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# District Overview

The Santa Clara Valley Water District is the largest multi-purpose water supply, watershed stewardship and flood management special district in California. The District serves nearly two million people in Santa Clara County by providing a reliable and safe supply of water; enhancing streams and watersheds through creek restoration and habitat protection; providing flood protection for homes, schools and businesses; and partnering with other agencies to provide trails, parks and open space for community recreation.

The water district's unique multi-purposes enable it to use a comprehensive regional approach to water resources management and environmental protection that would not be possible if these services were fragmented among several agencies.

As the primary water resources agency for Santa Clara County, the water district encompasses all of the county's 1,300 square miles and serves the area's 15 cities: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Saratoga and Sunnyvale. The District also serves the unincorporated areas of the county.

Collaboration with the community we serve is not only a key value but has proven to result in more successful outcomes. By seeking public input, the District is respecting the fact that our operations and projects have a direct impact on people's lives.

Community action created the District, when farmers and business representatives formed the Santa Clara Valley Water Conservation Committee in the 1920s. At that time, groundwater supplies were being over

pumped, causing the land to subside, or sink. The committee pursued creation of an organization to manage and replenish groundwater supplies, and the resulting Santa Clara Valley Water Conservation District later constructed reservoirs throughout the county to conserve water. The 1929 Santa Clara Valley Water District Act gives the District its authority to operate as a state special district, with jurisdiction throughout Santa Clara County.



The District Act authorizes the District to: "...provide comprehensive water management for all beneficial uses and protection from flooding within Santa Clara County. The District may take action to carry out all of the following purposes:

(a) to protect Santa Clara County from flood and storm waters of the district, including tidal flood waters and the flood and storm waters of streams that have their sources outside the district, but flow into the district;

(b) to protect from those flood or storm waters the public highways, life and property in the district, and the watercourses and watersheds of streams flowing within the district;

(c) to provide for the conservation and management of flood, storm, reclaimed, or recycled waters, or other waters from any sources within or outside the watershed in which the district is located for beneficial and useful purposes, including spreading, storing, retaining, and causing the waters to percolate into the soil within the district;

(d) to protect, save, store, recycle, distribute, transfer, exchange, manage, and conserve in any manner any of the waters;

# District Overview

(e) to increase, and prevent the waste or diminution of, the water supply in the district;

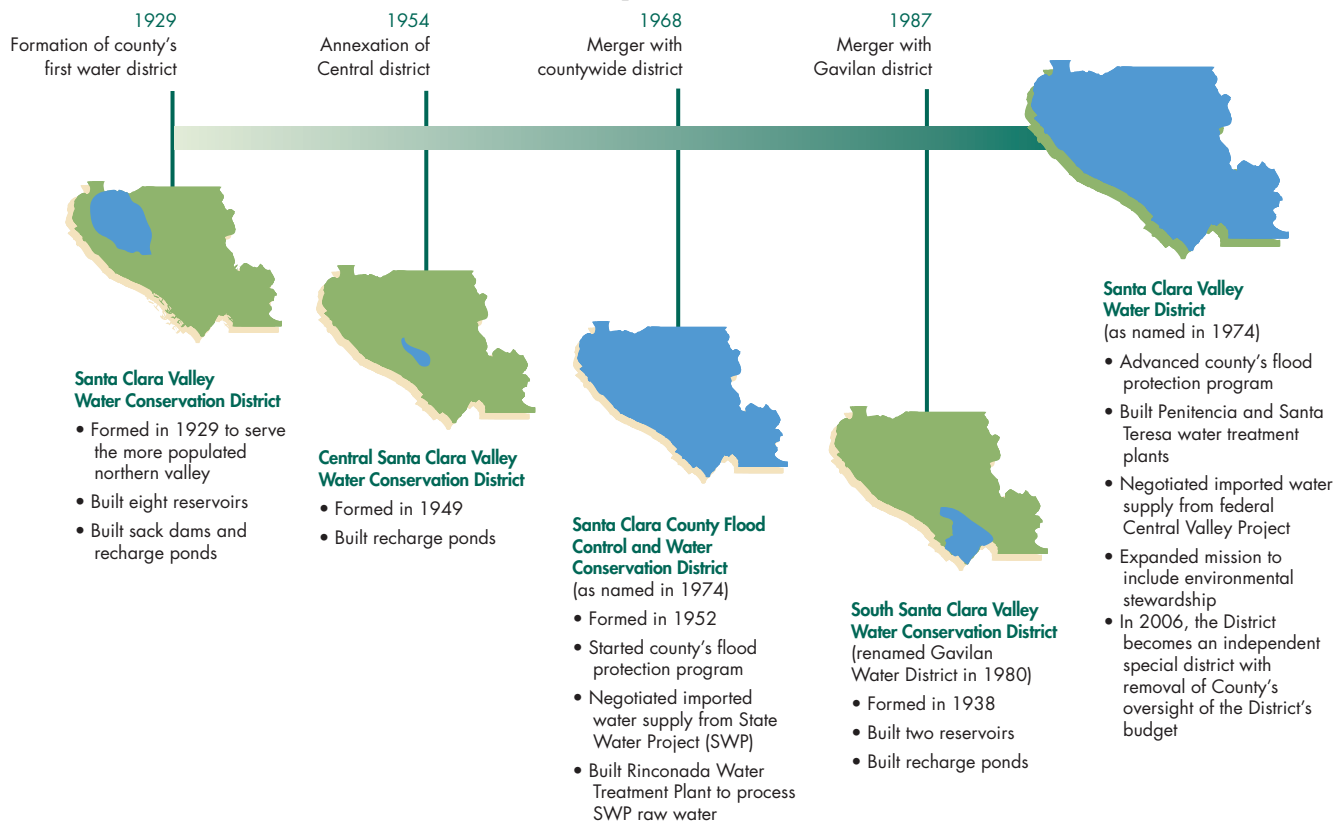
(f) to obtain, retain, reclaim, protect, and recycle drainage, storm, flood waters or treated wastewaters, or other waters from any sources, within or outside the watershed in which the district is located for any beneficial uses within the district;

(g) and to enhance, protect, and restore streams, riparian corridors, and natural resources in connection with carrying out the objects and purposes set forth in this section."

## Governance and Board of Directors

The District Act outlines the structure, function and operations of the District's Board of Directors, which governs the District and directs the Board Appointed Officers. The Santa Clara Valley Water District Board of Directors is comprised of seven members each elected from equally-divided districts drawn through a formal process. The purpose of the Board, on behalf of Santa Clara County, is to provide Silicon Valley safe, clean water for a healthy life, environment and economy. The directors serve overlapping four-year terms, a structure created pursuant to the adoption of the District Act. Elections are held in November of even number years.

## Evolution of the Santa Clara Valley Water District



Today's Santa Clara Valley Water District is the result of the consolidation of four agencies over time, as shown above. The water district's products and services have grown along with its increased levels of responsibility for critical water resource and environmental management functions.

# District Overview

The Board elects a new chair and vice-chair annually in January.

The Board sets direction for the District through its policy governance structure. Through adopted policies, the Board determines the District's mission and goals and outcomes to be achieved for the good of the public. Specifically, the Board's Ends policies are the outcomes expected to be achieved by the organization for its customers. These include ensuring a safe, reliable source of water; flood protection; and environmental stewardship. The CEO dedicates resources to

implement programs and projects that achieve the Board's Ends policies.

In meeting the Board's Ends policies, the CEO and other Board Appointed Officers (BAOs) are solely accountable to the Board for organizational performance, which is monitored quarterly. The Board annually reviews and updates Ends and Executive Limitations policies to ensure they reflect the Board's collective values and perspectives. The Board's Policies can be viewed at <http://www.valleywater.org/how-we-operate/board-governance-policies>

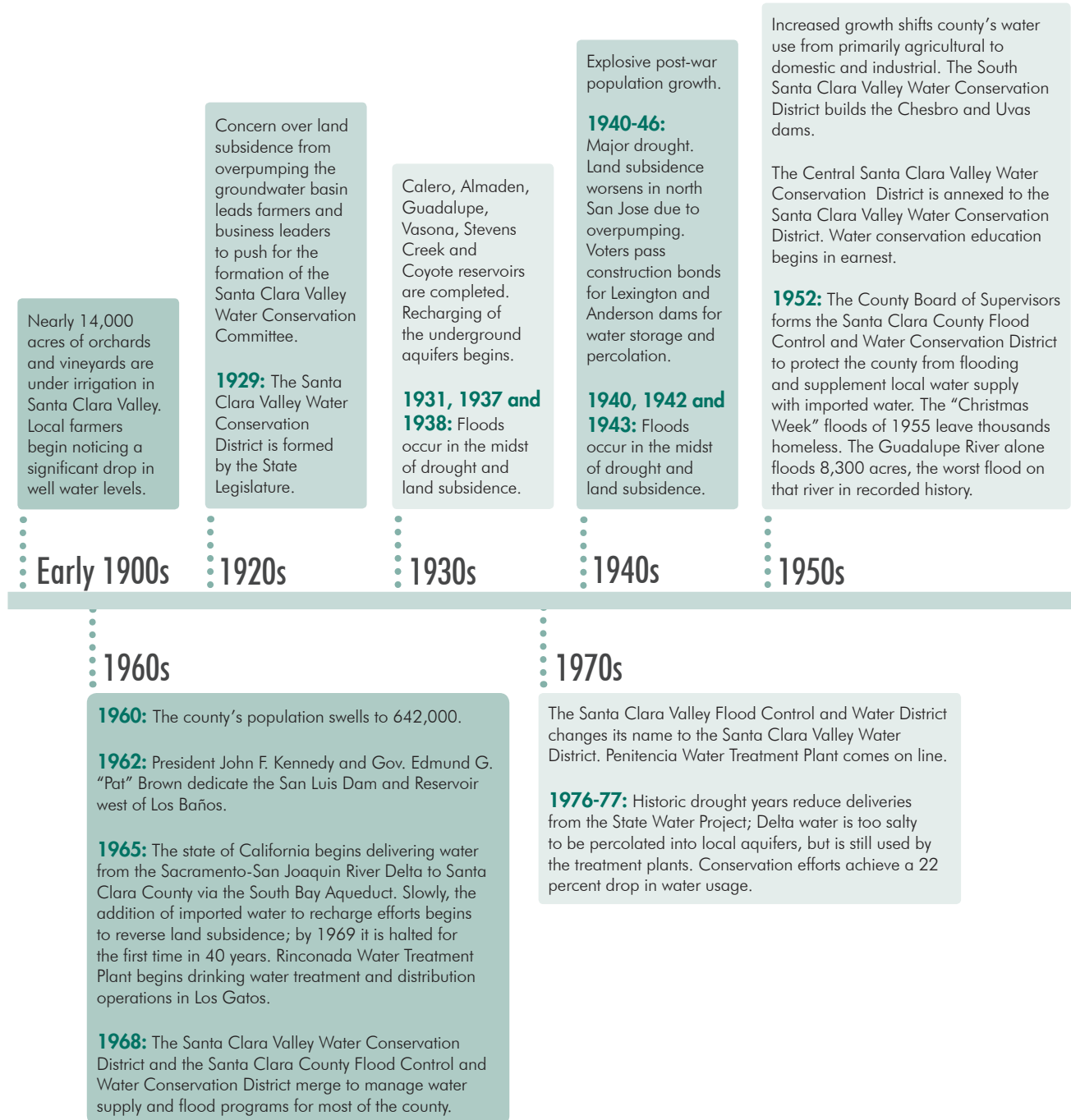
## Board directorial districts



## District Overview

# History Timeline

For 80 years, the water district has improved and expanded its products and services to meet the growing needs of Santa Clara County residents



## District Overview

Environmental mitigation for project impacts becomes a normal part of every construction project. Underground storage tanks are discovered leaking and potentially contaminating drinking water. The Santa Teresa Water Treatment Plant begins operation. Severe flooding occurs; voters approve funding for much-needed flood protection projects through benefit assessments.

**1980:** The South Santa Clara Valley Water Conservation District is renamed the Gavilan Water District.

**1987:** South county voters approve annexing Gavilan Water District to the Santa Clara Valley Water District. The federal Central Valley Project, San Felipe Division, begins delivery of imported water to the county from San Luis Reservoir just as the valley enters a seven-year drought period.

1980s

The county's population nears 1.7 million. The 1987-93 drought drives the District to seek new sources of water through recycling, water banking and aggressive water conservation.

**1995:** Flooding in the county highlights the need for flood protection, especially on the Guadalupe River in downtown San Jose.

**1997:** The District completes the IWRP long-term water supply planning process and initiates the Water Treatment Improvement Project (WTIP) to address increasingly stringent state and federal water quality standards.

**1998:** Flooding occurs on San Francisquito Creek and in the county. Changing community priorities, a growing commitment to staff diversity, strict state and federal regulations and an evolving environmental ethic lead the District into the 21st Century.

1990s

2000-18

The District takes a lead role in the fight against MTBE water contamination, addresses perchlorate contamination of more than 1000 South County well and partners with local wastewater agencies to increase recycling. The first phase of the WTIP is completed and the second phase launched.

**2000:** County voters endorse the Clean, Safe Creeks and Natural Flood Protection Plan (Measure B) and approve a special tax to ensure continuity of flood protection and stream stewardship services for 15 more years.

**2005:** The 15-year, \$346 million Downtown Guadalupe Flood Protection Project is completed, protecting an estimated 95,000 people from flooding and restoring critical endangered species habitat.

**2006:** Santa Teresa Water Treatment Plant delivers the District's first ozonated water, providing customers better-tasting, more healthful tap water.

**2007:** Assembly Bill 2435 passes, ending county oversight of the District's budget and other procedural holdovers from the 1968 merger. Penitencia Water Treatment Plant begins delivering ozonated water to customers.

**2009:** District Board calls for 15% mandatory conservation in response to continuing water shortage; recession drives significant District budget reductions.

**2010:** Board called for 10% mandatory conservation in July, then 10% voluntary conservation in September. District implements protest procedure in accordance with proposition 218. New Board directorial boundaries are drawn. Directorial boundaries changed from five to seven.

**2012:** County voters endorse the Safe, Clean Water (Measure B) and approve a special tax to ensure continuity of flood protection, dam maintenance and stream stewardship services for 15 more years.

**2014:** The Silicon Valley Advanced Water Purification Center is completed, producing 8 million gallons a day of purified recycled water to enhance the quality of recycled “purple pipe” water used for non-potable purposes and demonstrating technologies that can be used to purify water to augment drinking water supplies.

**2015:** Entering the fourth year of drought, the Board adopted a resolution calling for a county-wide water use reduction of 30% compared to 2013. The resolution also included a two day per week watering restriction. In November, the Board extended that call to June 2016. The District began a large scale modernization of the Rinconada Water Treatment Plant, the second-largest of the District's plants.

**2016:** Mid-year, the Board voted to reduce the water use reduction target to 20%, compared to 2013 water use, and increased the days per week watering restriction to three days. The implementation of flouridation was completed in December 2016 for the South, East and North San Jose, and Milpitas.

**2017:** In January, the Board adopted a resolution continuing the 20% water use reduction target and three day per week watering restriction. The District continues to make substantial progress towards designing seismic retrofits at four of its major dams including Anderson and Calero dams.

**2018:** After a 2017 flood impacted neighborhoods along Coyote Creek, the Board approved changes to Anderson Reservoir operations to reduce the risk of flooding downstream. Crews completed short-term flood protection improvements in the Rock Springs neighborhood before the winter began. The Board and the City of San Jose approved a new Emergency Action Plan to prepare for and respond to flooding on Coyote Creek.

# District Overview

## Board Committees

Committees made up of Board members that advise the Board on an assigned subject purpose – ongoing basis.

**Board Policy and Planning Committee:** Provides support to the Board in areas of:

1. Board planning process;
2. Board Committees' principles and structures;
3. Board and organization performance monitoring; and
4. Other tasks as assigned by the Board

**Board Audit Committee:** Assist the Board, consistent with direction from the full Board, to identify potential areas for audit and audit priorities, and to review, update, plan and coordinate execution of Board audits.

**Board Ethics and Conduct Committee:** Consider initiation of investigation of allegations against a Board member In accordance with Board Governance Policy GP-6.

**Capital Improvement Program (CIP) Committee:** Provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.

**Recycled Water Committee:** Develop a long term proposal for how the District can work together with other local agencies on recycled water opportunities within the district boundaries, to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

**Water Conservation and Demand Management Committee:** Support the Board in achieving its policy to provide a reliable water supply to meet current and future water usage by making policy recommendations related to demand management.

**Water Storage Exploratory Committee:** Receive and discuss information on issues related to additional water storage options.

## Board Ad Hoc Committees

Committees are made up of Board members that advise the Board on an assigned subject/purpose, limited in scope and duration.

**FAHCE Ad Hoc Committee:**

1. Track the progress of the District and other parties (Settlement Parties) of the FAHCE Settlement Agreement in completing requirements enabling dismissal of the water rights complaint and commencement of restoration program; and
2. Identify and recommend actions the Board can take to ensure expeditious completion of the requirements defined in Purpose 1.



# District Overview

**Homeless Encampment Ad Hoc Committee:** Discuss homelessness and encampment issues, and bring discussion and recommendations back to the Board.

**Coyote Flood Risk Reduction Ad Hoc Committee:** Develop short-term, immediate solutions to the February 21, 2017 (President's Day Weekend) Coyote Creek Flood event.

**Diversity & Inclusion Ad Hoc Committee:** Work on Board and Director identified diversity and inclusion issues

## Board Advisory Committees

Committees made up of constituents/elected officials that are formed and managed in accordance with Board resolution.

**Agricultural Water Advisory Committee:** To assist the Board with policies and issues pertaining to agricultural water supply and use as well as in the annual review of groundwater production charges.

**Environmental and Water Resources Committee:** To assist the Board with policies and issues pertaining to water supply, flood protection and environmental stewardship.

**Santa Clara Valley Water Commission:** To assist the board with policies and issues pertaining to water supply, flood protection and environmental stewardship, as well as in the annual review of groundwater production charges.

**Santa Clara Valley Water District Youth Committee:** Assist the Board with policy review and development, provide comment on activities in the implementation of the District's mission for Board consideration, and to identify Board-related issues pertaining to public policy education, outreach, and all matters impacting the Santa Clara County youth and the District.

## Joint Committees

Committees made up of Board members and other agency staff that are formed to advise the Board and/or in accordance with agreements, contracts, etc.

**Joint Recycled Water Advisory Committee with the City of Sunnyvale:** Develop a long term proposal for how the District and City of Sunnyvale can work together on recycled water opportunities, to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

**Joint Recycled Water Policy Advisory Committee with the City of San Jose/Santa Clara/TPAC:** Required per a term in the City-District 40-year Integration Agreement. The Committee shall tender its advice to the District's Board of Directors and the City Council of the City of San José with respect to policy matters relating to the production, distribution and use of recycled water from facilities under administration by these agencies.

# District Overview

## **Joint Recycled Water Policy Committee with the Cities of Palo Alto, East Palo Alto, and Mountain View:**

Develop a long term proposal for how the District and the Palo Alto Regional Water Quality Control Plant (RWQCP) partner agencies, other stakeholders, and interested parties, can work together on recycled water opportunities, to advance common interest, and to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

## **Joint Water Resources Committee with the Cities of Morgan Hill and Gilroy:**

Advance common South County water interests and receive input from stakeholders and interested parties when undertaking the following:

1. Reviewing current practices and future needs for groundwater management in the Llagas groundwater sub-basin;
2. Facilitating policy discussion and sharing of technical information on water supply planning for South County;
3. Identifying the current and future demand for recycled water as well as jointly identifying funding sources for implementation of the So. Co. Recycled Water Master Plan;
4. Facilitating policy discussion and sharing of technical information on furthering development and use of recycled water in South County; and
5. Facilitating policy discussion and sharing of socio-economic information on homelessness in South County

**San Felipe Division Reach One Committee:** Discuss the Initial Asset Evaluation Report, attempt to reach a joint recommendation for a Condition Level, and discuss policy issues.

## **External Monitoring Committee**

Committee made up of members of the community nominated by the Directors

**Safe, Clean Water Independent Monitoring Committee:** Annually reviews the implementation of the intended results of the program and reports its findings to the Board, which makes the Committee report available to the residents and voters of Santa Clara County.

# District Overview

## **ISO Certified Quality and Environmental Management System**

The certification of the Santa Clara Valley Water District's integrated Quality and Environmental Management System (QEMS) to the internationally-recognized International Organization for Standardization, or ISO, demonstrates our commitment to continual improvement, customer satisfaction, delivery of quality programs and services to the community, and operating in an environmentally responsible manner.

ISO is the world's largest developer of voluntary international standards, which are state of the art specifications for products, services, and good practices, helping make industry more efficient and effective.

We have an extensive history of ISO commitment and experience, having first been registered to ISO 9001 in 2002 for quality management systems and to ISO 14001 in 2004 for environmental management systems.

The District is currently certified to ISO 9001:2008 standards for quality products and services and to ISO 14001:2004 standards for environmental protection through pollution prevention. In Fiscal Year 2018, the District will pursue certification to new ISO requirements: ISO 9001:2015 and ISO 14001:2015.

ISO certification validates that our processes continue to be effectively implemented by our employees to improve efficiency, reduce waste, and produce consistent results for our customers.

We believe that maintaining ISO certification is important because it reinforces our focus on quality, customer satisfaction, and continual improvement; a reflection of Silicon Valley's culture of innovation and excellent customer experience.

For additional information regarding the District's ISO certification, please visit:

**<https://www.valleywater.org/how-we-operate/iso-certified-quality-and-environmental-management-system>**

# District Overview

## Major water utility zones of benefit in Santa Clara County



As part of the District's core water supply function, two major water utility zones form the basis for establishing District water charges. Zone W-2 encompasses the Santa Clara Valley groundwater basin north of Metcalf Road. It includes those groundwater producing facilities that benefit from recharge with local and imported water. Zone W-5 comprises the entire Llagas groundwater basin from Metcalf Road south to the Pajaro River. Water charges are set separately for each zone, reflecting District activities carried out in each.

## Watershed areas and flood control zones of Santa Clara County



More than 800 miles of creeks flow through Santa Clara County. The District works to protect both the natural attributes of these waterways and the communities that surround them as part of its watershed stewardship core function. Fifty-one years of working for flood protection has reduced the intensity and frequency of flooding in Santa Clara County.

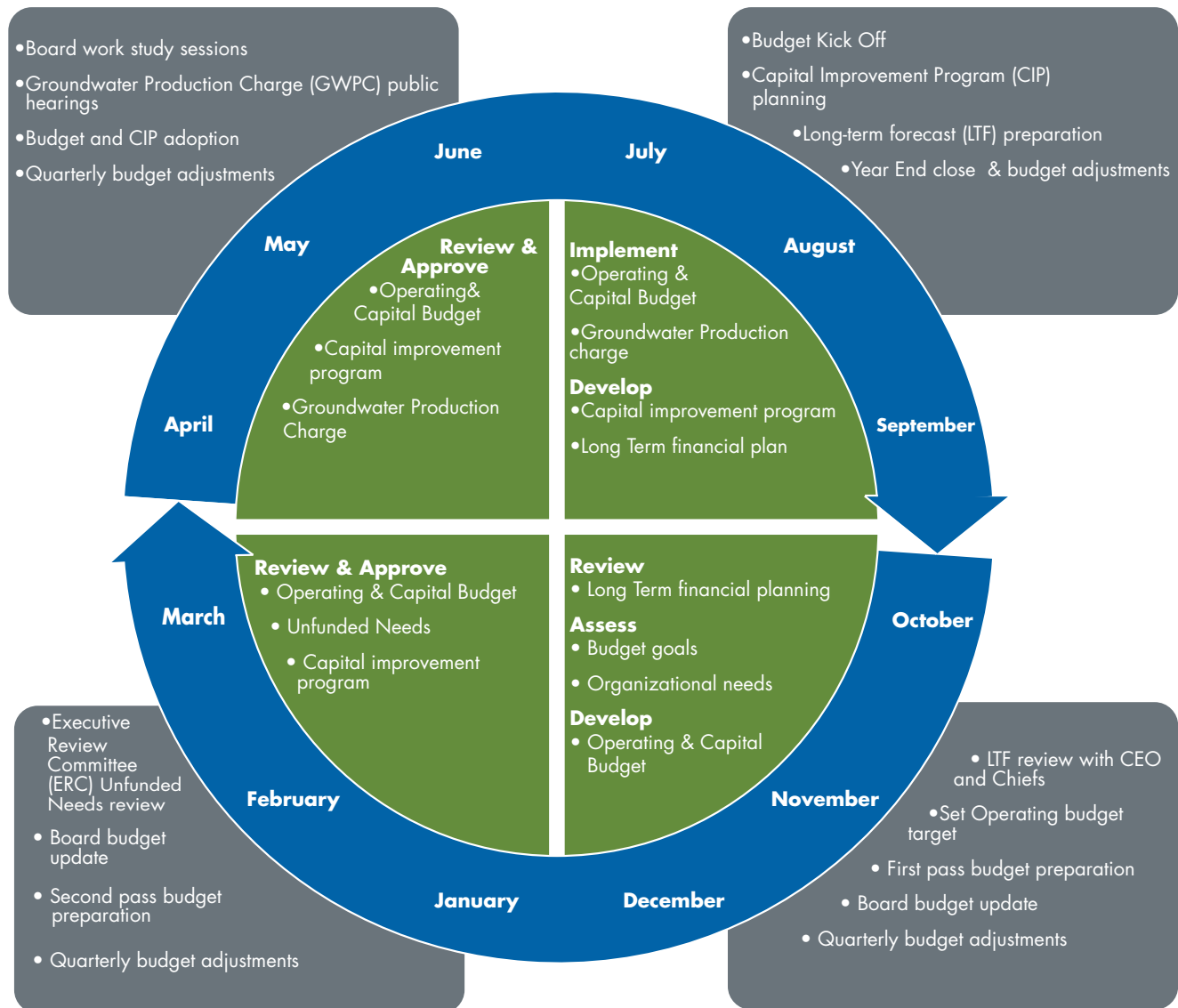
# DISTRICT OVERVIEW

## Financial Overview

# INTRODUCTION

# Financial Overview

## Budget Process Overview





# Financial Overview

## Financial Planning and Rate Setting

Every year staff prepare a rolling ten-year expenditure forecast that provides the basis for developing the budget targets and for analyzing the long term financial sustainability of the various district funds. For the Water Utility Enterprise funds, the district uses the “revenue requirements” methodology to set the groundwater production charge and other water charges for each zone. In general, costs associated with operations, capital, debt service and reserve requirements are estimated over a 10 year timeframe. The amount not funded by property taxes, interest earnings, debt proceeds, and other income is covered by water charges. A water charge projection is calculated for each zone to recover the revenue requirements over a 10 year time period in accordance with the pricing policy (Board Resolution 99-21). The water charge setting process is conducted in accordance with the District Act and Board resolutions 12-10 and 12-11, and includes the preparation of an annual report on the Protection and Augmentation of Water Supplies (PAWS). The report provides information on present and future water requirements for the County, water supply available to the district, future capital and operating requirements, benefits and services provided by the district, financing methods and water charges by zone. A series of public hearings and meetings with advisory committees and stakeholders ensure feedback is gathered for the Board to consider in establishing water charges each year.

## Capital Improvement Plan

The District prepares a Capital Improvement Program (CIP) annually. It is a 5-year rolling CIP, meaning that it is updated annually and covers the upcoming five year period. The CIP is approved by the Board each year, and is publicly available for review. The CIP includes project descriptions, schedules and forecasts for capital funding needs. The CIP is the primary means of coordinating schedules and budgets on capital work.

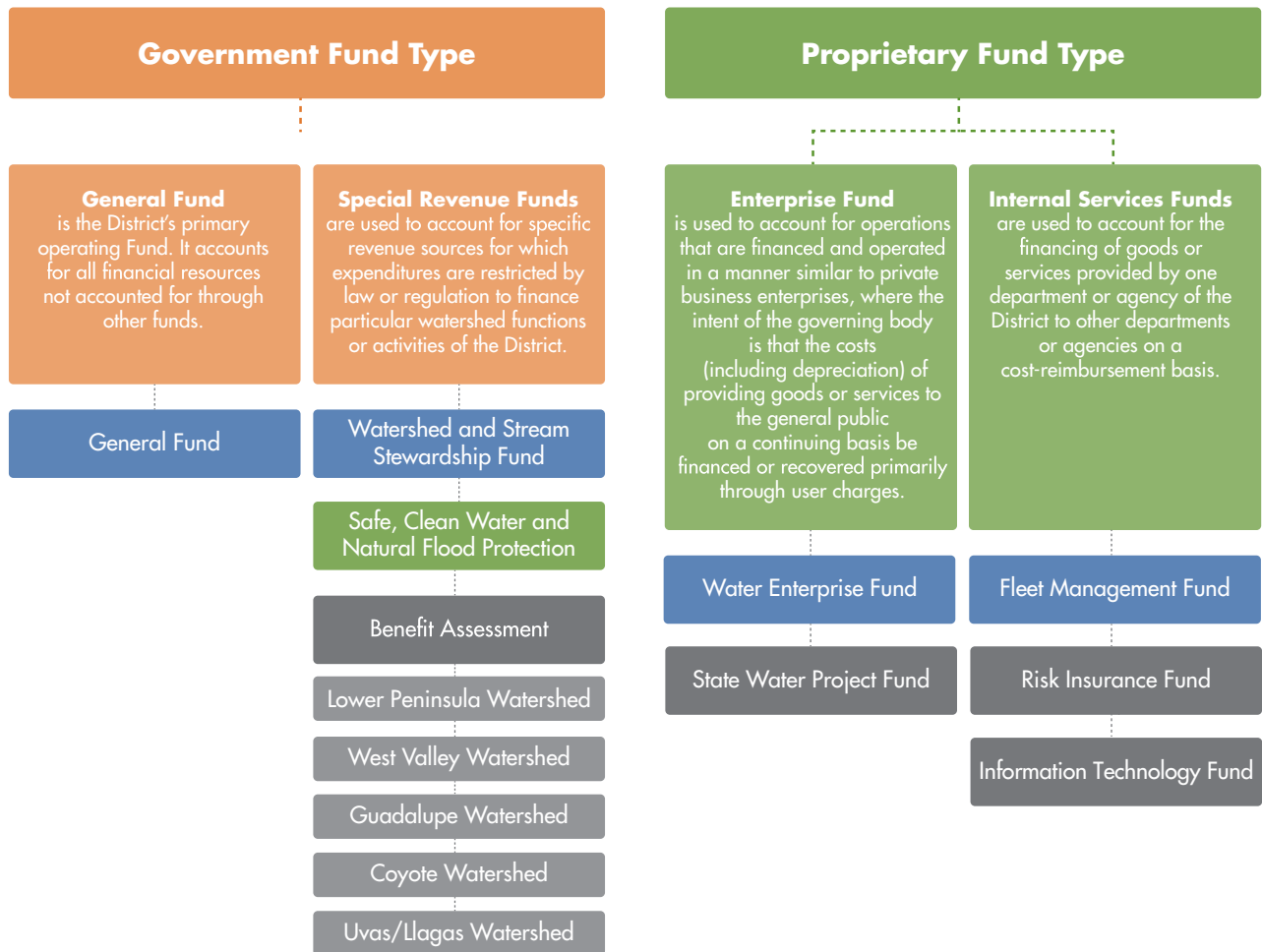
## Other Planning Documents

The District’s budget is prepared by incorporating other planning documents as well

- Protection and Augmentation of Water Supplies
- Water Utility Enterprise Operations Plan
- Water Utility Enterprise Maintenance Work Plan
- Water Supply Master Plan
- Stream Maintenance Program Manual
- Safe, Clean Water and Natural Flood Protection Program
- Safe, Clean Water and Natural Flood Protection 5-Year Implementation Plan
- Requests of the 115th Congress
- Engaging Our Diversity: 2015-2019

# Financial Overview

## District Fund Structure



# Financial Overview

## Basis of Budgeting

The annual budget is prepared using the modified accrual basis. Revenues are recognized only when they become measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the payments are incurred or a commitment is made through an encumbered purchase order.

The accounts of the District are organized based on fund types and account groups. Each fund is an independent accounting entity with a self-balancing set of accounts comprised of its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate. Fund accounting allows government resources to be segregated and accounted for per their intended purposes, aiding management in demonstrating compliance with finance-related legal and contractual provisions.

# Financial Overview

## Financial Overview

### Revenue

Revenue projections are, in general, taken from the District's long-range planning documents. These planning tools are continuously updated based on the best information available. They are formalized annually in the Annual Report on the Protection and Augmentation of Water Supplies, the Flood Control Benefit Assessments Report, and the Safe, Clean Water and Natural Flood Protection Report.

The FY 2018-19 budget includes projected revenues of approximately \$448.0 million. These revenues are a net increase of 1% from the \$444.1 million included in the FY 2017-18 adopted budget. The net \$3.9 million increase is primarily derived from increases in water revenue (\$31.0 million), 1% Ad Valorem property taxes (\$6.7 million), special parcel tax (\$1.5 million), offset by a decrease in capital reimbursement revenue (-\$26.9 million), State Water Project property tax (-\$8 million) and a net decrease to other revenues (-\$0.4 million).

The specific categories of revenue include:

#### Water Revenue

The main source of District revenue is from water charges projected for FY 2018-19 at \$246.2 million. Charges for water that is processed through District treatment plants (treated water) continue to be the largest contributor with an estimate of \$152.8 million. Groundwater production charges are estimated at \$90.8 million, while surface/recycled water sales are projected at approximately \$2.6 million. Staff is recommending a 9.7% increase in municipal & industrial groundwater charges for Zone W-2 and a 7.7% increase for Zone W-5 in the FY 2018-19 budget.

