

**DSRSD•EBMUD Recycled Water Authority
(DERWA)
Board of Directors**

NOTICE OF SPECIAL MEETING

TIME: 7:00 p.m.
PLACE: Dublin San Ramon Services District Boardroom
7051 Dublin Boulevard
Dublin, California 94568

DATE: Monday, April 28, 2014

AGENDA

The mission of the DSRSD•EBMUD Recycled Water Authority is to maximize the amount of recycled water delivered while recovering its costs; in doing so it will provide a reliable and consistent supply of recycled water to DSRSD and EBMUD for service to each of the agencies' customers.

(Next Resolution No. 14-1)

*Recommended
Action*

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL - Members: Coleman, Howard, Mellon and Vonheeder-Leopold,
Alternates: Duarte and Foulkes
4. BOARD REORGANIZATION
 - A. Election of Board Chair Approve
by Motion
 - B. Election of Board Vice-Chair Approve
by Motion
 - C. Appointment of Secretary Approve
by Motion
5. SPECIAL ANNOUNCEMENTS/ACTIVITIES
6. PUBLIC COMMENT (Meeting Open to Public)
At this time, those in the audience may address the Board on any item not already included in the agenda. Comments should not exceed five minutes. If this is not considered sufficient time to address the issue, please arrange with the Secretary to have that item placed on the agenda for a future Board meeting.
7. APPROVE MINUTES
Regular Board Meeting of October 28, 2013 Approve
by Motion

*Recommended
Action*

8. CONSENT CALENDAR

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

- | | | |
|----|--|----------------------|
| A. | Treasurer's Reports for October 31, November 30, December 31, 2013, January 31, 2014, February 28, 2014 and March 31, 2014 | Approve by Motion |
| B. | Quarterly Investment Reports – September 30, December 31, 2013, and March 31, 2014 | Approve by Motion |
| C. | DERWA Investment Policy | Approve by Motion |

9. BOARD BUSINESS

- | | | |
|----|--|--------------------------|
| A. | Approve and Adopt the Fiscal Year 2014-15 Capital and Operating Expenditure Budget | Approve by Resolution |
|----|--|--------------------------|

10. MANAGER'S REPORTS

- Capital Projects Update – None
- Confirm Next Meeting Date - June 23, 2014

11. BOARDMEMBER ITEMS

12. ADJOURNMENT

Information about and copies of supporting materials on agenda items are available for public review at 7051 Dublin Boulevard, Dublin, at the Reception Desk, or by calling the Authority Secretary at (925) 828-0515. A fee may be charged for copies. During the meeting, information and supporting materials are available by the doorway into the Boardroom. Authority facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the Authority Secretary as soon as possible, but at least two days prior to the meeting.

Items 4. A, B, and C

DERWA Summary & Recommendation

Selection of Board Officers for 2014

Summary:

The DSRSD•EBMUD Joint Exercise of Powers Agreement (JPA) requires the election of Chair and Vice Chair by a majority vote of the Directors. The JPA provides that the officers of the Board hold office until the next election or relieved by their agency. The attached table summarizes the past DERWA officers.

In addition, the JPA provides that appointment of the DERWA Secretary follows the same procedure (method of appointment, time of appointment and term) as the Chair and Vice Chair. Thus, the appointment of the DERWA Secretary should also be considered. Nancy Hatfield has ably served as the DERWA Secretary since the inception of the agency. It would be appropriate to continue her appointment.

Recommendation:

In three separate motions it is recommended that the Board:

- Elect the officers of Chair and Vice Chair for 2014; and
- Appoint Nancy Hatfield to continue as DERWA Secretary for 2014.

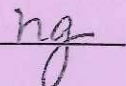
April 28, 2014

Attachment

Prepared by JB



Reviewed by ng



PAST DERWA OFFICERS

| YEAR | CHAIR | VICE CHAIR |
|------|----------------------------|--|
| 1995 | John A. Coleman | Jeffrey G. Hansen |
| 1996 | Jeffrey G. Hansen | John M. Gioia |
| 1997 | John M. Gioia | Cynthia G. Jones |
| 1998 | Cynthia G. Jones | John A. Coleman |
| 1999 | John A. Coleman | Cynthia G. Jones/ G.T. (Tom) McCormick |
| 2000 | G.T. (Tom) McCormick | Frank Mellon |
| 2001 | Frank Mellon | Richard W. Rose |
| 2002 | Richard W. Rose | John A. Coleman |
| 2003 | John A. Coleman | Daniel J. Scannell |
| 2004 | Daniel J. Scannell | Frank Mellon |
| 2005 | Frank Mellon | Jeffrey G. Hansen |
| 2006 | Richard M. Halket | John A. Coleman |
| 2007 | John A. Coleman | Dan Scannell |
| 2008 | Dan Scannell | Frank Mellon |
| 2009 | Frank Mellon | Jeff Hansen |
| 2010 | Jeff Hansen | John A. Coleman |
| 2011 | John A. Coleman | Dwight "Pat" Howard |
| 2012 | Georgian Vonheeder-Leopold | Frank Mellon |
| 2013 | Frank Mellon | Rich Halket |

In December 2013 the DSRSD Board appointed Georgean Vonheeder-Leopold and Pat Howard as DSRSD representatives to the DERWA Board, and Edward Duarte as DSRSD Alternative Representative.

Paragraph 4 of the DSRSD Board for Joint Powers Agency Rotation policy provides:

In the event that one new representative of the District is appointed to a JPA board and in the further event that the remaining District representative to that JPA board has previously served as President (Chair) of that JPA board, the new District representative shall first serve, when the opportunity arises, as President (Chair) or in a position which leads to President (Chair) of the JPA board.

Following the DERWA past practice of alternating positions of Chair and Vice Chair between the agencies, the Chair for 2014 should be a DSRSD representative, and the Vice Chair an EBMUD representative.

Georgian Vonheeder-Leopold served as DERWA Chair in 2012 therefore, according to DSRSD policy Pat Howard should be nominated as DERWA Chair for 2014.

**DSRSD • EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Regular Meeting Minutes
Monday, October 28, 2013**

Dublin San Ramon Services District
7051 Dublin Boulevard, Dublin, California

1. CALL TO ORDER – Chair Mellon called the DSRSD • EBMUD Recycled Water Authority (DERWA) meeting to order at 6:00 p.m. at the Dublin San Ramon Services District Boardroom.

2. PLEDGE TO THE FLAG

3. ROLL CALL – Directors present: Chair Frank Mellon, Vice Chair Richard Halket, Director John Coleman and Director Georgean Vonheeder-Leopold. DERWA Staff present: James Bewley, Authority Manager; Richard Lou, Treasurer; and Louise Rummel, Administrative Assistant II.

4. BOARD REORGANIZATION

Motion by Director Coleman, Second by Director Vonheeder-Leopold to appoint Mr. Jim Bewley as Authority Interim Secretary for the period of October 28, 2013. Motion carried (4-0) by the following vote:

AYES: Coleman, Vonheeder-Leopold, Halket, Mellon
NOES:

5. CLOSED SESSION

A. NOT HELD - Conference with Real Property Negotiator-Pursuant to Government Code Section 54956.8
Property: Water Supply Contract
Agency Negotiator: James B. Bewley, Authority Manager
Negotiating Parties: City of Pleasanton and DERWA
Under Negotiation: Price and Terms

6. REPORT FROM CLOSED SESSION – None.

7. SPECIAL ANNOUNCEMENTS/ACTIVITIES

8. PUBLIC COMMENT – 6:02 p.m. – None received.

9. APPROVE MINUTES – Regular Meeting of April 22, 2013

Motion by Director Coleman, Second by V.C. Halket to approve the minutes from the Regular Meeting of *April 22, 2013*. Motion carried (4-0) by the following vote:

[Type text]

DRAFT

AYES: Coleman, Halket, Vonheeder-Leopold, Mellon
NOES:

10. CONSENT CALENDAR

A. Treasurer's Report – March 31, 2013

B. Quarterly Investment Reports - March 31 and June 30, 2013

Motion by Director Vonheeder-Leopold, Second by Director Coleman to approve Consent Calendar Items 10A & 10B. Motion carried (4-0) by the following vote:

AYES: Vonheeder-Leopold, Coleman, Halket, Mellon
NOES:

C. REMOVED - Approve Task Order No. 11 for Fiscal Year 2013-14 for Public Information Services with ICF International (formerly Jones & Stokes Associates)

Chair Mellon wanted to confirm that ICF would be performing public outreach services.

Authority Manager Bewley explained that a few years ago, most of the public information work tasks went back to the Member Agency staffs. The primary work that ICF is continuing to do is organizing and managing the annual two agency communication workshop in the spring before the recycled water season commences. Multiple staff from each Member Agency participate in the forum. The workshop allows staff from each Member Agency to get to know one another in advance of the recycled water season and to familiarize them with whom to contact in the event of an emergency or urgent recycled water situation. The forum has a theme of "Who are you going to call?" and allows for rapport building. ICF also does maintenance on the website.

Director Coleman suggested the names cited on the task order did not really need to be listed.

Mr. Bewley stated that he would make that format recommendation to ICF.

Motion by Director Coleman, Second by Director Vonheeder-Leopold to approve Consent Calendar Item 10C. Motion carried (4-0) by the following vote:

AYES: Coleman, Vonheeder-Leopold, Halket, Mellon
NOES:

11. BOARD BUSINESS

A. Transmittal of the DERWA Independent Auditor's Report and Financial Statements for Years Ending June 30, 2012 and 2013

Treasurer Lou presented the Audit report for the years ending June 30, 2012 and 2013.

The Board discussed various elements of the audit and expressed their overall satisfaction with having a clean audit presented to them. Aspects and the mechanics of the "sweep" account were discussed in some detail and how these are reflected in the audit.

Motion by V.C. Halket, Second by Director Coleman to approve the DERWA Independent Auditor's Report and Financial Statements for Years Ending June 30, 2012 and 2013. Motion carried (4-0) by the following vote:

AYES: Halket, Coleman, Vonheeder-Leopold, Mellon
NOES:

B. Agreement to Provide Recycled Water Treatment and Delivery Services by and between DERWA and City of Pleasanton

Chair Mellon stated this was an extraordinary moment as he complimented DSRSD General Manager Michalczyk, EBMUD General Manager Alex Coate, and Authority Manager Jim Bewley for their efforts working on this agreement. He also thanked Mr. Requa for his efforts. Chair Mellon credited Directors Vonheeder-Leopold and Coleman for their early participation in DERWA and for getting to this point to approve this significant agreement.

Authority Manager Bewley stated that before the Board was a letter from Zone 7's General Manager Jill Duerig strongly supporting this action tonight. He noted that he has requested a letter from Pleasanton allowing DERWA to continue to use their secondary effluent until such time as the agreements are signed and their CEQA process is completed. The CEQA process could take up to a year to accomplish. Mr. Bewley also commented that he had a copy of an email from Pleasanton City Manager Nelson Fialho who stated that he was recommending their City Council approval for the agreements on November 5, 2013.

Mr. Daniel Smith, Director of Operations of the City of Pleasanton, addressed the Board and agreed this is an exciting time. Mr. Smith thanked the DERWA Board and Mr. Bewley, and the DSRSD and EBMUD Boards and all the staff from each agency who worked on these agreements. He expressed his appreciation for the patience from the agencies during this process and stated he believes this is a comprehensive agreement that is balanced and fair for all agencies involved. Mr. Smith expressed special appreciation to Messrs. Michalczyk and Requa from DSRSD for all of their time in the last few months, in particular.

Director Vonheeder-Leopold on behalf of DSRSD thanked Mr. Smith for all of the work he did with the Pleasanton staff and the City Council on these agreements and for the fact that Pleasanton will be using recycled water.

Chair Mellon suggested Directors Vonheeder-Leopold and Coleman make a joint Motion for approval of this item because they both worked so hard on this effort.

Motion by Director Vonheeder-Leopold and Director Coleman, Second by V.C. Halket to adopt Resolution No. 13-3, approving and authorizing execution of the Agreement to Provide Recycled Water Treatment and Delivery Services by and between DSRSD•EBMUD Recycled Water Authority and City of Pleasanton.

Chair Mellon asked DSRSD General Manager Michalczyk if he wanted to make any comments.

