state or utility taxes, or transfers to another fund.
- Annual debt service payments (principal and interest) which have been used to fund capital improvements. For the District, the annual debt service payments are funded through the capital replacement and expansion funds.
- Capital improvements financed with rate revenues, a utility sometimes includes depreciation expense to stabilize annual revenue requirement.

Under the “cash basis” approach, the sum of the total operating expenses plus the total capital expenses equals the utility’s revenue requirement during any selected period of time (historical or projected).

Note that the two portions of the capital expense component (debt service and capital improvements financed from rates) are necessary under the cash basis approach because utilities generally cannot finance all their capital facilities with long-term debt. An exception occurs if a public utility provides service to a wholesale or contract customer. In this situation, a public utility could use the “utility basis” approach (see below) to earn a fair return on its investment.

Table 2-1 provides an overview of the “cash basis” and “utility basis” revenue requirement methodology.

¹ “Cash basis” as used in the context of rate setting is not the same as the terminology used for accounting purposes and recognition of revenues and expenses. As used for rate setting, “cash basis” simply refers to the specific cost components to be included with the revenue requirement analysis

Table 2 – 1
Cash versus Utility Basis Comparison

Cash Basis	Utility Basis (Accrual)
+ O&M Expense	+ O&M Expense
+ Taxes or Transfer Payments	+ Taxes or Transfer Payments
+ Capital Improvements Financed with Rate Revenues (≥ Depreciation Expense)	+ Depreciation Expense
+ Debt service (Principal + Interest)	+ Return on Investment
= Total Revenue Requirement	= Total Revenue Requirement

2.5 Cost of Service Analysis

After the total revenue requirement is determined, it is allocated to the users of the service. The allocation, usually analyzed through a cost of service study, reflects the cost relationships for producing and delivering services.

A cost of service study requires three steps:

1. Costs are **functionalized** or grouped into the various cost categories related to providing service (e.g., treatment, pumping, etc.). This step is largely accomplished by the utility's accounting system.
2. The functionalized costs are then **classified** to specific cost components. Classification refers to the arrangement of the functionalized data into cost components. For example, a sewer utility's costs are typically classified as volume²-, biochemical oxygen demand (BOD)³-, suspended solids (SS)⁴, and/or customer-related.
3. Once the costs are classified into components, they are **allocated** to the customer classes of service (residential, commercial, industrial, etc.). The allocation is based on each customer class' relative contribution to the specific cost component. For example, customer-related costs are allocated to each class of service based on the total number of customers in that class of service. Once costs are allocated, the necessary revenues for achieving cost-based rates can be determined.

For example, a sewer utility incurs strength-related costs to treat higher strength sewer. It follows that the customers who have higher strength levels and create greater treatment costs should pay for those strength-related costs in proportion to their contribution to total plant loadings. Under this approach, costs are equitably allocated between the customer classes based on the cost impacts they place on the sewer system.

² Volume refers to the amount of wastewater discharged.

³ BOD is the amount of dissolved oxygen that must be present in water in order for microorganisms to decompose the organic matter in the wastewater.

⁴ TSS is the entire amount of organic and inorganic particles dispersed in wastewater.

2.6 Designing Sewer Rates

Rates that meet the utility's objectives are designed based on both the revenue requirement and the cost of service analysis. This approach results in rates that are strictly cost-based and does not consider other non-cost based goals and objectives (economic development, ability to pay, revenue stability, etc.). In designing final proposed rates, factors such as ability to pay, continuity of past rate philosophy, economic development, ease of administration, and customer understanding may be taken into consideration. However, the proposed rates must meet the requirements of California Constitution article XIII D, section 6.

2.7 Summary

This section of the report has provided a brief introduction to the general principles, techniques, and economic theory used to set the regional sewer rates. These principles and techniques will become the basis for the District's regional sewer rate analysis. The next section of this report will review the development of the revenue requirement for the District's regional sewer system.



3. Development of the Revenue Requirement

3.1 Introduction

This section describes the development of the revenue requirement analysis for District’s regional sewer system. The revenue requirement analysis is the first analytical step in the sewer rate study process. This analysis determines the adequacy of the overall wastewater rates. From this analysis, a determination can be made as to the overall costs of the utility and the level of rate adjustments needed to provide prudent funding for both operating and capital needs. Typically, one of the main objectives of a rate study is to develop cost-based and equitable rates while attempting to minimize the impacts to the utility’s customers.

The development of the revenue requirement analysis was completed by District staff. HDR developed a rate model for use by the District to review or set rates. This model was updated by District staff to include current revenues and expenses, customer characteristics (number of customers, water consumption, etc.), and capital funding assumptions. HDR then reviewed the revenue requirement and worked with District staff to develop the final revenue and rate projections.

3.2 Treatment Services

A wastewater utility provides two major sewer functions to their customers – collection of the wastewater and the treatment of the wastewater. DSRSD’s sewer treatment plant serves as a regional facility serving the City of Pleasanton in addition to their own service area. The focus of this study is on the regional treatment aspect of DSRSD’s wastewater system. Both the District and the City of Pleasanton establish separate rates for their respective collection system costs.

3.3 Determining the Revenue Requirement

In developing the District’s regional treatment revenue requirement, the utility must financially “stand on its own” and be properly funded. As a result, the revenue requirement analysis, as developed herein, assumes the full and proper funding needed to operate and maintain the District’s sewer treatment system on a financially sound and prudent basis.

“ . . . the revenue requirement analysis as developed herein assumes the full and proper funding needed to operate and maintain the District’s sewer system on a financially sound and prudent basis.”

Provided below is a more detailed discussion of the development of the revenue requirement analysis as developed by District staff and reviewed by HDR.

3.3.1 Establishing a Time Frame

The first step in calculating the revenue requirement for the District’s sewer utility was to establish a time frame for the revenue requirement analysis. For this study, the revenue requirement was developed for the ten-year period of Fiscal Year (FY) 2017 through FY 2026.

Reviewing a multi-year time period is recommended in an attempt to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the District can begin planning for these changes sooner, thereby, minimizing short-term rate impacts and rates over the long-term.

3.3.2 Method of Accumulating Costs

The second step in determining the revenue requirement was to decide on the basis of accumulating costs. Similar to previous studies completed for the District, the revenue requirement analysis utilized a “cash basis” approach. Table 3-1 provides a summary of the District’s “cash basis” approach and cost components used to develop the District’s sewer revenue requirement.

The revenue requirement developed for the District was “customized” to follow the District’s system of accounts (budget documents). Table 3-1 provides a summary of the “cash basis” revenue requirement methodology that was used to develop the District’s regional sewer revenue requirement.

**Table 3-1
Overview of the District’s “Cash Basis” Revenue Requirements**

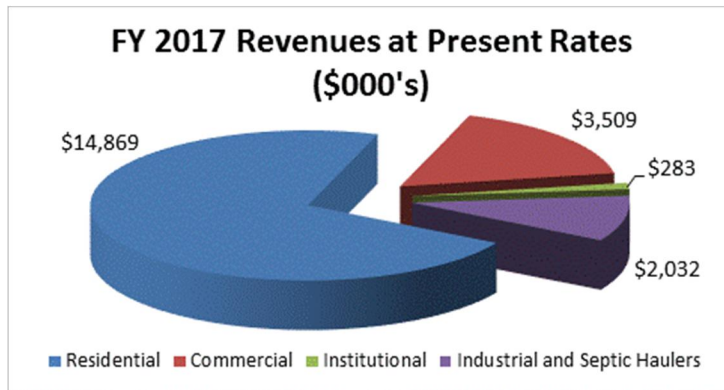
+	Sewer Operation and Maintenance Expenses
✓	Personnel Expenses
✓	Treatment Expenses
✓	Other Non-Personnel O&M Expenses
+	Debt Service (P + I) – Existing and Future
+	<u>Sanitary System Improvements (CIP)</u>
=	Total District Revenue Requirement
-	<u>Miscellaneous Revenues</u>
=	Net Revenue Requirement (Balance Required from Rates)

Given a time period around which to develop the revenue requirement and a method to accumulate the costs; the focus shifts to the development and projection of the revenues and expenses of the District’s sewer system.

3.3.3 Projection of Revenues

The next step in developing the revenue requirement for the District was to develop a projection of rate revenues. For this study District staff provided the FY 2017 and FY 2018 projected revenue as a starting point for revenue. Revenue beyond FY 2018 and through FY 2026 were projected using customer growth factors provided by the District. These factors, on average, were approximately 1%-2% for the District and just short of 1% for City of Pleasanton. In total, District revenues range from \$10.8 million in FY 2018 to \$12.8 million in FY 2026. City of Pleasanton revenues range from \$10.2 million in FY 2018 to \$11.4 million in FY 2026.

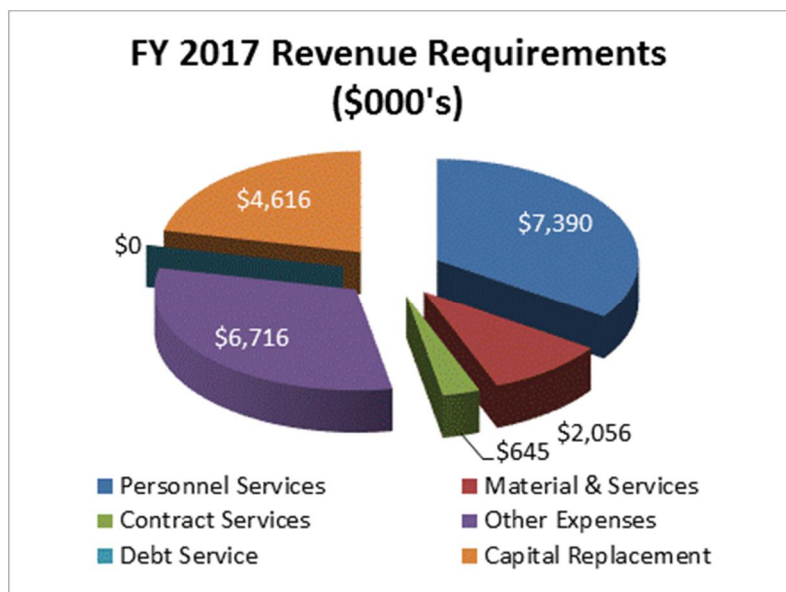
In addition to rate revenues the District receives additional revenues from other sources such as interest income and miscellaneous fees. The total amount of miscellaneous revenues is projected to be approximately \$1,000,000 for FY 2018 and escalating to \$1.3 million in 2026. Nearly half of the miscellaneous revenue is from lab fees and energy offsets.



3.3.4 Projection of Regional Sewer O&M Expenses

Operation and maintenance (O&M) expenses are incurred by the District to treat the wastewater flows from the District’s customers. O&M expenses are expensed during the current year and are not capitalized or amortized over an extended period of years.

District staff updated the revenue requirement for this study. Budget numbers were used for FY 2018 and FY 2019. The projected O&M expenses beyond FY 2019 were escalated using an appropriate escalation factor for the type of cost being reviewed. The majority of escalation factors ranged from 3% to 5% per year, except for medical benefits which started at 8% and decreased to 5% and PERS/Retirement which ranged from 21% to 10% during the analysis period. This higher than average escalation is a factor of increasing medical and retirement benefit costs being experienced by the District. All other expenses were escalated at historical inflationary levels.



The total projected sewer O&M expense ranged from \$17.2 million in FY 2018 increasing to \$24.0 million in FY 2026. No extraordinary O&M expenses were assumed during this projected time frame over budgeted amounts.

3.3.5 Projection of Capital Replacement Funding

Given the projection of O&M expenses, the next area of costs to be included within the District’s revenue requirement is capital costs. In the District’s analysis capital funding is shown as transfers to the Expansion and Replacement reserves that in turn fund capital projects. A key component of the revenue requirement was the development of a capital funding level by District

staff to meet future renewal and replacement needs. Given this need for increased renewal and replacement funding needs, the District increased the level of the transfer to provide sufficient funding for future capital replacement projects. For FY 2018, \$4.8 million was transferred for capital needs. This amount varies from year to year increasing to \$5.2 million in FY 2026. In this way, the District is prudently funding renewal and replacement needs on the regional sewer system.

3.3.6 Projection of Debt Service

The District currently has outstanding debt related to the regional sewer system. The debt service is related to capital replacement and expansion. These annual payments are funded through the replacement and expansion funds and are not funded through rates. Therefore, no annual debt service payment is included within the individual components of the revenue requirement analysis (i.e., when compared to the generally accepted “cash basis” methodology).

3.3.7 Summary of the Regional Sewer Revenue Requirement

Given the District’s projection of O&M expenses and capital needs, the revenue requirement was summarized. Presented below in Table 3-2 is the District’s projected 10 year revenue requirement for FY 2017 through FY 2026.

Table 3 - 2
Summary of Regional Sewer Revenue Requirements (\$000s)

	Budget		Projected							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Sources of Funds										
Rate Revenue										
Dublin San Ramon	\$10,574	\$10,839	\$11,449	\$11,727	\$11,938	\$12,200	\$12,351	\$12,495	\$12,636	\$12,818
Pleasanton	10,119	10,242	10,550	10,665	10,781	10,897	11,013	11,129	11,245	11,361
Miscellaneous Revenue	<u>729</u>	<u>996</u>	<u>1,018</u>	<u>1,042</u>	<u>1,087</u>	<u>1,131</u>	<u>1,176</u>	<u>1,220</u>	<u>1,265</u>	<u>1,308</u>
Total Source of Funds	\$21,421	\$22,077	\$23,016	\$23,434	\$23,806	\$24,228	\$24,540	\$24,845	\$25,146	\$25,487
Applications of Funds										
O&M Expenses										
Personnel Services	\$7,390	\$7,122	\$7,452	\$7,816	\$8,366	\$8,905	\$9,329	\$9,783	\$10,268	\$10,789
Material & Services	2,056	2,361	2,421	2,519	2,621	2,727	2,838	2,953	3,074	3,200
Contract Services	645	998	981	1,010	1,040	1,071	1,104	1,137	1,171	1,206
Other Expenses	6,716	6,755	7,019	7,445	7,658	7,878	8,108	8,355	8,597	8,856
Debt Service	0	0	0	0	0	0	0	0	0	0
Transfers to Reserves	<u>4,616</u>	<u>4,841</u>	<u>3,214</u>	<u>3,491</u>	<u>3,771</u>	<u>4,052</u>	<u>4,335</u>	<u>4,619</u>	<u>4,906</u>	<u>5,194</u>
Total Application of Funds	\$21,421	\$22,077	\$21,086	\$22,281	\$23,455	\$24,633	\$25,713	\$26,847	\$28,016	\$29,246
Balance/(Deficiency) of Funds	\$0	\$0	\$1,930	\$1,153	\$350	(\$405)	(\$1,173)	(\$2,002)	(\$2,871)	(\$3,758)
Balance as % of Rev from Rates	0.0%	0.0%	-8.8%	-5.2%	-1.5%	1.8%	5.0%	8.5%	12.0%	15.5%

In summary form, the revenue requirement has summed the District's O&M expenses and capital funding needs. The total revenue requirement is then compared to the total sources of funds, which includes the rate revenues, at present rate levels, and other miscellaneous revenues. From this comparison a balance or deficiency of funds can be determined. This balance or deficiency of funds is then compared to the rate revenues to determine the level of rate adjustment needed to meet the revenue requirement.

In viewing Table 3-2, it should be noted that the deficiencies shown are cumulative and compared to the current level of revenues received by the District. In other words, the cumulative deficiency of approximately \$3.8 million in FY 2026 is a function of the existing rates and no assumed adjustments to rates over time. Any adjustment to rates in the initial years will reduce the deficiency in the following years.

In reviewing the overall revenue, and rate, needs of the District, HDR and District staff reviewed the need for a rate transition plan to sufficiently fund the needs of the District. To meet these financial needs, it is proposed that the District adjust revenues, and rates, annually based on actual inflationary levels. In other words, each year, the District will adjust rates based on the actual increase in costs based on the change in consumer price indices as part of the budget process.

3.4 Consultant's Conclusions

Based on the revenue requirement analysis as developed by the District, current revenue are sufficient to cover current costs, but as time progresses a gap develops leaving a revenue deficiency which increases over the projected time period. The degree of the deficiency will be largely dependent on the inflation of costs experienced by the District. It is recommended that the rates be adjusted annually to reflect the actual inflation of costs experienced by the District.

3.5 Summary

This section of the report has provided a discussion of the District's Regional sewer revenue requirement analysis. The revenue requirement analysis developed a financial plan to support the District's operating and capital needs. The next section of the report will discuss the allocation of costs to the Districts customer classes.

4. Development of the Cost of Service

4.1 Introduction

In the previous section, the revenue requirement analysis focused on the total sources and application of funds required to adequately fund the District's regional sewer system. This section will discuss and review the development and recommendations of the cost of service analysis.

A cost of service analysis is concerned with the equitable allocation of the total revenue requirement between the various customer classes of service (e.g., residential, commercial, industrial). The previously developed revenue requirement was utilized in the development of the cost of service analysis.

As with all public utilities there has been increased importance on cost of service studies by various government agencies, customers, utility regulatory commissions, and other parties. This interest has been generated in part by increasing wastewater discharge requirements, increased need to replace aging infrastructure, escalating operating costs, and concerns of equity in rates among customers. Following the generally-accepted guidelines and principles of a cost of service analysis will inherently lead to regional sewer rates which are equitable, cost-based, and not viewed as arbitrary or capricious in nature.

“Following the generally-accepted guidelines and principles of a cost of service analysis will inherently lead to rates which are equitable, cost-based, and not viewed as arbitrary or capricious in nature.”

4.2 Objectives of a Cost of Service Study

There are two primary objectives in conducting a cost of service study:

- Allocate the revenue requirement proportionally to the customer classes of service
- Derive average unit costs for subsequent rate designs

The regional sewer cost of service analysis equitably allocated the revenue requirement to the various customer classes of service. A regional sewer system incurs costs related to volume, strength, and customer-related cost components. Each of these types of costs may be collected in a slightly different manner as to allow for the development of rates that collect costs in relatively the same manner as they are incurred.

4.3 Regional Sewer Customer Classes of Service

Currently, the District has different rate designs for the individual sub-classes within the major customers classes of residential, commercial, schools/institutional, and industrial/demand. The customer classes for the regional sewer system are as follows:

**Table 4 – 1
Current Classes of Service**

Residential	Commercial	Other
<ul style="list-style-type: none"> ■ Single Family/Townhouse ■ Condo ■ Multi-Family ■ Duplex 	<ul style="list-style-type: none"> ■ Auto Steam cleaning ■ Bakery ■ Laundry ■ Grocery ■ Mortuary ■ Restaurant – Fast Food ■ Restaurant – Full Service ■ All Other 	<ul style="list-style-type: none"> ■ Schools <ul style="list-style-type: none"> ✓ Schools (Submetered) ✓ Schools (Non-Submetered) ■ Other Institutional ■ Industrial/Demand

In determining classes of service for cost of service purposes, the objective is to group customers together into similar or homogeneous groups based upon facility requirement and/or flow characteristics. While the commercial customer groups are classified by business type, the District has been discussing developing commercial customer rate classes that reflect the impacts like customers place on the system while simplifying the rate structure. To accomplish this the commercial rate classes were consolidated into three categories, high, medium, and low strength. Additionally some customers that were previously classified as industrial, but had strength levels that were more in line with commercial wastewater flows were reclassified into the appropriate commercial class. Septic haulers were broken out into their own class due to their unique wastewater flow characteristics. Residential rate classes remained the same for this study. Table 4.2 provides the summary of the proposed commercial and industrial rate classes.

**Table 4 – 2
New Commercial and Industrial Classes of Service**

Class	Strength Range ^[1]
Commercial – Low	0 – 300 Avg mg/l of BOD and SS
Commercial – Medium	301 – 600 Avg mg/l of BOD and SS
Commercial – High	Greater than 600 Avg mg/l of BOD and SS
Industrial – A	0 – 1,000 Avg mg/l of BOD and SS
Industrial – B	1,001 – 1,500 Avg mg/l of BOD and SS
Industrial – C	1,501 – 2,000 Avg mg/l of BOD and SS
Septic Hauler	NA

[1] Customers with wastewater strength greater than those used to establish the proposed rates may be subject to high strength surcharges should testing results show higher strength levels.

4.4 General Cost of Service Procedures

In order to determine the cost to serve each customer class of service on the District’s regional sewer system, a cost of service analysis is conducted. A cost of service study utilizes a three-step approach to review costs. These were previously discussed in our general overview in Section 2 and take the form of functionalization, classification, and allocation.

4.4.1 Functionalization of Costs

The first analytical step in the cost of service process is called functionalization. Functionalization is the arrangement of expenses and asset (plant) data by major operating functions within the utility (e.g., treatment, pumping). Within this study, the functionalization of the cost data was accomplished through the District’s detailed budget information.

4.4.2 Classification of Costs

The second analytical task performed in a regional sewer cost of service study is the classification of the costs. Classification determines why the expenses were incurred or what type of need is being met. The District’s revenue requirements were reviewed and classified using the following cost classifiers:

- **Volume-Related Costs:** Volume costs are those costs which tend to vary with the total quantity of wastewater contributed by a customer. Volume costs are the total flows contributed by a customer, typically over an annual time period. A significant portion of a regional sewer system’s revenue requirements are typically classified as volume related as the major function of a regional sewer system to collect the total flows from customers and transport that flow to the treatment plant.
- **Strength-Related Costs:** Strength related costs are those costs associated with the additional handling and treatment of high “strength” sewer. Increased strength levels generally equate to increased treatment costs. Strength-related costs refer to the strength of the wastewater contributed by the customer. In addition, higher strength wastewater may require special or additional treatment. In classifying strength-related costs, two types of strength parameters were

Terminology of a Sewer Cost of Service Analysis

Functionalization – The arrangement of the cost data by functional category (e.g. treatment, pumping, etc.).

Classification – The assignment of functionalized costs to cost components (e.g. volume, strength, and customer-related).

Allocation – Allocating the classified costs to each class of service based upon each class’s proportional contribution to that specific cost component.

Volume Costs – Costs that are classified as volume related are associated with the total flow of wastewater.

Strength Costs – Costs classified as strength related refer to the wastewater treatment function. Typically, strength-related costs are further defined as biochemical oxygen demand (BOD) and suspended solids (SS). Different types of customers may have high wastewater strength characteristics and high strength wastewater costs more to treat. Treatment facilities are often designed and sized around meeting these costs

Customer Costs – Costs classified as customer related vary with the number of customers on the system, e.g. billing costs.

Direct Assignment – Costs that can be clearly identified as belonging to a specific customer or customer group.

Customer Classes of Service – The grouping of customers into similar groups based upon usage characteristics and/or facility requirements.

considered; biochemical oxygen demand (BOD)⁵ and total suspended solids (TSS)⁶. Customers who have higher than average wastewater strength such as commercial or industrial customers are allocated a greater proportion of the cost of treatment.

- **Customer Related Costs:** Customer costs are those costs which vary with the number of customers on the sewer system. They do not vary with system output or strength of sewer. These costs are also sometimes referred to as readiness to serve or availability costs. Customer costs may also sometimes be further classified as either actual or weighted. Actual customer costs vary proportionally, from customer to customer, with the addition or deletion of a customer regardless of the size of the customer. In contrast, a weighted customer cost reflects a disproportionate cost, from customer to customer, with the addition or deletion of a customer. An example of an actual customer cost is postage for mailing bills. This cost does not vary from customer to customer, regardless of the size or consumption characteristics of the customer. An example of a weighted customer can be where the District must hand bill a customer when they are not included in the customer billing system.
- **Revenue Related Costs:** Certain costs associated with the regional system may vary with the amount of revenue received. An example is a utility tax based upon the amount of revenues received by the District.
- **Direct Assignments:** Certain costs associated with operating the system may be directly traced to a specific customer or class of service (e.g., bad debt expenses). In this case, these costs are then directly assigned to that specific class of service. This assures that other classes of service will not be allocated any costs for those significant facilities from which they do not benefit.

4.4.3 Development of Allocation Factors

Once the classification process is complete, and the customer groups have been defined, the various classified costs were allocated to each customer group. The District's classified costs were allocated to the various customer groups using the following allocation factors.

- **Volume Allocation Factor:** As noted earlier, volume related costs vary with the total flow of wastewater. Therefore, the volume allocation factors were based upon the projected total wastewater flows for each class of service for the projected year test period. Given that wastewater is not metered, each individual class was reviewed and a return factor applied to the customer classes' water consumption to determine the estimated wastewater volumes. As an example, the residential customer's wastewater volumes were based on winter water use, which is a surrogate for indoor water use, and as a result, is a reasonable measure of wastewater volumes. Each customer class was reviewed on a similar basis to determine the appropriate return factor.
- **Strength Allocation Factor:** The strength allocation factor will vary based on the overall strength of the wastewater and the volume. A strength level is assigned for each class of service and is measured in average milligrams per liter (mg/l). For example, domestic

⁵ BOD is the amount of dissolved oxygen that must be present in water in order for microorganisms to decompose the organic matter in the wastewater.

⁶ TSS is the entire amount of organic and inorganic particles dispersed in wastewater.

wastewater is commonly considered to have a BOD and TSS strength level that is less than a typical commercial customer. The customer volume is then applied against the assumed customer mg/l to determine the overall pounds of BOD and TSS for that customer. For the District's study, the assigned strength factor for each class of service, stated in mg/l, was based, in part, on recent testing and sampling of various sections of the District's system. In addition, the past study data was reviewed to determine if the recent data supported typical customer strength levels. In summary, the development of the strength factors was based on a combination of recent testing and historical testing to determine the strength levels by class of service.

- **Customer Allocation Factor:** Customer costs vary with the number of customers on the system. Two basic types of customer allocation factors were identified – actual and weighted. The allocation factors for actual customers were based upon the projection of the number of customers developed within the revenue requirement. The weighted customer allocation factor is an attempt to reflect the disproportionate costs associated with serving different types of customers. This weighted customer allocation factor takes into account the fact that the District has several large industrial customers which it hand bills each month compared to the residential customer bill which is included on the annual property tax statement.
- **Revenue Related Allocation Factor:** The revenue related allocation factor was developed from the projected rate revenues for FY 2018 for each customer group. These same revenues were used within the revenue requirement analysis previously discussed.

Given the development of the allocation factors, the final step in the cost of service study is to allocate the classified costs to the various customer classes of service.

4.5 Functionalization and Classification of the Revenue Requirement

For the District's study, the FY 2018 revenue requirement was functionalized, classified, and allocated. As noted earlier, the District utilized a cash basis revenue requirement, which in this case, is comprised of operation and maintenance expenses and transfers to the capital replacement fund.

The functionalization of the District's regional operating expenses was primarily accomplished through the District's detailed budget. However, in developing the cost of service, HDR worked with District staff to determine what costs were captured in the major cost categories related to wastewater treatment functions to develop an equitable allocation of costs to the various customer classes of service. For example, the costs related to District expense related to compliance and testing was allocated based on strength levels so that those customers receiving the benefit of these services were allocated their proportional share of these costs.

To determine the classification of operating expenses HDR started with the 2010 rate study. When reviewing the analysis, it was determined that additional detail was needed to provide an accurate and equitable classification of costs. As a result, HDR worked with District staff to determine the appropriate classification of costs. Specifically, District staff provided a breakout

of cost based upon the treatment process at the regional sewer treatment plant. These costs were then individually classified between volume-, BOD-, or TSS-related costs. When specific costs were noted in the revenue requirement the classification followed the classification provided by District staff. If costs were combined into a single line item, the related detailed cost components were used to determine the classification of the single line item. When comparing the current classification to past classifications of the District’s regional sewer revenue requirement it appears that the current classification better reflects the operations of the regional sewer treatment plant (i.e., how the costs are incurred: volume, strength, etc.).

A more detailed review of the classification of the regional sewer revenue requirement can be found in the Technical Appendix.

4.6 Assumptions of the Cost of Service Analysis

A number of key assumptions were used within the regional sewer cost of service study. Provided below is a brief discussion of the major assumptions used.

- The test period used for the cost of service analysis was FY 2018. The revenue and expense data for FY 2018 which was previously developed within the revenue requirement study.
- A cash basis approach was utilized which conforms to “generally accepted” cost of service approaches and methodologies. This is the same methodology that the District has historically utilized for the regional sewer cost of service analysis.
- Commercial customer classes were revised to simplify the approach yet maintain an equitable allocation of costs.
- Assumed wastewater volume by customer classes of service was provided by the District and the City of Pleasanton. The development of the wastewater volumes were based on return factors calculated by class of service based on estimated indoor use or winter water volume assumptions. The estimated total volumes as developed in the volume allocation factor were compared to the actual flows at the wastewater treatment plant to assess their reasonableness.
- Strength allocation factors were based upon each customer class of services strength levels based on recent sampling and historical sampling. Overall strength levels at the treatment plant were calculated and provided by the District and compared to the calculated levels based on the assumed strength levels to test the reasonableness of the assumptions.
- District staff provided detailed information on the classification of costs, based upon their knowledge of the facilities and its operation.
- Data assumptions were provided by the District and the City of Pleasanton customers separately. Final allocation of costs, and rates, were based on the combined customer for each class of service.

4.7 Summary of the Regional Sewer Cost of Service Analysis

In summary form, the regional sewer cost of service analysis began by functionalizing the District’s FY 2018 regional projected operating expenses. The functionalized expense accounts were then classified into their various cost components. The individual classification totals were then allocated to the various customer groups based upon the appropriate allocation factors. The allocated expenses for each customer group were then aggregated to determine each customer group’s overall revenue responsibility. A summary of the detailed cost responsibility developed for each class of service is shown in Table 4-3.

**Table 4-3
Summary of the Sewer Cost of Service Results (\$000's)**

	Projected 2018 Rate Revenue*	Allocated Costs	\$ Change	% Change
Residential	15,508	\$15,555	\$48	0.3%
Commercial				
High	\$150	\$180	\$30	20.3%
Medium	1,430	1,626	\$195	13.7%
Low	1,919	1,601	(\$318)	-16.6%
Institutional				
School (submetered)	\$144	\$164	\$20	13.8%
School (non-submetered)	88	101	12	13.7%
Industrial	1,828	1,827	(1)	-0.1%
Septic Hauler (per Gallon)	14	11	(3)	-22.0%
Fats Oils and Grease	<u>0</u>	<u>16</u>	<u>16</u>	<u>-</u>
Total	\$21,081	\$21,081	\$0	0.0%

*Projected 2018 Rate Revenue is the revenue the District would collect at the current rates.

The allocation of costs provided an equitable allocation of the facilities and costs allocated to each customer class reflected their respective benefit. The cost of service results indicated that some costs differences exist between the customer classes of service. This in part is driven by the change in the commercial customer classes of service which better reflect the impact they place on the system. In addition, the septic hauler customer class was moved from the industrial class of service to a separate class that better reflects the impacts they place on the system. In this case, it is a high strength customer with low volumes.

In viewing the above results, it is important to understand that a cost of service study is a “snapshot” of the regional sewer system at a single point in time and the key variables (volumetric wastewater contributions and strength levels) may change over time. For those reasons, it is prudent to conduct a cost of service every three to five years to help assure that the rates being charged are, for the most part, fair and equitable. It is also important to take into consideration the changes in customer characteristics over time. Specifically, with the increased focus on water conservation wastewater volumes by class of service can vary from year to year. As a result, the strength levels will also change and result in a different allocation of costs as customer characteristics change.

4.8 Consultant's Conclusions and Recommendations

The regional sewer cost of service analysis provides the basis for cost-based adjustments between the various customer classes of service. Historically, the District has followed cost of service principles to set rates, which is the case for this study. Given the results of the cost of service, the proposed rates will be set to reflect the results shown in Table 4-3.

The section of the report has reviewed the regional sewer cost of service analysis developed for the District. This study provides the basis for equitably allocating the regional system's costs between the customers utilizing the system. Furthermore, this study provides the basis for determining the level of revenue to be collected from each customer class of service within the rate design process. The next section of the report will discuss the design of the proposed regional sewer rates.



5. Development of the Sewer Rate Designs

5.1 Introduction

The final step of the comprehensive rate study process is the design of the proposed regional sewer rates. This step involves using the results of the revenue requirement and cost of service analysis to establish the overall level of adjustment required, along with the revenue responsibility by customer class of service. This section of the report will provide a more detailed discussion of the development of the proposed regional sewer rate designs.

5.2 Development of Cost-Based Sewer Rates

Developing cost-based and equitable rates is of paramount importance in developing proposed water rates. While always a key consideration in developing rates, meeting the legal requirements, and documenting the steps taken to meet the requirements, has been in the forefront with the recent legal challenges in the State of California on utility rates. Given this, the development of the District's proposed regional sewer rates have been developed to meet the legal requirements of California Constitution article XIII D, section 6 (Article XIII D). A key component of Article XIII D is the development of rates which reflect the cost of providing service and are proportionally allocated between the various customer classes of service. HDR would point out that there is no single methodology for equitably assigning costs to the various customer groups. The Water Environment Federation Manual of Practice #27 provides various methodologies which may be used to establish cost-based rates. Unfortunately, Article XII D is not prescriptive and does not provide a specific methodology for establishing rates. Given that, HDR developed the District's proposed sewer rates based on generally accepted rate setting methodologies to meet the requirements of Article XIII D.

HDR is of the opinion that the proposed rates meet the legal requirements of Article XIII D. HDR reaches this conclusion based upon the following:

- **The revenue derived from sewer rates does not exceed the funds required to provide the property related service (i.e., wastewater service).** The proposed rates are designed to collect the overall revenue requirement of the District's regional sewer system.
- **The revenues derived from sewer rates shall not be used for any purpose other than that for which the fee or charge is imposed.** The revenues derived from the District's regional sewer rates are used exclusively to operate and maintain the District's regional sewer system.
- **The amount of a fee or charge imposed upon a parcel or person as an incident of property ownership shall not exceed the proportional costs of the service attributable to the parcel.** This study has focused almost exclusively on the issue of proportional assignment of costs to customer classes of service. The proposed rates have appropriately grouped customers into customer classes of service (residential, commercial, industrial, etc.) that reflect the varying volume and strength levels and system requirements (i.e., the benefits they receive from and burdens they place on the system) of each customer class of service. The grouping of customers and rates into these classes of service creates the equity and fairness expected

under Proposition 218 by having differing rates by customer classes of service which reflect both the level of revenue to be collected by the utility, and the manner in which these costs are incurred and equitably assigned to customer classes of service based upon their proportional impacts.

5.3 Overview of the Rate Adjustments by Class of Service

For this rate study the District is looking exclusively at FY 2018 to establish cost-based and equitable rates. Given the results of the revenue requirement, no changes in overall revenues are projected to prudently fund the O&M and capital needs of the system for FY 2018. However, given the development of new customer classes and rate structure for commercial and industrial customers, cost of service adjustments have been made to reflect the cost allocation to develop cost based and equitable rates for each of the customer classes of service.

As noted in Table 4-3, residential customer's revenue reasonably equals the allocation of costs. Therefore, no changes in the residential customer rates are proposed and rates will stay at the current levels for FY 2018.

Given the change in rate structure for the commercial customers, an overall adjustment is necessary to reflect the results of the cost of service study. For each commercial customer class (high-, medium-, low-strength) rate adjustments are proposed to reflect the allocation of costs based on the different strength levels as provided in Table 4-2. The cost of service analysis also showed that the institutional rate should also be adjusted to reflect the impacts they place on the system.

The industrial customer rate structure was also being reviewed as part of the study. Several customers were moved to more appropriate customer classes and the septic haulers were separated and a specific rate developed based on the impact they place on the system. As noted in Table 4-3, septic hauler revenues will decrease while overall industrial revenues will remain flat.

Provided below in Table 5-1 are the proposed regional sewer rate adjustments by customer classes of service. As noted, no change in the overall revenue levels are proposed and only interclass adjustments are proposed to reflect the results of the cost of service analysis.

**Table 5 – 1
Summary of the Regional Sewer Rate Adjustments**

Customer Classes of Service	FY 2018
Residential	0.0%
Commercial -	
High	20.3%
Medium	13.7%
Low	-16.6%
Schools/Institutional	
Schools (Submetered)	3.5%
Schools (Non-Submetered)	3.4%
Septic Hauler	-22.0%
Industrial	<u>0.0%</u>
Total	0.0%

As noted, given the change in the commercial rate structure, a comparison between present and proposed rates is challenging given the movement of customers to the proposed rate classes. For example the proposed commercial high-strength proposed rate is actually proposed to be lower than the rate currently charged to the majority of the customers in this new rate class. The difference between the cost of service results and the comparison of rates is related to how customers were reorganized and what they were previously charged and what class they fall into now. Table 5-2 shows how the current commercial customer classes line up with the new strength level customer classes.

**Table 5 – 2
% Commercial Class Changes**

	High	Med	Low
Auto Steam Cleaning	0%	0%	100%
Restaurant - Full Service	1%	96%	3%
Restaurant - Fast Food	1%	97%	1%
Grocery - Garbage Disposal	47%	13%	40%
Laundry	0%	0%	100%
Bakery	0%	22%	78%
Mortuary	0%	0%	100%
All Other	0%	5%	95%

Changes to the institutional rate class were minor with the Other Institutional class moving into the commercial customer. With only schools being left in the customer class the name was changed to schools. The structure of the school customers remain the same except an increase to bring them in line with the cost of service results. Both school customer classes are necessary

given the basis of the sewer rate being water consumption. In the District’s case, some school customers have separate irrigation meters while others don’t. Given this, the rate for those customers without separate irrigation meters is lower to reflect the higher consumption that does not enter the sewer system.

Similarly to commercial, industrial rate structure was changed significantly. The current industrial rate includes three demand components and three volume components. The District wanted to simplify the industrial rate to be compatible with their billing system. The new rate will be based on billed water consumption.

5.4 Review of the Present and Proposed Regional Sewer Rates

The District currently has a regional sewer rate schedule for residential, commercial, schools/institutional, and industrial/demand customers. As discussed above, based upon the cost of service study the regional sewer rates have been adjusted using the cost of service results, as previously shown in Table 5-1. Provided below are the present and proposed rate schedule summaries for each customer class of service.

The residential Single family and condominium customers are an annual flat rate per customer account on their property tax bill. Multi-family customers are charged a flat rate on a bi-monthly basis by per unit. The flat rate includes all water usage for the two month span. Presented below in Table 5-3 are the present and proposed regional sewer rates for residential customers.

Table 5 – 3 Summary of Residential Regional Sewer Rates		
	Present	Proposed
Bi-Monthly Base Charge - Residential		
Single Family Home	\$52.09	\$52.09
Condominium	34.65	34.65
Multi-Family	28.99	28.99

As noted previously, no changes to the residential rate level has been proposed at this time based on the results of the cost of service analysis. Single family and condominium customers are charged a flat rate per year on their property tax bill. Multi-family customers are charged a flat rate per living unit bi-monthly.

Unlike residential customers, the commercial and schools/institutional customers are charged based on their water usage. Commercial and Schools/Institutional customers are charged a rate for each 100 cubic feet of water consumption.

To develop the proposed rates for the proposed commercial high-, medium-, low-strength customers, the total allocated costs were divided by the proposed billing units, in this case, metered water consumption. The new rate structure has three ranges of wastewater strength which is the average of mg/l of BOD and TSS. These ranges are, 0 to 300 mg/l for low, 300 to 600

mg/l for medium and greater than 600 mg/l for high. Provided in Table 5-4 is a summary of the calculation to develop the proposed commercial rates.

Table 5 – 4 Calculation of the Commercial Unit Costs			
Customer Class	Allocated Costs^[1]	Metered Consumption ^[2]	Unit Costs ^[3]
High – Strength (> 600 mg/l)	\$180,435	27,224	\$6.63
Medium – Strength (300 – 600 mg/l)	1,625,555	342,343	\$4.75
Low – Strength (<300 mg/l)	1,600,518	676,007	\$2.37

[1] Allocated costs are shown in Table 4-3

[2] Metered consumption is based on District and City of Pleasanton billing records

[3] Unit costs are the allocated costs divided by metered consumption

The unit costs shown in Table 5-4 are the basis for the proposed commercial rates. For the school customers, the present rates have been adjusted based on the cost of service developed as part of this study. Septic hauler rates were developed based on the total allocated costs divided by the estimated volumes contributed by this customer class which reflects the significant strength characteristics and overall low volumes which is unlike any other customer type.