#### Property Tax

Property taxes for FY 2018-19 are estimated at \$111.9

million, decrease 1.2% from the FY 2017-18 adopted budget. The District benefits from two types of property taxes - 1% Ad Valorem (\$93.9 million) and levies for State Water Project (SWP) indebtedness (\$18.0 million). More information can be found in the Major Sources of Revenue section later in this chapter.

#### Special Parcel Tax

The Safe, Clean Water Program special parcel tax was approved by the voters in November 2012. The Special Parcel Tax estimated for FY 2018-19 is \$44.0 million, an increase of 3.5% over FY 2017-18.

#### Benefit Assessments

Benefit assessment revenue consists of levies approved by voters in 1986 and 1990 to support financing for flood control capital improvements. The FY 2018-19 budget is approximately 1.25 times the duly authorized annual debt service requirements for each watershed. Benefit assessment revenue represents \$14.8 million.

#### Capital Reimbursements

Capital reimbursements are from local, state and federal agencies for specified capital projects that the District has completed, initiated or will undertake in this budget period. District-wide capital reimbursements are budgeted at approximately \$22.9 million for FY 2018-19. More specific information is provided in the Major Sources of Revenue section

#### Interest

Interest earnings are expected at \$4.0 million in FY 2018-19.

#### Other Revenue

Other Revenue comprises revenue from minor sources such as rental income, the sale of vehicles, totals \$3.6 million.

## Appropriations/Outlays

Net total operating and capital outlays for the FY 2018-

# Financial Overview

19 budget is \$509.9 million. This figure does not include capital carry forward that was appropriated by the Board in prior years and is net of General Fund intra-district reimbursements and Internal Service Fund charges.

FY 2018-19 net operating outlays have increased by approximately \$21.9 million compared to the FY 2017-18 adopted budget.

The increase in net outlays reflects continued efforts to maintain service levels that support key strategic objectives. Among the issues facing the District are:

- Infrastructure maintenance and construction needs (ensuring dam safety, managing infrastructure for reliability, care of district facilities and assets)
- Funding for capital projects (shortage of federal funding, coordinated planning of permitting efforts, environmental stewardship efforts)
- Advance the Districts interest in countywide stormwater resource planning
- Coyote Creek flood response
- Making key decisions regarding the California WaterFix
- Advancing recycled and purified water efforts
- Finalizing the Fisheries and the Aquatic Habitat Collaborative Effort (FAHCE)
- Pursuing efforts to increase water storage opportunities
- Advancing diversity and inclusion efforts

The District is responding to these challenges in several ways, including expanded efforts possible with the help of 4 new positions discussed in greater detail in the Fund Summaries chapter.

Growth within the appropriation category is limited to essential services that support District-wide strategic objectives and effective use of reserves for one-time costs or priority activities.

## Intra-district Reimbursements

The primary funding sources for the General Fund and Service Funds are intra-district reimbursements. For FY 2018-19, the total is \$85.5 million. Intra-district

charges reimburse the General Fund and Service Funds for functions such as finance, accounting, payroll, human resources, information technology, facilities, organizational leadership, and fleet management. In general, 50% of intra-district charges is paid by the Water Utility Enterprise, 36% by Watersheds, 6% by General Fund, and 8% by Internal Service Funds.

## Capital Outlays

FY 2018-19 capital project appropriations total \$205.1 million, a decrease of \$13.2 million from the FY 2017-18 adopted budget. It is anticipated that \$90.3 million of the FY 2017-18 adjusted budget for capital projects will carry forward into FY 2018-19 at the close of the current fiscal year as most capital improvement projects will require multiple years to complete. The capital budget represents those projects that have been identified and prioritized in the Five-Year Capital Improvement Program (CIP). A summary schedule of 5-yr Capital Improvement plan can be found in the Appendix.

## Other Financing Sources/Use

Other financing sources include debt financing proceeds to fund capital improvements. For FY 2018-19, planned Bond Proceeds of \$64.2 million and Commercial Paper proceeds of \$110 million are to finance Water Utility and Watersheds capital improvement programs.

## Reserves

Overall, budgeted reserves for FY 2018-19 are expected to decrease \$25.3 million to \$334.1 million. The decrease is primarily derived from decrease in the currently authorized projects reserves (-\$23.4 million) and the operating and capital reserves (-\$12.5 million), offset by an increases in the Water Utility public-private-partnership reserve (\$4 million), Water Utility

# Financial Overview

drought reserve (\$2 million) and state water project tax reserve (\$4.7 million). See District Reserve Policy in the Appendix and comprehensive reserve summaries.

## Staffing

The FY 2018-19 budget includes 813 authorized positions and four management fellows, an increase of 4 new positions from the prior year. The new positions' cost totals 600 thousand. The new positions support the the District's Fisheries Aquatic Habitat Collaborative Effort (FAHCE), support the review of external development proposals, such as the BART extension, High Speed Rail and San Jose downtown Google development that affect the District facilities. For a comprehensive schedule of district-wide salaries and benefits, please refer to Salaries & Benefits section in this chapter.

# Financial Overview

## Combined Fund Summary - All Funds

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
GroundWater	\$ 67,936,832	\$ 78,943,000	\$ 78,943,000	\$ 90,796,000	\$ 11,853,000	15.0%
Treated Water	122,212,497	133,875,000	133,875,000	152,787,000	18,912,000	14.1%
Surface/Recycled	747,007	2,424,000	2,424,000	2,653,000	229,000	9.4%
Benefit Assessment	14,790,953	14,777,514	14,777,514	14,778,000	486	0.0%
Property Tax	127,011,647	113,249,700	118,601,589	111,866,326	(1,383,374)	(1.2)%
Parcel Tax	41,098,834	42,510,582	42,510,582	43,998,000	1,487,418	3.5%
Intergovernmental Services	2,531,133	1,189,000	1,189,000	625,000	(564,000)	(47.4)%
Operating Other	928,397	968,166	968,166	975,000	6,834	0.7%
Capital Reimbursements	19,344,737	49,846,000	51,577,000	22,924,000	(26,922,000)	(54.0)%
Interest Income *	5,222,018	3,500,000	3,500,000	4,000,000	500,000	14.3%
Non-Operating Other	5,059,924	2,816,656	2,816,656	2,626,000	(190,656)	(6.8)%
<b>TOTAL REVENUE</b>	<b>\$ 406,883,979</b>	<b>\$ 444,099,618</b>	<b>\$ 451,182,507</b>	<b>\$ 448,028,326</b>	<b>\$ 3,928,708</b>	<b>0.9%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 279,345,459	\$ 307,834,475	\$ 310,594,987	\$ 323,517,389	\$ 15,682,914	5.1%
Operating Project	8,242,741	6,774,970	7,484,970	7,621,255	846,286	12.5%
Debt Service	34,820,132	49,750,357	49,750,357	59,189,136	9,438,779	19.0%
<b>Total Operating Outlays</b>	<b>\$ 322,408,332</b>	<b>\$ 364,359,802</b>	<b>\$ 367,830,314</b>	<b>\$ 390,327,780</b>	<b>\$ 25,967,979</b>	<b>7.1%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 209,387,992	\$ 218,301,234	\$ 243,980,011	\$ 205,072,687	\$ (13,228,546)	(6.1)%
Carry Forward Capital Projects	—	98,812,000	94,087,533	90,305,126	(8,506,874)	(8.6)%
<b>Total Capital Outlays</b>	<b>\$ 209,387,992</b>	<b>\$ 317,113,234</b>	<b>\$ 338,067,544</b>	<b>\$ 295,377,813</b>	<b>\$ (21,735,420)</b>	<b>(6.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 531,796,324</b>	<b>\$ 681,473,036</b>	<b>\$ 705,897,858</b>	<b>\$ 685,705,593</b>	<b>\$ 4,232,557</b>	<b>0.6%</b>
Less Intra-District Reimb	(63,159,603)	(81,442,097)	(81,427,601)	(85,543,321)	(4,101,224)	5.0%
<b>NET OUTLAYS</b>	<b>\$ 468,636,721</b>	<b>\$ 600,030,939</b>	<b>\$ 624,470,257</b>	<b>\$ 600,162,272</b>	<b>\$ 131,333</b>	<b>0.0%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Bond Proceeds	\$ —	\$ 62,000,000	\$ 110,000,000	\$ 64,193,000	\$ 2,193,000	3.5%
Commercial Paper Proceeds	24,230,000	140,000,000	30,000,000	110,000,000	(30,000,000)	(21.4)%
Certificates of Participation	1,443,987	8,500,000	8,500,000	—	(8,500,000)	(100.0)%
Transfers In	7,628,126	16,914,831	18,033,609	12,529,471	(4,385,360)	(25.9)%
Transfers Out	(7,628,126)	(16,914,831)	(18,033,609)	(12,529,471)	4,385,360	(25.9)%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 25,673,987</b>	<b>\$ 210,500,000</b>	<b>\$ 148,500,000</b>	<b>\$ 174,193,000</b>	<b>\$ (36,307,000)</b>	<b>(17.2)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (36,078,755)</b>	<b>\$ 54,568,679</b>	<b>\$ (24,787,750)</b>	<b>\$ 22,059,054</b>	<b>\$ (32,509,625)</b>	<b>(59.6)%</b>

# Financial Overview

## Combined Fund Summary - All Funds (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
WUE Rate Stabilization	\$ 19,973,809	\$ 21,066,011	\$ 21,066,011	\$ 22,477,551	\$ 1,411,540	6.7%
WUE San Felipe Emergency	2,953,130	2,976,275	3,003,130	3,053,130	76,855	2.6%
WUE State Water Project Tax Reserve	7,908,331	—	6,620,109	4,725,400	4,725,400	—
WUE Public-Private Partnership (P3) Reserve	—	—	—	4,000,000	4,000,000	—
WUE Water Supply	14,277,014	14,677,141	14,677,141	14,677,000	(141)	(0.0)%
WUE SVAWPC	1,906,000	1,906,000	986,000	986,000	(920,000)	(48.3)%
WUE Drought Reserve	3,000,000	5,000,000	5,000,000	7,000,000	2,000,000	40.0%
SCW Currently Authorized Projects	129,018,840	15,357,000	68,665,756	16,134,748	777,748	5.1%
SCW Operating and Capital Reserve	631,179	146,714,094	16,807,181	123,269,436	(23,444,658)	(16.0)%
<b>Total Restricted Reserves</b>	<b>\$ 179,668,303</b>	<b>\$ 207,696,521</b>	<b>\$ 136,825,328</b>	<b>\$ 196,323,265</b>	<b>\$ (11,373,256)</b>	<b>(5.5)%</b>
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ 84,906,704	\$ 37,575,326	\$ 27,601,371	\$ 13,398,137	\$ (24,177,189)	(64.3)%
Operating and Capital Reserve	58,893,178	102,443,956	135,943,100	113,359,257	10,915,301	10.7%
Workers Compensation Liability	5,666,000	5,666,000	5,666,000	6,000,000	334,000	5.9%
Catastrophy - Property Self-Insurance	7,689,364	6,000,000	6,000,000	5,014,194	(985,806)	(16.4)%
<b>Total Committed Reserves</b>	<b>\$ 157,155,246</b>	<b>\$ 151,685,282</b>	<b>\$ 175,210,471</b>	<b>\$ 137,771,588</b>	<b>\$ (13,913,694)</b>	<b>(9.2)%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 336,823,549</b>	<b>\$ 359,381,803</b>	<b>\$ 312,035,799</b>	<b>\$ 334,094,853</b>	<b>\$ (25,286,950)</b>	<b>(7.0)%</b>
<b>Uncommitted Funds</b>						
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 108,810,671	\$ 119,111,888	\$ 119,111,888	\$ 125,163,731	\$ 6,051,843	5.1%
Salary Savings Factor	—	(3,213,991)	(3,213,991)	(3,338,375)	(124,385)	3.9%
Services & Supplies	130,495,879	138,917,967	142,402,975	146,742,728	7,824,761	5.6%
Intra-District Charges	48,281,651	59,793,581	59,779,085	62,570,561	2,776,980	4.6%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 287,588,201</b>	<b>\$ 314,609,445</b>	<b>\$ 318,079,957</b>	<b>\$ 331,138,645</b>	<b>\$ 16,529,199</b>	<b>5.3%</b>
<b>DEBT SERVICE</b>						
Services & Supplies	\$ 989,906	\$ 2,198,870	\$ 2,198,870	\$ 3,241,959	\$ 1,043,089	47.4%
Debt Service	33,830,226	47,551,487	47,551,487	55,947,177	8,395,690	17.7%
<b>DEBT SERVICE TOTAL</b>	<b>\$ 34,820,132</b>	<b>\$ 49,750,357</b>	<b>\$ 49,750,357</b>	<b>\$ 59,189,136</b>	<b>\$ 9,438,779</b>	<b>19.0%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 26,761,345	\$ 33,796,308	\$ 33,796,308	\$ 37,524,810	\$ 3,728,502	11.0%
Salary Savings Factor	—	(930,696)	(930,696)	(1,033,537)	(102,840)	11.1%
Services & Supplies	167,748,695	163,787,107	189,465,884	145,608,654	(18,178,453)	(11.1)%
Carry Forward Capital Projects	—	98,812,000	94,087,533	90,305,126	(8,506,874)	(8.6)%
Intra-District Charges	14,877,953	21,648,516	21,648,516	22,972,760	1,324,245	6.1%
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 209,387,993</b>	<b>\$ 317,113,235</b>	<b>\$ 338,067,545</b>	<b>\$ 295,377,813</b>	<b>\$ (21,735,420)</b>	<b>(6.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 531,796,326</b>	<b>\$ 681,473,037</b>	<b>\$ 705,897,859</b>	<b>\$ 685,705,594</b>	<b>\$ 4,232,558</b>	<b>0.6%</b>



# Financial Overview

## Combined Fund Summary - All Funds (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff

(\*) Interest revenue does not include GASB31 market value adjustment

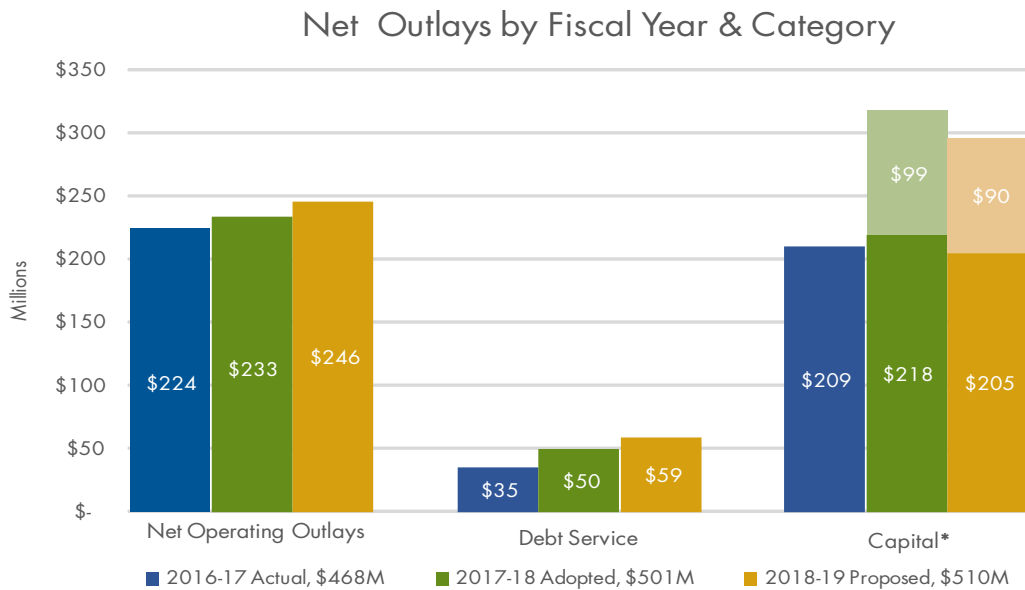
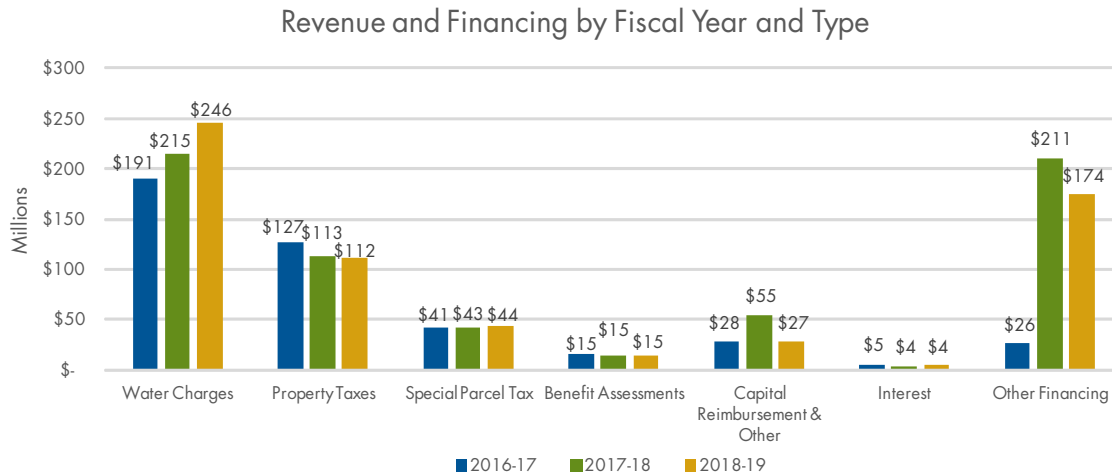
(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*)Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*)Total Outlays amounts may have a slight variance due to rounding

# Financial Overview

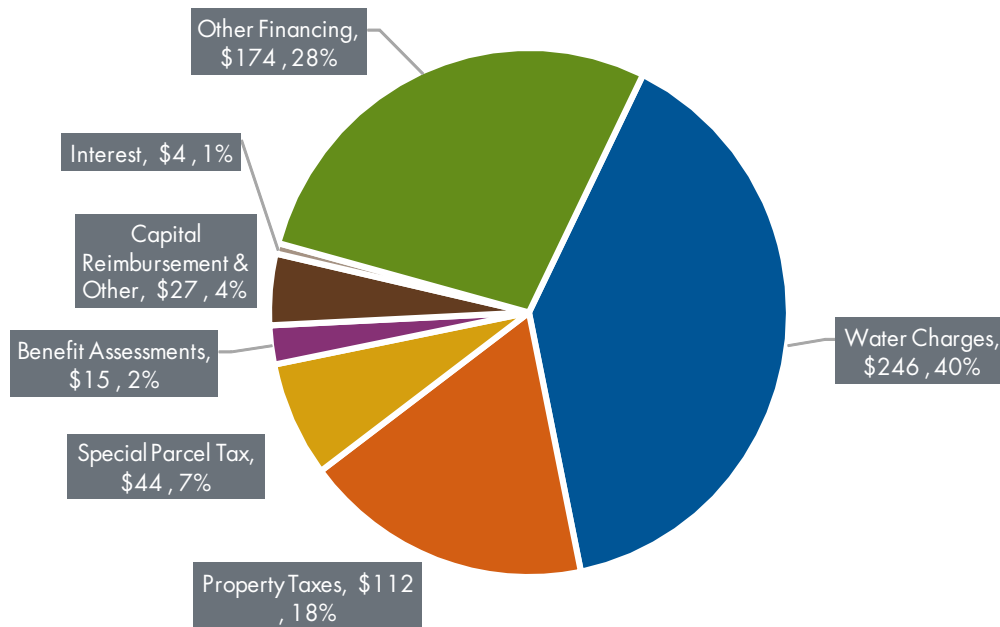
## Revenue and Outlays



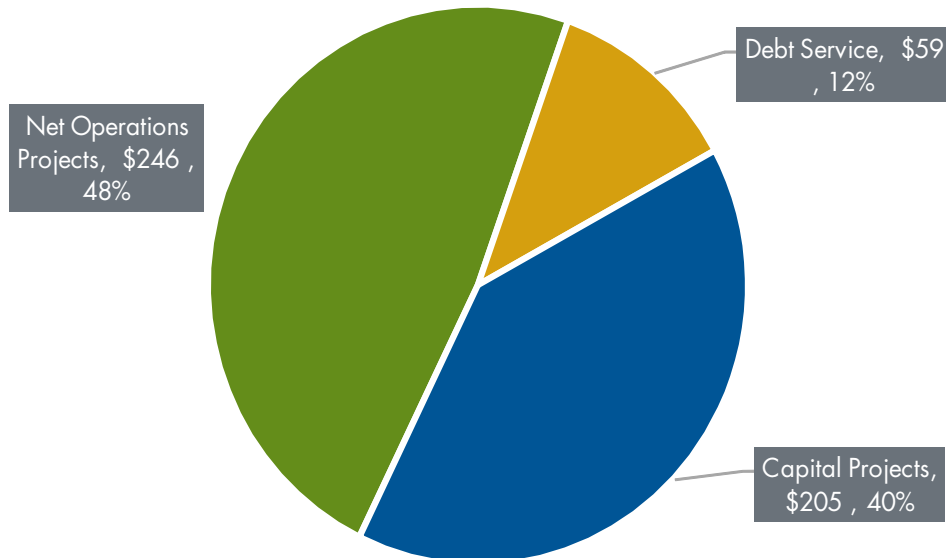
<sup>1</sup>Capital Distinguishes between current year budget and re-appropriated funds Carried Forward (CF) from Prior Years.  
<sup>2</sup>Capital Budget Identifies the new budget and illustrates prior year funding estimated to be Carried Forward.

# Financial Overview

FY 2018-19 Revenue and Financing, \$622 Million



FY 2018-19 Net Outlays By Category, \$510 Million



<sup>1</sup>Capital Projects Outlay does not include capital budget estimated to be carried forward from prior year.

<sup>2</sup>Operations are net with intra-district reimbursements.

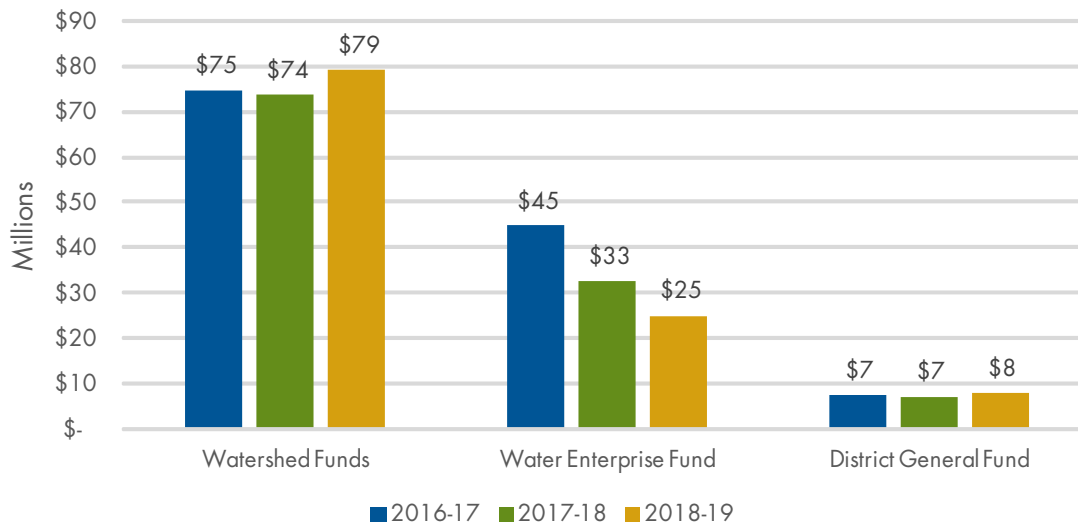
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## **MAJOR SOURCES OF REVENUES**

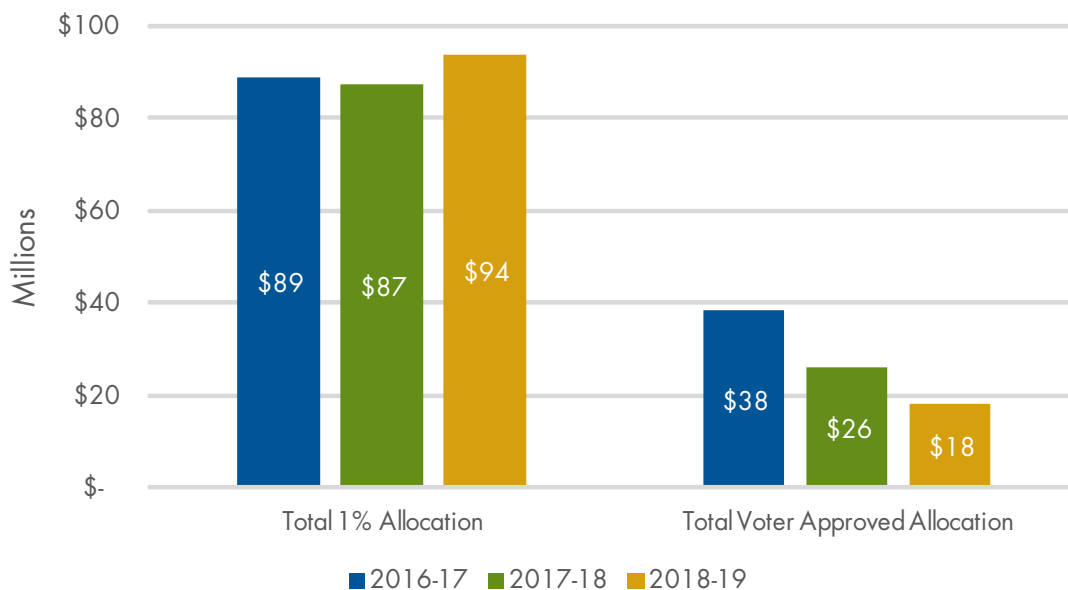
# Financial Overview

## Property Taxes

Property Taxes by Fiscal Year and Fund Group



Property Taxes by Fiscal Year and Taxing Authority Type



# Financial Overview

## Property Taxes

The District's property tax revenues are comprised of two distinct categories: an allocated share of countywide 1% Ad Valorem property tax receipts, and a voter-approved levy for State Water Project (SWP) contract obligations.

For FY 2018-19, the District is projecting \$93.9 million in Ad Valorem tax revenues, a 7.6% increase over the FY 2017-18 adopted budget. The increase is based on updates from Santa Clara County staff and is tied to the increase in the assessed value of all property in Santa Clara County. Property sales and new construction

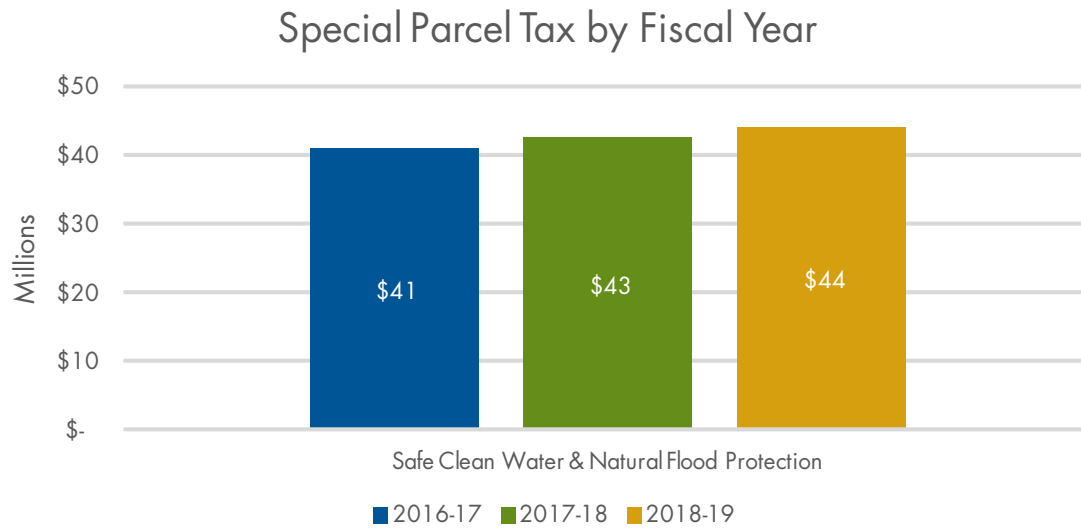
were principal contributors to assessment roll growth.

The District also directly levies a property tax based on annual indebtedness to the State of California pursuant to its water supply contract dated November 20, 1961. Such indebtedness is reflected in the District SWP water purchase costs and pays for construction, maintenance and operation of SWP infrastructure and facilities. The amount of District taxes to be collected is estimated at \$18.0 million for FY 2018-19. This is a decrease of \$8.0 million over the FY 2017-18 Adopted budget. The decrease is primarily due to lower SWP costs.

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Property Tax</b>						
<b>1 % Ad Valorem Property Tax</b>						
Watershed Funds	\$ 74,805,680	\$ 73,638,000	\$ 78,080,178	\$ 79,160,985	\$ 5,522,985	7.5%
Water Enterprise Fund	6,682,112	6,509,600	6,837,470	6,962,471	452,871	7.0%
District General Fund	7,419,980	7,102,100	7,683,941	7,742,870	640,770	9.0%
<b>Total 1% Allocation</b>	<b>\$ 88,907,772</b>	<b>\$ 87,249,700</b>	<b>\$ 92,601,589</b>	<b>\$ 93,866,326</b>	<b>\$ 6,616,626</b>	<b>7.6%</b>
<b>State Water Project Tax</b>	<b>\$ 38,103,875</b>	<b>\$ 26,000,000</b>	<b>\$ 26,000,000</b>	<b>\$ 18,000,000</b>	<b>\$ (8,000,000)</b>	<b>(30.8)%</b>
<b>Total Property Tax</b>	<b>\$ 127,011,647</b>	<b>\$ 113,249,700</b>	<b>\$ 118,601,589</b>	<b>\$ 111,866,326</b>	<b>\$ (1,383,374)</b>	<b>(1.2)%</b>

# Financial Overview

## Special Parcel Tax





# Financial Overview

## Special Parcel Tax

In November 2000, over two-thirds of Santa Clara County voters approved the original 15-year special parcel tax to fund the District's countywide Clean, Safe Creeks and Natural Flood Protection Program (Clean, Safe Creeks). In November 2012, more than two-thirds of the voters approved the Safe, Clean Water and Natural Flood Protection program that builds upon the success of its predecessor Clean, Safe Creeks program and extends the special parcel tax another 15 years. The special parcel tax levy is based on the proportionate distribution of storm water runoff per

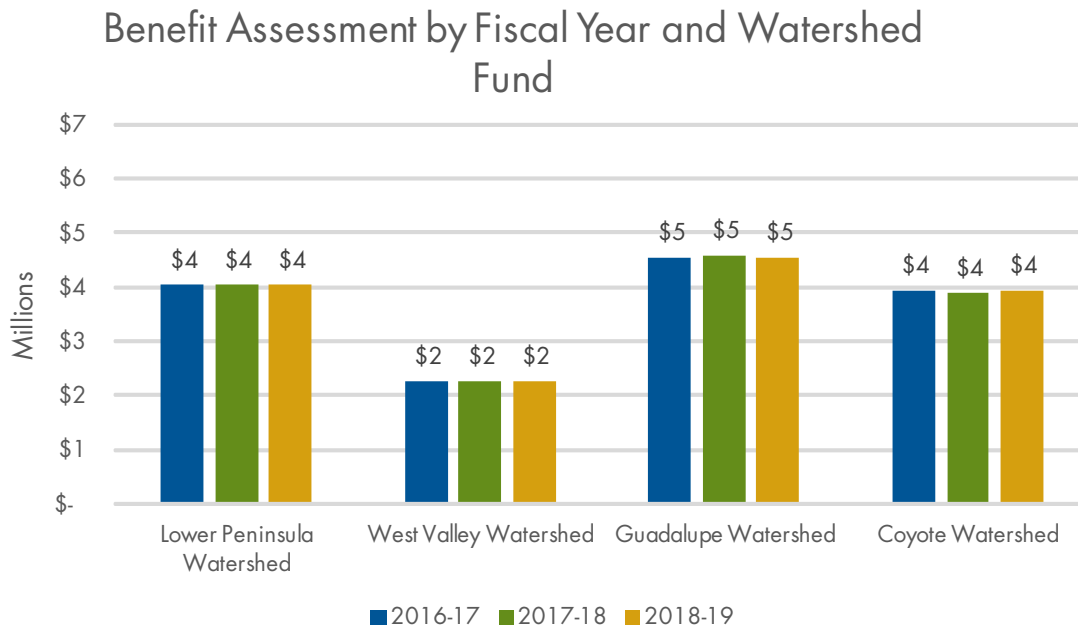
parcel, and may be increased annually by either the prior year's San Francisco-Oakland-San Jose Consumer Price Index for all Urban Consumers (CPI) or 3%, whichever is greater.

For FY 2018-19, special parcel tax revenues are expected to increase by \$1.5 million or 3.5% over the FY 2017-18 adopted budget. The increase is mainly due to the increase in the special tax rates, and partially due to an anticipated increase in eligible parcel count from economic growth within the county.