DSRSD General Manager Michalczyk thanked everyone involved in this effort and for the vision and patience to put these agreements together. He stated that as DSRSD learned from working on the Berrenda Mesa water transfer, and as EBMUD has worked on several water deals over the years, water agreements are never easy or quick to complete. Mr. Michalczyk thanked Mr. Daniel Smith for his patience and understanding during this process given some of the history between the agencies. Once former DSRSD and DERWA Director Jeff Hansen learned of this upcoming Board action, he requested Mr. Michalczyk read the following into the record:

“The Pleasanton deal was truly a long time in the making-but definitely worth it. I want to compliment everyone who has been involved for so long (DERWA, EBMUD, Pleasanton and the District) for implementing what is so obviously a win-win governance and environmental success. And, I especially want to compliment you (Mr. Michalczyk) and Dave Requa, for staying with it all these years. If you get the chance, please pass along my heartfelt congratulations to all involved, beginning with the DSRSD Board tomorrow and the DERWA Board next week. As you have heard me say before, ‘This is an idea whose time has finally come.’”

Director Coleman commented that along with the water industry trend--with regards to potable and recycled water use in the past few years--these agreements represent the direction the state of California is moving toward. When DSRSD and EBMUD joined to form DERWA, some onlookers thought this agency should not be formed. Director Coleman stated that these agreements with Pleasanton were great for all involved and the dynamics in water policy in California are changing for the better, which is good for the future economy.

Chair Mellon commented that when he started on the EBMUD Board nearly 20 years ago, the first item he voted on was moving forward with the DERWA recycled water program. Some Directors wanted to study the matter again; however, this effort moved forward and today, Chair Mellon is sitting as the Chair of DERWA when this significant moment is happening! He expressed his strong enthusiasm for the recycled water agreements.

Director Vonheeder-Leopold reminisced about the early 1990s when she, John Coleman, and Jeff Hansen met and discussed recycled water, which was not common in northern California back then. She expressed her strong satisfaction with this agreement.

Motion carried (4-0) by the following vote:

AYES: Vonheeder-Leopold, Coleman, Halket, Mellon
NOES:

C. Proclamation of Appreciation for Dave Requa's Service to DERWA

Chair Mellon invited Mr. Requa to the lectern and complimented him for his service and in particular for the effort on the recycled water agreements. He offered best wishes to Mr. Requa upon his retirement and expressed his deepest appreciation for his fine work.

Director Vonheeder-Leopold complimented Mr. Requa on his skills for working effectively with other agencies' staff. She commented that she will miss his camaraderie and friendship.

V.C. Halket thanked Mr. Requa very much for his service and asked him to not be a stranger in the future.

Director Coleman expressed how much he has enjoyed working with Mr. Requa and his hope that he will be around in the future doing something in the water arena. He complimented Mr. Requa's steadfast nature and how this has helped DERWA be what it is today.

Motion by Chair Mellon, Second by Director Vonheeder-Leopold to approve the Proclamation of Appreciation for Dave Requa's Service to DERWA. Motion carried (4-0) by the following vote:

AYES: Mellon, Vonheeder-Leopold, Coleman, Halket
NOES:

12. MANAGER'S REPORT

- Capital Projects Update – None.
- Confirming Cancellation of the Next Regular Meeting Date Scheduled for December 23, 2013 – The Board agreed to cancel the next regular meeting scheduled for December 23, 2013.

13. BOARDMEMBER ITEMS

Director Coleman asked if DERWA was seeking any WRDA dollars for projects. Authority Manager Bewley stated that DERWA was not but that EBMUD may be.

Chair Mellon reported on his recent attendance of his 50th high school class reunion. On his way to the event, he stopped in Cape Coral, Florida which has a large recycled water program. He shared some of the geographical and service challenges for providing recycled water in that area.

14. ADJOURNMENT

Chair Mellon adjourned the meeting at 6:40 p.m.

Submitted by,

Nancy Gamble Hatfield
Authority Secretary

Item 8.A

DERWA Summary & Recommendation

October 31, 2013 Treasurer's Report
November 30, 2013 Treasurer's Report
December 31, 2013 Treasurer's Report
January 31, 2014 Treasurer's Report
February 28, 2014 Treasurer's Report
March 31, 2014 Treasurer's Report

Summary:

Attached are the Treasurer's Reports for the months ending October 31, November 30, December 31, 2012, January 31, February 28 and March 31, 2014 submitted by Treasurer Richard Lou.

Recommendation:

The Treasurer recommends the Board approve, by Motion, the Treasurer's Reports for the months ending October 31, November 30, December 31, 2012, January 31, February 28 and March 31, 2014 submitted by Treasurer Richard Lou.

April 28, 2014

Attachments

Prepared by RL

Reviewed by ry ds

DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR OCTOBER 31, 2013

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending October 31, 2013. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$257,158 in agency reimbursements were received. Fiscal year-to-date Revenues/Funding totaled \$593,826 of which \$593,158 represents agency reimbursements.

Expenses: Current month expenditures totaled \$251,683 of which \$251,683 was expensed. Fiscal year-to-date expenditures for FY14 total \$221,379. This year-to-date total includes both a refund of \$200,000 of capital expenses and the reversal of accrued expenses of \$173,622, incurred in FY13 and paid in FY14. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.




Cash: The cash balance at October 31, 2013 was (\$37,096).

Submitted by:



Richard Lou
Treasurer

Dated: November 5, 2013

Prepared by  (D. Guiseth)
Reviewed by  (L. Fan)
Reviewed by  (S. Klein)

File: W:\Derwa\Treasurer's Report\Summary & Recommendation.doc

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED OCTOBER 31, 2013**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------------------|---|-----------------------------------|-----------------------------------|---------------------------------------|------------------------------|------------------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,556,120 | 0 | 0 | 4,556,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | 0 | 122 | 3,463,060 | 0 | 3,463,060 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 0 | (200,000) | 402,193 | 0 | 402,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programing Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | 0 | 133 | 5,716,134 | 2,829,118 | 2,887,016 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,280,000 | 78,380,176 | 0 | (199,745) | 78,180,431 | 40,184,725 | 37,995,707 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|---------------------|---|-----------------------------------|-----------------------------------|---------------------------------------|------------------------------|------------------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 4,918 | 11,290 | 2,576,091 | 2,035,112 | 540,979 |
| Treasurer | 43,500 | 2,595,706 | 621 | 8,946 | 2,604,652 | 2,057,675 | 546,977 |
| Legal Counsel | 3,000 | 414,399 | 0 | 632 | 415,031 | 327,874 | 87,157 |
| Secretary | 10,250 | 181,740 | 299 | 579 | 182,319 | 144,032 | 38,287 |
| Other | 115,000 | 774,529 | 97,755 | 97,755 | 872,284 | 689,104 | 183,180 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 148,090 | 301,922 | 7,977,995 | 6,302,616 | 1,675,379 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 251,683 | 421,124 | 28,429,858 | 22,459,587 | 5,970,271 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 251,683 | 221,379 | 106,610,289 | 62,644,311 | 43,965,978 |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|----------------------|--------------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 257,158 | 511,365 |
| Agency Reimbursements - EBMUD | 0 | 82,461 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 0 | 0 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 257,158 | 593,826 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|----------------------|--------------------|
| Beginning Cash | (42,571) | (409,543) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 257,158 | 593,826 |
| Total Expenditures | (251,683) | (221,379) |
| Ending Cash | (37,096) | (37,096) |

Prepared by *Dana Gulsath* Date: 11-4-13
 Reviewed by *Scott Klein* Date: 11/6/13
 Approved by *Scott Klein* Date: 11/6
 Scott Klein

DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
OCTOBER 31, 2013

| Check Date | Check Number | Payee | Category | TOTAL Amount | DSRSD Amount | EBMUD Amount | Operating | Capital | CK-OP | | | |
|---------------------|--------------------|---|--|-------------------|-------------------|-------------------|--------------|-------------------|-----------------|-------------------|------------------|------------------|
| 10/04/13 | 2420696 | Office Team-September | Op- Prg Mngr Staff (76/24) | 997.88 | 758.39 | 239.49 | O | 997.88 | 0.00 | 997.88 | 76.0% | 24.0% |
| 10/04/13 | 2420462 | Alliant Insurance -Special Liability 9/2014 | Op- Insurance (76/24) | 97,755.06 | 74,293.85 | 23,461.21 | O | 97,755.06 | 0.00 | 97,755.06 | 76.0% | 24.0% |
| 10/04/13 | 2420530 | DSRSD August Invoice | Op- prgm Mgr -other (76/24) | 721.41 | 548.27 | 173.14 | O | 721.41 | 0.00 | 721.41 | 76.0% | 24.0% |
| 10/04/13 | 2420530 | DSRSD August Invoice | Op-Secretary Salary (76/24) | 296.78 | 225.55 | 71.23 | O | 296.78 | 0.00 | 296.78 | 76.0% | 24.0% |
| 10/04/13 | 2420530 | DSRSD August Invoice | Op-Secretary expense (76/24) | 2.30 | 1.75 | 0.55 | O | 2.30 | 0.00 | 2.30 | 76.0% | 24.0% |
| 10/04/13 | 2420530 | DSRSD August Invoice | OP- Operations (76/24) | 148,089.87 | 112,549.30 | 35,541.57 | O | 148,089.87 | 0.00 | 148,089.87 | 76.0% | 24.0% |
| 10/11/13 | 2421088 | Office Team-September | Op- Prg Mngr Staff (76/24) | 53.22 | 40.45 | 12.77 | O | 53.22 | 0.00 | 53.22 | 76.0% | 24.0% |
| 10/25/13 | 2421688 | James Bewley (Jul-Sep) | Op- prgm Mgr -Other (76/24) | 2,592.50 | 1,970.30 | 622.20 | O | 2,592.50 | 0.00 | 2,592.50 | 76.0% | 24.0% |
| 10/25/13 | 2421688 | James Bewley (Jul-Sep) | Op- PP Supple Water (59/42) | 552.50 | 320.45 | 232.05 | O | 552.50 | 0.00 | 552.50 | 58.0% | 42.0% |
| 10/25/13 | 2421810 | Maze & Associates CPA's | Op-Audit (76/24) | 621.00 | 471.95 | 149.04 | O | 621.00 | 0.00 | 621.00 | 76.0% | 24.0% |
| | | | | | 191,179.27 | 60,503.25 | | 251,682.52 | 0.00 | 251,682.52 | | |

OP 251,682.52
CAP -

\$ - Reconciled
\$ - Reconciled
\$ - Reconciled

251,682.52

| Wk Ending | Amount |
|---------------|---------------|
| 10/4/13 | \$ 247,893.30 |
| 10/11/13 | \$ 53.22 |
| 10/18/13 | \$ - |
| 10/25/13 | \$ 3,786.00 |
| \$ | - |
| \$ | - |
| \$ 251,682.52 | |

Prepared by Dan Gulseth Date: 11-4-13
 Reviewed by Lawrence Fan Date: 11/6/13
 Approved by Scott Klein Date: 11/6

DERWA CASH REPORT

Cash Balance as of 09/30/13 (42,570.81) Reconciled to DERWA TR previous month cash basis

Add member agency's contribution:

| | | | |
|-------------------------------|---------------|------------|--------------|
| LAIF Interest Income | | | |
| Loans | | | |
| DSRSD Contribution | | | |
| EBMUD Contribution | | | |
| Agency Reimbursements - DSRSD | EBM-DEO-00196 | 257,158.22 | 10/1 & 10/21 |
| Agency Reimbursements - EBMUD | EBM-DEO-00101 | | |
| State Grant | | | |
| LAVVMA | | | |
| Other Reimbursements- Misc | | | |

Less invoice payments:

| | | | |
|---|---------|--------------|----------|
| Office Team - 2 invoices | 2520696 | (997.66) | 10/04/13 |
| Alliant Insurance- Special Liability Policy | 2520462 | (97,755.06) | 10/04/13 |
| DSRSD August 2013 | 2420530 | (149,110.36) | 10/04/13 |
| Office Team | 2421088 | (53.22) | 10/11/13 |
| James Bewley | 2421688 | (3,145.00) | 10/25/13 |
| Maze & Associates CPA's | 2421810 | (621.00) | 10/25/13 |

Cash Balance as of 09/30/13 (37,095.11)

Rounding (0.89)

Cash Balance 10/31/13 (37,096.00)

11/4/13 8:45 AM

| | | | |
|-------------|---------------------|------|----------------|
| Prepared by | <u>Dana Gulseth</u> | Date | <u>11-4-31</u> |
| Reviewed by | _____ | Date | _____ |
| Approved by | <u>Scott Klein</u> | Date | <u>11/6</u> |

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR NOVEMBER 30, 2013**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending November 30, 2013. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$191,179 in agency reimbursements were received. Fiscal year-to-date Revenues/Funding totaled \$785,006 of which \$785,006 represents agency reimbursements.