Presented below in Table 5-5 are the commercial and schools/institutional regional sewer rates.

Table 5 – 5 Summary of Commercial and Schools/Institutional Regional Sewer Rates		
	Present	Proposed
Usage (Volume) Charge – All Usage (per CCF)		
Commercial		
Low - Less than 300 mg/L	N/A	\$2.37
Medium - Greater than 300 and less than 600 mg/L	N/A	4.75
High - Greater than 600 mg/L	N/A	6.63
Schools		
Schools (Submetered)	\$2.29	\$2.37
Schools (Non-Submetered)	1.75	1.81
Septic Hauler (per Gallon)	N/A	\$0.056

The proposed commercial regional sewer rates have changed to streamline and more effectively represent customer usage characteristics. The previous rate structure had rates based on the type of business which does not necessarily reflect the customer’s wastewater strength if not placed in the appropriate customer class. For example, the majority of the commercial customers

were included in the “All Other” commercial group. After reviewing the customers, almost 50 of these customers are in the medium or high commercial strength class.

Industrial rates have been redesigned in a similar manner as commercial with three classes based on the strength of wastewater. Currently, the industrial customers are billed based on annual loading and peak loadings. Because of this, the District bases the results on testing results throughout the year, and then develops a bill, by hand, for these customers. To simplify the industrial rate structure, and bill these customers through the billing system, while still maintaining cost-based and equitable rates, a strength based rate structure was developed based on metered water consumption. For the industrial customers the strength categories were based on the ranges seen by the various customers and the costs allocated on the specific impacts the industrial customers have on the system. The proposed rates are the allocated costs, as shown in Table 4-3 divided by the annual metered water consumption. As a note, the industrial customers, and other commercial customers, will still be tested and monitored as part of the District’s practices. Provided in Table 5-6 are the industrial regional sewer rates.

Table 5 – 6 Summary of Industrial Regional Sewer Rates		
	Present	Proposed
<i>Annual Loadings</i>		
All Other	\$1,382.06	N/A
BOD	452.43	N/A
SS	224.62	N/A
Connection	15.16	N/A
<i>Peak Month Loadings</i>		
All Other	\$55,214.96	N/A
BOD	18.09	N/A
SS	8.98	N/A
Connection	15.16	N/A
A - Less than 1,000 mg/L	N/A	\$8.14
B - Greater than 1,000 and Less than 1,500 mg/L	N/A	10.23
C - Greater than 2,000 mg/L	N/A	12.33

The proposed industrial regional sewer rates are designed to be easily input and billed through the Districts billing system. The overall adjustment for industrial was designed to be revenue neutral, but individual customers may see differences depending on their strength levels and how the demand (peak loadings) component of the previous rate structure impacted the customer bill.

5.5 Future Regional Sewer Rate Adjustments

As noted, the rate (revenue) adjustment for FY 2018 is revenue neutral, in other words no proposed changes in the District’s regional sewer revenues are proposed. However, given the cost of service adjustments customers may see increases or decreases in their annual bills.

Moving forward, it is proposed that annual inflationary level adjustments are implemented. These adjustments will be based on the actual change in inflation based on regional indices. Based on the change, rates will be adjusted equally by the inflationary adjustment annually through the District’s budgeting process.

5.6 Summary of the Comprehensive Regional Sewer Rate Study

This section of the report has discussed the development and results of the comprehensive regional sewer rate study conducted for the District. The results of the comprehensive regional sewer rate study indicated that regional sewer rates are deficient for the projected ten-year time period reviewed. The implementation of as needed inflationary rate adjustments, as shown in the rate transition plan, should generate the additional revenue needed to meet the regional sewer system’s increased operating and transfer payment needs.

The proposed regional sewer rates, as proposed herein for FY 2018, are cost-based and were developed using “generally accepted” rate making methods and principles. These rates will enable the District’s regional sewer system to operate in a financially sound and prudent manner.



**Technical Appendix A –
Technical Analysis**

**DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
EXHIBIT 1
SUMMARY OF THE REGIONAL SEWER REVENUE REQUIREMENT**

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Projected		FY 2023	FY 2024	FY 2025	FY 2026
						FY 2021	FY 2022				
SOURCES OF FUNDS											
<i>Rate Revenues</i>											
DSRSD Rate Revenues	\$10,201,744	\$10,573,615	\$10,838,830	\$11,448,642	\$11,726,757	\$11,937,619	\$12,199,515	\$12,351,035	\$12,495,433	\$12,635,876	\$12,817,858
City of Pleasanton Rate Revenues	9,515,592	10,118,997	10,242,342	10,549,694	10,665,381	10,781,152	10,897,008	11,012,950	11,128,981	11,245,101	11,361,314
Miscellaneous Revenues	855,410	728,829	995,620	1,018,034	1,045,277	1,093,188	1,141,092	1,189,776	1,239,281	1,289,248	1,339,526
TOTAL SOURCES OF FUNDS	\$20,572,746	\$21,421,441	\$22,076,792	\$23,016,369	\$23,437,416	\$23,811,959	\$24,237,614	\$24,553,760	\$24,863,695	\$25,170,225	\$25,518,698
APPLICATIONS OF FUNDS											
<i>Sewer Operations</i>											
Personnel Services	\$6,588,351	\$7,389,939	\$7,121,590	\$7,452,033	\$7,815,755	\$8,366,178	\$8,904,593	\$9,328,798	\$9,782,566	\$10,268,473	\$10,789,340
Material & Supplies	2,183,903	2,055,553	2,360,963	2,421,094	2,518,793	2,620,676	2,726,932	2,837,758	2,953,359	3,073,951	3,199,761
Contract Services	473,919	644,600	998,315	980,562	1,009,979	1,040,278	1,071,487	1,103,631	1,136,740	1,170,842	1,205,968
Other Expenses	5,535,478	6,715,680	6,755,256	7,018,549	7,444,674	7,657,659	7,877,905	8,108,409	8,355,082	8,597,369	8,856,440
Total Sewer Operations Expenses	\$14,781,651	\$16,805,772	\$17,236,125	\$17,872,238	\$18,789,201	\$19,684,792	\$20,580,917	\$21,378,597	\$22,227,747	\$23,110,635	\$24,051,509
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Reserves	\$2,574,461	\$4,615,669	\$4,840,668	\$3,008,919	\$3,218,919	\$3,428,919	\$3,638,919	\$3,848,919	\$4,058,919	\$4,268,919	\$4,478,919
TOTAL REVENUE REQUIREMENTS	\$17,356,112	\$21,421,441	\$22,076,792	\$20,881,157	\$22,008,120	\$23,113,711	\$24,219,836	\$25,227,516	\$26,286,666	\$27,379,554	\$28,530,428
Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,135,213	\$1,429,296	\$698,248	\$17,778	(\$673,755)	(\$1,422,971)	(\$2,209,329)	(\$3,011,730)
Cumulative Balance as a % of Rate Revenues	-16.3%	0.0%	0.0%	-9.7%	-6.4%	-3.1%	-0.1%	2.9%	6.0%	9.3%	12.5%
Annual Balance as a % of Rate Revenues	-16.3%	19.5%	0.0%	-9.7%	3.7%	3.5%	3.1%	3.0%	3.1%	3.0%	2.9%
Less: Use of Reserves											
Enterprise Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Use of Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,135,213	\$1,429,296	\$698,248	\$17,778	(\$673,755)	(\$1,422,971)	(\$2,209,329)	(\$3,011,730)
Cumulative Net Balance as a % of Rate Revenues	-16.3%	0.0%	0.0%	-9.7%	-6.4%	-3.1%	-0.1%	2.9%	6.0%	9.3%	12.5%
Annual Net Balance as a % of Rate Revenues	-16.3%	19.5%	0.0%	-9.7%	3.7%	3.5%	3.1%	3.0%	3.1%	3.0%	2.9%
Proposed Rate Adjustment	0.0%	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Additional Revenue from Adjustment	\$0	\$0	\$0	\$439,967	\$904,642	\$1,390,571	\$1,903,896	\$2,431,742	\$2,980,513	\$3,550,759	\$4,150,582
Total Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,575,179	\$2,333,938	\$2,088,818	\$1,921,675	\$1,757,987	\$1,557,542	\$1,341,430	\$1,138,852
Additional Rate Increase Needed	-16.3%	0.0%	0.0%	-11.5%	-10.0%	-8.7%	-7.7%	-6.8%	-5.9%	-4.9%	-4.0%
Debt Service Coverage Ratio											
Before Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
After RR Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
After Proposed Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Fund Balance	\$10,817,108	\$12,858,316	\$15,110,064	\$18,105,244	\$21,069,182	\$23,998,000	\$26,969,675	\$29,987,662	\$33,015,204	\$36,036,634	\$39,065,486
Minimum Reserve Target	\$2,429,860	\$2,762,593	\$2,833,336	\$2,937,902	\$3,088,636	\$3,235,856	\$3,383,164	\$3,514,290	\$3,653,876	\$3,799,009	\$3,953,673

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
EXHIBIT 2
ESCALATION FACTORS

		Projected									
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues:											
DSRSD Customer Growth - SF	Calculated	2.46%	3.43%	3.83%	2.43%	1.80%	2.19%	1.24%	1.17%	1.12%	1.44%
DSRSD Customer Growth - MFR/Condo	Calculated	2.46%	3.43%	3.83%	2.43%	1.80%	2.19%	1.24%	1.17%	1.12%	1.44%
DSRSD Customer Growth - Commercial	Calculated	2.46%	3.43%	3.83%	2.43%	1.80%	2.19%	1.24%	1.17%	1.12%	1.44%
DSRSD Customer Growth - Institutional	Calculated	2.46%	3.43%	3.83%	2.43%	1.80%	2.19%	1.24%	1.17%	1.12%	1.44%
City of Pleasanton Customer Growth - SF	Calculated	0.92%	0.92%	0.91%	1.08%	1.07%	1.06%	1.04%	1.03%	1.02%	1.01%
City of Pleasanton Customer Growth - Condo	Calculated	0.92%	0.92%	0.91%	1.08%	1.07%	1.06%	1.04%	1.03%	1.02%	1.01%
City of Pleasanton Customer Growth - MFR	Calculated	0.92%	0.92%	0.91%	1.08%	1.07%	1.06%	1.04%	1.03%	1.02%	1.01%
City of Pleasanton Customer Growth - Commercial	Calculated	0.92%	0.92%	0.91%	1.08%	1.07%	1.06%	1.04%	1.03%	1.02%	1.01%
City of Pleasanton Customer Growth - Institutional	Calculated	0.92%	0.92%	0.91%	1.08%	1.07%	1.06%	1.04%	1.03%	1.02%	1.01%
Miscellaneous Revenues	Budget	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
CPI Adj		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Expenses:											
Labor	Budget	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Benefits - Medical	Budget	8.00%	8.00%	8.00%	8.00%	8.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Benefits - PERS/Retirement	Budget	8.00%	8.00%	8.00%	12.00%	21.50%	17.70%	10.00%	10.00%	10.00%	10.00%
Benefits - FICA/PU	Budget	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Benefits - Other	Budget	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%
Materials & Supplies	Budget	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Equipment	Budget	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
JPA Line	Budget	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Miscellaneous	Budget	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Utilities	Budget	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Customer Growth	Calculated	2.46%	3.43%	3.83%	2.43%	1.80%	2.19%	1.24%	1.17%	1.12%	1.44%
Interest Earnings:	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
New Debt Service:											
Low Interest Loans											
Term in Years	0	0	0	0	0	0	0	0	0	0	0
Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Revenue Bond											
Term in Years	20	20	20	20	20	20	20	20	20	20	20
Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	3.50%	5.00%	5.00%

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 EXHIBIT 3
 SOURCES AND APPLICATION OF FUNDS
 PROJECTED FYE16 - FYE25
 REGIONAL SEWER OPERATIONS - 300

Account Name	Projected											Notes
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
SOURCES OF FUNDS												
Regional DSRSD Rate Revenues												
<i>Residential</i>												
Single Family Home	\$4,957,513	\$5,277,281	\$5,756,577	\$6,244,414	\$6,396,106	\$6,511,116	\$6,653,961	\$6,736,605	\$6,815,364	\$6,891,965	\$6,991,223	DSRSD Customer Growth - SF
Townhouse	80,948	89,695	98,893	101,266	103,726	105,591	107,908	109,248	110,525	111,767	113,377	DSRSD Customer Growth - SF
Condominium	1,156,241	1,096,762	1,071,686	1,097,407	1,124,065	1,144,278	1,169,381	1,183,905	1,197,747	1,211,209	1,228,653	DSRSD Customer Growth - MFR/Condo
Duplex	26,253	28,190	28,164	28,840	29,540	30,071	30,731	31,113	31,476	31,830	32,289	DSRSD Customer Growth - SF
Single Family Home with 2nd Dwelling Unit	72,486	69,314	83,690	85,699	87,781	89,359	91,319	92,454	93,534	94,586	95,948	DSRSD Customer Growth - SF
Multi-Family	739,940	814,113	762,152	780,444	799,403	813,777	831,630	841,959	851,803	861,377	873,782	DSRSD Customer Growth - MFR/Condo
<i>Commercial</i>												
Auto Steam Cleaning	20,336	35,055	58,077	59,470	60,915	62,010	63,371	64,158	64,908	65,638	66,583	DSRSD Customer Growth - Commercial
Bakery	28,944	27,764	30,919	31,662	32,431	33,014	33,738	34,157	34,556	34,945	35,448	DSRSD Customer Growth - Commercial
Laundry	15,700	11,621	16,109	16,496	16,896	17,200	17,577	17,796	18,004	18,206	18,468	DSRSD Customer Growth - Commercial
Market with Garbage Disposal	128,774	122,189	131,972	135,139	138,422	140,911	144,002	145,791	147,495	149,153	151,301	DSRSD Customer Growth - Commercial
Mortuary	0	0	0	0	0	0	0	0	0	0	0	DSRSD Customer Growth - Commercial
Restaurant (fast food)	39,652	40,947	40,529	41,502	42,510	43,274	44,224	44,773	45,296	45,806	46,465	DSRSD Customer Growth - Commercial
Restaurant (full service)	386,143	394,473	408,971	418,786	428,960	436,673	446,253	451,796	457,078	462,215	468,872	DSRSD Customer Growth - Commercial
Commercial All Others	484,671	845,224	635,258	650,504	666,306	678,287	693,168	701,777	709,982	717,962	728,302	DSRSD Customer Growth - Commercial
<i>Institutional</i>												
School (submetered)	41,427	42,448	77,004	78,852	80,767	82,220	84,023	85,067	86,062	87,029	88,282	DSRSD Customer Growth - Institutional
School (non-submetered)	0	0	0	0	0	0	0	0	0	0	0	DSRSD Customer Growth - Institutional
Institutional All Others	39,694	83,827	36,293	37,164	38,067	38,751	39,602	40,093	40,562	41,018	41,609	DSRSD Customer Growth - Institutional
<i>Industrial/Demand</i>												
Bureau of Prisons (FCI)	1,145,311	997,000	854,488	874,996	896,252	912,367	932,383	943,964	955,000	965,734	979,642	DSRSD Customer Growth - Commercial
Santa Rita Jail (Alameda Cty)	837,711	597,711	748,049	766,002	784,610	798,719	816,241	826,379	836,041	845,437	857,613	DSRSD Customer Growth - Commercial
Santa Rita Jail	0	0	0	0	0	0	0	0	0	0	0	DSRSD Customer Growth - Commercial
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Total Regional Rate Revenues - DSRSD	\$10,201,744	\$10,573,615	\$10,838,830	\$11,448,642	\$11,726,757	\$11,937,619	\$12,199,515	\$12,351,035	\$12,495,433	\$12,635,876	\$12,817,858	
Regional City of Pleasanton Rate Revenues												
<i>Residential</i>												
Single Family Home	\$6,032,960	\$6,239,725	\$6,362,229	6,596,853	6,667,993	6,739,134	6,810,274	6,881,415	6,952,555	7,023,695	7,094,836	City of Pleasanton Customer Growth - SF
Condominium	309,147	376,796	376,389	385,422	389,579	393,735	397,891	402,048	406,204	410,360	414,517	City of Pleasanton Customer Growth - Condo
Multi-Family	856,828	876,861	876,146	897,173	906,848	916,523	926,198	935,873	945,549	955,224	964,899	City of Pleasanton Customer Growth - MFR
<i>Commercial -</i>												
Auto Steam Cleaning	20,577	31,507	31,489	32,245	32,593	32,941	33,288	33,636	33,984	34,331	34,679	City of Pleasanton Customer Growth - Commercial
Bakery	127,083	136,425	136,238	139,507	141,012	142,516	144,021	145,525	147,029	148,534	150,038	City of Pleasanton Customer Growth - Commercial
Laundry	3,768	3,748	3,743	3,833	3,874	3,915	3,956	3,998	4,039	4,080	4,122	City of Pleasanton Customer Growth - Commercial
Market with Garbage Disposal	55,461	57,238	57,224	58,597	59,229	59,861	60,493	61,125	61,757	62,388	63,020	City of Pleasanton Customer Growth - Commercial
Mortuary	560	636	636	651	658	665	672	679	686	693	700	City of Pleasanton Customer Growth - Commercial
Restaurant (fast food)	105,942	126,106	125,847	128,867	130,257	131,646	133,036	134,426	135,815	137,205	138,595	City of Pleasanton Customer Growth - Commercial
Restaurant (full service)	524,141	601,736	601,082	615,508	622,146	628,784	635,421	642,059	648,696	655,334	661,972	City of Pleasanton Customer Growth - Commercial
Commercial All Others	910,611	1,074,433	1,071,695	1,081,413	1,093,075	1,104,737	1,116,399	1,128,061	1,139,723	1,151,385	1,163,047	City of Pleasanton Customer Growth - Commercial
<i>Schools/Institutional</i>												
School (submetered)	50,410	68,617	67,479	70,420	71,179	71,938	72,698	73,457	74,217	74,976	75,735	City of Pleasanton Customer Growth - Institutional
School (non-submetered)	86,889	87,691	88,494	89,296	90,259	91,222	92,185	93,148	94,111	95,074	96,037	City of Pleasanton Customer Growth - Institutional
Institutional All Others	0	0	0	0	0	0	0	0	0	0	0	City of Pleasanton Customer Growth - Institutional
<i>Industrial/Demand</i>												
Industrial	209,626	203,998	106,940	109,507	110,688	111,868	113,049	114,230	115,411	116,592	117,773	City of Pleasanton Customer Growth - Commercial
Castlewood	87,947	89,875	91,673	93,506	95,376	97,284	99,229	101,214	103,238	105,303	107,409	Miscellaneous Revenues
Fairgrounds	108,150	110,313	112,519	114,770	117,065	119,406	121,794	124,230	126,715	129,249	131,834	Miscellaneous Revenues
	25,493	33,292	132,521	132,126	133,551	134,976	136,401	137,826	139,251	140,675	142,100	
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Total Regional Rate Revenues - City of Pleasanton	\$9,515,592	\$10,118,997	\$10,242,342	\$10,549,694	\$10,665,381	\$10,781,152	\$10,897,008	\$11,012,950	\$11,128,981	\$11,245,101	\$11,361,314	
Miscellaneous Revenues												
<i>Enterprise Operations</i>												
DERWA/LAVVMA Lab Fees	\$80,181	\$74,000	\$82,931	\$84,590	\$86,281	\$88,007	\$89,767	\$91,563	\$93,394	\$95,262	\$97,167	Miscellaneous Revenues
DERWA Energy Offset	364,225	389,000	418,113	409,590	417,782	426,137	434,660	443,353	452,220	461,265	470,490	Miscellaneous Revenues
Brine Zone 7/Facility Lease	93,301	16,000	99,811	99,511	101,807	103,843	105,920	108,039	110,199	112,403	114,651	Miscellaneous Revenues
DERWA Internal Filter/Backwash	31,207	18,000	32,278	33,385	34,053	34,734	35,428	36,137	36,860	37,597	38,349	Miscellaneous Revenues
IW All others(Pretreatment, Sampling, etc)	209,627	166,955	216,815	216,815	221,151	225,574	230,086	234,688	239,381	244,169	249,052	Miscellaneous Revenues
Interest	76,869	64,874	148,982	173,843	184,202	214,892	245,230	275,997	307,227	338,552	369,816	Calculated on Reserves
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Total Miscellaneous Revenues	\$855,410	\$728,829	\$995,620	\$1,018,034	\$1,045,277	\$1,093,188	\$1,141,092	\$1,189,776	\$1,239,281	\$1,289,248	\$1,339,526	
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TOTAL SOURCES OF FUNDS	\$20,572,746	\$21,421,441	\$22,076,792	\$23,016,369	\$23,437,416	\$23,811,959	\$24,237,614	\$24,553,760	\$24,863,695	\$25,170,225	\$25,518,698	

Account Name	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Projected					Notes	
						FY 2021	FY 2022	FY 2023	FY 2024	FY 2025		FY 2026
APPLICATIONS OF FUNDS												
Sewer Operations												
<i>Personnel Services</i>			Add new staff	Add new staff								
Salaries	\$4,734,453	\$5,110,862	\$359,540.61	\$372,124.53	\$5,485,536	\$5,622,674	\$5,763,241	\$5,907,322	\$6,055,005	\$6,206,380	\$6,361,540	Labor
Overtime	149,777	146,861	164,140	178,948	183,422	188,007	192,707	197,525	202,463	207,525	212,713	Labor
Shift Pay	75,712	77,983	80,518	80,518	82,531	84,594	86,709	88,877	91,099	93,376	95,710	Labor
Medical	514,274	608,973	527,804	567,361	612,750	661,770	694,859	729,602	766,082	804,386	844,605	Benefits - Medical
Retirement	1,498,768	1,607,048	1,401,500	1,484,605	1,662,757	2,020,250	2,377,834	2,615,618	2,877,180	3,164,898	3,481,387	Benefits - PERS/Retirement
Other Benefits	274,279	275,091	249,389	266,496	278,156	290,325	303,027	316,284	330,121	344,564	359,639	Benefits - Other
Staff Credits	(773,578)	(684,984)	(708,958)	(733,772)	(752,116)	(770,919)	(790,192)	(809,946)	(830,195)	(850,950)	(872,224)	Labor
Training Costs/Group Training Services	36,313	55,930	58,800	61,050	62,576	64,141	65,744	67,388	69,072	70,799	72,569	Labor
Temporary Help/Interns	59,220	160,856	158,090	158,490	162,452	166,514	170,676	174,943	179,317	183,800	188,395	Labor
Uniforms and Safety Equipment	9,200	15,649	17,389	17,789	18,322	18,872	19,438	20,021	20,622	21,241	21,878	Materials & Supplies
Memberships & Certifications	9,933	15,670	18,805	18,805	19,369	19,950	20,549	21,165	21,800	22,454	23,128	Miscellaneous
Total Personnel Services	\$6,588,351	\$7,389,939	\$7,121,590	\$7,452,033	\$7,815,755	\$8,366,178	\$8,904,593	\$9,328,798	\$9,782,566	\$10,268,473	\$10,789,340	
<i>Material & Supplies</i>												
Chemicals	\$259,724	\$396,556	\$340,946	\$351,446	\$361,989	\$372,849	\$384,035	\$395,556	\$407,422	\$419,645	\$432,234	Materials & Supplies
Equip/Fluids	61,401	56,854	87,654	68,417	70,469	72,583	74,761	77,004	79,314	81,693	84,144	Materials & Supplies
Fluid	40,604	45,000	48,410	48,410	49,862	51,358	52,899	54,486	56,120	57,804	59,533	Materials & Supplies
Fuel	34,773	85,171	54,820	54,870	56,516	58,212	59,958	61,757	63,609	65,518	67,483	Materials & Supplies
Gas & Electric	1,075,096	894,697	1,198,234	1,253,314	1,315,980	1,381,779	1,450,888	1,523,411	1,599,582	1,679,561	1,763,539	Utilities
General Supplies	639,024	535,313	584,703	598,941	616,909	635,417	654,479	674,113	694,337	715,167	736,622	Materials & Supplies
Tools	55,890	21,698	26,448	25,948	26,726	27,528	28,354	29,205	30,081	30,983	31,913	Materials & Supplies
Office Supplies	17,401	20,264	19,748	19,748	20,340	20,951	21,579	22,227	22,893	23,580	24,288	Materials & Supplies
Total Material & Supplies	\$2,183,903	\$2,055,553	\$2,360,963	\$2,421,094	\$2,518,793	\$2,620,676	\$2,726,932	\$2,837,758	\$2,953,359	\$3,073,951	\$3,199,761	
<i>Contract Services</i>												
Ins/Legal	\$12,943	\$20,000	\$20,000	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	Miscellaneous
Advertising	1,758	1,800	2,800	72,800	74,984	77,234	79,551	81,937	84,395	86,927	89,535	Miscellaneous
Professional Services	26,995	50,080	225,950	132,750	136,733	140,834	145,060	149,411	153,894	158,510	163,266	Miscellaneous
Equip/Lease Rental	8,711	15,771	36,218	36,218	37,305	38,424	39,576	40,764	41,987	43,246	44,544	Miscellaneous
Maintenance Contracts	97,925	147,392	229,493	232,885	239,871	247,067	254,479	262,114	269,977	278,076	286,419	Miscellaneous
Monitoring & Testing Services	34,847	93,360	82,500	83,500	86,005	88,585	91,243	93,980	96,799	99,703	102,694	Miscellaneous
Other Services	274,443	295,394	373,491	374,226	385,453	397,016	408,927	421,195	433,830	446,845	460,251	Miscellaneous
Printing/Phone	1,341	5,400	14,081	14,381	14,812	15,256	15,714	16,185	16,671	17,171	17,686	Miscellaneous
Telephone Services	14,957	15,402	13,783	13,803	14,217	14,643	15,083	15,535	16,001	16,481	16,976	Miscellaneous
Total Contract Services	\$473,919	\$644,600	\$998,315	\$980,562	\$1,009,979	\$1,040,278	\$1,071,487	\$1,103,631	\$1,136,740	\$1,170,842	\$1,205,968	
<i>Other Expenses</i>												
Meetings + 5th Suppl Agreement	\$4,924	\$6,015	\$6,770	\$6,770	\$6,973	\$7,182	\$7,398	\$7,620	\$7,848	\$8,084	\$8,326	Miscellaneous
Permits, Licenses & District Membership	155,820	171,945	180,567	180,567	185,984	191,564	197,310	203,230	209,327	215,606	222,075	Miscellaneous
Subscriptions & Publications	1,083	950	1,350	1,350	1,391	1,432	1,475	1,519	1,565	1,612	1,660	Miscellaneous
Overhead Charges	2,079,973	2,916,136	2,945,935	3,209,228	3,289,459	3,371,695	3,455,988	3,542,387	3,630,947	3,721,721	3,814,764	Labor
Contribution to JPA's - O&M	1,830,064	2,156,609	2,156,609	2,156,609	2,496,544	2,621,372	2,752,440	2,890,062	3,034,565	3,186,294	3,345,608	JPA Line
Contribution to JPA's - Debt	1,463,614	1,464,025	1,464,025	1,464,025	1,464,323	1,464,414	1,463,294	1,463,591	1,470,830	1,464,053	1,464,007	JPA Line
Total Other Expenses	\$5,535,478	\$6,715,680	\$6,755,256	\$7,018,549	\$7,444,674	\$7,657,659	\$7,877,905	\$8,108,409	\$8,355,082	\$8,597,369	\$8,856,440	
Total Sewer Operations Expenses	\$14,781,651	\$16,805,772	\$17,236,125	\$17,872,238	\$18,789,201	\$19,684,792	\$20,580,917	\$21,378,597	\$22,227,747	\$23,110,635	\$24,051,509	

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 EXHIBIT 3
 SOURCES AND APPLICATION OF FUNDS
 PROJECTED FYE16 - FYE25
 REGIONAL SEWER OPERATIONS - 300

Account Name	Projected											Notes
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Debt Service												
Sewer Operations Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Reserves												
Enterprise Fund (increase Buy-In revenue)	\$0	\$2,041,208	\$2,251,749	\$420,000	\$630,000	\$840,000	\$1,050,000	\$1,260,000	\$1,470,000	\$1,680,000	\$1,890,000	\$1,890,000
Expansion Fund	0	0	88,919	88,919	88,919	88,919	88,919	88,919	88,919	88,919	88,919	88,919
Replacement Fund	2,574,461	2,574,461	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Transfer to Reserves	\$2,574,461	\$4,615,669	\$4,840,668	\$3,008,919	\$3,218,919	\$3,428,919	\$3,638,919	\$3,848,919	\$4,058,919	\$4,268,919	\$4,478,919	\$4,478,919
TOTAL REVENUE REQUIREMENTS	\$17,356,112	\$21,421,441	\$22,076,792	\$20,881,157	\$22,008,120	\$23,113,711	\$24,219,836	\$25,227,516	\$26,286,666	\$27,379,554	\$28,530,428	
Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,135,213	\$1,429,296	\$698,248	\$17,778	(\$673,755)	(\$1,422,971)	(\$2,209,329)	(\$3,011,730)	
Cumulative Balance as a % of Rate Revenues	-16.3%	0.0%	0.0%	-9.7%	-6.4%	-3.1%	-0.1%	2.9%	6.0%	9.3%	12.5%	
Annual Balance as a % of Rate Revenues	-16.3%	19.5%	0.0%	-9.7%	3.7%	3.5%	3.1%	3.0%	3.1%	3.0%	2.9%	
Less: Use of Reserves												
Enterprise Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Use of Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,135,213	\$1,429,296	\$698,248	\$17,778	(\$673,755)	(\$1,422,971)	(\$2,209,329)	(\$3,011,730)	
Cumulative Net Balance as a % of Rate Revenues	-16.3%	0.0%	0.0%	-9.7%	-6.4%	-3.1%	-0.1%	2.9%	6.0%	9.3%	12.5%	
Annual Net Balance as a % of Rate Revenues	-16.3%	19.5%	0.0%	-9.7%	3.7%	3.5%	3.1%	3.0%	3.1%	3.0%	2.9%	
Proposed Rate Adjustment	0.0%	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Additional Revenue from Adjustment	\$0	\$0	\$0	\$439,967	\$904,642.40	\$1,390,571	\$1,903,896	\$2,431,742	\$2,980,513	\$3,550,759	\$4,150,582	
Total Balance/(Deficiency) of Funds	\$3,216,634	\$0	\$0	\$2,575,179	\$2,333,938	\$2,088,818	\$1,921,675	\$1,757,987	\$1,557,542	\$1,341,430	\$1,138,852	
Additional Rate Increase Needed	-16.3%	0.0%	0.0%	-11.5%	-10.0%	-8.7%	-7.7%	-6.8%	-5.9%	-4.9%	-4.0%	
Average Residential Bi-Monthly Impact	\$52.09											
After Rate Adjustment Required		\$52.09	\$52.09	\$53.13	\$54.19	\$55.28	\$56.38	\$57.51	\$58.66	\$59.84	\$61.03	
Bi-Monthly \$ Change		\$0.00	\$0.00	\$1.04	\$1.06	\$1.08	\$1.11	\$1.13	\$1.15	\$1.17	\$1.20	
After Proposed Rate Adjustment		\$52.09	\$52.09	\$53.13	\$54.19	\$55.28	\$56.38	\$57.51	\$58.66	\$59.84	\$61.03	
Bi-Monthly \$ Change		\$0.00	\$0.00	\$1.04	\$1.06	\$1.08	\$1.11	\$1.13	\$1.15	\$1.17	\$1.20	
Debt Service Coverage Ratio												
Before Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
After RR Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
After Proposed Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sewer Enterprise Fund - 300												
Beginning Cash Reserve Balance	\$7,600,474	\$10,817,108	\$12,858,316	\$15,110,064	\$18,105,244	\$21,069,182	\$23,998,000	\$26,969,675	\$29,987,662	\$33,015,204	\$36,036,634	
Plus: To Operating Reserves	0	2,041,208	2,251,749	420,000	630,000	840,000	1,050,000	1,260,000	1,470,000	1,680,000	1,890,000	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	
Total Balance/(Deficiency) of Funds	3,216,634	0	0	2,575,179	2,333,938	2,088,818	1,921,675	1,757,987	1,557,542	1,341,430	1,138,852	
Ending Balance	\$10,817,108	\$12,858,316	\$15,110,064	\$18,105,244	\$21,069,182	\$23,998,000	\$26,969,675	\$29,987,662	\$33,015,204	\$36,036,634	\$39,065,486	
Minimum reserve = 60 days of annual O&M	\$2,429,860	\$2,762,593	\$2,833,336	\$2,937,902	\$3,088,636	\$3,235,856	\$3,383,164	\$3,514,290	\$3,653,876	\$3,799,009	\$3,953,673	

Notes:

- [1] Interest Income Calculated on Enterprise Funds Prior proposed rate adjustments.
- [2] Transfer for Replacement Fund Capital Projects, per ENGR's Replacement model

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 5
 DEVELOPMENT OF VOLUME
 ALLOCATION FACTOR - HML SCENARIO

	Volume Allocation										
	Projected FY18 Annual Water Flow (CCF)	Winter Water Factor	Annual Sewer Flow (CCF)	2.5% Inflow and Infiltration	Total Annual Flow at Plant (CCF)	Avg. Daily Flow At Plant (MGD)	Combined % of Total	DSRSD % of Total	Pleasanton % of Total	Revised Ave Daily Flow (MGD)	Allocation of Capacity based on build out
DSRSD											
<i>Residential</i>											
Single Family Home	1,899,388	67.00%	1,272,590	31,815	1,304,405	2.67	21.6%	56.9%		2.67	21.5942%
Condominium	262,740	91.00%	239,093	5,977	245,070	0.50	4.1%	10.7%		0.50	4.0571%
Multi-Family	215,212	77.00%	165,713	4,143	169,856	0.35	2.8%	7.4%		0.35	2.8119%
<i>Commercial</i>											
High	23,992	95.63%	22,943	574	23,517	0.05	0.4%	1.0%		0.05	0.3893%
Medium	175,188	83.72%	146,666	3,667	150,333	0.31	2.5%	6.6%		0.31	2.4887%
Low	212,907	76.06%	161,940	4,049	165,989	0.34	2.7%	7.2%		0.34	2.7479%
<i>Institutional</i>											
School (submetered)	33,626	83.00%	27,910	698	28,607	0.06	0.5%	1.2%		0.06	0.4736%
School (non-submetered)	0	63.70%	0	0	0	0.00	0.0%	0.0%		0.00	0.0000%
<i>Industrial</i>											
Bureau of Prisons	NA	NA	97,159	2,429	99,588	0.20	1.6%	4.3%		0.20	1.6487%
Santa Rita Jail	NA	NA	104,366	2,609	106,975	0.22	1.8%	4.7%		0.22	1.7710%
Demand	NA	NA	0	0	0	0.00	0.0%	0.0%		0.00	0.0000%
Subtotal - DSRSD	2,823,053		2,238,381	55,960	2,294,341	4.70	38.0%	100.0%		4.70	37.9825%
Pleasanton											
<i>Residential</i>											
Single Family Home	4,008,153	63.00%	2,525,136	63,128	2,588,265	5.30	42.8%		69.1%	5.30	42.8483%
Condominium	238,092	91.00%	216,664	5,417	222,080	0.46	3.7%		5.9%	0.46	3.6765%
Multi-Family	494,433	77.00%	380,714	9,518	390,231	0.80	6.5%		10.4%	0.80	6.4602%
<i>Commercial</i>											
High	3,232	72.07%	2,329	58	2,387	0.00	0.0%		0.1%	0.00	0.0395%
Medium	167,155	78.36%	130,977	3,274	134,252	0.28	2.2%		3.6%	0.28	2.2225%
Low	463,100	70.02%	324,271	8,107	332,378	0.68	5.5%		8.9%	0.68	5.5025%
<i>Institutional</i>											
School (submetered)	29,467	83.00%	24,457	611	25,069	0.05	0.4%		0.2%	0.05	0.4150%
School (non-submetered)	50,568	63.70%	32,212	805	33,017	0.07	0.5%		0.2%	0.07	0.5466%
Septic Hauler	295	100.00%	295	7	303	0.00	0.0%		0.0%	0.00	0.0050%
<i>Industrial</i>											
Clorox	NA	NA	5,969	149	6,119	0.01	0.1%		0.2%	0.01	0.1013%
Roche Molecular Systems	NA	NA	6,206	155	6,362	0.01	0.1%		0.2%	0.01	0.1053%
Thermo Fisher Scientific	NA	NA	5,582	140	5,721	0.01	0.1%		0.2%	0.01	0.0947%
Subtotal - Pleasanton	5,454,495		3,654,813	91,370	3,746,184	7.68	62.0%		98.8%	7.68	62.0175%
Combined Total	8,277,547		5,893,194	147,330	6,040,524	12.38	100.0%	100.0%	98.8%	12.38	100.0%

**DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
SEWER EXHIBIT 6
DEVELOPMENT OF ACTUAL CUSTOMER
ALLOCATION FACTORS - HML SCENARIO**

	Actual Customer			
	Number of Accounts	Combined % of Total	DSRSD % of Total	Pleasanton % of Total
DSRSD				
Single Family Home	19,169	33.29%	65.5%	
Condominium	5,155	8.95%	17.6%	
Multi-Family	4,382	7.61%	15.0%	
<i>Commercial</i>				
High	9	0.02%	0.0%	
Medium	133	0.23%	0.5%	
Low	395	0.69%	1.3%	
<i>Institutional</i>				
School (submetered)	37	0.06%	0.1%	
School (non-submetered)	0	0.00%	0.0%	
<i>Industrial</i>				
Bureau of Prisons	1	0.00%	0.0%	
Santa Rita Jail	1	0.00%	0.0%	
Demand	0	0.00%	0.0%	
	-----	-----	-----	
Subtotal - DSRSD	29,282	50.85%	100.0%	
Pleasanton				
Single Family Home	20,559	35.70%		72.6%
Condominium	1,810	3.14%		6.4%
Multi-Family	5,037	8.75%		17.8%
<i>Commercial</i>				
High	2	0.00%		0.0%
Medium	158	0.27%		0.6%
Low	721	1.25%		2.5%
<i>Institutional</i>				
School (submetered)	12	0.02%		0.0%
School (non-submetered)	4	0.01%		0.0%
Septic Hauler	1	0.00%		0.0%
<i>Industrial</i>				
Clorox	1	0.00%		0.0%
Roche Molecular Systems	1	0.00%		0.0%
Thermo Fisher Scientific	1	0.00%		0.0%
	-----	-----		-----
Subtotal - Pleasanton	28,307	49.15%		100.0%
Combined Total	57,589	100.0%	100.0%	100.0%
Allocation Factor		(AC - 1)	(AC - 2)	(AC - 3)

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 7
 DEVELOPMENT OF CUSTOMER SERVICE AND
 ACCOUNTING ALLOCATION FACTORS - HML SCENARIO

	Customer Service & Accounting				DSRSD % of Total	Pleasanton % of Total
	Number of Bills	Weighting Factor	Weighted Customer	Combined % of Total		
DSRSD						
Single Family Home	19,169	1.0	19,169	32.4%	64.2%	
Condominium	5,155	1.0	5,155	8.7%	17.3%	
Multi-Family	4,382	1.0	4,382	7.4%	14.7%	
<i>Commercial</i>						
High	9	2.0	18	0.0%	0.1%	
Medium	133	2.0	266	0.5%	0.9%	
Low	395	2.0	790	1.3%	2.6%	
<i>Institutional</i>						
School (submetered)	37	2.0	74	0.1%	0.2%	
School (non-submetered)	0	2.0	0	0.0%	0.0%	
<i>Industrial</i>						
Bureau of Prisons	1	5.0	5	0.0%	0.0%	
Santa Rita Jail	1	5.0	5	0.0%	0.0%	
Demand	0	5.0	0	0.0%	0.0%	
	-----		-----	-----	-----	
Subtotal - DSRSD	29,282		29,864	50.5%	100.0%	
Pleasanton						
Single Family Home	20,559	1.0	20,559	34.8%		70.4%
Condominium	1,810	1.0	1,810	3.1%		6.2%
Multi-Family	5,037	1.0	5,037	8.5%		17.2%
<i>Commercial</i>						
High	2	2.0	4	0.0%		0.0%
Medium	158	2.0	316	0.5%		1.1%
Low	721	2.0	1,442	2.4%		4.9%
<i>Institutional</i>						
School (submetered)	12	2.0	24	0.0%		0.1%
School (non-submetered)	4	2.0	8	0.0%		0.0%
Septic Hauler	1	5.0	5	0.0%		0.0%
<i>Industrial</i>						
Clorox	1	5.0	5	0.0%		0.0%
Roche Molecular Systems	1	5.0	5	0.0%		0.0%
Thermo Fisher Scientific	1	5.0	5	0.0%		0.0%
	-----		-----	-----		-----
Subtotal - Pleasanton	28,307		29,220	49.5%		100.0%
Combined Total	57,589		59,084	100.0%	100.0%	100.0%