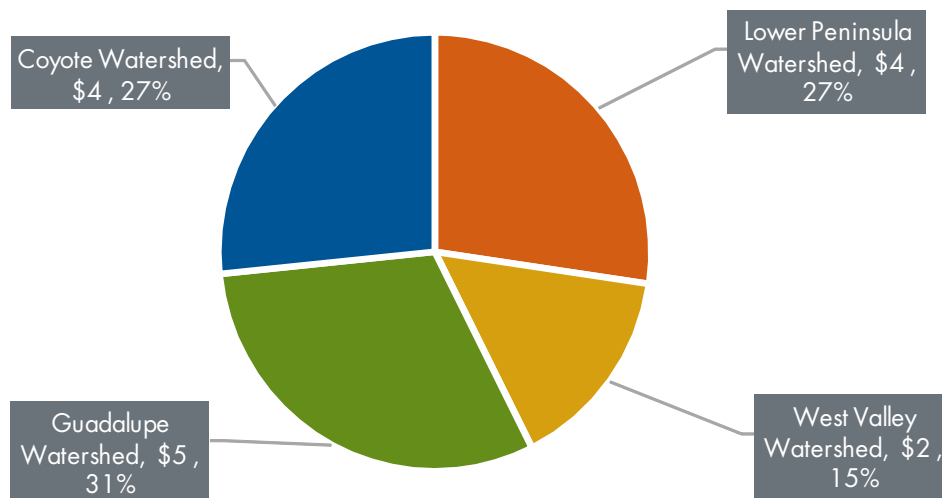
	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Special Parcel Tax</b>						
Safe Clean Water & Natural Flood Protection	\$ 41,098,834	\$ 42,510,582	\$ 42,510,582	\$ 43,998,000	\$ 1,487,418	3.5%
<b>Total Special Parcel Tax</b>	<b>\$ 41,098,834</b>	<b>\$ 42,510,582</b>	<b>\$ 42,510,582</b>	<b>\$ 43,998,000</b>	<b>\$ 1,487,418</b>	<b>3.5%</b>

# Financial Overview

## Benefit Assessment



### FY 2018-19 Benefit Assessments, \$15 Million



# Financial Overview

## Benefit Assessment

The Flood Control Benefit Assessment was first authorized by the District Board of Directors in 1981, and then by ballot measures in 1982, 1986, and 1990. The program had a sunset date of 2000 but the assessment will continue until 2030, when the District will pay off the bonds associated with it.

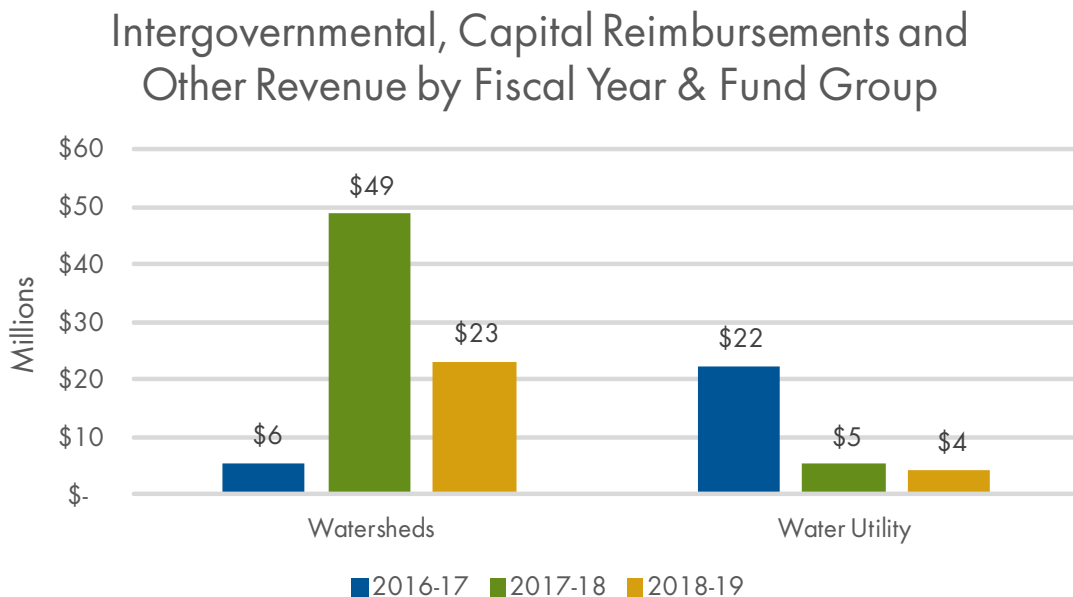
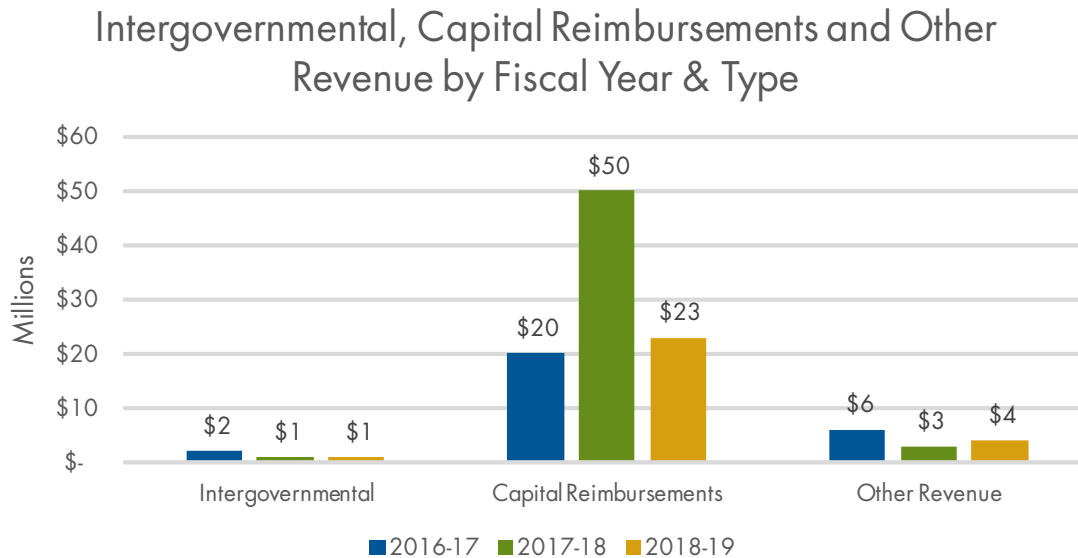
FY 2018-19 continues under this debt repayment phase

of the benefit assessment program with benefit assessments levied at 1.25 times the annual debt service. For FY 2018-19, the Benefit Assessment revenue receipts are anticipated to come in at \$14.8 million. As the District pays down principal, the amount collected decreases.

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Benefit Assessment</b>						
Lower Peninsula Watershed	\$ 4,037,346	\$ 4,038,079	\$ 4,038,079	\$ 4,039,000	\$ 921	0.0%
West Valley Watershed	2,256,521	2,265,508	2,265,508	2,255,000	(10,508)	(0.5)%
Guadalupe Watershed	4,552,181	4,578,702	4,578,702	4,552,000	(26,702)	(0.6)%
Coyote Watershed	3,944,906	3,895,225	3,895,225	3,932,000	36,775	0.9%
<b>Total Benefit Assessments</b>	<b>\$ 14,790,954</b>	<b>\$ 14,777,514</b>	<b>\$ 14,777,514</b>	<b>\$ 14,778,000</b>	<b>\$ 486</b>	<b>0.0%</b>

# Financial Overview

## Intergovernmental, Capital Reimbursements and Other Revenue



### Intergovernmental Services

The District anticipates receiving intergovernmental services revenue of \$0.6 million for the Water Utility.

### Capital Reimbursement Revenue

The District anticipates Capital Reimbursement Revenue in the amount of \$22.9 million.

Water Enterprise receipts are budgeted at \$1.4 million comprised of \$0.7 million from the San Benito Water District (SBWD) for small capital improvements on the San Felipe pipeline, \$0.3 million from SBWD for the Pacheco/Santa Clara Conduit ROW acquisition, and \$0.4 million from SBWD for SCADA remote architecture and communications upgrades and Coyote Pumping Plant ASD replacement.

# Financial Overview

Watersheds reimbursements are budgeted at \$21.5 million. Of this, \$12.4 million is budgeted in the Watershed and Stream Stewardship Fund and \$9.1 million is budgeted in the Safe, Clean Water Fund. Watershed and Stream Stewardship reimbursements are comprised of \$6.6 million from Department of Water Resources (DWR) Proposition 1E funds, \$4.3 million from the DWR Natural Resource Conservation Service (NRCS), \$1.5 million from the San Francisco Creek Joint Powers Authority, and \$0.1 million from

State Subventions. Safe, Clean Water reimbursements are comprised of \$6.1 million from State Subventions and \$3.0 million from DWR Proposition 1E funds.

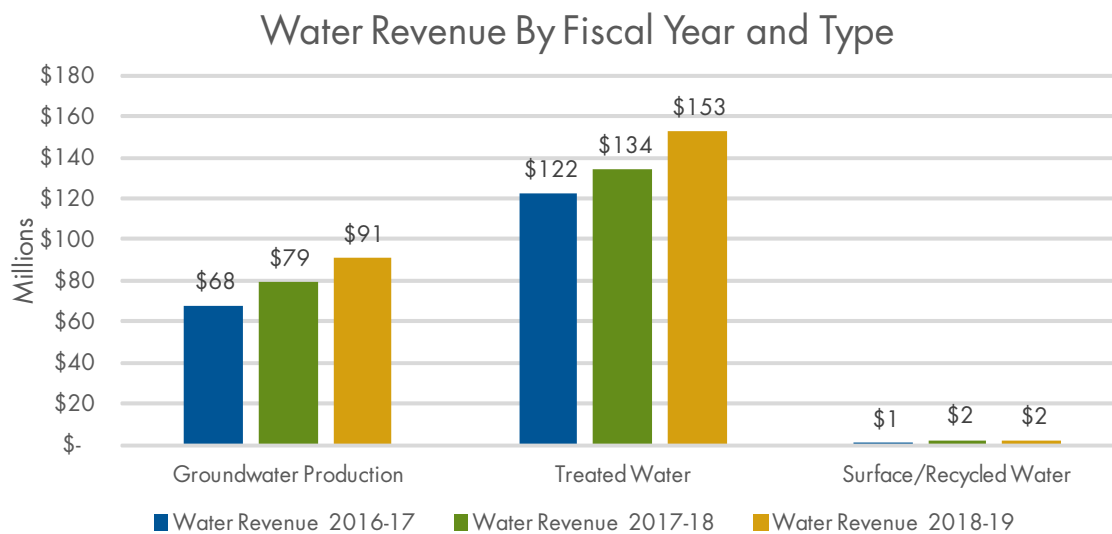
## Other Revenue

The Other Revenue category totals \$3.6 million for FY 2018-19. Approximately \$1.6 million is budgeted for the Watersheds, \$1.9 million for Water Utility and \$0.1 million for the Internal Service Funds.

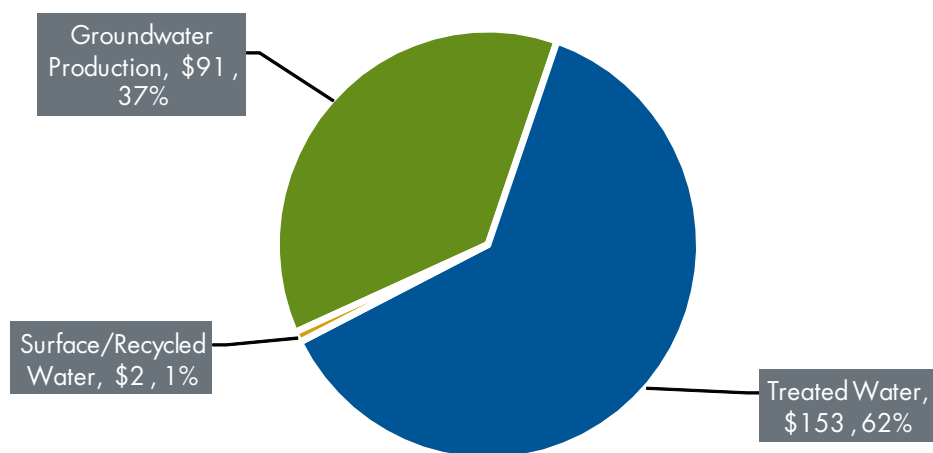
	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Intergovernmental Services</b>						
Watershed Funds	\$ 491,870	\$ —	\$ —	\$ —	\$ —	—
Safe Clean Water & Natural Flood Protection	2,662	—	—	—	—	—
Water Enterprise Fund	2,036,601	1,189,000	1,189,000	625,000	(564,000)	(47.4)%
<b>Total Intergovernmental Services</b>	<b>\$ 2,531,133</b>	<b>\$ 1,189,000</b>	<b>\$ 1,189,000</b>	<b>\$ 625,000</b>	<b>\$ (564,000)</b>	<b>(47.4)%</b>
<b>Capital Reimbursements</b>						
Watershed Funds	\$ 29	\$ 28,000,000	\$ 33,938,000	\$ 12,443,000	\$ (15,557,000)	(55.6)%
Safe Clean Water & Natural Flood Protection	1,818,009	19,158,000	13,523,000	9,126,000	(10,032,000)	(52.4)%
Water Enterprise Fund	17,526,700	2,688,000	4,116,000	1,355,000	(1,333,000)	(49.6)%
<b>Total Capital Reimbursements</b>	<b>\$ 19,344,738</b>	<b>\$ 49,846,000</b>	<b>\$ 51,577,000</b>	<b>\$ 22,924,000</b>	<b>\$ (26,922,000)</b>	<b>(54.0)%</b>
<b>Other</b>						
Watershed Funds	\$ 2,904,346	\$ 1,568,758	\$ 1,568,758	\$ 1,616,000	\$ 47,242	3.0%
Safe Clean Water & Natural Flood Protection	294,020	—	—	—	—	—
Water Enterprise Fund	1,315,408	1,114,064	1,114,064	935,000	(179,064)	(16.1)%
State Water Project Fund	1,209,801	1,000,000	1,000,000	1,000,000	—	—
District General Fund	95,987	—	—	—	—	—
Internal Service Funds	168,759	102,000	102,000	50,000	(52,000)	(51.0)%
<b>Total Other</b>	<b>\$ 5,988,321</b>	<b>\$ 3,784,822</b>	<b>\$ 3,784,822</b>	<b>\$ 3,601,000</b>	<b>\$ (183,822)</b>	<b>(4.9)%</b>
<b>Total Intergov'l &amp; Other Revenues</b>	<b>\$ 27,864,192</b>	<b>\$ 54,819,822</b>	<b>\$ 56,550,822</b>	<b>\$ 27,150,000</b>	<b>\$ (27,669,822)</b>	<b>(50.5)%</b>

# Financial Overview

## Water Revenue



FY 2018-19 Water Revenue \$246 Million



# Financial Overview

## Water Revenue

The District's water revenue is comprised of charges for the following types of water usage:

- **Groundwater Production** - Water produced by pumping from the underground water basins
- **Treated Water** - Water which has been processed through a District water treatment plant
- **Surface Water** - Water diverted from streams, creeks, reservoirs, or raw water distribution lines
- **Recycled Water** - Wastewater which has been treated for use in crop irrigation, landscaping and industrial uses.

Water revenues budgeted for FY 2018-19 are based on staff's recommendation to the District's Board of Directors for water charges in the North County and South County zones of benefit. Revenue estimates reflect a 9.7% and 7.7% increase in groundwater production charges for the North County (Zone W-2) and South County (Zone W-5) respectively, relative to FY 2017-18. For North County, the proposed maximum increase to pay for critical investments in water supply reliability and future supplies was 9.9%, but staff adjusted the proposal to 9.7% due to uncertainties that never materialized, and refinements to project schedules and expenditures. These increases

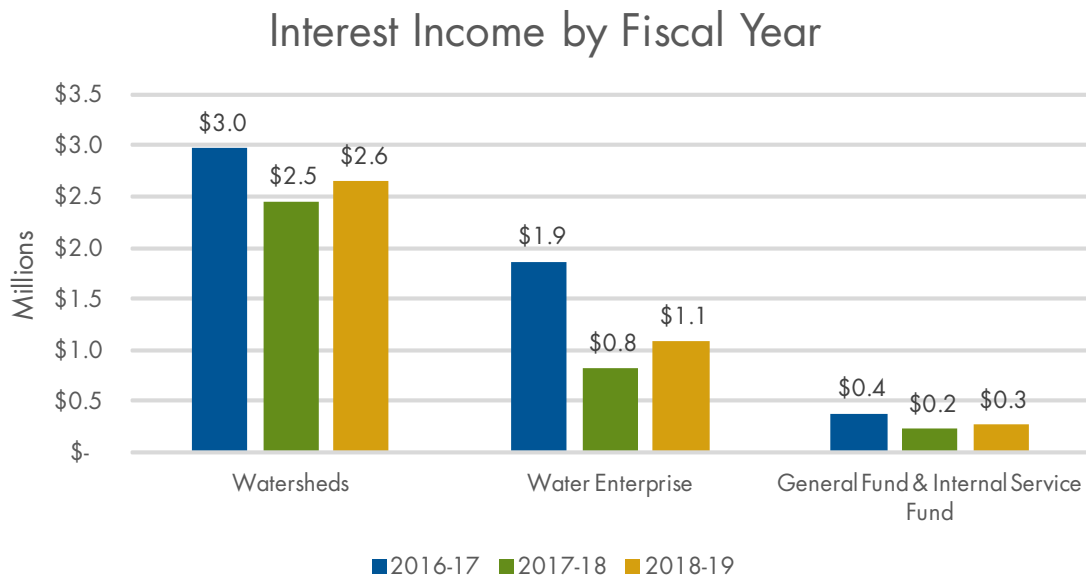
in water charges are necessary to pay for critical investments in water supply infrastructure rehabilitation and upgrades, and the development of future drought-proof supplies, most notably purified water. In addition, staff projects lower water usage than pre-drought averages, which results in lower revenues and puts upward pressure on water charges in the near term. The water charges are shown in the accompanying Water Enterprise Fund schedules.

The FY 2018-19 revenue projection assumes water usage of roughly 226,000 acre-feet; Treated water demand comprises 49%, groundwater comprises 49%, and surface water and District-delivered recycled water comprise approximately 2% of the assumed water use. Compared to the historical District managed water usage of 286,000 acre-feet in calendar year 2013, this projection equates to a 21% reduction. In addition, other sources, such as Hetch Hetchy and local water supply companies like San Jose Water Company, Stanford and South Bay Water Recycling, provide approximately 70,000 acre-feet of water to Santa Clara County. The District does not receive revenue for these other sources of supply.

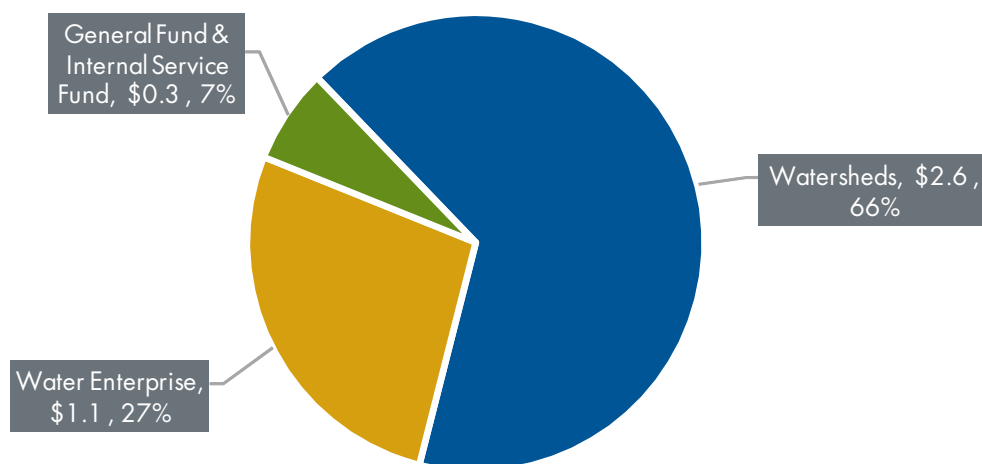
	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Water Revenue						
Groundwater Production	\$ 67,936,832	\$ 78,943,000	\$ 78,943,000	\$ 90,796,000	\$ 11,853,000	15.0%
Treated Water	122,212,497	133,875,000	133,875,000	152,787,000	18,912,000	14.1%
Surface/Recycled Water	747,007	2,424,000	2,424,000	2,653,000	229,000	9.4%
Total Water Revenue	\$ 190,896,336	\$ 215,242,000	\$ 215,242,000	\$ 246,236,000	\$ 30,994,000	14.4%

# Financial Overview

## Interest Income



## FY 2018-19 Interest Earnings, \$4.0 Million





# Financial Overview

## Interest Income

The District invests funds not immediately required for daily operations in various securities as authorized by California Government Code 53600 et.al. The District's investment policy limits portfolio holdings to obligations of the U.S. Treasury, U.S. federal agencies, the state of California's Local Agency Investment Fund, bankers acceptances, negotiable and time certificates of deposit, commercial paper, corporate notes and bonds, repurchase agreements, municipal obligations, mutual funds, and supranational obligations. Prohibited investments include securities not listed above, as well as fossil fuel companies, inverse floaters, range notes, interest-only strips derived from a pool of mortgages and any security that could result in zero interest

accrual if held to maturity, as specified in Section 53601.6 of the California Government Code. For additional information regarding the District's investment policy, please visit: <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>

The FY 2018-19 interest revenue is expected to be approximately \$4 million. The estimates are using an average portfolio yield of 1% which is a reflection of the overall market environment. The market, coupled with expected short-term liquidity needs for the 5-year Capital Improvement Plan will result in \$4 million in projected earnings.

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Interest Income						
Watershed Funds	\$ 1,090,936	\$ 783,000	\$ 783,000	\$ 978,000	\$ 195,000	24.9%
Safe Clean Water & Natural Flood Protection	1,882,260	1,670,000	1,670,000	1,670,000	—	—
Water Enterprise Fund	1,866,077	820,000	820,000	1,084,000	264,000	32.2%
General Fund	116,793	80,000	80,000	85,000	5,000	6.3%
Service Funds	265,952	147,000	147,000	183,000	36,000	24.5%
Total Interest Income	\$ 5,222,018	\$ 3,500,000	\$ 3,500,000	\$ 4,000,000	\$ 500,000	14.3%

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## DEBT STATUS

# Financial Overview

## Debt Service Overview

Provisions of the state constitution, laws, and various portions of Sections 14 and 25 of the District Act authorize the Board of Directors (Board) to incur debt under certain conditions and to issue bonds in a form designated by resolution of the Board, including designation of which participating watersheds are affected by the issuance of new debt. Sections 25.1 and 25.2 of the District Act authorize the Board to issue revenue bonds for the Water Enterprise Fund. The District's debt issuance practices are governed under the California Government and Water codes. The District Act authorizes short-term debt (maturity of less than five years) of up to a limit of \$8 million. Other provisions of state law authorize the issuance of short-term debt up to a specified percentage of revenue anticipated within a period of time.

Specifically, the District may issue short term notes under the tax and revenue anticipation note statute included in the California Government Code (Sections 53850-53858). Under the tax and revenue anticipation note statute, the District may issue notes for principal and interest which do not exceed 85% of the uncollected revenues of the District on the date such notes are issued (and subject to certain other limitations including a 15 month maturity provision). Section 53851 provides that the tax and revenue anticipation note statute is separate authority for the District to issue notes and any amount borrowed under the tax and revenue anticipation note statute is not limited by any other provision of law.

## Board Policies - Executive Limitations

In addition to statutory requirements, the Board has adopted policies (Executive Limitations) related to debt: EL-4.7 states that a Board Appointed Officer (BAO) shall:

"Not indebt the organization, except as provided in the District Act, and in an amount greater than can be

repaid by certain, otherwise unencumbered revenues within 90 days, or prior to the close of the fiscal year. " Furthermore, the BAO shall:

- 4.7.1. Not issue debt (long or short-term obligations that are sold within the financial marketplace) that conflicts with the District Act or the legal authority of the District, and without Board authorization;
- 4.7.2. Not issue debt without a demonstrated financial need;
- 4.7.3. Meet debt repayment schedules and covenants of bond documents;
- 4.7.4. Establish prudent District Debt Policies that are consistent with Board policies and provide guidance to District staff in regards to administering the debt programs and agreements, including consideration for the appropriate level of debt for the District to carry and structuring debt repayment to address intergenerational benefits;
- 4.7.5. Be consistent with the District's Debt Policies and any addendums when issuing debt;
- 4.7.6. Maintain strong credit ratings and good investor relations.

## Debt Policy

The Santa Clara Valley Water District proactively manages its outstanding liabilities to ensure access to the credit markets at the lowest available borrowing cost, to preserve strong credit standing with the municipal rating agencies, to fulfill its fiduciary responsibility to its customers, and to provide high quality water service, stream stewardship and flood protection at the lowest possible cost. Consistent with these commitments, the District shall periodically review the cost of its outstanding liabilities for opportunities to appropriately reduce these costs through refinancing or restructuring. The CEO shall present the results of these periodic reviews to the Board of Directors.

Covenants and agreements related to outstanding Certificates of Participation and Revenue Bonds are encompassed within the criteria of Senior Master Resolutions adopted on June 23, 1994 (as amended

# Financial Overview

from time to time), and the Parity Master Resolution adopted on February 23, 2016 (as amended from time to time). Coverage ratios required for debt service are set at 1.25 times the annual debt service for senior and parity lien debt. The District is in compliance with all coverage ratio requirements for all outstanding debt. For additional information regarding the District's debt policy, please visit: <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>

## Bond Ratings

The bond ratings for the District's outstanding debt reflect high grade investment quality debt. They are based on the District's positive fiscal policy and financial strengths. The bond ratings are either the highest for a water related governmental entity in the State of California or among the highest. Bonds issued at this credit rating result in lower interest rates and corresponding lower debt service payments.

## Outstanding Debt

Total debt includes Certificates of Participation (COPs), Commercial Paper and Revenue Bonds of \$877 million as of June 30, 2018. Scheduled annual debt service for FY 2018-19 is approximately \$59 million including fees. There are no balloon payments in the future years or significant fluctuations in annual debt service.

Currently outstanding for the Watersheds are Series 2017A COPs, with a final maturity of 2030 and the 2012A COPs, with a final maturity of 2024. Debt service for these COPs is paid via benefit assessments, which are collected based on 125% of the annual debt service. Currently outstanding for the Water Utility are 2006B Water Revenue Refunding Bonds with a final maturity of 2035, the 2007B Revenue Certificates of Participation with a final maturity of 2037, the Water System Refunding Revenue Bonds 2016A/B with a final maturity of 2046, the Revenue Certificates of Participation 2016C/D with a final maturity of 2029,

the Water System Refunding Revenue Bonds 2017A with a final maturity of 2037, and the Commercial Paper Certificates which are secured by Tax and Revenue Anticipation Notes that are subject to annual reauthorization by the District Board.

## Planned Issuances

The District is planning the issuance of debt to finance the Safe, Clean Water program and the Water Utility Enterprise to finance the long-term capital improvement plan. The source of debt service repayment for the Safe, Clean Water program will be the special parcel tax approved by Santa Clara County voters in the November 6, 2012 election. Debt service for the Water Utility Enterprise is paid from water revenues. Bond covenants stipulate that the District must maintain a minimum 1.25 debt service coverage ratio on all senior and parity bonds. Based on the financial models from the Water Utility Enterprise Finance organization, the projected debt service coverage ratios are as follows:

- FY 2018-19: 2.39
- FY 2019-20: 2.89
- FY 2020-21: 2.76
- FY 2021-22: 2.59
- FY 2022-23: 2.40

(Source: FY 2018-19 Annual Report on the Protection and Augmentation of Water Supplies)

## Investment Portfolio

The District's investment portfolio is invested with the following three priorities in mind: safety, liquidity and yield. Safeguarding taxpayers' money and ensuring that the District has funds available when needed to meet expenditures are the two most important goals. Once those goals have been satisfied, the District strives to earn a market rate of return on its investments. About 80% of the portfolio is invested in government securities, such as federal agency notes and US

# Financial Overview

treasury notes. The remainder of the portfolio is invested in instruments of the highest credit quality and in highly liquid instruments such as the Local Agency Investment Fund and money market mutual funds.

The investment holdings are reviewed for compliance with the District's investment policy and California State Government Code by accounting staff on a monthly basis and by the District's independent auditor on an annual basis. In addition, the District's investment committee holds meetings at least quarterly to review the portfolio performance.

In addition to statutory requirements, the Board has adopted policies (Executive Limitations) related to investment:

EL-4.9 states that a Board Appointed Officer (BAO) shall:

- Not invest or hold funds of the District in accounts or instruments that are inconsistent with the following statement of investment policies:
- 4.9.1. Public funds not needed for the immediate necessities of the District should, to the extent reasonably possible, be prudently invested or deposited to produce revenue for the District consistent with the Board Investment Policy and applicable law.
- 4.9.2. The Treasurer or his or her designee shall submit quarterly investment reports to the Board as specified under Government Code Section 53646.4.9.3. No investments will be made in fossil fuel companies with significant carbon emissions potential.

## Bond Rating

	Water Utility		Watershed
	Senior Debt	Parity Debt	Debt
Moody's	Aa1	Aa1	Aa1
Standard & Poor's	AA-	N/A	AA+
Fitch	AA+	AA+	AA+

# Financial Overview

## Debt Service Payments Schedule

	Principal	Interest	Total <sup>(1)</sup>
<b>Watersheds Certificates of Participation</b>			
2018/19	\$ 8,715,000	\$ 3,921,950	\$ 12,636,950
2019/20	8,075,000	3,486,200	11,561,200
2020/21	8,485,000	3,082,450	11,567,450
2021/22	8,860,000	2,703,500	11,563,500
2022/23 and thereafter	48,150,000	9,525,700	57,675,700
<b>Total</b>	<b>\$ 82,285,000</b>	<b>\$ 22,719,800</b>	<b>\$ 105,004,800</b>
<b>Water Utility Revenue Bonds / Certificates of Participation <sup>(2)</sup></b>			
2018/19	\$ 12,670,000	\$ 23,113,367	\$ 35,783,367
2019/20	15,720,000	30,724,732	46,444,732
2020/21	16,375,000	30,069,820	46,444,820
2021/22	17,055,000	29,371,174	46,426,174
2022/23 and thereafter	593,180,000	400,705,971	993,885,971
<b>Total</b>	<b>\$ 655,000,000<sup>(3)</sup></b>	<b>\$ 513,985,064</b>	<b>\$ 1,168,985,064</b>
<b>Commercial Paper</b>			
2018/19	\$ 140,000,000	\$ 5,920,000	\$ 145,920,000
2019/20	—	9,849,000	9,849,000
2020/21	—	11,218,000	11,218,000
2021/22	—	11,845,000	11,845,000
2022/23 and thereafter	—	47,225,000	47,225,000
<b>Total</b>	<b>\$ 140,000,000</b>	<b>\$ 86,057,000</b>	<b>\$ 226,057,000</b>
<b>Total All Outstanding Debt</b>			
2018/19	\$ 161,385,000	\$ 32,955,317	\$ 194,340,317
2019/20	23,795,000	44,059,932	67,854,932
2020/21	24,860,000	44,370,270	69,230,270
2021/22	25,915,000	43,919,674	69,834,674
2022/23 and thereafter	641,330,000	457,456,671	1,098,786,671
<b>Total</b>	<b>\$ 877,285,000</b>	<b>\$ 622,761,864</b>	<b>\$ 1,500,046,864</b>

(1) Annual debt service payments reflect principal and interest only and exclude fees.

(2) Water Utility projected principal and interest payments include the anticipated issuances of Series 2018A, 2018B, 2019A, 2019B, and 2019C

(3) TTL WU principal = 6/30/18 Outstanding \$386,335+ 2018AB \$124,470 + 2019 ABC \$144,195 = \$655M



# Financial Overview

## Status of Bonded Indebtedness, Certificates of Participation, and Commercial Paper<sup>1</sup>

	Total Amount Sold	Date of Issue	True Interest Rate	Outstanding as of 6/30/18	2018-2019 Debt Service Payments <sup>1</sup>		
					Principal	Interest	Total
<b>Watersheds Indebtedness</b>							
2017A COPs <sup>(2)</sup>	\$ 59,390,000	3/7/2017	2.555%	\$ 54,640,000	\$ 4,610,000	\$ 2,732,000	\$ 7,342,000
2012A COPs	52,955,000	11/20/2012	1.409%	27,645,000	4,105,000	1,189,950	5,294,950
Safe, Clean Water Commercial Paper <sup>(3)</sup>		various	3.500%	30,000,000	—	3,637,000	3,637,000
<b>Total Watersheds</b>	<b>\$ 112,345,000</b>			<b>\$ 112,285,000</b>	<b>\$ 8,715,000</b>	<b>\$ 7,558,950</b>	<b>\$ 16,273,950</b>
<b>Water Utility Indebtedness</b>							
<b>2006 Water Utility Refunding Revenue Bonds</b>							
Series B - taxable	\$ 25,570,000	12/21/2006	5.356%	\$ 18,930,000	\$ 775,000	\$ 1,003,049	\$ 1,778,049
	<b>\$ 25,570,000</b>			<b>\$ 18,930,000</b>	<b>\$ 775,000</b>	<b>\$ 1,003,049</b>	<b>\$ 1,778,049</b>
<b>2007 Water Utility Revenue Certificates of Participation</b>							
Series B - taxable/floating <sup>(3)</sup>	\$ 53,730,000	10/1/2007	2.000%	\$ 39,370,000	\$ 1,390,000	\$ 1,999,000	\$ 3,389,000
	<b>\$ 53,730,000</b>			<b>\$ 39,370,000</b>	<b>\$ 1,390,000</b>	<b>\$ 1,999,000</b>	<b>\$ 3,389,000</b>
<b>2016 Water Utility Refunding Revenue Bonds</b>							
Series A	\$ 106,315,000	3/30/2016	3.252%	\$ 106,315,000	\$ —	\$ 5,315,750	\$ 5,315,750
Series B - taxable	75,215,000	3/30/2016	4.319%	75,215,000	—	3,229,621	3,229,621
	<b>\$ 181,530,000</b>			<b>\$ 181,530,000</b>	<b>\$ —</b>	<b>\$ 8,545,371</b>	<b>\$ 8,545,371</b>
<b>2016 Water Utility Revenue Certificates of Participation</b>							
Series C	\$ 43,075,000	3/30/2016	2.128%	\$ 41,055,000	\$ 3,010,000	\$ 2,022,650	\$ 5,032,650
Series D- taxable	54,970,000	3/30/2016	3.136%	52,340,000	3,915,000	1,536,973	5,451,973
	<b>\$ 98,045,000</b>			<b>\$ 93,395,000</b>	<b>\$ 6,925,000</b>	<b>\$ 3,559,623</b>	<b>\$ 10,484,623</b>
<b>2017 Water Utility Revenue Bonds</b>							
Series A	\$ 59,130,000	6/1/2017	3.126%	\$ 53,110,000	\$ 1,700,000	\$ 2,655,500	\$ 4,355,500
<b>2018 Water Utility Refunding Revenue Bonds</b>							
Series A	\$ 54,265,000	6/1/2018	4.097%	\$ —	\$ 750,000	\$ 2,487,146	\$ 3,237,146
Series B - taxable	70,205,000	6/1/2018	4.640%	—	1,130,000	2,863,678	3,993,678
	<b>\$ 124,470,000</b>			<b>\$ —</b>	<b>\$ 1,880,000</b>	<b>\$ 5,350,824</b>	<b>\$ 7,230,824</b>
<b>2019 Water Utility Refunding Revenue Bonds</b>							
Series A	\$ 23,295,000	6/1/2018	4.441%	\$ —	\$ —	\$ 800,000	\$ 800,000
Series B - taxable	36,580,000	6/1/2018	5.148%	—	—	800,000	800,000
Series C - New Money	84,320,000	6/1/2018	4.441%	—	—	—	—
	<b>\$ 144,195,000</b>			<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>
<b>Commercial Paper<sup>(3)</sup></b>	—	various	3.500%	—	—	2,283,000	2,283,000
<b>Total Water Utility</b>	<b>\$ 686,670,000</b>			<b>\$ 386,335,000</b>	<b>\$ 12,670,000</b>	<b>\$ 26,996,367</b>	<b>\$ 39,666,367</b>
<b>Combined Total</b>	<b>\$ 799,015,000</b>			<b>\$ 498,620,000</b>	<b>\$ 21,385,000</b>	<b>\$ 34,555,317</b>	<b>\$ 55,940,317</b>

(1) Annual debt service payments reflect principal and interest only and exclude fees.

