



MONTARA WATER & SANITARY DISTRICT

Serving the Communities of Montara and Moss Beach

P.O. Box 370131

8888 Cabrillo Highway

Montara, CA 94037-0131

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NOTICE OF SPECIAL MEETING

(Special Meeting begins at 6:30 p.m.; see Agenda for Special Meeting below)

AGENDA

Regular Meeting

District Board of Directors

8888 Cabrillo Highway
Montara, California 94037

March 7, 2013 at 7:30 p.m.
(Regular Meeting)

CALL TO ORDER

ROLL CALL

PRESIDENT'S STATEMENT

ORAL COMMENTS (Items other than those on the agenda)

PUBLIC HEARING

CONSENT AGENDA

1. Approve Minutes for Meeting of February 7, 2013.
2. Approve Warrants for March 1, 2013.
3. SAM Flow Report for January 2013.
4. Monthly Review of Current Investment Portfolio.
5. Connection Permit Applications Received.
6. Monthly Water Production Report for January 2013.
7. Rain Report.
8. Solar Energy Report.

OLD BUSINESS

NEW BUSINESS

1. Review and Possible Action Concerning Revisions to Accounting System and Monthly Financial Statements.
2. Review and Possible Action Concerning FY 11/12 Audit.

3. Review and Possible Action Concerning Possible Leak Adjustment for 191 Arbor Lane.
4. Review and Possible Action Concerning Possible Leak Adjustment for 146 Crescent Avenue.
5. Review and Possible Action Concerning Nomination of Representative on the CSDA Board of Directors.
6. Review and Possible Action Concerning Cancellation of the Next Regular Scheduled Meeting March 21, 2013.

REPORTS

1. Sewer Authority Mid-Coastside Meetings (Harvey)
2. MidCoast Community Council Meeting (Slater-Carter)
3. ACWA Board of Directors Report (Ptacek)
4. CSDA Report (Slater-Carter)
5. Integrated Regional Water Management Plan (Ptacek)
6. Attorney's Report (Schricker)
7. Directors' Reports
8. General Manager's Report (Heldmaier)

FUTURE AGENDAS

ADJOURN

AGENDA – SPECIAL MEETING **(6:30 p.m.)**

CALL TO ORDER

ROLL CALL

ORAL COMMENTS (Items other than those on the agenda)

CONVENE IN CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

(Gov't. Code §54957.6)

Agency designated representatives: Clemens Heldmaier, General Manager; Austris Rungis, IEDA

Employee organization: International Union of Operating Engineers AFL-CIO, Stationary Engineers, Local 39

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Gov't. C. §54956.8)

Property: Parcel(s) to be determined within property owned by the State of California (Department of Transportation) located within District Boundaries

Agency Negotiators: General Manager, District Counsel

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Gov't. C. §54956.9(a))

Names of cases:

- (i) Montara Water and Sanitary District v. County of San Mateo, Santa Clara Cnty. Super. Ct. No. 1-07-CV-088793 (inactive); U.S. Dist. Ct., N.D., San Jose Div. No. CV 08 2814 JF (closed); USCA, 9th Cir. No. 09-15822

RECONVENE IN OPEN SESSION AND ADJOURN TO CONVENE FOR REGULAR MEETING

The District has a curfew of 11:00 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.

NOTE: In accordance with the Government Code, members of the public may address the Board on specific agenda items when that matter is discussed by the Board. Any other items of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. Upon request, this agenda will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or an accommodation in order to participate in the public meeting should be made at (650) 728-3545. Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available in the District Clerk's office during normal business hours. Such documents may also be available on the District's web site (www.mwsd.montara.org) subject to staff's ability to post the documents before the meeting.



MONTARA WATER & SANITARY
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
February 7, 2013

MINUTES

REGULAR SESSION BEGAN AT 7:36 PM.

CALL TO ORDER

ROLL CALL

Directors Present: Boyd, Harvey, Slater-Carter, Thollaug & Ptacek

Directors Absent: None

Staff Present: General Manager Clemens Heldmaier,
District Clerk, Judy Gromm

Others Present: District Counsel Dave Schricker
District Water Engineer, Tanya Yurovsky

PRESIDENT'S STATEMENT – None

ORAL COMMENTS - Peter Medina of Maze and Associates introduced himself to the Board as the District's new Accountant. Mr. Medina reported he was still in the research stage and indicated his goal is to submit accurate monthly financials starting with the March 7th meeting.

PUBLIC HEARING - None

CONSENT AGENDA –

1. Approve Minutes for Meeting of January 17, 2012.
3. Approve Warrants for February 1, 2013
4. SAM Flow Report for November and December 2012.
5. Monthly Review of Current Investment Portfolio.
6. Connection Permit Applications Received.
7. Monthly Water Production Report for December 2012.
8. Rain Report.
9. Solar Energy Report.

Director Harvey moved to approve the Consent Agenda. Director Thollaug questioned the General Manager on the status of the financial statements. General Manager Heldmaier reported Maze and Associates had been working with staff over the last two weeks on the new chart of accounts starting from scratch. This process is how a correct P & L report will be presented in the future. Director Slater-Carter requested to have the Financials agendized at the next meeting. Director Ptacek seconded the motion. All Directors were in favor and the motion passed unanimously.

OLD BUSINESS –

1. Review and Possible Action Concerning District Reserve Policies.

General Manager Heldmaier reported at the December 6th meeting, the Board adopted a Reserve Policy that sets minimum amounts for operating reserve, capital reserve and connection fees reserve.

The District has currently sufficient funds in reserve for connection fee, operating, and capital reserve on the sewer side.

The District currently has sufficient funds in the operating reserve. Connection fee reserve and capital reserves do not exist. The District should collect funds over time to hold the recommended amounts in reserve.

Director Thollaug requested the most current balance sheet.

Reed Schmidt reported the sewer side has sufficient funds for the reserve policies, however is recommending a water rate study for the water side for increasing rates to increase the district's water reserves over time and pay back the state revolving fund.

Mr. Schmidt recommended the minimum reserve amounts for water and sewer be placed on the balance sheet. If the reserves on either side become close to minimum, this will alert the Board to do further rate studies for stabilizing the reserve minimums.

Mr. Schmidt announced he will be retiring. Mr. Alex Handler will be taking his place as Financial Advisor.

Director Boyd motioned to authorize Bartle Wells to prepare a water rate study that includes the consideration of the new reserve policy and makes recommendations to increase the District's water reserves over time. Director Thollaug seconded the motion. All Directors were in favor and the motion passed unanimously.

2. Review and Possible Action Concerning Refinancing of PNCEF Lease.

General Manager Heldmaier reported at the December 6 meeting the Board authorized Bartle Wells to inquire with PNCEF if a lowering of the interest rate would be considered or to prepare a Request for Proposal to refinance the PNCEF Lease. PNCEF is now proposing an amendment to the existing agreement with a lower interest rate of 2.95% and reduced interest payments. No change to the principal amortization schedule is proposed. This will result in higher savings in the early years, and declining savings in later years. Total gross savings are estimated by Bartle Wells at \$209,000 and only marginal amendment processing fees of around \$500 would apply. BW assumes that a lower interest rate could be achieved by bidding out the refunding, but the potential additional savings from a lower rate would be more than offset by the additional issuance costs. In addition, no inclining principal amortization structure could be achieved through other refinancing. The result would be higher payments in the early years compared to the existing debt and lower payments in the later years.

Director Thollaug moved to authorize the General Manager and Bartle Wells to accept the PNCEFR offer. Director Boyd seconded the motion. All Directors were in favor and the motion passed unanimously.

3. Review and Possible Action Concerning Award of Bids for Sewer Improvement Project 2013.

General Manager Heldmaier reported in the fiscal year 2011/2012 the Board approved the Capital Improvement Plan for 2012/2013 which included the 2012/2013 Sewer Improvement Project and Spot Repairs. At that time the Board also authorized a construction bid package to be prepared for a project to construct the sewer improvements.

The project was advertised twice in the Half Moon Bay Review as well as builders exchanges and the bids were received on January 24, 2013 at 2 PM.

The engineers estimate for the base bid of this project was \$450,000. Nute Engineering has reviewed the bids and the licenses of each bidder and recommends award to the lowest responsible bidder, D'Arcy and Harty Construction, Inc., whose base bid was \$362,734. Their bid for Additive Alternate A was \$46,701 (the B Line on Nevada Street, Plan Sheet 6), and their bid for Additive Alternate B was \$60,480 (Manhole Rehabilitation on Plan Sheet 12). Since their base bid came in under under the Engineer's Estimate, it is recommended that the board also award alternate A for a total award of \$409,435.

The District budgeted a total of \$436,000 for this year's Sewer Improvement Project. If the Board chooses to perform some additional spot repairs or manhole repairs, some money could be taken from the \$60,000 spot repair program.

Director Harvey moved to Authorize the 2012-2013 Sewer Improvement Project and Spot Repairs and Adopt Resolution No. 1541, Resolution of the Montara Water and Sanitary District Approving Contract Documents For 2012-2013 Sewer Improvement and Spot Repairs Project, Including Design, Plans and Specifications Therefore, Declaring Lowest Responsible Bidder for Said Work, Accepting Bid of Said Bidder and Rejecting All Other Bids, Approving and Authorizing execution of Agreement For Said Work and Directing Return of Security Deposits Upon Execution of Contract By Lowest Responsible Bidder. Director Thollaug seconded the motion. All Directors were in favor and the motion passed unanimously.

NEW BUSINESS -

1. Review and Possible Action Concerning Filing Notice of Completion for Vallemar Pump Station Engine Generator Set Replacement Project.

General Manager Heldmaier reported on June 19, 2012 Pacific Infrastructure, Inc. entered into an agreement with the District for Installation of the Vallemar Engine Generator Set in Moss Beach. The attached letter from the District Engineer indicates that the work has now been successfully completed. Gary Roberts with Nute engineering recommends a Notice of Completion be filed with the County Recorder. After expiration of a 35 day lien period, the 5% retention will be paid to the contractor.

Director Boyd moved to authorize the General Manager to file the Notice of Completion with the County Recorder. Director Harvey seconded the motion. All Directors were in favor and the motion passed unanimously.

2. Review and Possible Action Concerning Possible Leak Adjustment for 1171 Cedar Street.

General Manager Heldmaier reported the District received a request to consider an adjustment to the water bill and 2012/2013 sewer service charge for 1171 Cedar Street due to a leak. The leak extended from October 17, 2012 through December 6, 2012 and occurred on the customer's supply line to the house after the water meter. The leak went undetected due to the rain during this time and because the runoff appeared to follow gopher tunnels. Both the location and flow of the leak were confirmed by staff. Billing records show a customer class average of 12 HCF for December 2012 billing and 9 HCF for February 2013 billing.

After a lengthy discussion with the owners, the Board found that there was sufficient evidence that the water did not go into the system for treatment.

The Board is requesting staff to look into the wording in the Leak Detection Notices and additional ways to notify residents of leaks.

Director Harvey motioned to authorize the General Manager to issue an adjustment of 153 HCF to the owner of 1171 Cedar Street to reflect a sewer service charge flow assessment of 20 HCF for the wet weather period 2012/13. Director Ptacek seconded the motion.

All Directors were in favor and the motion passed unanimously.

3. Review and Possible Action Concerning Graywater Systems.

General Manager Heldmaier reported at the January 17, 2013 board meeting, Director Boyd requested a future agenda item about graywater systems and potential uses in the district. Use of graywater could provide further water conservation in the District's service area and can immediately benefit customers through reduced water consumption charges and reduced sewer service charges that are based on water consumption.

The presentation was given by Tanya Yurovsky, MWSD Water Engineer, which addressed the types of graywater systems, system requirements, purpose and benefits of graywater systems, risk factors associated with them, and reports on the implementation potential in the District's service area.

4. Cancellation of the Next Regular Scheduled Meeting February 21, 2013.

Staff anticipates the cancellation of the second meeting in February due to a lack of quorum.

REPORTS

- 1. Sewer Authority Mid-Coastside Meetings (Harvey)** - Director Harvey reported even though the Wet Weather Project event was a huge success, two SAM board members were not happy with the final calculations of the expenses. Director's Boyd and Harvey suggested that Half Moon Bay not be charged for a third of the event. Granada Sanitary District and Montara Water and Sanitary District will pay for Half Moon Bay's third. Director Harvey noted that the City of Half Moon Bay will benefit from the project especially during the wet weather months.

Director Ptacek asked the SAM Board Members to identify what additional benefit one of the three member agency is receiving at no additional expense.

2. **Midcoast Community Council Meeting (Slater-Carter)** – None

3. **ACWA Board of Directors Report (Ptacek)**- None

4. **CSDA Report (Slater-Carter)** – Director Slater-Carter reported there had been a meeting on Tuesday evening, which Supervisor Warren Slocum attended and talked about how the economy was picking up in San Mateo County.

Granada Sanitary District expects to be placed on the LAFCO agenda in March and is seeking support from local special districts for their Community Services District Application.

5. **Integrated Regional Water Management Plan (Ptacek)** –

Director Harvey requested on behalf of CCWD, a meeting regarding mutual interests in a connection between districts for emergency situations.

6. **Attorney's Report (Schricker)** – None

7. **Directors' Reports** – Director Boyd reported the Half Moon Bay Review reported on the Wet Weather Project Event again and wrote information that was incorrect. Director Boyd suggested the HMB Review call the District and get up to date information.

Director Slater-Carter reported CCWD just finished their new upgraded water treatment plant. CCWD reports moving from a 95% reliance of water from Hetch Hetchy, to a 75% reliance.

8. **General Manager's Report (Heldmaier)** – None

FUTURE AGENDAS-

1. PG&E reimbursement discussion.
2. Wording in the Leak Detection Notices.
3. Wet Weather Project benefit to HMB.

REGULAR MEETING ENDED at 10:42 P.M.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 7th of March, 2013

Signed _____
President



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: March 7, 2013

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: SAM Flow Report for January 2013

The Sewer Authority Mid-Coastside (SAM) has prepared the following attached reports for the SAM Board of Directors and the California Regional Water Quality Control Board:

- Flow Report for January 2013.
- Collection System Monthly Overflow Report – January 2013.

The Average Daily Flow for Montara was 0.351 MGD in January 2013. There was no reportable overflow in January and 1 (one) reportable overflow in the Montara System. SAM indicates there were 0.62 inches of rain in January 2013.

RECOMMENDATION:

Review and file.

Attachments

Sewer Authority Mid-Coastside

Monthly Collection System Activity/SSO Distribution Report, January 2013

January 2013

	Total	Number			
		HMB	GSD	MWSD	SAM
Roots	0	0	0	0	0
Grease	0	0	0	0	0
Mechanical	0	0	0	0	0
Wet Weather	0	0	0	0	0
Other	0	0	0	0	0
Total	0	0	0	0	0
		0%	0%	0%	0%

12 Month Moving Total

	Total	Number			
		HMB	GSD	MWSD	SAM
Roots	2	0	1	1	0
Grease	3	2	0	1	0
Mechanical	1	0	1	0	0
Wet Weather	0	0	0	0	0
Other	7	4	1	2	0
Total	13	6	3	4	0
		46%	23%	31%	0%

Reportable SSOs

	Total	Number			
		HMB	GSD	MWSD	SAM
January 2013	0	0	0	0	0
12 Month Moving Total	13	6	3	4	0

SSOs / Year / 100 Miles

	Total	Number			
		HMB	GSD	MWSD	SAM
January 2013	0.0	0.0	0.0	0.0	0.0
12 Month Moving Total	12.4	16.2	9.0	14.8	0.0
Category 1	4.8	5.4	3.0	7.4	0.0
Category 2	7.7	10.8	6.0	7.4	0.0

12 Month Rolling Total Sewer Cleaning Summary

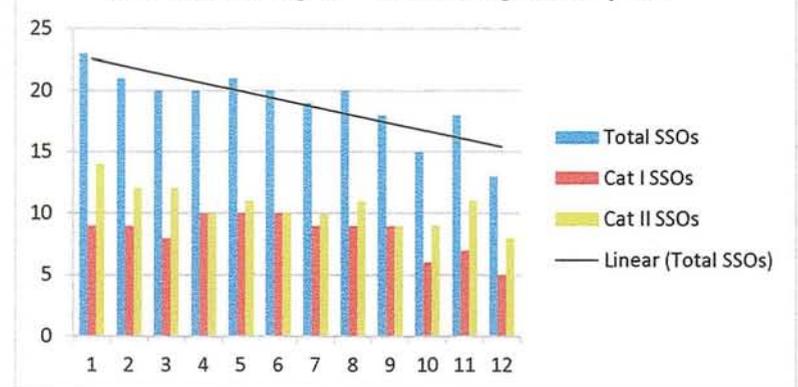
Month	HMB	GSD	MWSD	Total Feet	Total Miles
Feb-12	2,251	14,804	18,897	35,952	6.8
Mar-12	6,928	7,691	29,309	43,928	8.3
Apr-12	4,233	19,091	21,728	45,052	8.5
May-12	5,436	26,778	28,572	60,786	11.5
Jun-12	24,985	23,475	0	48,460	9.2
Jul-12	26,884	17,883	647	45,414	8.6
Aug-12	27,679	19,304	1,308	48,291	9.1
Sep-12	26,704	25,303	1,192	53,199	10.1
Oct-12	22,287	14,171	107	36,565	6.9
Nov-12	30,283	1,792	1,411	33,486	6.3
Dec-12	35,498	438	0	35,936	6.8
Jan-13	8,166	16,246	22,109	46,521	8.8