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 8.1
 DEVELOPMENT OF STRENGTH
 ALLOCATION FACTORS - BOD - HML SCENARIO

	Annual Flow (CCF)	Avg. Factor [1] (mg/l)	Calculated Pounds	BOD		
				Combined % of Total	DSRSD % of Total	Pleasanton % of Total
DSRSD						
Single Family Home	1,304,405	285	2,320,519	18.9%	44.4%	
Condominium	245,070	285	435,977	3.6%	8.3%	
Multi-Family	169,856	285	302,172	2.5%	5.8%	
<i>Commercial</i>						
High	23,517	800	117,435	1.0%	2.2%	
Medium	150,333	600	563,032	4.6%	10.8%	
Low	165,989	300	310,833	2.5%	6.0%	
<i>Institutional</i>						
School (submetered)	28,607	285	50,892	0.4%	1.0%	
School (non-submetered)	0	285	0	0.0%	0.0%	
<i>Industrial</i>						
Bureau of Prisons	99,588	1,167	725,349	5.9%	13.9%	
Santa Rita Jail	106,975	595	397,212	3.2%	7.6%	
Demand	0	0	0	0.0%	0.0%	
Subtotal - DSRSD	2,294,341		5,223,423	42.6%	100.0%	
Pleasanton						
Single Family Home	2,588,265	285	4,604,489	37.6%		65.5%
Condominium	222,080	285	395,078	3.2%		5.6%
Multi-Family	390,231	285	694,217	5.7%		9.9%
<i>Commercial</i>						
High	2,387	800	11,922	0.1%		0.2%
Medium	134,252	600	502,805	4.1%		7.2%
Low	332,378	300	622,417	5.1%		8.9%
<i>Institutional</i>						
School (submetered)	25,069	285	44,597	0.4%		0.6%
School (non-submetered)	33,017	285	58,737	0.5%		0.8%
Septic Hauler	303	5,684	10,745	0.1%		0.2%
<i>Industrial</i>						
Clorox	6,119	269	10,269	0.1%		
Roche Molecular Systems	6,362	555	22,021	0.2%		0.3%
Thermo Fisher Scientific	5,721	1,371	48,955	0.4%		0.7%
Subtotal - Pleasanton	3,746,184		7,026,251	57.4%		99.9%
Combined Total	6,040,524		12,249,674	100.0%	100.0%	99.9%
Allocation Factor				(BOD - 1)	(BOD - 2)	(BOD - 3)

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 8.2
 DEVELOPMENT OF STRENGTH
 ALLOCATION FACTORS - SS - HML SCENARIO

	Annual Flow (CCF)	Avg. Factor [1] (mg/l)	Calculated Pounds	SS		
				Combined % of Total	DSRSD % of Total	Pleasanton % of Total
DSRSD						
Single Family Home	1,304,405	255	2,076,254	17.5%	38.2%	
Condominium	245,070	255	390,085	3.3%	7.2%	
Multi-Family	169,856	255	270,364	2.3%	5.0%	
<i>Commercial</i>						
High	23,517	800	117,435	1.0%	2.2%	
Medium	150,333	600	563,032	4.8%	10.4%	
Low	165,989	300	310,833	2.6%	5.7%	
School (submetered)	28,607	255	45,535	0.4%	0.8%	
School (non-submetered)	0	255	0	0.0%	0.0%	
<i>Industrial</i>						
Bureau of Prisons	99,588	1,776	1,104,222	9.3%	20.3%	
Santa Rita Jail	106,975	833	556,478	4.7%	10.2%	
Demand	0	0	0	0.0%	0.0%	
Subtotal - DSRSD	2,294,341		5,434,239	45.9%	100.0%	
Pleasanton						
Single Family Home	2,588,265	255	4,119,806	34.8%		64.3%
Condominium	222,080	255	353,491	3.0%		5.5%
Multi-Family	390,231	255	621,141	5.2%		9.7%
<i>Commercial</i>						
High	2,387	800	11,922	0.1%		0.2%
Medium	134,252	600	502,805	4.2%		7.8%
Low	332,378	300	622,417	5.3%		9.7%
<i>Institutional</i>						
School (submetered)	25,069	255	39,903	0.3%		0.6%
School (non-submetered)	33,017	255	52,554	0.4%		0.8%
Septic Hauler	303	5,436	10,276	0.1%		0.2%
<i>Industrial</i>						
Clorox	6,119	463	17,693	0.1%		0.3%
Roche Molecular Systems	6,362	879	34,896	0.3%		0.5%
Thermo Fisher Scientific	5,721	693	24,758	0.2%		0.4%
Subtotal - Pleasanton	3,746,184		6,411,662	54.1%		100.0%
Combined Total	6,040,524		11,845,901	100.0%	100.0%	100.0%
Allocation Factor			8,256,532	(SS - 1)	(SS - 2)	(SS - 3)

**DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
SEWER EXHIBIT 9
DEVELOPMENT OF REVENUE RELATED
ALLOCATION FACTOR - DSRSD - HML SCENARIO**

	Projected Revenue FY 2018	Combined % of Total	DSRSD % of Total	Pleasanton % of Total
DSRSD				
<i>Residential</i>				
Single Family Home	\$5,967,323	28.3%	55.1%	
Condominium	1,071,686	5.1%	9.9%	
Multi-Family	762,152	3.6%	7.0%	
<i>Commercial</i>				
High	136,602	0.6%	1.3%	
Medium	603,126	2.9%	5.6%	
Low	618,400	2.9%	5.7%	
<i>Institutional</i>				
School (submetered)	77,004	0.4%	0.7%	
School (non-submetered)	0	0.0%	0.0%	
<i>Industrial</i>				
Bureau of Prisons	854,488	4.1%	7.9%	
Santa Rita Jail	748,049	3.5%	6.9%	
	-----	-----	-----	
Subtotal - DSRSD	10,838,830	51.4%	100.0%	
Pleasanton				
<i>Residential</i>				
Single Family Home	\$6,453,901	30.6%		63.0%
Condominium	\$376,389	1.8%		3.7%
Multi-Family	\$876,146	4.2%		8.6%
<i>Commercial</i>				
High	13,372	0.1%		0.1%
Medium	826,961	3.9%		8.1%
Low	1,300,140	6.2%		12.7%
<i>Institutional</i>				
School (submetered)	67,479	0.3%		0.7%
School (non-submetered)	88,494	0.4%		0.9%
<i>Septic Hauler</i>	13,688	0.1%		0.1%
<i>Industrial</i>				
Clorox	44,297	0.2%		0.4%
Roche Molecular Systems	116,604	0.6%		1.1%
Thermo Fisher Scientific	64,873	0.3%		0.6%
	-----	-----		-----
Subtotal - Pleasanton	10,242,342	48.6%		100.0%
Combined Total	21,081,172	100.0%	100.0%	100.0%
Allocation Factor		(RR - 1)	(RR - 2)	(RR - 3)

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 10
 FUNCTIONALIZATION AND CLASSIFICATION
 OF EXPENSES - HML SCENARIO

Account Name	FY 2018	Operating Volume (VOL - 1)	Strength Related		Weighted for:		Revenue (RR - 1)	Direct (DA)	Basis of Classification	
			Bio-oxygen Demand (VOL - 2)	Suspended Solids (SS - 1)	Actual Customer (AC - 1)	Customer Acct/Svcs (WCA - 1)				
APPLICATIONS OF FUNDS										
Sewer Operations										
<i>Personnel Services</i>										
Salaries	\$5,154,113	\$2,377,502	\$0	\$986,888	\$1,121,463	\$0	\$0	\$0	\$668,260	53.0% VOL 22.0% BOD 25.0% SS
Overtime	164,140	85,351	0	35,429	40,260	0	0	0	3,100	53.0% VOL 22.0% BOD 25.0% SS
Shift Pay	80,518	42,674	0	17,714	20,129	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Medical	527,804	247,192	0	102,608	116,600	0	0	0	61,404	53.0% VOL 22.0% BOD 25.0% SS
Retirement	1,401,500	629,482	0	261,294	296,925	0	0	0	213,799	53.0% VOL 22.0% BOD 25.0% SS
Other Benefits	249,389	109,137	0	45,302	51,480	0	0	0	43,471	53.0% VOL 22.0% BOD 25.0% SS
Staff Credits	(708,958)	(375,748)	0	(155,971)	(177,239)	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Travel and Training	58,800	29,680	0	12,320	14,000	0	0	0	2,800	53.0% VOL 22.0% BOD 25.0% SS
Temporary Help	158,090	83,788	0	34,780	39,523	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Uniforms and Safety Equipment	17,389	8,448	0	3,507	3,985	0	0	0	1,450	53.0% VOL 22.0% BOD 25.0% SS
Memberships & Certifications	18,805	8,626	0	3,581	4,069	0	0	0	2,530	53.0% VOL 22.0% BOD 25.0% SS
Total Personnel Services	\$7,121,590	\$3,246,131	\$0	\$1,347,451	\$1,531,194	\$0	\$0	\$0	\$996,814	
		45.6%		18.9%	21.5%					
<i>Material & Supplies</i>										
Chemicals	\$340,946	\$266,997	\$0	\$25,890	\$22,079	\$0	\$0	\$0	\$25,980	84.8% VOL 8.2% BOD 7.0% SS
Equip/Fluids	87,654	31,794	0	7,185	40,945	0	0	0	7,730	39.8% VOL 9.0% BOD 51.2% SS
Fluid	48,410	25,657	0	10,650	12,103	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Fuel	54,820	29,055	0	12,060	13,705	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Gas & Electric	1,198,234	539,205	0	479,294	179,735	0	0	0	0	45.0% VOL 40.0% BOD 15.0% SS
General Supplies	584,703	209,560	0	137,868	204,045	0	0	0	33,230	38.0% VOL 25.0% BOD 37.0% SS
Tools	26,448	14,017	0	5,819	6,612	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Office Supplies	19,748	10,466	0	4,345	4,937	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Total Materials & Supplies	\$2,360,963	\$1,126,751	\$0	\$683,111	\$484,161	\$0	\$0	\$0	\$66,940	
		47.7%		28.9%	20.5%					
<i>Contract Services</i>										
Ins/Legal	\$20,000	\$10,600	\$0	\$4,400	\$5,000	\$0	\$0	\$0	\$0	53.0% VOL 22.0% BOD 25.0% SS
Advertising	2,800	1,484	0	616	700	0	0	0	0	53.0% VOL 22.0% BOD 25.0% SS
Professional Services	225,950	0	0	134,214	91,736	0	0	0	0	0.0% VOL 59.4% BOD 40.6% SS
Equip/Lease Rental	36,218	18,701	0	7,763	8,821	0	0	0	933	53.0% VOL 22.0% BOD 25.0% SS
Maintenance Contracts	229,493	50,278	0	39,804	119,411	0	0	0	20,000	24.0% VOL 19.0% BOD 57.0% SS
Monitoring & Testing Services	82,500	939	0	4,226	6,574	0	0	0	70,760	8.0% VOL 36.0% BOD 56.0% SS
Other Services	373,491	236,634	0	51,764	81,343	0	0	0	3,750	64.0% VOL 14.0% BOD 22.0% SS
Printing/Phone	14,081	7,357	0	3,054	3,470	0	0	0	200	53.0% VOL 22.0% BOD 25.0% SS
Telephone Services	13,783	6,536	0	2,713	3,083	0	0	0	1,450	53.0% VOL 22.0% BOD 25.0% SS
Total Contract Services	\$998,315	\$332,530	\$0	\$248,554	\$320,139	\$0	\$0	\$0	\$97,093	

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
SEWER EXHIBIT 10
FUNCTIONALIZATION AND CLASSIFICATION
OF EXPENSES - HML SCENARIO

Account Name	FY 2018	Strength Related				Weighted for:		Revenue	Direct	Basis of Classification
		Operating Volume	Bio-oxygen Demand	Suspended Solids	Actual Customer	Customer Acct/Svcs				
		(VOL - 1)	(VOL - 2)	(BOD - 1)	(SS - 1)	(AC - 1)	(WCA - 1)	(RR - 1)	(DA)	
<i>Other Expenses</i>		33.3%		24.9%	32.1%					
Meetings + 5th Suppl Agreement	\$6,770	\$3,111	\$0	\$1,291	\$1,468	\$0	\$0	\$0	\$900	53.0% VOL 22.0% BOD 25.0% SS
Permits, Licenses & District Membership	180,567	94,111	0	39,065	44,392	0	0	0	3,000	53.0% VOL 22.0% BOD 25.0% SS
Subscriptions & Publications	1,350	583	0	242	275	0	0	0	250	53.0% VOL 22.0% BOD 25.0% SS
Overhead Charges	2,945,935	1,176,171	0	569,691	583,783	114,008	502,282	0	0	3.9% AC 17.1% WCA As Above Exp.
Contribution to JPA's - O&M	2,156,609	2,156,609	0	0	0	0	0	0	0	100.0% VOL
Contribution to JPA's - Debt	1,464,025	0	1,464,025	0	0	0	0	0	0	0.0% VOL 100.0% VOLII
<i>Total Other Expenses</i>	<i>\$6,755,256</i>	<i>\$3,430,585</i>	<i>\$1,464,025</i>	<i>\$610,289</i>	<i>\$629,917</i>	<i>\$114,008</i>	<i>\$502,282</i>	<i>\$0</i>	<i>\$4,150</i>	
Total Sewer Operations Expenses	\$17,236,125	\$8,135,997	\$1,464,025	\$2,889,404	\$2,965,411	\$114,008	\$502,282	\$0	\$1,164,997	
Debt Service		47.2%	8.5%	16.8%	17.2%	0.7%	2.9%	0.0%	6.8%	
Sewer Operations Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0% Factor-2
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Transfer to Reserves										
Enterprise Fund (increase Buy-In revenue)	\$2,251,749	1,047,063	0	734,070	470,615	0	0	0	0	46.5% VOL 32.6% BOD 20.9% SS 0.0% AC
Expansion Fund	88,919	41,347	0	28,988	18,584	0	0	0	0	46.5% VOL 32.6% BOD 20.9% SS 0.0% AC
Replacement Fund	2,500,000	1,162,500	0	815,000	522,500	0	0	0	0	46.5% VOLII 32.6% BOD 20.9% SS 0.0% AC
Total Transfer to Reserves	\$4,840,668	\$2,250,910	\$0	\$1,578,058	\$1,011,700	\$0	\$0	\$0	\$0	
TOTAL REVENUE REQUIREMENTS	\$22,076,792	\$10,386,908	\$1,464,025	\$4,467,462	\$3,977,110	\$114,008	\$502,282	\$0	\$1,164,997	
Less: Miscellaneous Revenue		47.0%	6.6%	20.2%	18.0%	0.5%	2.3%	0.0%	5.3%	
<i>Enterprise Operations</i>										
Sewer Main TV Inspections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Total Revenue Requirements
Pretreatment Charges	0	0	0	0	0	0	0	0	0	As Total Revenue Requirements
Inspection Fees	0	0	0	0	0	0	0	0	0	As Total Revenue Requirements
Annexation Fee	0	0	0	0	0	0	0	0	0	As Total Revenue Requirements
DERWA/LAVWMA Lab Fees	82,931	0	0	0	0	0	0	0	82,931	As Direct Assignment
DERWA Energy Offset	418,113	196,718	27,727	84,609	75,323	2,159	9,513	0	22,064	As Total Revenue Requirements
Brine Zone 7/Facility Lease	96,501	45,403	6,399	19,528	17,385	498	2,196	0	5,092	As Total Revenue Requirements
DERWA Internal Filter/Backwash	32,278	15,186	2,141	6,532	5,815	167	734	0	1,703	As Total Revenue Requirements
IW All others(Pretreatment, Sampling, etc)	216,815	0	0	0	0	0	0	0	216,815	As Direct Assignment
Interest	148,982	70,095	9,880	30,148	26,839	769	3,390	0	7,862	As Total Revenue Requirements
Total Miscellaneous Revenues	\$995,620	\$327,402	\$46,147	\$140,817	\$125,361	\$3,594	\$15,832	\$0	\$336,467	
Less: Use of Reserves										
Enterprise Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Total Revenue Requirements
Total Use of Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
NET REVENUE REQUIREMENTS	\$21,081,172	\$10,059,506	\$1,417,879	\$4,326,645	\$3,851,750	\$110,414	\$486,450	\$0	\$828,529	

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 12
 ALLOCATION OF TOTAL REVENUE REQUIREMENTS - HML SCENARIO

Customer Classification	Total Revenue Requirement	Volume Related	Volume II Related	Strength Related		Customer Related		Revenue Related	Direct Assignment
				Bio-Oxygen Demand	Suspended Solids	Actual Customer	Weighted Customer		
Residential	\$15,555,445	\$8,193,302	\$1,154,839	\$3,091,409	\$2,546,332	\$107,582	\$461,981	\$0	\$0
Commercial									
High	\$180,430	\$43,139	\$6,080	\$45,690	\$42,061	\$21	\$181	\$0	\$43,257
Medium	1,625,519	473,929	66,800	376,459	346,562	558	4,794	0	356,417
Low	1,600,522	829,948	116,981	329,629	303,451	2,139	18,374	0	0
Subtotal Commercial	\$3,406,471	\$1,347,017	\$189,861	\$751,777	\$692,074	\$2,719	\$23,349	\$0	\$399,674
Institutional									
School (submetered)	\$164,397	\$89,389	\$12,599	\$33,727	\$27,780	\$94	\$807	0	\$0
School (non-submetered)	100,642.55	54,985	7,750	20,746	17,088	8	66	0	0
Subtotal Schools	\$265,039	\$144,374	\$20,349	\$54,473	\$44,869	\$102	\$873	\$0	\$0
Septic Hauler	\$10,681	\$504	\$71	\$3,795	\$3,341	\$2	\$41	\$0	\$2,926
Industrial	\$1,827,144	\$374,309	\$52,758	\$425,190	\$565,134	\$10	\$206	\$0	\$409,537
Fats Oils and Grease	\$16,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,392
Combined Total	\$21,081,172	\$10,059,506	\$1,417,879	\$4,326,645	\$3,851,750	\$110,414	\$486,450	\$0	\$828,529

**DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
SEWER EXHIBIT 13
COST OF SERVICE ANALYSIS SUMMARY - HML SCENARIO**

Customer Classification	Revenues at Present Rates	Allocated Revenue Requirement	Balance/ (Deficiency) of Funds	% Change in Revenue
Residential	\$15,507,597	\$15,555,445	(\$47,847)	0.3%
Commercial				
High	\$149,973	\$180,430	(\$30,457)	20.3%
Medium	1,430,087	1,625,519	(195,432)	13.7%
Low	1,918,540	1,600,522	318,018	-16.6%
	-----	-----	-----	-----
Subtotal Commercial	\$3,498,600	\$3,406,471	\$92,129	-2.6%
Institutional				
School (submetered)	\$144,483	\$164,397	(\$19,914)	13.8%
School (non-submetered)	88,494	100,643	(12,149)	13.7%
	-----	-----	-----	-----
Subtotal Institutional	\$232,976	\$265,039	(\$32,063)	13.8%
Septic Hauler (per Gallon)	13,688	10,681	\$3,007	-22.0%
Industrial	\$1,828,310	\$1,827,144	\$1,167	-0.1%
Fats Oils and Grease	\$0	\$16,392	(\$16,392)	
2018 Total	\$21,081,172	\$21,081,172	\$0	0.0%

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 14
 AVERAGE UNIT COSTS SUMMARY - HML SCENARIO

	Revenue Requirements				Total \$/100 CF	Customer Costs \$/Cust./Month	Total Average Cost \$/CCF	Current Average Revenue \$/CCF	FOG Per Inspection	Basic Data		
	Volume Costs \$/100 CF	Bio-Oxygen Demand \$/100 CF	Suspended Solids \$/100 CF	Revenue/ Direct \$/100 CF						Annual Flow (CCF)	Number of Customers	Number of Inspection
Residential	\$1.90	\$0.63	\$0.52	\$0.00	\$3.05	0.85	\$3.16	\$3.15	\$0.00	4,919,908	56,112	0
Commercial												
High	\$1.90	\$1.76	\$1.62	\$1.67	\$6.96	1.53	\$6.97	\$5.79	\$0.00	25,904	11	0
Medium	1.90	1.32	1.22	1.25	5.69	1.53	5.71	5.03	0.00	284,585	291	0
Low	1.90	0.66	0.61	0.00	3.17	1.53	3.21	3.85	0.00	498,367	1,116	0
Subtotal Commercial	\$1.90	\$0.93	\$0.86	\$0.49	\$4.18	1.53	\$4.21	\$4.33	\$0.00	808,856	1,418	0
Institutional												
School (submetered)	\$1.90	\$0.63	\$0.52	\$0.00	\$3.05	1.53	\$3.06	\$2.69	\$0.00	53,676	49	0
School (non-submetered)	1.90	0.63	0.52	0.00	3.05	1.53	3.05	2.68	0.00	33,017	4	0
Subtotal Institutional	\$1.90	\$0.63	\$0.52	\$0.00	\$3.05	1.53	\$3.06	\$2.69	\$0.00	86,693	53	0
Septic Hauler (per Gallon)	\$1.90	\$12.53	\$11.03	\$9.66	\$35.13	3.59	\$35.27	\$45.20	\$0.00	303	1	0
Industrial	\$1.90	\$1.89	\$2.51	\$1.82	\$8.13	3.59	\$8.13	\$8.13	\$0.00	224,765	5	0
Fats Oils and Grease	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70.66	0	0	232
System Average	\$1.90	\$0.72	\$0.64	\$0.14	\$3.39	\$0.86	\$3.49	\$3.49	\$70.66	6,040,524	57,589	232

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.1
 CALCULATION OF REVENUES
 AT PRESENT RATES eff 7/1/15

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total	
RESIDENTIAL														
<i>Single Family Home</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$52.09	15,617	0	15,617	0	15,617	0	15,617	0	15,617	0	15,617	0	15,617
Revenue	\$813,490	\$0	\$813,490	\$0	\$813,490	\$0	\$813,490	\$0	\$813,490	\$0	\$813,490	\$0	\$4,880,937	
<i>Townhouse</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$52.09	259	0	259	0	259	0	259	0	259	0	259	0	259
Revenue	\$13,491	\$0	\$13,491	\$0	\$13,491	\$0	\$13,491	\$0	\$13,491	\$0	\$13,491	\$0	\$80,948	
<i>Condominium</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$34.65	5,291	0	5,291	0	5,291	0	5,291	0	5,291	0	5,291	0	5,291
Revenue	\$183,333	\$0	\$183,333	\$0	\$183,333	\$0	\$183,333	\$0	\$183,333	\$0	\$183,333	\$0	\$1,099,999	
<i>Duplex</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$104.18	42	0	42	0	42	0	42	0	42	0	42	0	42
Revenue	\$4,376	\$0	\$4,376	\$0	\$4,376	\$0	\$4,376	\$0	\$4,376	\$0	\$4,376	\$0	\$26,253	
<i>Single Family Home with 2nd Dwelling Unit</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$81.08	149	0	149	0	149	0	149	0	149	0	149	0	149
Revenue	\$12,081	\$0	\$12,081	\$0	\$12,081	\$0	\$12,081	\$0	\$12,081	\$0	\$12,081	\$0	\$72,486	
<i>Multi-Family</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$28.99	4,264	0	4,264	0	4,264	0	4,264	0	4,264	0	4,264	0	4,264
Revenue	\$123,613	\$0	\$123,613	\$0	\$123,613	\$0	\$123,613	\$0	\$123,613	\$0	\$123,613	\$0	\$741,680	
TOTAL RESIDENTIAL REVENUE	\$1,150,384	\$0	\$1,150,384	\$0	\$1,150,384	\$0	\$1,150,384	\$0	\$1,150,384	\$0	\$1,150,384	\$0	\$6,902,303	

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.1
 CALCULATION OF REVENUES
 AT PRESENT RATES eff 7/1/15

		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
COMMERCIAL														
<i>Auto Steam Cleaning</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$7.32	39	1,654	63	1,554	6	1,078	115	714	7	1,182	44	1,292	7,748
Revenue		\$285	\$12,107	\$461	\$11,375	\$44	\$7,891	\$842	\$5,226	\$51	\$8,652	\$322	\$9,457	\$56,715
<i>Bakery</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$5.51	148	851	151	807	150	721	152	780	138	709	149	724	5,480
Revenue		\$815	\$4,689	\$832	\$4,447	\$827	\$3,973	\$838	\$4,298	\$760	\$3,907	\$821	\$3,989	\$30,195
<i>Laundry</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$3.14	0	902	0	814	0	770	0	863	0	863	0	798	5,010
Revenue		\$0	\$2,832	\$0	\$2,556	\$0	\$2,418	\$0	\$2,710	\$0	\$2,710	\$0	\$2,506	\$15,731
<i>Market with Garbage Disposal</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$5.77	1,036	3,199	1,347	3,513	1,256	3,156	1,202	3,424	1,059	3,423	1,017	3,153	26,785
Revenue		\$5,978	\$18,458	\$7,772	\$20,270	\$7,247	\$18,210	\$6,936	\$19,756	\$6,110	\$19,751	\$5,868	\$18,193	\$154,549
<i>Mortuary</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$6.15	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Restaurant (fast food)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$3.83	439	1,386	416	1,274	412	1,222	439	1,638	575	1,404	576	1,172	10,953
Revenue		\$1,681	\$5,308	\$1,593	\$4,879	\$1,578	\$4,680	\$1,681	\$6,274	\$2,202	\$5,377	\$2,206	\$4,489	\$41,950
<i>Restaurant (full service)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$4.38	9,122	5,298	9,042	4,861	10,611	4,798	11,132	5,959	9,543	5,827	9,541	5,207	90,941
Revenue		\$39,954	\$23,205	\$39,604	\$21,291	\$46,476	\$21,015	\$48,758	\$26,100	\$41,798	\$25,522	\$41,790	\$22,807	\$398,322
<i>Commercial All Others</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.63	13,119	18,515	14,415	16,718	13,718	15,238	13,255	14,080	13,687	13,718	13,163	13,316	172,942
Revenue		\$34,503	\$48,694	\$37,911	\$43,968	\$36,078	\$40,076	\$34,861	\$37,030	\$35,997	\$36,078	\$34,619	\$35,021	\$454,837
TOTAL COMMERCIAL REVENUE		\$83,217	\$115,295	\$88,174	\$108,787	\$92,250	\$98,263	\$93,915	\$101,395	\$86,919	\$101,997	\$85,626	\$96,462	\$1,152,300

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.1
 CALCULATION OF REVENUES
 AT PRESENT RATES eff 7/1/15

		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
INSTITUTIONAL														
<i>School (submetered)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.29	1,637	4,763	1,454	4,662	1,330	5,317	1,193	3,849	1,396	3,767	1,384	3,354	34,107
Revenue		\$3,749	\$10,907	\$3,330	\$10,676	\$3,046	\$12,176	\$2,732	\$8,814	\$3,197	\$8,627	\$3,170	\$7,681	\$78,105
<i>School (non-submetered)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$1.75	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Institutional All Others</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.80	1,259	1,994	1,159	2,154	1,029	2,114	847	812	999	1,628	1,300	2,910	18,205
Revenue		\$3,525	\$5,583	\$3,245	\$6,031	\$2,881	\$5,919	\$2,372	\$2,274	\$2,797	\$4,558	\$3,640	\$8,148	\$50,974
TOTAL INSTITUTIONAL REVENUE		\$7,274	\$16,491	\$6,575	\$16,707	\$5,927	\$18,095	\$5,104	\$11,088	\$5,994	\$13,185	\$6,810	\$15,829	\$129,079
PARKS RFTA														
Connections	<u>\$/Connec.</u> \$0.00	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Connection Charge		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Demand	<u>\$/MGD</u> \$0.00	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0
Total Demand Charge		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loading	<u>\$/MG</u> \$0.00	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Loading Charge		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PARKS RFTA REVENUES		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.1
 CALCULATION OF REVENUES
 AT PRESENT RATES eff 7/1/15

		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
BUREAU OF PRISONS (FCI)														
Connections	<u>\$/Convec.</u> \$15.16	0	1	0	1	0	1	0	1	0	1	0	1	1
Total Connection Charge		\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$91
Peak Month Loadings														
Demand	<u>\$/MGD</u> \$55,214.96	0	0.2500	0	0.2500	0	0.2500	0	0.2500	0	0.2500	0	0.2500	1,500
BOD (lb/day)	18.09	0	3,027	0	3,027	0	3,027	0	3,027	0	3,027	0	3,027	18,162
SS (lb/day)	8.98	0	3,366	0	3,366	0	3,366	0	3,366	0	3,366	0	3,366	20,196
Total Demand Charge		\$0	\$98,789	\$0	\$98,789	\$0	\$98,789	\$0	\$98,789	\$0	\$98,789	\$0	\$98,789	\$592,733
Annual Loadings														
Loading	<u>\$/MG</u> \$1,382.06	0	9.880	0	10.7200	0	9.9500	0	9.7100	0	9.6000	0	10.820	60,680
BOD (1,000 lb)	\$452.43	0	84.83	0	67.44	0	202.87	0	35.52	0	64.19	0	151.47	606.32
S.S. (1,000 lb)	\$224.62	0	120.10	0	90.92	0	336.82	0	64.19	0	105.64	0	205.35	923.02
Total Loading Charge		\$0	\$79,011	\$0	\$65,750	\$0	\$181,192	\$0	\$43,908	\$0	\$66,038	\$0	\$129,609	\$565,510
TOTAL PRISONS REVENUES		\$0	\$177,815	\$0	\$164,554	\$0	\$279,996	\$0	\$142,712	\$0	\$164,842	\$0	\$228,413	\$1,158,334
SANTA RITA JAIL														
Connections	<u>\$/Convec.</u> \$15.16	0	1	0	1	0	1	0	1	0	1	0	1	1
Total Connection Charge		\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$91
Peak Month Loadings														
Demand	<u>\$/MGD</u> \$55,214.96	0	0.4670	0	0.4670	0	0.4670	0	0.4670	0	0.4670	0	0.4670	2,802
BOD (lb/day)	\$18.09	0	1,948	0	1,948	0	1,948	0	1,948	0	1,948	0	1,948	11,688
SS (lb/day)	\$8.98	0	1,948	0	1,948	0	1,948	0	2,872	0	2,872	0	2,872	14,460
Total Demand Charge		\$0	\$78,518	\$0	\$78,518	\$0	\$78,518	\$0	\$86,815	\$0	\$86,815	\$0	\$86,815	\$495,999
Annual Loadings														
Loading	<u>\$/MG</u> \$1,382.06	0	10.4000	0	9.8200	0	9.8000	0	10.3100	0	12.5100	0	12.3400	65,180
BOD (1,000 lb)	\$452.43	0	48.83	0	60.09	0	46.96	0	62.64	0	80.80	0	32.71	332.03
S.S. (1,000 lb)	\$224.62	0	68.86	0	80.17	0	43.77	0	110.02	0	120.24	0	42.10	465.16
Total Loading Charge		\$0	\$51,933	\$0	\$58,766	\$0	\$44,622	\$0	\$67,302	\$0	\$80,854	\$0	\$41,310	\$344,787
TOTAL JAIL REVENUES		\$0	\$130,466	\$0	\$137,299	\$0	\$123,155	\$0	\$154,132	\$0	\$167,685	\$0	\$128,141	\$840,877

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.2
 CALCULATION OF REVENUES
 AT PRESENT RATES - CITY OF PLEASANTON

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total	
RESIDENTIAL														
<i>Single Family Home</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$52.09	19,303	0	19,303	0	19,303	0	19,303	0	19,303	0	19,303	0	19,303
Revenue	\$1,005,493	\$0	\$1,005,493	\$0	\$1,005,493	\$0	\$1,005,493	\$0	\$1,005,493	\$0	\$1,005,493	\$0	\$6,032,960	
<i>Condominium</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$34.65	1,487	0	1,487	0	1,487	0	1,487	0	1,487	0	1,487	0	1,487
Revenue	\$51,525	\$0	\$51,525	\$0	\$51,525	\$0	\$51,525	\$0	\$51,525	\$0	\$51,525	\$0	\$309,147	
<i>Single Family Home with 2nd Dwelling Unit</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$81.08	202	0	202	0	202	0	202	0	202	0	202	0	202
Revenue	\$16,378	\$0	\$16,378	\$0	\$16,378	\$0	\$16,378	\$0	\$16,378	\$0	\$16,378	\$0	\$98,269	
<i>Multi-Family</i>														
	<u>\$/Bi-Month/Unit</u>													
Rate/Acct	\$28.99	4,926	0	4,926	0	4,926	0	4,926	0	4,926	0	4,926	0	4,926
Revenue	\$142,805	\$0	\$142,805	\$0	\$142,805	\$0	\$142,805	\$0	\$142,805	\$0	\$142,805	\$0	\$856,828	
TOTAL RESIDENTIAL REVENUE	\$1,216,201	\$0	\$1,216,201	\$0	\$1,216,201	\$0	\$1,216,201	\$0	\$1,216,201	\$0	\$1,216,201	\$0	\$7,297,204	

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.2
 CALCULATION OF REVENUES
 AT PRESENT RATES - CITY OF PLEASANTON

		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
COMMERCIAL														
<i>Auto Steam Cleaning</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$7.32		545		553		475		362		392		484	2,811
Revenue		\$0	\$3,989	\$0	\$4,048	\$0	\$3,477	\$0	\$2,650	\$0	\$2,869	\$0	\$3,543	\$20,577
<i>Bakery</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$5.51	1,950	1,587	1,103	2,644	1,967	1,530	1,599	2,202	2,772	1,007	2,683	2,020	23,064
Revenue		\$10,745	\$8,744	\$6,078	\$14,568	\$10,838	\$8,430	\$8,810	\$12,133	\$15,274	\$5,549	\$14,783	\$11,130	\$127,083
<i>Laundry</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$3.14	30	84	139	72	137	68	98	102	118	82	137	133	1,200
Revenue		\$94	\$264	\$436	\$226	\$430	\$214	\$308	\$320	\$371	\$257	\$430	\$418	\$3,768
<i>Market with Garbage Disposal</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$5.77	1,470	372	174	962	1,782	274	447	1,281	1,039	290	1,275	246	9,612
Revenue		\$8,482	\$2,146	\$1,004	\$5,551	\$10,282	\$1,581	\$2,579	\$7,391	\$5,995	\$1,673	\$7,357	\$1,419	\$55,461
<i>Mortuary</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$6.15	16			16	12			18	15		14		91
Revenue		\$98	\$0	\$0	\$98	\$74	\$0	\$0	\$111	\$92	\$0	\$86	\$0	\$560
<i>Restaurant (fast food)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$3.83	4,111	1,156	2,868	2,367	3,305	1,221	1,809	2,709	3,326	787	2,947	1,055	27,661
Revenue		\$15,745	\$4,427	\$10,984	\$9,066	\$12,658	\$4,676	\$6,928	\$10,375	\$12,739	\$3,014	\$11,287	\$4,041	\$105,942
<i>Restaurant (full service)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$4.38	17,314	5,688	14,026	8,539	15,070	4,931	10,991	7,406	13,631	3,970	13,575	4,526	119,667
Revenue		\$75,835	\$24,913	\$61,434	\$37,401	\$66,007	\$21,598	\$48,141	\$32,438	\$59,704	\$17,389	\$59,459	\$19,824	\$524,141
<i>Commercial All Others</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.63	49,410	18,429	43,631	24,783	42,578	15,305	31,688	17,979	42,978	5,611	37,940	15,888	346,220
Revenue		\$129,948	\$48,468	\$114,750	\$65,179	\$111,980	\$40,252	\$83,339	\$47,285	\$113,032	\$14,757	\$99,782	\$41,785	\$910,559
TOTAL COMMERCIAL REVENUE		\$240,849	\$92,953	\$194,686	\$136,039	\$212,195	\$80,228	\$150,106	\$112,593	\$207,114	\$45,509	\$193,098	\$82,160	\$1,747,530

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.2
 CALCULATION OF REVENUES
 AT PRESENT RATES - CITY OF PLEASANTON

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total	
INSTITUTIONAL														
<i>School (submetered)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.29	378	5,284	323	5,912	344	1,814	285	405	1,222	1,814	853	3,379	22,013
Revenue		866	12,100	740	13,538	788	4,154	653	927	2,798	4,154	1,953	7,738	50,410
<i>School (non-submetered)</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$1.75	11,926	97	14,005	7,055	2,640	787	660	81	1,631	1,279	3,870	5,620	49,651
Revenue		\$20,871	\$170	\$24,509	\$12,346	\$4,620	\$1,377	\$1,155	\$142	\$2,854	\$2,238	\$6,773	\$9,835	\$86,889
<i>Institutional All Others</i>														
	<u>\$/100 CF</u>													
Rate/Consumption	\$2.80	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTITUTIONAL REVENUE		\$21,736	\$12,270	\$25,248	\$25,885	\$5,408	\$5,531	\$1,808	\$1,069	\$5,653	\$6,392	\$8,726	\$17,573	\$137,299
Septic Hauler (A1 Enterprises)														
	<u>\$/Connec.</u>													
Connections	\$15.16	0	1	0	1	0	1	0	1	0	1	0	1	1
Total Connection Charge		\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$91
<i>Peak Month Loadings</i>														
	<u>\$/MGD</u>													
Demand	\$55,214.96	0.000	0.001	0.000	0.001	0.000	0.001	0.000	0.001	0.001	0.001	0.000	0.001	0.008
BOD (lb/day)	\$18.09	0.000	39.000	0.000	39.000	0.000	39.000	0.000	39.000	0.000	39.000	0.000	39.000	234.000
SS (lb/day)	\$8.98	0.000	49.000	0.000	49.000	0.000	49.000	0.000	49.000	0.000	49.000	0.000	49.000	294.000
Total Demand Charge		0	1,212	0	1,212	0	1,212	0	1,212	66	1,212	0	1,212	\$7,337
<i>Annual Loadings</i>														
	<u>\$/MG</u>													
Loading	\$1,382.06	0.000	0.041	0.000	0.042	0.000	0.032	0.000	0.029	0.000	0.039	0.000	0.038	0.221
BOD (1,000 lbs)	\$452.43	0.000	1.600	0.000	1.700	0.000	1.430	0.000	1.000	0.000	1.850	0.000	1.220	8.800
SS (1,000 lbs)	\$224.62	0.000	1.860	0.000	1.200	0.000	1.190	0.000	1.170	0.000	1.370	0.000	0.890	7.680
Total Loading Charge		\$0	\$1,198	\$0	\$1,097	\$0	\$958	\$0	\$755	\$0	\$1,199	\$0	\$804	\$6,012
TOTAL INDUSTRIAL REVENUES		\$0	\$2,425	\$0	\$2,324	\$0	\$2,185	\$0	\$1,982	\$66	\$2,426	\$0	\$2,031	\$13,440
Thermo Fisher Scientific														
	<u>\$/Connec.</u>													
Connections	\$15.16	0	1	0	1	0	1	0	1	0	1	0	1	1
Total Connection Charge		\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$91
<i>Peak Month Loadings</i>														
	<u>\$/MGD</u>													
Demand	\$55,214.96	0.000	0.021	0.000	0.021	0.000	0.021	0.000	0.021	0.000	0.021	0.000	0.021	0.126
BOD (lb/day)	\$18.09	0.000	188.000	0.000	188.000	0.000	188.000	0.000	188.000	0.000	188.000	0.000	188.000	1,128.000
SS (lb/day)	\$8.98	0.000	153.000	0.000	153.000	0.000	153.000	0.000	153.000	0.000	153.000	0.000	153.000	918.000
Total Demand Charge		\$0	\$5,934	\$0	\$5,934	\$0	\$5,934	\$0	\$5,934	\$0	\$5,934	\$0	\$5,934	\$35,606
<i>Annual Loadings</i>														
	<u>\$/MG</u>													
Loading	\$1,382.06	0.000	0.0242592	0	0.0235801	0	0.016479067	0	0.015473267	0	0.019357	0	0.017129067	3.488
BOD (1,000 lbs)	\$452.43	0.000	0.728	0.000	0.707	0.000	0.494	0.000	0.464	0.000	0.581	0.000	0.514	40.950
SS (1,000 lbs)	\$224.62	0.000	8.580	0.000	9.070	0.000	9.840	0.000	4.870	0.000	3.570	0.000	5.020	20.710
Total Loading Charge		\$0	\$5,806	\$0	\$6,034	\$0	\$6,038	\$0	\$3,236	\$0	\$2,950	\$0	\$3,936	\$28,000
TOTAL INDUSTRIAL REVENUES		\$0	\$11,756	\$0	\$11,983	\$0	\$11,988	\$0	\$9,185	\$0	\$8,900	\$0	\$9,886	\$63,697

DUBLIN SAN RAMON - REGIONAL SEWER UTILITY
 SEWER EXHIBIT 15.2
 CALCULATION OF REVENUES
 AT PRESENT RATES - CITY OF PLEASANTON

		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
INDUSTRIAL														
Connections	<u>\$/Convec.</u> \$15.16	0	4	0	4	0	4	0	4	0	4	0	4	4
Total Connection Charge		\$0	\$61	\$0	\$61	\$0	\$61	\$0	\$61	\$0	\$61	\$0	\$61	\$364
Peak Month Loadings	<u>\$/MGD</u>													
Demand	\$55,214.96	0.000	0.068	0.000	0.068	0.000	0.068	0.000	0.068	0.000	0.068	0.000	0.077	0.418
BOD (lb/day)	\$18.09	0.000	836.000	0.000	836.000	0.000	836.000	0.000	836.000	0.000	836.000	0.000	840.000	5,020.000
SS (lb/day)	\$8.98	0.000	1,093.000	0.000	1,093.000	0.000	1,093.000	0.000	1,093.000	0.000	1,093.000	0.000	1,074.000	6,539.000
Total Demand Charge		\$0	\$28,704	\$0	\$28,704	\$0	\$28,704	\$0	\$28,704	\$0	\$28,704	\$0	\$29,081	\$172,601
Annual Loadings	<u>\$/MG</u>													
Loading	\$1,382.06	0.000	1.485	0.000	2.182	0.000	1.553	0.000	1.710	0.000	1.813	0.000	1.867	10.611
BOD (1,000 lbs)	\$452.43	0.000	11,220	0.000	14,170	0.000	14,430	0.000	7,960	0.000	7,640	0.000	13,250	68,670
SS (1,000 lbs)	\$224.62	0.000	8,760	0.000	15,620	0.000	10,560	0.000	6,100	0.000	7,720	0.000	16,520	65,270
Total Loading Charge		\$0	\$9,097	\$0	\$12,935	\$0	\$11,045	\$0	\$7,335	\$0	\$7,697	\$0	\$12,285	\$60,394
TOTAL INDUSTRIAL REVENUES		\$0	\$37,861	\$0	\$41,700	\$0	\$39,810	\$0	\$36,100	\$0	\$36,461	\$0	\$41,426	\$233,359
CASTLEWOOD														
Regional Fees	<u>\$/Convec.</u> \$52.09	0	202	0	202	0	202	0	202	0	202	0	202	202
Total Connection Charge		\$0	\$10,522	\$0	\$10,522	\$0	\$10,522	\$0	\$10,522	\$0	\$10,522	\$0	\$10,522	\$63,133
Regional Demand	<u>\$/MGD</u> \$22.80	0	167	0	81	0	57	0	23	0	22	0	49	66
Total Regional Demand Charge		\$0	\$3,808	\$0	\$13,477	\$0	\$4,640	\$0	\$1,319	\$0	\$501	\$0	\$1,070	\$24,814
TOTAL CASTLEWOOD REVENUES		\$0	\$14,330	\$0	\$24,000	\$0	\$15,162	\$0	\$11,841	\$0	\$11,023	\$0	\$11,592	\$87,947
FAIRGROUNDS														
Connections	<u>\$/Convec.</u> \$52.09	0	1	0	1	0	1	0	1	0	1	0	1	1
Total Connection Charge		\$0	\$52	\$0	\$52	\$0	\$52	\$0	\$52	\$0	\$52	\$0	\$52	\$313
Demand	<u>\$/100 CF</u> \$2.63	0	6,266	0	6,266	0	6,266	0	6,266	0	6,266	0	6,266	37,596
Total Demand Charge		\$0	\$16,480	\$0	\$16,480	\$0	\$16,480	\$0	\$16,480	\$0	\$16,480	\$0	\$16,480	\$98,877
TOTAL FAIRGROUNDS REVENUES		\$0	\$16,532	\$0	\$16,532	\$0	\$16,532	\$0	\$16,532	\$0	\$16,532	\$0	\$16,532	\$99,190

Proposed Wastewater Rate Adjustments - Draft Report



Dublin San Ramon Services District

2017 Local Wastewater Rate Study

May 2017

EXECUTIVE SUMMARY

Introduction

DSRSD has prepared an internal study on the Local Wastewater Rates in conjunction with the Regional Wastewater Rate Study performed by HDR Engineering, Inc. Both studies were presented to the Board of Directors in April, 2017. The objective of the rate studies was to review the District's operating and capital costs in order to establish local and regional rates at a cost based level. These studies determined the adequacy of the District's existing local and regional wastewater rates and provided the framework for the proposed adjustments.