(2) Approximately \$0.5M of the 2017A COPs annual debt service is funded by the general fund.

(3) The interest rates shown for the 2007B Water Utility COPs and Commercial Paper reflect the planning rates for variable rate bonds for budgeting purposes. The actual rates are subject to change pending actual market conditions throughout the fiscal year.

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# SALARIES AND BENEFITS

# Financial Overview

## Salaries and Benefits

The FY 2018-19 budget contains 813 authorized positions and four management fellows. Total salaries budgeted for these positions are \$103.1 million, an increase of \$5.9 million from the FY 2017-18 adopted budget. The increase is primarily due to a 4% cost of living adjustment and funding for 4 new positions. Salaries for FY 2018-19 break down as a total of \$103.5 million in regular salaries less salary savings of \$4.4 million, plus \$4.0 million in overtime and special pay.

Total benefits are budgeted at \$55.2 million, a 7% increase over the FY 2017-18 adopted budget, which includes The increase in the retirement contributions of \$6.0 million and \$0.6 million increase in medical costs for active and retired employees, offset by \$3 million decrease in the Other Post Employment Benefits contribution.

A comprehensive org chart and detail information by division can be found in the Division Summaries chapter.

## Salaries and Benefits

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Salaries-Regular Employee	\$ 86,548,330	\$ 97,954,360	\$ 97,954,360	\$ 103,536,995	\$ 5,582,635	5.7%
Overtime	2,469,879	2,561,718	2,561,718	2,969,864	408,146	15.9%
Special Pays	630,293	825,695	825,695	932,651	106,956	13.0%
Salary Savings	—	(4,144,687)	(4,144,687)	(4,371,912)	(227,225)	5.5%
<b>Total Salaries</b>	<b>\$ 89,648,502</b>	<b>\$ 97,197,086</b>	<b>\$ 97,197,086</b>	<b>\$ 103,067,598</b>	<b>\$ 5,870,512</b>	<b>6.0%</b>
<b>BENEFITS</b>						
Fed & State Taxes & Benefits	\$ 1,288,238	\$ 1,242,959	\$ 1,242,959	\$ 1,308,854	\$ 65,895	5.3%
Retirement Contributions	19,487,300	22,137,797	22,137,797	28,120,304	5,982,507	27.0%
Group Ins-Active Employees	13,379,066	16,130,666	16,130,666	15,436,161	(694,505)	(4.3)%
Group Ins-Retired Employees	8,644,250	9,055,000	9,055,000	10,383,712	1,328,712	14.7%
Other Post Employment Benefits (OPEB)	3,000,000	3,000,000	3,000,000	—	(3,000,000)	(100.0)%
<b>Total Benefits</b>	<b>\$ 45,798,854</b>	<b>\$ 51,566,422</b>	<b>\$ 51,566,422</b>	<b>\$ 55,249,031</b>	<b>\$ 3,682,609</b>	<b>7.1%</b>
<b>Net Total Salary &amp; Benefits</b>	<b>\$ 135,447,356</b>	<b>\$ 148,763,508</b>	<b>\$ 148,763,508</b>	<b>\$ 158,316,629</b>	<b>\$ 9,553,121</b>	<b>6.4%</b>

# Financial Overview

## Budget Hours

	Labor Hours 2016-2017	Labor Hours 2017-18	Labor Hours 2017-18	Labor Hours 2018-19	Change from 2017-18 Adopted	
					# Diff	% Diff
Salaries-Regular Employee	1,259,759	1,425,040	1,425,040	1,432,456	7,416	0.5%
Overtime	24,098	28,378	28,378	30,724	2,346	8.3%
Compensated Absences	226,325	252,104	252,104	260,371	8,267	3.3%
<b>Total Salaries</b>	<b>1,510,182</b>	<b>1,705,522</b>	<b>1,705,522</b>	<b>1,723,551</b>	<b>18,029</b>	<b>1.1%</b>

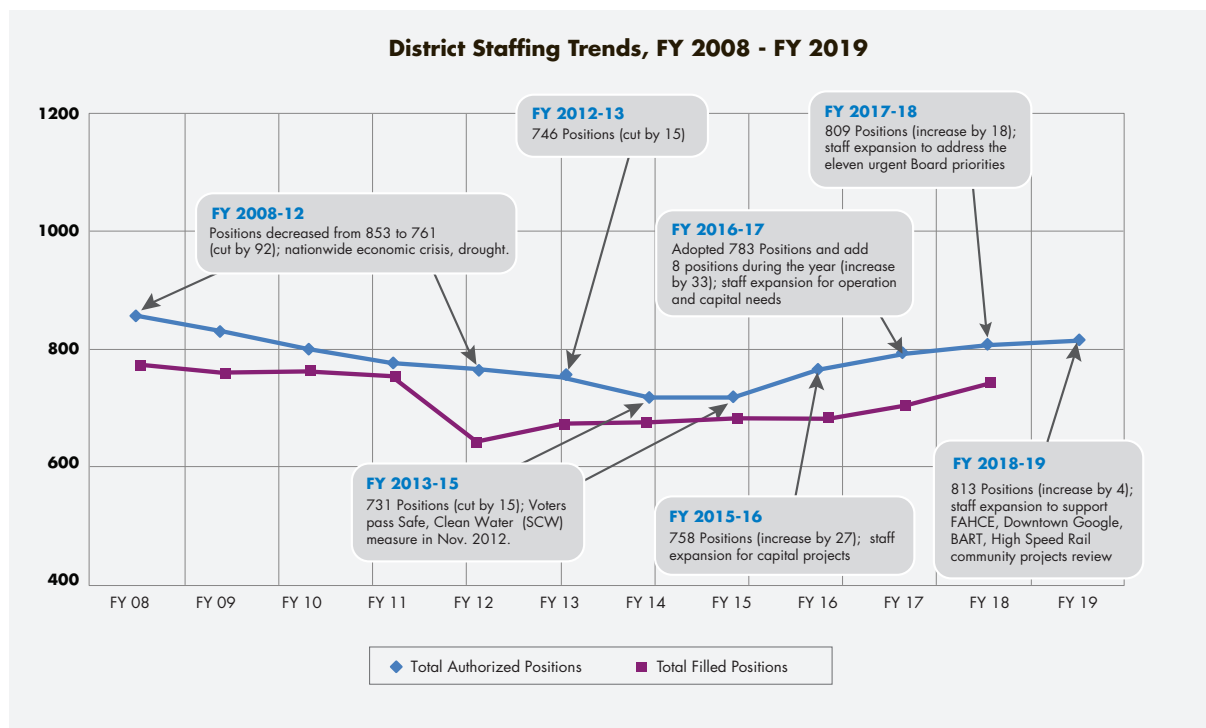
## Summary of Positions

	Adopted Budget FY 2016-2017	Adopted Budget FY 2017-18	Adjusted Budget FY 2017-18**	Proposed Budget FY 2018-19	Position Change
Board Appointed Officers*	61	35	77	77	—
External Affairs	—	28	32	32	—
Administration	183	195	149	149	—
Water Utility	320	332	334	334	—
Watersheds	219	219	217	221	4
<b>Total Authorized Positions</b>	<b>783</b>	<b>809</b>	<b>809</b>	<b>813</b>	<b>4</b>
Fellowships***	—	4	4	4	—
<b>Total</b>	<b>783</b>	<b>813</b>	<b>813</b>	<b>817</b>	<b>4</b>

(\*) Board Appointed Officers Include: Chief Executive Officer, District Counsel and Clerk of the Board

(\*\*) In FY17-18, there is a minor re-org, Financial Planning and Management Services Division transferred from Administration to the Office of the CEO

(\*\*\*) Fellowship is a pilot program, for FY2018-19, total authorized positions are 813, and 4 fellowships



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## **Ends Policies and Outcomes**

# Ends Policies and Outcomes

## Introduction

The District plans, manages and carries out work to meet policies established by its Board of Directors.

Under the District's form of Policy Governance, these "Ends" policies describe the mission, outcomes or results to be achieved by District staff. Balancing the Ends policies are Executive Limitations, which set limits on staff activities in fulfilling the Ends. Alignment of plans and resources with the Ends policies helps the Board fulfill the critical responsibility of defining, balancing and prioritizing "what benefits, for what people, at

what cost," and enhances District staff's accountability in using budgeted resources to accomplish those ends.

This chapter describes the District's budget by Ends policies and outcomes, showing the alignment of resources with Board policies and goals that relate to those policies.

The Fiscal Year 2018-19 table below displays the latest version of the Ends Policies of the Santa Clara Valley Water District Board of Directors.

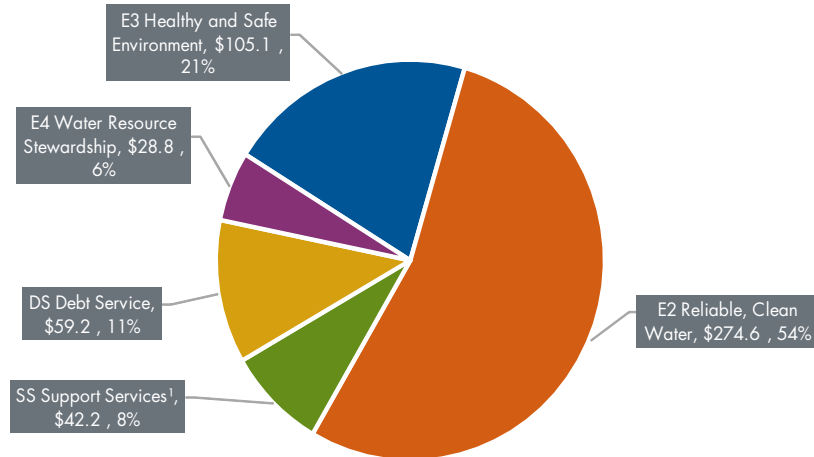
## District wide budget by Ends and Support Services

Ends Code	Ends Description	FY 2018-19 Proposed Budget
E2	Reliable, clean water supply for current and future generations	274,567,826
E3	Healthy and safe environment for residents, businesses, and visitors, as well as for future generations	105,118,625
E4	Water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.	28,750,627
SS	Support Services	127,774,253
DS	Debt Service	59,189,136
Grand Total		595,400,468
Minus Intradistrict Reimbursements		(85,543,321)
Net Budget		509,857,147



# Ends Policies and Outcomes

FY 2018-19 Total Net Outlays \$509.9 Million



<sup>1</sup>Support Services total is the net amount with intra-district reimbursement. (e.g. overhead costs charged to projects for administrative support services such as human resource and information technology etc.)

Goal Code	Goal Description	FY 2018-19 Proposed Budget
E2.1	Current and future water supply for municipalities, industries, agriculture and the environment is reliable.	149,289,081
E2.2	Raw water transmission and distribution assets are managed to ensure efficiency and reliability.	33,961,636
E2.3	Reliable high quality drinking water is delivered.	91,317,110
E3.1	Provide natural flood protection for residents, businesses, and visitors	91,944,927
E3.2	Reduce potential for flood damages	13,173,698
E4.1	Protect and restore creek, bay, and other aquatic ecosystems.	24,418,454
E4.2	Improved quality of life in Santa Clara County through appropriate Public access to trails, open space and District facilities.	3,147,756
E4.3	Strive for zero net greenhouse gas emission or carbon neutrality.	1,184,416
SS.1	BAO & District Leadership	28,641,457
SS.2	Financial Planning & Management Services	13,152,591
SS.3	Human Resources Services	14,102,685
SS.4	Information Management Services	20,611,446
SS.5	Corporate Business Assets	29,326,524
SS.6	General Management & Administration	26,311,462
SS.7	Salary Savings	(4,371,912)
DS.1	Debt Service	59,189,136
Grand Total		595,400,468
Minus Intradistrict Reimbursements		(85,543,321)
Net Budget		509,857,147

# Ends Policies and Outcomes

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E2.1</b>	<b>Current and future water supply for municipalities, industries, agriculture and the environment is reliable.</b>	<b>149,289,081</b>

This section provides resources for District activities needed to protect and maintain groundwater basins; protect, maintain and develop local water, imported water, and recycled water; manage, operate and maintain dams and reservoirs; and maximize water use efficiency, water conservation, and demand management opportunities.

The largest budget item is for imported water purchases from the federal Central Valley Project (CVP) and the State Water Project (SWP) for a total amount of \$47.7 million. Groundwater banking expenses of \$2.4 million are budgeted for annual operations and maintenance costs associated with participating in Semitropic Water Storage District water banking activities. Also included is funding for key decisions regarding the California Water Fix. On average, about 40% of the District's water supply is from imported water resources.

Locally, the District owns and operates 10 surface reservoirs, 17 miles of canals, four water supply diversion dams, 393 acres of recharge ponds and various infrastructure to interconnect these facilities. Funding to study the acquisition and expansion of an eleventh surface reservoir, Pacheco, is included in this budget.

The District conducts both short-term and long-term water supply planning. These planning activities include coordinating operations among other agencies with shared supplies or infrastructure, identifying and evaluating short-term and long-term water supply options including water conservation, implementing our water shortage contingency plan in times of drought, and optimizing the use of available supplies. These planning efforts guide the District's operations and investments to ensure water supply reliability and prevent adverse impacts like permanent land subsidence.

Water quality protection programs will continue to include monitoring of surface water supplies and the groundwater basin, implementation of the District's groundwater well ordinance, and participation in the invasive mussel prevention program. Water quality protection programs reduce water treatment costs while providing drinking water that meets or surpasses all regulations, reduce contaminants in drinking water sources, and sustain water quality for current and future beneficial uses.

Funds in this section are also used to continue implementing the dam safety program, monitoring and maintaining all dams, maintaining the electrical and computerized systems that support operations, conducting infrastructure maintenance activities throughout the water supply system, and providing engineering and environmental support to water utility operations and maintenance efforts.

The District's water conservation program budget includes residential, commercial/industrial, agricultural, and landscape rebates, and technical assistance, as well as water conservation grants, and a water conservation campaign. Long-term water conservation efforts reduce water demands by about 15 percent. This is in addition to short-term savings achieved during water shortages.

The FY 2018-19 budget requires a significant investment to continue expanding the Recycled and Purified Water Program (RPWP). District staff began developing the Countywide Water Reuse Master Plan (Countywide Master Plan) by using other current individual master plans such as, South Bay Water Recycling, South County Regional Wastewater Authority, City of Sunnyvale, City of Palo Alto, and City of Mountain View. The Countywide Master Plan (CMP) will include quantification of the available treated

## Ends Policies and Outcomes

wastewater from each producer; propose system integration strategies/inter-ties; prepare updates to the South Bay Water Recycling (SBWR) Master Plan, develop a residuals management plan, a regulatory framework, recommended project alternatives, a governance framework, and a master plan report.

Further investments are needed to identify a comprehensive solution for Reverse Osmosis Concentrate – a key challenge in potable reuse, as well as to assist the capital project team's implementation of preliminary engineering, design, and construction of recycled and purified water projects. One of the important components of the planned expansion of RPWP is proper management of the Reverse Osmosis Concentrate (ROC). The overall objective of the ROC Management is to evaluate viable alternatives for managing ROC generated from advanced water purification facilities to be potentially built throughout the County (e.g., San José, Sunnyvale, Palo Alto, Gilroy, and Morgan Hill).

The continuation of the work coordination is necessary to expand the recycled and purified water systems in

Palo Alto/Mountain View, Sunnyvale, San José, Morgan Hill and Gilroy. Additional planned work includes research activities pertinent to the Potable Reuse Test Plan as well as other similar studies involving Bay Area universities, Water Research Foundation, WaterReuse California, and San Francisco Estuary Institute (SFEI).

The budget for this section also includes funds for the Fish and Aquatic Habitat Collaborative Effort (FAHCE). The District has been working to resolve a water rights complaint in Coyote Creek, the Guadalupe River, and Stevens Creek. Resolution of the complaint includes filing water rights change petitions, finalizing a Fish Habitat Restoration Plan (FHRP) and Environmental Impact Report (EIR) and obtaining federal and state permits from several regulatory agencies. This year's budget includes funds to support the completion of the FHRP and EIR; continuing with the water rights change petition and biological monitoring; and, planning for application for Lake and Stream Alteration Agreements.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E2.2</b>	<b>Raw water transmission and distribution assets are managed to ensure efficiency and reliability.</b>	<b>33,961,636</b>

The budget for this section includes funds for the safe operation and maintenance of the raw water system to distribute raw water to the three water treatment plants and groundwater recharge facilities. This includes the inspection, monitoring, and repair of 77 miles of

large diameter pre-stressed concrete cylinder pipe (PCCP) to mitigate the risk of catastrophic pipeline failure.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E2.3</b>	<b>Reliable high quality drinking water is delivered.</b>	<b>91,317,110</b>

The budget for this section includes funds for operating and maintaining the three water treatment plants, the treated water transmission and distribution system, the Campbell well field and the SFPUC/SCVWD intertie facility. In FY2018-19, approximately 110,000 acre-

feet of water is expected to be treated by the District's three water treatment plants and delivered to the treated water retailers. Also included are funds for treatment plant water quality process support and the operation of the District's water quality laboratory.

# Ends Policies and Outcomes

The largest planned operating budget expenditure is to operate and maintain the District's three water treatment plants.

A total of \$47.0 million capital funding is for the fourth

year of construction for the Rinconada Water Treatment Plant Reliability Improvement Project.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E3.1</b>	<b>Provide natural flood protection for residents, businesses, and visitors</b>	<b>91,944,927</b>

This section provides for the construction of capital flood protection projects and the preservation of flood conveyance capacity of streams and other channels.

The best available science is utilized to minimize the effects on the environment and protect habitat.

In FY 2018-19, 12 flood protection projects will be in construction and 5 projects will be in planning/ design, of which some projects have multiple phases or reaches with different schedules and may have activities in both design and construction. Other efforts to maintain flood conveyance capacity include sediment removal of approximately 93,276 cubic yards, debris removal and the control of 2,720 acres of upland vegetation for

access and 619 acres of in-stream vegetation for stream capacity. In addition, watershed facility conditions will be assessed, and levees will be inspected (113 miles) and maintained (28,155 LF).

The FY 2018-19 budget also includes: development of a comprehensive tree maintenance program to provide a streamlined environmental and permitting process to facilitate the pruning, removal and mediation of hazards associated with trees; and pursuance of modifications to the Stream Maintenance Program permit to ensure sustainability of county flood protection improvements.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E3.2</b>	<b>Reduce potential for flood damages</b>	<b>13,173,698</b>

This section provides for activities that reduce the potential for flood damages. Such activities include a floodplain mailer and a countywide flood awareness campaign, both of which help businesses and residents be prepared before, during and after a flood.

Additional efforts include, implementing the Water Resource Protection Ordinance; implementing the Encroachment Remediation and Prevention Plan; consulting with and supporting external agencies for floodplain management; and maintaining and improving our flood warning system. A major

component in this section is flood emergency planning and response. To ensure readiness, staff will participate in inter-agency training exercises at the state and countywide level as well as those specific to our emergency operations.

In addition, the District partners with other public agencies for a unified approach when providing flood response. At least 40,000 filled sandbags, as well as sand and empty bags, are also provided as a courtesy to the public and other agencies.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E4.1</b>	<b>Protect and restore creek, bay, and other aquatic ecosystems.</b>	<b>24,418,454</b>

## Ends Policies and Outcomes

This section provides for the protection and restoration of various aquatic ecosystems through preservation, improvements to the watersheds, pollution prevention and engaging/educating the public about the importance of protecting water quality and stream stewardship.

With the 2012 passage of Safe, Clean Water and Natural Flood Protection Program, continued programs for FY 2018-19 include: establishing service indices for streams; reducing contaminants such as mercury; re-vegetating sites for mitigation; minimizing the use of pesticides where feasible; regularly removing trash in and around streams; providing grants for environmental enhancement and pollution prevention projects; creating fish habitat and passage; and reusing sediment whenever possible. In addition, projects are planned to stabilize stream banks and protect water quality. Funds include partnerships and grants to support efforts to

prevent pollution, encourage cleanup efforts and education and restore habitat.

FY 2018-19 work includes providing up to \$200,000 per year for partnerships with municipalities for programs specific to reducing contaminants in groundwater or surface water; \$500,000 for partnerships and \$200,000 for mini-grants for wildlife habitat restoration. The work also includes administering 35 existing grants and partnerships, and the development of Stream Stewardship Plans Stream Corridor Priority Plans.

Cleanup of encampments will once again be a high priority under Safe, Clean Water. Efforts are coordinated with numerous cities, the county and various non-profit agencies to provide assistance to camp inhabitants. Hazardous materials spill response within our fee and easement areas will also continue.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E4.2</b>	<b>Improved quality of life in Santa Clara County through appropriate Public access to trails, open space and District facilities.</b>	<b>3,147,756</b>

This section promotes and supports access to trails and open space through various grants and community partnerships for planning, design, construction and maintenance. In FY2018-2019, the District will solicit proposals and execute agreements, including

\$571,000 grant funds for trails and open space, and administer 6 existing open space and trail grants projects awarded since 2014. In addition, the District is working with cities on trail implementation.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>E4.3</b>	<b>Strive for zero net greenhouse gas emission or carbon neutrality.</b>	<b>1,184,416</b>

This section provides for activities to identify and inventory the District's greenhouse gas emissions and to create various means to reduce our carbon footprint. Efforts will also be underway to better understand

potential global climate change impacts and develop This section provides for activities to identify and inventory the District's greenhouse gas emissions and to create various means to reduce our carbon footprint.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>SS.1</b>	<b>BAO &amp; District Leadership</b>	<b>28,641,457</b>

Board Appointed Officers (BAOs) and District Leadership includes the budgets for the Board of

Directors and its Advisory Committees, the Board Appointed Officers and their supporting operations,

## Ends Policies and Outcomes

and the District's risk management including Health and Safety related functions and activities for Watersheds and Water Utility Enterprise. The BAOs are District staff that report directly to the Board of Directors, and include the positions of Chief Executive Officer (CEO), District Counsel, and the Clerk of the Board.

**Chief Executive Officer:** Provides strategic direction and oversight to lead the organization in implementing the District's mission. The CEO provides executive leadership to the District and support to the Board of Directors to ensure that the District efficiently implements the Board's Ends policies and complies with Executive Limitations. Among the operational areas reporting directly to the CEO are Labor Relations and the Financial Planning and Management Services Division.

**District Counsel:** Represents the District's interests in a variety of court and administrative matters and provides timely and useful legal advice to the Board of Directors and management as the District implements strategies to streamline operations and increase accountability.

District Counsel also oversees the Risk Management Program, whose mission is to protect District assets by identifying and evaluating loss exposures and applying effective risk management and risk financing techniques to reduce or eliminate risk.

**Clerk of the Board:** Provides regulatory and administrative services required to support the Board of Directors' functions and activities, including support to the Board's Advisory and Ad Hoc Committees, BAOs, District staff and constituents. The Clerk of the Board supports executive management and the public by ensuring the Board meetings are kept open and public in accordance with the Ralph M. Brown Act. The Clerk of the Board also oversees Records & Library Services Unit that provides: the administration of the Records Management Center and the District Library, administration of the District's Records Management Program, and the provision of District's responses to legal demands for records.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
SS.2	Financial Planning & Management Services	13,152,591

Financial Planning and Management Services provide management oversight, leadership and strategic support to ensure effective and efficient financial planning and performance. This includes promoting efficiencies and fiscal accountability District-wide and within the Financial Planning and Management Services

Division. The following units and programs operate within this Division: Treasury/Debt Management Program; Financial Planning Program; Budget and Financial Analyses Unit; Continual Improvement Unit; General Accounting Unit; and Revenue Management Unit.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
SS.3	Human Resources Services	14,102,685

Human Resources Services are primarily linked to human resource planning, development and management. These services include District-wide funding for recruitment, professional development, training, employee wellness, internship, the ethics and equal employment opportunity programs. HR Division includes three units: Workforce Development;

Environmental, Health and Safety; and, Employee Recruitment and Benefits.



# Ends Policies and Outcomes

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>SS.4</b>	<b>Information Management Services</b>	<b>20,611,446</b>

The Information Technology Division serves the technology needs of the District, enabling business users to carry out their work efficiently, effectively, and securely. We do so by providing planning, design, and

operational support and maintenance of the District's: (1) physical technology infrastructure and cyber security posture; and (2) software application portfolio.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>SS.5</b>	<b>Corporate Business Assets</b>	<b>29,326,524</b>

Corporate Business Assets includes the functions and activities of Purchasing, Consultant Contract Services, Warehouse Services, Equipment Management, Facilities Management, and Business and Customer Support Services in the General Services Division.

Also included in this category are a few of support

services projects from the Water Utility Enterprise, and Water Utility projects that overarch Ends policies and therefore cannot be attributed to a single Ends policy (e.g., water measurement, asset management, select planning projects).

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>SS.6</b>	<b>General Management &amp; Administration</b>	<b>26,311,462</b>

Funds in this category provide necessary resources to effectively administer and manage organization-wide support services, including unit and division office and program administration, long-term operational planning

efforts, and other critical District-wide support service functions and activities required to achieve organizational goals and objectives.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>SS.7</b>	<b>Salary Savings</b>	<b>(4,371,912)</b>

This salary savings budget represents 3% of regular employee salaries and benefits District-wide. This

budget represents the budgeted savings from vacant positions projected to occur during the year.

Goal Code	Goal Description	FY 2018-19 Proposed Budget
<b>DS.1</b>	<b>Debt Service</b>	<b>59,189,136</b>

Debt Service includes the budget used to pay interest and principal on long term debt.

# Ends Policies and Outcomes

**E2**

## Reliable, clean water supply for current and future generations

### E2.1 Current and future water supply for municipalities, industries, agriculture and the environment is reliable.

Job Number	Project Name	Proposed FY 2018–19 Budget
26061008	Water Conservation Grants	130,299
26061010	Nitrate Treatment System Rebate	53,012
26764001	IRP2 AddLine Valves	1,089,798
60041003	Hollister Groundwater Mgmt	38,043
60042001	Pacheco Res Prop 1 App Study	121,705
60061007	Drought Emergency Response	14,242
60954001	Pacheco Reservoir Expansion Study	12,809,339
91041012	Water Operations Planning	505,833
91041018	Groundwater Management Program	4,265,095
91081007	Dam Safety Program	1,716,562
91084019	Dam Safety Seismic Stability	1,093,043
91101004	Recycled & Purified Water Prog	6,657,557
91111001	Water Rights	394,569
91131004	Imported Water Program	17,650,715
91131006	IW San Felipe Division Delvrs	18,275,157
91131007	IW South Bay Aqueduct Delvrs	5,375,500
91131008	State Water Project Costs	20,894,709
91151001	Water Conservation Program	6,185,507
91151012	Recycled/Purified Water Public Engagement	821,900
91154007	Water Purchases Captl Project	10,056,930
91211004	San Felipe Reach 1 Operation	755,184
91211005	SFD Reach 1 Administration	10,100
91211084	San Felipe Reach1 Ctrl and Ele	438,899
91211085	SF Reach 1-Engineering - Other	76,360
91211099	San Felipe Reach 1 Gen Maint	824,035
91221002	San Felipe Reach 2 Operation	141,049
91221006	SF Reach 2-Engineering - Other	232,014
91221099	San Felipe Reach 2 Gen Maint	153,105
91224010	Small Caps, San Felipe R2	595,125
91231002	San Felipe Reach 3 Operation	479,349
91231084	San Felipe Reach3 Ctrl and Ele	446,302
91231085	SF Reach 3-Engineering - Other	196,591
91281007	SVAWPC Facility Operations	2,546,168
91281008	SVAWPC Facility Maintenance	1,385,208
91304001	Indirect Potable Reuse-Plan	3,493,141
91451002	Well Ordinance Program	1,436,643
91451005	Source Water Quality Mgmt	321,500
91451011	Invasive Mussel Prevention	598,544
91761001	Local Res/Div Plan & Analysis	1,373,235
91761099	Dams / Reservoir Gen Maint	2,573,100



# Ends Policies and Outcomes

## E2

### Reliable, clean water supply for current and future generations

#### E2.1 Current and future water supply for municipalities, industries, agriculture and the environment is reliable.

Job Number	Project Name	Proposed FY 2018–19 Budget
91854001	Almaden Dam Improvements	3,764,122
91864005	Anderson Dam Seismic Retrofit	10,561,864
91874004	Calero Dam SeisRetrofit Des&Con	1,712,856
91894002	Guadalupe Dam SeisRetrofit Des&Con	198,525
92041014	FAHCE/Three Creeks HCP Project	3,911,659
94084007	Treated Wtr Isolation Valves	528,770
94084008	Westside Retailer Interties	66,880
95061043	WUE O&M Support	271,828
95111003	Water Use Measurement	2,047,409
<b>E2.1 Total</b>		<b>149,289,081</b>

# Ends Policies and Outcomes

**E2**

**Reliable, clean water supply for current and future generations**

**E2.2 Raw water transmission and distribution assets are managed to ensure efficiency and reliability.**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
26564001	Main/Madrone PL Restoration	291,555
91214010	Small Caps, San Felipe R1	2,901,283
91231099	San Felipe Reach 3 Gen Maint	904,947
91234002	Coyote Pumping Plant ASD Rplcm	697,862
91234010	Small Caps, San Felipe R3	205,000
91234011	Coyote Pumping Plant Warehouse	1,033,913
92144001	Pacheco/SC Conduit ROW ACQ	1,513,821
92261099	Vasona Pump Station Gen Main	137,263
92264001	Vasona Pump Station Upgrade	549,175
92374005	SCADA Remote Arch&Comm Upgrade	251,238
92761001	Raw Water T&D Gen'l Oper	1,652,861
92761006	Rchrg / RW Field Fac Asset Mgt	10,000
92761007	Rchrg / RW Fld Ops Pln & Anlys	5,000
92761008	Recycled Water T&D Genrl Maint	280,223
92761009	Recharge/RW Field Ops	3,002,986
92761010	Rchrg / RW Field Fac Maint	2,009,403
92761012	Untreated Water Prog Plan	270,987
92761082	Raw Water T&D Ctrl and Electr	740,990
92761083	Raw Water T&D Eng Other	144,244
92761085	Anderson Hydrelctrc Fclty Main	149,697
92761099	Raw Water T / D Gen Maint	2,250,634
92764009	Small Caps, Raw Water T&D	848,643
92781002	Raw Water Corrosion Control	244,499
95084002	10-Yr PL Inspection and Rehab	13,865,414
<b>E2.2 Total</b>		<b>33,961,636</b>

# Ends Policies and Outcomes

## E2

**Reliable, clean water supply for current and future generations**

**E2.3 Reliable high quality drinking water is delivered.**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
00761013	SCADA Systems Upgrades	516,601
93081008	W T General Water Quality	2,153,992
93081009	Water Treatment Plant Engineer	135,207
93231007	PWTP Landslide Monitoring	48,701
93231009	PWTP General Operations	5,317,647
93231099	Penitencia WTP General Maint	2,590,445
93281005	STWTP - General Operations	5,033,928
93281099	Santa Teresa WTP General Maint	3,229,259
93291012	RWTP General Operations	8,106,029
93291099	Rinconada WTP General Maint	3,526,121
93294056	RWTP Treated Water Valves Upgd	9,426
93294057	RWTP Reliability Improvement	46,977,734
93401002	Water District Laboratory	4,880,956
93761001	SF/SCVWD Intertie General Ops	217,112
93761004	Campbell Well Field Operations	145,273
93761005	Campbell Well Field Maint	95,763
93761006	Treated Water Ctrl & Elec Eng	2,596,336
93761099	SF/SCVWD Intertie Gen Maint	94,932
93764004	Small Caps, Water Treatment	3,577,164
94761005	TW T&D - Engineering - Other	156,044
94761099	Treated Water T/D Gen Maint	1,220,644
94781001	Treated Water T/D Corrosion	222,216
95151002	WU Customer Relations & Outreach	465,581
<b>E2.3 Total</b>		<b>91,317,110</b>
<b>E2 Total</b>		<b>274,567,826</b>