Expenses: Current month expenditures totaled \$150,938 of which \$2,987 was capitalized and \$147,951 was expensed. Fiscal year-to-date expenditures for FY14 total \$372,317. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.

Cash: The cash balance at November 30, 2013 was (\$170,476).

Submitted by:



Richard Lou
Treasurer

Dated: December 3, 2013

Prepared by GG (D. Gulseth)
Reviewed by LF (L. Fan)
Reviewed by SK (S. Klein)

File: W:\Derwa\Treasurer's Report\Summary & Recommendation.doc

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED NOVEMBER 30, 2013**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|-----------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,558,120 | 0 | 0 | 4,558,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | 0 | 122 | 3,463,060 | 0 | 3,463,060 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 0 | (200,000) | 402,193 | 0 | 402,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programing Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | 2,987 | 3,120 | 5,719,121 | 2,830,769 | 2,888,352 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,280,000 | 78,380,176 | 2,987 | (196,758) | 78,183,418 | 40,186,376 | 37,997,043 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 12 and Prior (a) | Expenditures Current Month | Expenditures FY 13 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 13,797 | 25,086 | 2,589,887 | 2,046,011 | 543,876 |
| Treasurer | 43,500 | 2,595,706 | 7,499 | 16,445 | 2,612,151 | 2,063,599 | 548,552 |
| Legal Counsel | 3,000 | 414,399 | 301 | 933 | 415,332 | 328,112 | 87,220 |
| Secretary | 10,250 | 181,740 | 209 | 788 | 182,528 | 144,197 | 38,331 |
| Other | 115,000 | 774,529 | 0 | 97,755 | 872,284 | 689,104 | 183,180 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 126,145 | 428,068 | 8,104,141 | 6,402,272 | 1,701,869 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 147,951 | 569,075 | 28,577,809 | 22,576,469 | 6,001,340 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 150,938 | 372,317 | 106,761,227 | 62,762,844 | 43,998,383 |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|----------------|----------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 191,179 | 702,545 |
| Agency Reimbursements - EBMUD | 0 | 82,461 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 0 | 0 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 191,179 | 785,006 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|---------------|-------------|
| Beginning Cash | (210,717) | (583,165) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 191,179 | 785,006 |
| Total Expenditures | (150,938) | (372,317) |
| Ending Cash | (170,476) | (170,476) |

Prepared by Lawrence Pan Date: 12-2-13
 Reviewed by Jana Guiseth Date: 2/2/13
 Approved by Scott Klein Date: 1/2

DERWA CASH REPORT

Cash Balance as of 10/31/13 (37,095.11) Reconciled to DERWA TR previous month cash basis
(173,622.38) add back accrual adj made in July in error

Add member agency's contribution:

| | | | |
|-------------------------------|---------------|------------|----------|
| LAI Interest Income | | | |
| Loans | | | |
| DSRSD Contribution | | | |
| EBMUD Contribution | | | |
| Agency Reimbursements - DSRSD | EBM-DEO-00198 | 191,179.27 | 11/18/13 |
| Agency Reimbursements - EBMUD | EBM-DEO-00 | | |
| State Grant | | | |
| LAVWMA | | | |
| Other Reimbursements- Misc | | | |

Less invoice payments:

| | | | |
|-----------------------|---------|--------------|----------|
| Bold, Polisner, et al | 2422047 | (2,083.50) | 11/01/13 |
| EBMUD Water Sytem | 2422087 | (3,506.37) | 11/01/13 |
| ICF Jones & Stokes | 2422132 | (7,676.42) | 11/01/13 |
| Office Team | 2422208 | (427.50) | 11/01/13 |
| DSRSD September | 2422208 | (127,075.56) | 11/01/13 |
| Office Team | 2422208 | (712.50) | 11/01/13 |
| Office Team | 2423016 | (641.25) | 11/15/13 |
| Federal Express | 2422913 | (80.23) | 11/15/13 |
| Federal Express | 2422637 | (5.96) | 11/08/13 |
| James Bewley | 2422845 | (3,527.50) | 11/15/13 |
| Bold, Polisner, et al | 2423543 | (1,204.00) | 11/27/13 |
| EBMUD Water Sytem | 2423577 | (3,991.83) | 11/27/13 |
| Federal Express | 2423303 | (4.88) | 11/22/13 |

Cash Balance as of 11/30/13 (170,475.72)

Rounding (0.28)

Cash Balance 11/30/13 (170,476.00)

12/2/13 1:49 PM

| | | | |
|-------------|---------------------|------|----------------|
| Prepared by | <u>Dan Gulseth</u> | Date | <u>12-2-13</u> |
| Reviewed by | <u>Lawrence Fan</u> | Date | <u>12/2/13</u> |
| Approved by | <u>Scott Klein</u> | Date | <u>12/2</u> |

DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR DECEMBER 31, 2013

STAFF REPORT

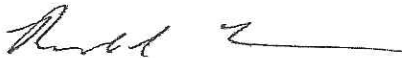
Attached is the DERWA Treasurer's Report for the month ending December 31, 2013. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$112,071 in agency reimbursements were received. Fiscal year-to-date Revenues/Funding totaled \$897,077 of which \$897,077 represents agency reimbursements.

Expenses: Current month expenditures totaled \$6,370 of which \$6,370 was expensed and zero was capitalized. Fiscal year-to-date expenditures for FY14 total \$378,687. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.




Cash: The cash balance at December 31, 2013 was (\$64,775).

Submitted by:



Richard Lou
Treasurer

Dated: January 3, 2014

Prepared by  (D. Gulseth)
Reviewed by  (L. Fan)
Reviewed by  (S. Klein)

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**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED DECEMBER 31, 2013**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|-----------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,558,120 | 0 | 0 | 4,558,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | 0 | 122 | 3,463,060 | 0 | 3,463,060 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 0 | (200,000) | 402,193 | 0 | 402,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programming Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | 0 | 3,120 | 5,719,121 | 2,830,769 | 2,888,352 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,260,000 | 78,380,176 | 0 | (196,758) | 78,183,418 | 40,186,376 | 37,997,043 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 12 and Prior (a) | Expenditures Current Month | Expenditures FY 13 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 2,352 | 27,436 | 2,592,237 | 2,047,867 | 544,370 |
| Treasurer | 43,500 | 2,595,706 | 3,267 | 19,713 | 2,615,419 | 2,066,181 | 549,238 |
| Legal Counsel | 3,000 | 414,399 | 751 | 1,684 | 416,083 | 328,706 | 87,377 |
| Secretary | 10,250 | 181,740 | 0 | 788 | 182,528 | 144,197 | 38,331 |
| Other | 115,000 | 774,529 | 0 | 97,755 | 872,284 | 689,104 | 183,180 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 0 | 428,069 | 8,104,142 | 6,402,273 | 1,701,869 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 6,370 | 575,445 | 28,584,179 | 22,581,502 | 6,002,677 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|--------------|----------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 6,370 | 378,687 | 106,767,597 | 62,767,877 | 43,999,720 |
|-----------------------|-------------------|--------------------|--------------|----------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|----------------|----------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 112,072 | 814,616 |
| Agency Reimbursements - EBMUD | 0 | 82,461 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 0 | 0 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 112,072 | 897,077 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|---------------|-------------|
| Beginning Cash | (170,476) | (583,165) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 112,071 | 897,077 |
| Total Expenditures | (6,370) | (378,687) |
| Ending Cash | (64,775) | (64,775) |

Prepared by Dana Gulseth Date: 12-30-13
 Reviewed by Lawrence Fain Date: 1/30/13
 Approved by Scott Klein Date: 1/31/13

DERWA CASH REPORT

Cash Balance as of 11/30/13 (170,475.72) Reconciled to DERWA TR previous month cash basis

Add member agency's contribution:

| | | | |
|-------------------------------|---------------|------------|----------|
| LAIF Interest Income | | | |
| Loans | | | |
| DSRSD Contribution | | | |
| EBMUD Contribution | | | |
| Agency Reimbursements - DSRSD | EBM-DEO-00199 | 112,071.70 | 12/16/13 |
| Agency Reimbursements - EBMUD | EBM-DEO-00 | | |
| State Grant | | | |
| LAVWMA | | | |
| Other Reimbursements- Misc | | | |

Less invoice payments:

| | | | |
|---|---------|------------|----------|
| Jim Bewley | 2424332 | (977.50) | 12/13/13 |
| Office Team | 2424892 | (427.50) | 12/20/13 |
| WaterReuse | 2424991 | (945.50) | 12/20/13 |
| Bold, Polisner, Maddow, Nelson & Judson | 2424732 | (751.33) | 12/20/13 |
| EBMUD- Accounting | 2424777 | (3,268.25) | 12/20/13 |

Cash Balance as of 12/31/13 (64,774.10)

Rounding (0.90)

Cash Balance 12/31/13 (64,775.00)
12/30/13 3:41 PM

| | | | |
|-------------|---|------|-----------------|
| Prepared by | <u><i>D. Gulseth</i></u> Dana Gulseth | Date | <u>12/30/13</u> |
| Reviewed by | <u><i>[Signature]</i></u> Lawrence Far | Date | <u>12/30/13</u> |
| Approved by | <u><i>[Signature]</i></u> Scott Klein | Date | <u>12/31/13</u> |

DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR JANUARY 31, 2014

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending January 31, 2014. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, no agency reimbursements were received. Fiscal year-to-date Revenues/Funding totaled \$897,077 all of which represents agency reimbursements.

Expenses: Current month expenditures totaled \$316,252 all of which was expensed and zero was capitalized. Fiscal year-to-date expenditures for FY14 total \$694,939. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.

Cash: The cash balance at January 31, 2014 was (\$381,027).

Submitted by:



Richard Lou
Treasurer

Dated: February 4, 2014

Prepared by DS (D. Gulseth)
Reviewed by RL (L. Fan)
Reviewed by SK (S. Klein)

File: W:\Derwa\Treasurer's Report\Summary & Recommendation.doc

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED JANUARY 31, 2014**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|-----------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,558,120 | 0 | 0 | 4,558,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | (122) | 0 | 3,462,938 | 0 | 3,462,938 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 0 | (200,000) | 402,193 | 0 | 402,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programing Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | (3,242) | (122) | 5,715,879 | 2,828,971 | 2,886,908 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,280,000 | 78,380,176 | (3,364) | (200,122) | 78,180,054 | 40,184,578 | 37,995,477 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 12 and Prior (a) | Expenditures Current Month | Expenditures FY 13 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 6,716 | 37,516 | 2,602,317 | 2,055,832 | 546,485 |
| Treasurer | 43,500 | 2,595,706 | 0 | 19,713 | 2,615,419 | 2,066,181 | 549,238 |
| Legal Counsel | 3,000 | 414,399 | 234 | 1,918 | 416,317 | 328,890 | 87,427 |
| Secretary | 10,250 | 181,740 | 2,778 | 3,566 | 185,306 | 146,392 | 38,914 |
| Other | 115,000 | 774,529 | 0 | 97,755 | 872,284 | 689,104 | 183,180 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 306,524 | 734,593 | 8,410,666 | 6,644,427 | 1,766,239 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 316,252 | 895,061 | 28,903,795 | 22,834,000 | 6,069,795 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 312,888 | 694,939 | 107,083,849 | 63,018,577 | 44,065,272 |
|-----------------------|-------------------|--------------------|----------------|----------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|---------------|----------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 0 | 814,616 |
| Agency Reimbursements - EBMUD | 0 | 82,461 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 0 | 0 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 0 | 897,077 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|---------------|-------------|
| Beginning Cash | (64,775) | (583,165) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 0 | 897,077 |
| Total Expenditures | (316,252) | (694,939) |
| Ending Cash | (381,027) | (381,027) |

Prepared by Dana Zulseih Date: 1-31-14
 Reviewed by John S. Klein Date: 2/3/2014
 Approved by Scott Klein Date: 2/3

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR FEBRUARY 28, 2014**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending February 28, 2014. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$244,479 in agency reimbursements were received. Fiscal year-to-date Revenues/Funding totaled \$1,141,556 all of which represents agency reimbursements.

