

This meeting has been noticed according to the Brown Act rules. This agenda was posted on February 25, 2016.



Ordinance No. 152

Oversight Panel

Members:

*John Bottomley
Paul Bruno
Jason Campbell
Jody Hanson
Todd Kruper
George Riley
Christine Monteith
John Tilley*

MPWMD Contacts:

*General Manager,
David J. Stoldt*

*Administrative Services
Manager, Suresh Prasad*

*Executive Assistant,
Arlene Tavani*

AGENDA

**Ordinance No. 152 Oversight Panel
Of the Monterey Peninsula Water Management District**

February 29, 2016, 10:30 am
District Conference Room, 5 Harris Court, Building G, Monterey, CA

Call to Order

Comments from Public -- *The public may comment on any item within the District's jurisdiction. Please limit your comments to three minutes in length.*

Action Items -- *Public comment will be received on Action Items. Please limit your comments to three minutes in length.*

1. Consider Modification to Committee Quarterly Meeting Schedule

Discussion Items -- *Public comment will be received on Discussion Items. Please limit your comments to three minutes in length.*

2. Review Supreme Court Decision on MPWMD User Fee
3. Review Mid-Year Budget Adjustments to Water Supply Charge
4. Review of Revenue and Expenditures of Water Supply Charge Related to Water Supply Activities

Other Items -- *Public comment will be received on Other Items. Please limit your comments to three minutes in length.*

5. Report on Cal-Am Rate Design Proceeding
6. Water Supply Project Update

Adjourn

Staff reports regarding these agenda items will be available for public review on Friday, February 26, 2016 at the District office and website. After staff reports have been distributed, if additional documents are produced by the District and provided to the Committee regarding any item on the agenda, they will be made available at 5 Harris Court, Building G, Monterey, CA during normal business hours. In addition, such documents will be posted on the District website at www.mpwmd.net. Documents distributed at the meeting will be made available in the same matter. Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a description of the

requested materials and preferred alternative format or auxiliary aid or service by 5 PM on Friday, February 26, 2016. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

U:\staff\Board_Committees\Ord152\2016\20160229\Agenda.docx

ORDINANCE NO. 152 OVERSIGHT PANEL

1. CONSIDER MODIFICATION TO COMMITTEE QUARTERLY MEETING SCHEDULE

Meeting Date: February 29, 2016

From: David J. Stoldt
General Manager

Prepared By: Arlene Tavani

SUMMARY: According to the Mission and Responsibilities of the Ordinance No. 152 Oversight Panel, adopted in 2012, the committee should meet quarterly.

- January: Review of actual December receipts and update on on-going spending plans.
- April: Review of actual April receipts (if available), discuss proposed budget and capital improvement plan for following fiscal year, and update on on-going spending plans
- July: Overview of approved budget and proposed expenditure of funds on water supply activities, prepare prior year annual report, and update on on-going spending plans
- October: Update on on-going spending plans.

District staff recommends that the committee meet three times per year.

- January
- May
- September

RECOMMENDATION: The committee should recommend to the Board of Directors that the quarterly meeting schedule be amended to specify that the committee meet three times per year.

Item 3: Review Mid-Year Budget Adjustments to Water Supply Charge

EXHIBIT 3-A

Monterey Peninsula Water Management District

Water Supply Charge Mid-Year Budget Adjustments

	FY 2015-2016 Adopted Budget	FY 2015-2016 Revised Budget
Beginning Fund Balance	\$2,761,948	\$3,685,903
Water Supply Charge	\$3,400,000	\$3,400,000
Carry-Forward Prior Year Water Supply Charge	0	0
Loan Proceeds for ASR	0	0
Capacity Fee	175,000	175,000
Project Reimbursement	882,900	373,800
Watermaster-Reimbursement	70,200	70,200
Property Taxes	488,000	425,500
Interest	4,500	4,500
Other	-	-
Capital Equipment Reserve Fund	-	44,800
Carry Over Projects from Prior Fiscal Year		
Total Revenues	\$5,020,600	\$4,493,800
Direct Personnel	954,719	956,119
Legal	250,000	250,000
Project Expenditures [see below]	5,357,700	6,219,550
Project Expenditures-Reimbursements [see below]	722,300	409,000
Fixed Asset Purchases	59,600	74,400
Contingencies	25,000	25,000
Debt Service	230,000	230,000
Election Expense	75,000	20,000
Measure O Costs	-	-
Indirect Labor*	203,781	203,781
Indirect Supplies & Services*	224,900	223,100
Total Expenditures	\$8,103,000	\$8,610,950
Net Revenue Over Expenses**	(\$3,082,400)	(\$4,117,150)
Ending Fund Balance	(\$320,452)	(\$431,247)
	FY 2015-2016 Adopted Budget	FY 2015-2016 Revised Budget
Project Expenditures		
Groundwater Replenishment Project	\$2,833,000	\$4,633,000
ASR Phase I	\$996,900	\$323,300
Reimbursement Projects	\$722,300	\$409,000
Cal-Am Desalination Application	\$510,000	\$140,000
Peninsula Water Supply Projects Operations Studies	\$0	\$0
ASR Expansion	\$50,400	\$8,300
Other Water Supply Projects - IFIM/GSFlow	\$150,000	\$255,000
Local Water Projects	\$295,000	\$466,000
Alternate Desal Project	\$350,000	\$350,000
Other Project Expenditures	\$172,400	\$43,950
Total Commitments	\$6,080,000	\$6,628,550
*: Indirect costs as percent of Water Supply Charge	12.6%	12.6%

Item 4: Review of Revenue and Expenditures of Water Supply Charge Related to Water Supply Activities