# Ends Policies and Outcomes

**E3**

**Healthy and safe environment for residents, businesses, and visitors, as well as for future generations**

**E3.1 Provide natural flood protection for residents, businesses, and visitors**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
00041022	Stream Maint Prog Mgmt	2,872,007
00761023	Watershed Sediment Removal	7,073,053
00761078	Vegetation Mangmnt for Access	3,174,300
00762011	Tree Maintenance Program	1,129,613
26154003	Guadalupe Rv-Upr, SPRR-BH 7-12	6,516,491
26164001	HaleCreekEnhancementPilotStudy	2,581,476
26174042	Berryessa Calav/Old Pied LER	209,000
26174043	Coyote Creek, Montague-Tully	1,752,173
26174054	U.Llagas Ck Design B. Vsta Rd	5,239,930
26244001	Permanente Ck, Bay-Fthill CSC	5,281,455
26284002	San Francisquito Early Implemt	3,109,935
26324001	U Penitncia Crk Corp Coord SCW	1,524,802
26444001	SFBS EIA 11 Desgn & Part Const	6,721,838
26771067	Stream Capacity Vegetation Con	1,566,499
40174005	Berryessa Crk, Lwr. Pen Phs 2	17,473,333
40264008	Lwr Silver-R4-6 N Babb-Cunni	507,097
40264011	Cunningham Fld Detention Cert	1,289,575
40334005	Lwr Penitencia Crk Improvemnts	1,881,880
62021004	Vegetation Mgmt Tech Support	763,189
62021009	Watershds O&M Eng&Insp Support	883,837
62042050	Watershd Maint Guideline Updte	1,309,486
62061029	Field Operations Support	643,825
62084001	Watersheds Asset Rehabilitatio	9,892,564
62761006	Invasive Plant Management Prog	1,186,262
62761024	Wtrshd Facility Cndtion Assmnt	1,881,115
62761025	Watershed General Field Maint	1,569,653
62761026	Watershed Debris Removal	1,359,444
62761028	Watershed Levee Maintenance	1,284,440
62761074	Corps Local Sponsor O&M	1,241,151
62761080	Non SMP Veg Removal for Convey	25,502
<b>E3.1 Total</b>		<b>91,944,927</b>

# Ends Policies and Outcomes

**E3**

**Healthy and safe environment for residents, businesses, and visitors, as well as for future generations**

**E3.2 Reduce potential for flood damages**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
00811043	Hydrologic Data Msrmt & Mgmt	1,707,704
10394001	PA Flood Basin Tide Gate Imprv	1,315,730
26041023	Emergency Response Upgrades	343,888
26041024	Flood Risk Reduction Studies	819,370
26061005	Flood Emrgncy Respns Planning	216,898
62011002	Watershed Asset Protection Sup	4,589,081
62021003	CPRU Tech Support	389,531
62041023	Community Rating System (CRS)	506,406
62061005	WS Customer Relations&Outreach	515,385
62061008	Hydrology&Hydraulics Tech Supp	1,200,583
62761008	Sandbag Program	620,485
95011003	WU Asset Protection Support	948,638
<b>E3.2 Total</b>		<b>13,173,698</b>
<b>E3 Total</b>		<b>105,118,625</b>

# Ends Policies and Outcomes

## E4

**Water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.**

**E4.1 Protect and restore creek, bay, and other aquatic ecosystems.**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
00041047	Ecological Data Collectn & Analy	1,327,710
00061012	Facilities Env Compliance	837,402
00061019	Supp Volunteer Cleanup Effort	398,614
00741042	Water Resorcs EnvPlng & Permtg	436,621
00761022	Watershed Good Neighbor Maint	1,349,350
00761075	Mgmt of Revegetation Projects	1,974,370
00771011	Inter Agency Urban Runoff Prog	2,185,869
00771031	HAZMAT Emergency Response	204,363
20444001	Salt Ponds A5-11 Restoration	95,262
26042002	Fish Habitat Improvements	602,891
26044001	Almaden Lake Improvement	190,757
26044002	SCW Fish Passage Improvement	391,865
26061006	Pollution Prvtn Prtnrshp & Grt	449,902
26072008	SCW D7 Conservation Habitat	1,000,000
26752043	Impaired Water Bodies Imprvmts	1,713,810
26761076	Rev, Riprn, Uplnd, & Wtlnd Hab	1,558,017
26771027	Encampment Cleanup Program	927,131
30151026	Guad Rvr Mitgtn Monitoring Prg	685,702
40212032	Coyote Creek Mitgtn Monitoring	276,832
60061058	Drought Induced Tree Removal	291,734
60171002	Education & Volunteer Program	1,256,613
62041043	Environmental Srvcs Tech Suppt	342,926
62042032	Multiple Sm Prjcts Mitgtn Mont	349,903
62042047	Mitigation & Stwdshp Land Mgmt	237,920
62042051	Plant Pathogen Management	379,096
62044001	Watershed Habitat Enhancemnt S	1,016,026
62181005	SMP Mitigation Site Mgmt	524,303
62761009	Pond A4 Operations	219,084
62761027	Watershed Erosion Protection	3,194,383
<b>E4.1 Total</b>		<b>24,418,454</b>

## Ends Policies and Outcomes

**E4**

**Water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.**

**E4.2 Improved quality of life in Santa Clara County through appropriate Public access to trails, open space and District facilities.**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
26061007	Grants to Rest Habitat Access	3,147,756
<b>E4.2 Total</b>		<b>3,147,756</b>

## Ends Policies and Outcomes

# E4

**Water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.**

**E4.3 Strive for zero net greenhouse gas emission or carbon neutrality.**

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
00021008	Energy Management	309,271
00061048	Climate Change Adaptation/Mtg.	875,145
<b>E4.3 Total</b>		<b>1,184,416</b>
<b>E4 Total</b>		<b>28,750,627</b>



# Ends Policies and Outcomes

**SS**

## Support Services

### SS.1 BAO & District Leadership

Job Number	Project Name	Proposed FY 2018–19 Budget
00761071	Emergency Management	1,674,610
60091001	Directors Fees / Expenses	375,662
60131007	Ofc of Chief Executive Officer	952,195
60131014	Continual Improvement	458,313
60141001	District Counsel	3,262,859
60171009	Community Relations	323,983
60231002	Communications	2,158,389
60231003	Federal Government Relations	925,995
60231004	State Government Relations	984,735
60231005	Local Government Relations	1,522,763
60231006	Office of Chief of Ext Affairs	845,978
60241026	Quality and Env Mgmt Sys Prog	801,782
60281003	Ethics & EEO Programs	593,633
60281004	Diversity & Inclusion Program	1,147,306
60281006	Reasonable Accommodation	278,517
60291003	Labor Relations	765,943
60291032	Bargaining Unit Representation	87,479
60301001	Clerk of the Board Serv	3,200,092
60311001	Records & Library Services	1,249,478
65051001	Risk Management	2,634,136
65051002	Workers Compensation Program	841,334
65051003	Health&Safety Program Mgt	3,056,275
65052001	2017 President Day Flood	500,000
<b>SS.1 Total</b>		<b>28,641,457</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.2 Financial Planning & Management Services

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
00031001	Watershed Revenue	114,666
00031002	Grants Management	763,033
00061045	Asset Management Program	3,909,561
00121003	LT Financial Planning & Rate S	756,701
26001090	Unscoped Projects-Budget Only	100,000
60001090	CEO Unscoped Projects-Budget Only	100,000
60001091	COO Unscoped Projects-Budget Only	100,000
60001092	CEA Unscoped Project-Budget Only	100,000
60111002	General Accounting Services	3,075,249
60221001	Budget and Financial Analyses	1,936,735
60221002	Debt & Treasury Management	647,788
62001090	Unscoped Projects-Budget Only	100,000
95001090	Unscoped Projects-Budget Only	100,000
95101003	W2 W5 Water Revenue Program	1,348,858
<b>SS.2 Total</b>		<b>13,152,591</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.3 Human Resources Services

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
00074030	WU Capital Training & Dvlpmnt	1,403,074
60291001	Recruitment and Examination	1,721,092
60291002	Benefits and Wellness Admin	1,227,302
60291004	Talent Management Program	1,843,109
60291005	Classification&CompensationPgm	278,205
60291011	HR Program Admin	791,478
60291038	GF Training & Development	1,580,362
60291040	Rotation Program	306,000
60291041	Internship Program	715,290
62061028	WS Training & Development	1,389,335
95061037	WUE Training & Development	1,577,516
95061047	WUE Technical Training Program	1,269,921
<b>SS.3 Total</b>		<b>14,102,685</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.4 Information Management Services

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018-19 Budget</b>
73271001	Telecommunications Sys Opr/M	2,023,657
73271002	Technical Infrastructure Services	742,427
73271003	Network Administration	2,382,157
73271004	Information Security Admin	376,608
73271005	Office Cmptr Maint/Help Dsk Sup	1,707,619
73271007	Emerging IT Technologies	102,669
73271008	Software Maint & License	1,171,150
73271009	Software Services	4,770,804
73274002	ERP System Implementation	3,660,158
73274004	Network Equipment	1,185,799
73274006	Office Computers Replace Equip	1,024,703
73274008	Software Upgrades & Enhancemen	559,358
73274009	Data Consolidation	83,591
95274003	WU Computer Network Modrnizatn	501,788
95761003	SCADA Network Administration	318,957
<b>SS.4 Total</b>		<b>20,611,446</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.5 Corporate Business Assets

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
00071041	Welding Services	676,387
00074036	Survey Mgmt & Tech Support	560,458
00811046	Warehouse Services	2,379,323
00811049	Subsidence Monitoring	592,799
00811054	District Real Property Adminis	614,947
10291002	Rental Expense Stevens Creek	351,354
26061002	Rent Exp Clean Safe Ck 7/1/01+	158,332
30061004	Rent Exp Guadalupe & Coyote	210,956
60101001	Purchasing Services	1,574,085
60101002	Building and Grounds	6,720,264
60101008	District Security Services	1,883,686
60111006	Contract Services	1,385,184
60204016	Facility Mgmt-Sm Cap Improv	2,072,000
60351001	Business & Customer SupportSvc	3,373,725
70004002	Replacement Vehicle & Equip	1,817,000
70011099	Class I Equip Oper / Maint	779,757
70021099	Class II Equip Oper / Maint	945,769
70031099	Class III Equip Oper / Maint	315,575
70041099	Class IV Equip Oper / Maint	1,242,903
70061003	Vehicle & Equipment Admin&Mgmt	1,527,944
95061012	Rental Expense San Pedro,MH	31,879
95074001	Capital Warranty Services	112,197
<b>SS.5 Total</b>		<b>29,326,524</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.6 General Management & Administration

Job Number	Project Name	Proposed FY 2018-19 Budget
00041039	Integrated Regional Water Mgmt	186,659
00074033	CIP Development & Admin	1,474,229
00074038	Capital Progrm Srvcs Admin	5,968,058
26061012	Safe Clean Water Implementatn	782,527
60061018	General Services Div Admin	500,755
60101017	CADD System Tech Support	135,852
60131004	Ofc of Chief Admin Officer	814,751
60221003	FPMD Administration	498,251
62041027	Integrated Wtr Resrce Mstr Pln	1,353,826
62061001	Watersheds Administration	4,891,384
73271006	Info Technology Div Admin	877,771
95061038	WUE Administration	7,610,817
95741001	Water Supply Planning	1,216,580
<b>SS.6 Total</b>		<b>26,311,462</b>

# Ends Policies and Outcomes

**SS**

## Support Services

### SS.7 Salary Savings

<b>Job Number</b>	<b>Project Name</b>	<b>Proposed FY 2018–19 Budget</b>
26061004	Districtwide Salary Savings-26	(139,083)
26064023	Districtwide Salary Savings	(283,259)
60061023	Districtwide Salary Savings-11	(1,166,751)
60064023	Districtwide Salary Savings	(96,739)
62061002	Districtwide Salary Savings-12	(630,636)
62064023	Districtwide Salary Savings	(233,888)
91061007	Districtwide Salary Savings-61	(1,401,905)
95064011	Districtwide Salary Savings-61	(419,651)
<b>SS.7 Total</b>		<b>(4,371,912)</b>
<b>SS Total</b>		<b>127,774,253</b>

# Ends Policies and Outcomes

**DS**

## Debt Service

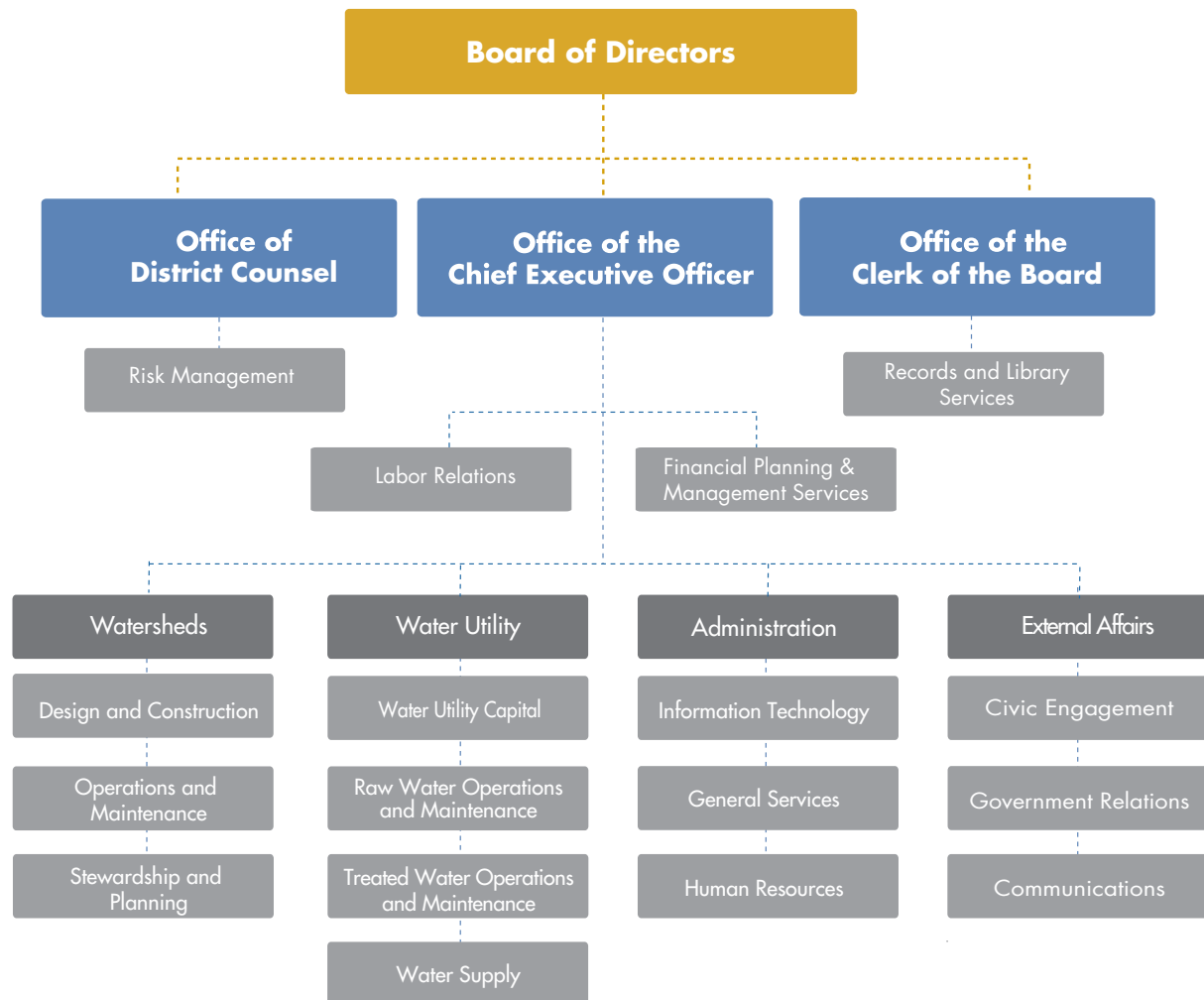
### DS.1 Debt Service

Job Number	Project Name	Proposed FY 2018-19 Budget
10993008	2017A COP Refunding LP WS	3,362,476
20993007	2012A COP Refunding WV WS	1,172,053
20993008	2017A COP Refunding WV WS	683,857
26993001	Commercial Paper Tax Exmpt SCW	4,616,400
30993007	2012a COP Refunding Guad WS	2,931,615
30993008	2017A COP Refunding Guad WS	792,441
40993007	2012A COP Refunding Coyote WS	1,216,286
40993008	2017A COP Refunding Coyote WS	2,052,144
60993009	2017A COP Refunding GF	476,094
95993007	Commercial Paper Tax Exmpt	1,631,200
95993008	Commercial Paper Taxable	1,631,200
95993012	2006B WUE Refunding Taxable	1,803,050
95993014	2007B WU Revenue COPs	3,414,000
95993015	2016A WU Ref Rev Bond (TE)	5,340,750
95993016	2016B WU Ref Rev Bond (TX)	3,254,622
95993017	WU COP 2016C (Tax-Exempt)	5,057,650
95993018	WU COP 2016D (Taxable)	5,476,973
95993019	WU Rev Bond 2017A (Tax Exempt)	4,380,500
95993020	WU Rev Bond 2018A (TE)	3,497,146
95993021	WU Rev Bond 2018B (TX)	4,253,679
95993022	WU Rev Bond 2019A (Tax-Exempt)	825,000
95993023	WU Rev Bond 2019B (Taxable)	1,060,000
95993024	WU Rev Bond 2019C (Tax-Exempt)	260,000
<b>DS.1 Total</b>		<b>59,189,136</b>
<b>DS Total</b>		<b>59,189,136</b>



# DIVISION SUMMARY

## District Organization Chart



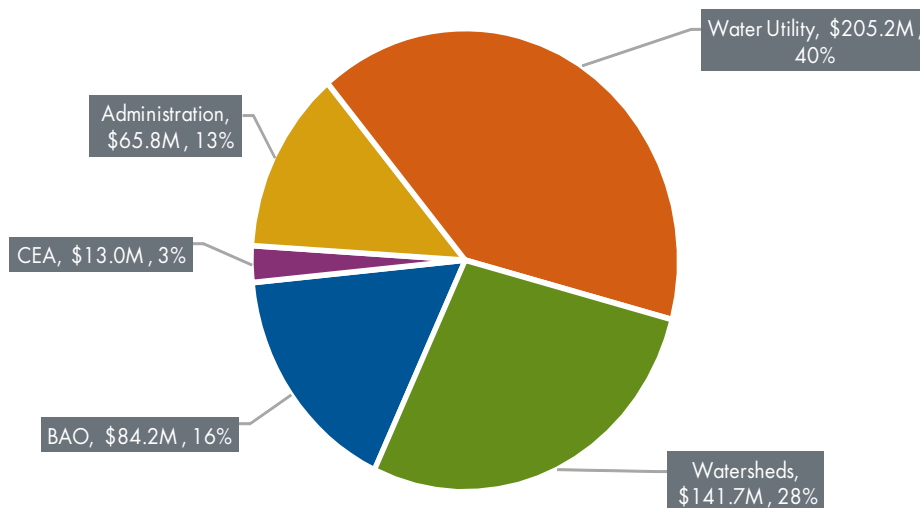
## Description

The Santa Clara Valley Water District utilizes a project-based budget to accurately appropriate budget to the various funds and assess precise water rates. The project-based budget is presented by ends outcomes and at the fund level in chapters 4 and 6.

The Division Summary chapter is another way of looking at the District's budget. This chapter represents a functional view of the District displaying all expenses that are charged by the organization area, division, and department by project type and account category.

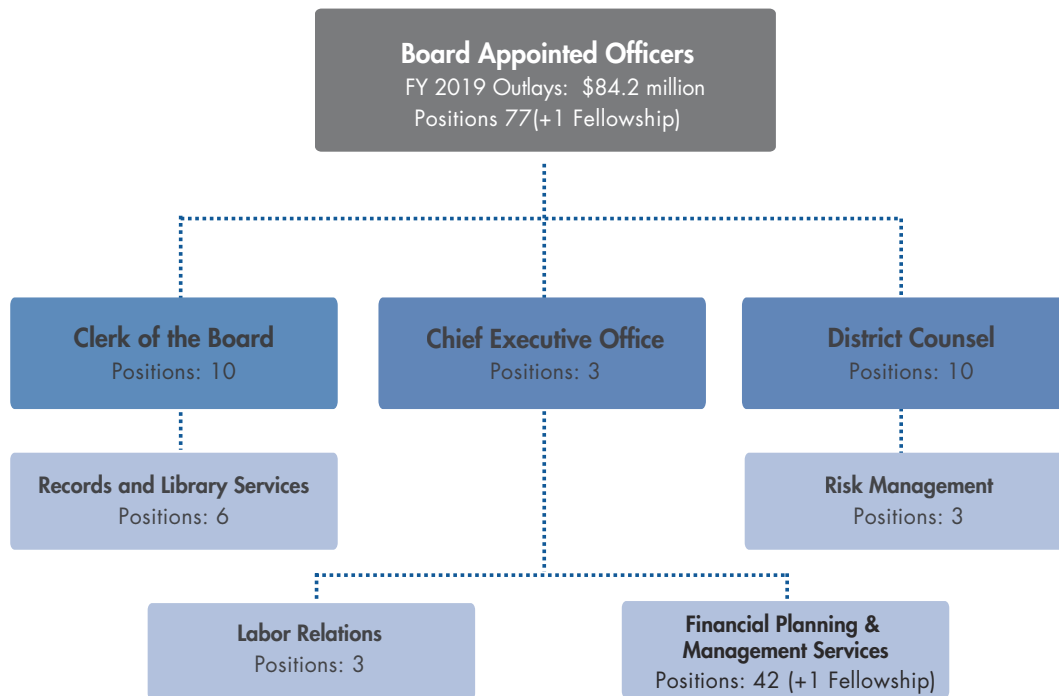
The first financial table that displays expenses by project type includes "Operations" capturing on-going costs and "Operating" capturing one-time, non-capital expenses. The chapter also includes authorized position counts for three fiscal years. Organization areas and their division and departments begin with an organization chart showing the FY 2019 proposed budget and positions. Each area also has an overview of the services they provide, their objectives, accomplishments, and milestones.

FY 2018-19 Budget Summary by Org Area, \$509.9 Million



## Division Summaries

### Board Appointed Officers

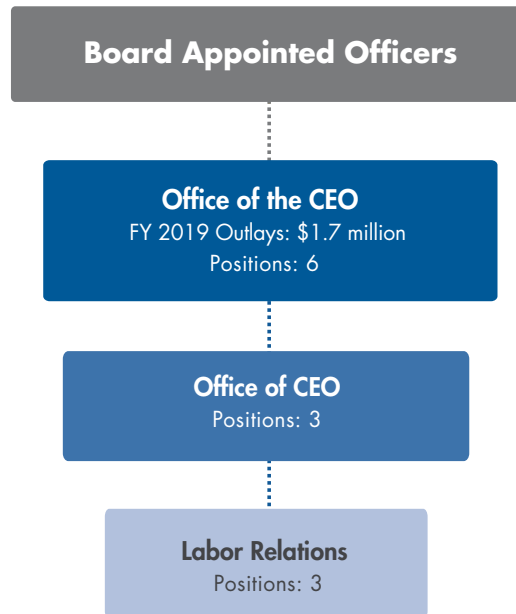


### Description

Board Appointed Officers (BAOs) support the mission of the Santa Clara Valley Water District, to provide Silicon Valley safe, clean water for a healthy life, environment, and economy through essential core services for the District, and include the Chief Executive Office, the District Counsel and the Clerk of the Board. The BAOs provide executive leadership of the District; support to the Board of Directors and ensure that the District efficiently implement the Board's Ends policies in conformance with Executive Limitations policies; high quality trustworthy and responsive legal counsel to the Santa Clara Valley Water District in a manner that creatively assists in accomplishing the District's mission; and maximize public access to the citizens of Santa Clara County in accordance with the State of California Ralph M. Brown Act.

## Division Summaries

### Office of the CEO



### Division Description and Objectives

The Office of the Chief Executive Officer (CEO) provides strategic direction and oversight to lead the District in implementing its mission and achieving its vision; fosters cooperative and collaborative working relationships with other government agencies, retailers, stakeholders, and the community; supports to the Board of Directors to ensure that the District meets the Board's Ends policies and complies with Boards' Executive Limitations Policies in a transparent, cost-effective, and efficient manner. The Office of CEO also oversees Labor Relations and the Financial Planning and Management Services Division.

#### Labor Relations

Labor Relations promotes a proactive, and positive labor relations program, in compliance with legal mandates, negotiated agreements, and constructive management principles. Labor Relations represents District management in all matters involving labor relations. Labor Relations negotiates, interprets, applies, and enforces contracts and regulations and acts as a resource in the areas of administrative policies and procedures.

### FY 2018 Accomplishments

During FY 2018, the Office of the CEO completed the following activities:

## Division Summaries

- Provided executive leadership to the District and support to the Board of Directors to ensure that the District meets the Board's Ends policies and complies with Boards' Executive Limitations Policies in a transparent, cost-effective, and efficient manner.
- Fostered cooperative and collaborative working relationships with other agencies. Examples include: Developing an Joint Emergency Action Plan with the City of San Jose, an MOU between the District and the City of Milpitas, and continuing to focus on critical projects outlined in the 2018 Board Priorities.
- Maintained transparency by sending out organization-wide communications regarding key Board decisions such as the California WaterFix and P3 Procurement. In addition to organization-wide communications, the Office of the CEO posts to the weekly CEO Corner on [aqua.gov](http://aqua.gov) to keep staff informed through MLT and Chief's meeting summaries.
- Focused on Diversity and Inclusion efforts through the D&I Program's involvement in the FY19 summer internship program application vetting process during FY18 and quarterly District diversity updates to the Board. Additionally, per Board direction, established the Diversity and Inclusion Ad Hoc Committee.
- Served on Board for monthly Delta Habitat Conservation and Conveyance Program (DHCCP), State and Federal Contractors Water Agency (SFCWA) meetings, and California Urban Water Agencies (CUWA) bi-monthly meetings.
- Successfully negotiated a four-year contract (MOU) with all three bargaining units.
- On track for implementation of the District's Classification/Compensation Study results for the Engineers Society and the Employees Association.
- Negotiated process change with the bargaining units regarding new employee orientation per California State Assembly Bill 119.
- Provided access to 10 management workshops to District staff (approximately 100 attendees) through a partnership with Liebert Cassidy Whitmore.
- Negotiated process change with the bargaining units to implement paperless paychecks for the District.

## FY 2019 Milestones

- Ensure organizational fiscal accountability and transparency through June 2019.
- Maintain and ensure approved audit recommendations are fully implemented through June 2019.
- Ensure that a systematic workforce development and succession planning process is implemented by June 2019.
- Monitor and report on Diversity and Inclusion Program implementation by June 2019.
- Establish a process and receive half-yearly compliance status memo from Chiefs stating Executive Limitation policy compliance and identification of any known non-compliance issue with corrective action stated through June 2019.
- Report on labor relation issues at the Management-Leadership Team meetings (quarterly).
- Collaborate with Workforce Development Unit to develop training programs, as appropriate, by 6/30/19.
- Provide coaching and training to managers according to policies and MOU, as needed, by 6/30/19.

# Division Summaries

## Office of the CEO — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	2,258,785	2,377,378	1,666,720	(710,658)	-30%
Operating	3,836	0	0	0	-30%
<b>Total</b>	<b>2,262,620</b>	<b>2,377,378</b>	<b>1,666,720</b>	<b>(710,658)</b>	<b>-30%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Office of Ethics & Corporate Governance	1,298,628	860,341	0	(860,341)	-100%
Labor Relations	579,013	693,368	702,310	8,942	1%
Office of the CEO	384,980	823,670	964,410	140,740	17%
<b>Total</b>	<b>2,262,620</b>	<b>2,377,378</b>	<b>1,666,720</b>	<b>(710,658)</b>	<b>-30%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Office of the CEO	39	12	6	(6)**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

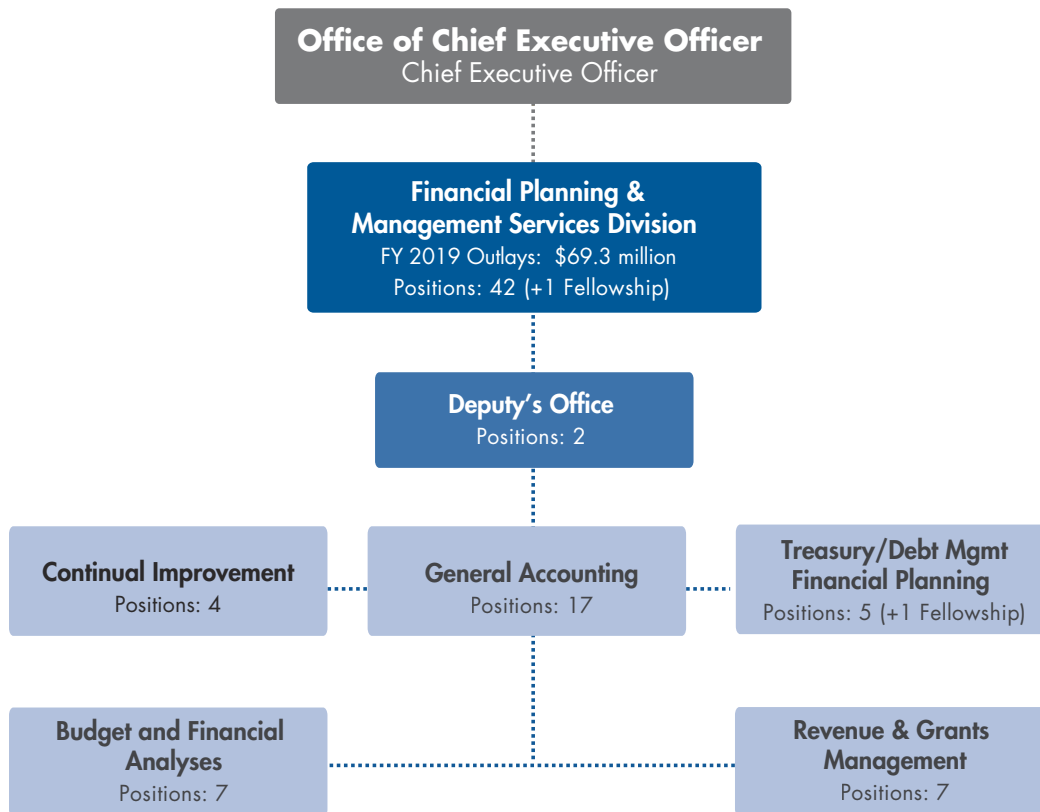
## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of the CEO</b>					
	Salaries & Benefits	351,726	676,557	818,110	141,553
	Direct Services	1,746	2,000	2,000	0
	Supplies	1,221	1,300	1,300	0
	Other Expenses	30,286	143,813	143,000	(813)
<b>Office of the CEO (102) Total</b>		<b>384,980</b>	<b>823,670</b>	<b>964,410</b>	<b>140,740</b>
<b>Office of Ethics &amp; Corporate Governance</b>					
	Salaries & Benefits	897,787	612,491	0	(612,491)
	Consultants	244,879	235,000	0	(235,000)
	Direct Services	123,204	2,000	0	(2,000)
	Supplies	8,866	850	0	(850)
	Other Expenses	23,891	10,000	0	(10,000)
<b>Office of Ethics &amp; Corporate Governance (105) Total</b>		<b>1,298,628</b>	<b>860,341</b>	<b>0</b>	<b>(860,341)</b>
<b>Labor Relations</b>					
	Salaries & Benefits	548,044	604,205	647,410	43,205
	Consultants	5,165	40,000	40,000	0
	Direct Services	11,224	33,638	0	(33,638)
	Supplies	3,708	3,400	2,400	(1,000)
	Other Expenses	10,873	12,125	12,500	375
<b>Labor Relations (917) Total</b>		<b>579,013</b>	<b>693,368</b>	<b>702,310</b>	<b>8,942</b>
<b>Operations Total</b>		<b>2,262,620</b>	<b>2,377,378</b>	<b>1,666,720</b>	<b>(710,658)</b>
<b>Division Total</b>		<b>2,262,620</b>	<b>2,377,378</b>	<b>1,666,720</b>	<b>(710,658)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.



### Financial Planning and Management Services Division



### Division Description and Objectives

Under the direction of the Chief Financial Officer, the Financial Planning and Management Services Division (FPMSD) serves as a partner to assist other departments in achieving their objectives. The primary roles of FPMSD are to facilitate necessary financial transactions, provide analyses and recommendations on decisions brought forth by operations, establish controls that minimize financial risks, and drive change or improvements in business processes or practices in order to improve productivity.

#### Treasury/Debt Management

Treasury manages the District-wide treasury and debt financing programs.

#### Budget and Financial Analyses

Budget and Financial Analyses provides timely and accurate financial information and analyses throughout the

## Division Summaries

year. The department captures the cost of the resources needed for managing, planning and implementing, District-wide processes that culminate with the production of the annual operating and capital budget document, provides District-wide financial analyses, and high level monitoring of financial results, and ensures that financial information provided to Board, the public, and staff is accurate, reliable and in accordance with District policy.

### **Continual Improvement**

Continual Improvement supports the CEO's ability to lead the organization and ensure the Board is informed and supported in its work, which is accomplished through multiple means of organizational performance monitoring. The Continual Improvement department carries out this support through the District's Quality and Environmental Management System, facilitating Board-commissioned, CEO-commissioned, and/or internal audits, and communicating monitoring data to the Board on the status of achieving its Ends Policies.

### **General Accounting**

This department includes the areas of General Ledger, Accounts Payable, Payroll, and Accounting Systems. The General Ledger area focuses on accounting and financial reporting in compliance with laws, regulations, District policies and accounting professional standards. Accounts Payable is charged with processing payment disbursements to the District's contractors, consultants, and vendors, administering petty cash, and filing payment documents. Payroll processes the bi-weekly payroll, employee benefits accounting, payroll tax withholdings and submission of Federal and State reporting requirements. Accounting Systems provides for the maintenance and security of the processes and information within the enterprise resource planning software.