Annual ft	221,334	186,976	125,280	533,590	
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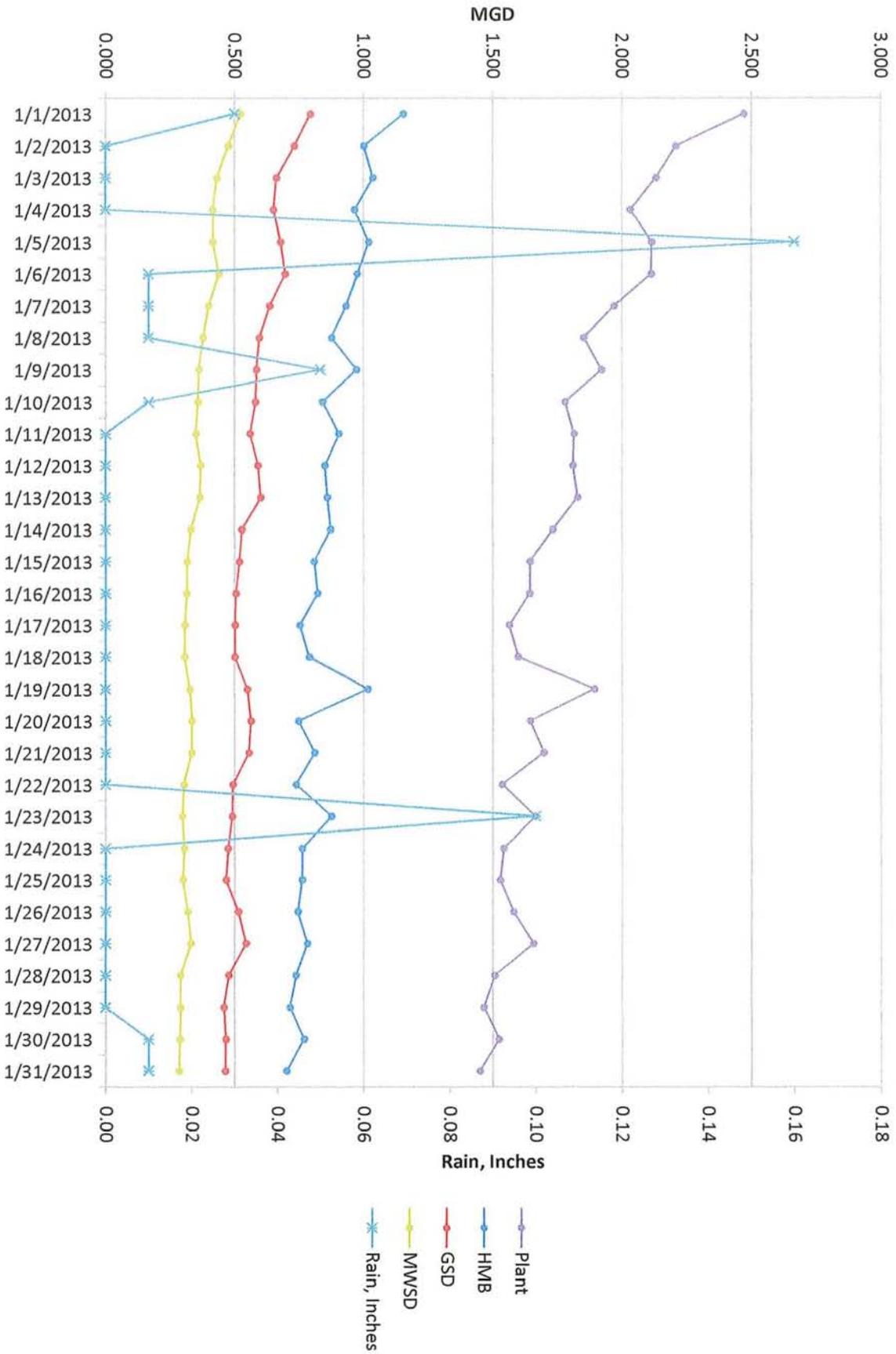
Annual Mi.	42	35	24		101
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Attachment D

12 Month Moving SSO Totals Through January 2012



Sewer Authority Mid-Coastside Monthly Flow Distribution Report, January 2012



Sewer Authority Mid-Coastside

Monthly Flow Distribution Report

<u>Date</u>	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>	<u>Rain Plant</u>	<u>Rain Portola</u>	<u>Rain Montara</u>
1/1/2013	1.154	0.794	0.523	2.472	0.03	No Data	0.04
1/2/2013	1.001	0.732	0.476	2.210	0.00	No Data	0.00
1/3/2013	1.037	0.663	0.432	2.133	0.00	No Data	0.00
1/4/2013	0.966	0.651	0.416	2.033	0.00	No Data	0.00
1/5/2013	1.020	0.679	0.416	2.116	0.16	No Data	0.24
1/6/2013	0.976	0.697	0.440	2.114	0.01	No Data	0.10
1/7/2013	0.933	0.637	0.400	1.971	0.01	No Data	0.00
1/8/2013	0.877	0.597	0.379	1.853	0.01	No Data	0.00
1/9/2013	0.974	0.586	0.362	1.923	0.05	No Data	0.04
1/10/2013	0.841	0.581	0.358	1.780	0.01	No Data	0.00
1/11/2013	0.905	0.560	0.350	1.815	0.00	No Data	0.00
1/12/2013	0.851	0.591	0.369	1.811	0.00	No Data	0.00
1/13/2013	0.861	0.602	0.366	1.829	0.00	No Data	0.00
1/14/2013	0.873	0.529	0.331	1.733	0.00	No Data	0.00
1/15/2013	0.809	0.519	0.316	1.644	0.00	No Data	0.00
1/16/2013	0.822	0.506	0.315	1.643	0.00	No Data	0.00
1/17/2013	0.754	0.503	0.308	1.565	0.00	No Data	0.00
1/18/2013	0.790	0.502	0.307	1.599	0.00	No Data	0.00
1/19/2013	1.017	0.550	0.327	1.894	0.00	No Data	0.00
1/20/2013	0.748	0.563	0.334	1.645	0.00	No Data	0.00
1/21/2013	0.810	0.555	0.333	1.698	0.00	No Data	0.00
1/22/2013	0.738	0.494	0.304	1.537	0.00	No Data	0.00
1/23/2013	0.876	0.491	0.298	1.665	0.10	No Data	0.20
1/24/2013	0.763	0.475	0.305	1.543	0.00	No Data	0.00
1/25/2013	0.762	0.467	0.300	1.529	0.00	No Data	0.00
1/26/2013	0.746	0.515	0.319	1.580	0.00	No Data	0.00
1/27/2013	0.782	0.545	0.331	1.659	0.00	No Data	0.00
1/28/2013	0.739	0.478	0.291	1.508	0.00	No Data	0.00
1/29/2013	0.715	0.459	0.292	1.467	0.00	No Data	0.00
1/30/2013	0.770	0.466	0.288	1.524	0.01	No Data	0.00
1/31/2013	<u>0.701</u>	<u>0.464</u>	<u>0.285</u>	<u>1.450</u>	<u>0.01</u>	<u>No Data</u>	<u>0.00</u>
Totals	26.610	17.462	10.871	54.942	0.40	No Data	0.62

Summary

	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>
Minimum	0.701	0.459	0.285	1.450
Average	0.858	0.563	0.351	1.772
Maximum	1.154	0.794	0.523	2.472
Distribution	48.4%	31.8%	19.8%	100.0%

Attachment A

Flow Distribution Report Summary For January 2013

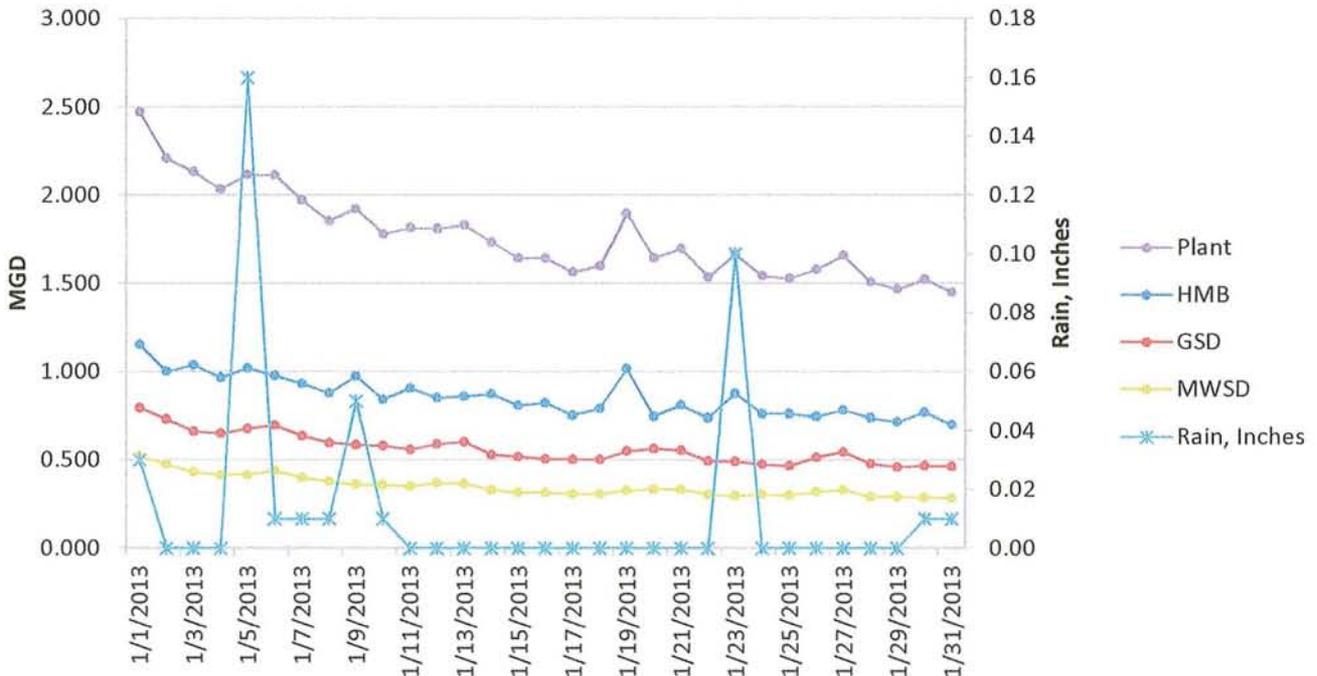
The daily flow report figures for the month of January 2013 have been converted to an Average Daily Flow (ADF) for each Member Agency. The results are attached for your review.

*Influent flow is calculated using the mid-plant flow meter less process water and trucked in waste

The summary of the ADF information is as follows:

	<u>MGD</u>	<u>%</u>
The City of Half Moon Bay	0.858	48.4%
Granada Sanitary District	0.563	31.8%
Montara Water and Sanitary District	<u>0.351</u>	<u>19.8%</u>
Total	1.772	100.00%

Sewer Authority Mid-Coastside Monthly Flow Distribution Report, January 2012





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Review of Current Investment Portfolio

The District's Investment Policy and Guidelines requires that the Board review the status of the current investment portfolio. The following summarizes the status of these accounts:

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for January 2013 was 0.300%.
- The District has set up two checking accounts that are largely backed by Federal securities: Water General Account and the Sewer General Account with Wells Fargo Bank.

RECOMMENDATION:

District staff attempts to cash manage idle funds in LAIF as long as possible before transferring to the Wells Fargo checking accounts for disbursements.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

SUBJECT: Connection Permit Applications Received

As of March 7, 2013 the following new Sewer Connection Permit applications were received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of March 7, 2013 the following new Water (Private Fire Sprinkler) Connection Permit applications were received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of March 7, 2013 the following new Water Connection Permit applications were received since the last report:

Date of App.	Property Owner	Site Address	Home Size	Type of Connection

RECOMMENDATION:

No action is required. This is for Board information only.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Monthly Water Production Report

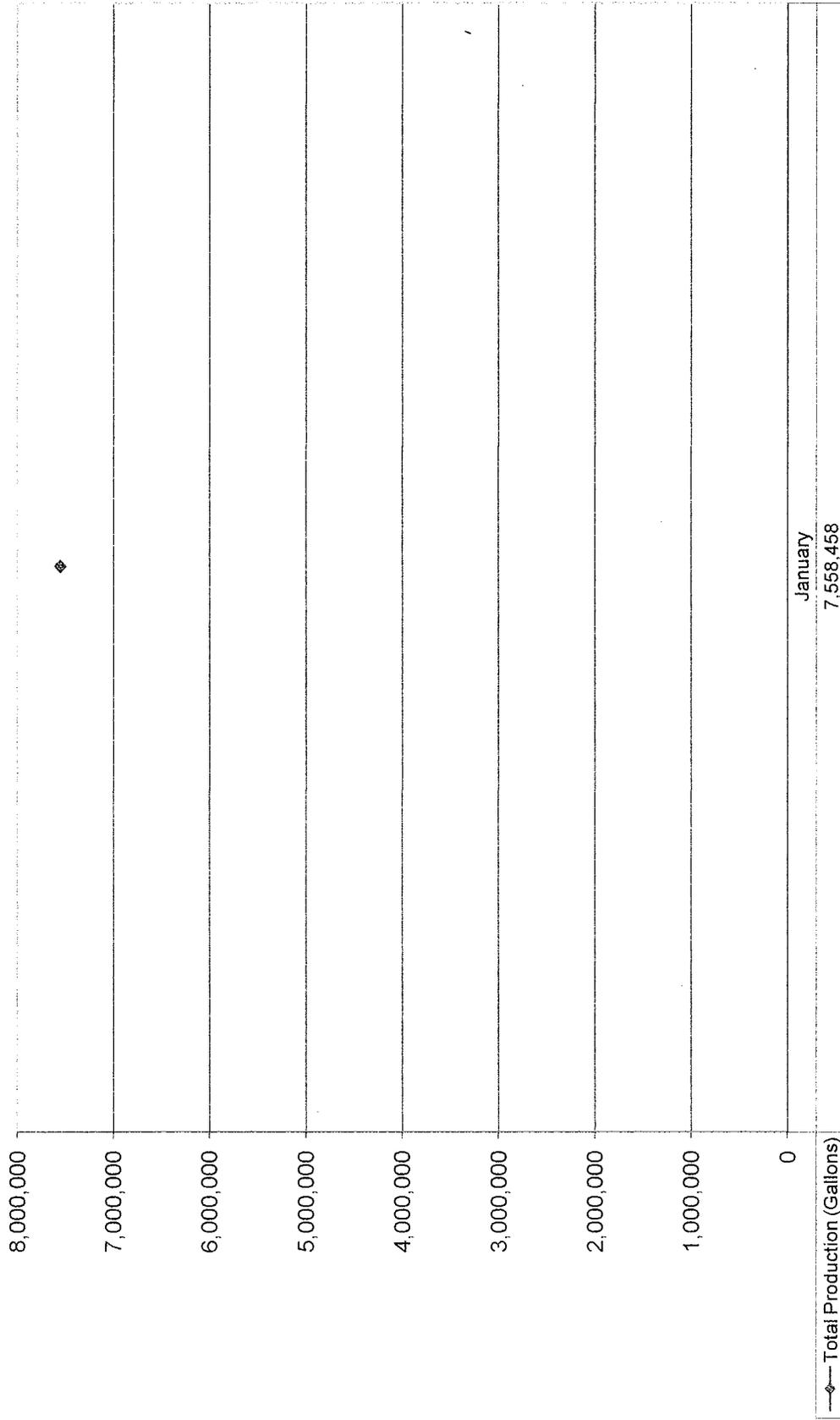
The attached two charts summarize the monthly water production for the District. The first shows a consolidated report from all sources by month. The second shows each water source the District uses, both wells and surface water. The production is shown in gallons of water produced.

RECOMMENDATION:

No action is required. This information is presented for the Board's information only.

Attachments

Total Production 2012(Gallons)



GALLONS



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier'. The signature is stylized and fluid.

SUBJECT: Rain Report

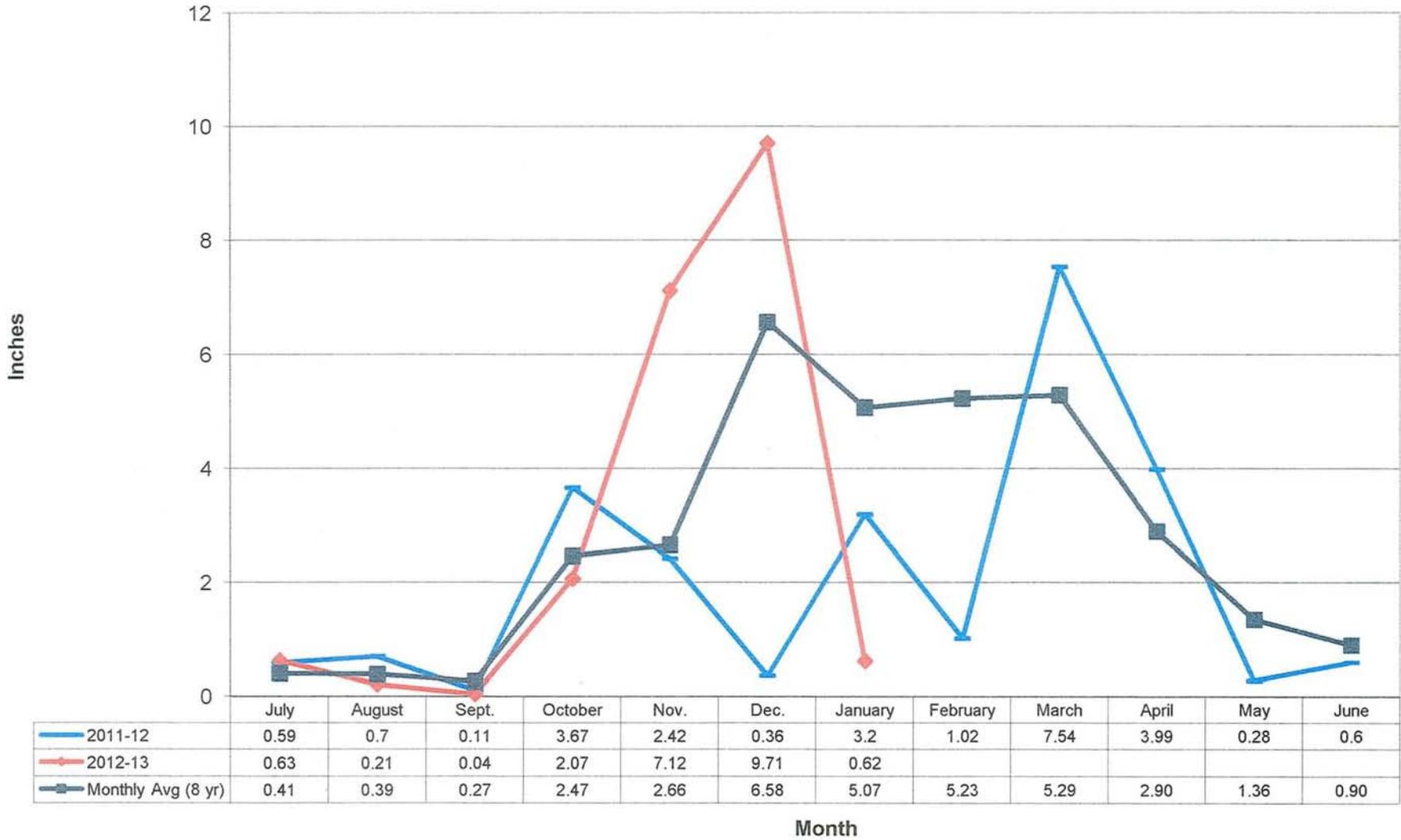
The attached chart shows the monthly rainfall at the Alta Vista Treatment Plant for the current and prior fiscal years along with the seven year average of rainfall.

RECOMMENDATION:

No action is required. This is presented for the Board's information only.

Attachment

RAIN REPORT





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Monthly Solar Energy Report

The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 28,170 kWh and saved 47,888 lbs of CO₂.

RECOMMENDATION:

No action is required. This information is presented for the Board's information only.

Attachments



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Revisions to Accounting System and Monthly Financial Statements.

In late January 2013 the District engaged with Maze & Associates for accounting services. Under Peter Medina's supervision the Maze team started working with management on a revision of the accounting system to streamline and to correct known errors. The declared goal was to present an updated chart of account, Profit and Loss Statement and Balance Sheet to the Board at this meeting. In late February Peter Medina had to resign from his new responsibilities due to health reasons. Principal Tim Krisch has temporarily taken over the Peter's duties until a replacement can be designated.

Currently no financial reports have been finalized for review by the finance committee.

RECOMMENDATION:

This is for Board Information only.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning
Approval of the FY 2011-12 Annual Audit**

Vavrinek, Trine, Day & Co recently completed the audit for the Fiscal Year ending on June 30, 2012.

