

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

NOTICE OF REGULAR MEETING

TIME: 6:00 p.m.
PLACE: Dublin San Ramon Services District Boardroom
7051 Dublin Boulevard
Dublin, California 94568

DATE: Monday, April 23, 2012

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. 12-1)

**Recommended
Action**

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL - Members: Coleman, Howard, Mellon and Vonheeder-Leopold
Alternates: 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 Approve
by Motion
Special Board Meeting of December 19, 2011

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.

***Recommended
Action***

- | | | |
|----|---|----------------------|
| A. | Treasurer's Reports for December 31, 2011 January 31, February 29, and March 31, 2012 | Approve
by Motion |
| B. | Quarterly Investment Reports – December 31, 2011 and March 31, 2012 | Approve
by Motion |
| C. | DERWA Investment Policy | Approve
by Motion |
| D. | Approve Task Order No. 9 for Fiscal Year 2012-13 for Public Information Services with ICF International | Approve
by Motion |

9. BOARD BUSINESS

- | | | |
|----|---|--------------------------|
| A. | Update Report on Recycled Water Demand Projections and Source Water Supply Alternatives | Provide
Direction |
| B. | Approve and Adopt the Fiscal Year 2012-13 Capital and Operating Expenditure Budget | Approve by
Resolution |
| C. | Proclamation of Appreciation for Service to DERWA by Dan Scannell 2003 – 2012 | Approve
by Motion |

10. MANAGER'S REPORTS

- Contracts Initiated Since the Board Meeting of December 19, 2011
 - Ed Cumming Inc. – Not to Exceed \$25,000
 - John M. Pereira Temporary Use Agreement Amendment No. 2 - \$12,500
- Capital Projects Update
 - PSR200A/Pipeline IH Project Update
 - EBMUD Distribution System Phase 2 3 4 Projects Update
- Confirm Next Meeting Date – June 25, 2012

11. CLOSED SESSION

- | | |
|----|---|
| A. | 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 |
|----|---|

12. REPORTS FROM CLOSED SESSION
13. BOARDMEMBER ITEMS
14. 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 2012

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 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 2012; and
- Appoint Nancy Hatfield to continue as DERWA Secretary for 2012.

April 23, 2012

Attachment

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

Following the November 2011 elections, the DSRSD Board appointed Dan Scannell and Georgean Vonheeder-Leopold as DSRSD representatives to the DERWA Board, and Dwight "Pat" Howard as DSRSD Alternative Representative.

DSRSD Board policy provides:

When two District Directors are concurrently appointed to a JPA board, that District Director with greater tenure on the District Board 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 2012 should be a DSRSD representative, and the Vice Chair an EBMUD representative. Subsequent to the recent resignation of Dan Scannell from DSRSD, the Board appointed Pat Howard DSRSD's second DERWA representative (the Board did not name an alternate).

Georgean Vonheeder-Leopold has served on the DSRSD Board a total of ten years 11 months. Pat Howard has served on the DSRSD Board seven years 4 months, therefore, according to DSRSD policy Georgean Vonheeder-Leopold should be nominated as DERWA Chair for 2012.

**DSRSD • EBMUD RECYCLED WATER AUTHORITY
(DERWA)
Board of Directors Special Meeting Minutes
Monday, December 19, 2011**

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

1. CALL TO ORDER – Vice Chair Howard called the DSRSD • EBMUD Recycled Water Authority (DERWA) meeting to order at 6:02 p.m. at the Dublin San Ramon Services District Boardroom.

2. PLEDGE TO THE FLAG

3. ROLL CALL – Directors present: Vice Chair Dwight L. (Pat) Howard, Director Frank Mellon, and Director Dan Scannell. DERWA Staff present: James Bewley, Authority Manager; Richard Lou, Treasurer; Robert Maddow, General Counsel; and Nancy Gamble Hatfield, Authority Secretary.

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES - None.

5. PUBLIC COMMENT – 6:04 p.m. – None received.

6. APPROVE MINUTES – Special Meeting of May 2, 2011
Motion by Director Scannell, Second by Director Mellon to approve the minutes from the Special meeting of *May 2, 2011*.

Motion carried (3-0) by the following vote:

AYES: Scannell, Mellon, Howard
NOES:

7. CONSENT CALENDAR

A. Treasurer's Reports – April 30, May 31, June 30, July 31, August 31, September 30, October 31 and November 30, 2011

B. Quarterly Investment Reports – June 30 and September 30, 2011

Motion by Director Mellon, Second by Director Scannell to approve the Consent Calendar.
Motion carried (3-0) by the following vote:

AYES: Mellon, Scannell, Howard
NOES:

8. BOARD BUSINESS

A. Transmittal of the DERWA Independent Auditor's Report and Financial Statements for the Years Ending June 30, 2011 and 2010

Authority Manager Bewley reported that this agenda item was to present the Financial Statements for the Years Ending June 30, 2011 and 2010. He invited Treasurer Lou to comment on the statements.

Treasurer Lou stated that the auditor went through a detailed review of DERWA's financial statements and did not find any irregularities or issues. The big event for DERWA finances this past year was the retirement of the Commercial Paper debt, which is noted in the financial statements.

Director Scannell commented that he was aware Maze & Associates has been performing the audit for DERWA for a few years and mentioned that it may be time to use another auditing firm next year.

Mr. Lou explained that Maze and Associates has performed the audit since 2007. The DERWA audit is done by the same firm that does the EBMUD audit. In 2012, an RFP will be issued for new auditing services for EBMUD and its JPAs.

Motion by Director Mellon, Second by Director Scannell to accept the DERWA Independent Auditor's Report. Motion carried (3-0) by the following vote:

AYES: Mellon, Scannell, Howard

NOES:

9. MANAGER'S REPORTS

- Contracts Initiated Since the Board Meeting of May 2, 2011 – Mr. Bewley stated that there is a Board policy authorizing the Authority Manager to enter into contracts in between Board meetings to keep the business of the JPA moving forward. His authority is for a not to exceed amount of \$50,000. The policy requires the Authority Manager to report those contract activities at the next Board meeting.
- The Covello Group, Construction Claim Support – NTE \$39,900 – Authority Manager Bewley reported that a contract was entered into with The Covello Group for construction claim support related to the PSR200A/Pipeline IH Project. In May 2011, the contractor filed a claim with the Army for approximately \$1.6 million. The claim relates primarily to time delays. At the end of August, the Army was interested in assistance from DERWA for review of the claim. Work did not really get moving on the claim until the October/November timeframe. In their initial response to the claim, attorneys for the Army responded that they would have a decision on the claim by December 16, 2011. Many of the Army staff members working on this matter were transferred elsewhere during the year so their review of the claim did not get very far. The Covello Group was contracted to develop an as-built schedule based on the Army's daily inspection reports, the quality assurance reports and the City of San Ramon's daily inspection reports. This work highlights what days the contractor had people working on different sections of the pipeline and identifies issues raised in the claim. Mr. Bewley discussed the contract liquidated damages provisions. He stated that he suspects this matter will continue for several months before a decision is made. The Army notified DERWA that they met with the contractor and the contractor

consented to extend the due date of December 16, 2011. It is to the contractor's advantage to extend the due date when the Army is not prepared for a decision since no response from the Army is equivalent to a denial of the claim. The contractor has agreed to meet and discuss the matter after January 1, 2012. Mr. Bewley stated this is all going in the right direction regarding DERWA providing input into the process.

- John M. Pereira, Temporary Use Agreement Amendment No. 1 – \$12,500 – Mr. Bewley explained that Amendment No. 1 to the agreement with Mr. Pereira at Pereira Ranch, which is off of Tassajara Valley Road, was entered into after the last Board meeting. Pipes and materials for the EBMUD Distribution System Phase 2 3 4 projects are being stored at the site. Two contracts were issued under the EBMUD Distribution System Phase 2 3 4 projects. They are being funded for DERWA under the Water Resources Development Act (WRDA) Grant. One project was located mostly in San Ramon and the contractor was North Star Construction from Yuba City. Mr. Bewley reported that the contractor and the Army/EBMUD construction management did a very good job and the City of San Ramon is very happy with the project. This helped to remedy some of the hard feelings from the Bollinger Canyon Road pipeline project. The work in the Danville area was done by Jonas and Associates. Very soon after that project was started, it was recognized that the work scope was beyond Jonas's capabilities. The Army deleted a significant amount of the pipeline work in order to meet the Town of Danville's schedule requirements. However, the pipe for the entire project had already been purchased. The pipe that was not used is now being stored at Pereira Ranch site. The Army now owns the pipe and is working with EBMUD to put together another contract for early 2012.

Director Mellon commented that the ranch is receiving unexpected money as a result of the extended storage.

Mr. Bewley noted that the Pereira family has owned the ranch for many generations and has horses and cattle on the land. He receives \$2,500 per month from the lease.

- Tanaka Design Group, Landscape Design – NTE \$5,900 – Mr. Bewley reported that a contract was entered into with Tanaka Design Group for landscape design. DERWA negotiated property for the PSR200A with Bishop Ranch – Sunset Development. One of the conditions to the property purchase was that Sunset had a right to review and approve the plans for the pump station and, in particular, how it appeared visually. There was a requirement that the pump station be underground and anything above the ground be screened from sight and be very low profile. As the detail design was being completed, the pump station kept creeping up higher due to some physical features. From the road to the pump station there is about a four foot change in elevation, which is an asphalt berm that is not unacceptable to Sunset. DERWA did not want the contractor that built the pump station to be involved in any of the landscape improvement work. Tanka has performed work for DSRSD in the past and they were hired and did a very nice landscape design. Sunset Development has approved the design. The work is planned for early 2012, and consists of

removing the asphalt berm, planting shrubs and trees to screen the electrical and HVAC equipment. This landscaping will be complete the pump station construction. As difficult as that construction project was, that is one of DERWA's best running pump stations.

- HF&H Consulting, Utility Rate Advisory Services – NTE \$11,340 – HF&H will be assisting DERWA in establishing the wholesale water rate to supply the City of Pleasanton, and is the subject of tonight's Closed Session.
- PSR200A/Pipeline IH Project Update – Mr. Bewley stated that this project was discussed with the previous agenda items. The claim should continue for several months. Very little time is being spent on this project with the exception of the claims analysis.
- EBMUD Distribution System Phase 2 3 4 Projects Update – Mr. Bewley stated this project was already discussed with the previous agenda items.
- Confirm Meeting Dates – Cancel Regular Meeting February 27, 2012 – Next Regular Meeting Date April 23, 2012 – The Board agreed to cancel the meeting of February 27, 2012 since Mr. Bewley will be out of the country. The next meeting is scheduled for April 23, 2012. Special meetings will likely be needed sometime in January or February. Director Mellon requested that if special meetings are scheduled that they skip the last Monday of January as he will be out of town.