### **Revenue and Grants Management**

This department collects water revenue and property taxes/assessments for the District. Water revenue is comprised of charges for treated, ground, recycled and surface water usage. Property taxes/assessments collected are the voter-approved Safe Clean Water Special Tax, Flood Control Benefit Assessment, and State Water Project levy, and the allocated share of countywide 1% ad valorem property tax receipts. Grants Management manages the application for and administration of local, state and federal grants and cost-sharing agreements for capital projects.

### **Financial Planning**

This department prepares and manages long term financial plans and forecasts and drives the groundwater production charge setting process, which includes the preparation of the annual report on the Protection and Augmentation of Water Supplies (PAWS).

## **FY 2018 Accomplishments**

- Implemented the progressive public-private partnership (P3) project delivery method for the Expedited Purified Water Program and developed the draft P3 Term sheet (ongoing activity)
- Issued the Request for Qualification and selected qualified Proposers for the P3 in May 2018
- Met all debt compliance legal requirements such as the Annual Continuing Disclosure filing on EMMA as required by the Securities Exchange Commission, and California State Treasurer's Annual Debt Transparency Report

## Division Summaries

- Extended municipal financial advisory contract with PRAG to Dec 31/2025 (approved by the Board on March 21, 2018). Implemented the Socially Responsible Investment Policy & Wells Fargo Bank Suspension to September 2018 (approved by the Board on Dec 12, 2017)
- Renewed the Bank of Tokyo Letter of Credit in the amount of \$150M, effective 2/12/2018 – 2/11/2019 to support the Commercial Paper Program
- Initiated the Water Utility debt financing to refund outstanding Commercial Paper (Series 2018A/B), expected closing date in September 2019
- Completed Water Utility debt refunding - \$11.2 million present value savings
- Established \$75 million revolving line of credit with Wells Fargo bank
- Completed 47th annual PAWS report and well owner notices mailed on 2/23/18
- Upgraded its ISO certification to the new ISO 9001:2015 and ISO 14001:2015 requirements. The ISO Program also remained on-track through regular internal audits, monthly management review of CPARs, and District-wide communications
- Initiated and conducted Risk Assessments of operations to plan future audits for Board consideration and direction
- Monitored organizational performance through the quarterly reporting of the achievement of Ends policies
- Received GFOA distinguished budget award for the FY2018 budget document
- Finalized the FY 2016-17 Comprehensive Annual Financial Report in accordance with the Governmental Finance Officers Association standards for excellence
- Continued to grow the accounts for the low income senior exemption for the Safe, Clean Water special parcel tax by having the county include our information on every single tax bill
- Grants Management assisted in the awarding of FEMA funding for Steven's Creek Erosion Repair and Pope/Chaucer Street Bridge Replacement Flood Mitigation projects of approximately \$5M

## FY 2019 Milestones

### **Below are the major milestones for Financial Planning and Management Division's staff:**

- Manage \$500M investment portfolio, \$877M debt portfolio, and provide financial analysis support for California Water Fix, as well as other District-wide capital projects including the public-private-partnership for the \$600M+ Expedited Purified Water Program
- Timely and accurate billing of water revenue and the appropriate application of property taxes
- Completion of the 48th annual Protection and Augmentation of Water Supplies report and mail well owner notices
- Completion of the FY 2017-18 Comprehensive Annual Financial Report
- Ensure summary budget document is ready for Board adoption on or prior to June 30th
- Review and refine process and procedures for planning, coordinating, and monitoring of CEO and Board-commissioned audits and organizational performance reporting
- Prepare and submit quarterly Ends Policy Performance Reports to the Board through June 30, 2019
- Commence ERP Upgrade Project in 2nd quarter
- Completion of Water Utility Fixed Charge Implementation Study

## Division Summaries

### Budget Issues and Constraints

Balancing resources to accomplish both short and long term goals of the organization. This balance includes maintaining minimal increases to water rates while ensuring critical operations and capital projects are appropriately funded.

## Division Summaries

### Financial Planning and Management Services Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	9,064,841	8,735,657	9,263,250	527,593	6%
Operating	7,155	0	0	0	6%
Debt Service	34,820,132	49,750,357	59,189,136	9,438,779	19%
Capital	299,723	387,232	825,272	438,040	113%
<b>Total</b>	<b>44,191,851</b>	<b>58,873,246</b>	<b>69,277,659</b>	<b>10,404,412</b>	<b>18%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Office of CFO	36,355,576	51,341,535	61,713,724	10,372,189	20%
Continual Improvement	1,950,854	904,816	1,036,746	131,930	15%
Budget & Financial Analyses	1,469,210	1,844,633	1,697,785	(146,848)	-8%
General Accounting	2,833,314	3,057,723	3,386,714	328,991	11%
Revenue and Grants Management	1,582,896	1,724,539	1,442,690	(281,849)	-16%
<b>Total</b>	<b>44,191,851</b>	<b>58,873,246</b>	<b>69,277,659</b>	<b>10,404,412</b>	<b>18%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

<b>Financial Planning and Management Division</b>	<b>39</b>	<b>39</b>	<b>42</b>	<b>3**</b>
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of CFO</b>					
	Salaries & Benefits	1,280,236	1,322,563	1,515,385	192,823
	Consultants	20,595	0	0	0
	Direct Services	115,020	143,001	854,080	711,079
	Supplies	887	5,300	5,500	200
	Other Expenses	3,732	8,110	20,650	12,540
<b>Office of CFO (106) Total</b>		<b>1,420,470</b>	<b>1,478,974</b>	<b>2,395,615</b>	<b>916,642</b>
<b>Continual Improvement</b>					
	Salaries & Benefits	912,185	798,516	856,507	57,991
	Consultants	20,000	25,000	164,000	139,000
	Direct Services	22,862	62,700	2,700	(60,000)
	Supplies	4,776	6,400	6,400	0
	Other Expenses	640,400	12,200	7,139	(5,061)
	Cost Sharing & Rebates	350,000	0	0	0
<b>Continual Improvement (120) Total</b>		<b>1,950,223</b>	<b>904,816</b>	<b>1,036,746</b>	<b>131,930</b>
<b>Budget &amp; Financial Analyses</b>					
	Salaries & Benefits	1,224,231	1,369,994	1,413,237	43,242
	Consultants	37,935	210,000	55,000	(155,000)
	Direct Services	41,408	180,800	120,000	(60,800)
	Supplies	994	0	0	0
	Other Expenses	7,799	32,200	15,300	(16,900)
<b>Budget &amp; Financial Analyses (606) Total</b>		<b>1,312,368</b>	<b>1,792,994</b>	<b>1,603,537</b>	<b>(189,458)</b>
<b>General Accounting</b>					
	Salaries & Benefits	2,705,302	2,701,309	2,616,913	(84,396)
	Consultants	2,270	1,600	1,600	0
	Direct Services	80,162	106,600	140,500	33,900
	Supplies	9,794	8,500	9,200	700
	Other Expenses	8,509	16,325	16,450	125
<b>General Accounting (673) Total</b>		<b>2,806,039</b>	<b>2,834,334</b>	<b>2,784,663</b>	<b>(49,671)</b>
<b>Revenue and Grants Management</b>					
	Salaries & Benefits	1,418,904	1,420,539	1,258,290	(162,249)
	Consultants	14,568	9,600	10,000	400
	Direct Services	137,803	287,400	164,400	(123,000)
	Supplies	10,077	2,000	5,000	3,000
	Other Expenses	1,545	5,000	5,000	0
<b>Revenue and Grants Management (683) Total</b>		<b>1,582,896</b>	<b>1,724,539</b>	<b>1,442,690</b>	<b>(281,849)</b>
<b>Operations Total</b>		<b>9,071,996</b>	<b>8,735,657</b>	<b>9,263,250</b>	<b>527,593</b>

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
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\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Debt Service Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of CFO</b>					
	Consultants	170,402	200,000	203,429	3,429
	Direct Services	817,682	1,998,870	3,038,530	1,039,660
	Other Expenses	1,823	0	0	0
	Debt	33,830,226	47,551,487	55,947,177	8,395,690
<b>Office of CFO (106) Total</b>		<b>34,820,132</b>	<b>49,750,357</b>	<b>59,189,136</b>	<b>9,438,779</b>
<b>Debt Service Total</b>		<b>34,820,132</b>	<b>49,750,357</b>	<b>59,189,136</b>	<b>9,438,779</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of CFO</b>					
	Salaries & Benefits	78,203	112,205	128,973	16,768
	Consultants	14,010	0	0	0
	Direct Services	22,050	0	0	0
	Other Expenses	711	0	0	0
<b>Office of CFO (106) Total</b>		<b>114,974</b>	<b>112,205</b>	<b>128,973</b>	<b>16,768</b>
<b>Continual Improvement</b>					
	Salaries & Benefits	631	0	0	0
<b>Continual Improvement (120) Total</b>		<b>631</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Budget &amp; Financial Analyses</b>					
	Salaries & Benefits	156,842	51,639	94,248	42,610
<b>Budget &amp; Financial Analyses (606) Total</b>		<b>156,842</b>	<b>51,639</b>	<b>94,248</b>	<b>42,610</b>
<b>General Accounting</b>					
	Salaries & Benefits	26,285	223,389	602,051	378,662

## Division Summaries

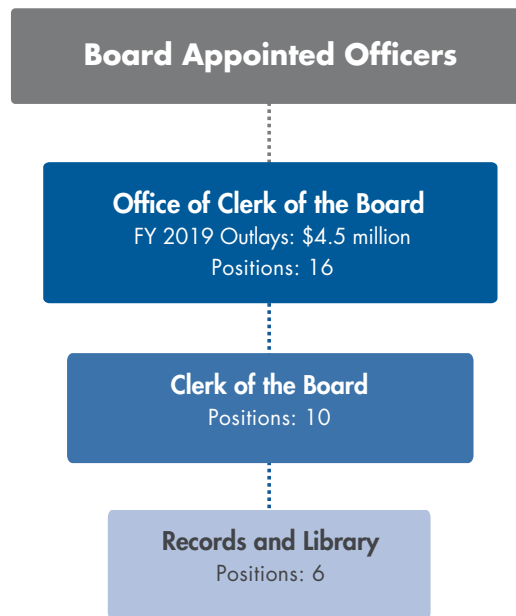
### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	990	0	0	0
<b>General Accounting (673) Total</b>		<b>27,275</b>	<b>223,389</b>	<b>602,051</b>	<b>378,662</b>
<b>Capital Total</b>		<b>299,723</b>	<b>387,232</b>	<b>825,272</b>	<b>438,040</b>
<b>Division Total</b>		<b>44,191,851</b>	<b>58,873,246</b>	<b>69,277,659</b>	<b>10,404,412</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.



### Office of Clerk of the Board



### Division Description and Objectives

The Office of the Clerk of the Board (COB) directly supports the work of the District's Board of Directors, including Board Governance Policy management, Board performance monitoring, lobbyist reporting and tracking, elections, regulatory, administrative, and liaison support services to the Board, its Advisory, Ad Hoc and Joint Committees with other public agencies, the Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee, Board Appointed Officers, and District staff.

The Office of the Clerk of the Board facilitates the public's access to Board information, including Board and committee meetings in accordance with the California Ralph M. Brown Act. Additionally, the COB monitors the Board budget and Board members' expenses in accordance with District Ordinance 02-01, Resolution 11-73, and Board Governance Policy GP-10, and maintains the integrity of the Board's legislative records, processes, and actions. The Office of the Clerk of the Board also oversees Records & Library Services.

#### Records & Library Services

Records & Library Services Unit provides: the administration of the Records Management Center and the District Library (including secure storage, retrieval, and proper disposition of District's records and reference materials), administration of the District's Records Management Program, and the provision of District's responses to legal demands for records.

# Division Summaries

## FY 2018 Accomplishments

During FY18, the COB completed the following activities.

- Successfully managed over 40 Regular and Special Board Meeting in accordance with the District Act, Board Policies, and the Ralph M. Brown Act.
- Successfully managed over 70 Board Committee Meetings in accordance with Board Policies and the Ralph M. Brown Act.
- Successfully scheduled over 1100 meetings for individual Directors.
- Coordinated the Groundwater Production and Surface Water Charge protest and verification process.
- Tracked, monitored and reported on the registration of external lobbyists in accordance with Ordinance 10-01.
- Assigned tracked and monitored approximately 400 Board Correspondences.
- Assigned and tracked approximately 25 Board Member Requests and 10 Individual Board Member Request in accordance with Board Governance Policy EL-2.6.
- Processed approximately 300 requests for records services from District staff.
- Responded to approximately 400 requests for access to or copies of District records from members of the public.
- Processed approximately 1000 Engineering drawings and 200-300 boxes of records.
- Supported the redesign of the external website with user search behavior analysis, the development of the "Popular Documents and Data" resource, and enhanced metadata development.
- Supported the redesign and upgrade of our Engineering Drawings Management System

## FY 2019 Milestones

- Schedule presentation of Board Advisory Committee Accomplishment Reports to the Board of Directors by February 2019.
- Coordinate the Groundwater Production Charge protest and verification process to be completed no later than May 2019.
- Provide Board of Directors with a report of registered external lobbyists by August 2018 and February 2019.
- Coordinate and consolidate with County Registrar of Voters office to conduct District Elections in November 2018, for Districts 1, 4, 6, and 7.
- Assign, track and monitor Board Member Requests, responses and staff performance to ensure compliance with Governance Policy EL-7.9.
- Assign, track and monitor Board Correspondence to ensure compliance with Governance Policy EL-2.6.
- Post Board and Board Committee meeting agendas in accordance with District Act, Board Governance Policies and the Ralph M. Brown Act with 100% compliance.
- Review inventory and policies annually to ensure appropriate disposition of records by June 30.

## Division Summaries

### Office of Clerk of the Board — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	3,111,798	3,187,819	4,506,659	1,318,840	41%
Operating	35,373	0	0	0	41%
Capital	0	17,450	0	(17,450)	-100%
<b>Total</b>	<b>3,147,171</b>	<b>3,205,269</b>	<b>4,506,659</b>	<b>1,301,390</b>	<b>41%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Office of Clerk of the Board	2,205,759	2,138,506	3,368,562	1,230,056	58%
Records and Library Services	941,412	1,066,763	1,138,097	71,334	7%
<b>Total</b>	<b>3,147,171</b>	<b>3,205,269</b>	<b>4,506,659</b>	<b>1,301,390</b>	<b>41%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Office of Clerk of the Board	9	10	16	6**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of Clerk of the Board</b>					
	Salaries & Benefits	1,509,806	1,649,471	1,776,061	126,590
	Consultants	3,109	3,000	3,000	0
	Direct Services	5,414	74,250	79,250	5,000
	Supplies	3,177	5,300	5,300	0
	Other Expenses	684,254	406,485	1,504,951	1,098,466
<b>Office of Clerk of the Board (604) Total</b>		<b>2,205,759</b>	<b>2,138,506</b>	<b>3,368,562</b>	<b>1,230,056</b>
<b>Records and Library Services</b>					
	Salaries & Benefits	807,242	920,753	998,897	78,144
	Consultants	184	0	0	0
	Direct Services	101,100	92,760	102,500	9,740
	Supplies	31,810	33,300	31,500	(1,800)
	Other Expenses	1,076	2,500	5,200	2,700
<b>Records and Library Services (765) Total</b>		<b>941,412</b>	<b>1,049,313</b>	<b>1,138,097</b>	<b>88,784</b>
<b>Operations Total</b>		<b>3,147,171</b>	<b>3,187,819</b>	<b>4,506,659</b>	<b>1,318,840</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Records and Library Services</b>					
	Salaries & Benefits	0	17,450	0	(17,450)
<b>Records and Library Services (765) Total</b>		<b>0</b>	<b>17,450</b>	<b>0</b>	<b>(17,450)</b>
<b>Capital Total</b>		<b>0</b>	<b>17,450</b>	<b>0</b>	<b>(17,450)</b>
<b>Division Total</b>		<b>3,147,171</b>	<b>3,205,269</b>	<b>4,506,659</b>	<b>1,301,390</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Office of District Counsel



### Division Description and Objectives

The District Counsel provides for professional, timely, and strategic legal advice to and representation of the District and its officers and employees, and, for the management of the legal services and the related risk management functions. It includes both internal legal services and management of the external legal services provided to the District. The District Counsel also oversees the Risk Management Administration.

#### Risk Management

The mission of Risk Management is to protect assets by identifying and evaluating loss exposures and applying effective risk management techniques to reduce or eliminate risk. Specifically, the department is tasked with management of the District's Workers Compensation program and risk retention (self-insurance) and risk transfer (insurance) programs to cost-effectively maximize coverage and to comply with Board Governance policies.

### FY 2018 Accomplishments

During FY 2018, the Office of District Counsel completed the following activities:

- Provided timely legal advice to the District, the District Board, officers, and employees
- Provided representation to the District relating to annual groundwater production charges
- Provided environmental legal advice and representation as to the FAHCE complaint

## Division Summaries

- Provided legal advice regarding imported water matters including water transfer agreements and litigation
- Provided legal advice to the District regarding on-going capital projects
- Provided legal advice to the Human Resources Division regarding on-going personnel and labor relations matters
- Administered the Workers Compensation program in a manner that increased employee awareness of potential dangers and sought to reduce employee injuries and accidents
- Administered the Liability and Property programs in a manner that provided prompt and fair adjustment of claims and losses
- Managed safety, ergonomics and industrial hygiene programs in compliance with regulatory requirements and industry best practices

### FY 2019 Milestones

- Provide quarterly Executive Monitoring Report (current litigation) to the Board of Directors
- Placement of Workers Compensation Insurance Policy by February 2019
- Provide Public Self Insurer's Annual Report for prior fiscal year by October 1, 2018
- Post Cal/OSHA Log 300 February 1 through April 30, 2019
- Interface with TPA and state governmental entities to ensure District compliance with new medical set-aside regulations
- Secure Non-Owned Aircraft Policy by February 1, 2019
- Secure Crime Policy by April 1, 2019
- Secure 1st, 2nd, and 3rd Excess Liability Policies by May 1, 2019
- Secure Cyber Liability Policy by June 1, 2019; Secure Property Insurance Policy by June 30; Review all policies for coverage and accuracy by June 30 2019
- Provide support for activity with TPA and track costs for Presidents Day Flood

# Division Summaries

## Office of District Counsel — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	4,615,184	6,849,534	7,331,263	481,729	7%
Operating	344,908	2,350,000	500,000	(1,850,000)	-79%
Capital	231,535	165,967	883,124	717,157	432%
<b>Total</b>	<b>5,191,627</b>	<b>9,365,501</b>	<b>8,714,387</b>	<b>(651,114)</b>	<b>-7%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Risk Management	2,113,489	5,288,844	3,761,247	(1,527,597)	-29%
Office of District Counsel	3,078,138	4,076,657	4,953,141	876,484	22%
<b>Total</b>	<b>5,191,627</b>	<b>9,365,501</b>	<b>8,714,387</b>	<b>(651,114)</b>	<b>-7%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Office of District Counsel	13	13	13	0**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of District Counsel</b>					
	Salaries & Benefits	2,530,549	2,471,200	2,550,817	79,616
	Consultants	254,647	1,360,000	1,440,000	80,000
	Direct Services	5,093	500	3,500	3,000
	Supplies	32,836	39,500	35,500	(4,000)
	Other Expenses	23,519	39,490	40,200	710
<b>Office of District Counsel (112) Total</b>		<b>2,846,644</b>	<b>3,910,690</b>	<b>4,070,017</b>	<b>159,326</b>
<b>Risk Management</b>					
	Salaries & Benefits	675,399	592,024	627,697	35,673
	Consultants	479,519	1,935,290	1,437,000	(498,290)
	Direct Services	7,396	72,080	81,100	9,020
	Supplies	2,400	2,700	2,700	0
	Other Expenses	948,734	2,686,750	1,612,750	(1,074,000)
<b>Risk Management (113) Total</b>		<b>2,113,448</b>	<b>5,288,844</b>	<b>3,761,247</b>	<b>(1,527,597)</b>
<b>Operations Total</b>		<b>4,960,092</b>	<b>9,199,534</b>	<b>7,831,263</b>	<b>(1,368,271)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of District Counsel</b>					
	Salaries & Benefits	0	21,967	49,124	27,157
	Consultants	231,494	144,000	834,000	690,000
<b>Office of District Counsel (112) Total</b>		<b>231,494</b>	<b>165,967</b>	<b>883,124</b>	<b>717,157</b>
<b>Risk Management</b>					
	Salaries & Benefits	41	0	0	0
<b>Risk Management (113) Total</b>		<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Total</b>		<b>231,535</b>	<b>165,967</b>	<b>883,124</b>	<b>717,157</b>
<b>Division Total</b>		<b>5,191,627</b>	<b>9,365,501</b>	<b>8,714,387</b>	<b>(651,114)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

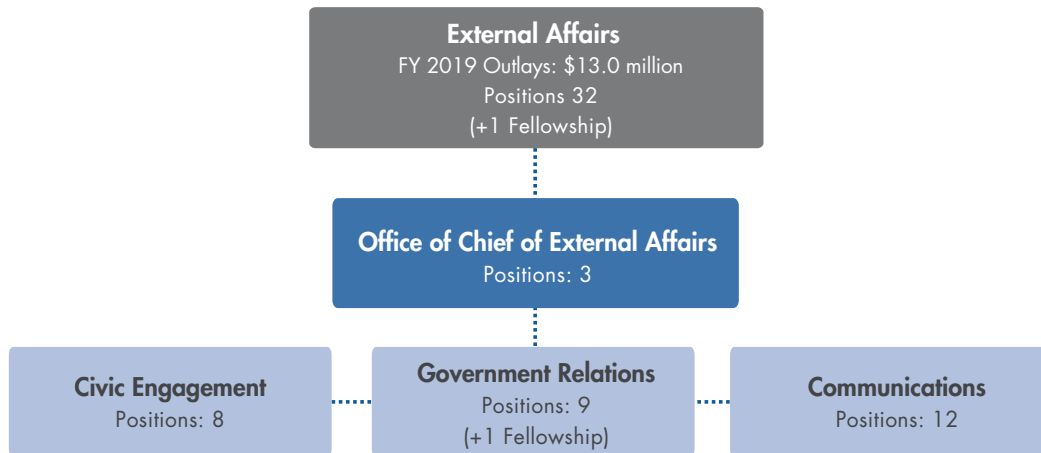


## Division Summaries

### External Affairs

External Affairs is responsible for programs that increase community awareness and engagement about District programs, projects, and challenges. External Affairs provides the strategic planning and integration of external policies and legislation as it relates to the business interests of the District and is responsible for managing the District's relationships with the community, government officials, the media, and other key stakeholders.

### Office of Chief of External Affairs



### Division Description and Objectives

The Office of External Affairs provides management and strategic planning oversight and integration of the Office of Communication, Office of Civic Engagement and Office of Government Relations. The Division is responsible for leading the efforts in developing the strategy and execution of internal and external communications to the media, community, and the public; and community engagement in the areas of education, volunteerism, and through grant programs. In addition, External Affairs leads all government relations efforts in local, regional, state, and federal levels, and is responsible for keeping the CEO, the Board and other District staff informed of public policies that directly affect operations.

#### Office of Civic Engagement

Civic Engagement manages the awareness and interest in water management resource issues, water pollution prevention, water conservation, and water resources careers amongst young people in Santa Clara County. Civic Engagement also supports the Safe, Clean Water Grants Program.

#### Office of Government Relations

Government Relations serves as the internal and external connection for legislation, development of strategic support and opposition, and supplemental funding opportunities for the District.

#### Office of Communications

Communications informs, engages and educates the community and District employees about water supply and

# Division Summaries

quality, flood protection and stream stewardship issues.

## FY 2018 Accomplishments

During FY 2018, External Affairs completed the following activities:

- Youth Commission: Launched new Board Advisory Youth Commission and received over 100 applications from eager high school students throughout the county. Board appointed 21-youth to the commission.
- Creek Stewardship: Through the Creek Cleanup Stewardship programs, volunteers gave a total of 13,116 hours of their time and helped to remove 101,092 pounds of trash from over 133 miles of creeks in Santa Clara County, which included the Coyote Creek Cleanup in September 2017. Volunteers were recognized for all their efforts in the first Volunteer Recognition Event in August 2017.
- Safe, Clean Water Grants & Partnership: District awarded over \$1.5 million in grants and partnerships under the Safe, Clean Water program to support cleanup, outreach, pollution prevention, and access to new trails and open space, including launching a successful new mini-grants program to help fund small scale projects throughout the county.
- First Lego League: supported requests from over 125 First Lego League teams by providing tours of district facilities, research support and presentation panels with access to water experts to support their "Hydrodynamics" research; reached over 500 students and parent coaches.
- Media relations highlights included a successful media tour of invasive plant removal and a news conference commemorating the one-year anniversary of the Coyote Creek flood.
- The external website redesign was launched in January 2018.
- The annual flood awareness campaign was launched and the annual flood plain mailer, in four languages, was delivered.
- Over 4,600 groundwater and surface water mailers were sent at the end of February 2018.
- Worked with Senator Dianne Feinstein, Senator Kamala Harris, and others in the County's Congressional delegation to advocate for the South San Francisco Bay Shoreline Project to receive a Construction New Start Authorization.
- Worked with the County's Congressional delegation to advocate for the South San Francisco Bay Shoreline Project to receive a Construction New Start Authorization, and to advocate for the Fiscal Year 2017 and 2018 funding needs for the District's flood protection projects, including funding for a Coyote Creek study.
- The District secured passage of the District-sponsored bill AB 851 (Caballero) which expands the District's authorization to use design-build contracting.
- Educated, engaged, and advanced support for the Board's and District's priorities with communities across Santa Clara County by facilitating District participation in two dozen community events and sponsorship of over 50 community events that have a nexus to and advance the District's mission, vision, and goals.

## FY 2019 Milestones

In addition to division-wide administrative milestones, External Affairs has the following FY 2019 milestones:

- Meeting 100% of the 5-year implementation plan for SCW.
- Development of a District-wide Volunteer Project and Coordinate and implement organized creek stewardship projects (Adopt-A-Creek, National River Cleanup, Coastal Clean-Up Day).
- Reach at least 10,000 students per fiscal year through hands on lessons, field trips, and tours.

## Division Summaries

- Water conservation campaign is launched by May 2019.
- During the flood awareness campaign, flood tips and resources webpages are viewed at least 20,000 times.
- Achieve at least 250,000 social media impressions, 5,000 engagements and 2,000 link clicks per quarter.
- Advance District-sponsored legislation (including SB 881, SB 1301, and AB 1889).
- Secure federal funding for District flood protection and water supply projects through the FY 18 Work Plan and FY 19 budget process.
- Advance key District projects through advocacy efforts focused on, among others, the Pacheco Reservoir Expansion Project, the Shoreline Project, and the Coyote Creek Feasibility Study.
- Educate, engage, and advance support for the Board's and District's priorities with communities across Santa Clara County by facilitating District participation in and sponsorship of community events.

# Division Summaries

## Office of Chief of External Affairs — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	6,638,792	9,716,480	12,674,906	2,958,426	30%
Operating	40,876	3,679	2,138	(1,541)	-42%
Capital	316,523	239,336	310,918	71,582	30%
<b>Total</b>	<b>6,996,191</b>	<b>9,959,496</b>	<b>12,987,962</b>	<b>3,028,467</b>	<b>30%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Government Relations	2,645,536	2,779,270	3,126,631	347,361	12%
Civic Engagement	285,032	3,182,968	5,381,249	2,198,281	69%
Office of Chief of External Affairs	52,728	590,099	837,741	247,643	42%
District Communications	4,012,895	3,407,159	3,642,341	235,183	7%
<b>Total</b>	<b>6,996,191</b>	<b>9,959,496</b>	<b>12,987,962</b>	<b>3,028,467</b>	<b>30%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Office of Chief of External Affairs	0	28	32	4**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of Chief of External Affairs</b>					
	Salaries & Benefits	51,325	472,599	705,831	233,232
	Direct Services	225	0	5,820	5,820
	Supplies	0	1,500	1,500	0
	Other Expenses	0	116,000	118,500	2,500
<b>Office of Chief of External Affairs (107) Total</b>		<b>51,550</b>	<b>590,099</b>	<b>831,651</b>	<b>241,552</b>
<b>Government Relations</b>					
	Salaries & Benefits	1,618,650	1,713,910	1,938,921	225,011
	Consultants	366,620	494,550	512,550	18,000
	Direct Services	108,055	16,560	16,560	0
	Supplies	20,392	34,400	38,600	4,200
	Other Expenses	518,512	519,850	620,000	100,150
<b>Government Relations (152) Total</b>		<b>2,632,229</b>	<b>2,779,270</b>	<b>3,126,631</b>	<b>347,361</b>
<b>Civic Engagement</b>					
	Salaries & Benefits	223,717	846,771	1,577,551	730,780
	Consultants	0	15,000	294,000	279,000
	Direct Services	34,637	163,267	394,408	231,141
	Supplies	24,088	74,500	103,100	28,600
	Other Expenses	2,591	2,083,430	3,012,190	928,760
<b>Civic Engagement (153) Total</b>		<b>285,032</b>	<b>3,182,968</b>	<b>5,381,249</b>	<b>2,198,281</b>
<b>District Communications</b>					
	Salaries & Benefits	2,062,362	1,839,016	2,015,097	176,081
	Consultants	902,606	797,300	829,400	32,100
	Direct Services	636,035	509,696	460,502	(49,194)
	Supplies	78,113	13,750	6,750	(7,000)
	Other Expenses	31,264	8,060	25,765	17,705
	Fixed Assets	477	0	0	0
<b>District Communications (172) Total</b>		<b>3,710,857</b>	<b>3,167,822</b>	<b>3,337,514</b>	<b>169,692</b>
<b>Operations Total</b>		<b>6,679,668</b>	<b>9,720,159</b>	<b>12,677,044</b>	<b>2,956,885</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of Chief of External Affairs</b>					

## Division Summaries

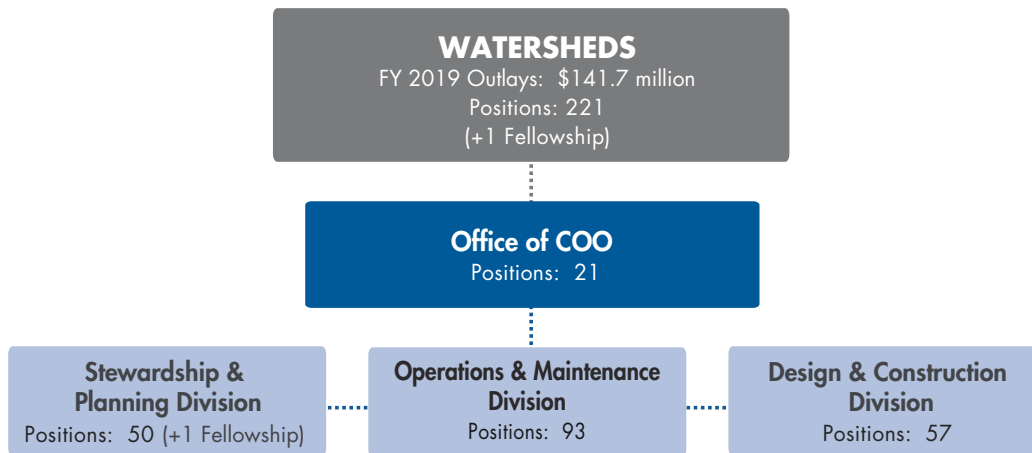
### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Salaries & Benefits	1,178	0	6,091	6,091
Office of Chief of External Affairs (107) Total		<b>1,178</b>	<b>0</b>	<b>6,091</b>	<b>6,091</b>
<b>Government Relations</b>					
	Salaries & Benefits	13,307	0	0	0
Government Relations (152) Total		<b>13,307</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Civic Engagement</b>					
Civic Engagement (153) Total		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>District Communications</b>					
	Salaries & Benefits	298,230	239,336	304,827	65,491
	Consultants	372	0	0	0
	Direct Services	2,427	0	0	0
	Supplies	840	0	0	0
	Other Expenses	170	0	0	0
District Communications (172) Total		<b>302,039</b>	<b>239,336</b>	<b>304,827</b>	<b>65,491</b>
Capital Total		<b>316,523</b>	<b>239,336</b>	<b>310,918</b>	<b>71,582</b>
<b>Division Total</b>		<b>6,996,191</b>	<b>9,959,496</b>	<b>12,987,962</b>	<b>3,028,467</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Watersheds

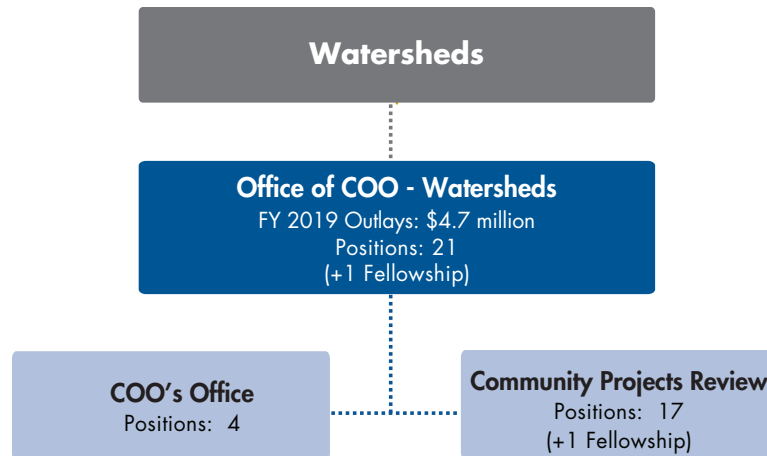


### Description

Watersheds Operations (Watersheds) oversees five distinct watershed areas in Santa Clara County and is responsible for overall stewardship of these geographic areas, providing flood protection and field operations and mitigating environmental impacts, while enhancing positive environmental aspects.