The finance committee reviewed the audit and recommended the presentation of the audit at this meeting.

After review of the audit, the Board should acknowledge receipt and file with County, State, Standard & Poor's, I-Bank and First Republic Bank.

RECOMMENDATION:

Acknowledge receipt of the Annual Audit for the period ending June 30, 2011. Direct the General Manager to send a copy to the County of San Mateo, the State Controller, Standard & Poor's and to make copies on file available to the public.

Attachment

During our audit procedures performed in the area of accounts receivable, we noted that the District did not have sufficient procedures and controls in place to ensure that the billed and unbilled accounts receivable were appropriately calculated. We found an error in the calculation of above mentioned areas for both Montara and Moss Beach. Further inquiry with the District accountant revealed that the appropriate billing statements of subsequent periods were not used to ensure proper calculation. This accounting error resulted in an audit adjustment to the financial statements.

Status of Prior Year Significant Deficiencies

The Districts chart of accounts contained some distinct accounts for water fund and sewer fund, however, there were still accounts that contained transactions pertaining to both water and sewer fund. As a result, the District's accounting personnel had to manually reconcile the balances for each individual fund increasing the risk of misstatements between the funds. We recommended that the District set up the chart of accounts so that each account contained transactions for one fund only, eliminating the need for manual reconciliations between the funds. For the fiscal year ended June 30, 2012, the District accounts for each fund separately in the general ledger. Our recommendation is considered to have been implemented.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Varrinet, Trine, Day & Co., LLP.

Pleasanton, California
February 7, 2013



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

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To Those Charged with Governance
Montara Water and Sanitary District

We have audited the financial statements of Montara Water and Sanitary District for the year ended June 30, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated March 2, 2012. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Montara Water and Sanitary District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year ended June 30, 2012. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. One of the more sensitive estimates is the depreciation calculation for which we have evaluated the useful life of various classes of depreciable assets in accordance with the District's policy and industry practice.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached misstatements detected as a result of audit procedures were corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 7, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Montara Water and Sanitary District and is not intended to be and should not be used by anyone other than these specified parties.

Varrinck, Trine, Day & Co., LLP.

Pleasanton, California

February 7, 2013

Client: **Montara Water and Sanitary District**
 Engagement: **2012 - MONTARA WATER AND SANITARY DISTRICT**
 Period Ending: **6/30/2012**
 Trial Balance: **B100 - Trial Balance**
 Workpaper: **C101 - Adjusting Journal Entries Report**

DB1 11/1/2012

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2		M215		
To record deferred amount on refunding				
2753.50	Deferred amount on refunding - Water		298,844.00	
8650.50	Capital Expenses - Water:8650.50 W Interest on GO Bonds-Water		15,257.00	
8651.50	Amortization deferred amount on refunding - Water		3,086.00	
8650.50	Capital Expenses - Water:8650.50 W Interest on GO Bonds-Water			137,102.00
8652.50	Capital Expenses - Water:8652.50 GO Bond Redemp Exp-2003-Water			41,735.00
8652.50	Capital Expenses - Water:8652.50 GO Bond Redemp Exp-2003-Water			138,350.00
Total			<u>317,187.00</u>	<u>317,187.00</u>
Adjusting Journal Entries JE # 4		J101		
To adjust for the Billed and Unbilled accounts receivable.				
1155.50	1155.50 W Accounts Receivable-Water		191,482.00	
4450.00	4450.00 Water Sales-Resident-Water			191,482.00
Total			<u>191,482.00</u>	<u>191,482.00</u>
Adjusting Journal Entries JE # 5		M102		
To correct over accrual for the payments made to SAM				
2000.00	2000.00 S Acc'ts Payable Sewer-Sewer		78,093.00	
6680.00	Contract Services - Sewer:6680.00 S SAM Assessment-Sewer			54,648.00
6682.00	Contract Services - Sewer:6682.00 S SAM Collection Ass'mt-Sewer			23,445.00
Total			<u>78,093.00</u>	<u>78,093.00</u>
Adjusting Journal Entries JE # 6		M301.2		
To adjust Due To account in "Water" fund				
1155.50	1155.50 W Accounts Receivable-Water		26,018.00	
2800.50	2800.50 W Due To Sewer Fund-Water			26,018.00
Total			<u>26,018.00</u>	<u>26,018.00</u>
Adjusting Journal Entries JE # 7		M214		
To adjust deposits to match the subsidiary ledger				
8140.60	8140.60 Engrg Deposits-Water-Water		13,709.00	
8152.50	8152.50 PFP Deposits-Water		9,527.00	
2570.50	2570.50 PFP Water Deposits-Water			23,236.00
Total			<u>23,236.00</u>	<u>23,236.00</u>

**MONTARA WATER AND
SANITARY DISTRICT**

FINANCIAL STATEMENTS

JUNE 30, 2012

WITH

INDEPENDENT AUDITORS' REPORT

MONTARA WATER AND SANITARY DISTRICT

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MONTARA WATER AND SANITARY DISTRICT

**ELECTED OFFICIALS AND
ADMINISTRATIVE PERSONNEL**

JUNE 30, 2012

BOARD OF DIRECTORS

Chris Thollaug
Jim Harvey
Scott Boyd
Bob Ptacek
Kathryn Slater-Carter

GENERAL MANAGER

Clemens Heldmaier



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Montara Water and Sanitary District
Montara, California

We have audited the accompanying basic financial statements of Montara Water and Sanitary District as of and for the year ended June 30, 2012, as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Montara Water and Sanitary District as of June 30, 2012, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's office for special districts.

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

Vavrinek, Trine, Day & Co., LLP.
Pleasanton, California
February 7, 2013

MONTARA WATER AND SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Our discussion and analysis of the Montara Water and Sanitary District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with the District financial statements and accompanying notes, which follow this section.

HIGHLIGHTS

District Financial Highlights

- District-wide revenues increased approximately \$325,000 over the prior year going from \$5,367,771 to \$5,692,832.
- District-wide expenses decreased approximately \$455,000 from the prior year going from \$5,094,259 to \$4,639,039.
- The effect of the increase in revenues coupled with the decrease in expenses caused the District-wide net assets to increase approximately \$780,000 over the prior year.

USING THIS ANNUAL REPORT

This annual report consists of two parts: Management's Discussion and Analysis, and Financial Statements. The Financial Statements also include notes that explain in more detail the information contained in those statements.

Required Financial Statements

District financial statements report information about the District using accounting methods similar to those used by private sector companies. The Statement of Net Assets includes all District assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It also provides the basis for computing rate of return; evaluating the capital structure of the District; and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets. This statement measures the success of the District operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about District cash receipts, cash disbursements and changes in cash resulting from operations, investing, and capital and non capital financing activities. It provides answers to such questions as, "Where did the cash come from?", "For what was the cash used?", and "What was the change in cash balance during the reporting period?"

MONTARA WATER AND SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about District finances is whether or not the District's overall financial position has improved or deteriorated. The Statement of Net Assets and the Statement of Revenues and Expenses and Changes in Net Assets report information about District activities in a way that will help answer this question. These two statements report the net assets of the District and changes in them. You can think of District net asset, the difference between assets and liabilities, as one way to measure financial health or financial position. Over time, increases or decreases in District net assets are one indicator of whether its financial health is improving or deteriorating. Other factors to consider include changes in economic conditions, population growth, and new or changed legislation.

Net Assets Statement & Analysis

The District's total net assets increased by \$1,053,793.

The following is the District's condensed statement of net assets:

	Sewer		Water		Total	
	2012	2011	2012	2011	2012	2011
Current assets	\$ 4,258,192	\$ 3,788,744	\$ 1,536,885	\$ 1,674,011	\$ 5,795,077	\$ 5,462,755
Capital assets net of accumulated depreciation	4,389,676	4,397,490	16,542,837	16,450,975	20,932,513	20,848,465
Other long term assets	4,014,141	3,994,498	2,945,033	1,550,136	6,959,174	5,544,634
Total assets	<u>12,662,009</u>	<u>12,180,732</u>	<u>21,024,755</u>	<u>19,675,122</u>	<u>33,686,764</u>	<u>31,855,854</u>
Current liabilities	129,935	162,638	1,160,760	900,087	1,290,695	1,062,725
Long-term liabilities	927,852	954,918	17,424,691	16,848,478	18,352,543	17,803,396
Total liabilities	<u>1,057,787</u>	<u>1,117,556</u>	<u>18,585,451</u>	<u>17,748,565</u>	<u>19,643,238</u>	<u>18,866,121</u>
Net assets						
Invested in capital assets, net of related debt	3,448,211	3,432,491	(288,324)	383,727	3,159,887	3,816,218
Restricted for debt service	-	-	2,546,991	1,192,614	2,546,991	1,192,614
Unrestricted	8,156,011	7,630,685	180,637	350,216	8,336,648	7,980,901
Total net assets	<u>\$ 11,604,222</u>	<u>\$ 11,063,176</u>	<u>\$ 2,439,304</u>	<u>\$ 1,926,557</u>	<u>\$ 14,043,526</u>	<u>\$ 12,989,733</u>

Revenues, Expenses and Changes in Net Assets

For the fiscal year ended June 30, 2012 the sewer system generated operating revenue of \$2,021,528 and operating expenses of \$1,752,082, while the water system generated operating revenue of \$1,686,118 and operating expenses of \$2,331,927. Total cash & cash equivalents increased from \$6,223,981 to \$7,666,004 by year-end primarily due to the issuance of the 2012 General Obligation Bonds of \$15,635,000 offset by the early retirement of the 2003 General Obligation Bonds of \$13,973,350. This is discussed in greater detail in Note 5 B of the financial statements.

MONTARA WATER AND SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

The following is the District's condensed statement of revenues, expenses, and changes in net assets:

	Sewer		Water		Total	
	2012	2011	2012	2011	2012	2011
Operating revenues	\$ 2,021,528	\$ 2,036,148	\$ 1,686,118	\$ 1,455,235	\$ 3,707,646	\$ 3,491,383
Tax revenues	200,777	192,735	1,401,501	1,447,562	1,602,278	1,640,297
Interest and investment income	15,922	8,918	7,334	10,398	23,256	19,316
Connection fees and other non operating revenues	124,418	81,715	235,234	135,060	359,652	216,775
Total revenues	<u>2,362,645</u>	<u>2,319,516</u>	<u>3,330,187</u>	<u>3,048,255</u>	<u>5,692,832</u>	<u>5,367,771</u>
Operating expenses	1,752,082	2,081,212	2,331,927	2,273,432	4,084,009	4,354,644
Non-operating expenses	69,517	52,399	485,513	687,252	555,030	739,651
Total expenses	<u>1,821,599</u>	<u>2,133,611</u>	<u>2,817,440</u>	<u>2,960,684</u>	<u>4,639,039</u>	<u>5,094,295</u>
Change in fund net assets	541,046	185,905	512,747	87,571	1,053,793	273,476
Fund net assets - beginning of year	<u>11,063,176</u>	<u>10,877,271</u>	<u>1,926,557</u>	<u>1,838,986</u>	<u>12,989,733</u>	<u>12,716,257</u>
Fund net assets - end of year	<u>\$ 11,604,222</u>	<u>\$ 11,063,176</u>	<u>\$ 2,439,304</u>	<u>\$ 1,926,557</u>	<u>\$ 14,043,526</u>	<u>\$ 12,989,733</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2012, the District had \$ 20,932,513 (net of accumulated depreciation) invested in a variety of capital assets.

The assets include: land; sanitary sewer collection system subsurface lines and pump stations; water supply wells; surface water diversion and storage tank; water treatment plant; treated water storage tanks; water distribution system subsurface lines, valves, hydrants, and pumps; administration building; and vehicles. The District's net investment in capital assets as of June 30, 2012, increased by \$84,048 or 0.4% over the prior year. This is due to capitalized expenses in regards to the District's Water facilities plant and other capital improvements reduced by current year accumulated depreciation.

Major capital assets events during the fiscal year included the following:

- Capital improvements to the water system
- Sewer pipeline replacement

MONTARA WATER AND SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

The following summarizes District capital assets for fiscal year ended June 30, 2012:

Category	Audited Balance June 30, 2011	Additions	Deletions	Transfers	Audited Balance June 30, 2012
Land & easement	\$ 739,500	\$ -	\$ -	\$ -	\$ 739,500
Sewage collection facilities	5,341,536	-	-	-	5,341,536
Sewage treatment facilities	244,540	-	-	-	244,540
General plant & administration facilities	855,852	-	-	-	855,852
Seal Cove collection system	995,505	-	-	-	995,505
Other capital improvements	3,136,698	447,797	-	156	3,584,651
Water facilities plant	19,086,107	803,073	(30,167)	-	19,859,013
Water general plant	174,309	-	-	-	174,309
Surface water rights	300,000	-	-	-	300,000
Construction in progress	156	-	-	(156)	-
Total	<u>30,874,203</u>	<u>1,250,870</u>	<u>(30,167)</u>	<u>-</u>	<u>32,094,906</u>
Accumulated Depreciation	<u>10,025,738</u>	<u>1,166,822</u>	<u>(30,167)</u>	<u>-</u>	<u>11,162,393</u>
Property, Plant & Equipment, net	<u>\$20,848,465</u>	<u>\$ 84,048</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$20,932,513</u>

Additional information on capital assets can be found in notes #1E and #3 to the financial statements of this report.

Long Term Obligations

On July 17, 2003 the District issued \$17,500,000 in Water General Obligation Bonds Series 2003 with an average interest rate of 4.625% to purchase the water system and pay off the series 2002 General Obligation Notes.

On April 18, 2012, the District issued General Obligation Bonds Series 2012 in the amount of \$15,635,000. The bonds were issued to fully refund the General Obligation Bonds Series 2003 and to finance improvements to the District's water system.

The District entered into a capital lease for approximately \$1.8 million in October of 2006 at a rate of 5.45%, to finance the acquisition of capital assets for the water operations.

MONTARA WATER AND SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

The following is a summary of long term debt activity for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long Term Portion
General Obligation Bonds, 2003 Series	\$ 14,400,000	\$ -	\$ 14,400,000	\$ -	\$ -	\$ -
General Obligation Bonds Premium	15,257	-	15,257	-	-	-
General Obligation Bonds, 2012 Series	-	15,635,000	-	15,635,000	854,915	14,780,085
2012 GO Bonds Discount	-	(78,175)	(995)	(77,180)	(4,884)	(72,296)
PNCEF Lease Obligation	1,693,726	-	39,286	1,654,440	45,130	1,609,310
CIEDB loan	964,999	-	23,534	941,465	24,253	917,212
Deferred amount on refunding	-	(301,930)	(3,086)	(298,844)	(18,522)	(280,322)
Totals	<u>\$ 17,073,982</u>	<u>\$ 15,254,895</u>	<u>\$ 14,473,996</u>	<u>\$ 17,854,881</u>	<u>\$ 900,892</u>	<u>\$ 16,953,989</u>

Additional information on the long term debt can be found in Note #5 of the notes to the financial statements of this report.

ECONOMIC FACTORS, RATES, AND BUDGETARY CONTROL

The District is a California Special District maintained as an enterprise fund. As a special district, charges to customers are made only to those who receive services. The District is not typically subject to general economic conditions such as increases or declines in property tax values or other types of revenues that vary with economic conditions such as sales taxes. However, it does receive a small amount of property tax which is dependent on property tax valuations. Accordingly, the District sets its rates to its users to cover the costs of operation, maintenance and recurring capital replacement and debt financed capital improvements, plus any increments for known or anticipated changes in program costs.

The District and its Board adopts an annual budget to serve as its approved financial plan. The Board sets all fees and charges required to fund the District's operations and capital programs. The budget is used as a key control device (1) to ensure Board approval for amounts set for operations and capital projects, (2) to monitor expenses and project progress and (3) as compliance that approved spending levels have not been exceeded. All operating activities and capital activities of the District are included within the approved budget. The budget and capital expenditures are within the Gann limits established by State law.

REQUEST FOR INFORMATION

This financial report is designed to provide our customers and creditors with a general over view of District finances, and demonstrate District accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the General Manager at 8888 Cabrillo Highway, Montara, CA 94037 or (650) 728-3545.

MONTARA WATER AND SANITARY DISTRICT

STATEMENT OF NET ASSETS AS OF JUNE 30, 2012

	Sewer	Water	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,036,945	\$ 1,082,068	\$ 5,119,013
Accounts receivable	74,547	414,661	489,208
Inventory	-	40,156	40,156
Employee note receivable	146,700	-	146,700
Total current assets	4,258,192	1,536,885	5,795,077
Non-current assets:			
Capital assets:			
Property, plant and equipment	9,919,685	22,175,221	32,094,906
Less accumulated depreciation	5,530,009	5,632,384	11,162,393
Net property, plant and equipment	4,389,676	16,542,837	20,932,513
Other assets:			
Unamortized bond issuance costs	-	82,255	82,255
Restricted cash and cash equivalents	-	2,546,991	2,546,991
Interfund advances - Due from water fund	1,326,594	-	1,326,594
Other assets	-	315,787	315,787
Investment in joint powers authorities	2,687,547	-	2,687,547
Total other assets	4,014,141	2,945,033	6,959,174
Total non-current assets	8,403,817	19,487,870	27,891,687
Total assets	12,662,009	21,024,755	33,686,764

(Continued)

The accompanying notes are an integral part of these financial statements.

MONTARA WATER AND SANITARY DISTRICT

**STATEMENT OF NET ASSETS (CONTINUED)
AS OF JUNE 30, 2012**

	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 105,682	\$ 205,946	\$ 311,628
Interest payable	-	78,175	78,175
Current portion of long-term obligations	24,253	876,639	900,892
	<u>129,935</u>	<u>1,160,760</u>	<u>1,290,695</u>
Total current liabilities			
Long term liabilities:			
Accrued compensated absences	10,640	16,566	27,206
General obligation bonds, less current portion	-	14,427,467	14,427,467
Other long term obligations, less current portion	917,212	1,609,310	2,526,522
Interfund advances - Due to sewer fund	-	1,326,594	1,326,594
Deposits	-	44,754	44,754
	<u>927,852</u>	<u>17,424,691</u>	<u>18,352,543</u>
Total long term liabilities			
	<u>1,057,787</u>	<u>18,585,451</u>	<u>19,643,238</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	3,448,211	(288,324)	3,159,887
Restricted for debt service	-	2,546,991	2,546,991
Unrestricted	8,156,011	180,637	8,336,648
	<u>11,604,222</u>	<u>2,439,304</u>	<u>14,043,526</u>
Total net assets			

The accompanying notes are an integral part of these financial statements.