10. CLOSED SESSION

At 6:20 p.m. the Board went into Closed Session. V.C. Howard announced that General Counsel Maddow, DSRSD General Manager Michalczyk and EBMUD Director of Water and Natural Resources Sykes would also attend the Closed Session.

A. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8

Property: Water Supply Contract
DERWA Negotiator: James B. Bewley, Authority Manager
Negotiating Parties: City of Pleasanton and DERWA
Under Negotiation: Price and Terms of Payment

11. REPORTS FROM CLOSED SESSION

At 6:41p.m. the Board came out of Closed Session. V.C. Howard announced that there was no reportable action.

12. BOARDMEMBER ITEMS

Director Scannell wished everyone a "Merry Christmas" and "Happy Holidays." He commented that the DSRSD Board will approve Committee assignments tomorrow night and it appears that Director Howard will rotate off the DERWA Board and Director Vonheeder-Leopold would assume the assignment.

V.C. Howard commented that this was his second and last DERWA meeting of his year's assignment.

Director Mellon also expressed “Happy Holidays” to all.

13. ADJOURNMENT

V.C. Howard adjourned the meeting at 6:42 p.m.

Submitted by,

Nancy Gamble Hatfield
Authority Secretary

Item 8.A

DERWA Summary & Recommendation

December 31, 2011 Treasurer's Report
January 31, 2012 Treasurer's Report
February 29, 2012 Treasurer's Report
March 31, 2012 Treasurer's Report

Summary:

Attached are the Treasurer's for the months ending December 31, 2011, January 31, February 29 and March 31, 2012 submitted by the Treasurer Richard Lou.

Recommendation:

The Treasurer recommends the Board approve, by Motion, the Treasurer's reports for the months December 31, 2011, January 31, February 29 and March 31, 2012.

April 23, 2012

Attachments

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR DECEMBER 31, 2011**

STAFF REPORT


Attached is the DERWA Treasurer's Report for the month ending December 31, 2011. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, no contributions were received. Fiscal year-to-date Revenues/Funding totaled \$1,211,394 of which \$1,211,394 represents agency reimbursements.




Expenses: Current month expenditures totaled \$195,404 of which \$70,564 was capitalized and \$124,840 was expensed. Fiscal year-to-date expenditures for FY12 totaled \$631,262. Expenditures do not reflect staff and consultant costs incurred but not yet billed to DERWA in FY12.

Cash: The cash balance at December 31, 2011 was (\$379,422).

Submitted by:


Richard Lou
Treasurer

Dated: January 6, 2012

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 DECEMBER 31, 2011**

CAPITAL - PROJECT	Program Budget	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 12 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	0	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	4,558,000	4,558,120	0	0	0	4,558,120	3,882,264	675,856
Pipeline Reach 3	2,286,000	2,286,003	0	0	0	2,286,003	1,719,204	566,799
Pipeline Reach 4	1,615,000	1,614,959	0	0	0	1,614,959	363,685	1,251,274
Pipeline Reach 5	1,431,000	1,430,991	0	0	0	1,430,991	200,195	1,230,796
Pipeline Reach 6	6,760,000	6,759,869	0	0	0	6,759,869	430,784	6,329,085
Treatment Plant	15,733,000	15,732,794	0	0	0	15,732,794	8,948,843	6,783,951
Pump Stations	8,558,000	8,558,285	0	0	0	8,558,285	6,772,195	1,786,090
Water Tanks	12,393,000	12,393,483	0	0	0	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	3,408,000	3,390,970	(19,758)	26,962	26,077	3,417,047	0	3,417,047
Backbone Corrosion	1,109,000	1,109,004	0	0	0	1,109,004	122,302	986,702
SCADA	295,000	0	0	0	0	0	0	0
EBMUD Pipeline Phase 2, 3 & 4	2,477,000	364,030	0	7,500	20,488	384,518	0	384,518
Fine Screening	667,000	667,096	0	0	0	667,096	380,244	286,852
New/Replacement Capital <50K	1,278,000	117,299	0	0	1,260	118,559	67,579	50,980
MF/UV Control Programing Update	144,000	144,366	0	0	0	144,366	82,289	62,077
Program Planning & Air Relief	11,788,000	5,605,745	0	36,102	80,545	5,686,290	2,812,843	2,873,447
Planning FY02 and Prior Years	0	3,585,898	0	0	0	3,585,898	1,757,090	1,828,808
Design FY02 and Prior Years	0	79,432	0	0	0	79,432	38,922	40,510
Contingency	1,000,000	0	0	0	0	0	0	0
Capitalized Interest	2,000,000	1,960,872	0	0	0	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	85,061,000	77,919,733	(19,758)	70,564	128,370	78,048,103	40,144,738	37,903,365

OPERATING - ITEM	Budget FY 12	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 11 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	166,750	2,299,260	(2,549)	5,403	15,357	2,314,617	1,828,546	486,071
Treasurer	65,000	2,559,270	(2,700)	3,512	11,929	2,571,199	2,031,247	539,952
Legal Counsel	7,500	412,786	0	86	86	412,872	326,169	86,703
Secretary	12,750	173,103	(160)	236	328	173,431	137,010	36,421
Other	100,000	676,390	0	0	90,245	766,635	605,641	160,994
Operation and Maintenance Detail	1,663,131	6,355,904	(126,193)	115,603	384,947	6,740,851	5,325,274	1,415,578
Debt Service	1,650,000	12,155,972	0	0	0	12,155,972	9,603,218	2,552,754
Total Operating Program Element	3,665,131	24,632,685	(131,602)	124,840	502,892	25,135,577	19,857,105	5,278,473

PROJECT TOTALS	88,726,131	102,552,418	(151,359)	195,404	631,262	103,183,680	60,001,843	43,181,838
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REVENUES & FUNDING	Current Month	YTD
Agency Contribution		
DSRSD	0	0
EBMUD	0	0
Agency Reimbursements - DSRSD	129,658	757,528
Agency Reimbursements - EBMUD	46,681	453,866
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	176,339	1,211,394

CASH AVAILABLE	Current Month	YTD
Beginning Cash	(360,357)	(760,729)
Beginning Balance Adjustment	0	0
Previous Month LAIF Int Adjustment	0	(198,826)
Commercial Paper payoff	0	0
Total Revenues & Funding	176,339	1,211,394
Total Expenditures	(195,404)	(631,262)
Ending Cash	(379,422)	(379,422)

Prepared by *Dana Gulseth* Date: 1-4-12
Dana Gulseth

Reviewed by *Lawrence Fan* Date: 1/4/12
Lawrence Fan

Approved by *Scott Klein* Date: 1/4
Scott Klein

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
DECEMBER 31, 2011**

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital	CK	CK-OP			
12/11	2385342	John L. Pereira	Cap-PS 234 Const in Prog (100% EBMUD)	7,500.00		7,500.00	C	0.00	7,500.00		0.00	100%	
12	2385379	City of San Ramon	Cap-PSR 200 Proj Mgt/Admin (100% EBMUD)	36.50		36.50	C	0.00	36.50		0.00	100%	
12	2385916	EBMUD Invoice EBM-WSC-00599	Op-Treas Cost Acctg (77/23)	1,164.21	896.44	267.77	O	1,164.21	0.00		1,164.21	77%	
12/09/11	2385916	EBMUD Invoice EBM-WSC-00599	Op-Treas Salary (77/23)	1,362.92	1,049.45	313.47	O	1,362.92	0.00		1,362.92	77%	
12/09/11	2385916	EBMUD Invoice EBM-WSC-00599	Op-Treas Audit (77/23)	985.00	758.45	226.55	O	985.00	0.00		985.00	77%	
12/09/11	2385965	Jones & Stokes	Op-Public Info/Prgr Mgr (49/51 split)	520.00	254.80	265.20	O	520.00	0.00		520.00	49%	
12/09/11	2386016	Office Team	Op-Prg Mgr Staff (77/23)	2,197.84	1,692.33	505.51	O	2,197.84	0.00		2,197.84	77%	
12/09/11	2386074	Tanaka Design Group	Cap-PSR200A Const (0/100 split)	2,790.00		2,790.00	C	0.00	2,790.00		0.00	100%	
12/22/11	2386230	Bold, Polosner, Maddow, Nelson, & Judson	Cap-PSR 200 A Admin/Mgmt (100%E)	903.00		903.00	C	0.00	903.00		0.00	100%	
12/22/11	2386230	Bold, Polosner, Maddow, Nelson, & Judson	Cap-PP Supplemental Water/Legal (58/42)	1,096.50	635.97	460.53	C	0.00	1,096.50		0.00	42%	
12/22/11	2386230	Bold, Polosner, Maddow, Nelson, & Judson	Op-Legal (77/23 split)	86.00	66.22	19.78	O	86.00	0.00		86.00	77%	
12/22/11	2386260	The Covello Group	Cap-PS 200A Prof Consultant Legal(100%E)	19,662.50		19,662.50	C	0.00	19,662.50		0.00	100%	
12/22/11	2386422	WaterReuse	Op-Prg Mgr Other (77/23)	850.00	654.50	195.50	O	850.00	0.00		850.00	77%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Cap-PSR200A Labor Const (0/100 split)	537.75		537.75	C	0.00	537.75		0.00	100%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Cap-IHT Air Relief (0/100 split)	10,430.79		10,430.79	C	0.00	10,430.79		0.00	100%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Cap-PSR 200 A Const Mgmt (100%E)	3,030.59		3,030.59	C	0.00	3,030.59		0.00	100%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Cap-Pgm Plng Constr (49/51)	24,576.75	12,042.61	12,534.14	C	0.00	24,576.75		0.00	49%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Op-Prgm Mgr Other (77/23)	680.00	523.60	156.40	O	680.00	0.00		680.00	77%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Op-Secretary Salary (77/23)	233.88	180.09	53.79	O	233.88	0.00		233.88	77%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Op-Secretary Exp (77/23)	2.20	1.69	0.51	O	2.20	0.00		2.20	77%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Op-Operations (77/23)	115,602.03	89,013.56	26,588.47	O	115,602.03	0.00		115,602.03	77%	
12/22/11	2386271	DSRSD-Inv 11318 Oct 2011	Op-Public Infor (49/51)	31.99	15.68	16.31	O	31.99	0.00		31.99	49%	
12/22/11	2386225	James Bewley Inv 12/15/11 for Nov	Op-Prg Mgr Exp (77/23)	401.48	309.14	92.34	O	401.48	0.00		401.48	77%	
12/22/11	2386343	Office Team	Op-Prg Mgr Staff (77/23)	582.56	448.57	133.99	O	582.56	0.00		582.56	77%	
12/29/11	2386610	Jones & Stokes	Op-Public Info/Prgr Mgr (49/51 split)	140.00	68.60	71.40	O	140.00	0.00		140.00	49%	
				195,404.49	108,611.70	86,792.79		124,840.11	70,564.38	0.00	124,840.11	11.78	13.22

Wk Ending	Amount
12/2/11	\$ 7,536.50
12/9/11	\$ 9,019.97
12/22/11	\$ 178,708.02
12/29/11	\$ 140.00
BTA	\$ -
	\$ -
	\$ -
Accruals	\$ -
\$	195,404.49

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

Prepared by Dana Gulseth
Reviewed by Lawrence Klein
Approved by Scott Klein

Date: 1-4-12
Date: 1/5/12
Date: 1/5/12

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**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR JANUARY 31, 2012**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending January 31, 2012. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, no contributions were received. Fiscal year-to-date Revenues/Funding totaled \$1,513,644 of which \$1,513,644 represents agency reimbursements.