### Office of COO Watersheds



### Division Description and Objectives

Watersheds Operations (Watersheds) oversees five distinct watershed areas in Santa Clara County and is responsible for overall stewardship of these geographic areas, providing flood protection and field operations and mitigating environmental impacts, while enhancing positive environmental aspects. Lead and manage Watersheds to achieve the Board's Ends, Goals and Objectives. This includes providing Watersheds the leadership, staff and funding to conduct the administrative nature of Watersheds functions. In general, provides for management activities that promote communication, human resources development, budgeting, project efficiencies and process improvement, mentoring and recruitment, and supporting district-wide and special events/efforts that benefit the whole organization.

#### Community Projects Review

The Community Projects Review Department provides for protection of District watershed, water utility assets and interests from external activities and threats as defined by the Water Resources Protection Ordinance through the issuance of approximately 200 to 250 encroachment permits for activities on District rights of way and ordinance enforcement for activities undertaken without appropriate permits. The department projects include implementation of the Underground Service Alert program that entails reviewing approximately 3000 tickets per year. The

## Division Summaries

department also reviews proposed developments within the planning stages as they interface with the District mission and interests. The department also includes specialized maintenance and development of approximately 10,000 map pages showing District land rights and flooding and the dissemination of information to the public.

### FY 2018 Accomplishments

- Creation of the Google coordination meeting to discuss several Google initiated projects
- Initiation of draft High Speed Rail Reimbursement Agreement
- Initiation of three layers in GIS - Joint Use Agreements (JUA) layer, Other Agreements layer, and CIP layer.
- Completion of Alviso Pump Station License Agreement
- Completion of Sonterra Bridge Maintenance Agreement
- Participation in TAC meetings and coordination meetings in the review of several proposed trails on District property.
- Continue to work with neighbors and the County in San Martin to remove unpermitted bridges and fences in a flood-prone area.
- Worked on a new licensing option as a part of the Encroachment Remediation Program scheduled to be presented to the BOD in May.
- Worked with neighbors to remediate hazmat areas and offered District assistance to remove trash in the area.

### FY 2019 Milestones

- CPRU Oracle Upgrade/Replacement Database
- Complete High Speed Reimbursement Agreement.
- Complete at least two GIS layers of the three layers initiated in 2018 accomplishments.
- Complete Residence Inn Land Rights Transfer.
- Implement new licensing option.
- Move forward on remediating encroachments that have been on hold pending policy decision.
- Continue to host the collaborative forum of the Encroachment remediation task force to establish coordinated communication with our neighbors on projects areas containing encroachments.

# Division Summaries

## Office of COO Watersheds — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	3,346,322	4,588,456	4,578,616	(9,840)	0%
Operating	4,159	2,682	3,098	416	16%
Capital	184,266	176,534	159,637	(16,897)	-10%
<b>Total</b>	<b>3,534,747</b>	<b>4,767,672</b>	<b>4,741,351</b>	<b>(26,320)</b>	<b>-1%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Office of COO Watersheds	1,106,213	1,630,899	1,288,160	(342,738)	-21%
Community Projects Review	2,428,534	3,136,773	3,453,191	316,418	10%
<b>Total</b>	<b>3,534,747</b>	<b>4,767,672</b>	<b>4,741,351</b>	<b>(26,320)</b>	<b>-1%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Office of COO Watershed	10	4	21	17**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of COO Watersheds</b>					
	Salaries & Benefits	850,931	1,055,024	978,430	(76,593)
	Consultants	55	0	50,000	50,000
	Direct Services	96,281	1,900	2,500	600
	Supplies	1,398	1,200	12,000	10,800
	Other Expenses	37,083	572,775	245,230	(327,545)
<b>Office of COO Watersheds (215) Total</b>		<b>985,749</b>	<b>1,630,899</b>	<b>1,288,160</b>	<b>(342,738)</b>
<b>Community Projects Review</b>					
	Salaries & Benefits	2,162,515	2,714,160	3,075,544	361,383
	Consultants	1,154	0	0	0
	Direct Services	182,367	189,860	168,860	(21,000)
	Supplies	1,434	2,659	150	(2,509)
	Other Expenses	12,866	18,560	9,000	(9,560)
	Fixed Assets	4,396	35,000	40,000	5,000
<b>Community Projects Review (294) Total</b>		<b>2,364,732</b>	<b>2,960,239</b>	<b>3,293,554</b>	<b>333,314</b>
<b>Operations Total</b>		<b>3,350,481</b>	<b>4,591,138</b>	<b>4,581,714</b>	<b>(9,424)</b>

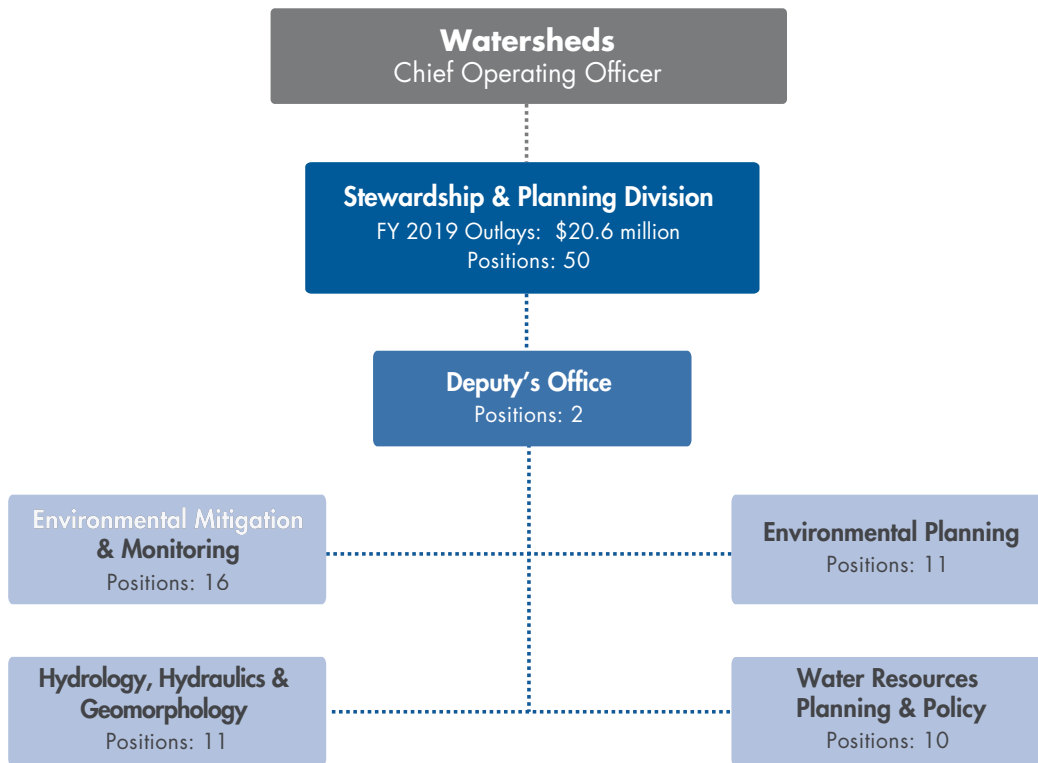
\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of COO Watersheds</b>					
	Salaries & Benefits	120,465	0	0	0
<b>Office of COO Watersheds (215) Total</b>		<b>120,465</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Community Projects Review</b>					
	Salaries & Benefits	63,801	52,795	35,637	(17,158)
	Cost Sharing & Rebates	0	123,739	124,000	261
<b>Community Projects Review (294) Total</b>		<b>63,801</b>	<b>176,534</b>	<b>159,637</b>	<b>(16,897)</b>
<b>Capital Total</b>		<b>184,266</b>	<b>176,534</b>	<b>159,637</b>	<b>(16,897)</b>
<b>Division Total</b>		<b>3,534,747</b>	<b>4,767,672</b>	<b>4,741,351</b>	<b>(26,320)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Watershed Stewardship & Planning Division



### Division Description and Objectives

Plan, organize, and manage the Watershed Stewardship & Planning Division, overseeing four departments with approximately 65 staff members. Lead a cross-organization special initiative called FAHCE to resolve a long-standing water right complaint. Provide key decision making support for the departments to accomplish their goals. Communicate key Board, District and Executive goals and provide timely information.

#### Environmental Mitigation & Monitoring

The Environmental Mitigation and Monitoring Unit is responsible for: managing all the long-term mitigation monitoring programs for the District; two ecology oriented Safe Clean Water Programs (D2 and D5); land management and easement monitoring for mitigation lands; oversight of the plant pathogen program; biological subject matter expertise to support over 40 capital projects and long range planning programs; and manages the FAHCE program.

#### Water Resources Planning & Policy

The Water Resources Policy and Planning Department primarily conducts long range planning for watersheds. The

## Division Summaries

primary tool for that is the integrated water resources master plan (One Water plan), which attempts to develop an integrated watershed-based plan to enhance water resources management for the District. The department also conducts detailed watersheds planning studies for flood protection and environmental stewardship such as: the Salt Ponds A5-11 study to realign Calabazas and San Tomas Aquino Creeks into the restored Salt Ponds; the Upper Penitencia Creek Flood Protection and Stewardship project; and the Coyote Creek Flood Protection and Stewardship project. Additionally, the department is: reporting on policy developments related to watersheds; maintaining the Community Rating System program; conducting the gravel augmentation and large woody debris fisheries study; and coordinating the District partnership on the Salt Pond Restoration Project.

### **Environmental Planning**

The Environmental Planning Department provides overall project planning, environmental document preparation, CEQA compliance and permitting services to Watershed Capital and Operation and Maintenance, manages the Safe Clean Water Projects B1 and B2, and provides surface water quality expertise.

### **Hydrology, Hydraulics & Geomorphology**

The Hydrology, Hydraulics and Geomorphology Department builds the foundation of our flood protection work, and it also provides the essential data for groundwater recharge and reservoir release analysis for environmental purposes. The department begins with the measurement of rainfall and stream flow gauge data; the analysis of which provides the flood flow frequency that determines the flood-control projects' design basis; routing the flood flow through the creeks then determines the creek size and height of levees and floodwalls; developing flood forecast and flood warning system to send flood warning messages to the community for potential flood risks; and the geomorphologic analysis that provides the basis for channel modification that minimizes maintenance needs and sustains long-term stability.

## **FY 2018 Accomplishments**

- Maintained District compliance with all mitigation monitoring requirements.
- Executed 3 long-term MOUs with California Coastal Conservancy, Midpeninsula Regional Open Space District, and the City of San Jose for invasive plant control and habitat restoration under Safe Clean Water D2.
- Coyote Creek Project – Restarted planning study for revised project; planned, designed, and constructed interim flood protection for Rock Springs neighborhood; and developed MOA with US Army Corps of Engineer's for a partnership study.
- Upper Penitencia Creek Project – Held landscape vision session and developed problem definition report.
- One Water Project – Completed metrics development and stakeholder outreach for Countywide framework report and developed initial draft Coyote Creek watershed plan.
- Operated and maintained oxygenation treatment systems in four reservoirs and reduced methylmercury in the bottom of the reservoir by an average of 70% below historical summer concentrations (Safe Clean Water Project B1). Received a State grant to develop a Storm Water Resource Plan for the Santa Clara Basin, which will prioritize green stormwater infrastructure projects for future funding (Safe Clean Water Project B2).
- Completed environmental review of Lower Penitencia Creek Improvements, Cunningham Flood Detention Facility Certification, and Coyote Warehouse projects

## Division Summaries

- Completed Coyote creek hydrology and hydraulics update for Coyote Watershed Master Plan and Mid-Coyote project.
- Provided technical data and added additional gauge for Coyote Emergency Action Plan.
- Created a new Flood Watch web site to support flood emergency monitor and response.

### FY 2019 Milestones

- Provide biological support for capital projects program during design and construction phases.
- Draft Coyote Creek watershed plan (under One Water framework) by July 2018. Final report by December 2018.
- Feasibility study for the Calabazas and San Tomas Creek realignment project by July 2018.
- Final Gravel Augmentation and Large Woody Debris study for all steelhead creeks by Dec 2018.
- Continue to operate and maintain oxygenation treatment systems in four reservoirs (Safe Clean Water Project B1) by June 2019.
- Collaborate with the City of San Jose on trash mapping and removal for Coyote Creek and Guadalupe River (Safe Clean Water B1) by June 2019.
- Complete Storm Water Resource Plan (Safe Clean Water B2) by December 2018.
- Maintain and improve the District's hydrologic data measurement and management.
- Complete Ross Creek feasibility study by Dec. 2019.
- Continue improving flood forecast system and expand flood forecast points by June 2019.

### Budget Issues and Constraints

The division has overall staffing shortages and adequately supporting the service demands of internal customers is difficult. Retention and recruitment of knowledge specialists has also been challenging. Retirements and departures have left several vacancies, and recent recruitments have not resulted in a high number of competitive candidates.

## Division Summaries

### Watershed Stewardship & Planning Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	8,839,740	11,080,497	13,125,975	2,045,478	18%
Operating	2,321,700	2,280,693	2,546,841	266,148	12%
Capital	2,593,111	3,801,095	4,891,400	1,090,306	29%
<b>Total</b>	<b>13,754,551</b>	<b>17,162,285</b>	<b>20,564,217</b>	<b>3,401,932</b>	<b>20%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Safe Clean Water Implementation	30,562	0	0	0	0%
Water Resources Planning & Policy	3,372,899	4,642,799	5,467,385	824,586	18%
Hydrology, Hydraulics & Geomorphology	3,378,639	2,782,141	2,849,821	67,680	2%
Office of WS Stwdship & Planning Div	543,842	697,777	915,458	217,682	31%
Environmental Planning	3,483,559	4,492,079	4,624,913	132,834	3%
Environmental Mitigation & Monitoring	2,945,050	4,547,489	6,706,639	2,159,150	47%
<b>Total</b>	<b>13,754,551</b>	<b>17,162,285</b>	<b>20,564,217</b>	<b>3,401,932</b>	<b>20%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Watershed Stewardship & Planning Division	59	65	50	(15)**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.



# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of WS Stwdship &amp; Planning Div</b>					
	Salaries & Benefits	532,606	679,507	451,688	(227,818)
	Consultants	0	0	430,000	430,000
	Direct Services	846	0	0	0
	Supplies	1,064	1,000	0	(1,000)
	Other Expenses	9,326	17,270	33,770	16,500
<b>Office of WS Stwdship &amp; Planning Div (241) Total</b>		<b>543,842</b>	<b>697,777</b>	<b>915,458</b>	<b>217,682</b>
<b>Environmental Mitigation &amp; Monitoring</b>					
	Salaries & Benefits	1,560,053	2,096,244	2,655,225	558,981
	Consultants	523,720	1,150,000	1,770,000	620,000
	Direct Services	15,095	60,000	263,100	203,100
	Supplies	36,296	55,450	202,000	146,550
	Other Expenses	34,143	89,600	43,650	(45,950)
	Utilities	8,627	6,000	0	(6,000)
	Cost Sharing & Rebates	237,052	450,000	900,000	450,000
<b>Environmental Mitigation &amp; Monitoring (244) Total</b>		<b>2,414,984</b>	<b>3,907,294</b>	<b>5,833,975</b>	<b>1,926,681</b>
<b>Water Resources Planning &amp; Policy</b>					
	Salaries & Benefits	1,350,244	1,399,436	1,156,777	(242,660)
	Consultants	269,444	683,000	845,000	162,000
	Direct Services	59,581	72,000	106,500	34,500
	Supplies	42,341	75,600	75,000	(600)
	Other Expenses	231,052	9,605	12,100	2,495
<b>Water Resources Planning &amp; Policy (245) Total</b>		<b>1,952,663</b>	<b>2,239,641</b>	<b>2,195,377</b>	<b>(44,265)</b>
<b>Safe Clean Water Implementation</b>					
	Direct Services	30,562	0	0	0
<b>Safe Clean Water Implementation (246) Total</b>		<b>30,562</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environmental Planning</b>					
	Salaries & Benefits	1,049,733	1,361,298	1,488,125	126,826
	Consultants	279,202	415,000	450,000	35,000
	Direct Services	133,373	442,074	442,074	0
	Supplies	8,442	10,650	18,150	7,500
	Other Expenses	18,296	33,600	27,400	(6,200)
	Utilities	0	75,000	100,000	25,000
	Cost Sharing & Rebates	1,421,127	1,433,806	1,433,806	0
	Fixed Assets	28,485	50,000	25,000	(25,000)
<b>Environmental Planning (247) Total</b>		<b>2,938,657</b>	<b>3,821,428</b>	<b>3,984,555</b>	<b>163,126</b>

# Division Summaries

## Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Hydrology, Hydraulics &amp; Geomorphology</b>					
	Salaries & Benefits	1,780,652	1,880,200	1,976,800	96,600
	Consultants	1,146,352	538,500	464,500	(74,000)
	Direct Services	79,366	109,000	121,716	12,716
	Supplies	49,668	22,990	22,536	(454)
	Other Expenses	17,949	2,500	0	(2,500)
	Cost Sharing & Rebates	93,200	102,860	119,400	16,540
	Fixed Assets	113,545	39,000	38,500	(500)
<b>Hydrology, Hydraulics &amp; Geomorphology (296) Total</b>		<b>3,280,732</b>	<b>2,695,050</b>	<b>2,743,452</b>	<b>48,402</b>
<b>Operations Total</b>		<b>11,161,440</b>	<b>13,361,190</b>	<b>15,672,816</b>	<b>2,311,626</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of WS Stwdship &amp; Planning Div</b>					
<b>Office of WS Stwdship &amp; Planning Div (241) Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environmental Mitigation &amp; Monitoring</b>					
	Consultants	1,489	0	30	30
	Supplies	41,524	100,000	100,000	0
	Other Expenses	0	20,000	20,000	0
	Salaries & Benefits	485,558	420,196	652,634	232,439
	Direct Services	1,495	100,000	100,000	0
<b>Environmental Mitigation &amp; Monitoring (244) Total</b>		<b>530,065</b>	<b>640,196</b>	<b>872,664</b>	<b>232,469</b>
<b>Water Resources Planning &amp; Policy</b>					
	Consultants	35,606	1,300,000	2,340,000	1,040,000
	Other Expenses	30,111	1,000	0	(1,000)
	Salaries & Benefits	566,502	601,658	932,009	330,351
	Direct Services	18	0	0	0
	Fixed Assets	3,000	500	0	(500)
	Cost Sharing & Rebates	785,000	500,000	0	(500,000)
<b>Water Resources Planning &amp; Policy (245) Total</b>		<b>1,420,237</b>	<b>2,403,158</b>	<b>3,272,009</b>	<b>868,851</b>
<b>Safe Clean Water Implementation</b>					
<b>Safe Clean Water Implementation (246) Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environmental Planning</b>					

## Division Summaries

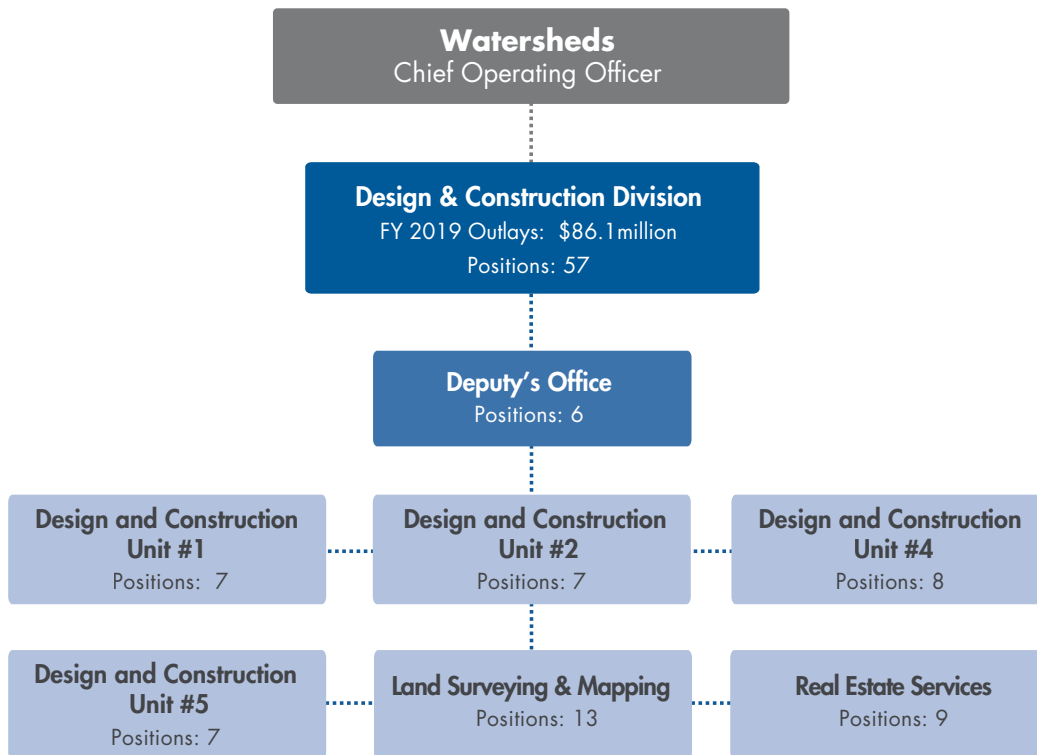
### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Consultants	0	50,000	0	(50,000)
	Other Expenses	2	0	0	0
	Salaries & Benefits	544,652	620,650	630,358	9,708
	Direct Services	247	0	10,000	10,000
<b>Environmental Planning (247) Total</b>		<b>544,902</b>	<b>670,650</b>	<b>640,358</b>	<b>(30,292)</b>
<b>Hydrology, Hydraulics &amp; Geomorphology</b>					
	Salaries & Benefits	97,907	87,091	86,369	(722)
	Fixed Assets	0	0	20,000	20,000
<b>Hydrology, Hydraulics &amp; Geomorphology (296) Total</b>		<b>97,907</b>	<b>87,091</b>	<b>106,369</b>	<b>19,278</b>
<b>Capital Total</b>		<b>2,593,111</b>	<b>3,801,095</b>	<b>4,891,400</b>	<b>1,090,306</b>
<b>Division Total</b>		<b>13,754,551</b>	<b>17,162,285</b>	<b>20,564,217</b>	<b>3,401,932</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Watershed Design & Construction Division



### Division Description and Objectives

The Watersheds Design and Construction Division plans, designs, and constructs capital projects related to Watersheds operations. This includes delivery of projects in the District's rolling 5-year Capital Improvement Program and 15-year Safe, Clean Water and Natural Flood Protection Program. The objectives of the Watersheds Design and Construction Division are to provide natural flood protection for residents, businesses, and visitors; and to protect and restore creek, bay, and other aquatic ecosystems.

#### Design & Construction Department 1

The department is responsible for design and construction of the following projects: San Francisquito Creek Flood Protection, Permanente Creek Flood Protection, Hale Creek Pilot, and Bolsa Fish Passage Modification.

#### Design & Construction Department 2

The department is responsible for design and construction of the following projects: Lower Berryessa Creek Phase II, Cunningham Flood Detention Certification, Upper Guadalupe River Flood Protection - Reaches 7-12, Upper Guadalupe River Reach 6, Upper Berryessa Creek - Calaveras / Old Pied Cor, and Upper Berryessa Creek -

# Division Summaries

Calaveras/Old Pied LER.

## **Design & Construction Department 4**

The department is responsible for design and construction of the Lower Penitencia Creek and Almaden Lake Improvements projects as well as the South San Francisco Bay Shoreline Protection effort along the Santa Clara County shoreline.

## **Design & Construction Department 5**

The department is responsible for design and construction of the following projects: Coyote Creek Levee Rodent Damage Repair downstream of SR 237, Stevens Creek Bank and Access/Trail Road Repair downstream of El Camino Real, Uvas Creek Levee Animal Damage Repair (Watersheds Asset Rehabilitation Program), and design of the Palo Alto Basin Flood Gate Replacement projects.

## **Land Surveying and Mapping**

The responsibilities of the Land Surveying and Mapping Department include professional land surveying and mapping services in support of planning, design, construction, and maintenance of District water resource facilities. This is accomplished by accurately locating existing and proposed District facilities, providing graphical representations of land features, boundaries, and fixed works, and complying with applicable state and local laws and ordinances.

## **Real Estate Services**

The Real Estate Department provides real estate services which includes buying and selling property, database maintenance and reporting, non-residential and residential leasing and licensing program, negotiation, appraisal, title and relocation services. The department also covers administrative support of Real Estate services which include database input, maintenance and reporting.

## **FY 2018 Accomplishments**

- Completed year one of two of construction of the Permanente Creek Flood Protection Project including channel improvements, Rancho San Antonio Flood Detention Facility, and McKelvey Park Flood Detention Facility.
- Completed year two of three of construction of San Francisquito Creek Flood Protection Project from the Bay to Hwy. 101.
- Completed channel improvements construction for Upper Berryessa Creek Flood Risk Management project, a partnership with the U.S. Army Corps of Engineers (USACE).
- Completed the design for the Cunningham Flood Detention Certification Project.
- Completed Final Environmental Impact Report and 60% design for Lower Penitencia Creek Project.
- Completed 90% design and obtained regulatory agency permits for Reach 1 levee construction, completed 30% design of Reaches 2 and 3, and submitted grant application for San Francisco Bay Restoration Authority Measure AA funds for San Francisco Bay Shoreline Project EIA 11.
- Completed construction of the El Camino Storm Drain Emergency Erosion Repair and El Camino Storm Drain Erosion Repair.

## Division Summaries

- Finalized designs and bid advertisements for Coyote Creek Levee Rodent Damage Repair downstream of SR 237, Coyote Creek Levee Rodent Damage Repair upstream of SR 237, Stevens Creek Bank and Access/Trail Road Repair, and Uvas Creek Levee Animal Damage Rehabilitation from Miller Avenue to end of levee.
- Performed deformation monitoring of Rinconada Water Treatment Plant, Coyote Dam and Tunnel, Vasona Dam, Chesbro Dam, Penitencia Water Treatment Plant Landslide, Anderson Dam, Santa Clara Conduit Fault Crossing, Uvas Dam, Stevens Creek Dam, Almaden Dam and Guadalupe Dam.
- Performed photogrammetric and volumetric surveys of Chesbro and Uvas Reservoirs, and emergency survey of Stevens Creek Trail slide/erosion.
- Completed the sale of 3 excess land parcels and working towards the sale of an additional excess land parcel near the completed Lower Silver Creek Project.
- Completed 36 recorded real estate transactions supporting multiple capital and water utility projects.

## FY 2019 Milestones

- Complete year two construction of channel improvements, Rancho San Antonio Park Detention Facility, and McKelvey Park Detention Facility for Permanente Creek Flood Protection Project.
- Complete year three construction of San Francisquito Creek Flood Protection Project between S.F. Bay and Highway 101 by June 2019.
- Complete design and advertise for bids for Bolsa Fish Passage Modification Project by March 2019.
- Prepare final EIR for San Francisquito Creek Flood Protection Project between Highway 101 and Middlefield Road by December 2018.
- Complete construction of Lower Berryessa Creek Project and complete design and award of construction contract for the Lower Calera Creek Project by December 2018.
- Complete design, obtain permit and award construction contract for Cunningham Flood Detention Certification Project by fourth quarter of FY 19.
- Continue obtaining the necessary right of ways, complete design of bridge extension for of Willow Street and Alma Avenue vehicular bridges and begin gravel placement for Reach 6 for Upper Guadalupe Flood Control Project (Reaches 6-12).
- Complete design, receive regulatory permits, and advertise project for construction on Lower Penitencia Creek Improvements Project by January 2019.
- Complete Final Environmental Impact Report for Almaden Lake Improvements Project by August 2018.
- Complete construction of El Camino Strom Drain Erosion Repair, Coyote Creek rodent damage repair downstream of SR 237, Coyote Creek rodent damage repair upstream of SR 237, and Uvas Creek Levee Rodent Damage Repair by December 2018.
- Complete annual Benchmark Maintenance Area surveying by June 2019.

## Budget Issues and Constraints

Annual allocation of federal funding for USACE for the Upper Guadalupe River Flood Protection Project continues to be a challenge. USACE needs additional federal funding to complete design and begin construction of Reaches 7 and 8 that includes bridge extensions of Willow Street Bridge, Alma Avenue Bridge, and channel improvements.

## Division Summaries

### Watershed Design & Construction Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	2,124,634	2,337,650	2,490,069	152,418	7%
Operating	326,787	52,104	44,482	(7,621)	-15%
Capital	69,173,988	101,021,118	83,580,982	(17,440,137)	-17%
<b>Total</b>	<b>71,625,408</b>	<b>103,410,872</b>	<b>86,115,533</b>	<b>(17,295,339)</b>	<b>-17%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Design & Construction Unit 1	40,301,192	25,646,596	10,353,372	(15,293,224)	-60%
Design & Construction Unit 5	1,356,215	13,188,788	10,619,829	(2,568,959)	-19%
Design & Construction Unit 2	21,463,797	42,550,916	44,939,141	2,388,225	6%
Office of WS Design & Const Div	1,434,212	1,883,106	2,354,191	471,086	25%
Design & Construction Unit 4	3,081,774	15,591,769	13,154,558	(2,437,212)	-16%
Land Surveying and Mapping	2,338,170	2,820,748	2,972,138	151,391	5%
Real Estate Services	1,650,047	1,728,949	1,722,303	(6,646)	0%
<b>Total</b>	<b>71,625,408</b>	<b>103,410,872</b>	<b>86,115,533</b>	<b>(17,295,339)</b>	<b>-17%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Watershed Design & Construction Division	62	58	57	(1)**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of WS Design &amp; Const Div</b>					
	Salaries & Benefits	227,135	181,841	207,105	25,264
	Consultants	21,026	0	0	0
	Direct Services	22,579	0	35,000	35,000
<b>Office of WS Design &amp; Const Div (316) Total</b>		<b>270,740</b>	<b>181,841</b>	<b>242,105</b>	<b>60,264</b>
<b>Design &amp; Construction Unit 1</b>					
	Salaries & Benefits	20,869	30,440	8,617	(21,823)
	Direct Services	1,091	0	0	0
<b>Design &amp; Construction Unit 1 (331) Total</b>		<b>21,960</b>	<b>30,440</b>	<b>8,617</b>	<b>(21,823)</b>
<b>Design &amp; Construction Unit 2</b>					
	Salaries & Benefits	82,967	15,660	3,968	(11,692)
	Direct Services	396	0	0	0
<b>Design &amp; Construction Unit 2 (332) Total</b>		<b>83,363</b>	<b>15,660</b>	<b>3,968</b>	<b>(11,692)</b>
<b>Design &amp; Construction Unit 4</b>					
	Salaries & Benefits	175,389	134,997	31,154	(103,843)
	Direct Services	900	0	0	0
	Supplies	15	0	0	0
	Other Expenses	17	0	0	0
<b>Design &amp; Construction Unit 4 (334) Total</b>		<b>176,321</b>	<b>134,997</b>	<b>31,154</b>	<b>(103,843)</b>
<b>Design &amp; Construction Unit 5</b>					
	Salaries & Benefits	91,649	18,283	94,182	75,899
	Consultants	17,771	0	0	0
	Direct Services	5,344	0	0	0
	Supplies	0	1,000	0	(1,000)
	Fixed Assets	1,000	0	0	0
<b>Design &amp; Construction Unit 5 (336) Total</b>		<b>115,764</b>	<b>19,283</b>	<b>94,182</b>	<b>74,899</b>
<b>Land Surveying and Mapping</b>					
	Salaries & Benefits	812,636	996,834	1,144,583	147,749
	Consultants	273,025	333,000	352,500	19,500
	Direct Services	89,977	35,000	5,000	(30,000)
	Supplies	0	5,000	7,500	2,500
<b>Land Surveying and Mapping (367) Total</b>		<b>1,175,638</b>	<b>1,369,834</b>	<b>1,509,583</b>	<b>139,749</b>
<b>Real Estate Services</b>					
	Salaries & Benefits	584,350	594,298	589,542	(4,757)
	Direct Services	8,491	42,600	39,600	(3,000)
	Supplies	1,217	0	0	0



## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	0	800	800	0
	Fixed Assets	13,575	0	15,000	15,000
<b>Real Estate Services (369) Total</b>		<b>607,634</b>	<b>637,698</b>	<b>644,942</b>	<b>7,243</b>
<b>Operations Total</b>		<b>2,451,421</b>	<b>2,389,754</b>	<b>2,534,551</b>	<b>144,797</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of WS Design &amp; Const Div</b>					
	Salaries & Benefits	534,780	873,814	1,254,786	380,972
	Consultants	26,983	800,000	800,000	0
	Direct Services	7,402	0	35,000	35,000
	Supplies	303	250	300	50
	Other Expenses	8,334	27,200	22,000	(5,200)
	Fixed Assets	585,670	0	0	0
<b>Office of WS Design &amp; Const Div (316) Total</b>		<b>1,163,472</b>	<b>1,701,264</b>	<b>2,112,086</b>	<b>410,822</b>
<b>Design &amp; Construction Unit 1</b>					
	Salaries & Benefits	980,691	1,326,730	1,382,955	56,225
	Consultants	36,129,119	21,001	1,250,000	1,228,999
	Direct Services	44,190	31,000	22,000	(9,000)
	Supplies	9,309	10,575	50,000	39,425
	Other Expenses	282,869	166,850	45,800	(121,050)
	Fixed Assets	2,445,233	23,892,000	7,314,000	(16,578,000)
	Utilities	235,820	1	100,000	99,999
	Cost Sharing & Rebates	152,000	168,000	180,000	12,000
<b>Design &amp; Construction Unit 1 (331) Total</b>		<b>40,279,232</b>	<b>25,616,157</b>	<b>10,344,755</b>	<b>(15,271,402)</b>
<b>Design &amp; Construction Unit 2</b>					
	Salaries & Benefits	1,201,159	1,536,456	1,441,372	(95,084)
	Consultants	3,654,953	7,497,200	1,595,000	(5,902,200)
	Direct Services	55,317	479,600	561,000	81,400
	Supplies	28,661	16,500	30,000	13,500
	Other Expenses	91,971	1,450,700	1,752,000	301,300
	Fixed Assets	16,036,200	19,188,000	23,454,000	4,266,000
	Utilities	312,173	366,800	601,800	235,000