MONTARA WATER AND SANITARY DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED JUNE 30, 2012

	Sewer	Water	Total
OPERATING REVENUES			
Sales and service charges	\$ 1,862,117	\$ 1,686,118	\$ 3,548,235
Other revenues	159,411	-	159,411
Total operating revenues	2,021,528	1,686,118	3,707,646
OPERATING EXPENSES			
General and administrative	250,619	781,420	1,032,039
Contractual services	1,093,355	553,266	1,646,621
Depreciation	412,694	756,183	1,168,877
Maintenance and repairs	(4,586)	241,058	236,472
Total operating expenses	1,752,082	2,331,927	4,084,009
OPERATING INCOME (LOSS)	269,446	(645,809)	(376,363)
NONOPERATING REVENUES (EXPENSE)			
Taxes - District share of one percent	200,777	208,920	409,697
Taxes - Ad valorem for general obligation bonds	-	1,192,581	1,192,581
Investment income	15,922	7,334	23,256
Interest expense	(69,517)	(485,513)	(555,030)
Other revenues	48,762	170,410	219,172
Total non-operating revenues (expenses)	195,944	1,093,732	1,289,676
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	465,390	447,923	913,313
Capital contributions - connection fees	75,656	64,824	140,480
Changes in net assets	541,046	512,747	1,053,793
NET ASSETS, BEGINNING OF YEAR	11,063,176	1,926,557	12,989,733
TOTAL NET ASSETS, END OF YEAR	\$ 11,604,222	\$ 2,439,304	\$ 14,043,526

The accompanying notes are an integral part of these financial statements.

MONTARA WATER AND SANITARY DISTRICT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2012

	Sewer	Water	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 2,026,435	\$ 1,463,724	\$ 3,490,159
Payments to suppliers - other	(1,122,190)	(615,156)	(1,737,346)
Payments to employees	(253,433)	(783,405)	(1,036,838)
Net cash provided (used) by operating activities	<u>650,812</u>	<u>65,163</u>	<u>715,975</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Property taxes collected	200,777	208,920	409,697
Principal paid on long term debt	(23,534)	804,433	780,899
Interest paid on long term debt	(69,517)	(677,075)	(746,592)
Acquisition and construction of capital assets	(404,880)	(848,045)	(1,252,925)
Funds advanced from sewer to water	(19,643)	19,643	-
Connection fees and other non operating revenue collected	124,418	1,387,295	1,511,713
Net cash provided (used) by capital and related financing activities	<u>(192,379)</u>	<u>895,171</u>	<u>702,792</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income	15,922	7,334	23,256
Net cash provided (used) by investing activities	<u>15,922</u>	<u>7,334</u>	<u>23,256</u>
NET INCREASE IN CASH AND EQUIVALENTS	474,355	967,668	1,442,023
Cash and investments, July 1	3,562,590	2,661,391	6,223,981
Cash and investments, June 30	<u>\$ 4,036,945</u>	<u>\$ 3,629,059</u>	<u>\$ 7,666,004</u>
AMOUNTS AS THEY APPEAR ON THE STATEMENT OF NET ASSETS:			
Cash and cash equivalents	\$ 4,036,945	\$ 1,082,068	\$ 5,119,013
Restricted cash and cash equivalents	-	2,546,991	2,546,991
	<u>\$ 4,036,945</u>	<u>\$ 3,629,059</u>	<u>\$ 7,666,004</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

MONTARA WATER AND SANITARY DISTRICT

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012**

	Sewer	Water	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 269,446	\$ (645,809)	\$ (376,363)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	412,694	756,183	1,168,877
Accounts and notes receivable	4,907	(248,869)	(243,962)
Inventory	-	(714)	(714)
Accounts payable	(33,421)	179,882	146,461
Deposits	-	26,475	26,475
Compensated absences	(2,814)	(1,985)	(4,799)
Total adjustments	<u>381,366</u>	<u>710,972</u>	<u>1,092,338</u>
Net cash provided (used) by operating activities	<u>\$ 650,812</u>	<u>\$ 65,163</u>	<u>\$ 715,975</u>

The accompanying notes are an integral part of these financial statements.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

Montara Water and Sanitary District (the District), a governmental entity legally constituted as a special district under California law, is located on the coast in northwestern San Mateo County. The District was formed in 1958 to provide sanitary sewer services and franchise solid waste collection for the unincorporated areas known as Montara and Moss Beach. On May 2003 an agreement to acquire Cal-Am Montara Water District was reached with operations beginning as of August 1, 2003.

B. Basis of Accounting

The District is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs and expenses, including depreciation, and providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges.

An enterprise fund is used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its statement of net assets, and under the full accrual basis of accounting, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred.

A major fund is a fund whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all funds.

The District reports the following major Proprietary Funds:

Water Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the water system which is funded by user charges and other fees.

Sewer Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the sewer system. These activities are funded by user charges and other fees.

The District applies all applicable pronouncements of the Governmental Accounting Standards Board (GASB) as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board, or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus

Enterprise funds are accounted for on a cost of services or *economic resources* measurement focus, which means that all assets and all liabilities associated with their activity are included on their statement of net assets. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for services. Operating expenses for the District include the cost of goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Inventory

Inventory is held for consumption and is recorded at cost using the first-in-first-out (FIFO) basis.

E. Capital Assets

Capital assets, which include property, plant, and equipment are recorded at historical costs or estimated historical cost, if actual cost is not available. Contributed assets are recorded at estimated fair value on the date of contribution.

The District defines capital assets as assets with an initial, individual cost of \$2,500 and an estimated useful life in excess of one year.

Depreciation is computed by the straight-line method based on the estimated useful lives of related asset classifications of 3 to 50 years of assets.

F. Cash Flows Defined

For purpose of the statements of cash flows the District defines cash and cash equivalents to include all cash in deposit accounts, highly liquid investments, and cash on hand.

G. Accounts Receivable

The District bills its water consumption and sewer usage on a cycle billing method. Cycle billing results in an amount of services rendered but not yet billed at year-end. The District has recorded this revenue by estimating the unbilled amount. The estimate was calculated by using the billing subsequent to the balance sheet date (June 30) and calculating the amount of service provided prior to June 30. This calculated amount is included in accounts receivable.

The delinquent water and sewer charges for services and facilities furnished by the District's water and sewage system, and all the penalties or delinquent charges accrued thereon shall constitute a lien upon the real property served. The District is allowed to place such charges and fees on the property tax rolls annually as of July 1.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2012

NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Accrued Compensated Absences

The liability for vested vacation pay is calculated and accrued on an annual basis. The amount is computed using current employee accumulated vacation hours at current pay rates.

I. Budgets and Budgetary Accounting

Budgets are prepared on a basis consistent with generally accepted accounting principles. A general budget is adopted annually by the Board of Directors which includes operations, maintenance, and administration.

J. Property Taxes

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments due November 15 and March 15. Unsecured property taxes, if any, are payable in one installment on or before August 15. The County of San Mateo bills and collects the taxes for the District. Tax revenues are recognized by the District when received. The sewer service charges are included in secured property tax bills.

K. Contract Services

The District contracted out the operation and maintenance of its sewer facilities to the Sewer Authority Mid-Coastside (SAM).

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. New Accounting Pronouncements

In November 2010, the GASB issued GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. This Statement also requires disclosures about an SCA including a general description of the arrangement and information about the associated assets, liabilities, and deferred inflows, the rights granted and retained, and guarantees and commitments. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The District will be required to implement the provisions of this Statement in fiscal year ending June 30, 2013, and does not believe it will have a significant impact on the financial statements.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

On December 17, 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. Statement 61 is designed to improve financial reporting for governmental entities by amending the requirements of Statements No. 14, *The Financial Reporting Entity*, and No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, to better meet user needs and address reporting entity issues that have come to light since those Statements were issued in 1991 and 1999, respectively. The Statement will improve the information presented about the financial reporting entity, which is comprised of a primary government and related entities (component units). The requirements of Statement 61 are effective for financial statements for periods beginning after June 15, 2012. The District will be required to implement the provisions of this Statement in fiscal year ending June 30, 2013, and does not believe it will have a significant impact on the financial statements.

On December 30, 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements. The Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989 including FASB Interpretations and Statements, Accounting Principles Board Opinions and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. The requirements of Statement 62 are effective for financial statements for periods beginning after December 15, 2011. The District will be required to implement the provisions of this Statement in the fiscal year ending June 30, 2013, and is currently evaluating the effect on the District's financial statements.

In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. The provisions of Statement 63 are effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged. The District will be required to implement the provisions of this Statement in fiscal year ending June 30, 2013, and is currently evaluating the impact on the financial statements.

In March, 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards the reclassify as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of Statement 65 are effective for financial statements for periods beginning after December 15, 2012, with earlier application encouraged. The District has not determined its effect on the financial statements.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2012

NOTE #2 - CASH AND INVESTMENTS

A. Cash and Investment Summary

The following is a summary of the cash and investments as of June 30, 2012:

Cash Deposits	\$ 4,318,589
Investments (Local Agency Investment Fund)	3,347,415
	<u>\$ 7,666,004</u>
Restricted cash and cash equivalents	\$ 2,546,991
Unrestricted cash and cash equivalents	5,119,013
	<u>\$ 7,666,004</u>

B. General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

C. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by depositing the majority of its funds with the State Local Agency Investment Fund (LAIF), which is short term investment.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #2 - CASH AND INVESTMENTS (Continued)

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Average Maturity</u>
LAIF	\$ 3,347,415	268 days

D. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. LAIF doesn't have a credit rating.

E. Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. It is the District's policy that all securities are evidenced by specific identifiable pieces of paper called *securities instruments*, or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to maximize security, the District employs the Trust Department of a bank as the custodian of its investments with the U.S. Government or its agencies, regardless of their form.

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

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #3 – CAPITAL ASSETS

Changes in capital assets accounts are summarized below:

Category	Audited			Transfers	Audited
	Balance	Additions	Deletions		Balance
	June 30, 2011				June 30, 2012
Land & easement	\$ 739,500	\$ -	\$ -	\$ -	\$ 739,500
Sewage collection facilities	5,341,536	-	-	-	5,341,536
Sewage treatment facilities	244,540	-	-	-	244,540
General plant & administration facilities	855,852	-	-	-	855,852
Seal Cove collection system	995,505	-	-	-	995,505
Other capital improvements	3,136,698	447,797	-	156	3,584,651
Water facilities plant	19,086,107	803,073	(30,167)	-	19,859,013
Water general plant	174,309	-	-	-	174,309
Surface water rights	300,000	-	-	-	300,000
Construction in progress	156	-	-	(156)	-
Total	30,874,203	1,250,870	(30,167)	-	32,094,906
Accumulated Depreciation	10,025,738	1,166,822	(30,167)	-	11,162,393
Property, Plant & Equipment, net	\$ 20,848,465	\$ 84,048	\$ -	\$ -	\$ 20,932,513

NOTE #4 – INVESTMENT IN JOINT POWER AUTHORITY

Investment in Sewer Authority Mid-Coastside

The District has an ownership percentage (20%) of the Sewer Authority Mid-Coastside (SAM), a public entity created February 3, 1976 by a Joint Exercise of Powers Agreement pursuant to the provisions of Title 1, Division 7, and Chapter 5 of the Government code of the State of California. Other joint power members include the City of Half Moon Bay (50%) and the Granada Sanitary District (30%). The District reports its financial interest in SAM on the cost basis.

Under this agreement, SAM is granted the power of the member agencies to construct, maintain, and operate facilities for the collection, transmission, treatment and disposal of wastewater for the benefit of the lands and inhabitants within their respective boundaries.

Each member agency has the power to appoint two representatives of their own governing body to SAM's Board of Directors. Budgets prepared by SAM are subject to approval by the member agencies and expenditures in excess of the budgeted amounts require unanimous consent and approval of SAM's Board of Directors.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #4 - INVESTMENT IN JOINT POWER AUTHORITY (Continued)

SAM provides sewage collection and treatment services, for which the District pays a monthly fee. The District paid \$938,934 for these collection and treatment services for the year.

Summary details of SAM's financial position and results of operation from the most recent audited financial statement at June 30, 2012 are as follows:

Total assets	\$ 18,729,205
Total liabilities	<u>655,095</u>
Net assets	<u>\$ 18,074,110</u>
Total revenues	\$ 3,969,921
Total expenses	<u>5,401,026</u>
Decrease in net assets	<u>\$ (1,431,105)</u>

The District specific SAM plant expansion costs, not shared by the other equity participation are burdened on Montara Water and Sanitary District alone and have been included in the District's total Investment in Joint Power Authorities.

NOTE #5 - LONG TERM OBLIGATIONS

Following is a summary of the changes in long term obligations for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long Term Portion
General Obligation Bonds, 2003 Series	\$ 14,400,000	\$ -	\$ 14,400,000	\$ -	\$ -	\$ -
General Obligation Bonds Premium	15,257	-	15,257	-	-	-
General Obligation Bonds, 2012 Series	-	15,635,000	-	15,635,000	854,915	14,780,085
2012 GO Bonds Discount	-	(78,175)	(995)	(77,180)	(4,884)	(72,296)
PNCEF Lease Obligation	1,693,726	-	39,286	1,654,440	45,130	1,609,310
CIEDB loan	964,999	-	23,534	941,465	24,253	917,212
Deferred amount on refunding	-	(301,930)	(3,086)	(298,844)	(18,522)	(280,322)
Totals	<u>\$ 17,073,982</u>	<u>\$ 15,254,895</u>	<u>\$ 14,473,996</u>	<u>\$ 17,854,881</u>	<u>\$ 900,892</u>	<u>\$ 16,953,989</u>

A. General Obligation Bonds, Series 2003

On July 17, 2003, the District issued General Obligation Bonds, Series 2003 for \$17,500,000. These bonds are payable from the levy of ad valorem taxes on all property within the District. Proceeds of the issuance are for the acquisition and improvements of a domestic water supply, treatment, and fire protection system serving the entire District service area. Interest rates range from 4% to 4.625%. These bonds mature through 2028 with principal amounts due August 1, and interest payments due on February 1 and August 1 of each year.

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE #5 - LONG TERM OBLIGATIONS (Continued)

The Bonds are registered in the name of Cede & Co., as nominee of the Depository Trust Company (“DTC”), New York, as the initial securities depository for the bond. Principal and interest payments with respect to the Bonds are payable directly to DTC by the paying agent.

B. General Obligation Bonds, Series 2012

On April 18, 2012, the District issued General Obligation Bonds Series 2012 in the amount of \$15,635,000. The bonds were issued to fully refund the General Obligation Bonds Series 2003 and to finance improvements to the District’s water system. These bonds are payable from the levy of ad valorem taxes on all property within the District. Interest on the bonds is 2.4 percent and is payable on February 1 and August 1 of each year, commencing August 1, 2012. Principal is due bi-annually beginning on August 1, 2012, in amounts ranging from \$389,142 to \$568,322, with a final payment on August 1, 2028 of \$568,322. The bonds maturing on or before August 1, 2017 are not subject to redemption prior to their respective stated maturity dates. Bonds maturing on or after August 1, 2017 are subject to redemption prior to their respective stated maturity dates at the option of the District at the principal amount of the bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The bonds were sold to First Republic Bank at their face amount (\$15,635,000) less net original issue discount of \$78,175, for a total amount of \$15,556,825. On the date of issue of the Series 2012 bonds, the \$83,745 were deposited into the Cost of Issuance Fund, \$1,500,000 in the Acquisition and Improvement Fund and the remaining \$13,973,350 was transferred to the Series 2003 bonds. The difference in cash flow of the General Obligation Bonds Series 2012 is \$2,765,341 which is due to a present value savings. The economic gain, as determined by the Causey Demgen & Moore Inc., is \$2,232,516.

Repayment Schedule

<u>Fiscal Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 854,915	\$ 295,521	\$ 1,150,436
2014	795,656	354,780	1,150,436
2015	815,134	335,302	1,150,436
2016	835,090	315,346	1,150,436
2017	854,702	295,734	1,150,436
2018-2022	4,601,571	1,150,610	5,752,181
2023-2027	5,193,358	558,822	5,752,180
2028-2029	1,684,574	41,080	1,725,654
Total	<u>\$ 15,635,000</u>	<u>\$ 3,347,195</u>	<u>\$ 18,982,195</u>

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2012

NOTE #5 - LONG TERM OBLIGATIONS (Continued)

C. Capital Lease

On November 7, 2006, the District entered into a lease/purchase agreement with a financial institution in the amount of \$1,854,443 at a fixed interest rate of 4.56% annually. The agreement matures on October 7, 2026. The agreement was to finance the acquisition, construction and installation of energy conservation capital facilities for the District's water system with the expectation that the cost thereof will be offset through reductions in future energy costs created by the facilities. As security for its obligation under this lease the District has pledged to the Lessor a security interest in the net revenue of both the water and sewer enterprises.

Repayment Schedule

Fiscal Year Ending June 30,	Principal	Interest	Total
2013	\$ 45,130	\$ 73,037	\$ 118,167
2014	52,724	70,822	123,546
2015	60,975	68,247	129,222
2016	69,859	65,283	135,142
2017	79,346	61,901	141,247
2018-2022	566,207	241,936	808,143
2023-2027	780,199	78,598	858,797
Total	\$ 1,654,440	\$ 659,824	\$ 2,314,264

D. CIEDB Loan

On October 1, 2008, the District entered into an enterprise fund installment sale agreement with California Infrastructure and Economic Development Bank (CIEDB) in the amount of \$1,010,000. The agreement was to purchase a facility in order to renovate and upgrade two sewer pump stations. The agreement matures on December 3, 2037 with principal amounts due August 1, and interest payments due on February 1 and August 1 of each year. The interest rate is 3.05% per annum.

Repayment Schedule:

Fiscal Year Ending June 30,	Principal	Interest	Total
2013	\$ 24,253	\$ 31,169	\$ 55,422
2014	24,992	30,345	55,337
2015	25,755	29,497	55,252
2016	26,540	28,622	55,162
2017	27,350	27,720	55,070
2018-2022	149,782	124,088	273,870
2023-2027	174,060	97,052	271,112
2028-2032	202,273	65,633	267,906
2033-2037	235,060	29,121	264,181
2038	51,400	938	52,338
	\$ 941,465	\$ 464,185	\$ 1,405,650

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2012

NOTE #6 - DEFERRED COMPENSATION PLAN

The District's defined contribution, IRS code section 457 pension plan, provides deferred compensation retirement benefits to plan members and beneficiaries. Under this plan participants may defer a portion of their compensation and are not taxed on the deferred portion until it is distributed to them. Distribution may be made only at termination, retirement, death, or in an emergency as defined by the plan. The District has contracted with a third party to provide administration and management of the plan's assets which are to be held for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under this plan are not the District's property and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

NOTE #7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts: theft, damage, and destruction of assets; errors and omissions; injuries to employees and natural disaster. The District joined together with other entities to form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool currently operating as a common risk management and insurance program for 54 member entities. The purpose of CSRMA is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost. The District pays annual premiums to CSRMA for its general, liability, property damage and monthly premiums to State Fund for its workers compensation insurance.

CSRMA is governed by a Board composed of one representative from each member agency. The Board controls the operations of CSRMA including selection of management and approval of operating budgets, independent of any influence by member entities.

Settled claims for CSRMA or commercial fidelity bonds have not exceeded coverage in any of the past three fiscal years.

The following is a summary of the insurance policies carried by the District as of June 30, 2012:

Type of Coverage	Coverage Limits
General Liability	\$ 15,500,000
Workers' Compensation	200,000
Boiler & Machinery	100,000,000
Property	6,107,965

MONTARA WATER AND SANITARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2012

NOTE #7 - RISK MANAGEMENT (Continued)

Audited condensed financial information for CSRMA is presented below for the year ended June 30, 2012:

Total assets	\$	30,047,691
Total liabilities		<u>17,709,465</u>
Net assets	\$	<u>12,338,226</u>
Total revenues	\$	8,879,110
Total expenses		<u>12,460,997</u>
Increase (decrease) in net assets	\$	<u>(3,581,887)</u>

Claims and judgments, including provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the District has coverage for such claims, but it had retained the risk for the deductible or uninsured portion of these claims.