Expenses: Current month expenditures totaled \$79,347 of which \$11,763 was capitalized and \$67,584 was expensed. Fiscal year-to-date expenditures for FY12 totaled \$710,609. Expenditures do not reflect staff and consultant costs incurred but not yet billed to DERWA in FY12.

Cash: The cash balance at January 31, 2012 was (\$156,519).

Submitted by:



Richard Lou
Treasurer

Dated: February 6, 2012

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

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**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED JANUARY 31, 2012**

CAPITAL - PROJECT	Program Budget	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 12 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	0	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	4,558,000	4,558,120	0	0	0	4,558,120	3,882,264	675,856
Pipeline Reach 3	2,286,000	2,286,003	0	0	0	2,286,003	1,719,204	566,799
Pipeline Reach 4	1,615,000	1,614,959	0	0	0	1,614,959	363,685	1,251,274
Pipeline Reach 5	1,431,000	1,430,991	0	0	0	1,430,991	200,195	1,230,796
Pipeline Reach 6	6,760,000	6,759,869	0	0	0	6,759,869	430,784	6,329,085
Treatment Plant	15,733,000	15,732,794	0	0	0	15,732,794	8,948,843	6,783,951
Pump Stations	8,558,000	8,558,285	0	0	0	8,558,285	6,772,195	1,786,090
Water Tanks	12,393,000	12,393,483	0	0	0	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	3,408,000	3,390,970	(19,758)	9,406	37,505	3,428,475	0	3,428,475
Backbone Corrosion	1,109,000	1,109,004	0	0	0	1,109,004	122,302	986,702
SCADA	295,000	0	0	0	0	0	0	0
EBMUD Pipeline Phase 2, 3 & 4	2,477,000	364,030	0	75	21,036	385,066	0	385,066
Fine Screening	667,000	667,096	0	0	0	667,096	380,244	286,852
New/Replacement Capital <50K	1,278,000	117,299	0	0	1,260	118,559	67,579	50,980
MF/UV Control Programing Update	144,000	144,366	0	0	0	144,366	82,289	62,077
Program Planning & Air Relief	11,788,000	5,605,745	0	2,282	84,899	5,690,644	2,815,236	2,875,408
Planning FY02 and Prior Years	0	3,585,898	0	0	0	3,585,898	1,757,090	1,828,808
Design FY02 and Prior Years	0	79,432	0	0	0	79,432	38,922	40,510
Contingency	1,000,000	0	0	0	0	0	0	0
Capitalized Interest	2,000,000	1,960,872	0	0	0	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	85,061,000	77,919,733	(19,758)	11,763	144,700	78,064,433	40,147,131	37,917,302

OPERATING - ITEM	Budget FY 12	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 11 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	166,750	2,299,260	(2,549)	7,925	42,068	2,341,328	1,849,649	491,679
Treasurer	65,000	2,559,270	(2,700)	3,334	17,933	2,577,203	2,035,990	541,213
Legal Counsel	7,500	412,786	0	796	882	413,668	326,798	86,870
Secretary	12,750	173,103	(160)	67	1,198	174,301	137,698	36,603
Other	100,000	676,390	0	3,825	94,070	770,460	608,663	161,797
Operation and Maintenance Detail	1,663,131	6,355,904	(126,193)	51,637	593,176	6,949,080	5,489,774	1,459,307
Debt Service	1,650,000	12,155,972	0	0	0	12,155,972	9,603,218	2,552,754
Total Operating Program Element	3,665,131	24,632,685	(131,602)	67,584	749,327	25,382,012	20,051,790	5,330,223

PROJECT TOTALS	88,726,131	102,552,418	(151,359)	79,347	894,027	103,446,445	60,198,921	43,247,525
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REVENUES & FUNDING	Current Month	YTD
Agency Contribution		
DSRSD	0	0
EBMUD	0	0
Agency Reimbursements - DSRSD	215,457	972,985
Agency Reimbursements - EBMUD	86,793	540,659
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	302,250	1,513,644

CASH AVAILABLE	Current Month	YTD
Beginning Cash	(379,422)	(760,729)
Beginning Balance Adjustment	0	0
Previous Month LAIF Int Adjustment	0	0
Commercial Paper payoff	0	0
Total Revenues & Funding	302,250	1,513,644
Total Expenditures	(79,347)	(909,434)
Ending Cash	(156,519)	(156,519)

DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
JANUARY 31, 2012

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital	CK	CK-OP			
01/13/12	2387173	James Bewley	Op-Prg Mngr Exp (77/23)	2,025.00	1,559.25	465.75	O	2,025.00	0.00	2,025.00	77%	23%	
01/13/12	2387173	James Bewley	Op-PP Supplemental Water (58/42)	1,012.50	587.25	425.25	O	1,012.50	0.00	1,012.50	58%	42%	
01/13/12	2387173	James Bewley	Cap-PL IH PSR 200A /Adm Mgmt(100% E)	150.00		150.00	C	0.00	150.00	0.00	0%	100%	
01/13/12	2387173	James Bewley	Op-Prg Mngr Exp (77/23)	900.00	693.00	207.00	O	900.00	0.00	900.00	77%	23%	
01/13/12	2387173	James Bewley	Op-PP Supplemental Water (58/42)	2,812.50	1,631.25	1,181.25	O	2,812.50	0.00	2,812.50	58%	42%	
01/13/12	2387173	James Bewley	Cap-PL IH PSR 200A /Adm Mgmt(100% E)	5,512.50		5,512.50	C	0.00	5,512.50	0.00	0%	100%	
01/13/12	2387173	James Bewley	Cap-PL Phase 234/Adm Mgmt(100% E)	75.00		75.00	C	0.00	75.00	0.00	0%	100%	
01/13/12	2387296	Office Team	Op-Prg Mngr Staff	2,277.28	1,753.51	523.77	O	2,277.28	0.00	2,277.28	77%	23%	
01/13/12	2387222	DSRSD November 2011	Cap-PS Phase 2A Const. Admin (100%-E)	454.54		454.54	C	0.00	454.54	0.00	0%	100%	
01/13/12	2387222	DSRSD November 2011	Cap-Pgr Planning Studies (49/51)	1,874.00	918.26	955.74	C	0.00	1,874.00	0.00	49%	51%	
01/13/12	2387222	DSRSD November 2011	Op-Pgm Mngr Other (77/23)	680.00	523.60	156.40	O	680.00	0.00	680.00	77%	23%	
01/13/12	2387222	DSRSD November 2011	Op-Sec. Salary (77/23)	56.59	43.57	13.02	O	56.59	0.00	56.59	77%	23%	
01/13/12	2387222	DSRSD November 2011	Op-Sec. expense (77/23)	9.84	7.58	2.26	O	9.84	0.00	9.84	77%	23%	
01/13/12	2387222	DSRSD November 2011	Op-Operations (77/23)	51,638.27	39,761.47	11,876.80	O	51,638.27	0.00	51,638.27	77%	23%	
01/20/12	2387516	Bold, Polinsner, et al	Cap-PSR 200A legal (100%E)	150.50		150.50	C	0.00	150.50	0.00	0%	100%	
01/20/12	2387516	Bold, Polinsner, et al	Cap-PP Sup Water legal (58/42)	408.50	236.93	171.57	C	0.00	408.50	0.00	0%	100%	
01/20/12	2387516	Bold, Polinsner, et al	Op-Legal (77/23)	795.50	612.54	182.96	O	795.50	0.00	795.50	77%	23%	
01/20/12	2387542	The Covello Group	Cap-R 200A (100% E)	3,137.50		3,137.50	C	0.00	3,137.50	0.00	0%	100%	
01/20/12	2387564	EBMUD Nov & Dec 2011	Op-Trea (77/23)	1,629.88	1,255.01	374.87	O	1,629.88	0.00	1,629.88	77%	23%	
01/20/12	2387564	EBMUD Nov & Dec 2011	Op-cost acctg (77/23)	1,703.67	1,311.83	391.84	O	1,703.67	0.00	1,703.67	77%	23%	
01/20/12	2387639	Office Team	Op-Prg Mngr Staff	665.25	512.24	153.01	O	665.25	0.00	665.25	77%	23%	
01/27/12	2387995	Office Team	Op-Prg Mngr Staff	864.83	665.92	198.91	O	864.83	0.00	864.83	77%	23%	
01/27/12	2387917	Imprint Works	Op-Prg Mngr -Other (77/23)	63.08	48.57	14.51	O	63.08	0.00	63.08	77%	23%	
01/27/12	2387916	Jones & Stokes	Op-Public Infor/Prg Mgr (49/51 split)	450.00	220.50	229.50	O	450.00	0.00	450.00	49%	51%	
				79,346.73	52,342.28	27,004.45		67,584.19	11,762.54	0.00	67,584.19	12.73	11.27

Certificates of Disb	Wk Ending	Amount
	1/13/12	\$ 69,478.02
	1/20/12	\$ 8,490.80
	1/27/12	\$ 1,377.91
	BTA	\$ -
	BTA	\$ -
		\$ -
		\$ -
Accruals		\$ -
		\$ 79,346.73

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

Prepared by Dana Gulseth Date: 2-1-2012
 Reviewed by Lawrence Fan Date: 2/2/12
 Approved by Scott Klein Date: 2/2

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR FEBRUARY 29, 2012**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending February 29, 2012. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, no contributions were received. Fiscal year-to-date Revenues/Funding totaled \$1,565,986 of which \$1,565,986 represents agency reimbursements.