Expenses: Current month expenditures totaled \$5,697 all of which was expensed and zero was capitalized. Fiscal year-to-date expenditures for FY14 total \$700,634. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.




Cash: The cash balance at February 28, 2014 was (\$142,243).

Submitted by:



Richard Lou
Treasurer

Dated: March 4, 2014

Prepared by  (D. Gulseth)
Reviewed by  (L. Fan)
Reviewed by  (S. Klein)

File: W:\Derwa\Treasurer's Report\Summary & Recommendation.doc

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED FEBRUARY 28, 2014**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|-----------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,558,120 | 0 | 0 | 4,558,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | 0 | 0 | 3,462,938 | 0 | 3,462,938 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 0 | (200,000) | 402,193 | 0 | 402,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programing Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | 0 | (122) | 5,715,879 | 2,828,971 | 2,886,908 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,280,000 | 78,380,176 | 0 | (200,122) | 78,180,054 | 40,184,578 | 37,995,477 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 12 and Prior (a) | Expenditures Current Month | Expenditures FY 13 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 3,829 | 41,345 | 2,606,146 | 2,058,856 | 547,290 |
| Treasurer | 43,500 | 2,595,706 | 1,868 | 21,581 | 2,617,287 | 2,067,657 | 549,630 |
| Legal Counsel | 3,000 | 414,399 | 0 | 1,918 | 416,317 | 328,890 | 87,427 |
| Secretary | 10,250 | 181,740 | 0 | 3,566 | 185,306 | 146,392 | 38,914 |
| Other | 115,000 | 774,529 | 0 | 97,755 | 872,284 | 689,104 | 183,180 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 0 | 734,591 | 8,410,664 | 6,644,425 | 1,766,239 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 5,697 | 900,756 | 28,909,490 | 22,838,498 | 6,070,992 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|--------------|----------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 5,697 | 700,634 | 107,089,544 | 63,023,075 | 44,066,469 |
|-----------------------|-------------------|--------------------|--------------|----------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|----------------|------------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 244,479 | 1,059,095 |
| Agency Reimbursements - EBMUD | 0 | 82,461 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 0 | 0 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 244,479 | 1,141,556 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|---------------|-------------|
| Beginning Cash | (381,025) | (583,165) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 244,479 | 1,141,556 |
| Total Expenditures | (5,697) | (700,634) |
| Ending Cash | (142,243) | (142,243) |

Prepared by *Dana Gulseth* Date: *2/28/14*
Reviewed by *Dana Gulseth* Date: *2/28/14*
Approved by *Lawrence Fan* Date: *2/28*
Scott Klein

DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
FEBRUARY 28, 2014

| Check Date | Check Number | Payee | Category | TOTAL Amount | DSRSD Amount | EBMUD Amount |
|------------|--------------|--------------|------------------------------|-----------------|-----------------|-----------------|
| 02/14/14 | 2427557 | James Bewley | Op-Prgr Mgr Other Exp(76/24) | 935.00 | 710.60 | 224.40 |
| 02/14/14 | 2427557 | James Bewley | Op-Supplemental (58/42) | 85.00 | 49.30 | 35.70 |
| 02/21/14 | 2427905 | EBMUD- VWS | Op-Cost Accig(76/24) | 1,858.12 | 1,419.77 | 448.35 |
| 02/21/14 | 2428031 | Office Team | Op- Pgr Mgr Staff (76/24) | 641.25 | 487.35 | 153.90 |
| 02/21/14 | 2427856 | James Bewley | Op-Prgr Mgr Other Exp(76/24) | 1,785.00 | 1,358.60 | 428.40 |
| 02/21/14 | 2427856 | James Bewley | Op-Supplemental (58/42) | 382.50 | 290.70 | 91.80 |
| | | | | 5,696.87 | 4,314.32 | 1,382.55 |

| | Operating | Capital | CK-OP | | |
|---|-----------------|-------------|-----------------|---------|---------|
| O | 935.00 | 0.00 | 935.00 | 76.0% | 24.0% |
| O | 85.00 | 0.00 | 85.00 | 58.0% | 42.0% |
| O | 1,858.12 | 0.00 | 1,858.12 | 76.0% | 24.0% |
| O | 641.25 | 0.00 | 641.25 | 76.0% | 24.0% |
| O | 1,785.00 | 0.00 | 1,785.00 | 76.0% | 24.0% |
| O | 382.50 | 0.00 | 382.50 | 76.0% | 24.0% |
| | 0.00 | 0.00 | 0.00 | #DIV/0! | #DIV/0! |
| | 0.00 | 0.00 | 0.00 | #DIV/0! | #DIV/0! |
| | 0.00 | 0.00 | 0.00 | #DIV/0! | #DIV/0! |
| | 0.00 | 0.00 | 0.00 | #DIV/0! | #DIV/0! |
| | 5,696.87 | 0.00 | 5,696.87 | | |

| Certificates of Disb. | |
|-----------------------|-------------|
| Wk Ending | Amount |
| 2/14/14 | \$ 1,020.00 |
| 2/21/14 | \$ 4,676.87 |
| \$ 5,696.87 | |

OP 5,695.87
CAP -

\$ - Reconciled
\$ - Reconciled
\$ - Reconciled

Prepared by *D. Gulseth* Date: 2-28-14
 Reviewed by *[Signature]* Date: 2/28/14
 Approved by *[Signature]* Date: 2/28
 Scott Klein

DERWA CASH REPORT

Cash Balance as of 01/31/14 (381,025.15) Reconciled to DERWA TR previous month cash basis

Add member agency's contribution:

| | | | |
|-------------------------------|-------------------|------------|----------|
| LAIF Interest Income | | | |
| Loans | | | |
| DSRSD Contribution | | | |
| EBMUD Contribution | | | |
| Agency Reimbursements - DSRSD | EBM-DEO-00200,202 | 244,478.75 | 02/18/14 |
| Agency Reimbursements - EBMUD | | | |
| State Grant | | | |
| LAVVMA | | | |
| Other Reimbursements- Misc | | | |

Less invoice payments:

| | | | |
|--------------|---------|------------|----------|
| James Bewley | 2427557 | (1,020.00) | 02/14/14 |
| EBMUD -WS | 2427905 | (1,868.12) | 02/21/14 |
| Office Team | 2428031 | (641.25) | 02/21/14 |
| James Bewley | 2427856 | (2,167.50) | 02/21/14 |

Cash Balance as of 02/28/14 (142,243.27)

Rounding 0.27

Cash Balance 02/28/14 (142,243.00)

| | | | |
|-------------|--------------------|------|----------------|
| Prepared by | <u>D Gulseth</u> | Date | <u>2-28-14</u> |
| Reviewed by | <u>D Gulseth</u> | Date | <u>2/28/14</u> |
| Approved by | <u>Scott Klein</u> | Date | <u>2/28</u> |

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR MARCH 31, 2014**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending March 31, 2014. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, \$65,253 in agency reimbursements were received and \$200,000 of refunds were recorded. Fiscal year-to-date Revenues/Funding totaled \$1,406,808, of which \$1,206,808 represents agency reimbursements and \$200,000 represents refunds.

Expenses: Current month expenditures totaled \$330,976, of which \$130,976 was expensed and \$200,000 was capitalized. Fiscal year-to-date expenditures for FY14 total \$1,031,609. Expenditures do not reflect all staff and consultant costs incurred but not yet billed to DERWA in FY14.




Cash: The cash balance at March 31, 2014 was (\$207,966).

Submitted by:



Richard Lou
Treasurer

Dated: April 2, 2014

Prepared by  (D. Gulseth)
Reviewed by  (L. Fan)
Reviewed by  (S. Klein)

File: W:\Derwa\Treasurer's Report\Summary & Recommendation.doc

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED MARCH 31, 2014**

| CAPITAL - PROJECT | Program Budget @ FY14 | Expenditures FY 13 and Prior (a) | Expenditures Current Month | Expenditures FY 14 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|-----------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| Pipeline Reach 1 | 7,561,000 | 7,560,517 | 0 | 0 | 7,560,517 | 4,383,920 | 3,176,597 |
| Pipeline Reach 2 | 4,558,000 | 4,558,120 | 0 | 0 | 4,558,120 | 3,882,264 | 675,856 |
| Pipeline Reach 3 | 2,286,000 | 2,286,003 | 0 | 0 | 2,286,003 | 1,719,204 | 566,799 |
| Pipeline Reach 4 | 1,615,000 | 1,614,959 | 0 | 0 | 1,614,959 | 363,685 | 1,251,274 |
| Pipeline Reach 5 | 1,431,000 | 1,430,991 | 0 | 0 | 1,430,991 | 200,195 | 1,230,796 |
| Pipeline Reach 6 | 6,760,000 | 6,759,869 | 0 | 0 | 6,759,869 | 430,784 | 6,329,085 |
| Treatment Plant | 15,733,000 | 15,732,794 | 0 | 0 | 15,732,794 | 8,948,843 | 6,783,951 |
| Pump Stations | 8,563,000 | 8,563,294 | 0 | 0 | 8,563,294 | 6,776,648 | 1,786,646 |
| Water Tanks | 12,393,000 | 12,393,483 | 0 | 0 | 12,393,483 | 7,221,552 | 5,171,931 |
| Phase 2 Pipeline & Pump Station | 3,851,000 | 3,462,938 | 0 | 0 | 3,462,938 | 0 | 3,462,938 |
| Backbone Corrosion | 1,109,000 | 1,109,004 | 0 | 0 | 1,109,004 | 122,302 | 986,702 |
| SCADA | 290,000 | 15,410 | 0 | 0 | 15,410 | 8,784 | 6,626 |
| EBMUD Pipeline Phase 2, 3 & 4 | 2,477,000 | 602,193 | 200,000 | 0 | 602,193 | 0 | 602,194 |
| Fine Screening | 667,000 | 667,096 | 0 | 0 | 667,096 | 380,244 | 286,852 |
| New/Replacement Capital <50K | 1,278,000 | 136,936 | 0 | 0 | 136,936 | 78,054 | 58,882 |
| MF/UV Control Programing Update | 144,000 | 144,366 | 0 | 0 | 144,366 | 82,289 | 62,077 |
| Program Planning & Air Relief | 11,564,000 | 5,716,001 | 0 | (122) | 5,715,879 | 2,828,971 | 2,886,908 |
| Planning FY02 and Prior Years | 0 | 3,585,898 | 0 | 0 | 3,585,898 | 1,757,090 | 1,828,808 |
| Design FY02 and Prior Years | 0 | 79,432 | 0 | 0 | 79,432 | 38,922 | 40,510 |
| Contingency | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capitalized Interest | 2,000,000 | 1,960,872 | 0 | 0 | 1,960,872 | 960,827 | 1,000,045 |
| Total Capital Impr. Proj. Element | 85,280,000 | 78,380,176 | 200,000 | (122) | 78,380,054 | 40,184,577 | 38,195,477 |

| OPERATING - ITEM | Budget FY 14 | Expenditures FY 12 and Prior (a) | Expenditures Current Month | Expenditures FY 13 YTD (b) | Expenditures Grand Total (a+b) | DSRSD EXP Grand Total | EBMUD EXP Grand Total |
|--|------------------|----------------------------------|----------------------------|----------------------------|--------------------------------|-----------------------|-----------------------|
| DERWA Program Manager | 123,050 | 2,564,801 | 6,248 | 47,592 | 2,612,393 | 2,063,790 | 548,603 |
| Treasurer | 43,500 | 2,595,706 | 2,117 | 23,698 | 2,619,404 | 2,069,329 | 550,075 |
| Legal Counsel | 3,000 | 414,399 | 0 | 1,918 | 416,317 | 328,890 | 87,427 |
| Secretary | 10,250 | 181,740 | 125 | 3,692 | 185,432 | 146,492 | 38,940 |
| Other | 115,000 | 774,529 | 4,659 | 102,414 | 876,943 | 692,785 | 184,158 |
| Operation and Maintenance Detail | 1,773,560 | 7,676,073 | 117,827 | 852,417 | 8,528,490 | 6,737,508 | 1,790,982 |
| Debt Service | 1,645,513 | 13,801,486 | 0 | 0 | 13,801,486 | 10,903,174 | 2,898,312 |
| Total Operating Program Element | 3,713,873 | 28,008,734 | 130,976 | 1,031,731 | 29,040,465 | 22,941,968 | 6,098,497 |

| | | | | | | | |
|-----------------------|-------------------|--------------------|----------------|------------------|--------------------|-------------------|-------------------|
| PROJECT TOTALS | 88,993,873 | 106,388,910 | 330,976 | 1,031,609 | 107,420,519 | 63,126,544 | 44,293,974 |
|-----------------------|-------------------|--------------------|----------------|------------------|--------------------|-------------------|-------------------|

| REVENUES & FUNDING | Current Month | Fiscal Year |
|-------------------------------------|----------------|------------------|
| Agency Contribution | | |
| DSRSD | 0 | 0 |
| EBMUD | 0 | 0 |
| Agency Reimbursements - DSRSD | 63,870 | 1,122,965 |
| Agency Reimbursements - EBMUD | 1,383 | 83,843 |
| Commercial Paper Issued | 0 | 0 |
| Corps of Engineer Funded | 200,000 | 200,000 |
| Grants | 0 | 0 |
| Loans | 0 | 0 |
| Interest Income | 0 | 0 |
| Misc Income | 0 | 0 |
| TOTAL REVENUES & FUNDING | 265,253 | 1,406,808 |

| CASH AVAILABLE | Current Month | Fiscal Year |
|------------------------------|---------------|-------------|
| Beginning Cash | (142,243) | (583,165) |
| Beginning Balance Adjustment | 0 | 0 |
| LAIF Int Adjustment | 0 | 0 |
| Commercial Paper payoff | 0 | 0 |
| Total Revenues & Funding | 265,253 | 1,406,808 |
| Total Expenditures | (330,976) | (1,031,609) |
| Ending Cash | (207,966) | (207,966) |