As part of the 2017 rate setting process, the District intends to change their rate structure for commercial and industrial customers to better reflect their impact on the system and simplify the billing process. Currently the District's rates are based on the business type (bakery, car wash, restaurant, etc.). The proposed rate structure is based on high, medium and low strength, where strength is an average of Biochemical oxygen demand and total suspended solids on a milligram per liter basis. The local rates follow these new categories to apply both collection and treatment service charges on a consistent basis.

Goals and Objectives

The District had a number of key objectives in developing the 2017 local wastewater rate study. These key objectives were as follows:

- Develop the study in a manner that is consistent with the principles and methodologies established by the Water Environment Federation (WEF), Manual of Practice No. 27, Financing and Charges for Sewer Systems.
- Utilize the findings and conclusions from the District's 2017 rate study to establish cost-based, equitable and legally defensible rates for FYE 2018 through FYE 2022.
- Provide rates that meet the legal requirements of Proposition 218. Under Proposition 218 requirements, to be legally compliant, a utility must have rates which do not exceed the reasonable cost of providing the service, and do not exceed the proportional cost of providing service to that parcel.
- Propose rates that will provide for projected operations, maintenance and replacement needs of the local wastewater funds (fund 200, 205 & 210) over the next five years.

These key objectives provided a framework for the policy decisions in the analysis that follows.

Overview of the Rate Study Process

To evaluate the adequacy of the District’s existing rates, a wastewater rate study was performed. The following schedule shows the key steps that were undertaken for this process.

Overview of the Comprehensive Rate Analysis	Figure A-1
Revenue Requirement Analysis	Compares the sources of funds (revenues) to the expenses of the utility to determine the overall rate adjustment required
Cost of Service Analysis	Allocates the revenue requirements to the various customer classes of service in a “fair and equitable” manner
Rate Design Analysis	Considers both the level and structure of the rate design to collect the target level of revenues

The above comprehensive framework was used to review the local wastewater system. The local system was reviewed independently and separately on a “stand alone” basis.

Revenue Requirement Analysis

The local wastewater funds account for the operations (200), replacement (210) and expansion (220) related to wastewater collection. The service area consists of the city of Dublin and the southern part of San Ramon.

Rates for the Wastewater Enterprise fund were reduced in 2008 with minimal rate increases through 2016, and employee count was reduced from eleven full time equivalent (FTE) positions to eight FTE (including allocated staff) in conjunction with the Great Recession. Since that time, miles of sanitary sewers have increased from 185.5 to 206.0 (11%+), and the population for the service area expanded by over 37%. In recent years, maintenance has been reactive versus proactive and the projected net change in working capital for FYE 2017 was a negative \$152,000.

The Local Rate study completed in April 2017 identified further issues in this fund group with the transfers from the Enterprise fund (200) to the Replacement fund (210). Transfers historically at \$287,000 per year were insufficient to cover projected replacement costs over the upcoming 10 year cycle as identified in the new Asset Management Plan. In addition, the Replacement Fund was heavily reliant on developer capacity reserve fees, a revenue source earmarked to sunset over the next 8-10 years with the buildout of Dublin. To correct the negative cash flow, and to provide an influx of capital replacement funding, rates are proposed to increase substantially over the next five years. Continued

growth in the customer base of this program will also contribute towards improving the financial condition of this program.

In order to correct the maintenance issues existing in this enterprise, two new positions are proposed for this fund group in FYE 2018.

As can be seen in the FYE 2018 and 2019 working capital statements, the Enterprise fund service charge rates will increase until the working capital trend can reverse itself and become positive over the next five years. Salary and benefits have increased as well to reflect the two new FTE positions proposed in FYE 2018, and funding to the replacement fund will increase from the current \$287,000 in FYE 2017 to \$567,900 in FYE 2018 and \$685,000 in FYE 2019 (1). Based on actual cash flow, it may be necessary to delete these transfers for two to three years. Finally, contracts increased by approximately \$100,000 from FYE 2017 to 2018 due to the cost of the new Field Office Facility and other expenses.

For FYE 2018, the Wastewater Expansion fund (220) will loan the Wastewater Replacement fund (210) \$5 million dollars for a period of 6 years to bridge the cash flow needed for the upcoming Dublin Boulevard Lift Station Relocation Project (\$1.9 million) and the Dublin Trunkline project (\$6.6 million) starting in the summer of 2017.(2) This will ensure that the Replacement fund will have sufficient reserves to meet the Board's reserve policy limits during the construction of these major projects. Over the next five years, rate increases in the Enterprise fund will replace this working capital.

The Wastewater Expansion fund (220) is primarily funded by developer capacity reserve fees. This capital improvement project fund has \$513,750 earmarked for the upcoming two budget years for master planning. The reserve levels, even after the above loan, are above the minimum policy levels.

At the end of FYE 2018, the combined working capital of the Enterprise and RSF funds is estimated to be 2.56 months of operating expenses, in conformance with Board policy. At the end of FY 2019, the combined working capital is estimated to be a negative \$95,000, well below our policy level, which will reverse itself as part of the new rate study.

FYE 2018 PROPOSED OPERATING BUDGET	Local Wastewater Enterprise 200	Local Wastewater RSF 205	Local Wastewater Replacement 210	Local Wastewater Expansion 220
(Estimated) Ending Working Capital July 1, 2017	926,611	795,650	6,853,702	7,566,446
Revenues:				
Total Service Charges	2,575,811	-	-	-
Capacity Reserve Fees	-	-	898,893	874,072
Other Revenues	20,683	-	-	549,196
Interest	12,214	7,957	26,896	70,007
Total Revenues	2,608,708	7,957	925,789	1,493,275
Transfers In:				
Replacement Allocations	-	-	567,900 ⁽¹⁾	-
Interfund Loan	-	-	5,000,000 ⁽²⁾	-
Total Transfers In	-	-	5,567,900	-
Total Revenue	2,608,708	7,957	6,493,689	1,493,275
Operating Expenses:				
Salaries & Benefits	1,997,994	-	-	400,764
Materials & Supplies	99,178	-	10,800	1,580
Contracts	181,629	-	800	59,220
Other	24,525	-	-	280
Debt Service	-	-	-	-
Capital Outlay	-	-	52,276	-
Allocated Costs	804,173	-	-	158,224
Total Operating Expenses	3,107,499	-	63,876	620,068
Capital Projects - Proposed Fund Limits	-	-	6,396,482	534,330
Transfers Out:				
Replacement Allocations	567,900 ⁽¹⁾	-	-	-
Interfund Loan	-	-	-	5,000,000 ⁽²⁾
Total Transfers Out	567,900	-	-	5,000,000
Total Expenses	3,675,399	-	6,460,358	6,154,398
Net increase (decrease) pre RSF	(1,066,691)	7,957	-	-
Ending Working Capital pre RSF	(140,080)	803,607	-	-
RSF Transfer In (Out)	200,902	(200,902)	-	-
Net increase (decrease) post RSF	(865,789)	(192,945)	33,331	(4,661,123)
(Estimated) Ending Working Capital June 30, 2018	\$ 60,822	\$ 602,705	\$ 6,887,033	\$ 2,905,322

FYE 2019 PROPOSED OPERATING BUDGET	Local Wastewater Enterprise 200	Local Wastewater RSF 205	Local Wastewater Replacement 210	Local Wastewater Expansion 220
(Estimated) Ending Working Capital July 1, 2018	60,822	602,705	6,887,033	2,905,322
Revenues:				
Total Service Charges	3,121,140	-	-	-
Capacity Reserve Fees	-	-	1,091,155	1,061,024
Other Revenues	20,683	-	-	565,672
Interest	8,030	8,036	20,716	72,487
Total Revenues	3,149,853	8,036	1,111,871	1,699,183
Transfers In:				
Replacement Allocations	-	-	685,800 ⁽¹⁾	-
Interfund Loan Repaid	-	-	-	833,333 ⁽²⁾
Total Transfers In	-	-	685,800	833,333
Total Revenue	3,149,853	8,036	1,797,671	2,532,516
Operating Expenses:				
Salaries & Benefits	2,079,603	-	-	420,135
Materials & Supplies	97,260	-	10,800	1,580
Contracts	183,361	-	800	37,220
Other	24,525	-	-	280
Contribution to JPA	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	16,800	-
Allocated Costs	845,514	-	-	168,629
Total Operating Expenses	3,230,263	-	28,400	627,845
Capital Projects - Proposed Fund Limits	-	-	1,726,764	-
Transfers Out:				
Replacement Allocations	685,800 ⁽¹⁾	-	-	-
Interfund Loan Repayment	-	-	833,333 ⁽²⁾	-
Total Transfers Out	685,800	-	833,333	-
Total Expenses	3,916,063	-	2,588,497	627,845
Net increase (decrease) pre RSF	(766,210)	8,036	-	-
Ending Working Capital pre RSF	(705,387)	610,741	-	-
RSF Transfer In (Out)	152,685	(152,685)	-	-
Net increase (decrease) post RSF	(613,524)	(144,649)	(790,826)	1,904,671
(Estimated) Ending Working Capital June 30, 2019	\$ (552,702)	\$ 458,056	\$ 6,096,207	\$ 4,809,994

Cost of Service Analysis

After the Revenue Requirement Analysis was complete, staff prepared a detailed assumptions list and cost of service analysis to arrive at the required increases necessary for a sustainable local wastewater operation, including current and future capital replacement project needs. This analysis was done for a ten year period and incorporated information from the FYE 2018 and 2019 budget process, the ten year replacement module from the Districts Asset Management Program and the need to “buy out” the developer contributions over the next ten year period. The results of this analysis, as shown in *Attachment A*, confirmed the need for a rate increase for the local wastewater enterprise fund. This increase is proposed at \$15, \$15, \$12, \$12 and \$12 each year for residential customers for the next five years.

To equitably charge this increase to all customer categories, we applied this percentage increase to all commercial, institutional and industrial accounts. See *Attachment B* to this report for current and proposed wastewater rates by customer type consolidating both local and regional rate proposals. When combined with the proposed regional wastewater rate proposals, the total wastewater bill results in an average increase of approximately 4.4% per year for the period 2018 through 2022. At that point, the funds are projected to be back in a positive working capital situation, within Board reserve policy limits, and with adequate funding for current and future infrastructure replacement.

Rate Design Analysis

The final step in the rate study is the design of local wastewater rates to collect the desired levels of revenue, based on the results of the prior analysis. In reviewing the District’s rates, consideration is given to the level of the rates and the structure of the rates. Based on the cost of service analysis, the residential customer’s rates reflect the overall costs placed on the system. Given this, no changes in the residential rate structure were proposed.

The commercial customer rate structure review was a key aspect of this study. In prior studies, the District had discussed alternative rate structures to simplify the commercial customer classes while still maintaining equitable rates for the various customer types. This study was developed in conjunction with the regional study which reclassified commercial customers to a low, medium or high grouping based on wastewater strength levels to reflect the cost differences of serving customers at varying strength levels. The institutional customer class was also revised, regrouping the All Other Institutional into the commercial low rate class, thus leaving the sub metered and the non-sub metered schools in the institutional class. Finally, the industrial customers were also separated into three categories reflecting strength levels and billing on a water consumption basis. For additional detail on this new rate design, please refer to the *2017 Regional Sewer Rate Study*.

Conclusion

The above summary of the rate study is the culmination of an extensive effort by the Dublin San Ramon Service District Finance Department, with review by HDR, Inc., to develop a comprehensive review of the local wastewater rates. The recommendations and proposed rates contained herein are intended to provide a prudent level of funding for the local system while providing equitable and cost-based rates to the local wastewater customers.

**DUBLIN SAN RAMON - LOCAL SEWER UTILITY
SUMMARY OF THE LOCAL SEWER REVENUE REQUIREMENT**

	Actual	Budget	Projected								
	2016	2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026
SOURCES OF FUNDS											
Local Rate Revenues	\$2,226,531	\$2,352,039	\$2,369,489	\$2,442,332	\$2,501,681	\$2,546,711	\$2,602,484	\$2,634,755	\$2,665,582	\$2,695,436	2,734,251
Miscellaneous Revenues	\$19,525	\$8,831	\$37,917	\$32,249	\$30,168	\$30,249	\$31,889	\$35,448	\$37,646	\$38,877	\$58,385
TOTAL SOURCES OF FUNDS	\$2,246,057	\$2,360,870	\$2,407,406	\$2,474,582	\$2,531,849	\$2,576,961	\$2,634,374	\$2,670,203	\$2,703,228	\$2,734,314	\$2,792,636
APPLICATIONS OF FUNDS											
Personnel Services	\$1,454,386	\$1,385,053	\$1,853,469	\$1,926,058	\$2,024,979	\$2,180,762	\$2,337,616	\$2,468,262	\$2,610,825	\$2,766,677	\$2,937,363
Material & Supplies	\$71,294	\$61,196	\$99,178	\$97,260	\$100,177	\$103,183	\$106,278	\$109,467	\$112,751	\$116,133	\$119,617
Contract Services	\$68,694	\$129,343	\$177,878	\$179,572	\$184,959	\$190,508	\$196,223	\$202,110	\$208,173	\$214,418	\$220,851
Other Expenses	\$405,105	\$551,813	\$784,719	\$843,208	\$864,411	\$886,147	\$908,431	\$931,276	\$954,696	\$978,705	\$1,003,319
Total Sewer Operations Expenses	\$1,999,479	\$2,127,405	\$2,915,244	\$3,046,097	\$3,174,526	\$3,360,600	\$3,548,549	\$3,711,115	\$3,886,444	\$4,075,933	\$4,281,150
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transfer to Reserves	\$378,575	\$378,575	\$567,900	\$685,800	\$853,700	\$1,021,600	\$1,189,500	\$1,357,400	\$1,475,300	\$1,543,200	\$1,611,100
TOTAL REVENUE REQUIREMENTS	\$2,378,054	\$2,505,980	\$3,483,144	\$3,731,897	\$4,028,226	\$4,382,200	\$4,738,049	\$5,068,515	\$5,361,744	\$5,619,133	\$5,892,250
Balance/(Deficiency) of Funds	(\$131,997)	(\$145,110)	(\$1,075,738)	(\$1,257,315)	(\$1,496,377)	(\$1,805,240)	(\$2,103,675)	(\$2,398,312)	(\$2,658,516)	(\$2,884,820)	(\$3,099,615)
Balance as a % of Rate Revenues	5.9%	6.2%	45.4%	51.5%	59.8%	70.9%	80.8%	91.0%	99.7%	107.0%	113.4%
Total Use of Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Balance/(Deficiency) of Funds	(\$131,997)	(\$145,110)	(\$1,075,738)	(\$1,257,315)	(\$1,496,377)	(\$1,805,240)	(\$2,103,675)	(\$2,398,312)	(\$2,658,516)	(\$2,884,820)	(\$3,099,615)
Net Balance as a % of Rate Revenues	0.0%	0.0%	45.4%	51.5%	59.8%	70.9%	80.8%	91.0%	99.7%	107.0%	113.4%
Proposed Rate Adjustment	0.0%	0.00%	21.48%	17.68%	12.02%	10.73%	9.69%	2.50%	2.50%	2.50%	2.50%
Additional Revenue from Adjustment	\$0	\$0	\$508,966	\$1,049,169	\$1,504,540	\$1,969,227	\$2,459,531	\$2,618,149	\$2,781,640	\$2,950,501	\$3,136,169
Total Balance/(Deficiency) of Funds	(\$131,997)	(\$145,110)	(\$566,772)	(\$208,146)	\$8,163	\$163,988	\$355,856	\$219,837	\$123,124	\$65,681	\$36,554
Additional Rate Increase Needed	5.9%	6.2%	19.7%	6.0%	-0.2%	-3.6%	-7.0%	-4.2%	-2.3%	-1.2%	-0.6%
Average Residential Bi-Monthly Impact	\$11.64										
After Rate Adjustment Required	\$11.64	\$11.64	\$16.92	\$17.63	\$18.60	\$19.89	\$21.05	\$22.24	\$23.25	\$24.10	\$24.84
Bimonthly \$ Change	\$0.00	\$0.00	\$5.28	\$0.71	\$0.97	\$1.29	\$1.16	\$1.19	\$1.01	\$0.85	\$0.74
After Proposed Rate Adjustment	\$11.64	\$11.64	\$14.14	\$16.64	\$18.64	\$20.64	\$22.64	\$23.21	\$23.79	\$24.38	\$24.99
\$ Change	\$0.00	\$0.00	\$2.50	\$2.50	\$2.00	\$2.00	\$2.00	\$0.57	\$0.58	\$0.59	\$0.61
Annual \$ Change	-	-	15.00	15.00	12.00	12.00	12.00	3.40	3.48	3.57	3.66
Debt Service Coverage Ratio											
Before Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
After RR Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
After Proposed Rate Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	\$1,078,873	\$1,723,369	\$1,156,597	\$948,451	\$956,614	\$1,120,602	\$1,476,458	\$1,696,295	\$1,819,419	\$1,885,100	\$1,921,655
Minimum reserve (2 months)	\$328,681	\$349,710	\$479,218	\$507,683	\$521,840	\$552,427	\$583,323	\$610,046	\$638,868	\$670,016	\$703,751

Current and Proposed Wastewater Rates by customer Type							ATTACHMENT B
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
ANNUAL BILLING ON PROPERTY TAXES	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
<i>Single Family and Townhouse</i>							
Local collection	69.84	84.84	99.84	111.84	123.84	135.84	
Regional treatment	312.54	312.54	318.79	325.17	331.67	338.30	
Total	382.38	397.38	418.63	437.01	455.51	474.14	
<i>Condo</i>							
Local collection	52.44	63.70	74.97	83.98	92.99	102.00	
Regional treatment	207.90	207.90	212.06	216.30	220.63	225.04	
Total	260.34	271.60	287.02	300.28	313.61	327.03	
BI-MONTHLY BILLING							
<i>Residential -Multi-family</i>							
Local collection	7.60	9.23	10.86	12.17	13.48	14.78	
Regional treatment	28.99	28.99	29.57	30.16	30.76	31.38	
Total	36.59	38.22	40.43	42.33	44.24	46.16	

Current and Proposed Wastewater Rates by customer Type							ATTACHMENT B
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Commercial **							
Low - Less than 300 mg/L							
Auto Steam Clean - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Auto Steam Clean - Regional Treatment	7.32	2.37	2.42	2.47	2.52	2.57	
	7.94	3.12	3.30	3.46	3.61	3.77	
Bakery - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Bakery - Regional Treatment	5.51	2.37	2.42	2.47	2.52	2.57	
	6.13	3.12	3.30	3.46	3.61	3.77	
Commercial Laundry - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Commercial Laundry - Regional Treatment	3.14	2.37	2.42	2.47	2.52	2.57	
	3.76	3.12	3.30	3.46	3.61	3.77	
Mortuaries - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Mortuaries - Regional Treatment	6.15	2.37	2.42	2.47	2.52	2.57	
	6.77	3.12	3.30	3.46	3.61	3.77	
All other commercial - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
All other commercial - Regional Treatment	2.63	2.37	2.42	2.47	2.52	2.57	
	3.25	3.12	3.30	3.46	3.61	3.77	
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							

Current and Proposed Wastewater Rates by customer Type							ATTACHMENT B
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Commercial Users **							
Medium - > 300 and <600 mg/L							
Restaurant Fast Food - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Restaurant Fast Food - Regional Treatment	3.83	4.75	4.85	4.94	5.04	5.14	
	4.45	5.50	5.73	5.93	6.14	6.35	
Restaurant Full Service - Local Collection	0.62	0.75	0.88	0.99	1.09	1.20	
Restaurant Full Service - Regional Treatment	4.38	4.75	4.85	4.94	5.04	5.14	
	5.00	5.50	5.73	5.93	6.14	6.34	
High - >600 mg/L							
Grocery - Garbage Disposal - Local Collection	0.62	0.75	0.88	0.99	1.09	1.20	
Grocery - Garbage Disposal - Wastewater Tr	5.77	6.63	6.76	6.90	7.04	7.18	
	6.39	7.38	7.65	7.89	8.13	8.38	
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							

Current and Proposed Wastewater Rates by customer Type							ATTACHMENT B
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Sceptic Hauler - per gallon - treatment only	0.06	0.06	0.06	0.06	0.06	0.06	
Institutional Users							
Schools - Sub metered - Local	0.62	0.75	0.88	0.99	1.09	1.20	
Schools - Sub metered - Regional	2.29	2.37	2.42	2.47	2.52	2.57	
	2.91	3.12	3.30	3.45	3.61	3.77	
Schools - not sub metered - Local	0.62	0.75	0.88	0.99	1.09	1.20	
Schools - not sub metered - Regional	1.75	1.81	1.84	1.87	1.90	1.93	
	2.37	2.56	2.72	2.86	2.99	3.13	
Industrial and Demand Users							
Low - <1,000 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
Low - <1,000 mg/L - Regional	comparable	8.14	8.30	8.47	8.64	8.81	
		8.89	9.19	9.46	9.73	10.01	
Medium >1,000 and < 1,500 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
Medium >1,000 and < 1,500 mg/L - Regional	comparable	10.23	10.43	10.64	10.86	11.07	
		10.98	11.32	11.63	11.95	12.27	
High > 1,500 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
High > 1,500 mg/L - Regional	comparable	12.33	12.58	12.83	13.08	13.35	
		13.08	13.46	13.82	14.18	14.55	
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT ESTABLISHING LOCAL AND REGIONAL WASTEWATER SERVICE CHARGES UNDER SECTION 5.30.020 (SERVICE AND DEMAND CHARGES) OF THE DISTRICT CODE AND RESCINDING RESOLUTION NO. 31-10.

WHEREAS, Section 5.30.020 of the District Code of Regulations allows the Board of Directors to establish user charges by resolution, and

WHEREAS, the current Local and Regional Wastewater Service Charges were adopted on July 20, 2010 by Resolution No. 31-10, and

WHEREAS, cost of service studies were completed to determine the rates needed for the Local and Regional Wastewater Enterprise, and

WHEREAS, on April 18, 2017, the Board was provided a comprehensive overview of the rate study process and assumptions, a financial review of the Wastewater Enterprises and a presentation of rate allocations to review and provided guidance on the adoption thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California as follows:

1. The Consumer Price Index – All urban Consumers for the San Francisco-Oakland-San Jose, California area (CPI), provides an appropriate and accurate measure of the increases in operating costs of the sort used to calculate the amount of the District’s user charges, and the Board therefore adopts said Consumer Price Index as the index for measuring increases in the cost of such costs for the purpose of future automatic adjustments to the District’s user charges.
2. The Local and Regional Wastewater Service Charges as shown in the attached Exhibit A are hereby established effective July 1, 2017.
3. Unless otherwise acted upon by the Board, the amount of the user charges for the Local Wastewater rates will be adjusted automatically effective July 1 of each year as shown in the attached Exhibit A, commencing with FYE 2018 and ending with FYE 2022.
4. Unless otherwise acted upon by the Board, the amount of the user charges for the Regional Wastewater rates will be automatically adjusted effective July 1 of each year by the CPI as defined above and as shown in the attached Exhibit A. The automatic increases shall apply to FYE 2019, FYE 2020, FYE 2021 and FYE 2022 and cease after July 1, 2022, unless further authorized pursuant to the procedures specified in section 6 of article XIID of the California Constitution and Government Code section 53755. The General Manager is authorized and directed to increase those user charges by the percentage by which the most recent CPI available as of the last day of February has

Res. No. _____

increased in relation to the most recent corresponding CPI available the preceding last day of February. The General Manager shall post the new user charges on the District's website by March 31 of each year and customers shall receive notification of the new rates in accordance with section 53756 of the Government Code.

5. Resolution No. 31-10 is rescinded effective July 1, 2017, and is included as Exhibit B to this document.

ADOPTED by the Board of Directors of the Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 20th day of June 2017, and passed by the following vote:

AYES:

NOES:

ABSENT:

Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Current and Proposed Wastewater Rates by customer Type							Exhibit A
(Note: Regional Rates will be adjusted upward by the February to February CPI effective FYE 2019)							
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
ANNUAL BILLING ON PROPERTY TAXES	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Single Family and Townhouse							
Local collection	69.84	84.84	99.84	111.84	123.84	135.84	
Regional treatment	312.54	312.54	318.79	325.17	331.67	338.30	*
Total	382.38	397.38	418.63	437.01	455.51	474.14	*
Condo							
Local collection	52.44	63.70	74.97	83.98	92.99	102.00	
Regional treatment	207.90	207.90	212.06	216.30	220.63	225.04	*
Total	260.34	271.60	287.02	300.28	313.61	327.03	*
BI-MONTHLY BILLING							
Residential -Multi-family							
Local collection	7.60	9.23	10.86	12.17	13.48	14.78	
Regional treatment	28.99	28.99	29.57	30.16	30.76	31.38	*
Total	36.59	38.22	40.43	42.33	44.24	46.16	*
*Note: Regional Rates will be adjusted by the February to February CPI for each of the fiscal years ending 2019, 2020, 2021 and 2022.							
The above rates are for illustrative purposes only and assumes a 2% CPI increase to provide the ratepayer an estimate for the Proposition 218 noticing.							
As per the Board Resolution, staff reserves the right to adjust up to the actual CPI in these years based on the health of the Regional Wastewater Fund.							

Current and Proposed Wastewater Rates by customer Type							Exhibit A
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Commercial **							
Low - Less than 300 mg/L							
Auto Steam Clean - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Auto Steam Clean - Regional Treatment	7.32	2.37	2.42	2.47	2.52	2.57	*
	7.94	3.12	3.30	3.46	3.61	3.77	*
Bakery - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Bakery - Regional Treatment	5.51	2.37	2.42	2.47	2.52	2.57	*
	6.13	3.12	3.30	3.46	3.61	3.77	*
Commercial Laundry - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Commercial Laundry - Regional Treatment	3.14	2.37	2.42	2.47	2.52	2.57	*
	3.76	3.12	3.30	3.46	3.61	3.77	*
Mortuaries - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Mortuaries - Regional Treatment	6.15	2.37	2.42	2.47	2.52	2.57	*
	6.77	3.12	3.30	3.46	3.61	3.77	*
All other commercial - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
All other commercial - Regional Treatment	2.63	2.37	2.42	2.47	2.52	2.57	*
	3.25	3.12	3.30	3.46	3.61	3.77	*
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							
*Note: Regional Rates will be adjusted by the February to February CPI for each of the fiscal years ending 2019, 2020, 2021 and 2022.							
The above rates are for illustrative purposes only and assumes a 2% CPI increase to provide the ratepayer an estimate for the Proposition 218 noticing.							
As per the Board Resolution, staff reserves the right to adjust up to the actual CPI in these years based on the health of the Regional Wastewater Fund.							

Current and Proposed Wastewater Rates by customer Type							Exhibit A
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Commercial Users **							
Medium - > 300 and <600 mg/L							
Restaurant Fast Food - Local Collection	0.62	0.75	0.89	0.99	1.10	1.21	
Restaurant Fast Food - Regional Treatment	3.83	4.75	4.85	4.94	5.04	5.14	*
	4.45	5.50	5.73	5.93	6.14	6.35	*
Restaurant Full Service - Local Collection	0.62	0.75	0.88	0.99	1.09	1.20	
Restaurant Full Service - Regional Treatment	4.38	4.75	4.85	4.94	5.04	5.14	*
	5.00	5.50	5.73	5.93	6.14	6.34	*
High - >600 mg/L							
Grocery - Garbage Disposal - Local Collection	0.62	0.75	0.88	0.99	1.09	1.20	
Grocery - Garbage Disposal - Wastewater Tr	5.77	6.63	6.76	6.90	7.04	7.18	*
	6.39	7.38	7.65	7.89	8.13	8.38	*
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							
*Note: Regional Rates will be adjusted by the February to February CPI for each of the fiscal years ending 2019, 2020, 2021 and 2022.							
The above rates are for illustrative purposes only and assumes a 2% CPI increase to provide the ratepayer an estimate for the Proposition 218 noticing.							
As per the Board Resolution, staff reserves the right to adjust up to the actual CPI in these years based on the health of the Regional Wastewater Fund.							

Current and Proposed Wastewater Rates by customer Type							Exhibit A
		FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
	Current Total	Proposed	Proposed	Proposed	Proposed	Proposed	
Bi-monthly billing	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	Annual Rate	
Sceptic Hauler - per gallon - treatment only	0.06	0.06	0.06	0.06	0.06	0.06	*
Institutional Users							
Schools - Sub metered - Local	0.62	0.75	0.88	0.99	1.09	1.20	
Schools - Sub metered - Regional	2.29	2.37	2.42	2.47	2.52	2.57	*
	2.91	3.12	3.30	3.45	3.61	3.77	*
Schools - not sub metered - Local	0.62	0.75	0.88	0.99	1.09	1.20	
Schools - not sub metered - Regional	1.75	1.81	1.84	1.87	1.90	1.93	*
	2.37	2.56	2.72	2.86	2.99	3.13	*
Industrial and Demand Users							
Low - <1,000 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
Low - <1,000 mg/L - Regional	comparable	8.14	8.30	8.47	8.64	8.81	*
		8.89	9.19	9.46	9.73	10.01	*
Medium >1,000 and < 1,500 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
Medium >1,000 and < 1,500 mg/L - Regional	comparable	10.23	10.43	10.64	10.86	11.07	*
		10.98	11.32	11.63	11.95	12.27	*
High > 1,500 mg/L - Local	Not	0.75	0.88	0.99	1.09	1.20	
High > 1,500 mg/L - Regional	comparable	12.33	12.58	12.83	13.08	13.35	*
		13.08	13.46	13.82	14.18	14.55	*
** Strength factor is an average of Bio-Chemical Oxygen demand and Total Suspended Solids. The commercial business' listed above in Low/Med/High categories are only examples of where they may fall; the business' actual strength factor will determine their billing category.							
*Note: Regional Rates will be adjusted by the February to February CPI for each of the fiscal years ending 2019, 2020, 2021 and 2022.							
The above rates are for illustrative purposes only and assumes a 2% CPI increase to provide the ratepayer an estimate for the Proposition 218 noticing.							
As per the Board Resolution, staff reserves the right to adjust up to the actual CPI in these years based on the health of the Regional Wastewater Fund.							

RESOLUTION NO. 31-10

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT ESTABLISHING REGIONAL AND LOCAL SEWER SERVICE CHARGES UNDER SECTION 7.6.01 (SERVICE AND DEMAND CHARGES) OF THE DISTRICT CODE AND RESCINDING RESOLUTION NOS. 8-08 AND 10-08

WHEREAS, Section 7.6.01 of the District Code of Regulations allows the Board of Directors to establish user charges by resolution; and

WHEREAS, the current Regional and Local Sewer Service Charges were adopted by Resolution Nos. 8-08 and 10-08; and

WHEREAS, this action does not change, or increase (as defined in Government Code Section 53750(h)) the respective amounts of the Local Sewer Service Charges as previously adopted pursuant to Resolution No. 8-08 and currently in effect; and

WHEREAS, a cost of service study was completed to determine the rates needed for the Regional Sewer Enterprise; and

WHEREAS, in order to provide 30 days mailed notice to customers of annual increases to rates it is necessary to change from the April Consumer Price Index to the February Consumer Price Index.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the counties of Alameda and Contra Costa as follows:

1. The Consumer Price Index – All urban Consumers for the San Francisco-Oakland-San Jose, California area, provides an appropriate and accurate measure of the increases in operating costs of the sort used to calculate the amount of the District's user charges, and the Board therefore adopts said Consumer Price Index as the index for measuring increases in the cost of such costs for the purpose of future automatic adjustments to the District's user charges.
2. The Regional and Local Sewer Service Charges as shown in the attached Exhibits A and B are hereby established.
3. The Regional and Local Sewer Service Charges in the attached Exhibit B shall be automatically increased effective each July 1 beginning in 2011 in the manner described in the remainder of this subparagraph without further Board action or

review. The General Manager is authorized and directed to increase those user charges by the percentage by which the most recent Consumer Price Index – All Urban Consumers for the San Francisco-Oakland-San Jose, California area available as of the last day of February has increased in relation to the most recent corresponding Consumer Price Index available the preceding last day of February. The General Manager shall post the new user charges on the District’s website by March 31 of each year and customers shall receive notification of the new rates in accordance with Section 53756 of the Government Code.

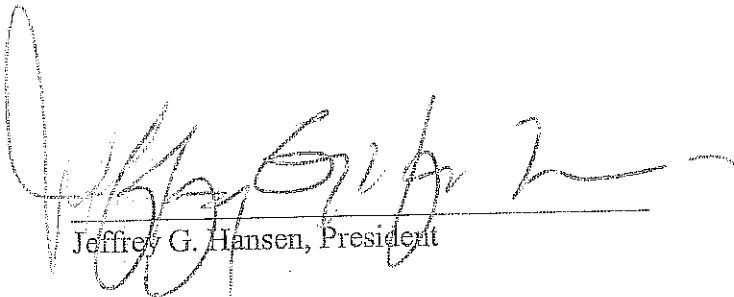
- 4. Unless otherwise acted upon by the Board, the amount of the user charges will be automatically re-calculated each year and the user charges shall be adjusted effective July 1 of each subsequent year in the manner described in the preceding subparagraph. The automatic increases shall cease after July 1, 2015, unless further authorized pursuant to the procedures specified in Section 6 of Article XIII D of the California Constitution and Government Code Section 53755.
- 5. Resolution Nos. 8-08 and 10-08 are rescinded effective January 1, 2011.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, counties of Alameda and Contra Costa, at its regular meeting held on the 20th day of July 2010, and passed by the following vote:

AYES: 5 – Directors D.L. (Pat) Howard, Georgean M. Vonheeder-Leopold, Richard M. Halket, Daniel J. Scannell, Jeffrey G. Hansen

NOES: 0

ABSENT: 0



Jeffrey G. Hansen, President

ATTEST: Nancy G. Hatfield
 Nancy G. Hatfield, District Secretary



TITLE: Award Construction Agreement to GSE Construction Company, Inc., Authorize a Construction Change Order Contingency, Authorize Execution of Task Order No. OC-9 with The Covello Group, Inc. for Construction Management Services, and Authorize Execution of Task Order No. 2 with Carollo Engineers, Inc. for Engineering Services During Construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203)

RECOMMENDATION:

Staff recommends the Board of Directors, by Resolution:

1. Award a construction agreement for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) to GSE Construction Company, Inc., the lowest responsive, responsible bidder, in the amount of \$7,766,000.
2. Authorize a construction change order contingency not to exceed \$550,000.