EXHIBIT 4-A

Monterey Peninsula Water Management District

Water Supply Charge Receipts

	FY 2013-2014 Revised Budget	FY 2013-2014 Audited Actuals	FY 2014-2015 Revised Budget	FY 2014-2015 Audited Actuals	FY 2015-2016 Revised Budget	FY 2015-2016 Actual thru 12/31/15
Water Supply Charge	\$3,400,000	\$3,412,207	\$3,400,000	\$3,327,701	\$3,400,000	\$1,985,810
Percentage collected over budget		100.4%		97.9%		58.4%

EXHIBIT 4-B

Monterey Peninsula Water Management District

Water Supply Charge Availability Analysis

	FY 2013-2014 Revised Budget	FY 2013-2014 Audited Actuals	FY 2014-2015 Revised Budget	FY 2014-2015 Audited Actuals	FY 2015-2016 Adopted Budget	FY 2015-2016 Thru 12/31/2015
Beginning Fund Balance		\$6,060,318	\$3,892,112	\$3,892,112	\$3,511,577	\$3,511,577
Water Supply Charge	\$3,400,000	\$3,412,207	\$3,400,000	\$3,327,701	\$3,400,000	\$1,985,810
Carry-Forward Prior Year Water Supply Charge	1,413,218	0	0	0	0	0
Loan Proceeds for ASR	1,496,101	0	0	0	0	0
Capacity Fee	175,000	223,625	175,000	159,250	175,000	121,028
Project Reimbursement	2,420,762	2,093,013	626,900	712,002	953,100	-
Property Taxes	317,848	333,267	657,750	740,898	488,000	292,880
Interest	3,000	12,799	4,500	20,199	4,500	6,238
Other	-	16,010	-	12,112	-	7,522
Capital Equipment Reserve Fund	-	-	41,800	-	-	-
Total Revenues	\$9,225,929	\$6,090,921	\$4,905,950	\$4,972,162	\$5,020,600	\$2,413,478
Direct Personnel	764,549	883,237	908,936	884,281	954,719	458,525
Legal	230,000	285,853	230,000	241,583	250,000	131,816
Project Expenditures [see below]	5,734,179	4,540,839	3,760,400	3,259,930	5,357,700	980,913
Project Expenditures-Reimbursements [see below]	2,235,762	1,925,068	591,400	113,455	722,300	36,777
Fixed Asset Purchases	34,300	35,919	78,150	38,752	59,600	13,437
Contingencies	10,250	-	10,250	-	25,000	-
Debt Service	230,000	219,136	230,000	225,209	230,000	70,070
Election Expense	52,500	-	-	-	75,000	-
Measure O Costs	-	-	-	185,583	-	-
Indirect Labor*	205,051	206,230	200,314	200,314	203,781	101,891
Indirect Supplies & Services*	167,399	162,845	204,000	203,590	224,900	113,906
Total Expenditures	\$9,663,990	\$8,259,127	\$6,213,450	\$5,352,697	\$8,103,000	\$1,907,334
Net Revenue Over Expenses**	(\$438,061)	(\$2,168,206)	(\$1,307,500)	(\$380,535)	(\$3,082,400)	\$506,144
Ending Fund Balance		\$3,892,112	\$2,584,612	\$3,511,577	\$429,177	\$4,017,721
Project Expenditures	FY 2013-2014 Revised Budget	FY 2013-2014 Audited Actuals	FY 2014-2015 Adopted Budget	FY 2014-2015 Audited Actuals	FY 2015-2016 Adopted Budget	FY 2015-2016 Thru 12/31/2015
Groundwater Replenishment Project	\$3,656,351	\$3,383,991	\$2,494,000	\$2,524,911	\$2,833,000	\$369,867
ASR Phase I	\$1,168,478	\$428,049	\$522,400	\$307,218	\$996,900	\$132,785
Reimbursement Projects	\$2,235,762	\$1,925,068	\$591,400	\$113,455	\$722,300	\$36,777
Cal-Am Desalination Application	\$50,000	\$59,443	\$75,000	\$106,614	\$510,000	\$92,253
Peninsula Water Supply Projects Operations Studies	\$0	\$0	\$0	\$0	\$0	\$0
ASR Expansion	\$45,000	\$5,420	\$50,000	\$1,320	\$50,400	\$0
Other Water Supply Projects - IFIM/GSFlow	\$275,000	\$209,432	\$75,000	\$72,301	\$150,000	\$8,622
Local Water Projects	\$150,000	\$100,000	\$150,000	\$0	\$295,000	\$14,500
Alternate Desal Project	\$300,000	\$287,633	\$225,000	\$153,133	\$350,000	\$325,000
Other Project Expenditures	\$89,350	\$66,871	\$169,000	\$94,433	\$172,400	\$37,886
Total Commitments	\$7,969,941	\$6,465,907	\$4,351,800	\$3,373,385	\$6,080,000	\$1,017,690
*: Indirect costs as percent of Water Supply Charge	11.0%	10.8%	11.9%	12.1%	12.6%	10.9%

Recent Activities:

	Date	Amount
Deep Water Desal Cost Sharing Agreement	08/19/2013	\$ 800,000
Cal-Am Desal Structuring & Financing Order	2015	460,000
Cal-Am Professional Fees for Contribution of Public Funds	2014	75,000
GWR bond counsel services	09/16/2013	90,000
GWR accounting services for debt equivalence	09/16/2013	10,000
GWR Consultant to assess externalities	2015	178,637

** Deficit balances are paid from combination of loan, interfund borrowing, line of credit proceeds, or fund balance