Prepared by *W. Guisath* Date: 4-1-14
Reviewed by *Jana Guisath* Date: 4/1/14
Approved by *Lawrence Fan* Date: 4/2
Scott Klei

DERWA CASH REPORT

Cash Balance as of 02/28/14 (142,243.27) Reconciled to DERWA TR previous month cash basis

Add member agency's contribution:

| | | | |
|-------------------------------|-------------------------|------------|-------------------------|
| LAIF Interest Income | | | |
| Loans | | | |
| DSRSD Contribution | | | |
| EBMUD Contribution | | | |
| Agency Reimbursements - DSRSD | EBM-DEO-00203, 205 | 63,869.77 | 3/3 & 3/21/14 |
| Agency Reimbursements - EBMUD | EBM-DEO-0000204 | 1,362.55 | 03/24/14 |
| State Grant | | | |
| LAVVMA | | | |
| Other Reimbursements- Misc | US Treas. Reimbursement | 200,000.00 | 8/7/13 Recorded 3/31/14 |

Less invoice payments:

| | | | |
|---|----------------------|--------------|--------------------------|
| ICF Jones & Stokes | 2428816 | (3,065.70) | 03/07/14 |
| DSRSD-January 2014 | 2428766 | (118,673.40) | 03/07/14 |
| Alliant Insurance | Refund | 118.27 | 03/10/14 |
| ICF Jones & Stokes | 2429777 | (1,677.50) | 03/21/14 |
| EBMUD- Acctg | 2429540 | (2,117.19) | 03/21/14 |
| Alliant Insurance | 2430160 | (4,776.82) | 03/28/14 |
| Office Team | 2429658 | (783.75) | 03/21/14 |
| EBMUD (USACE Reversal/Dept of Army Inv. for Pipeline 2,3,5) | 8738-01708391 Refund | (200,000.00) | 8/7/13 Requested 3/31/14 |

Cash Balance as of 03/31/14 (207,967.04)

Rounding 1.04

Cash Balance 03/31/14 (207,966.00) 4/1/14 10:54 AM

| | | | |
|-------------|--------------------------|------|---------------------------|
| Prepared by | <u><i>D. Gulseth</i></u> | Date | <u>4-1-14</u> |
| Reviewed by | <u><i>L. Fah</i></u> | Date | <u>4/1/14</u> |
| Approved by | <u><i>S. Klein</i></u> | Date | <u><i>[Signature]</i></u> |

Item 8.B

DERWA Summary & Recommendation

Quarterly Investment Reports – September 30, December 31, 2013, and March 31, 2014

Summary:

Section 53646 of the Government Code allows the Treasurer of the Authority to submit to the Authority Manager, the Internal Auditor, and the Board of Directors a quarterly investment report. It also stipulates that the investment report must include the types of investments in which the Authority has invested its funds, the issuer, date of maturity, the value of the investment at maturity, and the dollar amount that is invested in the security.

The investments held by the Authority on September 30 and December 31, 2013, and March 31, 2014 were \$0.00. The investment portfolio is in full compliance with the Board's adopted policy regarding the Authority's investments.

In compliance with Section 53646(b)3 of the Government Code, this report denotes that the Authority will be able to meet expenditure requirements for the next six months from revenues/reimbursements/contributions from member agencies.

Recommendation:

The Treasurer recommends that the Board approve the Quarterly Investment Reports by Motion.

April 28, 2014

Prepared by RL

Reviewed by _____

A handwritten signature in black ink, appearing to be the initials 'OB' or similar, written over a horizontal line.

DSRSD•EBMUD RECYCLED WATER AUTHORITY

INVESTMENT POLICY

Updated April 28, 2014

IT IS THE POLICY OF DERWA TO: Invest DERWA funds in compliance with investment criteria for safety, liquidity, yield and diversity as set forth herein. Investments shall follow the current investment policy of the East Bay Municipal Utility District, who is responsible for DERWA's investment portfolio.

Attachment - Current EBMUD Investment Policy (effective March 26, 2013)



Policy 4.07

EFFECTIVE

26 MAR 13

INVESTMENT POLICY

SUPERSEDES

24 APR 12

IT IS THE POLICY OF THE EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Invest District funds and funds managed by the District on behalf of its Joint Powers Authorities (JPA) in compliance with investment criteria for safety, liquidity, yield and diversity as set forth herein. Investments shall be in securities with a range of maturities to provide a high rate of return on investments while providing adequate security and liquidity to pay demands when due.

Authority Section 53600 et. seq. of the California Government Code, Article 7 in Chapter 6 of the Municipal Utility District (M.U.D.) Act, and Board Resolution No. 33232-01 defines the types of allowable investments and delegates to the Director of Finance as the Treasurer the authority and responsibility to invest idle monies of the District. The investment of bond proceeds are specifically defined in the individual bond indenture documents and are not included in this policy. Section 53635 of the California Government Code defines how investments are to be handled for Joint Powers Authorities.

Investment Criteria Criteria for selecting investments, in order of priority are:

1. *Safety* - The District's ability to recover principal and interest. Investments shall be made that will seek to ensure the preservation of principal and interest and minimize risk to the greatest extent possible. It is the primary duty of the Treasurer to protect, preserve and maintain cash and investments on behalf of the District.
2. *Liquidity* - The District's ability to have cash available when needed to support expenditure cycles and budgetary objectives. The average maturity of the portfolio shall not exceed 720 days in order to balance liquidity and yields.
3. *Yield* - Ability to provide maximum return on the District's investments while conforming to the safety and liquidity criteria above.
4. *Diversity* - Ability to maintain a broad investment portfolio for the District. In order to accomplish this, no more than 40% of the total portfolio shall be invested in any one type of security, and other than federally backed securities, no more than 10% in any one investment issue, nor more than 10% with any one issuer.

Investment Options The District is able to purchase investments in the following instruments as stipulated under Section 53601 et. seq. of the California Government Code, Article 7 in Chapter 6 of the M.U.D. Act, Board Resolutions and guidelines set by the District:

1. U.S. Treasury Notes, Bonds and Bills
 - Unlimited investments
 - Maturity date not to exceed 5 years
2. State of California, Local Agency Investment Fund (LAIF)
 - Maximum limit as determined by Section 16429.1 of the California Government Code.

3. Obligations issued by Federal Agencies or a U.S. Government sponsored enterprise such as the Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), and Federal National Mortgage Association (FNMA).
 - Each agency holding limited to 40% of the Portfolio Investments
 - Maturity date not to exceed 5 years
4. Banker's Acceptances
 - Limited to 40% of the District's Portfolio
 - Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more
 - Maturity not to exceed 180 days
 - Prime quality depending on size and credit worthiness of Bank
 - Issued by banks from offices in the U.S.
5. Commercial Paper
 - Limited to 25% of the District's Portfolio
 - Maturity not to exceed 270 days
 - Ratings of A1, P1 or F1 by either S&P, Moody's, or Fitch respectively
 - Eligible Commercial Paper is limited to those issued by corporations organized and operating in the U.S., with total assets exceeding \$500,000,000
6. Medium Term Corporate Notes
 - Limited to 30% of the District's Portfolio
 - Maturity not to exceed five years
 - Issued by corporations operating within the United States
 - Rated AA or higher by one nationally-recognized rating service. If the rating drops below AA, an evaluation of the credit will be performed to determine if the notes should be sold.
7. Repurchase Agreements
 - Limited to 20% of the District's investment portfolio
 - Maturity not to exceed 270 days
 - Collateral may be any securities authorized in items 1 through 5 above
 - A Master Repurchase Agreement must be on file with the District
 - Security marked to market on a daily basis and delivered to the District's custodial bank at a market value of at least 102%
 - Primarily used as a limited term investment and a vehicle to fill particular dates and amounts
8. Certificates of Time Deposit
 - Maturity not to exceed 5 years
 - On uncollateralized deposits, limited to \$100,000 per Bank or Savings & Loan, or maximum FDIC insured
 - On collateralized deposits, limited to 30% of District's Investment Portfolio
 - Investment in local branches within the District, whenever possible
 - Deposits over \$100,000 will be collateralized in accordance with Sections 53651 and 53652 of the California Government Code
 - Deposits will be supported by a Contract for Deposit of Money with the depositing bank
 - An important consideration will be credit worthiness/solvency of the banking institution as evaluated by S&P or Moody's or other evaluator of financial institution's fiscal stability

9. Negotiable Certificates of Deposit

- Limited to 30% of the District's portfolio
- Maturity not to exceed five years
- Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more, and a credit rating of AA or higher

10. Money Market Mutual Funds

- Rated AAA (or equivalent highest ranking) by two of the three largest nationally recognized rating services
- Unrated funds with assets under management in excess of \$500,000,000 and which has retained an advisor registered with the Securities and Exchange Commission with no less than five years experience investing in instruments allowed under the District's investment policy
- Permitted investments conform to those authorized by the California Government Code (Sections 53601 et seq.)
- May not represent more than five percent (5%) of the money market fund's assets.

11. Municipal Bonds

- Limited to 40% of the District's portfolio
- Maturity date not to exceed 5 years or with a put provision within 5 years of date of purchase
- Rated AA or higher by one nationally-recognized rating service. If the rating drops below AA, an evaluation of the credit will be performed to determine if the notes should be sold.
- Notes must be issued by the State of California or a local California agency. Notes maturing within 365 days must have a rating of MIG-1, SP-1, or F-1 by either Moody's, S&P, or Fitch respectively. If a rating is revised downwards at any time, an evaluation will be made to determine if the notes should be sold.

12. California Asset Management Program (CAMP)

- Limited to 10% of the District's portfolio
- Investments will be made in the CAMP Investors Shares Series
- Rated highest short term rating by either S&P, Moody's or Fitch

Investment Placement

Investment placement shall be determined by, but not limited to, continual evaluation and projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecasts. Additionally, the Treasurer will obtain at least three quotations from dealers, brokers, banks or savings and loan associations before finalizing any investment purchase for all investments in excess of \$1 million. The combination of these factors shall determine where, in what denomination, and for what maturity investments are made.

Selling Securities Prior To Maturity

Losses are only allowable if either the sale of securities was necessary to meet payment obligations where no other funds are available, or the proposed swap/trade can enhance yield over the life of the new security on a total return basis.

Collateral

Securities placed with agents of depository shall at all times be maintained as specified in District Resolution 33232-01 in one or more trust companies, State or national banks located within California, the Federal Reserve Bank, or with any state or national bank located in any city designated as a federal reserve city by the Board of Governors of the Federal Reserve System, and to take from any such banks or trust companies receipts for securities so deposited. Requests for Collateral substitution and releases are subject to the Treasurer's written approval.