Staff also recommends the Board of Directors authorize, by Motion, the following actions:

1. Execution of Task Order No. OC-9 with The Covello Group, Inc., for construction management services for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) in an amount not to exceed \$496,000.
2. Execution of Task Order No. 2 with Carollo Engineers, Inc., for engineering services during construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) in an amount not to exceed \$473,334.

SUMMARY:

The Wastewater Treatment Plant (WWTP) digesters decompose and stabilize the biosolids and eliminate pathogenic organisms. The WWTP currently has three anaerobic digesters. With all three digesters in service, there is sufficient digester capacity to accommodate the hydraulic and solids loads. However, digesters need to be taken out of service every four to five years for cleaning and with the largest digester out of service there is insufficient capacity for adequate digestion. Without adequate digestion, increased volatile solids will enter the facultative sludge lagoons which could result in odor problems. The Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) will construct a fourth anaerobic digester in approximately the same size and volume as digester No. 3 to provide redundancy at the current biosolids loading rate and to accommodate future loads. The project also includes the design of a fats, oils and grease (FOG) receiving station. FOG digestion will generate revenue to the District through tipping fees from the waste haulers and through increased gas production. In addition, FOG can improve the solids destruction capability efficiency of the digestion process.

Additional information on the recommended award of the project construction contract and requested change order contingency as well as the recommended task orders for construction management and engineering services during construction is provided in the staff report.

Originating Department: Engineering Services		Contact: S. Delight	Legal Review: Not Required
Cost: \$7,766,000 award + \$550,000 contingency \$496,000 (Covello Task Order) \$473,334 (Carollo Task Order)		Funding Source: CIP 07-3203 Base Bid Regional Wastewater Replacement (Fund 310 – 11%) Regional Wastewater Expansion (Fund 320 – 89%)	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)		Attachment 1 – Bid Results	
			160 of 237

STAFF REPORT



District Board of Directors
June 20, 2017

AWARD CONSTRUCTION AGREEMENT TO GSE CONSTRUCTION COMPANY, INC., AUTHORIZE A CONSTRUCTION CHANGE ORDER CONTINGENCY, AUTHORIZE EXECUTION OF TASK ORDER NO. OC-9 WITH THE COVELLO GROUP, INC. FOR CONSTRUCTION MANAGEMENT SERVICES, AND AUTHORIZE EXECUTION OF TASK ORDER NO. 2 WITH CAROLLO ENGINEERS, INC. FOR ENGINEERING SERVICES DURING CONSTRUCTION FOR THE ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY PROJECT (CIP 07-3203).

RECOMMENDATION

Staff recommends the Board of Directors, by Resolution:

1. Award a construction agreement for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) to GSE Construction Company, Inc., the lowest responsive, responsible bidder, in the amount of \$7,766,000
2. Authorize a construction change order contingency not to exceed \$550,000;

Staff also recommends the Board of Directors authorize, by Motion:

1. Execution of Task Order No. OC-9 with The Covello Group, Inc., for construction management services for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) in an amount not to exceed \$496,000.
2. Execution of Task Order No. 2 with Carollo Engineers, Inc., for engineering services during construction for the Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) in an amount not to exceed \$473,334.

DISCUSSION

The Wastewater Treatment Plant (WWTP) digesters decompose and stabilize the biosolids and eliminate pathogenic organisms. The WWTP currently has three anaerobic digesters. With all three digesters in service, there is sufficient digester capacity to accommodate the hydraulic and solids loads. However, digesters need to be taken out of service every four to five years for cleaning and with the largest digester out of service, there is insufficient capacity for adequate digestion. Without adequate digestion, increased volatile solids will enter the facultative sludge lagoons which could result in odor problems. The Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203) will construct a fourth anaerobic digester in approximately the same size and volume as digester No. 3 to provide redundancy at the current biosolids loading rate and to accommodate future loads. The project also includes the design of a fats, oils and grease (FOG) receiving station. FOG digestion will generate revenue to the District through tipping fees from the waste haulers and through increased gas production. In addition, FOG can improve the solids destruction capability efficiency of the digestion process.

Award Construction Agreement and Approve Change Order Contingency

Staff recommends the Board award the construction contract for the project to GSE Construction Company, Inc. (GSE). The bid period for the project began on May 8, 2017 and three bids were received on June 8, 2017. The engineer's construction cost estimate for the base bid was \$9,400,000. The apparent low bid was received from GSE in the amount of \$7,766,000, approximately 17% below the engineer's estimate. The other bids were within 5% of the lowest bid. The low bid provided by GSE contained no irregularities. The contract time for the project is 360 calendar days and is estimated to be completed the end of August 2018.

Because the project location is adjacent to numerous existing utilities and process piping and involves deep excavations and complex shoring, staff requests the Board authorize a construction change order contingency of \$550,000, approximately 7% of the bid amount.

Task Order for Construction Management during Construction

The Covello Group, Inc. (Covello), one of the District's on-call construction management firms, provided a proposal for construction management for the project in an amount not to exceed \$496,000. Covello already has staff onsite providing construction management services for the ongoing recycled water treatment plant expansion project. By using the same staff members, the District will save money through economy of scale. Covello has identified clear tasks, roles, and responsibilities to provide the District with a clear management approach to oversee the construction phase of the project. Staff recommends the Board authorize the General Manager to execute Task Order No. OC-9 with Covello for construction management services for the project in an amount not to exceed \$496,000.

Task Order for Engineering Services during Construction

Carollo Engineers, Inc. (Carollo), the firm who provided the design for the project, provided a proposal for engineering services during construction. As the engineer of record for the project, they are responsible for confirming that materials and products proposed for use on the project conform to the project documents. Carollo has provided a detailed scope of work for the duration of the project. Staff recommends the Board authorize the General Manager to execute Task Order No. 2 with Carollo for engineering services during construction for the project in an amount not to exceed \$473,334.



**Dublin San Ramon
Services District**

Water, wastewater, recycled water

**Results of Bid Opening for
Anaerobic Digester No. 4 and FOG Receiving Facility (CIP 07-3203)
Thursday, June 8, 2017**

Engineer's Estimate: \$ 9,400,000

No.	Name of Bidder	Bid Amount
1	GSE Construction Co., Inc., Livermore, CA	\$ 7,766,000
2	Myers and Sons Construction, LP, Sacramento, CA	\$ 7,820,000
3	C. Overaa & Co., Richmond, CA	\$ 8,168,000

Contractor/Subcontractor	Contractor License No.	PWC Registration No.	Location	Trade	Amount of Work to be Performed
GSE Construction Co., Inc.					
Duran & Venables	375068	1000001404	Milpitas, CA	Demo, site work & paving	\$ 271,500
Blue Iron Inc.	1009464	1000004297	West Sacramento, CA	Shoring	\$ 325,000
Marina Landscape Inc.	492862	1000000079	Anaheim, CA	Landscaping	\$ 106,970
CMC Rebar	778010	1000000298	Tracy, CA	Rebar	\$ 205,200
Universal Coatings Inc.	717507	1000001517	Fresno, CA	Foam roofing & annular seal	\$ 149,200
Farwest Insulation Contracting	845682	1000004102	Livermore, CA	Pipe heat trace	\$ 96,783
Bay View Insulation Services Inc.	1019537	1000043829	Oakland, CA	Pipe & plate insulation	\$ 48,700
Central Sierra Electric	434207	1000005032	Jackson, CA	Electrical & instrumentation	\$ 1,380,000
Mercy Industrial Coatings Inc.	310594	1000005885	Signal Hill, CA	Painting & coating	\$ 214,375

Contractor/Subcontractor	Contractor License No.	PWC Registration No.	Location	Trade	Amount of Work to be Performed
Myers and Sons Construction, LP					
Central Sierra Electric	434207	1000005032	Jackson, CA	Electrical & instrumentation	\$ 1,380,000
Marina Landscape Inc.	492862	1000000079	Anaheim, CA	Landscaping	\$ 106,970
Blue Iron	652333	1000004296	West Sacramento, CA	Shoring	\$ 305,000
Farwest Insulation Contracting	845682	1000004102	Livermore, CA	Pipe insulation	\$ 247,413
CMC Rebar	778010	1000000298	Tracy, CA	Rebar	\$ 205,200
Universal Coatings	717507	1000001517	Fresno, CA	Foam roofing	\$ 149,200
Redwood Painting Co. Inc.	302617	1000005253	Pittsburgh, CA	Coatings	\$ 296,260
C. Overaa & Co.					
Blue Iron Inc.	1009464	1000004297	West Sacramento, CA	Shoring	\$ 325,000
Wimmer	624919	1000034208	Orland, CA	Earthwork, grading, paving	\$ 450,000
Marina Landscape	492862	1000000079	Anaheim, CA	Landscaping	\$ 100,000
CMC	778010	1000000298	Tracy, CA	Rebar	\$ 200,000
LE Murphy	310594	1000005885	Tracy, CA	Coatings	\$ 215,000
Farwest Insulation Contracting	845682	1000004102	Livermore, CA	Pipe Insulation	\$ 250,000
HGH	764353	1000000991	Oakland, CA	Electrical	\$ 1,200,000
Western Erectors	778888	1000010976	Escalon, CA	Digester dome & metal installation	\$ 200,000
LE Universal	717507	1000001517	Fresno, CA	Coated foam roofing	\$ 150,000

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT WITH GSE CONSTRUCTION COMPANY, INC. FOR CONSTRUCTION OF ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY PROJECT (CIP 07-3203)

WHEREAS, additional facilities are needed that serve future and current customers of Dublin San Ramon Services District (DSRSD); and

WHEREAS, addition of a fourth digester will increase operational reliability of the regional waste water treatment plant for future and current customers; and

WHEREAS, on May 8, 2017 the District Secretary advertised for bid for Project; and

WHEREAS, pursuant to said advertisement, three bids were received for the performance of said work and filed with the District Secretary; and

WHEREAS, GSE Construction Company, Inc. is the lowest responsive, responsible bidder, and it is the intention and desire of this Board to accept said bid of Seven Million Seven Hundred Sixty-Six Thousand Dollars (\$7,766,000).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

1. The bid of GSE Construction Company, Inc., in the amount of \$7,766,000 is hereby accepted, and said bidder is hereby found and declared to be the lowest responsive, responsible bidder for said work.
2. That certain agreement titled "Agreement for the Construction of Anaerobic Digester No. 4 and FOG Receiving Facility Project (CIP 07-3203)" (Exhibit A), by and between Dublin San Ramon Services District, a California public agency, and GSE Construction Company, Inc., a copy of which agreement is on file in the Office of the General Manager to which copy reference is hereby made for the full particulars thereof, is hereby approved, and the General Manager and District Secretary are hereby authorized and directed to execute, and to attest thereto, respectively, said agreement for and on behalf of Dublin San Ramon Services District.
3. The General Manager is authorized to approve construction change orders for the Project in an amount not to exceed \$550,000.
4. The District Secretary is hereby authorized and directed to return to all unsuccessful bidders, and to the successful bidder upon execution by it of the aforementioned agreement, all securities guaranteeing execution of the Agreement upon award.

Res. No. _____

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 20th day of June, 2017, and passed by the following vote:

AYES:

NOES:

ABSENT:

Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

SECTION 00500

AGREEMENT FOR THE CONSTRUCTION OF

**ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY
(CIP 07-3203)**

THIS AGREEMENT, made and concluded, in duplicate, this _____ day of _____, 20 _____, between the Dublin San Ramon Services District ("District"), Dublin, California, and **GSE Construction Company, Inc., 6950 Preston Ave., Livermore, CA, 94551, (925) 447-0292** ("Contractor").

WITNESSETH:

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the District, and under the conditions expressed in the two bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the District, at his/her own proper cost and expense, to do all the work and furnish all the materials necessary to construct and complete in good workmanlike and substantial manner the project entitled: **ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY (CIP 07-3203)** in strict conformity with the Contract Documents (collectively defined in Section 01090-2.0), prepared therefor, which said plans and specifications are hereby specially referred to and by said reference made a part hereof.

2. Now, therefore, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the Contractor hereby agrees to complete the work in accordance with the terms and conditions stipulated in the Contract Documents for the sum of **Seven Million Seven Hundred Sixty-Six Thousand (\$7,766,000)** computed in accordance with Contractor's accepted proposal dated **June 8, 2017**, which accepted proposal is incorporated herein by reference thereto as if herein fully set forth. Compensation shall be based upon any lump sum bid items plus the unit prices stated in the Bid Schedule times the actual quantities or units of work and materials performed or furnished. The further terms, conditions, and covenants of this Agreement are set forth in the Contract Documents, each of which is by this reference made a part hereof. Payments are to be made to the Contractor in accordance with the provisions of the Contract Documents in legally executed and regularly issued warrants of the District, drawn on the appropriate fund or funds as required by law and order of the District thereof.

3. The District hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

4. The Contractor and any subcontractor performing or contracting any work shall comply with all applicable provisions of the California Labor Code for all workers, laborers and mechanics of all crafts, classifications or types, including, but not limited to the following:

(a) The Contractor shall comply with all applicable provisions of Section 1810 to 1815, inclusive, of the California Labor Code relating to working hours. The Contractor shall, as a penalty to the District, forfeit the sum of twenty-five dollars (\$25) for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, unless such worker receives compensation for all hours worked in excess of eight (8) hours at not less than 1-1/2 times the basic rate of pay.

(b) Pursuant to the provision of California Labor Code, Sections 1770 et. seq., the Contractor and any subcontractor under him shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Pursuant to the provisions of California Labor Code Section 1773.2, the Contractor is hereby advised that copies of the prevailing rate of per diem wages and a general prevailing rate for holidays, Saturdays and Sundays and overtime work in the locality in which the work is to be performed for each craft, classification, or type of worker required to execute the Contract, are on file in the office of the District, which copies shall be made available to any interested party on request. The Contractor shall post a copy of said prevailing rate of per diem wages at each job site.

(c) As required by Section 1773.1 of the California Labor Code, the Contractor shall pay travel and subsistence payments to each worker needed to execute the Work, as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with this Section.

(d) To establish such travel and subsistence payments, the representative of any craft, classification, or type of workman needed to execute the contracts shall file with the Department of Industrial Relations fully executed copies of collective bargaining agreements for the particular craft, classification or type of work involved. Such agreements shall be filed within ten (10) days after their execution and thereafter shall establish such travel and subsistence payments whenever filed thirty (30) days prior to the call for bids.

(e) The Contractor shall comply with the provisions of Section 1775 of the California Labor Code and shall, as a penalty to the District, forfeit up to fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of per diem wages for each craft, classification, or type of worker needed to execute the Contract. The Contractor shall pay each worker an amount equal to the difference between the prevailing wage rates and the amount paid worker for each calendar day or portion thereof for which a worker was paid less than the prevailing wage rate.

(f) As required under the provisions of Section 1776 of the California Labor Code, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, and straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Said payroll shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available for inspection or furnished upon request to the District, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available upon request by the public for inspection or for copies thereof; provided, however, that a request by the public shall be made through either the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to subparagraph 4(f)(2) herein, the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the Contractor, subcontractors, and the entity through which the request was made. The public shall not be given access to the records at the principal offices of the Contractor.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.

Each Contractor shall file a certified copy of the records, enumerated in Paragraph 4(f) with the entity that requested the records within ten (10) days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor awarded the Contract or performing the Contract shall not be marked or obliterated. The Contractor shall inform the District of the location of the records enumerated under Paragraph 4(f) including the street address, city and county, and shall, within five (5) working days, provide a notice of change of location and address. The Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this Paragraph 4(f). In the event that the Contractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or the District, forfeit twenty-five dollars (\$25.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. Responsibility for compliance with Paragraph 4(f) lies with the Contractor.

(g) The Contractor and any subcontractors shall, when they employ any person in any apprenticeable craft or trade, apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the construction site for a certificate approving the Contractor or subcontractor under the apprenticeship standards for

the employment and training of apprentices in the area or industry affected; and shall comply with all other requirements of Section 1777.5 of the California Labor Code. The responsibility of compliance with California Labor Code Section 1777.5 during the performance of this Contract rests with the Contractor. Pursuant to California Labor Code Section 1777.7, in the event the Contractor willfully fails to comply with the provisions of California Labor Code Section 1777.5, the Contractor shall be denied the right to bid on any public works contract for up to three (3) years from the date noncompliance is determined and be assessed civil penalties.

(h) In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860), and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to secure the payment of compensation to its employees and for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. If the Contractor, in the sole discretion of the District satisfies the District of the responsibility and capacity under the applicable Workers' Compensation Laws, if any, to act as self-insurer, the Contractor may so act, and in such case, the insurance required by this paragraph need not be provided.

The Contractor is advised of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code and shall comply with such provisions and have Employer's Liability Limits of \$1,000,000 per accident before commencing the performance of the Work of this Contract.

The Notice to Proceed with the Work under this Contract will not be issued, and the Contractor shall not commence work, until the Contractor submits written evidence that it has obtained full Workers' Compensation Insurance coverage for all persons whom it employs or may employ in carrying out the Work under this Contract. This insurance shall be in accordance with the requirements of the most current and applicable state Workers' Compensation Insurance Laws. In accordance with the provisions of Section 1861 of the California Labor Code, the Contractor in signing this Agreement certifies to the District as true the following statement: "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

A subcontractor is not allowed to commence work on the project until verification of Workers' Compensation Insurance coverage has been obtained and verified by the Contractor and submitted to the Construction Manager for the District's review and records.

(i) In accordance with the provisions of Section 1727 of the California Labor Code, the District, before making payment to the Contractor of money due under a contract for public works, shall withhold and retain therefrom all wages and penalties which have been forfeited pursuant to any stipulation in the Contract, and the terms of Chapter 1, Part 7, Division 2 of the California Labor Code (commencing with Section 1720). But no sum shall be withheld, retained or forfeited, except from the final payment, without a full investigation by either the Division of Labor Standards Enforcement or by the District.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this Agreement and the Bid Proposal of said Contractor, then this Agreement shall control, and nothing herein contained shall be considered as an acceptance of the said terms of said Proposal conflicting herewith.

6. The Contractor agrees to provide and maintain insurance coverage, and to indemnify and save harmless the parties named and in the manner set forth in Section 00800-2.0, **LIABILITY & INSURANCE**.

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include a duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein shall be construed to require Contractor to indemnify against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

7. The Contractor shall diligently prosecute the Work so that it shall be substantially completed within the time specified in Section 00800-1.1, **Time Allowed for Completion**.

8. Except as otherwise may be provided in other provisions of the Contract Documents, Contractor hereby expressly guarantees for one (1) full year from the date of the Substantial Completion of the Work under this Agreement and acceptance thereof by the District, to repair or replace any part of the Work performed hereunder which constitutes a defect resulting from the use of inferior or defective materials, equipment or workmanship. If, within said period, any repairs or replacements in connection with the Work are, in the opinion of the District, rendered necessary as the result of the use of inferior or defective materials, equipment or workmanship, Contractor agrees, upon receipt of notice from District, and without expense to District, to promptly repair or replace such material or workmanship and/or correct any and all defects therein. If Contractor, after such notice, fails to proceed promptly to comply with the terms of this guarantee, District may perform the work necessary to effectuate such correction and recover the cost thereof from the Contractor and/or its sureties.

In special circumstances where a particular item of work or equipment is placed in continuous service before Substantial Completion of the Work, the correction period for that item may start to run from an earlier date. This date shall be agreed upon by the Contractor and District on or before the item is placed in continuous service.

Any and all other special guarantees which may be applicable to definite parts of the Work under this Agreement shall be considered as an additional guarantee and shall not reduce or limit the guarantee as provided by Contractor pursuant to this paragraph during the first year of the life of such guarantee.

9. The Contractor shall provide, on the execution of this Agreement, a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount bid, which bond shall be on the form provided by the District in Section 00610, **BOND OF FAITHFUL PERFORMANCE**, and be conditioned upon the faithful performance of all work required to be performed by the Contractor under this Agreement. Said bond shall be liable for any and all penalties and obligations which may be incurred by Contractor under this Agreement. The corporate surety bond shall be issued by a corporate surety approved by the District's counsel. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California

be submitted by the Surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

10. In addition to the bond required under Paragraph 9, hereof, Contractor shall furnish a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount of Bid, which bond shall be on the form provided by the District in Section 00620, **PAYMENT BOND**, and conform strictly with the provisions of Chapter 7, Title 15, Part 4, Division 3, of the Civil Code of the State of California, and all amendments thereto. The corporate surety bond shall be issued by a corporate surety approved by the District's counsel. The corporate Surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the Surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

11. The Contractor may substitute securities for the amounts retained by the District to ensure performance of the work in accordance with the provisions of Section 22300 of the Public Contract Code.

12. Contractor covenants that Contractor is licensed in accordance with the provisions of the Contractors' License Law of California as provided in Section 00010, **NOTICE INVITING BIDS**.

13. The Contractor shall be provided the time period specified in Section 01340-2.0, **MATERIAL AND EQUIPMENT SUBSTITUTIONS**, for submission of data substantiating a request for a substitution of an "or equal" item.

14. As required by Section 6705 of the California Labor Code and in addition thereto, whenever work under the Contract involves the excavation of any trench or trenches five (5) feet or more in depth, the Contractor shall submit in advance of excavations, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Industrial Safety in Title 8, Subchapter 4, Article 6, California Code of Regulations, the plan shall be prepared by a registered civil or structural engineer employed by the Contractor, and all costs therefore shall be included in the price named in the Contract for completion of the Work as set forth in the Contract Documents. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the District, the Design Consultant, Construction Manager nor any of their agents, consultants, or employees. The District's review of the Contractor's excavation plan is only for general conformance to the California Construction Safety Orders.

Prior to commencing any excavation, the Contractor shall designate in writing to the Construction Manager the "competent person(s)" with the authority and responsibilities designated in the Construction Safety Orders.

15. In accordance with Section 7104 of the Public Contract Code, whenever any work involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, the provisions of Section 00700-7.2, **Differing Site Conditions**, shall apply.

16. In accordance with Section 7103.5 of the Public Contract Code, the Contractor and subcontractors shall conform to the following requirements. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchases of goods, materials or services pursuant to this Contract or the subcontract. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor, without further acknowledgment by the parties.

17. In accordance with Section 4552 of the Government Code, the Contractor shall conform to the following requirements. In submitting a Bid to the District, the Contractor offers and agrees that if the Bid is accepted, it will assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchase of goods, materials, or services by the Contractor for sale to the District pursuant to the Bid. Such assignment shall be made and become effective at the time the Authority tenders final payment to the Contractor.

18. Pursuant to Public Contract Code Section 7100, the acceptance by the Contractor of an undisputed payment made under the terms of the Contract shall operate as, and shall be, a release to the District, and their duly authorized agents, from all claim of and/or liability to the Contractor arising by virtue of the contract related to those amounts. Disputed contract claims in stated amounts may be specifically excluded by the Contractor from the operation of the release.

19. In accordance with California Business and Professions Code Section 7030, the Contractor is required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning the Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first set forth above.

CONTRACTOR

By: _____

Title: _____

Dublin San Ramon Services District

By: _____

Daniel McIntyre, General Manager

ATTEST:

Nicole Genzale, District Secretary

***** END OF SECTION *****

The Covello Group, Inc.
Task Order No. OC-9 to Agreement dated May 19, 2016
Agreement Expiry Date: April 15, 2019

Issue Date:	May 24, 2017
Project Name and Number:	Anaerobic Digester No. 4 and FOG Receiving Facility (CIP 07-3203)
Task Title:	Construction Management Services
Project Manager Name & Signature:	Steve Delight _____
Main Source of Funds:	Regional Wastewater Expansion (Fund 320)
Board Review:	Board
Account Number:	07-3203.conmgt.cip
Authorization Amount:	\$496,000 NTE
Purchase Order Number:	TBD
Return Purchase Order to:	Evita Schnupp
Compensation Method:	Time and materials as per Agreement
Completion Date:	November 30, 2018
Insurance Requirements:	As per Agreement; no special requirements
Work Product:	See Attachment "A"
Digital Drawings, if applicable:	Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.
Scope of Work:	See Attachment "A"
Economic Disclosure:	<input type="checkbox"/> Required – Need to include Attachment B <input checked="" type="checkbox"/> Not Required
Recommended by:	Judy Zavadil (_____)

Accepted by:

Chris Davenport, Vice President
The Covello Group, Inc.

Date

Authorized by:

Daniel McIntyre, General Manager
Dublin San Ramon Services District

Date

SCOPE OF WORK
DUBLIN SAN RAMON SERVICES DISTRICT
Anaerobic Digester No. 4 and FOG Receiving Facility (CIP 07-3203)
CONSTRUCTION MANAGEMENT SERVICES
THE COVELLO GROUP, INC.

A Pre-CONSTRUCTION PHASE

1. **Constructability Review** - Covello will review the bid drawings and specifications and provide written comments to both the District and Design Consultant (DC).
 2. **Pre-Construction Site Photographs** - Covello will take digital photographs of the project site prior to start of construction.
 3. **Pre-Bid Meeting** – Covello will attend the pre-bid meeting and support the District and Designer through the bid phase.
-

B CONSTRUCTION PHASE

1. Construction Administration

- a. **Project Coordination:** Covello will act as the project coordinator and the point of contact for all communications with the Contractor. Covello will coordinate activities of the District, DC, and Contractor.
- b. **Document Tracking System:** Covello will establish, implement and maintain a web-based system (Procore), which will maintain and track all correspondence, submittals, requests for information reports and other project related documents on the Project.
- c. **Construction Administration Services:** Covello will provide administrative and management services. Covello will receive all correspondence from the Contractor and address all inquiries from the Contractor and construction related correspondence. The DC will be responsible for answering all technical questions requiring design input.

2. Meetings

- a. Covello will prepare the agenda for the weekly progress meetings and other construction meetings required during the Project.
- b. Covello will facilitate and prepare records of discussions for the progress meetings and other construction related meetings.

3. Scheduling

- a. Covello will review Contractor's initial Baseline schedule submittal to determine that it is realistic, prepared in accordance with the Contract Documents, that the milestone and Substantial Completion dates meet the overall schedule and that no major conflicts exist. Covello will advise the District of our review determinations and provide written comments to the Contractor.
- b. Covello will review the schedule updates to track the actual progress of the work, track the progress of the work relative to the planned schedule, and detect any potential delays. Covello will review the Contractor's plan for remedial measures when required to recover or maintain progress. Covello will provide written comments on the reviewed schedule updates.

- c. Covello will review the Contractor's requests for Contract time extensions. Covello in conjunction with the District will negotiate schedule adjustments with the Contractor that may be required due to weather delays, change orders or other impacts requiring schedule adjustments.

4. Submittals

- a. Covello will use Procore for processing submittals.
- b. Where appropriate, Covello will coordinate pre-submittal meetings between the DC, Contractor and Contractor's equipment suppliers.
- c. Covello will receive the submittals from the Contractor and check the submittals for general conformity with the Contract requirements. If obvious deficiencies are apparent in the submittal, Covello will send the submittal back to the Contractor for correction.
- d. Covello will route the submittal to the DC, and where appropriate the District for review and will route the reviewed submittal back to the Contractor. Covello will review comments on the submittals to determine if additional follow-up with the Contractor is warranted and to identify any scope changes.
- e. Covello will maintain a log and tracking system for submittals. Covello will track the status of submittal review with the DC and the status of shop drawing resubmittals with the Contractor.
- f. DC to review all design related submittals and all submittals for temporary facilities.

5. Clarification Process

- a. Covello will use Procore for processing and tracking clarifications.
- b. Covello will receive all requests for information (RFIs) from the Contractor and determine if the request is a valid RFI; if not, Covello will return the RFI to the Contractor.
- c. Covello will provide a response to the Contractor for any administrative and general RFI. All technical RFIs will be forwarded to the DC and/or District as appropriate for review and response.
- d. The DC is responsible for reviewing and responding to the RFIs. Covello will review DC's response prior to returning to the Contractor to verify clarity and content.
- e. Covello will maintain a system for logging and tracking RFIs.
- f. The DC is responsible for preparing Design Clarifications to address technical issues that require modifying the project documents. Covello will track and transmit all clarifications, whether issued by the DC, District or Covello.

6. Change Order Preparation, Negotiation & Processing

- a. The DC will prepare design details for change requests.
- b. Covello will prepare and issue the change request to the Contractor with the appropriate design documents.
- c. Covello will prepare an independent check estimate and/or verify the acceptability of the Contractor's cost proposal for each change request. The DC's input may be requested for specific equipment and material costs.
- d. In the event the Contractor encounters a time sensitive problem where time is not available to negotiate a settlement, Covello will issue a field order. All work done under a field order will be completed on a time and material basis. Covello will have authority for issuing field orders to a maximum value of \$10,000 without prior notice or approval from the District only if Covello can't reach the District's Representative via cellular phone or office phone. As soon as practical, dependent on field conditions, Covello will advise the District of the issuance of such field order, and the District will execute the field

order. Field orders with an allowance greater than \$10,000 will be reviewed and approved with the District prior to issuance.

- e. Covello will provide recommendations to the District on the change order negotiation and will negotiate change orders with the Contractor.
- f. Covello will prepare change orders for execution by the District and Contractor.
- g. Covello will implement and maintain a system for logging and tracking changes.

7. Progress Payment

- a. Covello will review the initial cost breakdown prepared by the Contractor and work with the Contractor to develop a mutually agreeable breakdown.
- b. Covello will review and process the progress payment requests as required in the Contract Documents and by the California Public Contract Code.
- c. Covello will verify the quantity and acceptability of stored materials and the Contractor's construction progress as it relates to the progress billing procedure.
- d. Covello will perform the administration, preparation and processing of the monthly progress payments.
- e. Covello will prepare the summary cover sheet for the progress payments, which will be executed by Covello, the Contractor and the District.

8. Certified Payroll

- a. Contractor is responsible for uploading certified payrolls to the DIR site. Covello will assist the District to confirm this is being done.

9. State Revolving Fund (SRF) Loan Coordination – Not Applicable to this project.

10. Reporting and District Board Meetings

- a. Covello will prepare project reports as requested by the District.
- b. Covello will attend District Board meetings when requested and assist the District's staff in updating the Board on the status of construction.

11. Field Quality Control

- a. Covello will provide field inspection/observation services to monitor compliance with the Contract Documents.
- b. Covello will prepare inspection reports documenting observed field activities, field crews, contractor equipment, and field problems.
- c. No allowance is included in the budget for overtime inspection.
- d. Covello will provide and maintain digital photographs of field activities for status monitoring of the project and to document field/quality issues.
- e. Materials Testing and Special Inspections: Covello will contract with a separate firm to furnish the materials testing and periodic Special Inspections required by the Contract Documents. Covello will be responsible for scheduling and coordinating the material testing services.
 - i. The Special Inspection and materials testing includes:
 - (a) Soils compaction
 - (b) Asphalt installation
 - (c) Concrete slump on day of placement.
 - (d) Concrete strengths
 - (e) Epoxy set concrete anchors

- ii. Covello will coordinate with the DC's Structural Engineer to schedule periodic observations when necessary.
- f. Coatings: Covello will retain a specialty sub-consultant responsible for inspecting the special coatings and linings.
- g. Electrical: Covello will retain a sub-consultant to provide technical support and assistance on the electrical/instrumentation facets of this project. The support includes,
 - i. Periodic site Inspections to provide input on equipment placement and conduit routing.
 - ii. Provide assistance with Power Systems Studies, including responding to RFI's, field investigations, and review of draft and final reports.
 - iii. Attend progress meetings, if needed, once the electrical portion of the construction ramps up.
 - iv. Periodic check-in meetings/conference calls with Electrical maintenance staff.
- h. No provision has been included in the scope of work or budget for observation, testing and handling of hazardous material.

12. Record Documents

- a. Covello will monitor the Contractor's record documents monthly to determine if they are being maintained by the Contractor and are in substantial conformance with Covello's information. Covello will provide comments to Contractor on what actions appear necessary to correct or add to the drawings. Covello will confirm updated drawings with Contractor.
- b. Covello will maintain its own record set to track changes due to RFIs, Clarifications, Change Orders and field adjustments. Covello will submit its record drawings along with the Contractors to the DC at the end of the project with the expectation that the DC will return them after the CADD as-building work is completed.

13. System Outages

- a. Covello will coordinate the System Outage Requests (SORs) for any shutdowns and tie-ins of the existing plant facilities.
- b. Covello will review the Contractor's initial SOR and if complete will forward to the District's Operations Manager for his review, comment and approval.
- c. SORs will be a standing item at the weekly progress meetings.

14. Storm Water Pollution Prevention Plan (SWPPP)

- a. The Contractor shall be responsible for the Project SWPPP development. It is assumed since the District treats all storm water on site that no NOI will be filed with the Regional Water Quality Control Board.
- b. Covello will monitor the Contractor's performance relative to the SWPPP and the Project BMPs.

15. Testing and Training

- a. The Scope and Budget do not include Covello's participation in factory witness testing.
- b. Covello will coordinate the Contractor's testing and training activities.
- c. Covello will coordinate the DC's process start-up and training support efforts.
- d. Covello will support the Contractor, DC and the District on the development of the Startup Plan.

16. Corrective Work Item List and Substantial Completion

- a. Covello will prepare the Corrective Work Item list(s) with input from the District and DC during the course of construction.

- b. Covello will prepare the Substantial Completion Certificate for execution by the District and the Contractor.
- c. Any uncompleted corrective work list items will be moved to the punch list once the project has reached Substantial Completion.

17. Means and Methods of Construction

- a. Covello will not have responsibility for directing the means and methods of construction. The contractor shall be solely responsible for the means and methods of construction.

18. Safety

- a. Covello will comply with appropriate regulatory, project and District regulations regarding necessary safety equipment and procedures used during performance of Covello's work and shall take necessary precautions for safe operation of Covello's work, and the protection of Covello's personnel from injury and damage from such work.
- b. Neither the professional activities of Covello, nor the presence of Covello's employees or sub-consultants at the construction/project site, shall relieve the Contractor and any other entity of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending, or coordinating their work in accordance with the Contract Documents, District regulations, and any health or safety precautions required by any regulatory agencies. District agrees that the Contractor is solely responsible for job site safety, and District shall provide in the Contract Documents that Covello and its subconsultants shall be named as additional insureds in general liability insurance coverage provided by the Contractor, and that Covello and its subconsultants shall be named as indemnitees under the obligation of the Contractor to defend and indemnify District, to the same extent as the obligation pertains to District.

19. Dispute Resolution

- a. Resolution of routine disputes through the normal efforts of Covello's day-to-day operations will be performed by Covello with the assistance of District and DC as necessary.
- b. Dispute resolution requiring extraordinary efforts or services beyond those listed in this Scope of Work, causing Covello to exceed our Budget or Contract period or requiring dispute resolution services using third parties or special processes (e.g. Mediation, Arbitration, Mini-Trials, Dispute Consultants), are not included in this Scope of Work. If such non-routine dispute resolution activities or services are required, either an amendment or a separate task order will be executed.

C POST CONSTRUCTION PHASE

1. Final Inspection and Punchlist

- a. Covello will have primary responsibility for conducting the final inspection.
- b. The District will participate and provide input on the final inspection.
- c. DC will provide design input on final inspection items if determined necessary by the District.
- d. Covello will prepare the list of outstanding deficiencies.
- e. Covello will prepare and issue the punchlist(s).
- f. Covello will have primary responsibility for verifying that the punchlist work is complete.

2. Project Closeout

- a. Covello will address any outstanding items with the Contractor.
- b. Covello will prepare and submit a final Construction Report to the District, which shall be an organized record of the complete Project.
- c. Covello will turnover project documentation to the District at the end of the Project. This will include Operation and Maintenance Manuals furnished by the Contractor, final Record Documents and any third party agreements related to operation of equipment furnished by the Contractor.
- d. Covello will retain all issue files at the end of the project. The District shall have the right to request review and/or copies of the issue files at the District's expense.
- e. Covello shall have full and complete access available to all files created by Covello during the Project for up to ten (10) years after the completion of the Project. Such access shall include the right to copy any and/or all such files at Covello's expense.

3. Warranty Coordination

- a. Not included.

Carollo Engineers, Inc.
Task Order No. 2 to Agreement dated December 13, 2016

Agreement Expiry Date: *December 31, 2018*

Issue Date:	May 31, 2017
Project Name and Number:	WWTP Anaerobic Digester No. 4 and FOG Receiving Facility (CIP 07-3203)
Task Title:	Engineering Services During Construction
Project Manager Name & Signature:	Steve Delight _____
Source of Funds:	Regional Wastewater Expansion (Fund 320)
Board Review Committee:	Board
Account Number:	07-3203.design.cip
Authorization Amount:	\$473,334 NTE
Purchase Order Number:	TBD
Return Purchase Order to:	Evita Schnupp
Compensation Method:	Time and materials as per Agreement
Completion Date:	November 30, 2018
Insurance Requirements:	As per Agreement; no special requirements
Work Product:	See Attachment "A"
Digital Drawings, if applicable:	Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.
Scope of Work:	See Attachment "A"
Economic Disclosure:	<input type="checkbox"/> Required – Need to include Attachment B <input checked="" type="checkbox"/> Not Required
Recommended by:	Judy Zavadil (_____)

Accepted by: _____
Paul Friedlander, Associate Vice President
Carollo Engineers, Inc. _____
Date

Accepted by: _____
Lou Carella, Executive Vice President
Carollo Engineers, Inc. _____
Date

Authorized by: _____
Daniel McIntyre, General Manager
Dublin San Ramon Services District _____
Date

**DUBLIN SAN RAMON SERVICES DISTRICT
ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY (CIP 07-3203)
ENGINEERING SERVICES DURING CONSTRUCTION**

SCOPE OF WORK

May 30, 2017

INTRODUCTION

In May 2017, Carollo (Consultant) completed design of the Anaerobic Digester No. 4 and FOG Receiving Facility Project for the Dublin San Ramon Services District (District). The project will be bid on June 8, 2017 and construction is anticipated to start in July 2017 and will last approximately 12 months. Construction Management services will be provided by a Third-Party Construction Manager (Covello), under a separate contract directly with the District. Consultant's Scope of Work herein is to provide engineering services during construction to the District and the Construction Manager.

SCOPE OF WORK

This section presents the Scope of Work for the Anaerobic Digester No. 4 and FOG Receiving Facility Project – Engineering Services During Construction.

TASK 1.0 – PROJECT MANAGEMENT

Task 1.1 – Project Management and Administration

Consultant shall provide project management necessary for proper planning, execution, monitoring, and reporting of the project progress to the District during construction. This includes preparation of a brief monthly progress summary letter for attachment to the monthly invoice to track status of budget expenditures and key work activities completed during that billing period.

Task 1 Deliverables:

- Monthly progress summary letters.

TASK 2.0 – ENGINEERING SERVICES DURING CONSTRUCTION

Task 2.1 – Prepare Conformed Documents

Consultant shall prepare conformed documents based on incorporating changes outlined in Addendum 1 of the bid documents. Conformed documents will be prepared using Consultant's standard format.

Task 2.2 – Attend Construction Meetings

Consultant shall attend a total of 24 meetings during construction. This includes one pre-construction meeting and 23 construction progress meetings with the construction team.

Task 2.3 – Perform Field Observations

Consultant shall conduct 8 site visits to perform field observation and/or specialty discipline inspection upon request by the District or the Construction Manager. In addition, an allowance of \$10,000 is included for the geotechnical engineer's field observation such as subgrade preparation, structure backfill, foundation subgrade material, etc.

Task 2.4 – Review Shop Drawings and Submittals

Consultant shall review shop drawings and submittals (excluding temporary shoring submittals) to determine that the submitted item(s) conforms to the intent of the plans and specifications. Budget estimate is based on 130 initial submittals and 60 resubmittals.

Task 2.5 – Review Requests for Information

Consultant shall review requests for information (RFIs) and respond to design related requests for clarifications, information, and proposals to help assist the District and Construction Manager in resolving construction conflicts. Budget is based on review of 50 RFIs.

Task 2.6 – Review Change Order Requests

Consultant shall review Contractor generated change order requests at the request of the District or Construction Manager. If the change order request is accepted, Consultant shall prepare a design clarification to document the change. Budget is based on review of 5 change order requests and preparation of 5 design clarification documents.