Expenses: Current month expenditures totaled \$94,287 of which \$9,358 was capitalized and \$84,929 was expensed. Fiscal year-to-date expenditures for FY12 totaled \$804,896. Expenditures do not reflect staff and consultant costs incurred but not yet billed to DERWA in FY12.

Cash: The cash balance at February 29, 2012 was (\$198,464).

Submitted by:



Richard Lou
Treasurer

Dated: March 6, 2012

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

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**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT
FOR THE PERIOD ENDED FEBRUARY 29, 2012**

	Program Budget	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 12 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
CAPITAL - PROJECT								
Pipeline Reach 1	7,561,000	7,560,517	0	0	0	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	4,558,000	4,558,120	0	0	0	4,558,120	3,882,264	675,856
Pipeline Reach 3	2,286,000	2,286,003	0	0	0	2,286,003	1,719,204	566,799
Pipeline Reach 4	1,615,000	1,614,959	0	0	0	1,614,959	363,685	1,251,274
Pipeline Reach 5	1,431,000	1,430,991	0	0	0	1,430,991	200,195	1,230,796
Pipeline Reach 6	6,760,000	6,759,869	0	0	0	6,759,869	430,784	6,329,085
Treatment Plant	15,733,000	15,732,794	0	0	0	15,732,794	8,948,843	6,783,951
Pump Stations	8,558,000	8,558,285	0	0	0	8,558,285	6,772,195	1,786,090
Water Tanks	12,393,000	12,393,483	0	0	0	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	3,408,000	3,390,970	(19,758)	817	38,322	3,429,292	0	3,429,292
Backbone Corrosion	1,109,000	1,109,004	0	0	0	1,109,004	122,302	986,702
SCADA	295,000	0	0	0	0	0	0	0
EBMUD Pipeline Phase 2, 3 & 4	2,477,000	364,030	0	7,903	28,939	392,969	0	392,969
Fine Screening	667,000	667,096	0	0	0	667,096	380,244	286,852
New/Replacement Capital <50K	1,278,000	117,299	0	0	1,260	118,559	67,579	50,980
MF/UV Control Programing Update	144,000	144,366	0	0	0	144,366	82,289	62,077
Program Planning & Air Relief	11,788,000	5,605,745	0	638	85,536	5,691,281	2,815,548	2,875,734
Planning FY02 and Prior Years	0	3,585,898	0	0	0	3,585,898	1,757,090	1,828,808
Design FY02 and Prior Years	0	79,432	0	0	0	79,432	38,922	40,510
Contingency	1,000,000	0	0	0	0	0	0	0
Capitalized Interest	2,000,000	1,960,872	0	0	0	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	85,061,000	77,919,733	(19,758)	9,358	154,057	78,073,790	40,147,443	37,926,348

OPERATING - ITEM	Budget FY 12	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 11 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	166,750	2,299,260	(2,549)	12,814	54,881	2,354,141	1,859,772	494,370
Treasurer	65,000	2,559,270	(2,700)	2,760	20,693	2,579,963	2,038,171	541,792
Legal Counsel	7,500	412,786	0	0	882	413,668	326,798	86,870
Secretary	12,750	173,103	(160)	1,186	2,383	175,486	138,634	36,852
Other	100,000	676,390	0	0	94,070	770,460	608,663	161,797
Operation and Maintenance Detail	1,663,131	6,355,904	(126,193)	68,169	661,345	7,017,249	5,543,628	1,473,622
Debt Service	1,650,000	12,155,972	0	0	0	12,155,972	9,603,218	2,552,754
Total Operating Program Element	3,665,131	24,632,685	(131,602)	84,929	834,254	25,466,939	20,118,884	5,348,057

PROJECT TOTALS	88,726,131	102,552,418	(151,359)	94,287	988,311	103,540,729	60,266,327	43,274,405
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REVENUES & FUNDING	Current Month	YTD
Agency Contribution		
DSRSD	0	0
EBMUD	0	0
Agency Reimbursements - DSRSD	52,342	1,025,327
Agency Reimbursements - EBMUD	0	540,659
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	52,342	1,565,986

CASH AVAILABLE	Current Month	YTD
Beginning Cash	(156,519)	(760,729)
Beginnning Balance Adjustment	0	0
Previous Month LAIF Int Adjustment	0	0
Commercial Paper payoff	0	0
Total Revenues & Funding	52,342	1,565,986
Total Expenditures	(94,287)	(1,003,721)
Ending Cash	(198,464)	(198,464)

DSRSD/EBMUD RECYCLED WATER AUTHORITY
SUMMARY OF EXPENDITURES
FOR THE PERIOD ENDED
FEBRUARY 29, 2012

Check Date	Check Number	Payee	Category	TOTAL Amount	DSRSD Amount	EBMUD Amount	Operating	Capital	CK	CK-OP			
02/10/12	2388604	DSRSD Inv. 11406 for December 2011	Cap-PS 2- Design (100% EBMUD)	211.25		211.25	C	0.00	211.25	0.00	0%	100%	
02/10/12	2388604	DSRSD Inv. 11406 for December 2011	Op- Prog Mgr -Other (7723 Split)	680.00	523.60	156.40	O	680.00	0.00	680.00	77%	23%	
02/10/12	2388604	DSRSD Inv. 11406 for December 2011	Op-Secretary Salary (7723)	1,163.75	896.09	267.66	O	1,163.75	0.00	1,163.75	77%	23%	
02/10/12	2388604	DSRSD Inv. 11406 for December 2011	Op-Secretary Exp(7723)	21.60	16.63	4.97	O	21.60	0.00	21.60	77%	23%	
02/10/12	2388604	DSRSD Inv. 11406 for December 2011	Op-Operations (7723 split)	68,168.98	52,490.11	15,678.87	O	68,168.98	0.00	68,168.98	77%	23%	
02/10/12	2388692	Office Team	Op-Prgm Mgr Staff (7723 split)	851.52	655.67	195.85	O	851.52	0.00	851.52	77%	23%	
02/10/12	2388653	Imprint Works	Op-Prgm Mgr Other (7723 split)	29.77	22.92	6.85	O	29.77	0.00	29.77	77%	23%	
02/10/12	2388692	Office Team	Op-Prgm Mgr Staff (7723 split)	385.85	297.10	88.75	O	385.85	0.00	385.85	77%	23%	
02/10/12	2388687	National Construction Rentals	Cap-PS 234 Const in Prog (100% EBMUD)	402.96		402.96	C	0.00	402.96	0.00	0%	100%	
02/10/12	2388567	Jim Bewley	Op-Prg Mgr Exp (7723)	1,350.00	1,039.50	310.50	O	1,350.00	0.00	1,350.00	77%	23%	
02/10/12	2388567	Jim Bewley	Op-PP supplemental water (58/42)	4,725.00	2,740.50	1,984.50	O	4,725.00	0.00	4,725.00	58%	42%	
02/10/12	2388567	Jim Bewley	Cap-Public Info Op Plan Update(49/51)	637.50	312.37	325.13	C	0.00	637.50	0.00	49%	51%	
02/10/12	2388567	Jim Bewley	Cap-P/L IH PSR 200A Admin Mgt (100% E)	337.50		337.50	C	0.00	337.50	0.00	0%	100%	
02/10/12	2388610	EBMUD	Op-Treas Cost Acctg (7723)	1,397.04	1,075.72	321.32	O	1,397.04	0.00	1,397.04	77%	23%	
02/10/12	2388610	EBMUD	Op-Treas Salary (7723)	1,362.92	1,049.45	313.47	O	1,362.92	0.00	1,362.92	77%	23%	
02/10/12	2388704	John Pereira	Cap-Ps234 Constr (100% E)	7,500.00		7,500.00	C	0.00	7,500.00	0.00	0%	100%	
02/17/12	2388974	EBMUD- Eng Inv 00608	Cap-PSR 200A Mgt Admin (100%E)	268.92		268.92	C	0.00	268.92	0.00	0%	100%	
02/17/12	2388974	EBMUD- Eng Inv 00608	Op- Suppl Water -Other (58/42 Split)	627.48	363.94	263.54	O	627.48	0.00	627.48	58%	42%	
02/17/12	2389056	Jones & Stokes Inv 0084826	Op- Public Info Prg Mgr (49/51)	1,855.00	908.95	946.05	O	1,855.00	0.00	1,855.00	49%	51%	
02/24/12	2389328	H F & H Consultants, LLC	Op- PP Supplemental Water (58/42 split)	2,310.00	1,339.80	970.20	O	2,310.00	0.00	2,310.00	58%	42%	
				94,287.04	63,732.35	30,554.69		84,928.91	9,358.13	0.00	84,928.91	10.42	9.58

Certificates of Disb.	
Wk Ending	Amount
2/3/12	\$ -
2/10/12	\$ 89,225.64
2/17/12	\$ 2,751.40
2/24/12	\$ 2,310.00
BTA	\$ -
	\$ -
	\$ -
Accruals	\$ -
\$	94,287.04

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

Prepared by *D. Gulseth* Date: 3/2/12
 Reviewed by *Lawrence Fan* Date: 3/5/12
 Approved by *Scott Wein* Date: 3/5

**DSRSD/EBMUD RECYCLED WATER AUTHORITY
TREASURER'S REPORT FOR MARCH 31, 2012**

STAFF REPORT

Attached is the DERWA Treasurer's Report for the month ending March 31, 2012. A summary of transactions and recommendation follows.

Revenues/Funding: During the month, no contributions were received. Fiscal year-to-date Revenues/Funding totaled \$1,660,273 of which \$1,660,273 represents agency reimbursements.

Expenses: Current month expenditures totaled \$80,869 of which \$3,441 was capitalized and \$77,428 was expensed. Fiscal year-to-date expenditures for FY12 totaled \$1,084,590. Expenditures do not reflect staff and consultant costs incurred but not yet billed to DERWA in FY12.