The District has not exceeded its insurance coverage limits in any of the last three years. Any District liability is included in accrued expenses on the financial statements.

NOTE #8 – COMMITMENTS AND CONTINGENT LIABILITIES

The District has an agreement with Sewer Authority Mid-Coastside (SAM), Granada Sanitary District, and City of Half Moon Bay for the purchase of additional plant sewer capacity on an as needed basis. Montara Water and Sanitary District may purchase additional capacity in the SAM plant, if such additional capacity is available, at a cost per Equivalent Residential Unit (ERU) in effect. The future price would be an average current cost per ERU charged a property in the City of Half Moon Bay and Granada Sanitary Districts plus accrued interest as stipulated in the agreement. At this time the District needs no additional capacity.

The District is a plaintiff or defendant in a number of lawsuits, which have arisen in the normal course of business. In the opinion of the District, these actions when finally adjudicated will not have a material adverse effect on the financial position of the District.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Possible Leak Adjustment for 191 Arbor Ln.

The District received a request to consider an adjustment to the water bill and 2012/13 sewer service charge for 191 Arbor Ln. due to a leak. The leak extended from November 1, 2012 through December 11, 2012 and occurred on the customer's landscaping piping in their backyard. Pictures of the location of the leak and where the water flowed to are included in the customer's adjustment request along with photos of the repair to the landscape piping. Staff was also able to confirm the location of the leaking piping. Billing records show a five year customer average of 17 units for January's billing.

The January 2013 and March 2013 water bills (242 HCF and 11 HCF respectively) will be used to assess the sewer service charge for said property. The water consumption measured for the billing period is 253 HCF and the excessive usage due to the leak is 225 HCF. If the Board finds sufficient evidence that the leak did not enter the sewer system, the customer's wet weather consumption for this billing period should be reduced to 28 HCF (17 HCF + 11 HCF).

If it cannot be determined that the leak did not enter the sewer system, per the District's refund policy, one third of the excess usage reflected in January's billing covers the cost of treatment ($225 \text{ HCF} / 3 = 75$). Using 17 HCF as average for January's billing, wet weather consumption for the property ($17 \text{ HCF} + 11 \text{ HCF} + 75 \text{ HCF} = 103 \text{ HCF}$), the customer should then be assessed for 103 HCF for the current year's sewer service charge billing. The home owner would be eligible for an adjustment of 150 HCF.

The attached spreadsheet shows that the customer is eligible for a credit of \$1,334.19 to his account for the January 2013 water bill.

RECOMMENDATION:

Authorize the General Manager to adjust the 2012/13 sewer service charge for 191 Arbor Ln. accordingly.

Attachments

Steven King
 191 Arbor Ln.
 January 2013 Billing
 Calculation for Water Bill

Total Units Billed 242

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	7	units	\$ 63.49
Tier 3 units 14 - 27	\$ 11.34	x	14	units	\$ 158.76
Tier 4 units 28 and over	\$ 15.87	x	215	units	\$ 3,412.05

Totals for 242 units used \$ 3,675.10

Customer average equals 17 units

Excess usage due to leak equals 225 units

Calculations for Adjustment:

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	6	units	\$ 54.42
Tier 3 units 14 - 27	\$ 11.34	x	5	units	\$ 56.70
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$ -
Excess usage at Tier 2 Rate	\$ 9.07	x	225	units	\$ 2,040.75

Total Calculations for Adjustment \$ 2,192.67

Billed Units		\$ 3,675.10
Minus Total Calculations for Adjustment	minus	\$ 2,192.67
		\$ 1,482.43
Minus 10% processing fee	minus	\$ 148.24
Bill Adjustment Due	Total Adjustment	\$ 1,334.19

Please note: Adjustments to be given once every 5 years only.



Meter Usage History

MONTARA SANITARY DISTRICT

Tuesday, January 22, 2013

For Account: 83-0960-0

Name: Steven King

Service Address: 191 Arbor Ln

Moss Beach CA 94038 94

Total Due: \$3,559.47

Current: \$3,559.47

Past 1: \$0.00

Past 2: \$0.00

Past 3: \$0.00

San 5 yr avg. = 17 units Nov. 5 yr avg. = 19 units

Read Date	Reading	Usage	Usage Billed	Meter	Est	Utility	Rate	Charge
1/2/2013	1108	242	242	06313018	No	W	D1	\$3,675.10
11/1/2012	866	14	14	06313018	No	W	D1	\$115.63
9/4/2012	852	17	17	06313018	No	W	D1	\$149.65
7/5/2012	835	17	17	06313018	No	W	D1	\$149.65
5/1/2012	818	10	10	06313018	No	W	D1	\$74.12
3/1/2012	808	14	14	06313018	No	W	D1	\$111.18
1/3/2012	794	20	20	06313018	No	W	D1	\$176.58
11/1/2011	774	14	14	06313018	No	W	D1	\$111.18
9/1/2011	760	21	21	06313018	No	W	D1	\$187.48
7/1/2011	739	27	27	06313018	No	W	D1	\$252.88
5/2/2011	712	31	31	06313018	No	W	D1	\$313.92
3/1/2011	681	29	29	06313018	No	W	D1	\$283.40
1/3/2011	652	16	16	06313018	No	W	D1	\$132.98
11/1/2010	636	22	22	06313018	No	W	D1	\$121.74
9/1/2010	614	26	26	06313018	No	W	D1	\$151.31
7/1/2010	588	17	17	06313018	No	W	D1	\$89.08
5/3/2010	571	14	14	06313018	No	W	D1	\$73.36
3/2/2010	557	11	11	06313018	No	W	D1	\$57.64
1/4/2010	546	15	15	06313018	No	W	D1	\$78.60
11/2/2009	531	18	18	06313018	No	W	D1	\$94.32
9/1/2009	513	49	49	06313018	No	W	D1	\$321.35
7/1/2009	464	18	18	06313018	No	W	D1	\$94.32
5/1/2009	446	13	13	06313018	No	W	D1	\$64.83
3/2/2009	433	14	14	06313018	No	W	D1	\$69.82
1/5/2009	419	22	22	06313018	No	W	D1	\$115.27
11/3/2008	397	22	22	06313018	No	W	D1	\$115.27
9/2/2008	375	34	34	06313018	No	W	D1	\$197.34
7/1/2008	341	24	24	06313018	No	W	D1	\$128.95
5/1/2008	317	8	8	06313018	No	W	D1	\$37.86
3/3/2008	309	11	11	06313018	No	W	D1	\$52.06
1/2/2008	298	13	13	06313018	No	W	D1	\$61.53
11/1/2007	285	18	18	06313018	No	W	D1	\$85.19
9/4/2007	267	20	20	06313018	No	W	D1	\$96.21

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

Exception Report - Symbol/Radix/ReadAll/ORION Vehicle

Account # Read Date/Time	Name Address	Mod Ser # Mtr Ser #	Read Tamper Type Mode	Pres Read	High Limit Low Limit	Rd ID Seq #	Reader Codes	Comment Code	Tr Cd
83-0120-0 11/01/2012 10:27:25	Tyler, DR Christopher 2009 Vallemar St	71254352 06312972	H/D L	392	14 14	www 20			
83-0960-0 11/01/2012 09:33:43	King, Steven 191 Arbor Ln	71254264 06313018	H/D L	866	26 26	www 295			
83-1640-5 11/01/2012 09:36:52	RUSSELL, MARCELLA 323 Nevada St	71253523 06313065	H/D L	842	38 38	www 585			
83-1790-0 11/01/2012 09:34:09	NOYES, MAX 422 Nevada St	70686884 06313106	H/D L	325	21 21	www 635			
83-2437-0 11/01/2012 09:45:47	Wallace, Lincoln 1040 Park Way	71253967 06312853	H/D L	692	24 24	www 560			
83-3180-0 11/01/2012 09:45:42	Winston, Frederick 100 Terrace Lane	71252943 06312237	H/D L	221	12 12	www 680			
83-2670-1 11/01/2012 09:36:01	Lotus Law Home LLC, 555 Vermont Ave	71252584 06311764	H/D L	802	20 20	www 890			
83-4460-7 11/01/2012 09:46:55	Jeffredo, Louise 146 La Grande Ave	71254031 06312877	H/D L	963	44 44	www 345			
83-5000-1 11/01/2012 09:58:32	Transnational Market 860 Airport Rd	71252397 06311673	H/D L	3615	202 202	www 455			
83-5350-2 11/01/2012 10:01:46	SETON COAST SIDE, 600 Marine Blvd	71051927 06389290L	H/D L	6676	528 528	www 825			
83-5555a-2	COWDERY, JAMES 1020 Etheldore	71132357 06231187	R/D T			www 815			
83-5835-0	Canadas, Debbie 858 Stetson St	71253231 06311792	R/D T		39 39	www 905			
83-6770-0 11/01/2012 09:41:26	Lane, Robert 9555 Cabrillo Hwy	71254209 06312944	H/D L	307		www 680			
83-7140-0 11/01/2012 10:09:39	Huber, Bill 146 Crescent Ave	71252615 06311782	H/D L	519	24 24	www 1220			
83-7320-0 11/01/2012 09:35:59	Rohe, Larry 843 Stetson St	71254827 06312716	H/D L	408	18 18	www 1315			
83-7595-0 11/01/2012 09:08:50	Sheppard, C 600 Admiral St	71253950 06312727	H/D L	784	39 39	www 1215			
83-7870-1 11/01/2012 10:12:44	GILMORE, ARLINE 511 Kelmore St	71253703 06313218	H/D L	260	15 15	www 1055			
83-8220-1 11/01/2012 10:13:32	Evans, Bill 755 Kelmore St	71253858 06313133	H/D L	530	18 18	www 885			



Work Order

PROF

1/22/2013

WORK ORDER NUMBER	TYPE	CREATED DATE	CREATED BY	STATUS
130122120258	PROF	1/22/2013	JEFF	PRNT

DESC. PROFILE

ACCOUNT NUMBER	DAY PHONE	WANTED	AM/PM	CALLER NAME	PRIORITY
83-0960-0		1/22/2013	AM		1

SERVICE ADDRESS	COMMENTS
King Steven 191 Arbor Ln Moss Beach CA 94038 9403	Profile meter for January's billing.

METER INFORMATION

Meter	Utility	Route	Seq.	Mult.	Dials	Rate	Read Date	Reading	Usage	Pressure
06313018	W	9101	295	1	4	D1	1/2/2013	1108	242	0

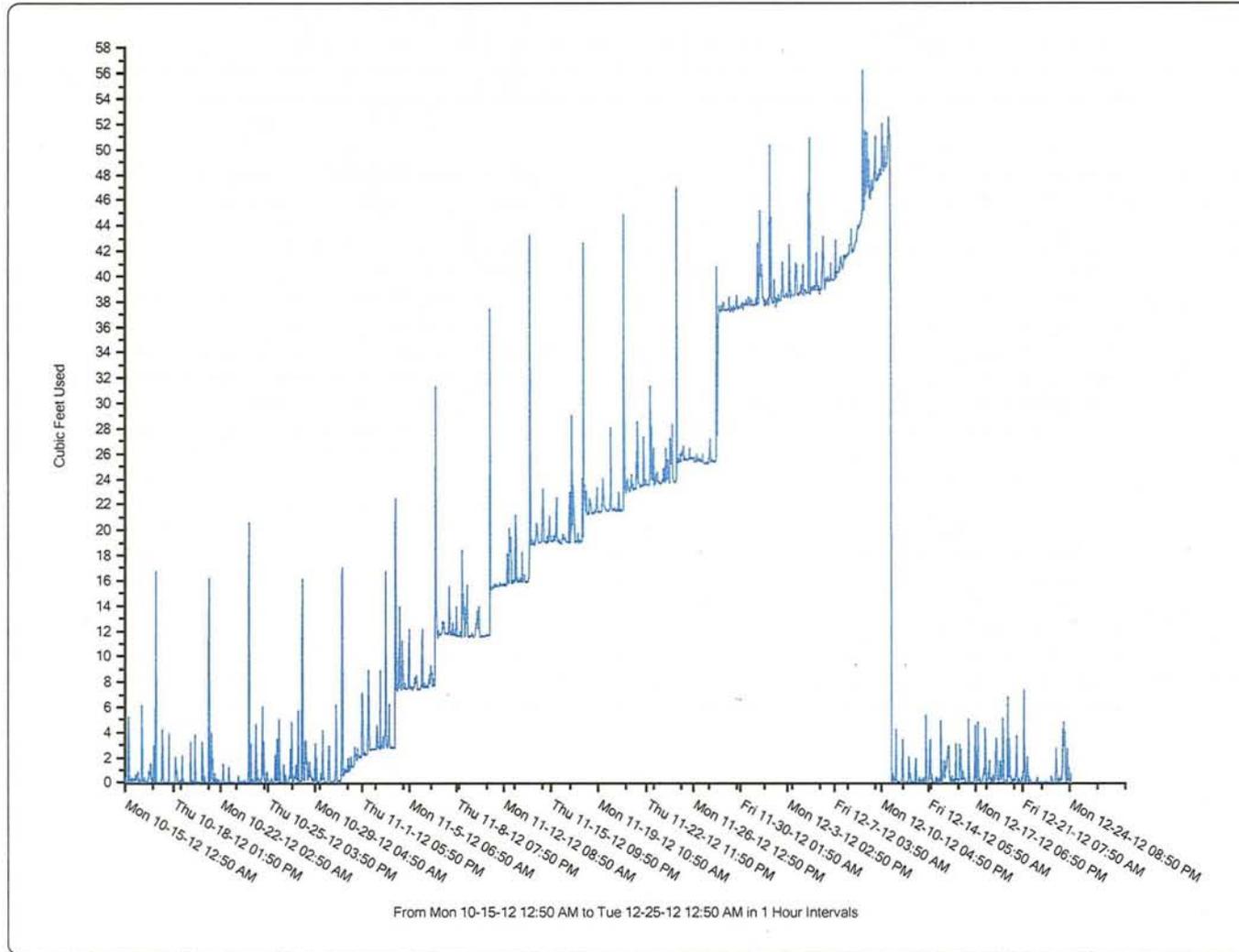
Meter Location

71254264 - 2030123-1250

DISPATCH

DATE	TIME	DISPATCHER	METHOD	CREW
1/23/13	11:20	J. Martinez		

ORION Meter Reading Profile
Serial # 71254264



Profile Name: 71254264 20130123 1250

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

Exception Report - Symbol/Radix/ReadAll/ORION Vehicle

Account #	Name	Mod Ser #	Read Tamper	High Limit	Rd ID	Reader	Comment Tr
Read Date/Time	Address	Mtr Ser #	Type Mode Pres Read	Low Limit	Seq #	Codes	Code Cd
83-0120-0 11/01/2012 10:27:25	Tyler, DR Christopher 2009 Vallemar St	71254352 06312972	H/D L 392	14 14	www 20		
83-0960-0 11/01/2012 09:33:43	King, Steven ✓ 191 Arbor Ln	71254264 06313018	H/D L ✓ 866	26 26	www 295		
83-1640-5 11/01/2012 09:36:52	RUSSELL, MARCELLA 323 Nevada St	71253523 06313065	H/D L 842	38 38	www 585		
83-1790-0 11/01/2012 09:34:09	NOYES, MAX 422 Nevada St	70686884 06313106	H/D L 325	21 21	www 635		
83-2437-0 11/01/2012 09:45:47	Wallace, Lincoln 1040 Park Way	71253967 06312853	H/D L 692	24 24	www 560		
83-3180-0 11/01/2012 09:45:42	Winston, Frederick 100 Terrace Lane	71252943 06312237	H/D L 221	12 12	www 680		
83-2670-1 11/01/2012 09:36:01	Lotus Law Home LLC, 555 Vermont Ave	71252584 06311764	H/D L 802	20 20	www 890		
83-4460-7 11/01/2012 09:46:55	Jeffredo, Louise <i>W.O.</i> 146 La Grande Ave	71254031 06312877	H/D L 963	44 44	www 345		
83-5000-1 11/01/2012 09:58:32	Transnational Market 860 Airport Rd	71252397 06311673	H/D L 3615	202 202	www 455		
83-5350-2 11/01/2012 10:01:46	SETON COAST SIDE, 600 Marine Blvd	71051927 06389290L	H/D L 6676	528 528	www 825		
83-5555a-2	COWDERY, JAMES 1020 Etheldore	71132357 06231187	R/D T		www 815		
83-5835-0	Canadas, Debbie 858 Stetson St	71253231 06311792	R/D T	39 39	www 905		
83-6770-0 11/01/2012 09:41:26	Lane, Robert 9555 Cabrillo Hwy	71254209 06312944	H/D L 307		www 680		
83-7140-0 11/01/2012 10:09:39	Huber, Bill 146 Crescent Ave	71252615 06311782	H/D L 519	24 24	www 1220		
83-7320-0 11/01/2012 09:35:59	Rohe, Larry 843 Stetson St	71254827 06312716	H/D L 408	18 18	www 1315		
83-7595-0 11/01/2012 09:08:50	Sheppard, C 600 Admiral St	71253950 06312727	H/D L 784	39 39	www 1215		
83-7870-1 11/01/2012 10:12:44	GILMORE, ARLINE 511 Kelmore St	71253703 06313218	H/D L 260	15 15	www 1055		
83-8220-1 11/01/2012 10:13:32	Evans, Bill ✓ 755 Kelmore St	71253858 06313133	H/D L 530	18 18	www 885		

January 9, 2013

Mr. Clemens Heldmaien

General Manager

Montara Water and Sanitary district

PO Box 638

Montara, California 94038

Dear Mr. Heldmaien:

I am writing this letter after receiving a bill mailed to us on 01/04/13 here at 191 Arbor Lane. The bill (attached) is for services from 11/01/12 to 01/02/13 in the amount of a staggering US 3,717.44. The previous bill was \$157.97.

I immediately called your office and spoke to Judy and described the sequence of events that appears to have led to this bill. She instructed me to quickly write this letter describing the events in November and December, and to provide payment for the more routine bill that we have been sent. Attached to this letter is that payment of US \$157.00. Judy also asked me to bring this letter, photographs into the office as soon as possible, which I have done, she also asked me to speak with Jo Ann the accounts specialist rapidly.

At some point in November we received a notice of high water usage, to alert us that there was an abnormal use of water being recorded for 191 Arbor Lane. My wife assumed that it was a leaking toilet, she identified one that was not closing properly, adjusted it and checked the water meter at the curb and found that the meter was not recording water usage and so concluded that the problem was solved. At about the same time frame our landscape gardener noticed a trickle of water running out near our back fence from our automatic underground watering system for our lawn, that water was flowing down the hill in the Sunshine Valley stream behind our house and eventually mixing with rainwater and running in the stream that empties into the Ocean. He left a note for us which for some reason we did not ever get. My wife believed she had solved the problem.