**Purchasing
Entities**

Investments not purchased directly from the issuer will be purchased from:

- Institutions licensed by the State of California as a broker - dealer
- National or California State Chartered Banks
- Federal or California Chartered Savings Institution
- Brokerage firms designated as a primary government dealer by the Federal Reserve Bank
- Member of a federally regulated securities exchange

The Treasurer shall maintain a current eligible list of established dealers, brokers, banks and savings and loan associations with which securities trading and placement of funds are authorized. Strong capital base and credit worthiness are primary criteria for inclusion on the approved list. Dealers and brokers shall be regulated by the Securities and Exchange Commission and be members in good standing of the National Association of Securities Dealers.

**Investment
Security**

To ensure a high degree of internal control, the District shall comply with the following:

1. All Securities purchased from dealers and brokers shall be held in safekeeping by the District's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the District's ownership. All transactions require delivery of the security prior to payment for the security (delivery vs. payment).
2. All trade confirmations shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. All trade confirmations must be an original; copies of confirmations are not allowed. Any discrepancies will be brought to the attention of the Treasurer.

**Fund Wire
Procedures**

Payment for securities purchased from broker dealers that are ineligible to provide safekeeping will be made through the District's custodial bank. Funds will only be transferred subsequent but immediately following the custodial bank's acknowledgment that they are prepared to make settlement on the terms and conditions specified by the District. Payment for securities purchased from bank investment departments that will be safe kept with the trust department of the bank will be made immediately upon confirmation of the trade.

**Review And
Reporting
Requirements**

On a quarterly basis the Treasurer shall prepare and submit a report to the General Manager and the Board of Directors listing investment transactions for the quarter and providing an investment summary by security type, percent of the portfolio, investment yield and the remaining period of investment to maturity.

On an annual basis, in accordance with Section 53646 of the California Government Code, an investment policy may be presented to the Board for consideration at a public meeting. In conjunction with the investment policy consideration, the Board shall also annually review the delegation of its authority for the management of investments to the Treasurer of the District.

**Performance
Review And
Internal
Control**Office of Internal Audit

The Office of Internal Audit will periodically audit the investment portfolio to evaluate the effectiveness of the District's investment program as well as its compliance with the Investment Policy. These audits will supplement the annual review by the District's external auditors.

Finance Department

The Director of Finance will review the investment portfolio monthly for compliance with the Investment Policy and make recommendations for changes and improvements where warranted.

Authority

Resolution No. 33019-96 on December 10, 1996,
Amended by Resolution No. 32877-94 on January 26, 1999
Amended by Resolution No. 33232-01 on January 9, 2001
Amended by Resolution 33287-02 on January 22, 2002
Amended by Resolution 33350-03 on February 25, 2003
Amended by Resolution 33390-04 on January 27, 2004
Amended by Resolution 33464-05 on February 22, 2005
Amended by Resolution 33516-06 on January 24, 2006
Amended by Resolution 33585-07 on March 13, 2007
Approved by Resolution 33658-08, February 26, 2008
Approved by Resolution 33702-09, February 24, 2009
Approved by Resolution 33752-10, January 26, 2010
Approved by Resolution 33792-10, November 23, 2010
Approved by Resolution 33871-12, April 24, 2012
Approved by Resolution 33920-13, March 26, 2013
Reaffirmed by Motion 056-14, March 25, 2014

Item 9.A

DERWA Summary & Recommendation

Approve and Adopt the Fiscal Year 2014-2015 Capital and Operating Expenditure Budget

Summary:

The DERWA Joint Exercise of Powers Agreement (JPA) provides that the Authority must adopt an annual fiscal year budget showing expenditures and means of financing such expenditures.

Changes from Fiscal Year 2013-2014 Budget: The capital projects in the FY 2014-2015 capital plan can be funded under the existing capital appropriation of \$86.960 million. All current capital projects will be completed by the end of FY 2014-2015, except for Permanent Supplemental Water Supply, New/Replacement Capital <\$50K, SCADA Upgrade, and PSR1 VFD Replacement New & Replacement Capital <\$50K is a five-year program through FY 2014-15 with a total budget of \$1,278,000, of which \$45,000 is planned for FY2014-2015. There no expenses planned for the Permanent Supplemental Water for FY2014-2015. The SCADA Upgrade will be completed in FY2015-16 with a total budget of \$390,000 for the DERWA portion, with \$300,000 planned for FY2014-2015.

The FY 2014-2015 operating budget has been increased by \$8,246 (0.2%), with increasing projected recycled water deliveries from 3,076 acre-feet to 3,115 acre-feet (1.3%). DSRSD has submitted a budget of \$1.678 million for the operations and maintenance of the DERWA project for FY 2014-2015. Agency contributions will cover the \$3.722 million budget for the O&M and administrative expenses and debt service payments. The FY 2014-2015 budget for the state loan repayment is \$1.645 million.

Expenditures and Appropriations: Table 1 shows prior and future appropriations. The FY 2014-2015 operating appropriation of \$3.722 million will fund administration, operations and maintenance, and debt service expenses. The capital expenditure for FY 2014-2015 is \$1.230 million. Table 5 shows the operating budget by work element. The operating budget for FY 2014-2015 is \$3.722 million including \$1.803 million for the operations and maintenance of the DERWA facilities. The required contribution from the Member Agencies will be based on the actual water sales for FY 2014-2015, currently projected at 76% DSRSD and 24% EBMUD. The required contributions for the debt service and state loan repayment will be based on the allocation of capital facilities at the time of payment. For DSRSD, the estimated FY 2014-2015 contribution is \$2.431 million for the operating budget and \$541,000 for the capital budget; for EBMUD the estimated contribution is \$1.292 million for the operating budget and \$679,000 for the capital budget. Table 13 shows the Capital Project expenses and cost sharing in adherence to the adopted Water Sales Agreement. The resulting split for projected Capital expenditures using the percentage specified in the Water Sales Agreement is 51.8% DSRSD 48.22% EBMUD.

Funding: Table 4 shows the funding program for DERWA. For FY 2014-2015, the agency operating contribution is \$3.722 million to cover O&M and administrative expenses and debt service payments. The Capital Program has secured \$5M in grants, \$24.7M in loans from Proposition 13 funding and \$14.5M in federal funding.

Report by: RL

Reviewed by: JB

Recommendation:

The Authority Manager and Treasurer recommend the Board approve, by Resolution, the DERWA Fiscal Year 2014-2015 Budget.

April 28, 2014

Attachments

DERWA
RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED
WATER AUTHORITY APPROVING AND ADOPTING THE FISCAL YEAR 2014-2015 CAPITAL
AND OPERATING EXPENDITURE BUDGET

WHEREAS, the Joint Exercise of Powers Agreement under which DSRSD•EBMUD Recycled Water Authority (DERWA) was formed provides that before the year end, the Authority's Board of Directors must adopt an annual budget for the following fiscal year showing proposed expenditures and the proposed means of financing such expenditures; and

WHEREAS, the DERWA Treasurer and the Member Agencies have reviewed and the Authority Manager has recommended, a proposed Capital and Operating Expenditure Budget for Fiscal Year 2014-2015; and presented the proposed budget at the April 28, 2014 DERWA Board Meeting; and

WHEREAS, the Board of Directors has considered all the oral and written information presented;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Joint Powers Authority, located in the counties of Alameda and Contra Costa, California, as follows:

1. An operating budget appropriation totaling \$3.726 million is hereby approved and adopted for FY 2014-2015 as presented in "Attachment A".
2. For the capital budget, appropriations shall be made on a project basis, as shown in "Attachment A". Adjustments between projects shall be subject to the same limits established by DERWA accounting and control procedures for expenditures. For the operating budget, appropriations are made by work element.
3. In order to provide for completion of work on projects authorized but not completed as of the close of the fiscal year, balances remaining at the close of FY 2014-2015 are hereby appropriated for expenditure in the subsequent fiscal year, in addition to the applicable fiscal year appropriations for capital and operating expenditures.
4. The Source of Funds for the capital and operating expenditures for FY 2014-2015 shall be from Member Agency contributions, state and federal grants or loans, and/or borrowed sources such as but not limited to commercial paper as prudently determined by the DERWA Treasurer.

DERWA
Res. No. _____

5. After consideration of DERWA reserves and working fund balances as required under Article 13 of the Joint Powers Agreement and given the Source of Funds as described in paragraph 4 above, the capital and operating expenditure budget projects a revenue shortfall.
6. In accordance with Article 18 of the Joint Powers Agreement, a series of demands shall be made of the Member Agencies for funds equal to the revenue shortfall as determined by the percentages in the Water Sales Agreement.
7. All expenditures shall be authorized and revenue shall be collected in accordance with DERWA's adopted Accounting Control Procedures.
8. The Treasurer shall analyze cash flow needs and invoice Member Agencies as needed to maintain prudent and sufficient working capital balance for DERWA.
9. EBMUD and DSRSD shall share in the expense for the operations and maintenance of the DERWA facilities based on their proportion of actual water deliveries.
10. All expenditures in FY 2014-2015, except those listed in the operating budget, are capital expenditures.

ADOPTED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority at its special meeting held on the 28th day of April 2014, passed by the following vote:

AYES:

NOES:

ABSENT:

DERWA Chair

ATTEST

Nancy Gamble Hatfield, Authority Secretary



**DUBLIN SAN RAMON
SERVICES DISTRICT**



**DSRSD-EBMUD RECYCLED WATER
AUTHORITY**

**SAN RAMON VALLEY RECYCLED
WATER PROGRAM**

**Proposed
FISCAL YEAR 2014-15 BUDGET**

April 28, 2014

**DSRSD•EBMUD RECYCLED WATER
AUTHORITY**

**SAN RAMON VALLEY RECYCLED
WATER PROGRAM**

**Proposed
FISCAL YEAR 2014-15 BUDGET**

Presented on April 28, 2014

DERWA FY 2014-15 BUDGET

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DERWA
RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED
WATER AUTHORITY APPROVING AND ADOPTING THE FISCAL YEAR 2014-2015 CAPITAL
AND OPERATING EXPENDITURE BUDGET

WHEREAS, the Joint Exercise of Powers Agreement under which DSRSD•EBMUD Recycled Water Authority (DERWA) was formed provides that before the year end, the Authority's Board of Directors must adopt an annual budget for the following fiscal year showing proposed expenditures and the proposed means of financing such expenditures; and

WHEREAS, the DERWA Treasurer and the Member Agencies have reviewed and the Authority Manager has recommended, a proposed Capital and Operating Expenditure Budget for Fiscal Year 2014-2015; and presented the proposed budget at the April 28, 2014 DERWA Board Meeting; and

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Joint Powers Authority, located in the counties of Alameda and Contra Costa, California, as follows:

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DERWA
Res. No. _____

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10. All expenditures in FY 2014-2015, except those listed in the operating budget, are capital expenditures.

ADOPTED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority at its special meeting held on the 28th day of April 2014, passed by the following vote:

AYES:

NOES:

ABSENT:

DERWA Chair

ATTEST

Nancy Gamble Hatfield, Authority Secretary

DERWA
Summary & Recommendation

**Approve and Adopt the Fiscal Year 2014-2015 Capital and
Operating Expenditure Budget**

Summary:

The DERWA Joint Exercise of Powers Agreement (JPA) provides that the Authority must adopt an annual fiscal year budget showing expenditures and means of financing such expenditures.

Changes from Fiscal Year 2013-2014 Budget: The capital projects in the FY 2014-2015 capital plan can be funded under the existing capital appropriation of \$86.960 million. All current capital projects will be completed by the end of FY 2014-2015, except for Permanent Supplemental Water Supply, New/Replacement Capital <\$50K, SCADA Upgrade, and PSR1 VFD Replacement New & Replacement Capital <\$50K is a five-year program through FY 2014-15 with a total budget of \$1,278,000, of which \$45,000 is planned for FY2014-2015. There no expenses planned for the Permanent Supplemental Water for FY2014-2015. The SCADA Upgrade will be completed in FY2015-16 with a total budget of \$390,000 for the DERWA portion, with \$300,000 planned for FY2014-2015.

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Recommendation:

The Authority Manager and Treasurer recommend the Board approve, by Resolution, the DERWA Fiscal Year 2014-2015 Budget.