Task 2.7 – Prepare Record Drawings

Consultant shall prepare record drawings based solely on as-built drawing markups received from the Contractor and Construction Manager. Consultant will not be responsible for field verifying as-built conditions. Record drawings will be prepared based on Consultant's standard format.

Task 2 Deliverables:

- Conformed documents in PDF format.
- Submittal and shop drawing review comments.
- RFI responses.
- Written comments on Contractor generated change order requests.
- Design clarifications for accepted CORs.
- Record drawings in PDF format.

BUDGET

The estimated cost to perform the tasks described above is \$473,334 as shown in the attached fee estimate.

LABOR AND BUDGET ESTIMATE

**DUBLIN SAN RAMON SERVICES DISTRICT
ANAEROBIC DIGESTER NO. 4 AND FOG RECEIVING FACILITY (CIP 07-3203)
ENGINEERING SERVICES DURING CONSTRUCTION**



Task / Task Description	SP \$277	LPP \$256	PP \$235	P \$200	AP \$166	CAD \$151	WP \$114	Carollo Hours	Carollo Labor Cost	Subconsultant Costs			Other Direct Costs (ODC)			Total Cost	
										Tanaka (Landscape)	McMillen (Geotech)	Subs Total	Mileage		ODC Total		
													Trips	Amount			
1.0 Project Management																	
1.1 Project Management and Administration	43	29	0	0	0	0	0	72	\$19,339	\$0	\$0	\$0	0	\$0	\$0	\$0	\$19,339
Task 1.0 Totals =	43	29	0	0	0	0	0	72	\$19,339	\$0	\$0	\$0	0	\$0	\$0	\$0	\$19,339
2.0 Design Services During Construction																	
2.1 Prepare Conformed Documents	2	2	0	2	14	40	16	76	\$11,654	\$600	\$0	\$600	0	\$0	\$0	\$0	\$12,254
2.2 Attend Construction Meetings	24	12	12	0	0	0	0	48	\$12,540	\$600	\$0	\$600	24	\$690	\$690	\$0	\$13,830
2.3 Perform Field Observations	0	14	34	0	0	0	0	48	\$11,582	\$2,000	\$10,000	\$12,000	8	\$230	\$230	\$0	\$23,812
2.4 Review Shop Drawings and Submittals	64	192	410	358	256	0	0	1,280	\$277,312	\$1,500	\$5,000	\$6,500	0	\$0	\$0	\$0	\$283,812
2.5 Review Requests for Information	30	90	135	30	0	15	0	300	\$71,340	\$1,500	\$0	\$1,500	0	\$0	\$0	\$0	\$72,840
2.6 Review Change Order Requests	8	20	32	8	0	12	0	80	\$18,268	\$0	\$0	\$0	0	\$0	\$0	\$0	\$18,268
2.7 Prepare Record Drawings	4	10	18	40	0	80	0	152	\$27,978	\$1,200	\$0	\$1,200	0	\$0	\$0	\$0	\$29,178
Task 2.0 Totals =	132	340	640	438	270	147	16	1,984	\$430,674	\$7,400	\$15,000	\$22,400	32	\$920	\$920	\$0	\$453,994
Totals (Tasks 1 - 2) =	175	369	640	438	270	147	16	2,056	\$450,014	\$7,400	\$15,000	\$22,400	32	\$920	\$920	\$0	\$473,334

- Legend:**
 SP Senior Professional
 LPP Lead Project Professional
 PP Project Professional
 P Professional
 AP Assistant Professional
 CAD CAD Technician/Graphics
 WP Word Processor

Billing rates are subject to annual revisions in January of each year due to labor adjustments.



TITLE: Accept the Following Regular and Recurring Reports: Water Supply and Conservation, Warrant List, and Upcoming Board Business

RECOMMENDATION:

Staff recommends the Board of Directors accept, by Motion, the attached regular and recurring reports and direct staff to remove the “Water Supply and Conservation” report and the “Upcoming Board Business” report from the list of recurring reports.

SUMMARY:

To maximize openness and transparency and to allow the Board to be informed about key aspects of District business and to provide direction when appropriate, the Board directed that various regular and recurring reports be presented for Board acceptance at regular intervals. This item is routinely presented to the Board at the second meeting of each calendar month.

Attachment 1 summarizes the current regular and recurring reports; the actual reports are themselves attachments to Attachment 1 as referenced below. Reports presented this month for acceptance are:

- Ref item A: Water Supply and Conservation
- Ref item B: Warrant List
- Ref item C: Upcoming Board Business

Staff proposes to remove the “Water Supply and Conservation” report from list of recurring reports because of the administrative burden required to compile the report. Given that the State and the Tri-Valley are no longer in a mandatory conservation mode, and that the groundwater basin is nearly full, and that widespread conservation will continue over the next few years, staff proposes to eliminate the report. In lieu of a monthly report, staff would provide an annual summary of water conservation, concurrently with the annual review of the financial condition of the water enterprise and the working capital balances. The focus of this annual conservation report would be on the impact of reduced water sales from continuing conservation on the water fund.

Additionally, staff proposes to eliminate the report on “Upcoming Board Business” because the scheduled dates of various items continue to be highly variable. The “Upcoming Board Business” report typically does not paint an accurate picture of Board business scheduling because of a very fluid scheduling and rescheduling of items. In lieu of a formal monthly written report, which subsequently is modified in response to changing conditions, staff recommends giving a short verbal update on pending major discussion items at the beginning of each Board meeting.

Originating Department: Administrative Services	Contact: K. Vaden	Legal Review: Not Required
Cost: \$0	Funding Source: N/A	
Attachments: <input type="checkbox"/> None <input type="checkbox"/> Staff Report <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)	Attachment 1 – Summary of Regular and Recurring Reports	
		188 of 237

SUMMARY OF REGULAR AND RECURRING REPORTS

Ref.	Description	Frequency	Authority	Last Acceptance	Acceptance at this Meeting?	Next Acceptance
A	Water Supply and Conservation Report	Discontinue	Board Direction	May 2017	Yes	N/A
B	Warrant List	Monthly	Board Direction	May 2017	Yes	July 2017
C	Upcoming Board Business	Change to Verbal report	Board Direction	May 2017	Yes	N/A
D	District Financial Statements ¹	Quarterly	Board Direction	Mar 2017		July 2017
E	Low Income Assistance Program Report	Annually – Fiscal Year	Board Direction	July 2016		July 2017
F	Strategic Work Plan Accomplishments Report	Annually – Fiscal Year	Board Direction	July 2016		July 2017
G	Outstanding Receivables Report	Annually – Fiscal Year	District Code	July 2016		July 2017
H	Employee and Director Reimbursements greater than \$100 ²	Annually – Fiscal Year	CA Government Code	July 2016		July 2017
I	Utility Billing Adjustments	Annually – Fiscal Year	Board Direction	August 2015		August 2017
J	Annual Rate Stabilization Fund Transfer Calculation	Annually – After Audit	Board Direction Budget Accountability Policy (See Note)	Dec 2016		Dec 2017
K	“No Net Change” Operating Budget Adjustments	As they occur but not more frequently than monthly		Oct 2016		Before end of month after occurrence
L	Capital Outlay Budget Adjustments			May 2016		
M	Capital Project Budget Adjustments			Oct 2014		
N	Unexpected Asset Replacements			Mar 2017		

Note: For the fiscal year ending 2017, the totals for these reports are as follows:

Category	YTD	This Meeting	Total
Capital Outlay Budget Adjustments	\$0	\$0	\$0
Capital Project Budget Adjustments	\$0	\$0	\$0
Unexpected Asset Replacements	\$105,322	\$0	\$105,322

¹ Financial statement reporting changed from monthly to quarterly reporting.

² Reimbursements also reported monthly in the Warrant List (Item B). Presented to Board as separate agenda item.



DSRSD - Monthly Report on Water Supply

Reporting Month: May 2017

State Drought Regulations	DSRSD Compliance to State Regulations	Long Term Water Supply Factors at this stage of Water Year (May 2017)										
Executive Order B-29-15 & B-36-15												
DSRSD Potable Reduction in Month, %												
Feb-17	Mar-17	Apr-17										
20.0%	26.1%	31.6%										
May-17												
21.1%												
Required State Potable Reduction, %												
0%	0%	0%										
SBx7-7 (20% by 2020)												
Required gpcd												
Baseline	2015	2020										
211	190	169										
DSRSD gpcd												
Feb-17	Mar-17	Apr-17										
64.8	69.2	75.0										
May-17												
106.2												
CA Drought Management Measures												
Drought Stage	Stage 1											
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Days per week irrig</td> <td style="text-align: center;">7</td> </tr> <tr> <td>No. Complaints</td> <td style="text-align: center;">0</td> </tr> <tr> <td>No. Follow-Ups</td> <td style="text-align: center;">0</td> </tr> <tr> <td>No. Warnings</td> <td style="text-align: center;">0</td> </tr> <tr> <td>No. Penalties</td> <td style="text-align: center;">0</td> </tr> </table>			Days per week irrig	7	No. Complaints	0	No. Follow-Ups	0	No. Warnings	0	No. Penalties	0
Days per week irrig	7											
No. Complaints	0											
No. Follow-Ups	0											
No. Warnings	0											
No. Penalties	0											
DWR Defined % Reduction												
DWR Target % per Year	0.0%											
Apr 2017 (most recent) vs 2013	26.1%											
Actual YTD % Reduction												
Feb-17	Mar-17	Apr-17										
13.1%	18.2%	22.4%										
May-17												
22.0%												
DWR - SWP Allocation Available												
85%												
Monthly Precipitation, % of Seasonal Avg to Date												
196%												
Northern Sierra Snowpack, % of Average												
NA%												
Lake Oroville Storage, % of Hist. Avg.												
82%												
Zone 7 Potable Supply Situation = 100%												
"Zone 7 is prepared to meet all projected 2017 demands."												
Preliminary Approval of 2017 Treated Water Request 12-16-16												

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Dublin San Ramon Services District

From: 5/8/2017 To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
05/08/2017	5082017	03718 HR SIMPLIFIED	IRS 125 2016/2017 POS	1,632.90	1,632.90
05/10/2017	1000849981	01111 CALPERS	MAY 2017 - ER CODE 0740 (PERS)	184,639.67	184,639.67
05/10/2017	1000849983	01111 CALPERS	MAY 2017 - ER CODE 7316 (NON-PERS)	2,165.47	2,165.47
05/11/2017	92884	00710 AAI TERMITE & PEST CONTROL	APR 2017: DO MONTHLY PEST CONTROL DO PEST CONTROL RODENT SERVICE & INSPECT	147.00 68.00	215.00
05/11/2017	92885	00031 ALLIED FLUID PRODUCTS CORP	MECHL SEAL REPAIR FOR CHILLER COOLING WA	855.62	855.62
05/11/2017	92886	01013 BARRETT BUSINESS SERVICES	C. PATTERSON: W/E 4/16/17 J. HAAS: W/E 4/16/17 D. STEENFOTT: WE 04/16/17	985.60 960.00 593.63	2,539.23
05/11/2017	92887	07954 BENEFIT COORDINATORS CORP	5/17 - EE LIFE & DISABILITY INSURANCE PR	10,647.24	10,647.24
05/11/2017	92888	00085 RHODORA BIAGTAN	BIAGTAN REIMB EXP AT EMOTIONAL DEVELOP S	58.08	58.08
05/11/2017	92889	03614 CAROLLO ENGINEERS	16-A002 TO OC-22 1/1/17-3/31/17 16-S019 TO NO. OC-4 3/1/17 TO 3/31/17	14,517.00 4,093.55	18,610.55
05/11/2017	92890	07915 JEFF CARSON	CARSON REIMB EXP FOR GREEN CONF 04/25 - CARSON REIMB EXP FOR MILEAGE W/E 04/28/1	191.90 18.76	210.66
05/11/2017	92891	00299 ENVIRONMENTAL RESOURCE AS	PROFICIENCY TESTING QUARTERLY 2017 INORGANICS PT, QC PH PT, QC	591.63 227.62 173.75	993.00
05/11/2017	92892	04727 EVOQUA WATER TECH. LLC	16-R010 DERWA: MEMBRANES FOR MICRO-FILTR	469,430.87	469,430.87
05/11/2017	92893	00937 GRAINGER, INC.	CARTRIDGES FOR LABEL MAKER PPE: SAFETY GLASSES	697.89 34.12	732.01
05/11/2017	92894	04424 GRAYBAR ELECTRIC COMPANY	ELE MATLS FOR CO-GEN #2 IGNITION SYSTEM ELE SUPPLIES FOR STOCK SCREWDRIVERS FOR TODD & BRIAN	541.10 205.49 199.11	

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Dublin San Ramon Services District

From: 5/8/2017 To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
			UNI-STRUT END CAPS FOR ELE SHOP STOCK	69.65	1,015.35
05/11/2017	92895	07944 JOSEPH HATTRUP	HATTRUP REIMB EXP FOR FIELD PARTS	43.35	43.35
05/11/2017	92896	00491 ERIK KUEFNER	KUEFNER MEAL VARIANCE 4/27/17 + 4/28/17	7.60	7.60
05/11/2017	92897	07109 DANIEL MCINTYRE	MCINTYRE REIMB MILEAGE W/E 04/28/17	66.58	66.58
05/11/2017	92898	02076 NORTHERN TOOL & EQUIPMENT	TOOLS FOR ELE SHOP: 14PC ANGLE WR SET, 1	111.98	111.98
05/11/2017	92899	00608 OFFICE TEAM	TEMP SVCS W/E 04/28/17 - MONTAGUE	231.60	231.60
05/11/2017	92900	01078 STEFANIE OLSON	OLSON REIMB OFFICE SUPPLY EXPENSES	14.19	14.19
05/11/2017	92901	01403 PRAXAIR DISTRIBUTION INC 186	CYLINDER RENTAL	69.96	69.96
05/11/2017	92902	04973 NATERCIA SAUCEDA	CASE ID FL364781: PAYMENT	111.23	111.23
05/11/2017	92903	00762 TESTAMERICA LABORATORIES I	J78326-1 DRINKING WATER MONITORING 3-20-	55.50	55.50
05/11/2017	92904	00762 TESTAMERICA LABORATORIES I	SAMPLE ANALYSES	26.50	26.50
05/11/2017	92905	05026 UNIVAR USA INC.	SODIUM HYPOCHLORITE: WWTP ON 04/19/17	2,105.91	2,105.91
05/11/2017	92906	03622 JUDY ZAVADIL	ZAVADIL REIMB EXP AT CSDA WORKSHOP 03/27	113.00	113.00
05/11/2017	92907	03536 U S BANK/ CORP PMT SYSTEMS	OFFICE SUPPLIES - DO AND EXEC.	91.63	
			OFFICE SUPPLIES FOR M. JOHNSON	89.99	
			QTY (1) SANDISK 240GB SSD DRIVE FOR WWTP	86.30	
			OFFICE SUPPLIES: STAPLES, HIGHLIGHTERS,	83.95	
			FIBER PATCH CABLE FOR SCADA	79.66	
			WORK GLOVES FOR TODD & BRIAN	79.10	
			DERWA: DERWA: SS BOLTS FOR FLOW METER RE	76.05	
			PLASTIC TABLE COVER & LG ELECTRIC FRY PA	74.25	
			(3QTY HOLE SAW; PADLOCK	73.30	
			OFFICE SUPPLIES - DO	72.68	
			MATERIALS FOR BUDGET DOCUMENT	72.07	
			CUSTOM ALUM FILTER FOR CO-GEN STARTING A	66.66	

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Page: 3

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Dublin San Ramon Services District

From: 5/8/2017

To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
			QTY (1) MINI DP TO VGA ADAPTER, QTY (1)	66.60	
			FILE FOLDER LABELS FOR CW AND INSPECTOR	64.69	
			S. STEPHENSON - UTILITY BRANDING NETWORK	63.55	
			QTY (1) MICROSOFT SURFACE PEN FOR TIM JO	57.87	
			STAPLES OFFICE SUPPLIES	57.62	
			CCC KITCHEN SUPPLIES - SILVERWARE	54.16	
			DO VEHICLE GAS PURCHASE.	50.13	
			FUEL CIPP OF AC MAIN	50.00	
			COFFEE MAKER FOR RIBBON CUTTING BREAKFAS	48.70	
			DOOR BELL LICENSE	48.43	
			SHOP SUPPLIES: BOTTLED WATER; LDR COVERS	47.34	
			J. CHANGE - VIDEOGRAPHY COURSE - MEAL 04	46.26	
			CC KITCHEN SUPPLIES	45.89	
			SIGNS FOR CRANE @ FOD COMMERCE BLDG	45.50	
			QTY (3) DIYMALL VK172 USB GPS DONGLE FOR	44.91	
			POLO SHIRT - NEW HIRE CARSON	44.31	
			CC KITCHEN SUPPLIES - COOKWARE	43.68	
			DERWA: PLUMBING PARTS FOR MF STRAINERS	42.82	
			WIRING COVERS FOR MAG LOCK @ COMMERCE CI	41.56	
			SHOWER CURTAINS & RINGS FOR FOD	41.43	
			AMAZON - PROTECTION PLAN - P 2 HP LASER	41.10	
			INK CARTRIDGE REPLACEMENT - CANON OFFICE	41.00	
			SAFETY GLASSES FOR TODD & BRIAN	38.78	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	37.34	
			QTY (1) MICROSOFT SURFACE MINI DP TO VGA	22.91	
			OFFICE SUPPLIES	22.70	
			J. CHANG - VIDEOGRAPHER COURSE - MEAL 04	22.68	
			SERVING SPOONS, ETC FOR FOD RIBBON CUTTI	34.17	
			MISC SUPPLIES, BALLOONS, ETC. FOR FOD RI	33.87	

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Printed on: 06/09/2017 9:11AM

Dublin San Ramon Services District

From: 5/8/2017

To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
			GASOLINE - DISTRICT POOL VEHICLE	33.82	
			INDUSTRIAL SPARK PLUG FOR FLARE	32.81	
			BOOK TITLE - IMPLEMENTING WORLD CLASS IT	32.48	
			GASOLINE - DISTRICT POOL VEHICLE	31.66	
			QTY (1) MICROSOFT 4000 ERGO KB FOR BRETT	30.58	
			OFFICE SUPPLIES: DRY-ERASE BOARDS	29.46	
			DERWA: SS PIPE NIPPLE THREADED ON BOTH E	28.99	
			TRAFFIC CONTROL CLASS 3/29 - WATER & SN	27.96	
			PLANNING/PERMITTING OFFICE SUPPLIES	27.32	
			QTY (1) MICROSOFT 850 WIRELESS KB AND MO	27.30	
			D BATTERIES - FOD	26.15	
			J. CHANG - VIDEOGRAPHER COURSE - MEAL 04	26.07	
			PRO SUBSCRIPTION (APRIL 2017)	26.00	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	25.57	
			BLINDS FOR DO	25.43	
			TV TRUCK SUPPLIES	24.66	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	24.24	
			ONLINE FAX SERVICE TO FREITAS EMAIL	19.98	
			ONLINE FAX SERVICE TO OLSON EMAIL	19.98	
			S. STEPHENSON - UTILITY BRANDING NETWORK	19.60	
			CAKE- RIBBON CUTTING/DSRSD BDAY FOD 4-1	18.99	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	17.89	
			GM ONE YEAR ANNIVERSARY EXPENSES	17.58	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	16.82	
			FOF RIBBON CUTTING - RIBBON	16.37	
			J. PETTINICHIO RETIREMENT CARDS	15.48	
			P-TRAP FOR BLDG A	14.36	
			SCREWS FOR BLOWER ACTUATOR	12.69	
			DISTRICT 53 BIRTHDAY AND FOF OPEN HOUSE	12.02	

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Check History Description Listing

Page: 5

Printed on: 06/09/2017 9:11AM

Dublin San Ramon Services District

From: 5/8/2017

To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
			WALMART - BATTERIES FOR MICRORECORDER FO	11.97	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	11.73	
			J. CHANG - VIDEOGRAPHY COURSE MEAL 04/01	10.93	
			OFFICE SUPPLIES: DRY ERASE BOARD (B/O)	9.82	
			MISC SUPPLIES	9.80	
			S. STEPHENSON - UTILITY BRANDING NETWORK	9.46	
			PICKUP FOR SHIPMENT OF WRONG COPIER SUPP	6.90	
			CO-GEN BEARING DRIVERS	4.37	
			J. CHANG - VIDEOGRAPHY COURSE - MEAL 04/	3.00	
			DERWA: PARKING O&M MEETING AT WBA	2.00	
			PARKING METER - CIPP OF AC MAIN	1.50	
			RETURN CREAM CHEESE - FOD RIBBON CUTTING	-7.89	
			RETURN OVERLAY VELCRO REFLX 48	-22.00	
			QTY (1) HARD DRIVE FOR ITSUTILITY	-41.25	
			CREDIT - R. BIAGTAN HOTEL RM FOR WATEREU	-64.16	
			CREDIT: BRAKE PARTS FOR UNIT #16	-174.52	
			50 TRAFFIC CONES	873.39	
			CHANG - VIDEOGRAPHY COURSE - REGISTRATIO	790.00	
			BRAKE PARTS FOR UNIT #16	781.48	
			ACWA - 2017 SPRING CONFERENCE REGISTRATI	699.00	
			ZAVADIL ACWA 2017 REGISTRATION	699.00	
			UNIT #16 MAINT & REPAIR: FRONT END WEAR	664.17	
			J. CHANG - VIDEOGRAPHY COURSE LODGING	618.15	
			COLTON INN- HOTEL - 2017 ACWA SPRING CON	575.72	
			R. ROBLES 2017 CRWA ED & EXHIB EXPO REGI	525.00	
			R. LAWRENCE CRWA 2017 ED & EXHIB EXPO 4-	525.00	
			GRIT SCREEN FABRIC ROLL	524.17	
			TSTODDARD: FLAME RESISTANT WORK CLOTHES	502.52	
			(12QTY) SS EYEBOLT FOR EPS 1 AIR VALVES	477.67	

apCkHistDesc

Check History Description Listing

Printed on: 06/09/2017 9:11AM

Dublin San Ramon Services District

From: 5/8/2017

To: 6/11/2017

Bank code: apbank

Date	Check #	Vendor	Description	Amount Paid	Check Total
			3-POINT NIST CALIBRATION FOR TWO DATA LO	436.86	
			AMAZON - 2 HP LASERJET LABEL PRO PRINTER	432.64	
			STANDING DESK FOR R. PENDERGRAFT	431.54	
			LADDER SUPPORT FOR RES 10A VAULT	418.75	
			POWER SUPPLY FOR DOORS @ COMMERCE CIR	369.85	
			DUBLIN CHAMBER OF COMMERCE - DUBLIN STAT	360.00	
			OFFICE SUPPLIES: MEMO PADS, INK CARTRIDG	342.59	
			COSTCO - FOOD FOR FOF RIBBON CUTTING REC	306.34	
			ONLINE JOB POSTING - SAFETY OFFICER	300.00	
			QTY (2) DELL 146GB 15K HARD DRIVES FOR I	295.05	
			QTY (1) DELL P2417H 24" MONITOR FOR ERIK	287.50	
			QTY (1) DELL P2417H 24" LCD MONITOR FOR	287.50	
			ONLINE JOB POSTING - SAFETY OFFICER	285.00	
			ONLINE JOB POSTING - W/WW SYSTEMS OPERAT	285.00	
			ONLINE JOB POSTING - LABORATORY SUPERVIS	285.00	
			SAFETY OFFICER RECRUITMENT - JOB POSTING	282.15	
			1 STANDARD UCC SSL CERT -2 YR	269.98	
			OFFICE SUPPLIES	259.92	
			QTY (3) SANDISK 240GB SSD HARD DRIVES FO	258.89	
			16 RE-USABLE NAMEPLATES	253.38	
			ONLINE JOB POSTING - SAFETY OFFICER	250.00	
			S. OLSON BACKFLOW REFRESHER COURSE FOR R	250.00	
			CIP 16-A005: REFRESHMENTS FOR FOF RIBBON	249.57	
			ONLINE JOB POSTING - LABORATORY SUPERVIS	249.00	
			MISC SUPPLIES	247.98	
			TRAFFIC CONTROL CLASS - LUNCH	241.42	
			ANNUAL SMOKE (SNAP) TEST FOR UNITS #17,	225.00	
			OFFICE SUPPLIES: CARTRIDGES, PENS, ETC	222.42	
			PIG POLY DRIP DECK FOR OIL SECONDARY CON	219.92	

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			VALDEZ APA MEMBERSHIP-MAY 2017 RENEWAL	219.00	
			ONLINE JOB POSTING - SAFETY OFFICER	200.00	
			ONLINE JOB POSTING - LABORATORY SUPERVIS	200.00	
			ETHERNET CABLE FOR RADIOS @ OPS ADMIN RO	199.96	
			R. LAWRENCE ROOM ACCOMODATIONS - CRWA 4-	193.23	
			R.ROBLES ROOM ACCOMODATIONS - CRWA 4-17	193.23	
			MISC SUPPLIES	185.56	
			PARTS FOR RES 1A AMMONIA/HYPO TANK INSTA	181.72	
			S. OLSON - BACKFLOW RECERTIFICATION EXAM	180.00	
			2016 AWQR PHOTOS - 30 DAY SUBSCRIPTION	179.00	
			CONTACTOR FOR PRIMARY EFF CONTROL VALVE	177.80	
			BLOHMAN: MEMBERSHIP RENEWAL	172.00	
			QTY (3) SANDISK 120GB SSD HARD DRIVES FO	163.84	
			SANITARY HAND WIPES FOR FOD STAFF	151.12	
			2016 EMPLOYEE AWARD PLAQUE ENGRAVING	143.78	
			ALUM/STEEL, SPRING TYPE SIGNSTAND	133.92	
			DRAIN COVER FOR CO-GEN	131.23	
			SANITIZING HAND WIPES FOR FOD STAFF	128.48	
			QTY (1) ROLLING TV STAND FOR FOD	124.99	
			REPLT BACK-UP CAMERA FOR UNIT #110	124.96	
			SAFETY LATCHES & BULLS EYE LEVELSFOR GRO	120.54	
			ONLINE (PR) PUBLICATION - THE MEASUREMEN	115.00	
			CAMERA EQUIPMENT - FLASH REFLECTOR	109.23	
			DERWA: SS BOLTS & NUTS FOR FLOW METER RE	107.55	
			SHOWER CURTAINS, ROD & RINGS FOR FOD	104.03	
			MISC SUPPLIES	91.96	23,590.21
05/11/2017	92908	07673 4LEAF, INC.	16-A005 TO NO. 1 FOR PERIOD 3/1/17-3/31/	16,352.50	16,352.50
05/11/2017	92909	01719 A & M PRINTING, INC.	PRINTING, MAILING & POSTAGE: 218 NOTICE	12,019.00	

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			6 LANGUAGE BROCHURE	1,042.48	13,061.48
05/11/2017	92910	02158 AMADOR VALLEY INDUSTRIES	DO GARBAGE SVC - APRIL 2017	337.37	337.37
05/11/2017	92911	02098 AMERICAN UNDERGROUND	REFUND METER # 65492094	437.66	437.66
05/11/2017	92912	00058 ARROWHEAD MOUNTAIN SPRING	BOTTLED WATER LAB	59.97	59.97
05/11/2017	92913	00079 BAY AREA AIR QUALITY MGMT.	BAAQMD PERMIT #1371 SOURCE #13 - PERMIT	462.00	462.00
05/11/2017	92914	00091 BOLD, POLISNER, MADDOW, NEI	MONTHLY LEGAL SERVICES - 04/2017	7,222.03	7,222.03
05/11/2017	92915	02217 BSK ASSOCIATES INC.	SAMPLE ANALYSES	250.00	250.00
05/11/2017	92916	01085 CALPERS LONG-TERM CARE PR	LONG-TERM CARE: PAYMENT	68.12	68.12
05/11/2017	92917	00120 CAMPANELLA CORPORATION	REFUND FOR RETURNED METER # 65352722	867.21	867.21
05/11/2017	92918	07705 DPI INC	REFUND METER # 65495577	802.29	802.29
05/11/2017	92919	02656 FASTENAL COMPANY	(2QTY) THREADED ROD FOR EPS PUMP #2	509.67	
			BLDG S SAFETY SUPPLIES	5.11	514.78
05/11/2017	92920	07670 FLOSTOR ENGINEERING, INC.	16-A005 PHASE 2 SHELVING & RACK INSTALL	1,149.57	1,149.57
05/11/2017	92921	05630 FOOTHILL LOCKSMITHS INC.	16-A005 MASTER KEY SYSTEM AT 7035 COMMER	608.44	608.44
05/11/2017	92922	02914 STATE OF CALIFORNIA FRANCHI	FRANCHISE TAX BOARD: PAYMENT	187.69	187.69
05/11/2017	92923	00352 GOLDEN STATE FLOW MEASURE	GSFM ENDPOINTS	15,102.72	15,102.72
05/11/2017	92924	00368 HACH COMPANY	CHLORINE STD 100-130MG/L	102.31	102.31
05/11/2017	92925	00382 HAVE AIR WILL TRAVEL, INC.	NEW TIRES INSTALL FOR CRANE TRUCK #16	342.00	342.00
05/11/2017	92926	02803 INTELLITIME SYSTEMS CORP	ANNUAL SUPPORT 10/1/16 - 09/30/17	1,600.00	1,600.00
05/11/2017	92927	02718 JENSEN INSTRUMENT COMPAN	DERWA: SPARE UVT METER FOR SF/MF	6,336.50	6,336.50
05/11/2017	92928	00464 JWC ENVIRONMENTAL	REPLT DRIVE FOR WASHER COMPACTORS	5,758.53	5,758.53
05/11/2017	92929	08020 KELLEHER, HELMRICH, AND ASS	SDS MANAGEMENT 4/1/2017-3/31/2018	1,800.00	1,800.00
05/11/2017	92930	05257 LENNAR COMMUNITIES	REFUND RETURNED METER # 1576585	818.02	818.02

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05/11/2017	92931	07614 MAHLER CONSULTING SERVICE	DEV PROJECT INSPECTION SUPPORT 4/1 - 4/1	11,592.95	11,592.95
05/11/2017	92932	07264 MANPOWERGROUP US INC.	M. ZAKLAN: WE 04/16/17	409.64	409.64
05/11/2017	92933	05897 MERIT RESOURCE GROUP	A. MCCAFFERY: WE 04/16/17	1,541.00	1,541.00
05/11/2017	92934	07812 MOHAWK GROUP	16-A006 DO CARPET INSTALLATION	1,013.73	1,013.73
05/11/2017	92935	04231 MSC INDUSTRIAL SUPPLY CO	PARTS/SUPPLIES FOR CO-GEN, EPS PUMPS & C PAINT SUPPLIES FOR SHOP; O-RING FOR CO-G	165.64 83.06	248.70
05/11/2017	92936	04796 NAPA AUTO PARTS	(2QTY) OXYGEN SENSOR FOR CO-GEN #3 (4QTY) AIR FILTERS FOR D7: FOR STOCK BRAKE FLUID FOR FLEET STOCK	34.87 28.67 25.42	88.96
05/11/2017	92937	00620 P G & E	WWTP ELECTRICITY - APRIL 2017 RESERVOIR R100 ELEC - MAY 2017 JOHNSON DRIVE STREETSCAPE ELEC - APRIL 2 ALAMO TRUNK SEWER ELEC - APRIL 2017	26,314.33 36.79 13.47 13.46	26,378.05
05/11/2017	92938	04211 PLATT ELECTRIC SUPPLY	LAMPS FOR STOCK	549.96	549.96
05/11/2017	92939	04105 R&B COMPANY	MISC REPAIR PARTS	6,757.24	6,757.24
05/11/2017	92940	04251 R.L. RIGHETTI ENTERPRISES INC	WATER PUMP KIT FOR 750 EMERGENCY GENERAT	987.80	987.80
05/11/2017	92941	06284 RELIANT TECHNOLOGY	EMC SAN MAINTENANCE RENEWAL 24X7	4,937.50	4,937.50
05/11/2017	92942	06345 RON DUPRATT FORD	BRAKE PAD & ROTORY ASY FOR UNIT #20 JET KIT FOR UNIT #93	162.01 11.19	173.20
05/11/2017	92943	07981 RS TECHNICAL SERVICES, INC.	REPAIR MINI TRACTOR & PARTS REPAIR PROBE CAMERA & PARTS	3,008.37 323.45	3,331.82
05/11/2017	92944	08024 SAFETY COMPLIANCE MANAGEI	HEAT ILLNESS TRAINING (4) SESSIONS	995.00	995.00
05/11/2017	92945	02698 SHAMROCK OFFICE SOLUTIONS	OVERAGE USAGE COLOR COPIES 04/06 - 05/05	297.85	297.85
05/11/2017	92946	06915 SHARPS SOLUTIONS, LLC	PHARMACEUTICAL WASTE PICKUP FOR P2 PROGR	122.05	122.05

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05/11/2017	92947	02444 STAPLES ADVANTAGE	RETURNED WRONG SIZE STAPLE CARTRIDGES OFFICE SUPPLIES: PRINTER CARTRIDGES, LEA	-30.70 90.98	60.28
05/11/2017	92948	00804 STATE WATER RESOURCES CO	ELAP CERTIFICATION RENEWAL FEE 2017	9,549.00	9,549.00
05/11/2017	92949	00804 STATE WATER RESOURCES CO	J. HENDRYX D2 RENEWAL	60.00	60.00
05/11/2017	92950	07759 SWAN ASSOCIATES, INC.	REPAIR OF DIGESTER PRV: LABOR & MATLS	761.19	761.19
05/11/2017	92951	05781 THERMO ELECTRON NORTH AM	SKIMMER CONE, SAMPLE CONE	1,126.66	1,126.66
05/11/2017	92952	00696 TRAVERSO'S WORK SHOE HQ	EMPLOYEE SAFETY SHOES - KEVIN LEWIS	167.14	167.14
05/11/2017	92953	01806 U.S. BANK	COPIER LEASE MAINT/ENGIN/ FOD - MAY 2017	621.63	621.63
05/11/2017	92954	06702 UNIFIRST INC.	APR 2017: FIRE RESISTANT UNIFORM SERVICE	273.96	273.96
05/11/2017	92955	00556 UNITED WAY OF THE BAY AREA	UNITED WAY: PAYMENT	217.40	217.40
05/11/2017	92956	00912 VALLEY CARE HEALTH SYSTEM	DOT EXAM J. CHALK DOT EXAM R. FREITAS	85.00 85.00	170.00
05/11/2017	92957	00933 VWR INTERNATIONAL, INC.	PH ELECTRODE WWTP: TUBING SILCN 0.2 MICRON FILTER FOR BARNSTEAD WATER BUFFER PH 7	272.12 184.13 119.63 20.83	596.71
05/11/2017	92958	04061 WAXIE SANITARY SUPPLY	CREDIT: DAMAGED ITEM FROM INV #76660227 (6QTY) SOAP DISPENSER	-45.82 76.37	30.55
05/11/2017	92959	00987 ZONE 7 WATER AGENCY	APRIL 2017 CONNECTION FEES	4,490,818.20	4,490,818.20
05/15/2017	8066	05511 CALIFORNIA STATE	CHILD SUPPORT GARNISHMENT: PAYMENT	86.31	86.31
05/15/2017	607051517	01098 NATIONWIDE RETIREMENT SOLI	NATIONAL DEFERRED COMPENSATION: PAYMENT	45,413.52	45,413.52
05/15/2017	1000856989	00494 PERS	RETIREMENT: PAYMENT	94,332.09	94,332.09
05/15/2017	1480139648	01280 EMPLOYMENT DEVELOPMENT C	UNEMPLOYMENT INSURSANCE REIMBURSEMENT	3,632.00	3,632.00

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05/16/2017	5162017	03718 HR SIMPLIFIED	IRS 125 2017 POS/DCA/FSA	1,280.99	1,280.99
05/16/2017	83453066	00558 IRS - PAYROLL TAXES	FEDERAL WITHHOLDING TAXES: PAYMENT	149,695.74	149,695.74
05/16/2017	278400384	00559 EDD - PAYROLL	CALIFORNIA STATE TAXES: PAYMENT	27,634.53	27,634.53
05/18/2017	51817	01108 CALPERS	FY17 PAYDOWN UAL	5,000,000.00	5,000,000.00
05/18/2017	92960	00710 AAI TERMITE & PEST CONTROL	MONTHLY SERVICE & INSPECTION AT PS4 - 10	45.00	45.00
05/18/2017	92961	01013 BARRETT BUSINESS SERVICES	J. HAAS: W/E 4/23/17 C. PATTERSON: W/E 4/23/17	1,075.20 1,024.00	2,099.20
05/18/2017	92962	01013 BARRETT BUSINESS SERVICES	D. STEENFOTT: WE 04/23/17 N. POON: WE 04/23/17	854.82 239.36	1,094.18
05/18/2017	92963	00085 RHODORA BIAGTAN	BIAGTAN REIMB EXP FOR MILEAGE	33.17	33.17
05/18/2017	92964	07020 ROBERT M. BROOKS	BROOKS REIMB EXP AT CWEA CONF 04/25 - 04	355.95	355.95
05/18/2017	92965	03165 ESRI, INC.	QUOTE #2050446 ARCGIS ONLINE LICENSE 4/2	1,000.00	1,000.00
05/18/2017	92966	00937 GRAINGER, INC.	PPE; GLOVES, HEARING PROTECTION PPE; SAFETY GLASSES PPE; SAFETY VEST PPE; HARD HAT	603.14 87.44 33.69 25.08	749.35
05/18/2017	92967	00937 GRAINGER, INC.	IMPACT WRENCH TO OPEN EXPLOSION PROOF EN 2 FREE-STANDING ROLL OUT TRASH CANS 32 G	502.12 139.85	641.97
05/18/2017	92968	04424 GRAYBAR ELECTRIC COMPANY	05-3103: ELE MATLS FOR NEW ACTUATOR INST REPLT FIXTURE FOR BLDG A BY RTU; WIRE MA 05-3103: PLUG FOR J-BOX @ FSL AREA	1,493.25 209.35 42.99	1,745.59
05/18/2017	92969	00386 HDR ENGINEERING INC.	REGIONAL RATE STUDY 03-05-17 TO 04-01-17	2,030.00	2,030.00
05/18/2017	92970	00456 MARK JOHNSTON	JOHNSTON REIMB EXP AT CWEA CONFERENCE 04	247.00	247.00
05/18/2017	92971	07743 SAMANTHA KOEHLER	KOEHLER COMPUTER LOAN	1,082.49	1,082.49

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05/18/2017	92972	07745 ROBYN MUTOBE	MUTOBE REIMB PE CERTIFICATE RENEWAL 2017	116.00	116.00
05/18/2017	92973	00608 OFFICE TEAM	K. BURRUSS: WE 04/16/17 K. BURRUSS: WE 04/23/17	1,152.00 979.20	2,131.20
05/18/2017	92974	00666 RUDY PORTUGAL	PORTUGAL REIMB EXP AT FOD SCADA TRAINING	60.87	60.87
05/18/2017	92975	00730 NATALIE RUSSO	RUSSO REIMB EXP AT EDEN CONFERENCE 05/8	907.00	907.00
05/18/2017	92976	01386 BILL SMITH	SMITH REIMB EXP AT CWEA CONFERENCE 04/25	247.00	247.00
05/18/2017	92977	00762 TESTAMERICA LABORATORIES I	SAMPLE ANALYSES	26.50	26.50
05/18/2017	92978	05026 UNIVAR USA INC.	SODIUM HYPOCHLORITE: WWTP ON 04/26/17 SODIUM HYPOCHLORITE: WWTP ON 04/24/17	2,193.63 2,129.60	4,323.23
05/18/2017	92979	03831 JACKIE YEE	YEE REIMB EXPENSES FOR DISTRICT VEHICLE	50.57	50.57
05/18/2017	92980	01719 A & M PRINTING, INC.	PRINTING SERVICES - BILL INSERT (AWQR 20 PRINTING SERVICES - BILL INSERTS RISING DOOR HANGER	1,618.13 992.07 735.72	3,345.92
05/18/2017	92981	07554 AIRGAS USA, LLC	WELDING SUPPLIES: TRIMIX HELIUM GAS; SS	255.66	255.66
05/18/2017	92982	07510 ALL-CAL EQUIPMENT SERVICES	CRANE INSPECTIONS FOR BLDG T & FOD SHOP;	1,458.88	1,458.88
05/18/2017	92983	01195 AMERICAN BATTERY CO.	(2QTY) BATTERY FOR UNIT #109	165.88	165.88
05/18/2017	92984	00058 ARROWHEAD MOUNTAIN SPRING	OPS DEPT BOTTLED WATER SERVICE MAR '17	36.44	36.44
05/18/2017	92985	01275 BARTEL ASSOCIATES, LLC	PROGRESS FOR CALPERS RATE PROJECTION AND	1,625.00	1,625.00
05/18/2017	92986	00118 CALTEST ANALYTICAL LAB	SAMPLE ANALYSES	184.30	184.30
05/18/2017	92987	06914 CINTAS FIRST AID & SAFETY	FIRE EXTINGUISHER TRAINING 2/7/2017	768.74	768.74
05/18/2017	92988	01167 CITY OF DUBLIN	16-S021 INSTALL #2 PLAN REVIEW FCN# DV01	15,000.00	15,000.00
05/18/2017	92989	05196 COMCAST	BUSINESS TV BASIC 05/07/17 - 06/06/17	20.96	20.96
05/18/2017	92990	00014 COUNTY OF ALAMEDA	FY 2017 FUELING - FOD/INSP/CFRS - MAR. 2	3,950.74	3,950.74