The on Tuesday December 11, I was home from work with a severe allergic skin reaction to a tick and flea shampoo. Our landscape gardener knocked on our door at 11:00 am in the morning to alert me that there was a small "river" of water flowing out from under the flagstone in the same spot in the rear of our backyard, flowing down the slope above the Sunshine Valley creek. I immediately shut off the entire irrigation system to stop the flow 100%. I then worked with the person who installed our irrigation system to try to find the specific source of the leak. We dug

up the system and found that a root had grown up underneath the PVC pipe and forced a pressure crack in the PVC, which was the source of the leak. He repaired the PVC and we tested the repair to make sure it worked, it did work and we turned the system back on this past weekend. I have attached photographs of the location, near the fence, the broken PVC and the repair which we have not yet buried.

None of this water entered the country sewer system as the creek/stream flows into the Ocean with rainwater from the Moss Beach catchment.

We are sending you this data, photographs and information because we were unaware that the leak was taking place and the moment we became aware of it we took immediate action to stop the precious water loss. We then took steps to remedy the leakage.

We have one daughter in a private college and another going into high school. We cannot afford to pay that large sum of money for a accidental problem that we did not cause or know about.

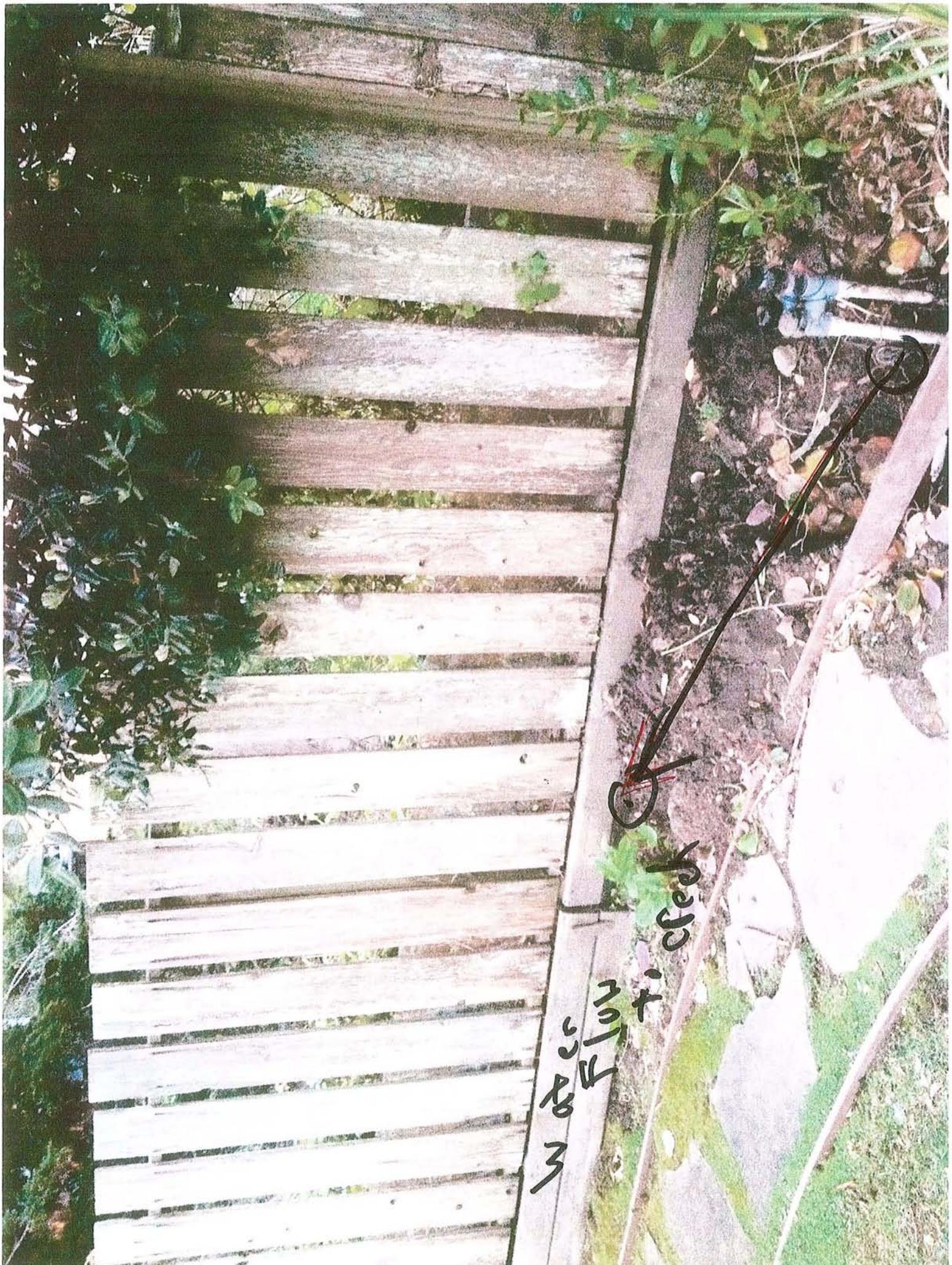
We thank you for your time and attention to this letter and I will speak to Jo Ann as instructed about this.

Sincerely,

A handwritten signature in black ink, appearing to be "Steven R. King and Melinda Morrison King", with a long horizontal line extending to the left.

Steven R. King and Melinda Morrison King

415-860-6469



3 25 cc
F 100 +
check



creek

Hillside

Fence





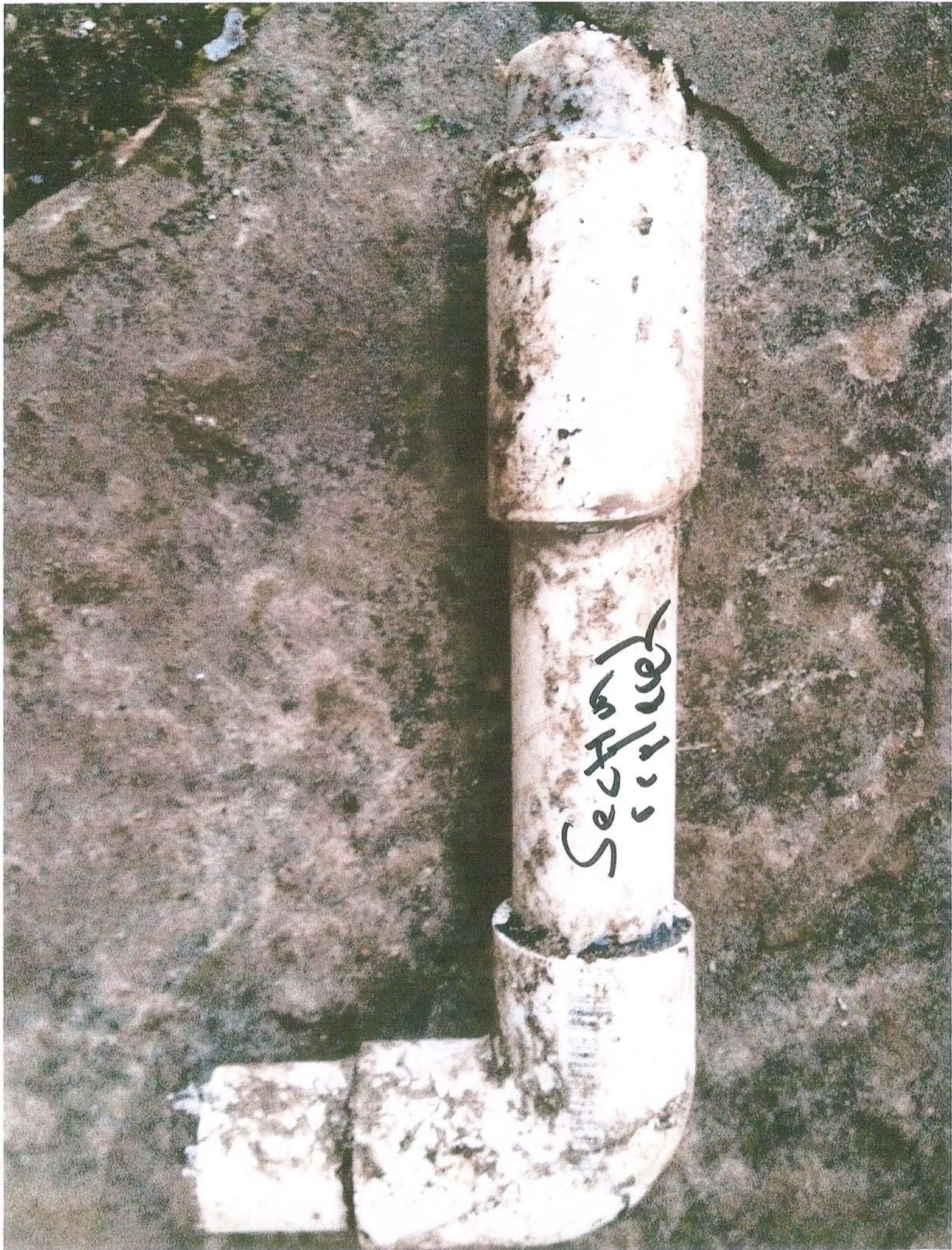
New Pipe PVC

H/rd Section

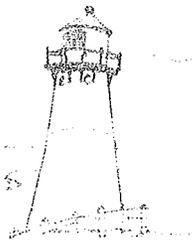


Segment 1 →

Segment 2 →



Section 1



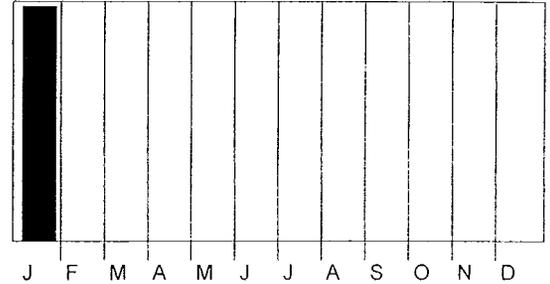
**MONTARA WATER AND
SANITARY DISTRICT**
P.O. BOX 638
MONTARA, CA 94037-0638
(650) 728-3358

Serving Montara and Moss Beach

OR PAY AT:
(FROM 9:00 AM TO 5:00 PM)
8888 CABRILLO HIGHWAY

Steven King
191 Arbor Ln
Moss Beach , CA 94038

242
121
0



ACCOUNT NUMBER	DATE BILL MAILED	SERVICE FROM	SERVICE TO	DAYS USED	DUPLICATE
83-0960-0	01/04/13	11/01/12	01/02/13	62	02/10/13
PREVIOUS READING	PRESENT READING	UNITS USED	DESCRIPTION		AMOUNT DUE
866	1108	242	Previous Balance		0.00
			11/05/12 PAYMENT		-157.97
			01/02/13 Basic Service		43.34
			01/02/13 Res Sales Billed		3,675.10
			01/02/13 DISCOUNT		-1.00
<p>Tier 1: 0 to 6 HCF @ \$6. 80 per unit Tier 2: 6 to 13 HCF @ \$9. 07 per unit Tier 3: 14 to 27 HCF @ \$11. 34 per unit Tier 4: Over 27 HCF @ \$15. 87 Note: 748 gallons = One unit</p>					

SERVICE ADDRESS ► 191 Arbor Ln



AMT OVER DUE DATE 3,744.44 BY DUE DATE 3,717.44

KEEP THIS PORTION FOR YOUR RECORDS

PLEASE RETURN THIS PORTION
WITH YOUR PAYMENT TO:

**MONTARA WATER AND
SANITARY DISTRICT**
8888 CABRILLO HIGHWAY
P.O. BOX 638
MONTARA, CA 94037-0638
(650) 728-3358



DUPLICATE DATE 02/10/13 ACCOUNT NUMBER 83-0960-0
AMT OVER DUE DATE 3,744.44 BY DUE DATE 3,717.44

Steven King
191 Arbor Ln
Moss Beach , CA 94038

SERVICE ADDRESS ►

191 Arbor Ln



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Possible Leak Adjustment for 146 Crescent Ave.

The District received a request to consider an adjustment to the water bill and 2012/13 sewer service charge for 146 Crescent Ave. due to a leak. The leak extended intermittently from August 7, 2012 through August 11, 2012, and then resumed nonstop from August 15, 2012 through January 10, 2013. According to the customer's account of the situation the leak occurred due to a malfunctioning toilet.

The January 2013 and March 2013 water bills (33 HCF and 15 HCF respectively) will be used to assess the sewer service charge for said property. Billing records show a five year prior customer average of 14 units for January's billing and 12 for March. The water consumption measured for the billing period is 48 HCF and the excessive usage due to the leak is 22 HCF.

Since it cannot be determined that the leak did not enter the sewer system, per the District's refund policy, one third of the excess usage reflected in January and March's billing covers the cost of treatment ($22 \text{ HCF} / 3 = 7$). Using 14 HCF as average for January's billing, and 12 for March, wet weather consumption for the property ($14 \text{ HCF} + 12 \text{ HCF} + 7 \text{ HCF} = 33 \text{ HCF}$), the customer should then be assessed for 33 HCF for the current year's sewer service charge billing. The home owner would be eligible for an adjustment of 15 HCF.

The attached spreadsheets show that the customer is eligible for a total credit of \$87.81 to his account for the September 2012, November 2012, January 2013, and March 2013 water bills.

RECOMMENDATION:

Authorize the General Manager to issue an adjustment of 15 HCF to the owner of 146 Crescent Ave. to reflect a sewer service charge flow assessment of 33 HCF for wet weather period 2012/13

Attachments



Meter Usage History

MONTARA SANITARY DISTRICT

Monday, March 04, 2013

For Account: 83-7140-0
 Name: Bill Huber
 Service Address: 146 Crescent Ave
 Moss Beach CA 94038 94

Total Due: \$170.31
 Current: \$170.31
 Past 1: \$0.00
 Past 2: \$0.00
 Past 3: \$0.00

Mar 5yr Avg. = 12
 Jun 5yr Avg. = 14
 Nov 5yr Avg. = 14
 Sept 5yr Avg. = 13

Read Date	Reading	Usage	Usage Billed	Meter	Est	Utility	Rate	Charge
3/1/2013	567	15	15	06311782	No	W	D1	\$126.97
1/2/2013	552	33	33	06311782	No	W	D1	\$358.27
11/1/2012	519	24	24	06311782	No	W	D1	\$229.03
9/4/2012	495	16	16	06311782	No	W	D1	\$138.31
7/5/2012	479	15	15	06311782	No	W	D1	\$126.97
5/1/2012	464	15	15	06311782	No	W	D1	\$122.08
3/1/2012	449	14	14	06311782	No	W	D1	\$111.18
1/3/2012	435	15	15	06311782	No	W	D1	\$122.08
11/1/2011	420	16	16	06311782	No	W	D1	\$132.98
9/1/2011	404	14	14	06311782	No	W	D1	\$111.18
7/1/2011	390	12	12	06311782	No	W	D1	\$91.56
5/2/2011	378	13	13	06311782	No	W	D1	\$100.28
3/1/2011	365	11	11	06311782	No	W	D1	\$82.84
1/3/2011	354	13	13	06311782	No	W	D1	\$100.28
11/1/2010	341	13	13	06311782	No	W	D1	\$68.12
9/1/2010	328	14	14	06311782	No	W	D1	\$73.36
7/1/2010	314	11	11	06311782	No	W	D1	\$57.64
5/3/2010	303	11	11	06311782	No	W	D1	\$57.64
3/2/2010	292	11	11	06311782	No	W	D1	\$57.64
1/4/2010	281	14	14	06311782	No	W	D1	\$73.36
11/2/2009	267	11	11	06311782	No	W	D1	\$57.64
9/1/2009	256	11	11	06311782	No	W	D1	\$57.64
7/1/2009	245	11	11	06311782	No	W	D1	\$57.64
5/1/2009	234	11	11	06311782	No	W	D1	\$54.86
3/2/2009	223	11	11	06311782	No	W	D1	\$54.86
1/5/2009	212	12	12	06311782	No	W	D1	\$59.84
11/3/2008	200	13	13	06311782	No	W	D1	\$64.83
9/2/2008	187	14	14	06311782	No	W	D1	\$69.82
7/1/2008	173	14	14	06311782	No	W	D1	\$69.82
5/1/2008	159	16	16	06311782	No	W	D1	\$75.73
3/3/2008	143	14	14	06311782	No	W	D1	\$66.26
1/2/2008	129	15	15	06311782	No	W	D1	\$71.00
11/1/2007	114	17	17	06311782	No	W	D1	\$80.46

Bill Huber
146 Crescent Ave.
March 2013 Billing
Calculation for Water Bill

Total Units Billed 15

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$	40.80
Tier 2 units 7 - 13	\$ 9.07	x	7	units	\$	63.49
Tier 3 units 14 - 27	\$ 11.34	x	2	units	\$	22.68
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$	-

Totals for 15 units used \$ 126.97

Customer average for March equals 12 units
Excess usage due to leak equals 3 units

Calculations for Adjustment:

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$	40.80
Tier 2 units 7 - 13	\$ 9.07	x	6	units	\$	54.42
Tier 3 units 14 - 27	\$ 11.34	x	0	units	\$	-
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$	-
Excess usage at Tier 2 Rate	\$ 9.07	x	3	units	\$	27.21

Total Calculations for Adjustment \$ 122.43

Billed Units		\$	126.97
Minus Total Calculations for Adjustment	minus	\$	122.43
		\$	4.54
Minus 10% processing fee	minus	\$	0.45
Bill Adjustment Due	Total Adjustment	\$	4.09

Please note: Adjustments to be given once every 5 years only.

Bill Huber
146 Crescent Ave.
January 2013 Billing
Calculation for Water Bill

Total Units Billed 33

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	7	units	\$ 63.49
Tier 3 units 14 - 27	\$ 11.34	x	14	units	\$ 158.76
Tier 4 units 28 and over	\$ 15.87	x	6	units	\$ 95.22

Totals for 33 units used \$ 358.27

Customer average for January equals 14 units

Excess usage due to leak equals 19 units

Calculations for Adjustment:

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	6	units	\$ 54.42
Tier 3 units 14 - 27	\$ 11.34	x	2	units	\$ 22.68
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$ -
Excess usage at Tier 2 Rate	\$ 9.07	x	19	units	\$ 172.33

Total Calculations for Adjustment \$ 290.23

Billed Units		\$ 358.27
Minus Total Calculations for Adjustment	minus	\$ 290.23
		\$ 68.04
Minus 10% processing fee	minus	\$ 6.80
Bill Adjustment Due	Total Adjustment	\$ 61.24

Please note: Adjustments to be given once every 5 years only.

Bill Huber
146 Crescent Ave.
November 2012 Billing
Calculation for Water Bill

Total Units Billed 24

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	7	units	\$ 63.49
Tier 3 units 14 - 27	\$ 11.34	x	11	units	\$ 124.74
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$ -

Totals for 24 units used \$ 229.03

Customer average for November equals 14 units
Excess usage due to leak equals 10 units

Calculations for Adjustment:

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$ 40.80
Tier 2 units 7 - 13	\$ 9.07	x	6	units	\$ 54.42
Tier 3 units 14 - 27	\$ 11.34	x	2	units	\$ 22.68
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$ -
Excess usage at Tier 2 Rate	\$ 9.07	x	10	units	\$ 90.70

Total Calculations for Adjustment \$ 208.60

Billed Units		\$ 229.03
Minus Total Calculations for Adjustment	minus	\$ 208.60
		\$ 20.43
Minus 10% processing fee	minus	\$ 2.04
Bill Adjustment Due	Total Adjustment	\$ 18.39

Please note: Adjustments to be given once every 5 years only.