April 28, 2014

Attachments

Report by: RL

Reviewed by: JB

DERWA PROGRAM BUDGET FY15

Table 1
Appropriations (\$000's)

| | Prior Appr | FY15 Appr |
|--------------------------|------------|-----------|
| Capital Appropriations | 86,960 | |
| Operating Appropriations | 36,795 | 3,722 |

Table 2
Capital Program Cash Flow (\$000's)

| | Prior Spending | Estimated FY14 | Projected FY15 | Future | Total |
|--|----------------|----------------|----------------|--------------|---------------|
| Completed Projects | 76,043 | - | - | - | 76,043 |
| Continuing Projects | | | | | |
| Planning | 261 | 3 | 0 | 223 | 487 |
| Design | 22 | 75 | 212 | 474 | 783 |
| Property | 0 | 0 | 0 | 260 | 260 |
| Construction | 133 | 5 | 950 | 1,920 | 3,008 |
| Construction Mgmt | 0 | 0 | 68 | 160 | 228 |
| Admin | 2 | 0 | 0 | 151 | 153 |
| Other | 11 | 0 | 0 | 119 | 130 |
| Capitalized Interest during construction | 1,961 | | | 39 | 2,000 |
| Contingency | | | - | 1,000 | 1,000 |
| Total | 78,433 | 83 | 1,230 | 4,346 | 84,092 |

Table 3
Operating Budget (\$000's)

| | Estimated FY14 Expenses | Budgeted FY14 Expenses | Proposed FY15 Expenses | Difference |
|------------------|-------------------------|------------------------|------------------------|------------|
| Operating Budget | 2,034 | 2,068 | 2,077 | 8 |
| Debt Service | 1,646 | 1,646 | 1,646 | - |
| Total | 3,680 | 3,714 | 3,722 | 8 |

Table 4
DERWA SOURCE OF FUNDS SUMMARY

(\$000's)

| SOURCE OF FUNDS | Prior | Estimated FY14 | Projected FY15 | Total |
|----------------------------|--------|-------------------|-------------------|--------|
| <i>CAPITALIZED</i> | | | | |
| AGENCY CONTR | | | | |
| <i>DSRSD</i> | - | - | - | - |
| EBMUD | 3,860 | 200 | - | 4,060 |
| COMMERCIAL PAPER | 47,000 | | | 47,000 |
| CORPS OF ENG FUNDED | 8,024 | | | 8,024 |
| GRANTS | 5,000 | | | 5,000 |
| LOANS | 24,700 | | | 24,700 |
| TOTAL CAPITALIZED FUNDS | | | | 88,784 |
| <i>NET EXPENSED</i> | | | | |
| AGENCY CONTR | | | | |
| DSRSD | 18,257 | 2,402 | 2,429 * | 23,088 |
| EBMUD | 12,039 | 1,278 | 1,287 * | 14,604 |
| PLEASANTON PAYMENT | | | 6 | 6 |
| TOTAL NET EXPENSED FUNDS | 30,296 | 3,680 | 3,722 | 37,698 |

*Agency contribution are calculated based on O&M costs, administrative costs and debt service costs. For 2015, O&M and administrative costs are split 76% DSRSD/24% EBMUD based on current water deliveries and will be adjusted at the end of the water year to reflect actual deliveries. per Section V.A. of the sales agreement.
 Debt service costs are split based on the assigned capital to each agency at the time the payments are made.

**DERWA PROGRAM BUDGET FY15
OPERATING BUDGET**

Table 5

| Work Element | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget | Budget Difference |
|-------------------|------------------|-------------------------------|----------------------------|----------------------|
| Program Manager | \$ 123,050 | \$ 67,627 | \$ 116,942 | \$ (6,108) |
| Treasurer | 43,500 | 33,511 | 41,000 | \$ (2,500) |
| Legal Counsel | 3,000 | 2,000 | 5,000 | \$ 2,000 |
| Secretary | 10,250 | 3,825 | 6,150 | \$ (4,100) |
| Other (Insurance) | 115,000 | 102,532 | 105,000 | \$ (10,000) |
| Operations | 1,773,560 | 1,825,000 | 1,802,514 | \$ 28,954 |
| Debt Service | 1,645,513 | 1,645,513 | 1,645,513 | \$ - |
| Total | 3,713,873 | 3,680,008 | 3,722,119 | 8,246 |

DERWA PROGRAM BUDGET FY15

DERWA PROGRAM MANAGER

Table 6

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|--------------------|-------------------|----------------------------|-------------------------|
| Contract Payment | 57,200 | \$ 18,367 | 57,120 |
| Staff | 23,400 | 14,415 | 23,513 |
| Expenses | 2,250 | | |
| DSRSD charges | 8,700 | 8,657 | 9,159 |
| Travel | 250 | | |
| Office supplies | 250 | | 250 |
| Other | 2,250 | 1,188 | 1,900 |
| Public Information | 28,750 | 25,000 | 25,000 |
| Consultant Support | 0 | 0 | 0 |
| Agency Support | 0 | - | 0 |
| Total | \$ 123,050 | \$ 67,627 | \$ 116,942 |

DERWA TREASURER DETAIL

Table 7

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|-----------------------|---------------|----------------------------|-------------------------|
| Salary | \$ 7,500 | \$ 3,000 | \$ 5,000 |
| Cost Accounting | 30,000 | 27,000 | 30,000 |
| Audit | 6,000 | 3,511 | 6,000 |
| Commerical Paper Fees | - | | |
| TOTAL | 43,500 | 33,511 | 41,000 |

DERWA PROGRAM BUDGET FY15

DERWA LEGAL COUNSEL

Table 8

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|----------|-------------|----------------------------|-------------------------|
| Contract | \$ 3,000 | \$ 2,000 | \$ 5,000 |

DERWA SECRETARY DETAIL

Table 9

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|----------|-------------|----------------------------|-------------------------|
| Salary | \$ 10,000 | \$ 3,750 | \$ 6,000 |
| Expenses | 250 | 75 | 150 |
| Training | 0 | 0 | 0 |
| TOTAL | 10,250 | 3,825 | 6,150 |

DERWA OTHER DETAIL

Table 10

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|-----------|-------------|----------------------------|-------------------------|
| Insurance | \$ 115,000 | \$ 102,532 | \$ 105,000 |
| TOTAL | 115,000 | 102,532 | 105,000 |

DERWA PROGRAM BUDGET FY15

DERWA OPERATIONS

Table 11

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|-------------------------|-------------|----------------------------|-------------------------|
| Capital Reserve Account | \$ 125,000 | \$ 125,000 | \$ 125,000 |
| DSRSD Operations | 1,648,560 | 1,700,000 | 1,677,514 |
| TOTAL | 1,773,560 | 1,825,000 | 1,802,514 |

DERWA DEBT SERVICE

Table 12

| | FY14 Budget | Estimated FY14 Expenses | Proposed FY15 Budget |
|---------------------|-------------|----------------------------|-------------------------|
| State Loan Payments | 1,645,513 | 1,645,513 | 1,645,513 |
| TOTAL | 1,645,513 | 1,645,513 | 1,645,513 |

Table 13

Capital Project Costs and Cost Sharing

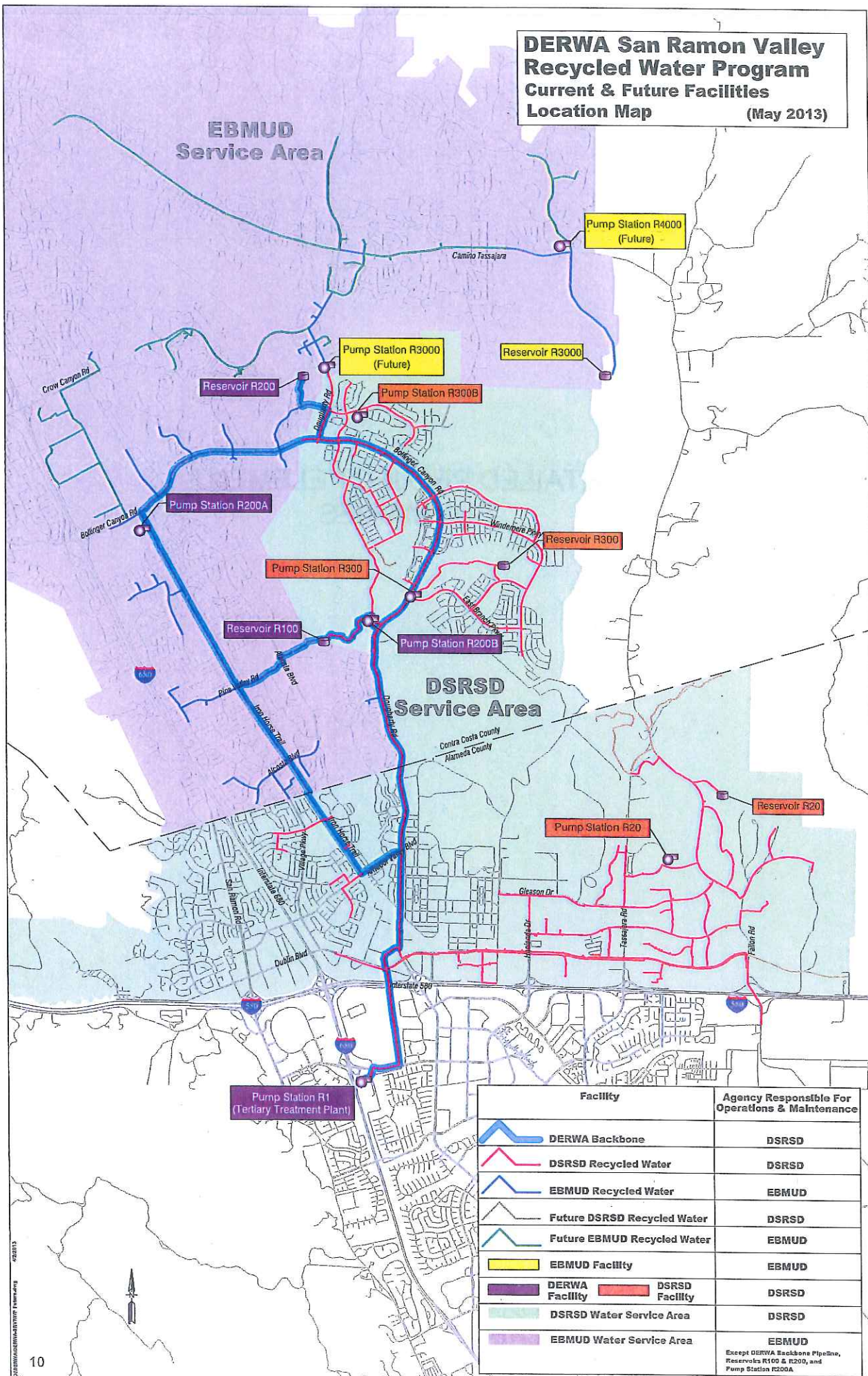
(\$000's)

| Project | Lead Agency | Total Costs | DSRSD | EBMUD |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Competed Projects | | | | |
| Pipeline Reach 1 | DSRSD | \$ 7,561 | 4384 | 3,177 |
| Pipeline Reach 2 | DSRSD & EBMUD | 4,558 | 3,882 | 676 |
| Pipeline Reach 3 | DSRSD | 2,286 | 1,719 | 567 |
| Pipeline Reach 4 | DSRSD & EBMUD | 1,615 | 364 | 1,251 |
| Pipeline Reach 5 | EBMUD | 1,431 | 200 | 1,231 |
| Pipeline Reach 6 | EBMUD | 6,760 | 431 | 6,329 |
| Pump Stations | DSRSD | 8,563 | 6,777 | 1,786 |
| Water Tanks | EBMUD | 12,393 | 7,222 | 5,171 |
| Treatment Plant | DSRSD | 15,733 | 8,949 | 6,784 |
| Backbone Corrosion | DERWA | 1,109 | 122 | 989 |
| Fine Screening | DSRSD | 667 | 380 | 287 |
| MR/UV Control Upgrade | DSRSD | 144 | 82 | 62 |
| Air Relief | DERWA | 32 | 18 | 14 |
| EBMUD Distribution* | DERWA | 602 | 0 | 602 |
| Pump Station Phase 2* | DERWA | 3,463 | 0 | 3,463 |
| Studies and Predesigns | DERWA | 5,399 | 2,658 | 2,741 |
| Program Planning | DERWA | 3,727 | 1,826 | 1,901 |
| Completed Projects Subtotal | | 76,043 | 39,014 | 37,031 |
| Continuing and New Projects | | | | |
| New/Replacement Capital <\$50k | DERWA | 1,278 | 728 | 550 |
| SCADA | DSRSD | 390 | 165 | 225 |
| PSR1 VFD Replacement | DSRSD | 505 | 354 | 151 |
| RSR200B Hypo Feed | DSRSD | 380 | 0 | 380 |
| Permanent Supplemental Supply | DERWA | 2,496 | 1,448 | 1,048 |
| Contingency | DERWA | 1,000 | 500 | 500 |
| Capitalized Interest | DERWA | 2,000 | 1,076 | 924 |
| Continuing Projects Subtotal | | 8,049 | 4,271 | 3,778 |
| TOTAL | | 84,092 | 43,285 | 40,809 |
| TOTAL DERWA FACILITIES** | | 83,490 | 43,285 | 40,207 |
| | | 100% | 51.8% | 48.2% |

*Pump Station Phase 2 and EBMUD Distribution Pipeline Phases 2, 3 and 4 only contain DERWA local cost share of the Corp Project.