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05/18/2017	92991	07657 CROWN TROPHY PLEASANTON	CROWN TROPHY - RETIREMENT PLAQUE- JOHN P	40.75	40.75
05/18/2017	92992	00208 CSRMA	DEDUCTIBLE RECOVERY/CLAIM FILE CLOSED	6,159.00	
			DEDUCTIBLE RECOVERY/CLAIM FILE CLOSED	152.00	6,311.00
05/18/2017	92993	01559 EATON CORPORATION	POWERNET ON-SITE TECH SUPPORT ON 04/13/1	2,169.00	2,169.00
05/18/2017	92994	00277 EBMUD	LAWWMA LEWELLING WTR & SWR APR '1	146.46	146.46
05/18/2017	92995	04991 EISENBERG OLIVIERI & ASS. INC	NPDES PERMIT RENEWAL ASSISTANCE	884.00	884.00
05/18/2017	92996	03829 FLSMIDTH KREBS	(2QTY) REPLT CONES WITH TOGGLE CLAMPS FO	1,371.29	1,371.29
05/18/2017	92997	07844 ICE SAFETY SOLUTIONS INC.	FORKLIFT TRAINING 4/27/2017	450.00	450.00
05/18/2017	92998	01225 KAESER COMPRESSORS, INC	DERWA: (2QTY) REPLT FAN MOTOR FOR SF COM	1,813.35	
			DERWA: ANTIVIBRATION MOUNT FOR SAND FILT	65.38	1,878.73
05/18/2017	92999	06166 KBA	COPIER FOD/ENGR/MAINT 04/01/17 - 04/30/1	281.52	281.52
05/18/2017	93000	00486 KOFFLER ELECTRIC/MECH	REPLT MOTOR FOR PS 2C PUMP #1	3,001.10	
			REPLT SPARE MOTOR FOR SLUDGE EQPT GRINDE	966.22	3,967.32
05/18/2017	93001	07264 MANPOWERGROUP US INC.	M. ZAKLAN: WE 04/23/17	409.64	409.64
05/18/2017	93002	05897 MERIT RESOURCE GROUP	A. MCCAFFERY: WE 04/23/17	1,340.00	1,340.00
05/18/2017	93003	03746 MITCHELL 1	SHOPKEY RENEWAL 2017-18	3,159.90	3,159.90
05/18/2017	93004	07812 MOHAWK GROUP	16-A006 DO CARPET INSTALLATION	39,918.18	39,918.18
05/18/2017	93005	04231 MSC INDUSTRIAL SUPPLY CO	SS U-BOLTS FOR FSL BOAT REPAIRS	6.35	6.35
05/18/2017	93006	04796 NAPA AUTO PARTS	OXYGEN SENSOR FOR UNIT #70	157.52	157.52
05/18/2017	93007	06390 NATIONAL BUSINESS FURNITUR	HR - FIVE DRAWER LATERAL FILE CABINETS	4,394.91	4,394.91
05/18/2017	93008	02109 ONE HOUR DELIVERY SERVICE,	ONE HOUR DELIVERY - BOD MAIL DELIVERY -	226.60	
			ONE HOUR DELIVERY - BOD MAIL DELIVERY -	69.00	295.60
05/18/2017	93009	00620 P G & E	MISC PUMP STNS; DUB LIFT STN; COMM CIR E	16,261.74	

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			DISTRICT OFFICE ELECTRICITY - APRIL 2017	4,123.19	
			FSL AERATORS; LAB HVAC; FLEET - APRIL 20	2,099.07	
			PUMP STATION R200B ELEC - MAY 2017	1,744.42	
			DEPARTING LOAD NON-BYPASSABLE CHGS - MAR	1,374.82	
			DISTRICT OFFICE GAS SERVICE - APRIL 2017	605.37	
			LAWMA PIPELINE & LIVERMORE LINE MAY '17	480.17	
			DO UTILITY BUILDING ELEC - APRIL 2017	100.39	
			DO UTILITY BUILDING GAS SVC - APRIL 2017	14.39	26,803.56
05/18/2017	93010	00630 PAN-PACIFIC SUPPLY CO.	VOLUTE REPAIR FOR BLDG A CHILLER WATER P	651.23	651.23
05/18/2017	93011	00663 PLEASANTON GARBAGE SVC IN	TRANSPORT SOLIDS/GRIT SCREENINGS APR '17	5,666.20	
			FOD APRIL GARBAGE SERVICE 3/26 - 4/25/17	480.43	6,146.63
05/18/2017	93012	07727 PURE HEALTH SOLUTIONS, INC.	WWTP: OPS WATER FILTRATION SERVICE APR '	131.10	131.10
05/18/2017	93013	04105 R&B COMPANY	MISC REPAIR PARTS	5,837.19	5,837.19
05/18/2017	93014	02316 RECORDS CONTROL SERVICES	RCS - NEEDS ASSESSMENT, STORAGE, POLICY	2,810.22	2,810.22
05/18/2017	93015	07502 TRANSFORMER SERVICES, LLC	MODIFICATIONS TO WWTP TRANSFORMERS 1 & 3	5,250.00	
			ANNUAL TRANSFORMER TESTING & PM SERVICES	5,038.00	10,288.00
05/18/2017	93016	06345 RON DUPRATT FORD	COIL ASY; FILTER AS; SPARK PLUGS FOR UNI	511.20	
			UNIT #19: SEAL; OIL; ADDITIVE; SEALANT	156.95	668.15
05/18/2017	93017	02444 STAPLES ADVANTAGE	OFFICE SUPPLIES: CALCULATOR, FLAGS, TAPE	83.39	83.39
05/18/2017	93018	00810 STUDIO BLUE REPROGRAPHICS	16-S019 BID DOCUMENT	498.18	498.18
05/18/2017	93019	06960 SULZER PUMP SERVICES US IN	16-P030: PUMP REPAIR FOR EPS 2 PUMP #3	52,549.93	52,549.93
05/18/2017	93020	00920 VASCO ROAD LANDFILL	UNLOADING OF WWTP SOLIDS/GRIT MAY '17	685.16	685.16
05/18/2017	93021	00933 VWR INTERNATIONAL, INC.	NITRIC ACID ULTRA PURE	857.00	857.00
05/18/2017	93022	04061 WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES FOR FOD COMMERCE CIR	218.37	218.37
05/18/2017	93023	00957 WEST YOST & ASSOCIATES	14-P004 TO NO. 2 3/4/17-4/7/17	78,457.24	78,457.24

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05/18/2017	93024	00987 ZONE 7 WATER AGENCY	TREATED WATER SERVICE FOR APRIL 2017	984,695.98	984,695.98
05/18/2017	3838429	00591 NEOPOST USA INC.	POSTAGE ADVANCE 05/18/17	1,000.00	1,000.00
05/22/2017	5222017	03718 HR SIMPLIFIED	IRS 125 2017 POS	149.49	149.49
05/25/2017	93025	00710 AAI TERMITE & PEST CONTROL	LAWWMA: TERMITE & PEST CONTROL MAY '17	74.00	74.00
05/25/2017	93026	01013 BARRETT BUSINESS SERVICES	C. PATTERSON: W/E 4/30/17 J. HAAS: W/E 4/30/17	1,190.40 1,075.20	2,265.60
05/25/2017	93027	01013 BARRETT BUSINESS SERVICES	D. STEENFOTT: WE 04/30/17 N. POON: WE 04/30/17	997.25 413.44	1,410.69
05/25/2017	93028	00103 C. OVERAA & CO.	16-R014 PP#3 04/01/17-04/30/17	416,651.21	416,651.21
05/25/2017	93029	03614 CAROLLO ENGINEERS	07-3203 TO NO. OC-9 4/1/17 TO 4/30/17 16-S021 TO NO. OC-20 4/1/17 TO 4/28/17 16-S019 TO OC-4 4/1/17 TO 4/28/17 16-S034 TO NO. OC-2 4/1/17 TO 4/28/17 DERWA TO NO. OC-15 4/1/17 TO 4/28/17	73,653.75 17,132.22 4,124.40 1,236.00 257.00	96,403.37
05/25/2017	93030	05903 AARON CASTRO	CASTRO CERT REIMB FOR GRADE 4 WWTP OPERA	340.00	340.00
05/25/2017	93031	00216 DAIHOS U.S.A. INC.	FY2016 HOT BEVERAGE SERVICE DO - MAY 201	251.29	251.29
05/25/2017	93032	04691 INC. EQUIFAX INFORMATION SV	EQUIFAX RED FLAGS	508.36	508.36
05/25/2017	93033	00937 GRAINGER, INC.	(77QTY) VEHICLE FIRST AID KIT FOR FLEET SUNSCREEN TOWLETTES	892.79 138.74	1,031.53
05/25/2017	93034	01242 INFO SEND, INC	UB BILLING PRINTING/MAILING SERVICES MAY	3,415.09	3,415.09
05/25/2017	93035	00439 IUOE LOCAL 39	LOCAL 39 UNION DUES: PAYMENT	4,529.33	4,529.33
05/25/2017	93036	00478 FLORENCE KHAW	KHAW REIMB EXP AT 2017 CWEA CONFERENCE 4	899.67	899.67
05/25/2017	93037	06662 JIM KILLIPS	KILLIPS REIMB EXP AT SAFETY DRIVING TRAI	114.91	114.91
05/25/2017	93038	01955 RICK LAWRENCE	LAWRENCE REIMB EXP AT 2017 CRWA EXPO 04/	195.81	195.81

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05/25/2017	93039	08103 MICHELLE LOAIZA	Refund 6759 Tory Way REFUND 6759 TORY WAY	123.31 109.71	233.02
05/25/2017	93040	00608 OFFICE TEAM	K. BURRUSS: WE 04/30/17	1,152.00	1,152.00
05/25/2017	93041	04553 PACHECO BROTHERS GARDEN I	ANNUAL WEED ABATEMENT - WATER STN FACILI MAY 2017: MONTHLY LANDSCAPE MTCE DISTRIC DERWA: ANNUAL SPRING WEED ABATEMENT AT R MAY 2017: DERWA LANDSCAPE MAINTENANCE @	5,000.00 3,860.00 1,800.00 75.00	10,735.00
05/25/2017	93042	02703 RAY ROBLES	ROBLES REIMB EXP AT 2017 CRWA CONFERNECE	49.98	49.98
05/25/2017	93043	04973 NATERCIA SAUCEDA	CASE ID FL364781: PAYMENT	111.23	111.23
05/25/2017	93044	00805 SUE STEPHENSON	STEPHENSON REIMB EXP AT 2017 ACWA CONFER	34.16	34.16
05/25/2017	93045	00762 TESTAMERICA LABORATORIES I	SAMPLE ANALYSES	116.50	116.50
05/25/2017	93046	00843 THE COVELLO GROUP INC	16-R014 TO NO. 1 4/1/17 TO 4/30/17 16-S021 TO NO. 5 4/1/17 TO 4/30/17	60,327.63 1,172.50	61,500.13
05/25/2017	93047	05026 UNIVAR USA INC.	SODIUM HYPOCHLORITE: WWTP ON 05/05/17	2,105.04	2,105.04
05/25/2017	93048	06643 WEIR TECHNICAL SERVICES	MANAGEMENT SERVICES - APR 2017	7,801.29	7,801.29
05/25/2017	93049	01719 A & M PRINTING, INC.	BUSINESS CARD MASTERS BUSINESS CARDS - FOD STAFF	427.32 355.07	782.39
05/25/2017	93050	07554 AIRGAS USA, LLC	CYLINDER RENTAL: NITROGEN CYLINDER RENTAL: NITROGEN CYLINDER RENTAL: ACETYLENE, ARGON & OXYG CYLINDER RENTAL: ACETYLENE, ARGON & OXYG	133.26 78.45 64.21 62.14	338.06
05/25/2017	93051	02120 ALAMEDA COUNTY CLERK	16-S021 NOD ALAMEDA CLERK RECORDER	50.00	50.00
05/25/2017	93052	08095 ALTOS REALTY ADVISORS, INC.	REFUND FOR 3332 OAK BLUFF LN	194.29	194.29
05/25/2017	93053	06552 BILLING SOLUTIONS INC. AMERI	AQUA HAWK ALERTING 6/1/17 - 7/1/17	2,083.00	2,083.00

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05/25/2017	93054	01954 ANDERSON'S UNIFORMS	S. HALLIDAY: UNIFORM ITEMS	138.45	
			K. LEWIS: UNIFORM ITEMS	558.43	
			R. LAWRENCE: UNIFORM ITEMS	244.45	
			S. TRAN: UNIFORM ITEMS	230.19	
			J. KILLIPS: UNIFORM ITEMS	79.66	1,251.18
05/25/2017	93055	00058 ARROWHEAD MOUNTAIN SPRING	LAWWMA BOTTLED WATER SERVICE APR '17	8.73	8.73
05/25/2017	93056	06211 ASSOCIATED SERVICES CO.	OPS DEPT HOT BEVERAGE SERVICE MAY '17	77.95	77.95
05/25/2017	93057	00622 AT&T	C3 - TELE SVCS AND USAGE THRU 05/12/17	1,751.12	
			C3 - CC DO T1 X 2 THRU 05/12/17	328.48	
			C3 - T1 WWTP TO PS300 DV THRU 05/12/17	241.19	2,320.79
05/25/2017	93058	00622 AT&T	LAWWMA PS PHONE & DSL MAY '17	314.56	314.56
05/25/2017	93059	01676 BANK OF AMERICA	BANK CHARGES APRIL 2017	2,754.38	2,754.38
05/25/2017	93060	00079 BAY AREA AIR QUALITY MGMT.	PLANT 1371 ANNUAL BAAQMD PERMIT RENEWAL	13,390.00	13,390.00
05/25/2017	93061	07590 BIG BOARDS!	ANNUAL ADVERTISING FEE FOR WELCOME NEIGH	600.00	600.00
05/25/2017	93062	05098 BIOVIR LABORATORIES, INC.	CLASS A BIOSOLIDS TESTING FSL2 03-2017	1,255.00	1,255.00
05/25/2017	93063	00097 BRYCE CONSULTING INC	COMPENSATION STUDY	2,000.00	2,000.00
05/25/2017	93064	07825 C & R TRUCKING INC.	2 LOADS: TICKETS 84467 & 84329 4-12-17	920.00	920.00
05/25/2017	93065	07138 CALIFORNIA WATER TECHNOLOG	FERROUS CHLORIDE DELIVERY ON 05/01/17	3,444.36	3,444.36
05/25/2017	93066	01085 CALPERS LONG-TERM CARE PR	LONG-TERM CARE: PAYMENT	68.12	68.12
05/25/2017	93067	06826 CHANG RUTHENBERG & LONG	CONSULTING SERVICES	3,800.00	3,800.00
05/25/2017	93068	00157 CITY OF PLEASANTON	LAWWMA: POTABLE WATER MAY '17	140.75	
			FOD: POTABLE WATER MAY '17 (0 UNITS USED)	69.26	210.01
05/25/2017	93069	00162 COAST CRANE CO. INC.	GROVE CRANE (521E) LMI REPAIR	4,440.47	4,440.47
05/25/2017	93070	06107 COGENT COMMUNICATIONS INC	INTERNET SERVICE - MAY 2017	2,350.00	2,350.00

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05/25/2017	93071	04376 CONVERGINT TECHNOLOGIES L	16-A005 7035 COMMERCE CIRCLE SECURITY SY	19,205.75	19,205.75
05/25/2017	93072	03995 CORELOGIC SOLUTIONS, LLC	METROSCAN FOR MONTH OF APRIL	324.58	324.58
05/25/2017	93073	01089 CWEA - NRTC	CIGLIUTI - 2017 RENEWAL ENV COMP INSP GR OLSON - 2017 RENEW ENV COMP INSP GRADE 2 KHAW - 2017 RENEWAL ENV COMP INSPECTOR G	343.00 171.00 83.00	597.00
05/25/2017	93074	08087 BLAKE DENNISON	REFUND 2282 VALENTANO DR	1,033.05	1,033.05
05/25/2017	93075	00237 DERWA	STATE LOAN PREPAYMENT FOR FY 2017 DERWA OPS APR 2017	810,086.52 76,821.57	886,908.09
05/25/2017	93076	08094 JATIN DESHPANDE	REFUND FOR 3830 SILVERA RANCH DR	33.50	33.50
05/25/2017	93077	08089 DWIGHT DUNCAN	REFUND FOR 11756 SHADOW DR	142.06	142.06
05/25/2017	93078	07514 EMPOWER REALTY GROUP	REFUND FOR 4039 DOBBINS LOOP	100.53	100.53
05/25/2017	93079	08029 ATTN: TREASURY MANAGEMEN	16-R014 PP#3 OVERAA ESCROW ACCT	21,930.59	21,930.59
05/25/2017	93080	02656 FASTENAL COMPANY	NUTS & THREADED ROD FOR EPS PUMP #3 REPA	292.81	292.81
05/25/2017	93081	00314 FEDEX	WWTP: OVERNIGHT DELIVERY CHARGES MAY '17	36.41	36.41
05/25/2017	93082	02914 STATE OF CALIFORNIA FRANCHI	FRANCHISE TAX BOARD: PAYMENT	187.69	187.69
05/25/2017	93083	06640 GOLDEN GATE TRUCK CENTER	PARTS FOR UNIT #109	58.98	58.98
05/25/2017	93084	07996 CLA-VAL GRISWOLD INDUSTRIE	2 FIRE HYDRANT PRESSURE REDUCING VALVES KIT, RPPT 100	11,263.11 601.97	11,865.08
05/25/2017	93085	07349 CHANG HAN	REFUND FOR 1312 NANCY LN	92.50	92.50
05/25/2017	93086	03149 HDS WHITE CAP CONST SUPPLY	(2QTY) EZ UP TENT CANOPY FOR FLEET	251.25	251.25
05/25/2017	93087	03142 HI-LINE	ELE PARTS FOR FLEET STOCK	164.43	164.43
05/25/2017	93088	07652 HUNT & SONS, INC.	HYDRAULIC OIL FOR WWTP	412.67	412.67
05/25/2017	93089	07017 HYDROSCIENCE ENGINEERS, IN	CITY OF PLEASANTON TASK ORDER NO. 4 THRU	2,070.00	2,070.00

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05/25/2017	93090	00425 INDUSTRIAL WIPER & SUPPLY IN	(6 50LB) COLORED KNIT RAGS FOR SHOP	250.98	250.98
05/25/2017	93091	08098 SRI JOYZIN	REFUND FOR 3627 RIMINI LN	51.13	51.13
05/25/2017	93092	00468 KAMAN INDUSTRIAL TECHNOLO	BELTS FOR WWTP	236.38	236.38
05/25/2017	93093	08090 MIKE KAWANO	REFUND FOR 8837 OLIVER PL	38.10	38.10
05/25/2017	93094	04873 KIMBALL MIDWEST	ELE PARTS/SUPPLIES FOR STOCK	557.82	557.82
05/25/2017	93095	07193 LAI & ASSOCIATES	FIELD DENSITY TESTING 4/29/17 @ 6879 MAN FIELD DENSITY TESTING 7280 TAMARACK DR.	988.72 713.86	1,702.58
05/25/2017	93096	08063 KENDRICK LAU	REFUND FOR 7754 MILLBROOK AVE	39.57	39.57
05/25/2017	93097	03127 LUHDORFF & SCALMANINI	PROF SERVICES - MONITORING & TRANSDUCER	1,159.20	1,159.20
05/25/2017	93098	06567 M.S. ELECTRICAL	PROFESSIONAL SERVICES COMPLETED	3,270.00	3,270.00
05/25/2017	93099	07614 MAHLER CONSULTING SERVICE	DEVELOPMENT PROJECT INSPECTION SUPPORT A	8,122.05	8,122.05
05/25/2017	93100	08091 VICKY MAK	REFUND FOR 6669 TRALEE VILLAGE DR	94.17	94.17
05/25/2017	93101	07264 MANPOWERGROUP US INC.	M. ZAKLAN: WE 04/30/17	344.96	344.96
05/25/2017	93102	00536 MC MASTER-CARR SUPPLY CO.	RETURN: DERWA - EXPANSION JOINTS (ORIG I PARTS FOR PAX PROJECT @ RES 1A - PARTIAL DERWA: INSULATION MATLS FOR SF COMPRESSO	-1,073.60 928.79 170.05	25.24
05/25/2017	93103	05897 MERIT RESOURCE GROUP	A. MCCAFFERY: WE 04/30/17	1,373.50	1,373.50
05/25/2017	93104	08101 LISA MERRELL	REFUND FOR 7527 FREDERIKSEN LN	185.82	185.82
05/25/2017	93105	00572 MOUNTAIN CASCADE INC.	REFUND FOR 1629806 RECY CONSTRUCTION MET	842.94	842.94
05/25/2017	93106	04231 MSC INDUSTRIAL SUPPLY CO	DIAMOND TILE DRILL BITS & VARI-BIT STEP	220.65	220.65
05/25/2017	93107	04796 NAPA AUTO PARTS	FREON FOR D7 A/C (2QTY) BATTERY JUNCTION POST FOR UNIT #1 MIRROR ADHESIVE FOR UNIT #6	55.16 29.56 6.03	

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			R134A REPAIR KIT FOR D7 A/C	4.11	
			FUSE FOR UNIT #505E D7 LIGHTS	2.38	97.24
05/25/2017	93108	07096 NATIONSTAR MORTGAGE	REFUND PROCESSED FOR 11467 DILLON WAY	196.03	196.03
05/25/2017	93109	08097 BRYAN NUNES	REFUND FOR 3336 BRAMANTE LN	48.97	48.97
05/25/2017	93110	08093 OLUWATOYIN OLUYEMI	REFUND FOR 2200 HAGGERTY DR	243.39	243.39
05/25/2017	93111	00620 P G & E	LAWWMA PS FEEDER B MAY '17	78,637.07	
			MISC PUMP STNS, RESERVOIRS, TO'S ELEC -	43,968.42	
			LAWWMA PS FEEDER A MAY '17	27,980.20	
			RESERVOIR 3A ELECTRICITY - APRIL 2017	42.61	150,628.30
05/25/2017	93112	04940 PERS PUBLIC AGENCY COALITIC	PERS PAC ANNUAL MEMBERSHIP 17 -18	250.00	250.00
05/25/2017	93113	08092 KUNXIANG QI	REFUND FOR 2281 FORINO DR	327.07	327.07
05/25/2017	93114	04105 R&B COMPANY	FREIGHT CHARGES FOR INV# S1632657.005	70.56	70.56
05/25/2017	93115	08074 R. B. TRAVIS PLUMBING	FIXED BROKEN WATER LINE TO FROM	925.00	925.00
05/25/2017	93116	02316 RECORDS CONTROL SERVICES	RCS - RECORDS INVENTORY SERVICES & ENVIR	2,840.48	2,840.48
05/25/2017	93117	02466 RICOH AMERICAS CORP	COPIER LEASES DO MAILROOM JUNE 2017	697.68	
			COPIER LEASES WWTP MAIL RM JUNE 2017	415.29	
			COPIER LEASES HR/FIN JUNE 2017	388.35	1,501.32
05/25/2017	93118	08088 JOE ROBERTS	REFUND FOR 11798 DUBLIN GREEN DR	135.30	135.30
05/25/2017	93119	06345 RON DUPRATT FORD	RUNNING BOARDS INTALLED ON UNIT #121	441.32	441.32
05/25/2017	93120	05841 SABAH INTERNATIONAL, INC.	WWTP SEMI-ANNUAL FIRE ALARM SYSTEM TESTI	1,260.00	
			DERWA SEMI-ANNUAL FIRE ALARM SYSTEM TEST	315.00	1,575.00
05/25/2017	93121	07455 SAFETY CENTER INCORPORATE	TRAFFIC & FLAGGER CLASS 3/29/2017	750.00	750.00
05/25/2017	93122	08099 THILAK SOMASUNDARAM	REFUND FOR 3012 BROWNTAIL WAY	35.23	35.23
05/25/2017	93123	06222 SUMMIT PROPERTY GROUP	REFUND FOR 6308 BRAY CT	38.14	

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			REFUND FOR 4720 SANDYFORD CT	28.58	66.72
05/25/2017	93124	00862 TIFCO INDUSTRIES	OPERATING SUPPLIES/MATLS	312.83	312.83
05/25/2017	93125	05824 TJC AND ASSOCIATES, INC.	17-A007 TO NO. 4	13,674.00	13,674.00
05/25/2017	93126	05690 TRACKER	06/2017-06/2018 PORTFOLIO SOFTWARE	2,820.00	2,820.00
05/25/2017	93127	01806 U.S. BANK	COPIER LEASE LAB/CUST SVC/ EXEC - MAY 20	547.34	547.34
05/25/2017	93128	00556 UNITED WAY OF THE BAY AREA	UNITED WAY: PAYMENT	217.40	217.40
05/25/2017	93129	07140 USA FLEET SOLUTIONS	MAY 2017: FLEET GPS TRACKING SYSTEM	1,686.05	1,686.05
05/25/2017	93130	06004 VANGUARD CLEANING SYSTEMS	MAY 2017: JANITORIAL SERVICES FOR WWTP B	2,795.00	
			MAY 2017: JANITORIAL SERVICES FOR COMMER	1,895.00	
			MAY 2017: CUSTODIAL SERVICES AT THE DO	1,675.00	6,365.00
05/25/2017	93131	07775 VANGUARD CONCEPT OFFICES	50% DEPOSIT FOR WORKSTATION ORDER FOR CO	5,321.75	5,321.75
05/25/2017	93132	00924 VERIZON WIRELESS	CELL PHN SVC AND EQUPTMNT CHARGES 04/04	3,980.10	3,980.10
05/25/2017	93133	00933 VWR INTERNATIONAL, INC.	CHEMICALS AND SUPPLIES	107.47	
			CHEMICALS AND SUPPLIES	79.79	187.26
05/25/2017	93134	08096 ZIXUAN WANG	REFUND FOR 5940 KINGSMILL TER	193.66	193.66
05/25/2017	93135	03878 WASTE RECOVERY WEST. INC.	DISPOSAL OF 96 USED TIRES AND MANIFEST F	121.50	121.50
05/25/2017	93136	04061 WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES FOR FOD	139.56	
			JANITORIAL SUPPLIES FOR FOD	46.16	185.72
05/25/2017	93137	08100 ALISON YOSHIDA	REFUND FOR 6703 ABERDALE CIR	280.47	280.47
05/25/2017	93138	00987 ZONE 7 WATER AGENCY	DOUGHERTY VALLEY O&M CHARGES 1/15/17 TO	3,350.90	3,350.90
05/26/2017	8067	05511 CALIFORNIA STATE	CHILD SUPPORT GARNISHMENT: PAYMENT	86.31	86.31
05/26/2017	607052617	01098 NATIONWIDE RETIREMENT SOLI	NATIONAL DEFERRED COMPENSATION: PAYMENT	44,427.52	44,427.52
05/26/2017	1000863358	00494 PERS	RETIREMENT: PAYMENT	93,882.61	93,882.61

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05/30/2017	5302017	03718 HR SIMPLIFIED	IRS 125 2016 FSA & 2017 POS/DCA/FSA	1,679.88	1,679.88
05/30/2017	18675840	00559 EDD - PAYROLL	CALIFORNIA STATE TAXES: PAYMENT	26,398.07	26,398.07
05/30/2017	90896144	00558 IRS - PAYROLL TAXES	FEDERAL WITHHOLDING TAXES: PAYMENT	143,922.98	143,922.98
06/01/2017	93139	01013 BARRETT BUSINESS SERVICES	D. STEENFOTT: WE 05/07/17 C. PATTERSON: W/E 5/7/17 J. HAAS: W/E 5/7/17 N. POON: WE 05/07/17	1,673.95 1,075.20 1,075.20 413.44	4,237.79
06/01/2017	93140	00099 BUCKLES SMITH	16-P028: PLC REPLACEMENT FOR FUEL SKID	6,676.54	6,676.54
06/01/2017	93141	05875 BRETT CASTELLO	CASTELLO TUITION REIMBURSEMENT: INFO TEC	2,625.00	2,625.00
06/01/2017	93142	00319 FISHER SCIENTIFIC	0.45UM FILTER 250ML	121.37	121.37
06/01/2017	93143	07205 GLENMOUNT GLOBAL SOLUTIONS	09-6101 PP#20 04/01/17-04/30/17	120,742.40	120,742.40
06/01/2017	93144	04424 GRAYBAR ELECTRIC COMPANY	DERWA: ELE MATLS TO WIRE UP NEW M/F AIR ELE MATERIALS FOR SHOP STOCK	2,074.21 215.08	2,289.29
06/01/2017	93145	00365 RAJ GUMBER	GUMBER REIMB EXP FOR TEAM RECOGNITION	77.13	77.13
06/01/2017	93146	01242 INFO SEND, INC	MAILING - DRUG DROP & GARDENING TIPS, RE	159.45	159.45
06/01/2017	93147	00491 ERIK KUEFNER	KUEFNER CERT REIMB LAB ANALYST GRADE 1	83.00	83.00
06/01/2017	93148	03653 LORI MARTIN	MARTIN REIMB EXP FOR GE MEETING 05/24/20	686.17	686.17
06/01/2017	93149	00608 OFFICE TEAM	K. BURRUSS: WE 05/07/17	1,015.20	1,015.20
06/01/2017	93150	01078 STEFANIE OLSON	OLSON REIMB EXP AT BACKFLOW REFRESHER 05	153.96	153.96
06/01/2017	93151	04553 PACHECO BROTHERS GARDENING	DO: SPRINKLER SYSTEM REPAIR	2,467.00	2,467.00
06/01/2017	93152	02470 SHRED-IT USA LLC	SHREDDING SERVICE - MAY 2017	108.55	108.55
06/01/2017	93153	00801 STATE CHEMICAL MFG. CO.	TRUCK/CAR WASH FOR FLEET	163.22	163.22
06/01/2017	93154	00762 TESTAMERICA LABORATORIES INC	SAMPLE ANALYSES	26.50	26.50

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06/01/2017	93155	05026 UNIVAR USA INC.	SODIUM HYPOCHLORITE: WWTP ON 05/12/17 SODIUM HYPOCHLORITE: DERWA ON 05/10/17	2,193.63 1,926.40	4,120.03
06/01/2017	93156	05127 VISION SERVICE PLAN - CA (VSF	JUNE 2017 - VISION	2,515.06	2,515.06
06/01/2017	93157	04694 VULCAN MATERIALS CO	5/3/17 - 3 LOADS OF BASE 2 LOADS 5/4/17 SAND & GRAVEL	1,066.99 585.84	1,652.83
06/01/2017	93158	03622 JUDY ZAVADIL	ZAVADIL REIMB EXP AT ACWA CONFERENCE 05/	119.93	119.93
06/01/2017	93159	01719 A & M PRINTING, INC.	PRINTING & MAILING: POSTCARD - SEWER REP	2,332.25	2,332.25
06/01/2017	93160	00019 A-1 ENTERPRISES	LAWWMA: WEEKLY STREET SWEEPING APR '17	220.00	220.00
06/01/2017	93161	08110 AIR PRODUCT AND CHEMICALS	REFUND RCPT #07664-OVERPAID INV #15906	10.00	10.00
06/01/2017	93162	07554 AIRGAS USA, LLC	(4CYL) PROPANE FOR FORKLIFT USE	176.94	176.94
06/01/2017	93163	00256 ALLIANT INSURANCE, INC.	COMMERCIAL CRIME PROGRAM 07/01/2017 - 07	635.00	635.00
06/01/2017	93164	01954 ANDERSON'S UNIFORMS	CUSTOM EMBLEMS FOR DISTRICT UNIFORMS	235.71	235.71
06/01/2017	93165	00058 ARROWHEAD MOUNTAIN SPRING	FOD BOTTLED WATER SERVICE APR '17	76.34	76.34
06/01/2017	93166	00622 AT&T	LAWWMA PS & SANLEANDRO DECHLOR STATION M	102.20	102.20
06/01/2017	93167	03984 AVTECH SOFTWARE	ANNUAL RENEWAL ROOM ALERTS 6/2/17-/6/1/1	99.95	99.95
06/01/2017	93168	04042 BAY AREA NEWS GROUP	BAY AREA NEWSGROUP - DAVONA-BERWICK 8" S	522.00	522.00
06/01/2017	93169	08105 BAY FAMILY DENTAL CARE	REFUND RCPT #07757-OVERPAID OF ACCOUNT	120.00	120.00
06/01/2017	93170	08111 BIRYANI BOWL	REFUND RCPT #07958-OVERPAID INV #16249	15.00	15.00
06/01/2017	93171	05714 BJ'S RESTAURANTS INC	REFUND RCPT #07797-DUPLICATE PYMT INV #1	165.00	165.00
06/01/2017	93172	04574 CALTROL, INC.	DERWA: REPLT SOLENOID VALVE & REBUILD KI	1,287.03	1,287.03
06/01/2017	93173	00136 CDW GOVERNMENT INC.	LANDESK RENEWAL	1,246.50	1,246.50
06/01/2017	93174	01167 CITY OF DUBLIN	REFUND RCPT #07093-OVERPAID INV #15132 REFUND RCPT #06804-INV #14416 LATE FEE R	15.00 13.50	28.50

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06/01/2017	93175	00157 CITY OF PLEASANTON	WWTP: POTABLE WATER MAY '17	387.42	
			FOD: POTABLE WATER - IRRIGATION MAY '17	215.54	
			DERWA: POTABLE WATER MAY '17	148.68	751.64
06/01/2017	93176	08109 COR CAL WATER TRUCKS LLC	REFUND RCPT #07280-OVERPYMT OF ACCOUNT	100.00	100.00
06/01/2017	93177	00229 DELL MARKETING LP	QTY (20) DELL OPTIPLEX 7050 DESKTOP COMP	23,020.00	23,020.00
06/01/2017	93178	01559 EATON CORPORATION	(2QTY) REPLT BREAKER UVR FOR CO-GEN SWIT	1,553.54	1,553.54
06/01/2017	93179	00314 FEDEX	WWTP: OVERNIGHT DELIVERY CHARGES MAY '19	13.66	13.66
06/01/2017	93180	01949 GOODFELLOW TOP GRADE CON	REFUND METER 65492095	652.80	652.80
06/01/2017	93181	07137 GOODYEAR COMMERCIAL TIRE	(3QTY) FY 205/75R15 TIRES FOR UNIT #607T	326.11	326.11
06/01/2017	93182	08107 GVC CONSTRUCTION	REFUND RCPT #06506-DUPLICATE PYMT INV #1	80.00	80.00
06/01/2017	93183	07848 LLP JARVIS, FAY, DOPORTO & GI	GENERAL COUNSEL SVCS - APRIL 2017	1,403.00	1,403.00
06/01/2017	93184	00468 KAMAN INDUSTRIAL TECHNOLO	BELTS FOR FLEET STOCK	783.50	783.50
06/01/2017	93185	07575 LENOVO	QTY (1) LENOVO THINKPAD P40 YOGA AND ONL	152.95	152.95
06/01/2017	93186	00509 LIEBERT CASSIDY WHITMORE	GENERAL LEGAL SERVICES (04/17)	2,319.00	
			EMPLOYMENT RELATED LEGAL SERVICES (04/17)	1,916.00	
			EMPLOYMENT RELATED LEGAL SERVICES (04/17)	1,517.00	5,752.00
06/01/2017	93187	04480 MACHINING UNLIMITED	SLEEVES/GUIDE ROLLERS FOR DREDGE CABLE	350.00	350.00
06/01/2017	93188	07264 MANPOWERGROUP US INC.	M. ZAKLAN: WE 05/07/17	415.72	415.72
06/01/2017	93189	01272 MCH ELECTRIC	REFUND RCPT #06528-OVERPAID OF ACCOUNT	225.60	225.60
06/01/2017	93190	05897 MERIT RESOURCE GROUP	A. MCCAFFERY: WE 05/07/17	1,507.50	1,507.50
06/01/2017	93191	04796 NAPA AUTO PARTS	(3QTY) AIR FILTER FOR UNIT #112	62.04	
			URETHANE SEAM SEALER FOR SEPEX HYPO PUMP	16.38	
			(2QTY) AIR FILTER FOR CO-GEN STARTING AI	15.01	
			O-RINGS FOR UNIT #27	4.95	98.38

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06/01/2017	93192	01271 O'GRADY PAVING INC	REFUND RCPT #06599-DUPLICATE PYMT INV #1	480.00	480.00
06/01/2017	93193	00620 P G & E	RESERVOIR R200 DERWA TANK 2 ELEC - MAY 2	76.14	76.14
06/01/2017	93194	05543 ADMINISTRATORS (PBIA) PREFE	JUNE 2017 - DENTAL	21,730.00	21,730.00
06/01/2017	93195	04105 R&B COMPANY	100 CURB VALVES & 40 PVC PIPES (B/O)	5,560.30	5,560.30
06/01/2017	93196	02466 RICOH AMERICAS CORP	COPIER LEASES HR/FIN MARCH 2017	388.35	388.35
06/01/2017	93197	08106 ROIC CALIFORNIA LLC	REFUND RCPT #07359-DUPLICATE PYMT INV #1	120.00	120.00
06/01/2017	93198	06345 RON DUPRATT FORD	PARTS FOR UNIT #27 A/C REPAIR	300.37	316.59
			PARTS FOR UNIT #27 A/C REPAIR	16.22	
06/01/2017	93199	02600 SUBTRONIC CORPORATION	15-W004 LOCATE BURIED GATE VALVE	620.00	620.00
06/01/2017	93200	01752 SUBWAY	REFUND RCPT #06805-DUPLICATE PYMT INV #1	135.00	135.00
06/01/2017	93201	01470 TRI-VALLEY HOSE	HYDRAULIC PARTS FOR UNIT #505E D7	116.96	116.96
06/01/2017	93202	08108 TUCKER TANKERS	REFUND RCPT #07299-OVERPYMT OF ACCOUNT	40.00	40.00
06/01/2017	93203	00903 UNITED RENTALS, INC.	BULK PROPANE	26.21	26.21
06/01/2017	93204	04061 WAXIE SANITARY SUPPLY	CAR WASH BRUSH FOR FLEET	86.42	86.42
06/01/2017	93205	00957 WEST YOST & ASSOCIATES	STANDARD SPECIFICATIONS UPDATE - PROF SE	6,439.00	6,439.00
06/01/2017	608060117	01098 NATIONWIDE RETIREMENT SOLI	NATIONAL DEFERRED COMPENSATION: PAYMENT	40.00	40.00
06/02/2017	12590747	00558 IRS - PAYROLL TAXES	FEDERAL WITHHOLDING TAXES: PAYMENT	546.41	546.41
06/02/2017	52114304	00559 EDD - PAYROLL	CALIFORNIA STATE TAXES: PAYMENT	40.00	40.00
06/05/2017	340351	00591 NEOPOST USA INC.	POSTAGE ADVANCE 06/05/17	1,000.00	1,000.00
06/08/2017	93206	00710 AAI TERMITE & PEST CONTROL	MAY 2017: DO MONTHLY PEST CONTROL	147.00	290.00
			WWTP: RODENT TRAPPING SERVICE @ BLDG A -	75.00	
			DO PEST CONTROL RODENT SERVICE & INSPECT	68.00	
06/08/2017	93207	01013 BARRETT BUSINESS SERVICES	J. HAAS: W/E 5/14/17	1,113.60	