Cash: The cash balance at March 31, 2012 was (\$185,046).

Submitted by:

Richard Lou
Treasurer



Dated: April 6, 2012

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, 2012**

CAPITAL - PROJECT	Program Budget	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 12 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	0	7,560,517	4,383,920	3,176,597
Pipeline Reach 2	4,558,000	4,558,120	0	0	0	4,558,120	3,882,264	675,856
Pipeline Reach 3	2,286,000	2,286,003	0	0	0	2,286,003	1,719,204	566,799
Pipeline Reach 4	1,615,000	1,614,959	0	0	0	1,614,959	363,685	1,251,274
Pipeline Reach 5	1,431,000	1,430,991	0	0	0	1,430,991	200,195	1,230,796
Pipeline Reach 6	6,760,000	6,759,869	0	0	0	6,759,869	430,784	6,329,085
Treatment Plant	15,733,000	15,732,794	0	0	0	15,732,794	8,948,843	6,783,951
Pump Stations	8,558,000	8,558,285	0	0	0	8,558,285	6,772,195	1,786,090
Water Tanks	12,393,000	12,393,483	0	0	0	12,393,483	7,221,552	5,171,931
Phase 2 Pipeline & Pump Station	3,408,000	3,390,970	(19,758)	343	38,665	3,429,635	0	3,429,635
Backbone Corrosion	1,109,000	1,109,004	0	0	0	1,109,004	122,302	986,702
SCADA	295,000	0	0	0	15,410	15,410	8,784	6,626
EBMUD Pipeline Phase 2, 3 & 4	2,477,000	364,030	0	440	29,378	393,408	0	393,408
Fine Screening	667,000	667,096	0	0	0	667,096	380,244	286,852
New/Replacement Capital <50K	1,278,000	117,299	0	0	1,260	118,559	67,579	50,980
MF/UV Control Programing Update	144,000	144,366	0	0	0	144,366	82,289	62,077
Program Planning & Air Relief	11,788,000	5,605,745	0	2,658	88,196	5,693,941	2,817,091	2,876,850
Planning FY02 and Prior Years	0	3,585,898	0	0	0	3,585,898	1,757,090	1,828,808
Design FY02 and Prior Years	0	79,432	0	0	0	79,432	38,922	40,510
Contingency	1,000,000	0	0	0	0	0	0	0
Capitalized Interest	2,000,000	1,960,872	0	0	0	1,960,872	960,827	1,000,045
Total Capital Impr. Proj. Element	85,061,000	77,919,733	(19,758)	3,441	172,909	78,092,642	40,157,770	37,934,872

OPERATING - ITEM	Budget FY 12	Expenditures FY 11 and Prior (a)	Expenditures FY11 Accrual Reversal	Expenditures Current Month	Expenditures FY 11 YTD (b)	Expenditures Grand Total (a+b)	DSRSD EXP Grand Total	EBMUD EXP Grand Total
DERWA Program Manager	166,750	2,299,260	(2,549)	11,397	66,279	2,365,539	1,868,777	496,762
Treasurer	65,000	2,559,270	(2,700)	2,060	22,753	2,582,023	2,039,798	542,225
Legal Counsel	7,500	412,786	0	0	882	413,668	326,798	86,870
Secretary	12,750	173,103	(160)	1,177	3,560	176,663	139,564	37,099
Other	100,000	676,390	0	4,069	98,139	774,529	611,878	162,651
Operation and Maintenance Detail	1,663,131	6,355,904	(126,193)	58,725	720,068	7,075,972	5,590,018	1,485,954
Debt Service	1,650,000	12,155,972	0	0	0	12,155,972	9,603,218	2,552,754
Total Operating Program Element	3,665,131	24,632,685	(131,602)	77,428	911,681	25,544,366	20,180,051	5,364,315

PROJECT TOTALS	88,726,131	102,552,418	(151,359)	80,869	1,084,590	103,637,008	60,337,821	43,299,187
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REVENUES & FUNDING	Current Month	YTD
Agency Contribution		
DSRSD	0	0
EBMUD	0	0
Agency Reimbursements - DSRSD	63,732	1,089,059
Agency Reimbursements - EBMUD	30,555	571,214
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	94,287	1,660,273

CASH AVAILABLE	Current Month	YTD
Beginning Cash	(198,464)	(760,729)
Beginning Balance Adjustment	0	0
Previous Month LAIF Int Adjustment	0	0
Commercial Paper payoff	0	0
Total Revenues & Funding	94,287	1,660,273
Total Expenditures	(80,869)	(1,084,590)
Ending Cash	(185,046)	(185,046)

Prepared by *D. Gulseth* Date: 4-10-12
Dana Gulseth

Reviewed by *L. Klein* Date: 4/11/12
Lawrence Klein

Approved by *S. Klein* Date: 4/12
Scott Klein

Item 8.B

DERWA **Summary & Recommendation**

Quarterly Investment Reports **December 31, 2011 and March 31, 2012**

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 December 31, 2011 and March 31, 2012 were \$0.00 and \$0.00 respectively. 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 the Board approve the Quarterly Investment Reports by Motion.

April 23, 2012

Prepared by RL:RL

Reviewed by _____

Item 8.C

DERWA Summary & Recommendation

DERWA Investment Policy

Summary:

Section 6505.5 of California Governmental Code entitles the Treasurer of DERWA the powers, duties and responsibilities to invest the Authority's funds. East Bay Municipal Utility District (EBMUD) staff has been designated the Treasurer of the Authority with the custody of the Authority's financial activities, including investment. The Authority's overall investment portfolio is administered by EBMUD's Treasury group, which also manages the investments of several Joint Powers Authorities (JPA). On October 15, 2007, the DERWA Board agreed to adopt EBMUD's Investment Policy as the Authority's Investment Policy.

Recommendation:

The Treasurer recommends the Board approve, by Motion, the attached Investment Policy and delegate the authority for the management of the investments to the Treasurer.

April 23, 2012

Attachment

Report by: RL

Reviewed by: _____

DSRSD • EBMUD RECYCLED WATER AUTHORITY

INVESTMENT POLICY

Updated April 23, 2012

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 November 23, 2010)



Policy 4.07

EFFECTIVE

23 NOV 10

SUPERSEDES

26 JAN 10

INVESTMENT POLICY

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.
-

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

Item 8.D

DERWA Summary & Recommendation

Approve Task Order No. 9 for Fiscal Year 2012-13 for Public Information Services with ICF International (Formerly Jones & Stokes Associates)

Summary:

The DERWA Public Information Program has been supporting the San Ramon Valley Recycled Water Program during construction, startup and operation phases. The DERWA Public Information Program is coordinated by the Public Affairs Committee made up of public information staff of the member agencies. The program activities include:

- Updates to the DERWA fact sheets
- Maintenance and update of the DERWA web site
- Pursuit of media opportunities and award recognition
- Response to community issues
- Plan and facilitate the annual Communications Roundtable Exercise

Proposed Task Order No. 9 continues the transition from nearly full reliance on consultant support for the DERWA Public Information Program to agency staff leading most of the Public Affairs activities. The work proposed for ICF International for July 2012 through June 2013 will be planning and facilitation of the annual Communications Roundtable Exercise and supporting the maintenance of the San Ramon Valley Recycled Water Program web site. The cost of the work for Task Order No. 9 is \$25,000, a slight reduction from the current year budget of \$25,900.

Recommendation:

The Authority Manager recommends that the DERWA Board of Directors, by Motion, approve Task Order No. 9 to the August 18, 2008 Professional Services Agreement with ICF International for the period July 2012 through June 2013 in an amount not to exceed \$25,000.

April 23, 2012

Attachment

**Dublin San Ramon Services District – East Bay Municipal Utility District
Recycled Water Authority (DERWA)**

**Public Information / Community Outreach Program
Scope of Work - Task Order No. 9
July 1, 2012 – June 30, 2013**

Task 9. Public Information / Community Outreach Activities

1.1 Communications Roundtable

1.1.1 Organize and implement the annual Communications Roundtable/Facilities Tour for DSRSD and EBMUD. In coordination with agency staff, facilitate the planning and logistics for one-day training. Manage the facility arrangements; develop the invitation, agenda, scenarios, and materials, including revisions to the Incident Communications Protocol Binders. Facilitate and staff the training session.

1.2 On-call Communications Support

1.2.1 Provide communications staff support as needed to the DERWA Authority Manager or partner agencies for public affairs activities including media relations, award recognition, agency coordination issues, and construction related communications for the SRVRWP

1.3. Web Site Maintenance

1.3.1 Post DERWA provided content to the SRVRWP web site and support web site maintenance as requested

Item 9.A

DERWA Summary & Recommendation

Update Report on Recycled Water Demand Projections and Source Water Supply Alternatives

Summary:

The DERWA Supplemental Water Supply Project was initiated over 10 years ago in response to the projected shortfall between DSRSD's WWTP effluent and DERWA's peak daily demands. Numerous studies and evaluations were conducted (see attached listing). The basic supply alternatives determined feasible were: 1) obtaining available wastewater effluent from other agencies (i.e. Pleasanton, Livermore, CCCSD); 2) recycle water storage during non-peak periods (i.e. Cope Lake), and 3) groundwater (i.e. fringe basin in the DSRSD service area). Shortfalls to date have been offset by utilizing Pleasanton's available wastewater effluent. As indicated in the attached graphic additional supplemental supplies will be needed within the next 10 years.

DERWA's Supplemental Water Supply Plan needs to be updated to reflect current projections and to incorporate relevant information from recent and ongoing studies performed by Pleasanton, Livermore and Zone 7 Water Agency. The related studies include:

- Livermore Recycle Water Study
- Pleasanton Recycle Water Study
- Zone 7 Water Supply Evaluation
- Zone 7 Groundwater Salt & Nutrient Management Plan

It is also proposed the updated plan expand upon the previous supply alternatives to include the evaluation of additional recycle storage sites as well as non-potable surface and groundwater supplies. It is anticipated the updated plan will take 12-18 months to complete with an estimated total cost of \$150,000. Staff is prepared to discuss the planning effort in more detail at the Board meeting.

Recommendation:

The Authority Manager recommends that the DERWA Board of Directors discuss this matter and provide direction to staff.