**Does not include the EBMUD Distribution Pipeline Phases 2,3 and 4 because this project is not part of the DERWA program facilities as defined by the Water Sales Agreement, and the assets will be transferred to EBMUD upon completion of construction.

**DERWA San Ramon Valley
Recycled Water Program
Current & Future Facilities
Location Map (May 2013)**



| Facility | Agency Responsible For Operations & Maintenance |
|-----------------------------|---|
| DERWA Backbone | DSRSD |
| DSRSD Recycled Water | DSRSD |
| EBMUD Recycled Water | EBMUD |
| Future DSRSD Recycled Water | DSRSD |
| Future EBMUD Recycled Water | EBMUD |
| EBMUD Facility | EBMUD |
| DERWA Facility | DSRSD |
| DSRSD Facility | |
| DSRSD Water Service Area | DSRSD |
| EBMUD Water Service Area | EBMUD |

Except DERWA Backbone Pipeline, Reservoirs R100 & R200, and Pump Station R200A

4/2013

**DETAILED PROJECT ELEMENT
SUMMARIES**

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CONTINUING CAPITAL PROJECTS

PERMANENT SUPPLEMENTAL WATER SUPPLY

NEW/REPLACEMENT CAPITAL <\$50K EACH

PROGRAM PLANNING
Supplemental Water

SCADA UPGRADE

PSR1 VFD REPLACEMENT

RESERVOIR R200 CHEMICAL FEED SYSEM

CAPITAL PROJECTS COMPLETED in FY14

NONE

Capital Improvement Project Summary

Project: Permanent Supplemental Water Supply

Description: This project will provide Permanent Supplemental Water for DERWA that is needed to avoid Peak Day supply shortfalls that could occur during the next ten years. Additional water will be required when the peak day demand exceeds the design capacity of the treatment plant or when the peak day demand exceeds the contractual supply of water available to DERWA from DSRSD. Alternatives currently under consideration are additional supply of treated wastewater effluent from Pleasanton and/or Livermore, and local groundwater. Preliminary engineering studies of the alternatives were completed in 2005. New studies by Pleasanton, Livermore, and Zone 7 are currently underway and may impact DERWA's source water supply alternatives. An agreement with Pleasanton approved earlier this year provides that DERWA can use Pleasanton treated wastewater that is not used by Pleasanton's recycled water program. The agreement is contingent upon Pleasanton completing required environmental reviews. Pleasanton plans on eventually using all their wastewater for their recycled water program. As the Pleasanton program grows DERWA may need to develop other supplemental water supply sources.

Lead Agency: DERWA
Project Manager: James Bewley

| | | | |
|----------------------|--------------|------------|------------|
| Cost Sharing: | Planning | 58 % DSRSD | 42 % EBMUD |
| | Design | 58 % DSRSD | 42 % EBMUD |
| | Property | 58 % DSRSD | 42 % EBMUD |
| | Construction | 58 % DSRSD | 42 % EBMUD |
| | Const Mgmt | 58 % DSRSD | 42 % EBMUD |

Grant/Loan Eligible: 0% Design 0% Construction

In Service Date: Not scheduled

(\$000)

| Project | Lead Agency | Activity | Prior Spending | Estimated FY14 | FY15 | Future | Approved Budget Total |
|----------|-------------|--------------|----------------|----------------|------|--------|-----------------------|
| Program | DERWA | Planning | 261 | 3 | 0 | 223 | 487 |
| Planning | | Design | 7 | 0 | 0 | 243 | 250 |
| | | Property | 0 | 0 | 0 | 260 | 260 |
| | | Construction | 1 | 0 | 0 | 1,078 | 1,079 |
| | | Const. Mgmt. | 0 | 0 | 0 | 160 | 160 |
| | | Admin | 2 | 0 | 0 | 128 | 130 |
| | | Other | 11 | 0 | 0 | 119 | 130 |
| | | | | Total | 282 | 3 | 0 |

Total Project Element Costs : \$2,496,000

Capital Improvement Project Summary

Project: New/Replacement Capital < \$50k

Description: This is a five-year program FY 11 through FY 15 to provide funding for acquisition of capital items for the Phase 1 DERWA facilities costing less than \$50,000 each. Included are new capital items needed for improved reliability and/or efficiency, required by new regulation, and for replacement or rehabilitation of existing assets that have reached the end of their useful life. A security fence at reservoir R200 is planned for FY 15 at a cost of \$25,000 and \$20,000 is budgeted for unplanned items that require action during the year.

Lead Agency: DERWA
Project Manager: James Bewley

Cost Sharing:

| | | |
|--------------|-----------|-----------|
| Planning | 57% DSRSD | 43% EBMUD |
| Design | 57% DSRSD | 43% EBMUD |
| Property | 57% DSRSD | 43% EBMUD |
| Construction | 57% DSRSD | 43% EBMUD |
| Const Mgmt | 57% DSRSD | 43% EBMUD |

Grant/Loan Eligible: 0% Design 0% Construction

In Service Date: N/A

(\$000)

| Project | Lead Agency | Activity | Prior Spending | Estimated FY14 | FY15 | Future | Aproved Budget Total |
|-----------------------------------|-------------|--------------|----------------|----------------|------|--------|----------------------|
| New/Replacement Capital <\$50k ea | DERWA | Planning | 0 | 0 | 0 | 0 | 0 |
| | | Design | 0 | 0 | 0 | 231 | 231 |
| | | Property | 0 | 0 | 0 | 0 | 0 |
| | | Construction | 132 | 5 | 45 | 842 | 1,024 |
| | | Const. Mgmt. | 0 | 0 | 0 | 0 | 0 |
| | | Admin | 0 | 0 | 0 | 23 | 23 |
| | | Other | 0 | 0 | 0 | 0 | 0 |
| | | Total | 132 | 5 | 45 | 1,096 | 1,278 |

Total Project Element Costs: \$1,278,000

Capital Improvement Project Summary

Project: SCADA Upgrade

Description: This is a four- year program upgrading the Supervisory Control and Data Acquisition (SCADA) servers and workstations, moving the servers from Field Operations to the WWTP, replacing the existing serial radio system with an Ethernet radio system, upgrading or replacing all the programmable controllers, upgrading the SCADA facilities, documenting system control strategies, and developing standard controller logic. The total cost of the DSERSD Improvements Project is estimated at \$4,813,000. The DERWA share of the cost is estimated as 390,000.\$.

Lead Agency: DSRSD
Project Manager: Judy Zavadil

Cost Sharing:

| | | |
|--------------|-----------|-----------|
| Planning | 57% DSRSD | 43% EBMUD |
| Design | 57% DSRSD | 43% EBMUD |
| Property | 57% DSRSD | 43% EBMUD |
| Construction | 57% DSRSD | 43% EBMUD |
| Const Mgmt | 57% DSRSD | 43% EBMUD |

Grant/Loan Eligible: 0% Design 0% Construction
In Service Date:

(\$000)

| Project | Lead Agency | Activity | Prior Spending | Estimated FY14 | FY15 | Future | Approved Budget Total |
|---------------|-------------|--------------|----------------|----------------|------|--------|-----------------------|
| SCADA Upgrade | DSRSD | Planning | 0 | 0 | 0 | 0 | 0 |
| | | Design | 15 | 75 | 75 | 0 | 165 |
| | | Property | 0 | 0 | 0 | 0 | 0 |
| | | Construction | 0 | 0 | 225 | 0 | 225 |
| | | Const. Mgmt. | 0 | 0 | 0 | 0 | 0 |
| | | Admin | 0 | 0 | 0 | 0 | 0 |
| | | Other | 0 | 0 | 0 | 0 | 0 |
| | | Total | 15 | 75 | 300 | 0 | 390 |

Total Project Element Costs: \$390,000

Capital Improvement Project Summary

Project: Pump Station R1 VFD Replacement

Description: The manufacturer of the variable frequency drives (VFD) that control the pump speed and flow rate at Pump Station R1 is no longer in business. Replacement parts cannot be found and there is no longer any technical support for this equipment. DSRSD staff is evaluating alternatives for maintenance or replacement of these drives. The cost estimate for design and installation of replacement drives is \$505,000.

Lead Agency: DSRSD
Project Manager: Judy Zavadil

Cost Sharing:

| | | |
|--------------|-----------|-----------|
| Planning | 70% DSRSD | 30% EBMUD |
| Design | 70% DSRSD | 30% EBMUD |
| Property | 70% DSRSD | 30% EBMUD |
| Construction | 70% DSRSD | 30% EBMUD |
| Const Mgmt | 70% DSRSD | 30% EBMUD |

Grant/Loan Eligible: 0% Design 0% Construction
In Service Date:

(\$000)

| Project | Lead Agency | Activity | Prior Spending | Estimated FY14 | FY15 | Future | Approved Budget Total |
|---------------|-------------|--------------|----------------|----------------|------|--------|-----------------------|
| SCADA Upgrade | DSRSD | Planning | 0 | 0 | 0 | 0 | 0 |
| | | Design | 0 | 0 | 78 | 0 | 78 |
| | | Property | 0 | 0 | 0 | 0 | 0 |
| | | Construction | 0 | 0 | 388 | 0 | 388 |
| | | Const. Mgmt. | 0 | 0 | 39 | 0 | 39 |
| | | Admin | 0 | 0 | 0 | 0 | 0 |
| | | Other | 0 | 0 | 0 | 0 | 0 |
| | | Total | 0 | 0 | 505 | 0 | 505 |

Total Project Element Costs: \$505,000

Capital Improvement Project Summary

Project: Reservoir R200 Chemical Addition System

Description: This project will evaluate and determine the best method to construct a permanent sodium hypochlorite addition facility for Reservoir R200. The existing temporary hypochlorite addition facilities at are located in a pump station building, which present safety and corrosion concerns. In addition, the facilities inject hypochlorite into the pump suction line, which can damage the pumps. The new facilities will be housed in a new masonry hypochlorite building located near the existing pump station discharge line outside the main pump station building. The facilities will include a 500 to 1000 gallon storage tank, metering pump and associated piping, emergency shower and eyewash, ventilation system, and associated electrical, instrumentation and controls tied into the existing pump station PLC and SCADA system.

Lead Agency: DSRSD
Project Manager: Judy Zavadil

Cost Sharing:

| | | |
|--------------|----------|------------|
| Planning | 0% DSRSD | 100% EBMUD |
| Design | 0% DSRSD | 100% EBMUD |
| Property | 0% DSRSD | 100% EBMUD |
| Construction | 0% DSRSD | 100% EBMUD |
| Const Mgmt | 0% DSRSD | 100% EBMUD |

Grant/Loan Eligible: 0% Design 0% Construction
In Service Date:

(\$000)

| Project | Lead Agency | Activity | Prior Spending | Estimated FY14 | FY15 | Future | Aproved Budget Total |
|---------------|-------------|--------------|----------------|----------------|------|--------|----------------------|
| SCADA Upgrade | DSRSD | Planning | 0 | 0 | 0 | 0 | 0 |
| | | Design | 0 | 0 | 59 | 0 | 59 |
| | | Property | 0 | 0 | 0 | 0 | 0 |
| | | Construction | 0 | 0 | 292 | 0 | 292 |
| | | Const. Mgmt. | 0 | 0 | 29 | 0 | 29 |
| | | Admin | 0 | 0 | 0 | 0 | 0 |
| | | Other | 0 | 0 | 0 | 0 | 0 |
| | | Total | 0 | 0 | 380 | 0 | 380 |

Total Project Element Costs: \$380,000