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			C. PATTERSON: W/E 5/14/17	947.20	
			N. POON: WE 05/14/17	413.44	
			D. STEENFOTT: WE 05/14/17	379.90	2,854.14
06/08/2017	93208	03614 CAROLLO ENGINEERS	16-R014 TO NO. 1 4/1/17 TO 4/30/17	42,152.50	42,152.50
06/08/2017	93209	07915 JEFF CARSON	CARSON RIEMB EXP FOR MILEAGE MONTH OF MA	78.70	78.70
06/08/2017	93210	00258 DUBLIN SAN RAMON SERVICES	16-R014 BACTERIOLOGICAL SAMPLES	248.00	248.00
06/08/2017	93211	00937 GRAINGER, INC.	DRAIN COVER, SPILL KIT, HARD HAT	414.45	
			HARD HATS & HIGH VIS VESTS	341.69	
			SAFETY GLASSES & SUN SCREEN	205.64	
			LOCKOUT HASPS	165.44	
			EAR PLUGS	102.34	1,229.56
06/08/2017	93212	00937 GRAINGER, INC.	AUTO DRAIN VALVE FOR FOF SHOP AIR PROJEC	132.93	132.93
06/08/2017	93213	04424 GRAYBAR ELECTRIC COMPANY	ELE PARTS/SUPPLIES FOR STOCK	5,382.03	
			ELE MATLS FOR NEW COMPRESSOR @ FOF SHOP	597.67	
			ELE PARTS/SUPPLIES FOR STOCK	544.91	
			ELE MATLS FOR FSL POND MIXERS	397.46	
			MTR STUB SPLICE INSULATOR FOR ELE STOCK	54.91	
			REDUCING WASHER FOR MF COMPRESSOR PROJEC	9.12	6,986.10
06/08/2017	93214	00473 KEMIRA WATER SOLUTIONS INC	KEMIRA PAX-XL8 (POLYANUMINUM CHLORIDE) F	12,286.06	12,286.06
06/08/2017	93215	07109 DANIEL MCINTYRE	MCINTYRE REIMB MILEAGE FOR MAY 2017	189.85	189.85
06/08/2017	93216	00608 OFFICE TEAM	TEMP SVCS W/E 06/02/17 - MONTAGUE	1,138.70	
			K. BURRUSS: WE 05/14/17	921.60	
			TEMP SVCS W/E 05/26/17 - MONTAGUE	193.00	2,253.30
06/08/2017	93217	04553 PACHECO BROTHERS GARDENI	LAWWMA: WEED ABATEMENT @ POWER POLE ACCE	200.00	200.00
06/08/2017	93218	01403 PRAXAIR DISTRIBUTION INC 186	LIQUID ARGON	619.49	619.49

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06/08/2017	93219	04973 NATERCIA SAUCEDA	CASE ID FL364781: PAYMENT	111.23	111.23
06/08/2017	93220	05026 UNIVAR USA INC.	SODIUM HYPOCHLORITE: WWTP ON 05/17/17	2,126.96	
			SODIUM HYPOCHLORITE: WWTP ON 05/02/17	2,062.48	
			SODIUM HYPOCHLORITE: DERWA ON 05/15/17	1,928.00	6,117.44
06/08/2017	93221	04694 VULCAN MATERIALS CO	5-5-17 SAND FOR FOF MISC REPAIRS	86.91	86.91
06/08/2017	93222	01738 3T EQUIPMENT COMPANY INC.	2 UDOR HIGH PRESSURE, PERFORMANCE SPRAY	779.94	
			2 HIGH PERFORMANCE SPRAY GUNS & FRT CHGS	779.94	1,559.88
06/08/2017	93223	07673 4LEAF, INC.	16-A005 TO NO. 1 FOR PERIOD 4/1/17 TO 4/	1,046.25	1,046.25
06/08/2017	93224	01719 A & M PRINTING, INC.	BUSINESS CARDS - D. LEONARDO & D. LOPEZ	87.40	
			BUSINESS CARDS - KEN PETERSON AND SAMANT	87.40	174.80
06/08/2017	93225	00020 A.T.S. ELECTRO-LUBE INTL INC.	(10QTY) JUMBO-LUBER J475L CHEVRON MULTIF	1,012.37	1,012.37
06/08/2017	93226	00019 A-1 ENTERPRISES	WWTP: BI-MONTHLY STREET SWEEPING APR '17	170.00	170.00
06/08/2017	93227	07554 AIRGAS USA, LLC	RETURN: MIG GUN PRO (ORIGINAL INV #90575	-268.25	
			WELDING PPE - HELMET & GLOBES	512.47	
			WELDING PPE - HELMET S. QUINLAN	400.76	
			MIG GUN PRO (RETURNED REF CM 9600431111)	261.57	
			WELDING SAFETY GOGGLES - D. HIGARES	15.51	922.06
06/08/2017	93228	07510 ALL-CAL EQUIPMENT SERVICES	UNIT #521E GROVE CRANE ANNUAL CERTIFICAT	1,572.31	1,572.31
06/08/2017	93229	02578 ALPHA OMEGA WIRELESS	DISTRICT OFFICE RADIO RELOCATION JOB #:	4,000.00	4,000.00
06/08/2017	93230	06349 ARCSINE ENGINEERING	09-6101 TO NO. 2 4/1/17 TO 4/30/17	37,560.77	37,560.77
06/08/2017	93231	06349 ARCSINE ENGINEERING	16-A005 POWER DISTRIBUTION SYSTEM IMPROV	2,781.20	2,781.20
06/08/2017	93232	06176 BAY VALVE SERVICE & ENG'G LL	REVERSING CONTACTOR FOR PRIMARY #4 ACTUA	180.26	180.26
06/08/2017	93233	07825 C & R TRUCKING INC.	VULCAN MATERIAL DELIVERED TO FOF; 5/3 &	3,104.36	3,104.36
06/08/2017	93234	07896 CAL ATLANTIC HOMES	REFUND RETURNED METER # 65352725	1,002.32	1,002.32

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06/08/2017	93235	07138 CALIFORNIA WATER TECHNOLO	FERROUS CHLORIDE DELIVERY ON 05/15/17	3,406.41	3,406.41
06/08/2017	93236	01085 CALPERS LONG-TERM CARE PR	LONG-TERM CARE: PAYMENT	68.12	68.12
06/08/2017	93237	01167 CITY OF DUBLIN	ENCROACHMENT - 6879 MANSFIELD AVE., DUBL	554.00	554.00
06/08/2017	93238	07899 COASTAL FILTRATION	DERWA: BASKET ASSY FOR MF/RO BACKWASH ST	1,155.34	1,155.34
06/08/2017	93239	00014 COUNTY OF ALAMEDA	FY 2017 FUELING - FOD/INSP/CFRS - APR. 2	3,709.28	3,709.28
06/08/2017	93240	01633 CPS HUMAN RESOURCE SVCS	LAB SUPERVISOR RECRUITMENT TEST MATERIAL	442.75	442.75
06/08/2017	93241	00208 CSRMA	DEDUCTIBLE RECOVERY/CLAIM FILE CLOSED	29,431.05	29,431.05
06/08/2017	93242	00241 DGS OFS SVC REVOLVING FUNE	NATURAL GAS SERVICE @ THE WWTP - APRIL 2	27,088.12	27,088.12
06/08/2017	93243	07912 DICKSON DATA INC.	PRESSURE DATA LOGGERS FOR CONST INSPECTO	2,014.86	2,014.86
06/08/2017	93244	00280 ECOWATER SYSTEMS	LAB WATER SOFTENER EXCHANGE TANKS - JUN RO TANKS (QTY 2) JUN '17	211.20 19.00	230.20
06/08/2017	93245	00314 FEDEX	WWTP: OVERNIGHT DELIVERY CHARGES MAY '17 WWTP: OVERNIGHT DELIVERY CHARGES JUN '17	53.49 30.09	83.58
06/08/2017	93246	02914 STATE OF CALIFORNIA FRANCHI	FRANCHISE TAX BOARD: PAYMENT	187.69	187.69
06/08/2017	93247	00352 GOLDEN STATE FLOW MEASURE	120 1" SENSUS METERS	23,712.06	23,712.06
06/08/2017	93248	07137 GOODYEAR COMMERCIAL TIRE	TIRES FOR UNIT #16, 606T & FLEET STOCK	3,148.45	3,148.45
06/08/2017	93249	07996 CLA-VAL GRISWOLD INDUSTRIE	REPAIR FOR AN ALTITUDE VALVE	2,088.00	2,088.00
06/08/2017	93250	03149 HDS WHITE CAP CONST SUPPLY	SEALANT FOR INFLUENT FLAPPER GATE INSTAL	30.11	30.11
06/08/2017	93251	07652 HUNT & SONS, INC.	(700G) UNLEADED GASOLINE; (900G) DIESEL	3,868.78	3,868.78
06/08/2017	93252	06823 INORGANIC VENTURES	THERMO-5A DETECTOR SETUP SOLN 250ML	277.88	277.88
06/08/2017	93253	07575 LENOVO	QTY (1) LENOVO THINKPAD P40 YOGA AND ONL	2,026.13	2,026.13
06/08/2017	93254	00344 LUCITY INC.	KMADARANG & JRODRIGUEZ: 2017 CRYSTAL REP LUCITY CRYSTAL RPT TRAINING	500.00 250.00	750.00

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06/08/2017	93255	07614 MAHLER CONSULTING SERVICE	DEV PROJECT INSPECTION SUPPORT - PROF SV	14,039.25	14,039.25
06/08/2017	93256	07264 MANPOWERGROUP US INC.	M. ZAKLAN: WE 05/14/17	415.72	415.72
06/08/2017	93257	05897 MERIT RESOURCE GROUP	A. MCCAFFERY: WE 05/14/17	1,658.25	1,658.25
06/08/2017	93258	01650 MICROSOFT	QTY (10) MS SURFACE PRO 4, DOCKS, TYPECO	21,645.19	21,645.19
06/08/2017	93259	04231 MSC INDUSTRIAL SUPPLY CO	(2QTY) SIGHT GLASS FOR DREDGE	48.94	48.94
06/08/2017	93260	04796 NAPA AUTO PARTS	FLUIDS FOR UNIT #412G RTV SILICONE FOR UNIT #16 LSI	57.33 4.97	62.30
06/08/2017	93261	04741 NORMAN WRIGHT MECH'L EQPT	DERWA: REPLT GRSI VENT COVER WITH INSECT	2,136.93	2,136.93
06/08/2017	93262	00620 P G & E	PUMP STATION R200A ELEC - MAY 2017	4,380.04	4,380.04
06/08/2017	93263	07945 PIPE AND PLANT SOLUTIONS, IN	CCTV INSPECTIONS FOR DEVELOPMENT PROJECT	2,480.00	2,480.00
06/08/2017	93264	06444 RICHERT LUMBER	PLYWOOD FOR INFLUENT FLAP GATES INSTALLA	85.89	85.89
06/08/2017	93265	05680 SDRMA	MEMBER#7119/ANNUAL INSURANCE 2017-18	31,857.21	31,857.21
06/08/2017	93266	02350 SIMPLEX GRINNELL	MAY & JUNE MONTHLY FIRE ALARM MONITORING	74.16	74.16
06/08/2017	93267	00810 STUDIO BLUE REPROGRAPHICS	07-3203 BID DOCUMENT	845.60	845.60
06/08/2017	93268	00829 T & T VALVE & INSTRUMENTS IN	REPLACEMENT INNER SEWER GATE	11,180.95	11,180.95
06/08/2017	93269	00862 TIFCO INDUSTRIES	BOLTS & NUTS FOR STOCK	176.06	176.06
06/08/2017	93270	06650 TOKAY SOFTWARE	TOKAY WEB TEST REPORT ENTRIES	288.00	288.00
06/08/2017	93271	07880 TRUMARK HOMES	REFUND RECY CONSTRUCTION METER 1629808	731.56	731.56
06/08/2017	93272	03245 UNITED SITE SERVICES OF	16-A005 PORTA POTTY RENTAL	247.09	247.09
06/08/2017	93273	00556 UNITED WAY OF THE BAY AREA	UNITED WAY: PAYMENT	217.40	217.40
06/08/2017	93274	07775 VANGUARD CONCEPT OFFICES	BALANCE ON FOF UPSTAIRS TRNG TABLES & CH	6,335.67	6,335.67
06/08/2017	93275	00920 VASCO ROAD LANDFILL	UNLOADING OF WWTP SOLIDS/GRIT MAY '17	269.30	269.30

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06/08/2017	93276	00933 VWR INTERNATIONAL, INC.	STABLCAL 2100Q CAL KIT	181.03	181.03
06/08/2017	93277	00957 WEST YOST & ASSOCIATES	16-S001 COLLECT SYS TEMP FLOW MONITORING 14-P004 TO NO. 2 4/8/17 TO 5/5/17 14-W007 WATER SYS MASTER PLAN PROF SERVI	37,801.00 14,514.38 296.50	52,611.88
06/08/2017	93278	08128 JING YANG	REFUND DEPOSIT 2762 ALLISTON LOOP	226.00	226.00
06/09/2017	1000863362	01111 CALPERS	JUNE 2017 - ER CODE 7316 (NON-PERS)	2,165.47	2,165.47
06/09/2017	1000863370	01111 CALPERS	JUNE 2017 - ER CODE 0740 (PERS)	182,802.73	182,802.73

420 checks in this report

Total Checks: 14,899,196.26

Karen
Vaden

Digitally signed by Karen Vaden
DN: cn=Karen Vaden
Date: 2017.06.12 13:51:51 -07'00'

TENTATIVE BOARD ITEMS

Board Mtg	Agenda Item	External Affairs	Finance and Personnel	Water Resources
7/18/2017	Accept Regular and Recurring Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Intention to Levy Annual Assessments in the Dougherty Valley Sandby Charge District 2001-1 for Fiscal Year 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Review Rate Relief Program for Low Income Residential Water Customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Adopt 2016 FPPC Biennial Review - Conflict of Interest Code	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Update on Synagro/SCFI Project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Approve Task Order No. 2 to Agreement with West Yost Associates to Prepare the Wastewater Collection System Master Plan Update (CIP 16-S001)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Final Report on FYE 2017 Strategic Work Plan (Fifth Edition)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	State of DSRSD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Approve Casting District Vote for CSDA 2017 Election for Rep to the BOD for Bay Area Network, Seats A and C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8/1/2017	Presentation - Development Updates by City of Dublin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Policy - Adopt New CEQA Policy and Rescind Resolution No. 33-89	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Board Mtg	Agenda Item	External Affairs	Finance and Personnel	Water Resources
8/1/2017	Approve Health Insurance Contribution for 2017 Employees			
	Policy - Utility Billing Adjustments			
	Public Hearing - Adopt Dougherty Valley Standby Assessment District 2001-1 Tax Levy Charge for Fiscal Year 2017-2018			
	Closed Session - Public Employee Performance Review - FYE 2017 Review General Counsel			
	Closed Session: Contract Negotiations with Bargaining Groups			
	Approve Health Insurance Contribution for 2017 - Board			



TITLE: Consider Conditional Temporary Infrastructure Charge (TIC) Repayment for FYE 2017 Water Expansion Fund Management

RECOMMENDATION:

Staff recommends, in accordance with the Water Expansion Fund Management policy (P400-14-1), the Board of Directors receive a report regarding the six financial obligations of the Water Expansion fund (Fund 620), and authorize, by Resolution, the repayment of \$1 million of the Temporary Infrastructure Charge (TIC) in FYE 2017.

SUMMARY:

On March 4, 2014, the Board adopted the Water Expansion Fund Management policy. The policy established the prioritization of obligations for the Water Expansion fund (Fund). The Temporary Infrastructure Charge (TIC) was the result of ratepayers' contributions of \$8.2 million toward debt incurred to develop potable and recycled water facilities to serve growth in the District. As of May 31, 2017, \$4.212 million of that amount has been repaid, leaving a balance of \$3.994 million. Although the policy called for the conditional repayment of the TIC as Priority VI, it also directed staff to annually evaluate the Fund's working capital balance, starting in FYE 2014, to determine whether all, some or none of the TIC should be repaid based on the following criteria:

- Conditionally repay the TIC provided that other obligations of the Fund have been and can continue to be satisfied.
- Projected Fund balances should be at or above target levels based on development as planned scenario for the ensuing three-year period.
- Projected Fund balances should be no more than 15% below Fund target-level based on development as planned scenario during years 4 through 10 and in no more than one such year.
- Projected Fund balances should never be negative under the stressed development scenario (60 percent of the planned development after three years).
- The amount to be transferred from the Water Expansion fund to the Water Rate Stabilization fund will be determined so that the above policy criteria are satisfied.
- The transfer amount is not to be budgeted but is to be decided each year.
- The approach is guidance and shall not be binding and would only be done upon approval by the Board of Directors.

Based on the analysis of the above criteria, staff recommends repayment of \$1 million of the TIC in FYE 2017. Further detail is included in the attached staff report.

Originating Department: Administrative Services		Contact: C. Atwood	Legal Review: Not Required
Cost: \$0		Funding Source: Water Expansion fund (Fund 620)	
Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Staff Report <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input checked="" type="checkbox"/> Other (see list on right)		Attachment 1 –Development as Planned Scenario Attachment 2 – 15% Development as Planned Scenario Attachment 3 –Water Expansion Fund Working Capital – 10 years Attachment 4 – Stressed Development Scenario Attachment 5 – Water Expansion Fund Policy (P400-14-1)	
			223 of 237

STAFF REPORT



BOARD OF DIRECTORS
June 20, 2017

Consider Conditional Temporary Infrastructure Charge (TIC) Repayment for FYE 2017 Water Expansion Fund Management

BACKGROUND

On March 4, 2014, the Board adopted the *Water Expansion Fund Management* policy (P400-14-1). The policy established the prioritization of obligations for the Water Expansion Fund (Fund). There are six items that represent financial obligations of the Water Expansion Fund ranked in order of priority as addressed below.

The Temporary Infrastructure Charge (TIC) was the result of ratepayer's contributions of \$8.2M towards debt incurred to develop potable and recycled water facilities to serve growth in the District. As of May 31, 2017, \$4.212M of that amount has been repaid, leaving \$3.994 still to be addressed. Although the policy called for the conditional repayment of the TIC as Priority VI, it also directed staff, beginning in FYE 2014, to annually evaluate the Fund's working capital balance, to determine whether all, some or none of the TIC should be repaid.

DISCUSSION

Staff has reviewed the activity in the Fund, updated the preliminary working capital balance as of June 30, 2017 and projected activity through the end of FYE 2026.

Per the *Water Expansion Fund Management* policy, repayment will be determined based on the following criteria:

- Conditionally repay the TIC provided that other obligations of the Fund have been and can continue to be satisfied.
- Projected Fund balances should be at or above target levels based on development as planned scenario for the ensuing three-year period.
- Projected Fund balances should be no more than 15% below fund target level based on development as planned scenario during years four through ten and in no more than one such year.
- Projected Fund balances should never be negative under the stressed development scenario (60% of the planned development after 3 years).
- The amount to be transferred from the Water Expansion Fund to the Water Rate Stabilization Fund will be determined so that the above policy criteria are satisfied.
- The transfer amount is not to be budgeted but is to be decided each year.
- The approach is guidance and shall not be binding and would only be done upon approval by the Board of Directors.

The Capital Improvements Program (CIP) and projected future connections were evaluated as part of the completion of the Water Master Plan Update and the most recent Dwelling Unit Equivalent (DUE) data as provided from the City of Dublin. In addition, staff prepared a Planned Development Scenario through FYE 2026. The analysis was prepared using no assumed TIC repayment. Based on these assumptions, the reports show the following:

- Analysis of the Planned Development Scenario, Attachment 1, shows the Fund will remain at or above policy minimums for the ensuing three-year period.
- Analysis of the Planned Development Scenario with 15% below Fund target levels, Attachment 2, shows the Fund will remain at or above policy minimum during years four through ten.
- Analysis of the Water Expansion Fund Working Capital, Attachment 3, shows that the Fund retains a substantial working capital throughout the 10-year plan.
- Analysis of the 60% Stressed Development Scenario, Attachment 4, denotes that we would not meet the criteria of the policy. However, as this situation does not occur until FYE 2022, future rate studies and budget decisions would address these projections and set rates accordingly. Moreover, significant expenditures in FYE 2020 through FYE 2024 for a potable reuse water supply project are assumed in the recently adopted 10 year Capital Improvement Plan, which reflects a very aggressive schedule for funding and construction of this project. These expenditures are likely to be shifted in time, or adjusted in financing method, in a subsequent Capital Improvement Plan. Any shift to some debt financing or delay in implementation of the project will have an offsetting beneficial effect on the water expansion fund balance in a 60% Stressed Development Scenario.

There are three (3) options for addressing the FYE 2017 TIC repayment:

1. Direct staff to comply with terms of the policy as written and make zero TIC repayment in FYE 2017. Staff does not recommend taking this action as our cash flow can accommodate repayment of this obligation and the results from the 60% stress test can be remedied with future 2 year capital budgets and 10 year capital plans.
2. Direct staff to make a transfer to the Water Rate Stabilization Fund as a partial TIC repayment for FYE 2017, in an amount of \$1 million or at a level the Board deems appropriate. While, the presented development plan stress test does not meet the policy targets in FYE 2022, fund balances are deemed sufficient to support this payment.
3. Direct staff to make project deferrals such that Capital spending is more allocated to the future to allow some TIC repayment in the current FYE 2017 and return to the Board at a future date for further direction. Staff does not recommend taking this action. Changing the timing of capital projects should be addressed comprehensively with the development of the next 10-Year Capital Improvement Plan in 2019.

RECOMMENDATION

Based on the projected fund balances through FYE 2026, staff recommends Option 2 above, to direct staff to transfer \$1 million from the Water Expansion Fund to the Water Rate Stabilization Fund.

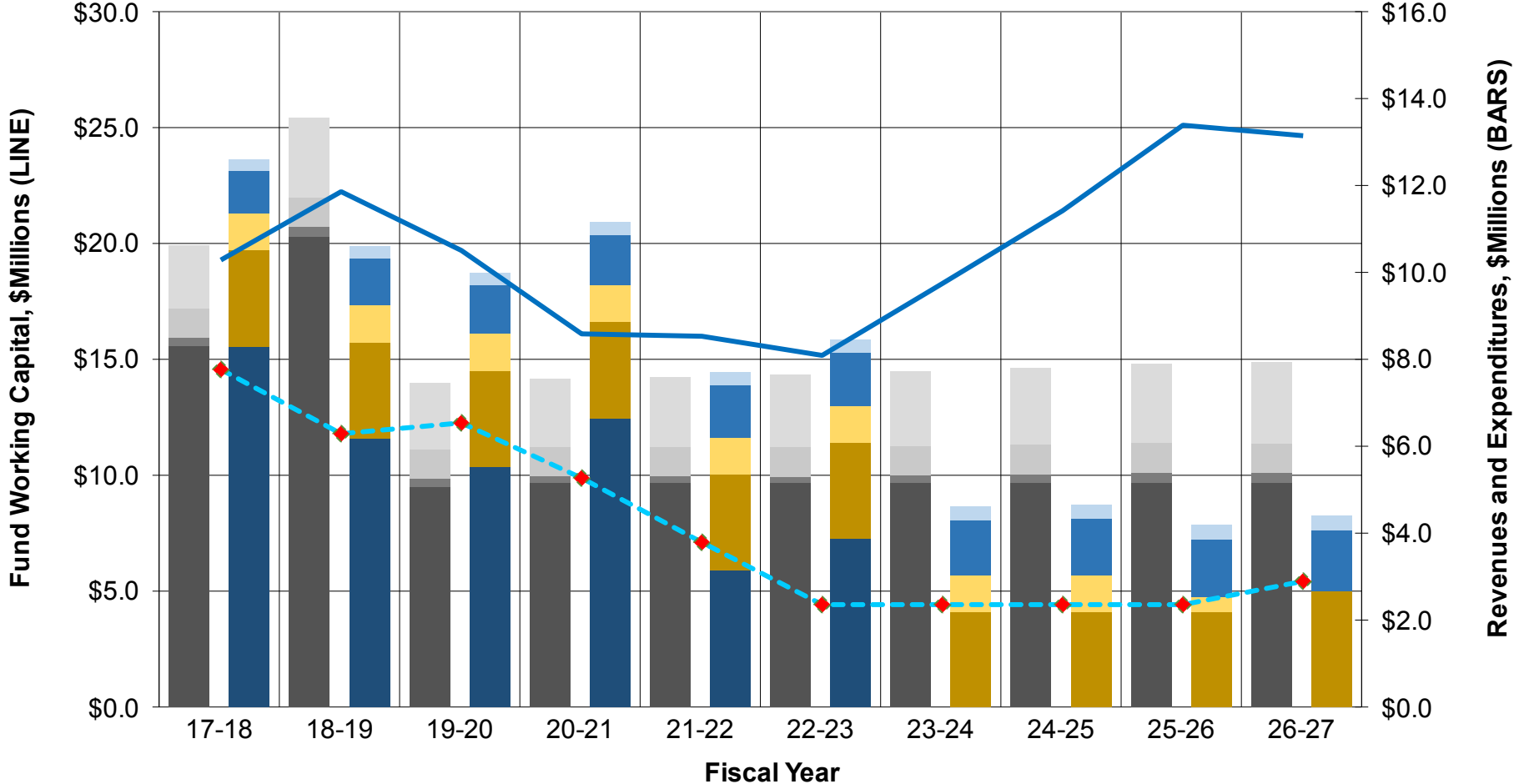
DEVELOPMENT AS PLANNED SCENARIO				
Case	Base		Water Expansion Fund Management Policy Priorities	
	<i>Budget as Accepted</i>	<i>Cash Flows as Adjusted (Beginning Fund Balance and "CPI")</i>	<i>Priorities I through V Satisfied</i>	<i>Priority VI - FYE16 \$0.00 TIC Repayment</i>
Policy Criteria for Development as Planned Scenario				
At or Above Targets for First Three Years				
Funds below 15% Below Targets				
No more than 15% Below Target for Years 4 to 10				
Percent of Minimum				
FYE 2017	158%	158%	158%	151%
FYE 2018	132%	132%	132%	126%
FYE 2019	189%	189%	189%	180%
FYE 2020	161%	161%	162%	153%
FYE 2021	163%	163%	157%	146%
FYE 2022	225%	225%	198%	184%
FYE 2023	344%	386%	295%	271%
FYE 2024	414%	598%	364%	314%
FYE 2025	485%	701%	435%	334%
FYE 2026	568%	988%	518%	416%

In Conformance with Water Expansion Fund Management Policy
NOT in Conformance with Water Expansion Fund Management Policy

DEVELOPMENT AS PLANNED SCENARIO				
15%	Base		Water Expansion Fund Management Policy Priorities	
Case	<i>Budget as Accepted</i>	<i>Cash Flows as Adjusted (Beginning Fund Balance and CPI)</i>	<i>Priorities I through V Satisfied</i>	<i>Priority VI Temporary Infrastructure Charge Repayment</i>
Policy Criteria for Development as Planned Scenario				
At or Above Targets for First Three Years				
No more than 15% Below Target for Years 4 to 10				
Percent of Target				
FYE 2017	158%	136%	136%	129%
FYE 2018	132%	115%	115%	109%
FYE 2019	189%	159%	159%	152%
FYE 2020	161%	136%	136%	129%
FYE 2021	163%	133%	127%	118%
FYE 2022	225%	172%	151%	140%
FYE 2023	344%	247%	212%	195%
FYE 2024	414%	813%	716%	617%
FYE 2025	485%	953%	855%	657%
FYE 2026	568%	1012%	923%	741%

In Conformance with Water Expansion Fund Management Policy
 NOT in Conformance with Water Expansion Fund Management Policy

Fund 620 - Water Expansion Fund



STRESSED DEVELOPMENT SCENARIO				
Case	Base		Water Expansion Fund Management Policy	
	<i>Budget as Accepted</i>	<i>Cash Flows as Adjusted (Beginning Fund Balance and CPI)</i>	<i>Priorities 1 through 5 Satisfied</i>	<i>Priority VI Temporary Infrastructure Charge Repayment</i>
Policy Criteria for Stressed Development Scenario Fund Balance Never Negative				
Percent of Target				
FYE 2017	158%	136%	136%	138%
FYE 2018	109%	95%	94%	87%
FYE 2019	122%	103%	101%	93%
FYE 2020	80%	67%	62%	54%
FYE 2021	40%	33%	19%	9%
FYE 2022	23%	18%	-7%	-19%
FYE 2023	-32%	-23%	-63%	-82%
FYE 2024	-13%	-25%	-134%	-238%
FYE 2025	6%	13%	-96%	-297%
FYE 2026	38%	67%	-32%	-214%

In Conformance with Water Expansion Fund Management Policy

NOT in Conformance with Water Expansion Fund Management Policy



POLICY

Dublin San Ramon Services District

Policy No.:	P400-14-1	Type of Policy:	Finance
Policy Title:	Water Expansion Fund Management		
Policy Description:	The obligations of the Water Expansion Fund are to be prioritized according to the direction provided in this policy		
Approval Date:	March 4, 2014	Last Review Date:	2014
Approval Resolution No.:	13-14	Next Review Date:	2018
Rescinded Resolution No.:	N/A	Rescinded Resolution Date:	N/A

It is the Policy of the Board of Directors of Dublin San Ramon Services District that the obligations of the Water Expansion fund (Fund) are to be prioritized according to the direction provided in this policy:

BACKGROUND, DEFINITIONS AND BASIS FOR POLICY

The District’s Water Expansion fund is dedicated to paying for the expansion of water facilities to serve growth (and to pay a share of debt related to facilities that have been already built to serve growth). The facilities funded by the Water Expansion fund were required to be built well in advance of the projected development and resultant capacity fee revenue required to pay for the facilities. The District secured funding for these projects in a variety of manners – traditional debt via the capital markets, loans from the State and advances in the form of developer construction or debts to be repaid by future connection revenue to be received over many years.

This fund remains one of the most critically funded of the various funds maintained by the District. The Water Expansion fund would have depleted its working capital in FYE 2010 had the District not taken the unprecedented step of instituting a Temporary Infrastructure Charge, as well as administratively suspending several “credit against fee” arrangements with developers. In the intervening years, the Board has taken various actions to significantly strengthen the Fund (refinanced District and some JPA debt and delayed many capital expenditures) so that, at the moment, the Fund has a working capital balance that meets debt covenants and Board established policy targets.

The Water Expansion fund faces a number of ongoing “issues” that will have a material bearing on the fund balance. How these issues are handled and their priority for resolution is critical to being able to

manage the Fund in accordance with the Financial Reserve policy. It should be noted that this Water Expansion Fund Management policy is intended to be used in conjunction with the Financial Reserves policy for setting of targeted fund levels and is intended to ensure compliance with that primary policy. Also, in no way is this policy intended to supersede the District obligations in its various indentures and loans documents.

FUND MANAGEMENT ISSUES

While a number of emerging issues have already been resolved, a listing and brief explanation of those issues which continue to have impact on the Water Expansion fund are as follows:

- **Windemere BLC Closeout** Windemere BLC is one of the two organizations having major interests in the Dougherty Valley. Their portion of that development is now essentially complete. The District and Windemere BLC entered into a development agreement under which Windemere BLC directly funded some of the major infrastructure for the District of a size sufficient for the then-planned level of development. The District was obligated to provide credits to Windemere BLC for their capacity right payments in accordance with the development agreement. That agreement is now being closed out and it has become apparent that the process for extending the credits was not precisely followed in all instances due to the complexity associated with that project.
- **Other Reimbursements** The District has entered into development agreements with various other developers. These include Shapell / Lin and Pinn Brothers¹. The projects associated with those agreements have not yet been completed so the agreements are still active. The agreements allow the District, at its discretion, to administratively suspend providing credits against payments for capacity rights when the Water Expansion Fund's balance is insufficient. The credits were suspended in FYE 2010 and have remained suspended. The District has been asked to resume the crediting program. Doing so will affect future cash flows in that the connection fees received from those developments will be about fifty percent of the full price until the reimbursement amounts are fully satisfied. The recent Code revision to make payments for capacity rights payable at building permit also had the effect of deferring the crediting of these reimbursements.
- **Regional Wastewater Disposal Credits for Recycling** Given the size of the District's current and Pleasanton's planned recycled water programs, there is some degree of recycling that occurs year-round. Year-round recycling benefits the Wastewater Enterprise fund which is approximately 3 mgd short of the disposal capacity needed for build-out of the general plans of Dublin, San Ramon and Pleasanton. That deficiency arose when the District abandoned² its indirect potable reuse project (Clean Water Revival) in the face of litigation initiated by Pleasanton and Zone 7. Very preliminary analyses indicate that the value to the District's Water Expansion fund would be approximately \$1.0M. This value would arise as a transfer

¹ Pinn Brothers is no longer in business; their interest is now with Tralee.

² Per Board Policy P300-11-1 (Operations) adopted by Resolution No. 56-11

from the Regional Expansion fund to the Water Expansion fund (in essence a “purchase” of the winter time disposal capacity that is embedded in the recycled water programs).

- **New Water Master Plan** The District’s Water Master Plan dates to 2005. Best practice is that master plans should be reviewed and updated every five years to keep them current. The District’s Water Master Plan was scheduled to be updated in FYE 2010. That effort was deferred at that time in response to the then reeling economy. The balance in the Water Expansion Fund in future years are heavily driven by anticipated CIP capital expenditures. The District’s Water Master Plan, which at the time represented a 15-year planning horizon, is out of date and does not project beyond FYE 2021. Funding is provided in the CIP for an update to the Water Master Plan. Earlier, more or larger facilities will affect the Fund. Later, fewer or smaller facilities will improve the Fund’s health. The update to the Water Master Plan is scheduled to be initiated in the second half of FYE 2014 and be completed in FYE 2015. The impact of the “updated Water Master Plan issue” is difficult to predict at the present time³ and is the single most critical piece of information needed to analyze the long-term health of the Water Expansion fund.
- **“Repayment” of Temporary Infrastructure Charge** During the four fiscal years during which the Temporary Infrastructure Charge was in place, the District ratepayers contributed \$8.2M towards obligations that were properly the responsibility of new growth. As of the date of adoption of this policy, \$3.3M of that amount has been “repaid,” leaving \$4.9M still to be addressed.

FUND MANAGEMENT GUIDELINES

Fund Management Guidelines in the following priority order:

Priority I. **Pay Bonds, Meet Terms of Debt Covenants and Maintain Reserves** Payment of debt obligations and ensuring compliance with contractual debt covenants is a primary concern. It is a priority not only that funds be available to make all scheduled debt payments, but that the District comply with all contractual debt covenants including reserve and coverage ratios.

Priority II. **Fund Approved CIP Expenditures** Undertake projects in furtherance of the Mission of the District to provide a safe, reliable water supply for the communities it serves and do so in accordance with the Board approved Capital Improvement Budget, including proceeding with the Water Master Plan in Fiscal Year Ending 2014 and Fiscal Year Ending 2015 CIP as approved by the Board in the Capital Improvement Budget.

³ It is anticipated that costs will go up for the anticipated facilities for inflationary reasons and that perhaps one additional water reservoir may be needed as driven by development at Camp Parks. Tempering this may be a slower pace needed for the facilities given the slow-down in building that has occurred over the last several years and which is expected to continue (at least as compared to the 2005-era pace of development).

- Priority III. **Windemere BLC Closeout** Equitable close-out the reimbursement agreement with Windemere BLC in general accordance with direction given by the Board.
- Priority IV. **Other Reimbursements** Conditionally, un-suspend the reimbursements to developers with whom the District has other reimbursement agreements. The need to re-impose suspension shall be considered annually at the start of each fiscal year when analyzing the fund status and development projections.
- Priority V. **Regional Wastewater Disposal Credits for Recycling** Equitably, ensure that the Regional fund contributes toward the cost of the District and Pleasanton's recycled water programs in an amount that is related to the benefit those recycled water programs provide to the Water Expansion fund because of the recycled water program's year round recycling in general accordance with the prior direction given by the Board.
- Priority VI. **Conditional TIC Repayment** Equitably reimburse District ratepayers for obligations that were properly the responsibility of new growth and that were paid for by ratepayers through the imposition of the Temporary Infrastructure Charge (TIC). The repayment shall be done in accordance with the following principles until the outstanding amount is satisfied:
- A. Conditionally repay the TIC provided that the priorities above have been satisfied.
 - B. At the end of each fiscal year, commencing with FYE 2014, the Board will review the Water Expansion fund balance and any surplus for the fiscal year. Based on the Board's assessment of the projected health of the Water Expansion fund over the ensuing ten-year period, the Board will use its best business judgment to repay all, some or none of the TIC each year in consideration of the following parameters:
 - a. Board established financial policies;
 - b. Fund balances as compared to fund reserve targets are the key decision making tool;
 - c. Contractual obligations;
 - d. District's infrastructure needs;
 - e. Projected fund balances should be at or above target levels based on development as planned scenario for the ensuing three-year period;
 - f. Projected fund balances should be no more than 15% below fund target level during years 4 through 10 and in no more than one such year; and
 - g. Projected fund balances should never be negative under the stressed development scenario (60% of the planned development after 3 years).
 - C. An amount as decided above will be transferred from the Water Expansion fund to the Water Rate Stabilization fund. It is the intent to keep that amount in the Rate Stabilization fund, only to be used should Water Expansion fund balances

drop, so as to offset, as much as possible, any potential need for the re-
imposition of a TIC.

- D. The transfer amount would not be budgeted but is to be decided each year.
- E. This approach is guidance and shall not be binding and would only be done provided the targeted Fund balance can be maintained as described herein and upon approval by the Board of Directors.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING A TRANSFER OF \$1,000,000 FROM THE WATER EXPANSION FUND (FUND 620) TO THE WATER RATE STABILIZATION FUND (FUND 605)

WHEREAS, on June 23, 2009, and in the midst of the recession when the payment of capacity reserve fees came to a virtual halt, the District authorized the implementation of the Temporary Infrastructure Charge (TIC) to ensure the District had the available funds to make all legally required debt obligations of the Water Expansion fund (Fund 620) ("Fund"); and

WHEREAS, on May 7, 2013 the Board suspended the TIC; and

WHEREAS, prior to its suspension, the amount of the TIC collected from ratepayers totaled \$8,208,152; a total of \$4,212,000 has been equitably returned for the benefit of the water ratepayers, leaving a balance of \$3,994,000 as of May 31, 2017; and

WHEREAS, on March 4, 2014 the Board adopted the Water Expansion Fund Management policy to determine the methodology and priorities for payment of actual and contingent obligations of the Fund while ensuring the financial integrity of the Fund over a 10-year period and prudently anticipating risks to that Fund; and

WHEREAS, the Water Expansion Fund Management policy stated the Board's policy to further reduce the TIC obligation of the Fund under certain prescribed conditions; and

WHEREAS, the District has analyzed the projected balance of the Fund in accordance with the Water Expansion Fund Management policy; and

WHEREAS, the Board finds that a transfer of \$1,000,000 from the Water Expansion fund to the Water Rate Stabilization fund can be done in substantial accordance with the Water Expansion Management policy through careful management of the timing and financing of water expansion capital projects over the next 10 years.

Res. No. _____

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the counties of Alameda and Contra Costa, California as follows:

1. Effective June 30, 2017, staff is directed to transfer \$1,000,000 from the Water Expansion fund to the Water Rate Stabilization fund; and
2. The transfer is to be considered a partial reduction of the outstanding TIC balance paid by District ratepayers.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 20th day of June 2017, by the following vote:

AYES:

NOES:

ABSENT:

Richard M. Halket, President

ATTEST:

Nicole Genzale, District Secretary