April 23, 2012

Attachments

Report by: _____

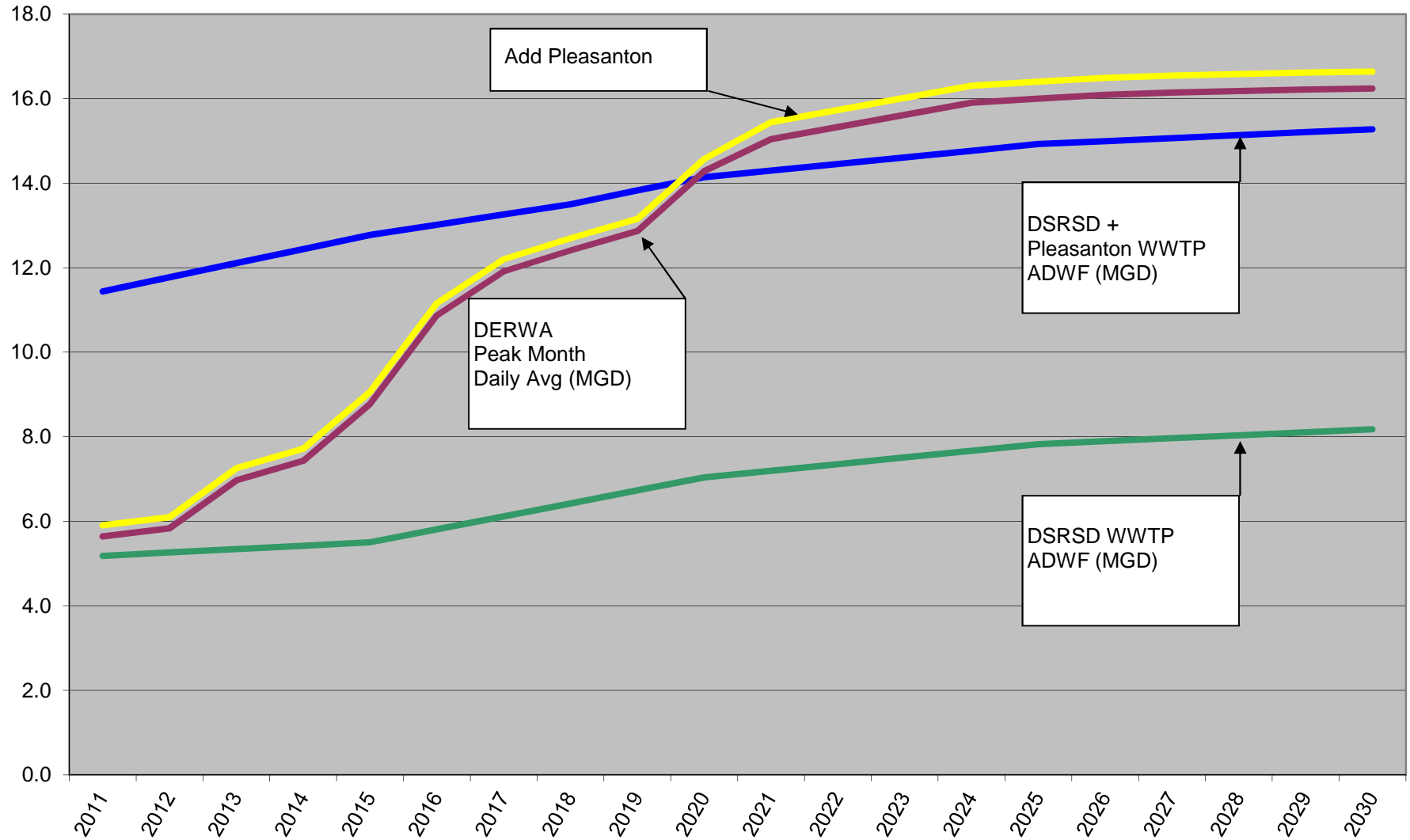
Reviewed by: _____

DERWA Supplemental Water Alternatives

Previous Studies & Reports

- Ground Water Supply Assessment Technical Memorandum, CDM, August 1999
- Central Contra Costa Sanitary District Wastewater Supply Option Technical Memorandum, CDM, August 1999
- West Dublin Springs Technical Memorandum, CDM, August 2000
- Internal Draft Satellite RWTF Evaluation, Whitley/Burchett, August 2000
- Central Contra Costa Sanitary District as a Recycled Water Source Memorandum, CDM, October 2000
- Summary of Work to Date on Groundwater Reconnaissance Evaluation Draft Technical Memorandum, Luhdorff & Scalmanini, May 2001
- San Ramon Area Wells Memorandum, HydroScience Engineers, June 2001
- Lake "G" Assessment for Recycled Water Storage Draft Report, Dodson & Associates, September 2001
- Assessment of Cope Lake for Recycled Water Storage, December 2003
- Satellite Treatment Synopsis and Analysis, Robert Baker, May 2004
- CCCSD Recycled Water Synopsis and Analysis, Florence Wedington, May 2004
- CCCSD Supply Technical Memo, Dodson & Associates, June 2004
- Diversion of Secondary Effluent from the LAVWMA Livermore Interceptor, Dodson (Albert & Lewandowski), June 2004
- Field Reconnaissance and Well Site Screening, Luhdorff & Scalmanini, September 2004
- Satellite Treatment Technical Memo, Dodson & Associates, February 2005
- DERWA Supply Studies Alternatives Evaluation, ESA, April 2005
- Sunol Valley Water Management Feasibility Study, RMC, March 2006

DERWA Projections (with additional funding)



Item 9.B

DERWA Summary & Recommendation

Approve and Adopt the Fiscal Year 2012-13 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 2011-2012 Budget: The capital projects in the FY 2012-2013 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 2011-2012, except for the Pump Station Phase 2, EBMUD Distribution Pipelines 2, 3 and 4, New/Replacement Capital, SCADA Upgrades and the Permanent Supplemental Supply. The Pump Station Phase 2 construction was completed in August 2010 with a budget of \$3.453 million for the DERWA local share of the US Army Corps of Engineers designed and constructed project. The Phase 2B of the EBMUD Distribution Pipelines 2, 3 and 4 projects was completed in FY 2011-12. New & Replacement Capital <\$50K is a five-year program through FY 2014-15 with a total budget of \$1,278,000. The Permanent Supplemental Water Project continues with a total budget of \$2,496,000. The SCADA Upgrade will be completed by 2014 at a total cost of \$295,000 for the DERWA portion. The Program Planning and IHT Air Relief Improvements projects were completed in FY 2011-12.

The FY 2012-2013 operating budget has been decreased by \$183,197 (5%), while increasing projected recycled water deliveries from 2,490 acre-feet to 2,662 acre-feet (6.9%). DSRSD has submitted a budget of \$1.437 million for the operations and maintenance of the DERWA project for FY 2012-2013. Agency contributions will cover the \$3.482 million budget for the O&M and administrative expenses and debt service payments. The FY 2012-2013 budget for the state loan repayment is \$1.645 million.

Expenditures and Appropriations: Table 1 shows prior and future appropriations. The FY 2012-2013 operating appropriation of \$3.482 million will fund administration, operations and maintenance, and debt service expenses. The capital expenditure for FY 2012-2013 is \$0.392 million. Table 5 shows the operating budget by work element. The operating budget for FY 2012-2013 is \$3.481 million including \$1.563 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 2012-2013, currently projected at 77% DSRSD and 23% 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 2012-2013 contribution is \$2.269 million for the operating budget and \$220,000 for the capital budget; for EBMUD the estimated contribution is \$1.213 million for the operating budget and \$172,000 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 52% DSRSD 48% EBMUD.

Funding: Table 4 shows the funding program for DERWA. For FY 2012-2013, the agency operating contribution is \$3.482 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.

Recommendation:

The Authority Manager and Treasurer recommend the Board approve, by Resolution, the DERWA Fiscal Year 2012-2013 Budget.

April 23, 2012

Attachments

Report by: _____

Reviewed by: _____

DERWA
RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED WATER AUTHORITY APPROVING AND ADOPTING THE FISCAL YEAR 2012-2013 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 2012-2013; and presented the proposed budget at the April 23, 2012, 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 \$3.482 million is hereby approved and adopted for FY 2012-2013 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 2012-2013 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 2012-2013 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 2012-2013, 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 regular meeting held on the 23rd day of April 2012, 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 2012-13 BUDGET**

April 23, 2012

**DSRSD•EBMUD RECYCLED WATER
AUTHORITY**

**SAN RAMON VALLEY RECYCLED
WATER PROGRAM**

**Proposed
FISCAL YEAR 2012-13 BUDGET**

Presented on April 23, 2012

DERWA FY 2012-13 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 2012-2013 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 2012-2013; and presented the proposed budget at the April 23, 2012, 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 \$3.482 million is hereby approved and adopted for FY 2012-2013 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 2012-2013 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 2012-2013 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 2012-2013, 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 regular meeting held on the 23rd day of April 2012, passed by the following vote:

AYES:

NOES:

ABSENT:

DERWA Chair

ATTEST

Nancy Gamble Hatfield, Authority Secretary

Item 9.B

DERWA Summary & Recommendation

Approve and Adopt the Fiscal Year 2012-13 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 2011-2012 Budget: The capital projects in the FY 2012-2013 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 2011-2012, except for the Pump Station Phase 2, EBMUD Distribution Pipelines 2, 3 and 4, New/Replacement Capital, SCADA Upgrades and the Permanent Supplemental Supply. The Pump Station Phase 2 construction was completed in August 2010 with a budget of \$3.453 million for the DERWA local share of the US Army Corps of Engineers designed and constructed project. The Phase 2B of the EBMUD Distribution Pipelines 2, 3 and 4 projects was completed in FY 2011-12. New & Replacement Capital <\$50K is a five-year program through FY 2014-15 with a total budget of \$1,278,000. The Permanent Supplemental Water Project continues with a total budget of \$2,496,000. The SCADA Upgrade will be completed by 2014 at a total cost of \$295,000 for the DERWA portion. The Program Planning and IHT Air Relief Improvements projects were completed in FY 2011-12.

The FY 2012-2013 operating budget has been decreased by \$183,197 (5%), while increasing projected recycled water deliveries from 2,490 acre-feet to 2,662 acre-feet (6.9%). DSRSD has submitted a budget of \$1.437 million for the operations and maintenance of the DERWA project for FY 2012-2013. Agency contributions will cover the \$3.482 million budget for the O&M and administrative expenses and debt service payments. The FY 2012-2013 budget for the state loan repayment is \$1.645 million.