Bill Huber
146 Crescent Ave.
September 2012 Billing
Calculation for Water Bill

Total Units Billed 16

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$	40.80
Tier 2 units 7 - 13	\$ 9.07	x	7	units	\$	63.49
Tier 3 units 14 - 27	\$ 11.34	x	3	units	\$	34.02
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$	-

Totals for 16 units used \$ 138.31

Customer average for September equals 13 units

Excess usage due to leak equals 3 units

Calculations for Adjustment:

Tier 1 units 0 - 6	\$ 6.80	x	6	units	\$	40.80
Tier 2 units 7 - 13	\$ 9.07	x	6	units	\$	54.42
Tier 3 units 14 - 27	\$ 11.34	x	1	units	\$	11.34
Tier 4 units 28 and over	\$ 15.87	x	0	units	\$	-
Excess usage at Tier 2 Rate	\$ 9.07	x	3	units	\$	27.21

Total Calculations for Adjustment \$ 133.77

Billed Units		\$	138.31
Minus Total Calculations for Adjustment	minus	\$	133.77
		\$	4.54
Minus 10% processing fee	minus	\$	0.45
Bill Adjustment Due	Total Adjustment	\$	4.09

Please note: Adjustments to be given once every 5 years only.

Jeff Page

From: Bill Huber [wlhuber@gmail.com]
Sent: Thursday, January 10, 2013 10:41 AM
To: jpage.mwsd@coastside.net
Subject: Account number 83-7140-0

Good morning Jeff,

I received a form letter in the mail, I didn't keep a copy but did take the note seriously. I checked for obvious leaks. This included an inspection of all faucets, water heater, toilets, Reverse Osmosis filter, and dishwasher. I also inspected the outside area to check for any evidence of ground wetness. I didn't find anything. Because all I got was a form letter that didn't provide any additional information I decided to continue monitoring our service and to check the water bill when it came in. My expectation was that it was one of those problems that was small enough that it was barely detectable and wasn't cause for undo alarm.

When I got the bill it was over \$400. Based on this:

1. I immediately shut off the valve controlling water to the outside of the house.
2. Shut off water to the reverse osmosis water filter
3. Went to Oceanshore hardware and got new parts for all the toilets (even though I have consistently maintained them)

Came to the MWSD offices on 1/10/13 There:

1. Was given a tutorial on how to check the meter for water flow (the spinning star)
 2. Was given your contact information.
- When it is obvious that no dishwashers, toilets or faucets are being use I will follow the instructions given at your office to check for a leak between the meter and the water shutoff for the house.
 - If a leak is detected I will dig up the supply line and replace it.
 - I will also check for water flow in the house when there is no water being used and will start the process of tracking down the leak
 - I will continue to monitor until i am confident that I have no leaks.

I would like to request from MWSD

1. That you use your ability to electronically monitor my water use daily and provide me with information that will enable me to diagnose the problem more quickly and accurately.
2. Make a one time adjustment to my water bill

I would suggest that you:

1. Include a sheet that details how to use the water meter to determine leaks and how to use that in conjunction with shutoff valves to isolate the leak. Creating a you tube video with a link to it would be especially helpful. The person on the front desk explained this to me in about 5 minutes. A video would have given me the same information in a much more timely manner. It could also have given me an understanding of the seriousness of the problem.

2. That instead of a form letter a daily reading specific to my service that would have not just alerted me to a potential problem but would have given me a sense of the seriousness. This would prevent me from having to wait a week until the bill came in.

Thanks for your time and attention

Bill Huber

650-922-3544

wllhuber@gmail.com

www.audiblesight.com

146 Crescent Ave P O Box 82

Moss Beach, CA 94038

United States

Jeff Page

From: Bill Huber [wlhuber@gmail.com]
Sent: Friday, January 11, 2013 1:41 PM
To: jpage.mwsd@coastside.net
Subject: Account number 83-7140-0

Good afternoon Jeff,

This is a followup to the email that I sent you yesterday.

1. Turned off water to house and waited for 15 minutes for things to stabilize. Noted meter readings and position of the blue star. Waited 1 hour and checked. Readings were the same and the star was in the same position.
2. Shut off water to toilets. Waited until blue star stopped. Turned on toilets one at a time and checked the star for rotation. Found one toilet was leaking. Observed operation. Could see water slowly going down and then the valve come on but didn't really make water running noise. Replace all the parts for the toilet. Visually checked. Then checked the water meter and found the blue star wasn't moving.
3. Will keep an eye on the meter the next several days, checking it at night when there is no use of the water system.

Thanks
Bill Huber



Meter Usage History

MONTARA SANITARY DISTRICT

Wednesday, January 30, 2013

For Account: 83-7140-0

Name: Bill Huber

Service Address: 146 Crescent Ave

Moss Beach CA 94038 94

Total Due: \$401.61

Current: \$401.61

Past 1: \$0.00

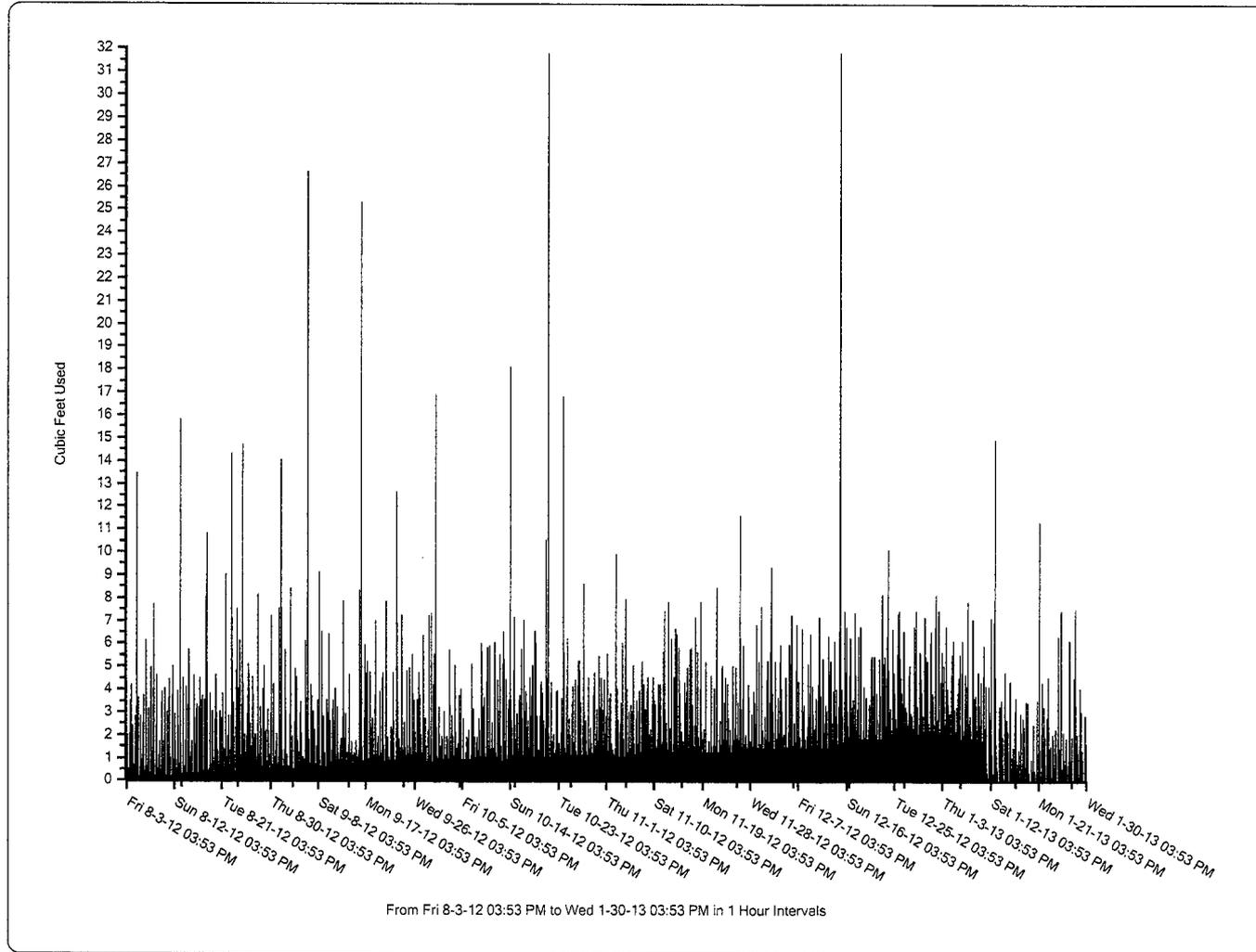
Past 2: \$0.00

Past 3: \$0.00

Jan 5yr avg. = 14 units Sept avg = 13
Nov 5yr avg = 14 units

Read Date	Reading	Usage	Usage Billed	Meter	Est	Utility	Rate	Charge
1/2/2013	552	33	33	06311782	No	W	D1	\$358.27
11/1/2012	519	24	24	06311782	No	W	D1	\$229.03
9/4/2012	495	16	16	06311782	No	W	D1	\$138.31
7/5/2012	479	15	15	06311782	No	W	D1	\$126.97
5/1/2012	464	15	15	06311782	No	W	D1	\$122.08
3/1/2012	449	14	14	06311782	No	W	D1	\$111.18
1/3/2012	435	15	15	06311782	No	W	D1	\$122.08
11/1/2011	420	16	16	06311782	No	W	D1	\$132.98
9/1/2011	404	14	14	06311782	No	W	D1	\$111.18
7/1/2011	390	12	12	06311782	No	W	D1	\$91.56
5/2/2011	378	13	13	06311782	No	W	D1	\$100.28
3/1/2011	365	11	11	06311782	No	W	D1	\$82.84
1/3/2011	354	13	13	06311782	No	W	D1	\$100.28
11/1/2010	341	13	13	06311782	No	W	D1	\$68.12
9/1/2010	328	14	14	06311782	No	W	D1	\$73.36
7/1/2010	314	11	11	06311782	No	W	D1	\$57.64
5/3/2010	303	11	11	06311782	No	W	D1	\$57.64
3/2/2010	292	11	11	06311782	No	W	D1	\$57.64
1/4/2010	281	14	14	06311782	No	W	D1	\$73.36
11/2/2009	267	11	11	06311782	No	W	D1	\$57.64
9/1/2009	256	11	11	06311782	No	W	D1	\$57.64
7/1/2009	245	11	11	06311782	No	W	D1	\$57.64
5/1/2009	234	11	11	06311782	No	W	D1	\$54.86
3/2/2009	223	11	11	06311782	No	W	D1	\$54.86
1/5/2009	212	12	12	06311782	No	W	D1	\$59.84
11/3/2008	200	13	13	06311782	No	W	D1	\$64.83
9/2/2008	187	14	14	06311782	No	W	D1	\$69.82
7/1/2008	173	14	14	06311782	No	W	D1	\$69.82
5/1/2008	159	16	16	06311782	No	W	D1	\$75.73
3/3/2008	143	14	14	06311782	No	W	D1	\$66.26
1/2/2008	129	15	15	06311782	No	W	D1	\$71.00
11/1/2007	114	17	17	06311782	No	W	D1	\$80.46
9/4/2007	97	14	14	06311782	No	W	D1	\$66.26

ORION Meter Reading Profile
Serial # 71252615



Profile Name: 71252615 20130130 1553

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

Exception Report - Symbol/Radix/ReadAll/ORION Vehicle

Account # Read Date/Time	Name Address	Mod Ser # Mtr Ser #	Read Tamper Type Mode	Pres Read	High Limit Low Limit	Rd ID Seq #	Reader Codes	Comment Tr Code Cd
83-6750-4	VOGEL, MARY 500 Lancaster Blvd	71254245 06312943	R/D T		8 8		mws 685	
83-6850-2 01/02/2013 09:37:18	Gilster, Miles 541 Terrace Ave ✓	71252785 06312180	H/D L	342	44 44		mws 635	
83-7140-0 01/02/2013 10:11:16	Huber, Bill 146 Crescent Ave ✓	71252615 06311782	H/D L	552	36 36		mws 1220	
83-7870-1 01/02/2013 10:22:08	GILMORE, ARLINE 511 Kelmore St ✓	71253703 06313218	H/D L	284	22 22		mws 1055	
83-8965-0 01/02/2013 09:34:20	Ciari, Veronica 587 Sierra St ✓	71253085 06312077	H/D L	521	20 20		mws 590	
83-9380-0 01/02/2013 10:24:16	Hesotian, Jack 637 Buena Vista St ✓	71254673 06312604	H/D L	267	15 15		mws 395	
83-9440a-3	OSULLIVAN HALEY, TODD 674 Buena Vista St	71239817 06385417						387
83-9485-0 01/02/2013 10:24:12	Bates, Patrick 700 Buena Vista St ✓	71254837 06312625	H/D L	645	32 32		mws 340	
83-9600-0 01/02/2013 10:25:21	White Jr, Charles 780 Buena Vista St ✓	71259058 06312636	H/D L	397	12 12		mws 295	

** Meters In Route : 27
 ** Total Meters: 27

Lukowski

*83-1105-0247 Calif Ave
 06313014*

Read 3

*Pres.
3616*

*Prev.
 409*

=====

Unloaded Accounts - ORION - Exceptions

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Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

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Acct #:83-5350-2	Addr :600 Marine Blvd	Pres:000000006986085	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0456	Name :SETON COAST SIDE,	High:00000000528000	Tr Code :
Cmt :00	[0] Mtr #:06389290L	Low :00000000528000	Rd Method:04
Mod # :71051927	Mod #:71051927	Vis :000000000000000	Reader ID:mws
Date :20121219 14:20:13	Prev :6676186	Pos :37.52509333 -122.508665	Channel : -99
Acct #:83-5555a-2	Addr :1020 Etheldore	Pres:000000000000000	Md/Ty/Tmp:R D T
Serv #:1 Seq #:0453	Name :COWDERY, JAMES	High:000000000000000	Tr Code :
Cmt :00	[0] Mtr #:06231187	Low :000000000000000	Rd Method:04
Mod # :71132357	Mod #:71132357	Vis :000000000000000	Reader ID:mws
Date :20121219 14:18:10	Prev :35	Pos :0000000000 0000000000	Channel : -99
Acct #:83-5835-0	Addr :858 Stetson St	Pres:000000000000000	Md/Ty/Tmp:R D T
Serv #:1 Seq #:0472	Name :Canadas, Debbie	High:00000000039000	Tr Code :
Cmt :00	[0] Mtr #:06311792	Low :00000000039000	Rd Method:04
Mod # :71253231	Mod #:71253231	Vis :000000000000000	Reader ID:mws
Date :20121219 14:11:23	Prev :969648	Pos :37.528201 -122.511416	Channel : -99
Acct #:83-6750-4	Addr :500 Lancaster Blvd	Pres:000000000000000	Md/Ty/Tmp:R D T
Serv #:1 Seq #:0425	Name :VOGEL, MARY	High:00000000009000	Tr Code :
Cmt :00	[0] Mtr #:06312943	Low :00000000009000	Rd Method:04
Mod # :71254245	Mod #:71254245	Vis :000000000000000	Reader ID:mws
Date :20121219 14:16:28	Prev :168239	Pos :37.525948 -122.511162	Channel : -99
Acct #:83-7130-0	Addr :160 Crescent Ave	Pres:000000000806940	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0536	Name :Jess Fulwiler, Evelyn	High:00000000034000	Tr Code :
Cmt :00	[0] Mtr #:06311747	Low :00000000034000	Rd Method:04
Mod # :71252442	Mod #:71252442	Vis :000000000000000	Reader ID:mws
Date :20121219 14:49:39	Prev :790529	Pos :37.529171 -122.509143	Channel : -99
Acct #:83-7140-0	Addr :146 Crescent Ave	Pres:000000000543185	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0535	Name :Huber, Bill	High:00000000024000	Tr Code :
Cmt :00	[0] Mtr #:06311782	Low :00000000024000	Rd Method:04
Mod # :71252615	Mod #:71252615	Vis :000000000000000	Reader ID:mws
Date :20121219 14:49:51	Prev :519550	Pos :37.529124 -122.509127	Channel : -99
Acct #:83-8542-3	Addr :698 Vermont Ave	Pres:000000000193583	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0682	Name :COLE, DAVID	High:00000000008000	Tr Code :
Cmt :00	[0] Mtr #:06312091	Low :00000000008000	Rd Method:04
Mod # :71252258	Mod #:71252258	Vis :000000000000000	Reader ID:mws
Date :20121219 14:50:05	Prev :187872	Pos :37.530031 -122.509446	Channel : -99
Acct #:83-9380-0	Addr :637 Buena Vista St	Pres:000000000264995	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0614	Name :Hesotian, Jack	High:00000000009000	Tr Code :
Cmt :00	[0] Mtr #:06312604	Low :00000000009000	Rd Method:04
Mod # :71254673	Mod #:71254673	Vis :000000000000000	Reader ID:mws
Date :20121219 14:58:37	Prev :255972	Pos :37.531982 -122.512797	Channel : -99

** Total Meters: 21

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

Exception Report - Symbol/Radix/ReadAll/ORION Vehicle

Account #	Name	Mod Ser #	Read Tamper	High Limit	Rd ID	Reader	Comment Tr
Read Date/Time	Address	Mtr Ser #	Type Mode Pres Read	Low Limit	Seq #	Codes	Code Cd
83-0120-0 11/01/2012 10:27:25	Tyler, DR Christopher 2009 Vallemar St	71254352 06312972	H/D L 392	14 14	www 20		
83-0960-0 11/01/2012 09:33:43	King, Steven 191 Arbor Ln	71254264 06313018	H/D L 866	26 26	www 295		
83-1640-5 11/01/2012 09:36:52	RUSSELL, MARCELLA 323 Nevada St	71253523 06313065	H/D L 842	38 38	www 585		
83-1790-0 11/01/2012 09:34:09	NOYES, MAX 422 Nevada St	70686884 06313106	H/D L 325	21 21	www 635		
83-2437-0 11/01/2012 09:45:47	Wallace, Lincoln 1040 Park Way	71253967 06312853	H/D L 692	24 24	www 560		
83-3180-0 11/01/2012 09:45:42	Winston, Frederick 100 Terrace Lane	71252943 06312237	H/D L 221	12 12	www 680		
83-2670-1 11/01/2012 09:36:01	Lotus Law Home LLC, 555 Vermont Ave	71252584 06311764	H/D L 802	20 20	www 890		
83-4460-7 11/01/2012 09:46:55	Jeffredo, Louise 146 La Grande Ave	71254031 06312877	H/D L 963	44 44	www 345		
83-5000-1 11/01/2012 09:58:32	Transnational Market 860 Airport Rd	71252397 06311673	H/D L 3615	202 202	www 455		
83-5350-2 11/01/2012 10:01:46	SETON COAST SIDE, 600 Marine Blvd	71051927 06389290L	H/D L 6676	528 528	www 825		
83-5555a-2	COWDERY, JAMES 1020 Etheldore	71132357 06231187	R/D T		www 815		
83-5835-0	Canadas, Debbie 858 Stetson St	71253231 06311792	R/D T	39 39	www 905		
83-6770-0 11/01/2012 09:41:26	Lane, Robert 9555 Cabrillo Hwy	71254209 06312944	H/D L 307		www 680		
83-7140-0 11/01/2012 10:09:39	Huber, Bill 146 Crescent Ave	71252615 06311782	H/D L 519	24 24	www 1220		
83-7320-0 11/01/2012 09:35:59	Rohe, Larry 843 Stetson St	71254827 06312716	H/D L 408	18 18	www 1315		
83-7595-0 11/01/2012 09:08:50	Sheppard, C 600 Admiral St	71253950 06312727	H/D L 784	39 39	www 1215		
83-7870-1 11/01/2012 10:12:44	GILMORE, ARLINE 511 Kelmore St	71253703 06313218	H/D L 260	15 15	www 1055		
83-8220-1 11/01/2012 10:13:32	Evans, Bill 755 Kelmore St	71253858 06313133	H/D L 530	18 18	www 885		

W.O.