Expenditures and Appropriations: Table 1 shows prior and future appropriations. The FY 2012-2013 operating appropriation of \$3.482 million will fund administration, operations and maintenance, and debt service expenses. The capital expenditure for FY 2012-2013 is \$0.392 million. Table 5 shows the operating budget by work element. The operating budget for FY 2012-2013 is \$3.481 million including \$1.563 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 2012-2013, currently projected at 77% DSRSD and 23% 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 2012-2013 contribution is \$2.269 million for the operating budget and \$220,000 for the capital budget; for EBMUD the estimated contribution is \$1.213 million for the operating budget and \$172,000 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 52% DSRSD 48% EBMUD.

Funding: Table 4 shows the funding program for DERWA. For FY 2012-2013, the agency operating contribution is \$3.482 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.

Recommendation:

The Authority Manager and Treasurer recommend the Board approve, by Resolution, the DERWA Fiscal Year 2012-2013 Budget.

April 23, 2012

Attachments

Report by: _____

Reviewed by: _____

DERWA PROGRAM BUDGET FY13

Table 1

Appropriations (\$000's)

	Prior Appr	FY13 Appr
Capital Appropriations	86,960	
Operating Appropriations	29,599	3,482

Table 2

Capital Program

Cash Flow (\$000's)

	Prior Spending	Estimated FY12	Projected FY13	Future	Total
Completed Projects	71,880	-	-	-	71,880
Continuing Projects					
Planning	321	62	175	25	583
Design	1,139	5	57	469	1,670
Property	240	0	0	505	745
Construction	1,925	45	140	2,086	4,196
Construction Mgmt	151	0	0	160	311
Admin	323	51	20	20	414
Other	0	1	0	0	1
Capitalized Interest during construction	1,961			39	2,000
Contingency			-	1,000	1,000
Total	77,940	164	392	4,304	82,800

Table 3

Operating Budget (\$000's)

		Estimated FY12 Expenses	Budgeted FY12 Expenses	Proposed FY13 Expenses	Difference
Operating Budget		1,697	2,015	1,836	(179)
Debt Service		1,646	1,650	1,646	(4)
Total		3,343	3,665	3,482	(183)

Table 4
DERWA SOURCE OF FUNDS SUMMARY

(\$000's)

SOURCE OF FUNDS	Prior	Estimated FY12	Projected FY13	Total
<i>CAPITALIZED</i>				
AGENCY CONTR				
<i>DSRSD</i>	-	-		-
EBMUD	5,820	86	30	5,936
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				90,660
<i>NET EXPENSED</i>				
AGENCY CONTR				
DSRSD	13,891	2,197	2,269 *	18,357
EBMUD	9,066	1,140	1,213 *	11,419
TOTAL NET EXPENSED FUNDS	22,957	3,337	3,482	29,776

*Agency contribution are calculated based on O&M costs, administrative costs and debt service costs. For 2013, O&M and administrative costs are split 77% DSRSD/23% EBMUD based on projected 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 FY13
OPERATING BUDGET**

Table 5

Work Element	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget	Budget Difference
Program Manager	\$ 166,750	\$ 89,367	\$ 113,450	\$ (53,300)
Treasurer	65,000	34,975	45,000	\$ (20,000)
Legal Counsel	7,500	1,632	5,000	\$ (2,500)
Secretary	12,750	6,279	10,250	\$ (2,500)
Other (Insurance)	100,000	91,385	100,000	\$ -
Operations	1,663,131	1,473,827	1,562,721	\$ (100,410)
Debt Service	1,650,000	1,645,513	1,645,513	\$ (4,487)
Total	3,665,131	3,342,978	3,481,934	(183,197)

1,697,465

1,836,421

DERWA PROGRAM BUDGET FY13

DERWA PROGRAM MANAGER

Table 6

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Contract Payment	\$ 75,000	\$ 25,031	\$ 45,000
Staff	30,000	24,607	24,500
Expenses	2,700	1,254	2,250
DSRSD charges	9,000	8,160	8,500
Travel	250	350	250
Office supplies	250	370	250
Other	2,550	3,101	2,450
Public Information	45,500	25,744	28,750
Consultant Support	0	-	0
Agency Support	1,500	750	1,500
Total	\$ 166,750	\$ 89,367	\$ 113,450

DERWA TREASURER DETAIL

Table 7

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Salary	\$ 23,000	\$ 11,745	\$ 12,500
Expenses	-	-	
Cost Accounting	35,000	16,082	23,500
Audit	7,000	7,148	9,000
Commerical Paper Fees	-		
TOTAL	65,000	34,975	45,000

DERWA PROGRAM BUDGET FY13

DERWA LEGAL COUNSEL

Table 8

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Contract	\$ 7,500	\$ 1,632	\$ 5,000

DERWA SECRETARY DETAIL

Table 9

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Salary	\$ 12,500	\$ 6,139	\$ 10,000
Expenses	250	140	250
Training	-		
TOTAL	12,750	6,279	10,250

DERWA OTHER DETAIL

Table 10

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Insurance	\$ 100,000	\$ 91,385	\$ 100,000
Property Insurance	-	-	-
TOTAL	100,000	91,385	100,000

DERWA PROGRAM BUDGET FY13

DERWA OPERATIONS

Table 11

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Capital Reserve Account	\$ 125,000	\$ 125,000	\$ 125,000
DSRSD Operations	1,538,131	1,348,827	1,437,721
TOTAL	1,663,131	1,473,827	1,562,721

DERWA DEBT SERVICE

Table 12

	FY12 Budget	Estimated FY12 Expenses	Proposed FY13 Budget
Commercial Paper Interest	\$ -		\$ -
State Loan Payments	1,650,000	1,645,513	1,645,513
Revenue Bond Debt Service	-		-
TOTAL	1,650,000	1,645,513	1,645,513

Table 13

Capital Project Costs and Cost Sharing

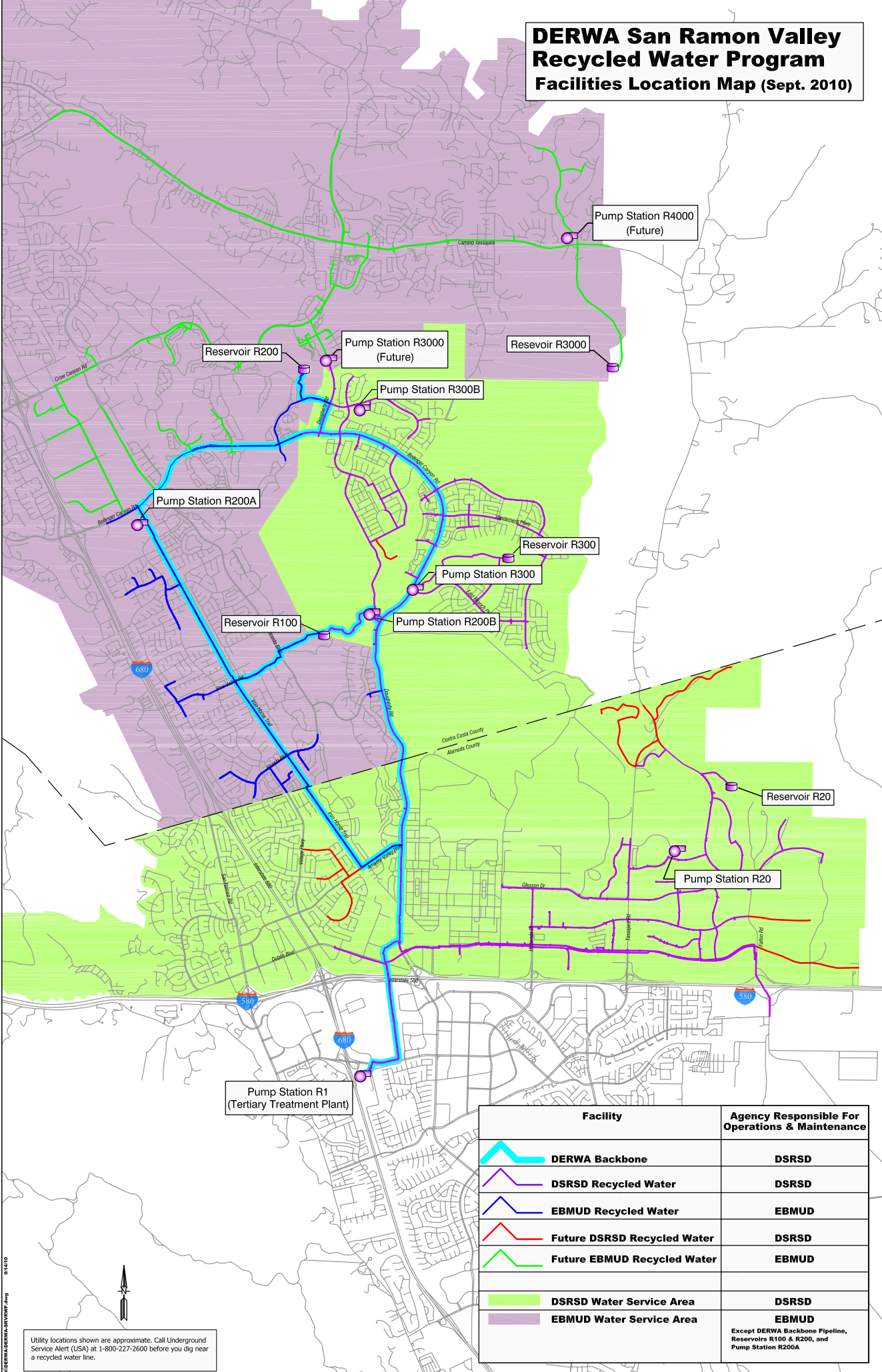
(\$000's)

Project	Lead Agency	Total Costs	DSRSD	EBMUD
Completed 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	8,558	6,772	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	29	0	29
Studies and Predesigns	DERWA	5,309	2,658	2,651
Program Planning	DERWA	3,727	1,826	1,901
Completed Projects Subtotal		71,880	38,991	32,891
Continuing and New Projects				
EBMUD Distribution*	DERWA	398	0	398
Pump Station Phase 2*	DERWA	3,453	0	3,453
New/Replacement Capital <\$50k	DERWA	1,278	728	550
SCADA	DSRSD	295	168	127
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		10,920	3,920	7,000
TOTAL		82,800	42,911	39,891
TOTAL DERWA FACILITIES**		82,402	42,911	39,493
		100%	52.1%	47.9%

*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 Facilities Location Map (Sept. 2010)



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
DSRSD Water Service Area	DSRSD
EBMUD Water Service Area	EBMUD
	Except DERWA Backbone Pipeline, Reservoirs R100 & R200, and Pump Station R200A

Utility locations shown are approximate. Call Underground Service Alert (USA) at 1-800-227-2600 before you dig near a recycled water line.

DETAILED PROJECT ELEMENT SUMMARIES

CONTINUING CAPITAL PROJECTS

PUMP STATION PHASE 2

EBMUD DISTRIBUTION SYSTEM PHASES 2 3 4

NEW/REPLACEMENT CAPITAL <\$50K EACH

SCADA UPGRADE

PROGRAM PLANNING
Supplemental Water

CAPITAL PROJECTS in FY12

PROGRAM PLANNING
Predesign & Studies of General Benefit

IHT AIR RELIEF IMPROVEMENTS/PIPELINE REACH 6

Capital Improvement Project Summary

Project: Pump Station R200A (AKA Pump Station 2A) and Pipeline IH

Description: A 2175 GPM Pump Station located near the intersection of Bollinger Canyon Road and the Iron Horse Trail and 6,500 feet of 16 inch pipeline on Bollinger Canyon Road East from the Iron Horse Trail connecting to existing pipeline segment FH. This project is partially funded by the US Army Corps of Engineers (USACE). The local share is 25% of eligible costs. As of FY12 there were \$14,541,500 federal funds available for PSR200A/Pipeline IH and EBMUD Distribution System 2 3 4 projects, with 54% allocated to the PSR200A/Pipeline IH project. The total estimated cost for design, construction, construction management, and USACE costs the pump station/pipeline project is \$9,804,000. The costs shown below are the DERWA local costs including the 25% local matching funding. The funds from the Corps through the Water Resources Development Act are reflected in the Source of Funds Summary, shown on Table 4 of the budget.. Substantial completion of the pipeline segment was June 21, 2010 and the pump station was August 17 2010. Remaining work is negotiation of outstanding change orders and project closeout.

Lead Agency: DERWA
Project Manager: Florence Wedington

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: 75% Design 75% Construction

In Service Date: August 2010

(000's)

Project	Lead Agency	Activity	Prior Spending	Estimated FY12	FY13	Future	Previous Budget Total	Approved Budget Total
Pump Station Phase 2	DERWA	Planning	84	0	0	0	64	84
		Design	905	0	0	0	886	905
		Property	240	0	0	0	265	240
		Construction	1,717	7	0	0	1,696	1,724
		Construct Mgmt	142	0	0	0	150	142
		Admin	303	50	5	0	213	358
		Other	0	0	0	0	0	0
		Total	3,391	57	5	0	3,274	3,453

Total Project Element Costs : \$3,453,000

Capital Improvement Project Summary

Project: EBMUD Distribution System Phases 2, 3, & 4

Description: The San Ramon Valley Phase 2A Project includes design and construction of distribution pipelines to serve the Bishop Ranch Business Park. The pipelines necessary to serve this large business park include: 1,300 feet of 6-inch pipe, 8,800 feet of 8-inch pipe, and 6,200 feet of 16-inch pipe. The San Ramon Valley Phase 2B Project included design and construction of distribution pipelines to serve a portion of San Ramon east of the Bishop Ranch Business Park and northeast of Tank R200. Construction of the pipeline for San Ramon Valley Phase 2B project was completed in FY12. The San Ramon Valley Phase 3 Project includes the design and construction of Pump Station R300B and the pipelines necessary to serve Pressure Zone 3. Pump Station R300B will be located near Dougherty Road near the Tank R200 site. The 40 Hp pump station was sized to supply the maximum day demand of the pressure zone served plus any water carried through the zone to Pressure Zone 4. The Phase 4 Project includes another 40 Hp pump station and pipelines to serve a portion of Blackhawk. The total estimated cost for design, construction, construction management, and USACE charges is \$18,300,000. As of FY12 there were \$14,541,500 federal funds available for PSR200A/Pipeline IH and EBMUD Distribution System 2 3 4 projects, with 46% allocated to the distribution projects. The costs shown below are the local share costs funded through DERWA and the DERWA direct administrative & management costs. EBMUD design and program management costs are not funded through DERWA. The federal funds from the Corps are reflected in the Source of Funds Summary shown on Table 4 of the budget.

Lead Agency: EBMUD
Project Manager: Florence Wedington

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 75% Construction
In Service Date: Phase 2A Not Scheduled (NS) – Phase 2B Completed – Phase 3 & 4 NS

(000'S)

Project	Lead Agency	Activity	Prior Spending	Estimated			Previous Budget Total	Approved Budget Total
				FY12	FY13	Future		
EBMUD Distr System Phases 2,3,& 4	DERWA	Planning	12	0	0	0	12	12
		Design	234	0	0	0	234	234
		Property	0	0	0	0	0	0
		Construction	91	28	0	0	2,202	119
		Construct Mgmt	9	0	0	0	9	9
		Admin	18	1	5	0	20	24
		Other	0	0	0	0	0	0
		Total	364	29	5	0	2,477	398

Total Project Element Costs: \$398,000

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. Identified FT 13 projects are: replacement of PSR1 VFD @ \$30,000; design of PSR200B chlorine feed system @ \$20,000; rehabilitation of one TIPS pump @ \$25,000; replacement of three PSR1 VFDs @ \$20,000 each; improvements to the MF-UV backwash meter piping @ \$15,000.

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's)

Project	Lead Agency	Activity	Prior Spending	Estimated FY12	Estimated FY13	Future	Previous Budget Total	Approved Budget Total
New/Replacement Capital <\$50K ea	DERWA	Planning	0	0	0	0	0	0
		Design	0	0	30	201	231	231
		Property	0	0	0	0	0	0
		Construction	117	10	140	820	1,024	1,024
		Construct Mgmt	0	0	0	0	0	0
		Admin	0	0	10	0	23	23
		Other	0	1	0	0	0	0
		Total	117	11	180	1,021	1,278	1,278

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

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 as early as 2012. 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. Three 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. A work plan to update the 2005 alternatives study with information from the current studies and include evaluation of additional surface storage sites and non-potable surface and groundwater supplies is being developed for FY13.

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

Project	Lead Agency	Activity	Prior Spending	Estimated			Previous Budget Total	Approved Budget Total
				FY12	FY13	Future		
Program Planning Supplemental Water	DERWA	Planning	225	62	175	25	256	487
		Design	0	0	0	250	250 ▲	250
		Property	0	0	0	260	260 ▲	260
		Construction	0	0	0	1317	1,548	1,317
		Const. Mgmt.	0	0	0	160	160 ▲	160
		Admin	2	0	0	20	22 ▲	22
		Other	0	0	0	0	0 ▲	0
		Total	227	62	175	2,032	2,496	2,496

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

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 FOD Improvements Project is \$2,715,000. The DERWA share of the cost is \$295,000.

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's)

Project	Lead Agency	Activity	Prior Spending	Estimated FY12	FY13	Future	Previous Budget Total	Approved Budget Total
SCADA Upgrade	DSRSD	Planning	0	0			0	0
		Design	0	5	27	18	0	50
		Construction	0	0	0	245	295	245
		Construct Mgmt	0	0	0	0	0	0
		Admin	0	0	0	5	0	0
		Other	0	0	0	0	0	0
		Total	0	5	27	268	295	295

Total Project Element Costs: \$295,000

Item 9.C

DERWA Summary & Recommendation

Proclamation of Appreciation for Service to DERWA by Dan Scannell 2003 through 2012

Summary:

In March Dan Scannell submitted his resignation from the DSRSD Board of Directors. Dan served as a DSRSD representative on the DERWA Board from January 2003 through March 2012. He served as DERWA Vice Chair in 2003 and 2007 and as Chair in 2004 and 2008.

Recommendation:

The Authority Manager recommends that the Board approve, by Motion, the Proclamation of Appreciation for Service to DERWA by Dan Scannell 2003 through 2012.

April 23, 2012

Attachment

Prepared by: _____

Reviewed by: _____

DERWA
PROCLAMATION FOR SERVICE

Dan Scannell

WHEREAS, the Dublin San Ramon Services District•East Bay Municipal Utility District Recycled Water Authority was formed by its Member Agencies to implement a recycled water program from a public policy perspective that benefits portions of the San Ramon and Livermore-Amador Valleys; and

WHEREAS, the Members of the Board of Directors have diligently worked to achieve the mission of providing a cost-effective, reliable and consistent supply of recycled water to the communities served by Dublin San Ramon Services District and East Bay Municipal Utility District; and

WHEREAS, Dan Scannell has provided invaluable leadership, support and steadfast engagement in ensuring a streamlined cost-effective approach to managing the JPA via shared Member Agency staff and independent Agency management; and

WHEREAS, under Dan Scannell's leadership, DERWA reviewed and approved transmission system design by EBMUD; and treatment plant, pump stations and pipeline design by DSRSD; and

WHEREAS, with Dan Scannell's assistance the Water Sales and Supply Agreements were developed, and Service Level Agreements for Design Phase Services for San Ramon Valley Recycled Water Program were approved, and salinity issues and legal challenges were addressed; and

WHEREAS, Dan Scannell's very positive attitude and his inquisitiveness about details, some important fine points and others major elements, was appreciated; and

WHEREAS, Dan Scannell, representing Dublin San Ramon Services District, served as the DERWA Vice Chair in 2003, and 2007, Chair in 2004 and 2008, and a Board Member for the DERWA Board of Directors from 2003 through 2012.

NOW, THEREFORE, BE IT PROCLAIMED that the Board of Directors of the Dublin San Ramon Services District•East Bay Municipal Utility District Recycled Water Authority hereby expresses its sincere appreciation for the contributions of

Dan Scannell

Passed and adopted the 23rd day of April 23, 2012 by the DSRSD•EBMUD Recycled Water Authority Board of Directors.

_____ Chair	_____ Vice Chair
_____ Director	_____ Director

Nancy Gamble Hatfield
Authority Secretary

ITEM 10

MANAGER'S REPORTS

- Contracts Initiated Since the Board Meeting of December 19, 2011
 - Ed Cummings Inc. - Not to Exceed \$25,000
 - John M. Pereira Temporary Use Agreement Amendment No. 2 - \$12,500

- Capital Projects Update
 - PSR200A/Pipeline IH Project Update
 - EBMUD Distribution System Phase 2 3 4 Projects Update

- Confirm Next Meeting Date – June 25, 2012