Unloaded Accounts - ORION - Exceptions

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set			
Acct #:83-5000-1	Addr :860 Airport Rd	Pres:000000003587306	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0376	Name :Transnational Market	High:000000000324000	Tr Code :
Cmt :00	[0] Mtr #:06311673	Low :000000000324000	Rd Method:04
Mod #:71252397	Mod #:71252397	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:04:22	Prev :3518319	Pos :37.51043666 -122.500815	Channel :-99
Acct #:83-5350-2	Addr :600 Marine Blvd	Pres:000000006575603	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0452	Name :SETON COAST SIDE,	High:000000000600000	Tr Code :
Cmt :00	[0] Mtr #:06389290L	Low :000000000600000	Rd Method:04
Mod #:71051927	Mod #:71051927	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:13:10	Prev :6313823	Pos :37.52509333 -122.508665	Channel :-99
Acct #:83-5391-1	Addr :1066 Pearl Ave	Pres:000000000372694	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0392	Name :ARD,DANIELLE	High:00000000015000	Tr Code :
Cmt :00	[0] Mtr #:06311693	Low :00000000015000	Rd Method:04
Mod #:71252532	Mod #:71252532	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:13:08	Prev :366113	Pos :37.523977 -122.508897	Channel :-99
Acct #:83-6030-0	Addr :703 Etheldore St	Pres:000000000267498	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0483	Name :Sacks, Irving	High:00000000012000	Tr Code :
Cmt :00	[0] Mtr #:06311743	Low :00000000012000	Rd Method:04
Mod #:71252488	Mod #:71252488	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:35:27	Prev :261693	Pos :37.529085 -122.513754	Channel :-99
Acct #:83-6180-0	Addr :940 Wave Ave	Pres:000000000258764	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0496	Name :Pattie, Charles	High:00000000014000	Tr Code :
Cmt :00	[0] Mtr #:06311723	Low :00000000014000	Rd Method:04
Mod #:71252560	Mod #:71252560	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:45:04	Prev :253200	Pos :37.526990 -122.509571	Channel :-99
Acct #:83-6850-2	Addr :541 Terrace Ave	Pres:000000000297622	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0413	Name :Gilster, Miles	High:00000000020000	Tr Code :
Cmt :00	[0] Mtr #:06312180	Low :00000000020000	Rd Method:04
Mod #:71252785	Mod #:71252785	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:45:16	Prev :279123	Pos :37.525945 -122.510603	Channel :-99
Acct #:83-7115-2	Addr :131 Sea Bright Ct	Pres:000000000321870	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0536	Name :RILEY, SEAN & ANN MAR	High:00000000018000	Tr Code :
Cmt :00	[0] Mtr #:06311746	Low :00000000018000	Rd Method:04
Mod #:71252505	Mod #:71252505	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:15:31	Prev :308001	Pos :37.529107 -122.508713	Channel :-99
Acct #:83-7130-0	Addr :160 Crescent Ave	Pres:000000000784246	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0533	Name :Jess Fulwiler, Evelyn	High:00000000036000	Tr Code :
Cmt :00	[0] Mtr #:06311747	Low :00000000036000	Rd Method:04
Mod #:71252442	Mod #:71252442	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:15:23	Prev :769955	Pos :37.529171 -122.509143	Channel :-99
Acct #:83-7140-0	Addr :146 Crescent Ave	Pres:000000000511551	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0532	Name :Huber, Bill	High:00000000022000	Tr Code :
Cmt :00	[0] Mtr #:06311782	Low :00000000022000	Rd Method:04
Mod #:71252615	Mod #:71252615	Vis :000000000000000	Reader ID:mwd
Date :20121016 10:15:38	Prev :495822	Pos :37.529124 -122.509127	Channel :-99
Acct #:83-7310-0	Addr :859 Stetson St	Pres:000000000000000	Md/Ty/Tmp:R D T
Serv #:1 Seq #:0800	Name :Mitchnik-Hughes, Patr	High:00000000034000	Tr Code :
Cmt :00	[0] Mtr #:06312714	Low :00000000034000	Rd Method:04
Mod #:71254820	Mod #:71254820	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:39:23	Prev :510458	Pos :37.528355 -122.511129	Channel :-99
Acct #:83-7595-0	Addr :600 Admiral St	Pres:000000000779900	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0779	Name :Sheppard, C	High:00000000050000	Tr Code :
Cmt :00	[0] Mtr #:06312727	Low :00000000050000	Rd Method:04
Mod #:71253950	Mod #:71253950	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:35:23	Prev :764374	Pos :37.529463 -122.515026	Channel :-99
Acct #:83-7760-1	Addr :530 Stetson St	Pres:000000001284364	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0754	Name :DEVENEY, ATHELIN	High:00000000010000	Tr Code :
Cmt :00	[0] Mtr #:06313145	Low :00000000010000	Rd Method:04
Mod #:71253841	Mod #:71253841	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:35:11	Prev :1279994	Pos :37.531229 -122.515818	Channel :-99
Acct #:83-7870-1	Addr :511 Kelmores St	Pres:000000000257064	Md/Ty/Tmp:H D L
Serv #:1 Seq #:0744	Name :GILMORE, ARLINE	High:00000000018000	Tr Code :
Cmt :00	[0] Mtr #:06313218	Low :00000000018000	Rd Method:04
Mod #:71253703	Mod #:71253703	Vis :000000000000000	Reader ID:mwd
Date :20121016 09:35:07	Prev :245449	Pos :37.531802 -122.515605	Channel :-99

*Repaired
10-17-12*

Read Type Is (h,l,r) OR Tamper Mode Set OR Trouble Code Set

Exception Report - Symbol/Radix/ReadAll/ORION Vehicle

Account # Read Date/Time	Name Address	Mod Ser # Mtr Ser #	Read Tamper Type Mode	Pres Read	High Limit Low Limit	Rd ID Seq #	Reader Codes	Comment Code	Tr Cd
83-5555a-2	COWDERY, JAMES 1020 Etheldore	71132357 06231187				815			
83-5610-3 09/04/2012 14:06:52	FLOYD, CHARLES 970 Etheldore St	71252328 06312226	H/D L	1240	20 20	mwd 610			
83-6850-2 09/04/2012 14:06:58	Gilster, Miles 541 Terrace Ave	71252785 06312180	H/D L	279	20 20	mwd 635			
83-7130-0 09/04/2012 14:09:55	Jess Fulwiler, Evelyn 160 Crescent Ave	71252442 06311747	H/D L	769	36 36	mwd 1225			
83-7140-0 09/04/2012 14:10:01	Huber, Bill 146 Crescent Ave	71252615 06311782	H/D L	495	22 22	mwd 1220			
83-7310-0	Mitchnik-Hughes, Patr 859 Stetson St	71254820 06312714	R/D T		34 34	mwd 1320			
83-7595-0 09/04/2012 13:50:35	Sheppard, C 600 Admiral St	71253950 06312727	H/D L	764	50 50	mwd 1215			
83-7870-1 09/04/2012 13:50:16	GILMORE, ARLINE 511 Kelmore St	71253703 06313218	H/D L	245	18 18	mwd 1055			
83-9380-0 09/04/2012 14:16:39	Hesotian, Jack 637 Buena Vista St	71254673 06312604	H/D L	245	8 8	mwd 395			
83-9485-0 09/04/2012 14:16:39	Bates, Patrick 700 Buena Vista St	71254837 06312625	H/D L	609	38 38	mwd 340			
83-9770-1 09/04/2012 14:10:06	Klagenberg, Jeff 874 Buena Vista St	71253687 06313206	H/D L	315	15 15	mwd 245			
83-9775-0 09/04/2012 14:15:32	Staggs, Patricia 875 Buena Vista St	71253651 06313204	H/D L	489	44 44	mwd 210			
83-9827-6 09/04/2012 14:16:12	SMITH, COLLEEN 801 Tierra Alta St	71253602 06313192	H/D L	378	42 42	mwd 165			
83-9915-1 09/04/2012 14:25:20	Bozicevic, Karl 839 Linda Vista St	71261806 06311660	H/D L	465	8 8	mwd 35			

** Meters In Route : 32
** Total Meters: 32



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Nomination of Representative on the CSDA Board of Directors

The California Special Districts Association (CSDA) is conducting a call for nominations for Seat B for the 2014-2016 term. Our district is part of Region 3 which includes the greater Bay Area (from Mendocino to Monterey Counties). A board member is expected to attend all Board meetings, usually eight per year, but is reimbursed for travel by CSDA. Any independent special district with current membership in CSDA is eligible to designate one person, such as a board member or managerial employee, for election as a director of CSDA. A copy of the District's resolution or minute action must accompany the nomination form. The deadline for receiving nominations is May 24, 2013.

CSDA will mail ballots on June 7. The ballots must be received by CSDA on August 2, 2013 and successful candidates will be notified before August 6.

RECOMMENDATION:

Adopt RESOLUTION NO. _____, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING THE NOMINATION OF KATHRYN SLATER-CARTER AS REGION 3 REPRESENTATIVE TO THE CSDA BOARD OF DIRECTORS.

Attachment

RESOLUTION NO. _____

RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING THE NOMINATION OF KATHRYN SLATER-CARTER AS REGION 3 REPRESENTATIVE TO THE CSDA BOARD OF DIRECTORS

WHEREAS, the California Special Districts Association (CSDA) is soliciting nominations for Seat "B" on the Board of Directors; and

WHEREAS, any nominations of this District may be appointed by resolution; and

WHEREAS, District Board Member and Director Kathryn Slater-Carter is interested in serving on the CSDA Board of Directors and possesses all the skills and background necessary to perform in an exemplary manner;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MONTARA WATER AND SANITARY DISTRICT, A PUBLIC AGENCY IN THE COUNTY OF SAN MATEO, CALIFORNIA, AS FOLLOWS:

1. Director Kathryn Slater-Carter is hereby nominated by this Board to serve on Seat B of Region 3 representative on the California Special District Association Board of Directors for a term which expires in 2016.
2. A copy of this resolution shall be presented to CSDA as a record of the Board's nomination.

President, Montara Water and Sanitary District

COUNTERSIGNED:

Secretary, Montara Water and Sanitary District

* * * * *

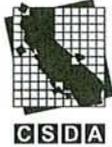
I HEREBY CERTIFY that the foregoing Resolution No. _____ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 7th day of March 2013, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

Secretary, Montara Water and Sanitary District



**California Special
Districts Association**
Districts Stronger Together



DATE: February 22, 2013

TO: CSDA Voting Member Presidents and General Managers

FROM: CSDA Elections and Bylaws Committee

**SUBJECT: CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS
SEAT B**

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2014 - 2016 term.

The leadership of CSDA is elected from its six geographical regions. Each of the six regions has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA regular member located within the geographic region that they seek to represent. (See attached Region Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration.

Commitment: Serving on the Board requires one's interest in the issues confronting special districts statewide. A board member is expected to attend all board meetings held every other month, usually on the second Friday of the month, at CSDA's office in Sacramento. Besides serving on the Board, each Board Member is expected to participate on at least one committee, which usually meets 3-4 times a year in Sacramento. CSDA reimburses directors for their related expenses for Board and Committee meetings as outlined in Board Policy. In addition, all Board Members are expected to attend CSDA's two annual events: Special Districts Legislative Days (held in the spring) and the Annual Conference (held in the fall) as part of their obligation to the CSDA membership; expenses for these two events are not reimbursed by CSDA, even if a board meeting or committee meeting is held in conjunction with the event.

Nomination Procedures: Any regular member Independent Special District is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of



**California Special
Districts Association**

Districts Stronger Together

BOARD OF DIRECTORS NOMINATION FORM

PLEASE BE SURE THE CANDIDATE'S PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE

Name of Candidate: _____

District: _____

Mailing
Address: _____

Region: _____ (see attached map)

Telephone: _____

Fax: _____

E-mail: _____

Nominated by (optional): _____

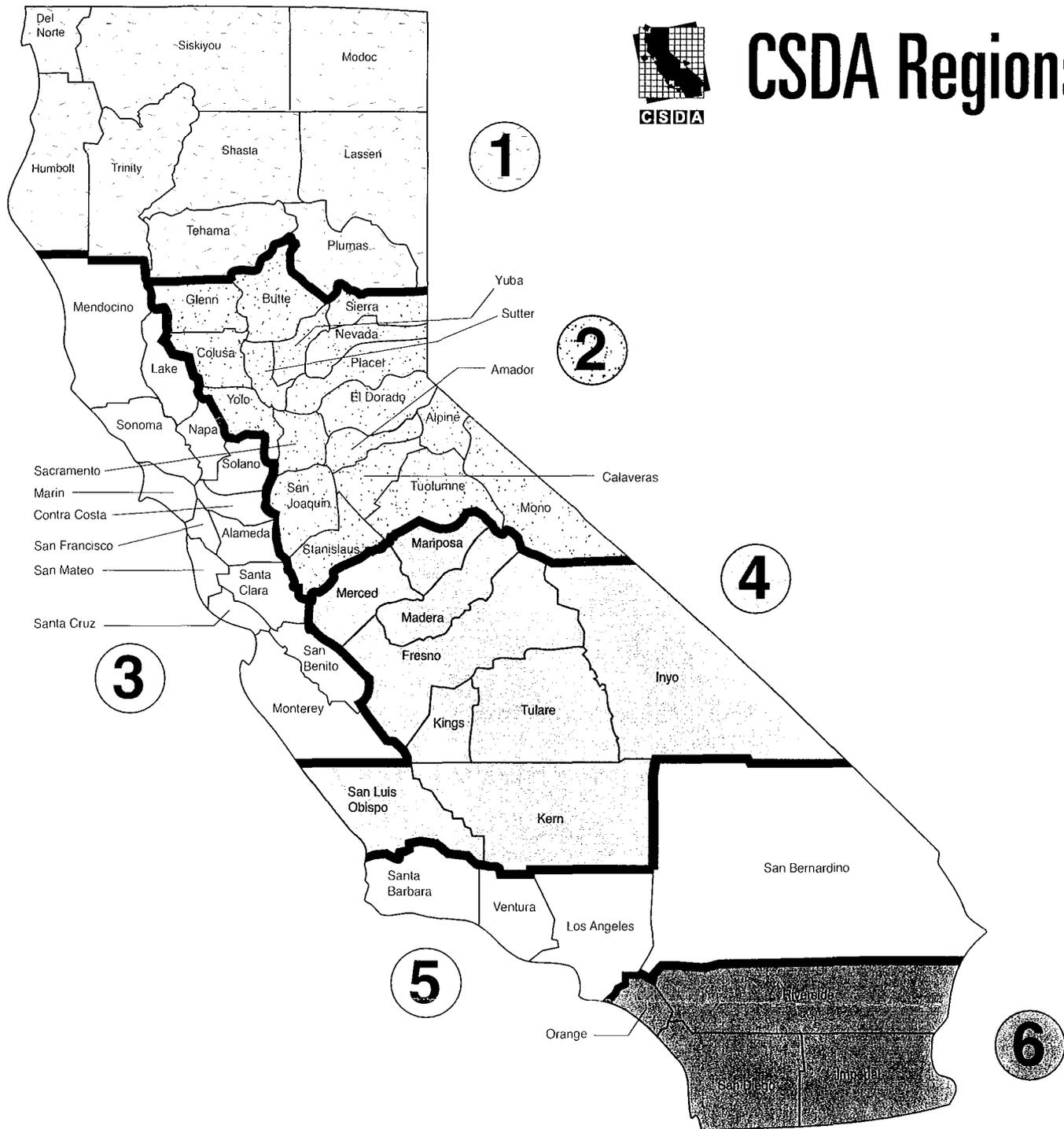
Return this **form and a Board resolution/minute action** supporting
the candidate by fax or mail to:

CSDA
Attn: Charlotte Lowe
1112 I Street, Suite 200
Sacramento, CA 95814
(877) 924-2732 (916) 442-7889 fax

DEADLINE FOR RECEIVING NOMINATIONS – May 24, 2013



CSDA Regions



2013 Board of Directors by Region

Region 1

David Edwards, *East Quincy Services District*
 Greg Orsini, *McKinleyville CSD*
 Phil Schoefer, *Western Shasta RCD*

Region 2

Pete Kampa, *Tuolumne Utilities District*
 Noelle Mattock, *El Dorado Hills CSD*
 Ginger Root, *Tuxedo Country Club FPD*

Region 3

Vincent Ferrante, *Moss Landing Harbor District*
 Sherry Sterrett, *Pleasant Hill RPD*
 Stanley Caldwell, *Mt. View Sanitary District*

Region 4

Steven Esselman, *North of the River MWD*
 Tim Ruiz, *East Niles CSD*
 Steve Perez, *Rosamond CSD*

Region 5

Elaine Freeman, *Rancho Simi RPD*
 Kathy Tieg, *Cucamonga Valley Water District*
 Jim Acosta, *Saticoy Sanitary District*

Region 6

Jo MacKenzie, *Vista Irrigation District*
 Bill Nelson, *Orange County Cemetery District*
 Elaine Sullivan, *Leucadia Wastewater District*



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning
Cancellation of Next Regular Scheduled Meeting
March 21, 2013.**

Staff anticipates the cancellation of the second meeting in November due to a lack of quorum.

RECOMMENDATION:

This is for Board information only.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **March 7, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Managers Report

Attended Meetings: On February 11 the General Manager attended a mediation session with Rick Putz for Local 39 and Austris Rungis the district's negotiator. Shop Stewart Joanne Andreotti represented the employees of the petitioned unit.

On March 7 the General Manager met with the Granada Sanitary District Manager Chuck Duffy, and Half Moon Bay City Manager Lisa Snideman to discuss SAM Collections Contract Services.

In addition, the General Manager attended phone calls and conferences with consultants, directors, and customers.

Water Staff: Water Systems Operator Jack Gleason left the District. Temporary employee Nick Carrington was promoted to fill the open position.

Conference: The General Manager will attend the annual American Water Works Association Spring Meeting from March 26-28.

Manager Leave: The Manager will be out of the office from March 29 through April 4.

RECOMMENDATION:

This is for Board information only.