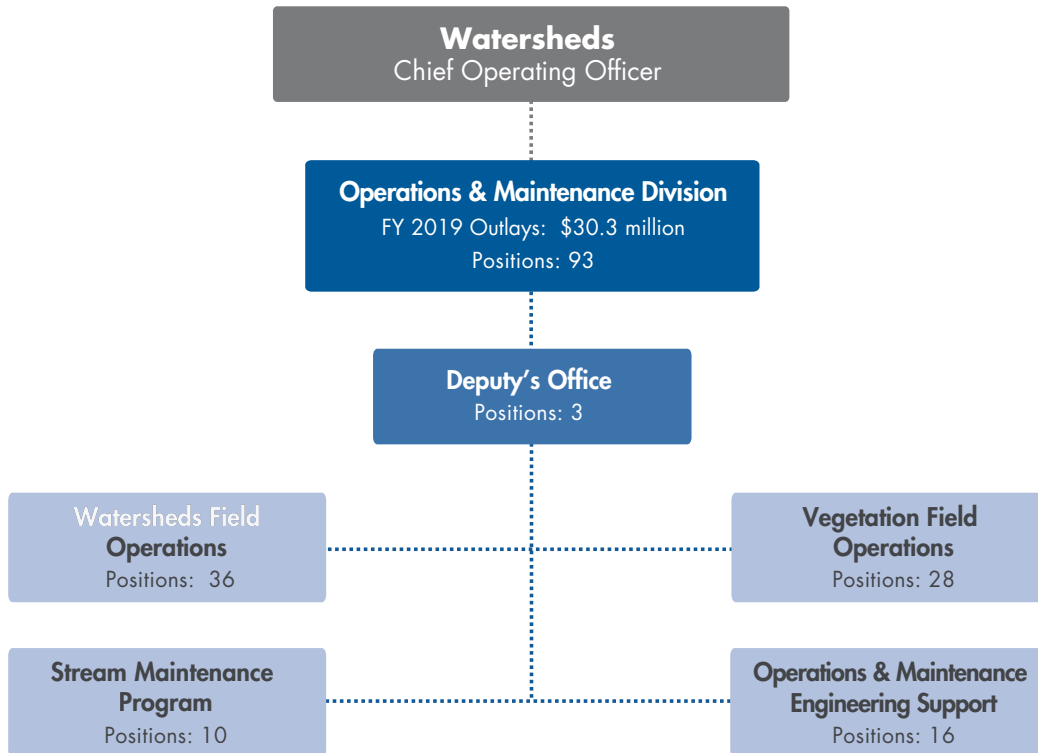
# Division Summaries

## Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Cost Sharing & Rebates	0	12,000,000	15,500,000	3,500,000
<b>Design &amp; Construction Unit 2 (332) Total</b>		<b>21,380,434</b>	<b>42,535,256</b>	<b>44,935,172</b>	<b>2,399,916</b>
<b>Design &amp; Construction Unit 4</b>					
	Salaries & Benefits	1,294,197	1,361,292	1,525,073	163,781
	Consultants	31,122	20,000	25,000	5,000
	Direct Services	32,315	147,000	93,000	(54,000)
	Supplies	320	400	0	(400)
	Other Expenses	1,615	428,080	420,330	(7,750)
	Fixed Assets	500	5,000,000	5,060,000	60,000
	Cost Sharing & Rebates	1,545,384	8,500,000	6,000,000	(2,500,000)
<b>Design &amp; Construction Unit 4 (334) Total</b>		<b>2,905,453</b>	<b>15,456,772</b>	<b>13,123,403</b>	<b>(2,333,369)</b>
<b>Design &amp; Construction Unit 5</b>					
	Salaries & Benefits	1,088,320	1,276,905	1,358,648	81,743
	Consultants	64,058	1,900,000	2,090,000	190,000
	Direct Services	34,968	84,000	70,000	(14,000)
	Supplies	656	48,000	56,000	8,000
	Other Expenses	8,985	260,600	251,000	(9,600)
	Fixed Assets	43,464	9,600,000	6,700,000	(2,900,000)
<b>Design &amp; Construction Unit 5 (336) Total</b>		<b>1,240,451</b>	<b>13,169,505</b>	<b>10,525,648</b>	<b>(2,643,857)</b>
<b>Land Surveying and Mapping</b>					
	Salaries & Benefits	947,820	1,084,713	1,087,755	3,042
	Consultants	60,969	61,000	61,000	0
	Direct Services	83,458	144,800	127,300	(17,500)
	Supplies	51,913	125,900	150,000	24,100
	Other Expenses	18,372	34,500	36,500	2,000
<b>Land Surveying and Mapping (367) Total</b>		<b>1,162,532</b>	<b>1,450,913</b>	<b>1,462,555</b>	<b>11,642</b>
<b>Real Estate Services</b>					
	Salaries & Benefits	1,012,339	1,057,073	1,053,102	(3,971)
	Consultants	910	0	0	0
	Direct Services	769	2,070	90	(1,980)
	Supplies	716	0	0	0
	Other Expenses	24,230	32,108	24,170	(7,938)
	Fixed Assets	3,450	0	0	0
<b>Real Estate Services (369) Total</b>		<b>1,042,413</b>	<b>1,091,251</b>	<b>1,077,362</b>	<b>(13,889)</b>
<b>Capital Total</b>		<b>69,173,988</b>	<b>101,021,118</b>	<b>83,580,982</b>	<b>(17,440,137)</b>
<b>Division Total</b>		<b>71,625,408</b>	<b>103,410,872</b>	<b>86,115,533</b>	<b>(17,295,339)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Watershed Operations & Maintenance Division



### Division Description and Objectives

The division is comprised of four departments that provide field maintenance, engineering support, vegetation management, and management of the Stream Maintenance Program (SMP) in the Guadalupe, Lower Peninsula, West Valley, Coyote and Uvas/Llagas watersheds. The office of Watersheds Operations and Maintenance provides administrative leadership and support for the four units that comprise the division. The division objective is to assure that maintenance work is performed in accordance with regulatory permits and maintenance guidelines and is coordinated and consistent throughout the division.

#### Watershed Field Operations

The Watershed Field Operations Department is responsible for coordination and management of field construction and maintenance activities within the Watersheds, budget development, coordination of emergency response services and monitoring of safety procedures. Assure that work is performed efficiently, effectively, with minimal environmental impact and with the highest regard for the safety of the public and staff.

#### Vegetation Field Operations

## Division Summaries

The Vegetation Field Operations Department is responsible for the budget development, coordination, and management of integrated vegetation management programs, riparian planting and invasive plant management mitigation projects and the sandbag program in the Lower Peninsula, West Valley, Guadalupe, Coyote, and Uvas/Llagas Watersheds including capital projects and water utility sites.

### **Stream Maintenance Program**

The Stream Maintenance Program (SMP) Department manages and coordinates routine maintenance activities to ensure that stream maintenance work is consistent with the environmental regulatory permits, in a manner that minimizes the environmental impact to the stream systems. This program supports the maintenance of streams to maintain the flow conveyance capacity of District channels and the structural and functional integrity of District facilities. This department also provides coordination and delivery of materials, equipment and labor (EML) services for Field Operations; and for validation and processing of related invoices and payments.

### **Operations & Maintenance Engineering Support**

The Watersheds O&M Engineering Support Department is responsible for providing engineering support for operations and maintenance activities for streams, levees, and other watersheds assets within Santa Clara County over which SCVWD has responsibility. This work supports the flood protection and watershed stewardship components of SCVWD's mission.

## FY 2018 Accomplishments

### *Watershed Field Operations*

- 14 Sediment Removal Projects (36,631 CY)
- 3,881 Linear Feet of Erosion
- 1,028 Cubic Yards Good Neighbor Maintenance
- 85,766 Linear Feet of Levee Maintenance
- 3,755 Linear Feet of Corrective Maintenance
- 4,050 Cubic Yards Debris Removal

### *Vegetation Field Operations*

- 324 Acres of mitigation site maintenance
- 2,976 Acres of upland access maintenance: weed abatement, access pruning, upland herbicide.
- 391 Acres of instream vegetation removal for flow conveyance: hand removal and aquatic herbicide.
- 109 Acres of invasive plant management.
- 228 6 - 12" DBH trees removed
- 39 Hazard trees removed
- 218,784 Sandbags made

### *Stream Maintenance Program*

- Approximately 650 Biological Service request for the Division.
- Submitted the (NPW) Notice of Proposed Work.

## Division Summaries

- Completed the Annual Summary Report.
- Completed SMP Manual Update.

### *Operations and Maintenance Engineering Support*

- Engineering support and construction oversight for the Stream Maintenance Program (SMP).
- Responded to Creekside customers and others via Access Valley Water within five days or less.
- Inspected 785,988 Linear Feet of Creeks and Levees.

## **FY 2019 Milestones**

- U.S. Army Corps of Engineers (USACE)-constructed reaches of Guadalupe River, Coyote Creek, and Uvas Creek: (a) Conduct semi-annual inspections by November 1 and May 30; (b) Prepare and submit annual inspection reports to USACE by August 1.
- Natural Resources Conservation Service (NRCS)-constructed reaches of Lower Llagas Creek Flood Protection Project (PL-566); (a) Conduct annual inspections; (b) Prepare and submit annual inspection reports to NRCS.
- Conduct inspections of creeks and levees (ongoing).
- Research and respond to customer requests via Access Valley Water (AVW) communications system (ongoing).
- Prepare work orders for corrective and preventive stream maintenance activities (ongoing).
- Engineering support for Stream Maintenance Program (SMP) projects: (a) Prepare necessary information to ensure SMP annual Notice of Proposed Work occurs by April 15; (b) Provide engineering and construction support for SMP bank protection, sediment removal, vegetation management, and levee maintenance projects (generally between June 15 and October 15); (c) Prepare necessary information to ensure SMP Annual Summary Report occurs by January 31.
- Update/develop five stream maintenance guidelines by December 31.

## **Budget Issues and Constraints**

- Limited funding (Illegal Encampment)
- The extent of maintenance work completed annually is constrained by staff resources, funding and regulatory permit requirements.

## Division Summaries

### Watershed Operations & Maintenance Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	23,591,347	26,582,133	27,322,515	740,382	3%
Operating	2,626,517	1,028,133	2,242,342	1,214,209	118%
Capital	651,392	599,431	695,514	96,083	16%
<b>Total</b>	<b>26,869,255</b>	<b>28,209,697</b>	<b>30,260,371</b>	<b>2,050,674</b>	<b>7%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Vegetation Field Operations	7,102,593	8,300,668	8,300,807	138	0%
Watersheds Field Operations	12,178,255	12,672,754	14,193,389	1,520,635	12%
Stream Maintenance Program	2,505,534	3,162,145	2,696,206	(465,939)	-15%
O&M Engineering Support	4,445,838	3,480,810	4,459,424	978,614	28%
Ofc of Watershed O&M Division	637,035	593,320	610,546	17,226	3%
<b>Total</b>	<b>26,869,255</b>	<b>28,209,697</b>	<b>30,260,371</b>	<b>2,050,674</b>	<b>7%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Watershed Operations & Maintenance Division	88	92	93	1**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Ofc of Watershed O&amp;M Division</b>					
	Salaries & Benefits	394,932	590,924	609,546	18,622
	Direct Services	241,687	0	0	0
	Supplies	91	500	0	(500)
	Other Expenses	325	1,000	1,000	0
<b>Ofc of Watershed O&amp;M Division (251) Total</b>		<b>637,035</b>	<b>592,424</b>	<b>610,546</b>	<b>18,122</b>
<b>Watersheds Field Operations</b>					
	Salaries & Benefits	5,304,209	5,463,429	5,632,199	168,770
	Consultants	32,480	55,000	185,000	130,000
	Direct Services	4,956,962	5,039,667	5,305,279	265,612
	Supplies	581,918	1,102,050	1,073,500	(28,550)
	Other Expenses	7,840	22,450	19,950	(2,500)
	Fixed Assets	6,000	0	0	0
	Utilities	1,147,930	632,000	1,633,000	1,001,000
<b>Watersheds Field Operations (253) Total</b>		<b>12,037,338</b>	<b>12,314,596</b>	<b>13,848,928</b>	<b>1,534,332</b>
<b>Vegetation Field Operations</b>					
	Salaries & Benefits	3,739,624	4,329,150	4,596,849	267,699
	Consultants	15,000	65,000	13,000	(52,000)
	Direct Services	2,987,921	3,228,662	3,224,500	(4,162)
	Supplies	229,436	492,493	246,350	(246,143)
	Other Expenses	25,047	31,333	28,474	(2,859)
	Fixed Assets	500	0	0	0
	Utilities	42,745	59,000	51,000	(8,000)
<b>Vegetation Field Operations (295) Total</b>		<b>7,040,273</b>	<b>8,205,638</b>	<b>8,160,173</b>	<b>(45,465)</b>
<b>Stream Maintenance Program</b>					
	Salaries & Benefits	1,501,965	1,753,751	1,829,774	76,024
	Consultants	17,878	610,000	210,000	(400,000)
	Direct Services	344,627	499,900	285,000	(214,900)
	Supplies	12,288	6,700	5,000	(1,700)
	Other Expenses	210,337	217,000	270,000	53,000
	Utilities	0	750	750	0
<b>Stream Maintenance Program (297) Total</b>		<b>2,087,096</b>	<b>3,088,101</b>	<b>2,600,524</b>	<b>(487,576)</b>
<b>O&amp;M Engineering Support</b>					
	Salaries & Benefits	2,633,143	2,799,807	2,785,686	(14,121)
	Consultants	1,638,439	85,500	1,096,000	1,010,500
	Direct Services	97,598	311,000	311,000	0
	Supplies	27,957	23,200	22,000	(1,200)

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	18,184	190,000	130,000	(60,000)
	Fixed Assets	800	0	0	0
<b>O&amp;M Engineering Support (298) Total</b>		<b>4,416,121</b>	<b>3,409,507</b>	<b>4,344,686</b>	<b>935,179</b>
<b>Operations Total</b>		<b>26,217,863</b>	<b>27,610,265</b>	<b>29,564,857</b>	<b>1,954,591</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

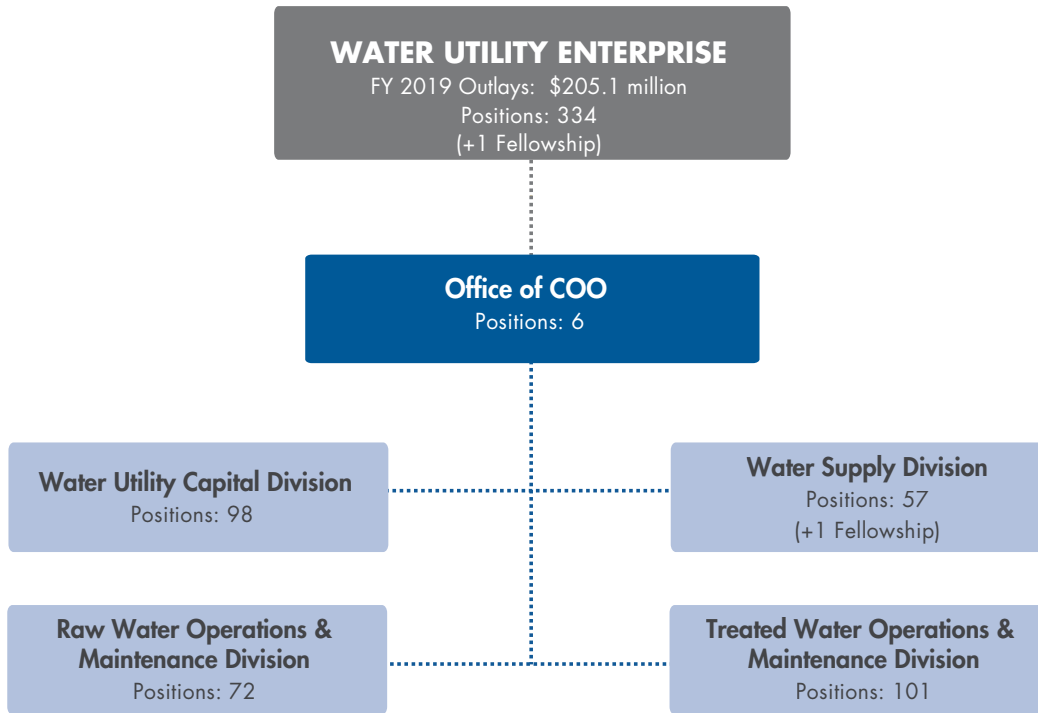
Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Ofc of Watershed O&amp;M Division</b>					
	Salaries & Benefits	0	895	0	(895)
<b>Ofc of Watershed O&amp;M Division (251) Total</b>		<b>0</b>	<b>895</b>	<b>0</b>	<b>(895)</b>
<b>Watersheds Field Operations</b>					
	Salaries & Benefits	107,123	268,158	314,461	46,303
	Direct Services	31,235	50,000	20,000	(30,000)
	Supplies	2,517	40,000	10,000	(30,000)
	Utilities	43	0	0	0
<b>Watersheds Field Operations (253) Total</b>		<b>140,917</b>	<b>358,158</b>	<b>344,461</b>	<b>(13,697)</b>
<b>Vegetation Field Operations</b>					
	Salaries & Benefits	46,415	95,031	134,634	39,603
	Direct Services	15,828	0	6,000	6,000
	Utilities	77	0	0	0
<b>Vegetation Field Operations (295) Total</b>		<b>62,320</b>	<b>95,031</b>	<b>140,634</b>	<b>45,603</b>
<b>Stream Maintenance Program</b>					
	Salaries & Benefits	442	14,044	35,682	21,638
	Other Expenses	417,996	60,000	60,000	0
<b>Stream Maintenance Program (297) Total</b>		<b>418,438</b>	<b>74,044</b>	<b>95,682</b>	<b>21,638</b>
<b>O&amp;M Engineering Support</b>					
	Salaries & Benefits	29,398	71,304	114,738	43,434
	Direct Services	143	0	0	0
	Supplies	176	0	0	0
<b>O&amp;M Engineering Support (298) Total</b>		<b>29,717</b>	<b>71,304</b>	<b>114,738</b>	<b>43,434</b>
<b>Capital Total</b>		<b>651,392</b>	<b>599,431</b>	<b>695,514</b>	<b>96,083</b>
<b>Division Total</b>		<b>26,869,255</b>	<b>28,209,697</b>	<b>30,260,371</b>	<b>2,050,674</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.



## Division Summaries

### Water Utility

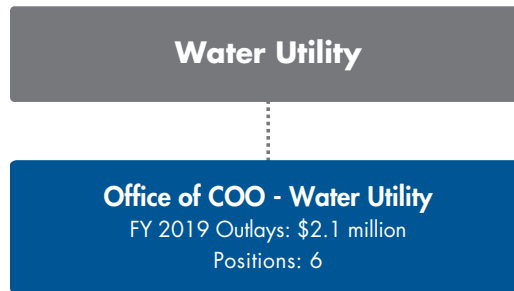


### Description

The Water Utility Enterprise is primarily responsible for carrying out the core services related to Ends Policy 2 - There is a reliable, clean water supply for current and future generations.

Directed by Chief Operating Officer, the district's Water Utility Enterprise (WUE) is comprised of four management divisions, each of which includes functional departments that carry out the work of the division and the enterprise.

### Office of COO Water Utility



The Office of the Chief Operating Officer Water Utility oversees Water Utility Capital, Water Supply, Raw Water Operations & Maintenance and Treated Water Operations & Maintenance divisions. The Water Utility Enterprise (WUE) is primarily responsible for carrying out the core services related to Ends Policy 2 - There is a reliable, clean water supply for current and future generations. The COO leads and manages the WUE to achieve the Board's Ends Goals and Objectives. This includes providing WUE the leadership, staff, and funding to conduct the administrative nature of the WUE functions. In general, the COO Office provides for management activities that promote communication, human resources development, budgeting, project efficiencies and process improvement, mentoring and recruitment, and supporting district-wide and special events/efforts that benefit the whole organization.

## Division Summaries

### Office of COO Water Utility — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	1,501,945	2,876,344	2,100,459	(775,884)	-27%
Operating	2,642	0	0	0	-27%
Capital	2,212	0	0	0	-27%
<b>Total</b>	<b>1,506,799</b>	<b>2,876,344</b>	<b>2,100,459</b>	<b>(775,884)</b>	<b>-27%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Office of COO Water Utility	1,506,799	2,876,344	2,100,459	(775,884)	-27%
<b>Total</b>	<b>1,506,799</b>	<b>2,876,344</b>	<b>2,100,459</b>	<b>(775,884)</b>	<b>-27%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Office of COO Water Utility	4	5	6	1**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of COO Water Utility</b>					
	Salaries & Benefits	1,004,155	1,192,844	1,480,959	288,116
	Consultants	172,040	738,500	135,000	(603,500)
	Direct Services	21,071	178,000	0	(178,000)
	Supplies	1,848	257,000	9,000	(248,000)
	Other Expenses	305,473	440,000	475,500	35,500
	Fixed Assets	0	70,000	0	(70,000)
<b>Office of COO Water Utility (402) Total</b>		<b>1,504,587</b>	<b>2,876,344</b>	<b>2,100,459</b>	<b>(775,884)</b>
<b>Operations Total</b>		<b>1,504,587</b>	<b>2,876,344</b>	<b>2,100,459</b>	<b>(775,884)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

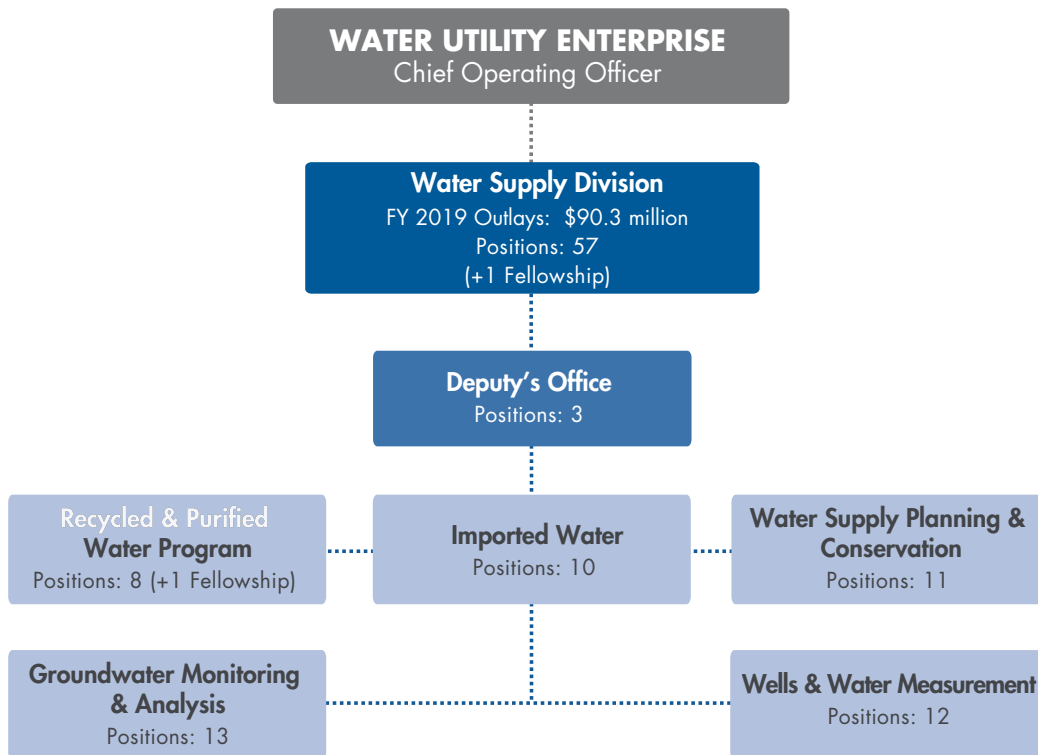
## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Office of COO Water Utility</b>					
	Salaries & Benefits	1,429	0	0	0
	Supplies	28	0	0	0
	Other Expenses	754	0	0	0
<b>Office of COO Water Utility (402) Total</b>		<b>2,212</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Total</b>		<b>2,212</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Division Total</b>		<b>1,506,799</b>	<b>2,876,344</b>	<b>2,100,459</b>	<b>(775,884)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Water Supply Division



### Division Description and Objectives

The Water Supply Division is responsible for identifying future water supply needs, managing the groundwater basins and imported water supplies, and implementing water conservation and recycled water programs. The 10 objectives of the Water Supply Division are to: 1) Sustain future drought proof, reliable water supply; 2) Expand and develop recycled and purified water projects; 3) Manage annual imported water supplies; 4) Minimize imported water costs; 5) Participate and complete various water supply reliability planning studies; 6) Implement programs and provide support needed to maximize water conservation/demand management to reach the District's goal of saving nearly 100,000 acre-feet per year by 2030 and any short-term reduction called for by the Board; 7) Provide accurate and timely information on current and future groundwater supply conditions; 8) Comply with state sustainable groundwater management requirements; 9) Protect the quality and quantity of the county's groundwater resources by ensuring that wells are constructed, destroyed, modified and maintained per policy; and, 10) Provide accurate and dependable water measuring devices for verifying water production for groundwater, surface water, treated water and recycled water accounts.

#### Recycled and Purified Water Program

## Division Summaries

The Recycled and Purified Water Department supports expansion of recycled and purified water in Santa Clara County by collaborating, negotiating and executing long-term agreements with various partners, and by leading various planning and research studies such as the Reverse Osmosis Concentrate Management Plan, and the Countywide Recycled and Purified Water Master Plan.

### **Imported Water**

The Imported Water Department protects, manages and develops the District's imported water assets, including the Central Valley Project, State Water Project, and other contract rights; meets current year operational needs for imported supplies; develops water transfers, exchanges and banking agreements; and controls imported water costs.

#### **Water Supply Planning and Conservation**

The Water Supply Planning and Conservation Department supports the District mission by developing long-term water supply planning studies to ensure there is a reliable water supply, by participating in various regional water supply planning efforts, and by designing, implementing, and evaluating demand management programs to meet District short-term and long-term water supply reliability goals.

### **Groundwater Monitoring & Analysis**

The Groundwater Management Department supports the District mission to protect and augment local groundwater resources by providing accurate and timely information on current and future groundwater supply conditions, implementing sustainable groundwater management programs, complying with state groundwater sustainability requirements, and assessing potential groundwater impacts from proposed projects and policies.

### **Wells and Water Measurement**

The Wells and Water Measurement Department is responsible for the implementation of two programs: The Well Ordinance Program and Water Measurement Program. The Well Ordinance Program helps protect the District's groundwater resource by providing staff, services, and supplies used for the implementation of the District's Well Ordinance (Ordinance 90-1). Implementation of the well ordinance includes well permitting, well inspection, well data management, and violation enforcement for all wells located in Santa Clara County. The Water Measurement Program provides staff time, services, and supplies for the operation of the District's meter test facility, for meter reading, for meter installation, for the test and overhaul of meters, and for the preventative and corrective maintenance of approximately 1,000 groundwater, treated water, and raw water meters.

## **FY 2018 Accomplishments**

- Negotiated and completed Memorandum of Understanding agreements with the cities of Mountain View and Palo Alto for assessing feasibility of water reuse alternatives.
- Initiated Countywide Water Reuse Master Plan Project, including stakeholder workshops.
- Prepared and presented four Board Agenda Items on California WaterFix (CWF) leading up to the Board declaring conditional support of CWF.
- Participated in CWF negotiations and development of SCVWD's participation approach.

## Division Summaries

- Submitted Proposition 1 application to California Water Commission (CWC) for the Pacheco Reservoir Expansion Project requesting \$484.5M in funding Long-term conservation program savings of approximately 74,000 acre-feet in FY18 to stay on target to meet our goal of saving nearly 100,000 acre-feet per year by 2030.
- Completed the Central Valley Project Improvement Act Water Management Plan.
- Held the Annual Landscape Summit Workshop.
- Groundwater storage recovery to pre-drought levels.
- With stakeholders, developed process to regulate pumping under the Sustainable Groundwater Management Act, if needed.
- Completed Zones of Benefit technical report.
- Completed 3,853 meter reads; completed 172 meter tests; completed 175 meter maintenance events; installed 5 new meters; completed 93 backflow prevention device tests; completed 13 backflow prevention device repairs.
- Issued 775 Well Permits.

### FY 2019 Milestones

- Complete draft Countywide Recycled & Purified Water Master Plan by December 2018.
- Evaluate, plan and implement potable reuse projects from various recent Master Planning efforts in the county; such as the 2014 South Bay Water Recycling Strategic and Master Planning report.
- Identify potential sources of supplemental water.
- Submit initial Central Valley Project and State Water Project delivery schedules by December 2018.
- Complete the update to the district's Water Supply Master Plan by December 2018.
- Provide rebates for the conversion on 500,000 square feet of turf by June 2019.
- Analyze groundwater conditions to support water supply operations and long-term planning efforts. Ensure compliance with state groundwater sustainability requirements.
- 100% of 26 treated water meters at active treated water turnouts are read on a weekly basis.
- 100% of well construction/destruction activities (approximately 1,300 annually) are inspected.

### Budget Issues and Constraints

Available resources, hydrology, and imported water availability.

# Division Summaries

## Water Supply Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	79,832,635	75,556,992	76,989,129	1,432,137	2%
Operating	1,124,123	57,578	107,422	49,844	87%
Capital	9,831,136	10,098,068	13,243,961	3,145,893	31%
<b>Total</b>	<b>90,787,894</b>	<b>85,712,638</b>	<b>90,340,512</b>	<b>4,627,874</b>	<b>5%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Groundwater Management	2,749,085	2,689,489	2,825,477	135,987	5%
Deputy's Office of Water Supply Division	654,074	634,504	661,641	27,137	4%
Imported Water	72,279,645	69,364,866	70,179,376	814,510	1%
Water Supply Planning and Conservation	7,211,960	6,131,329	7,189,383	1,058,054	17%
Recycled and Purified Water Program	5,707,901	4,641,433	7,106,311	2,464,879	53%
Wells and Water Measurement	2,185,229	2,251,017	2,378,324	127,307	6%
<b>Total</b>	<b>90,787,894</b>	<b>85,712,638</b>	<b>90,340,512</b>	<b>4,627,874</b>	<b>5%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Water Supply Division	68	57	57	0**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.



# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Recycled and Purified Water Program</b>					
	Salaries & Benefits	1,401,833	1,469,711	1,695,740	226,029
	Consultants	1,597,966	2,758,500	2,115,000	(643,500)
	Direct Services	180,078	224,258	284,147	59,889
	Supplies	52,543	0	0	0
	Other Expenses	13,761	14,500	14,500	0
	Utilities	44	0	0	0
	Cost Sharing & Rebates	1,819,327	70,000	40,000	(30,000)
<b>Recycled and Purified Water Program (410) Total</b>		<b>5,065,551</b>	<b>4,536,969</b>	<b>4,149,387</b>	<b>(387,582)</b>
<b>Deputy's Office of Water Supply Division</b>					
	Salaries & Benefits	633,822	630,254	657,391	27,137
	Direct Services	13,547	0	0	0
	Supplies	736	0	0	0
	Other Expenses	5,968	4,250	4,250	0
<b>Deputy's Office of Water Supply Division (415) Total</b>		<b>654,074</b>	<b>634,504</b>	<b>661,641</b>	<b>27,137</b>
<b>Imported Water</b>					
	Salaries & Benefits	1,642,180	1,888,997	2,034,182	145,185
	Consultants	1,399,676	0	0	0
	Direct Services	16,922	31,501	39,500	7,999
	Supplies	1,258	500	500	0
	Other Expenses	194,732	187,750	187,900	150
	Cost Sharing & Rebates	1,122,017	2,667,000	11,994,468	9,327,468
	Water Purchases	58,962,087	54,873,949	45,839,401	(9,034,548)
<b>Imported Water (425) Total</b>		<b>63,338,872</b>	<b>59,649,697</b>	<b>60,095,951</b>	<b>446,254</b>
<b>Water Supply Planning and Conservation</b>					
	Salaries & Benefits	1,897,218	1,912,019	2,057,312	145,293
	Consultants	1,159,791	477,500	477,500	0
	Direct Services	405,613	251,300	338,500	87,200
	Supplies	63,768	84,310	95,300	10,990
	Other Expenses	5,527	19,000	26,970	7,970
	Cost Sharing & Rebates	3,632,012	3,257,850	4,070,000	812,150
<b>Water Supply Planning and Conservation (445) Total</b>		<b>7,163,929</b>	<b>6,001,979</b>	<b>7,065,582</b>	<b>1,063,603</b>
<b>Groundwater Management</b>					
	Salaries & Benefits	2,332,101	2,334,204	2,529,427	195,223
	Consultants	98,712	85,000	98,000	13,000
	Direct Services	44,061	71,000	75,300	4,300
	Supplies	26,730	15,300	17,650	2,350

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	12,499	34,900	30,000	(4,900)
	Cost Sharing & Rebates	35,000	0	0	0
<b>Groundwater Management (465) Total</b>		<b>2,549,103</b>	<b>2,540,404</b>	<b>2,750,377</b>	<b>209,973</b>
<b>Wells and Water Measurement</b>					
	Salaries & Benefits	2,018,744	2,028,167	2,140,162	111,995
	Consultants	4,485	23,000	74,250	51,250
	Direct Services	73,029	81,100	81,000	(100)
	Supplies	47,317	81,600	57,000	(24,600)
	Other Expenses	860	4,450	4,850	400
	Utilities	431	1,200	600	(600)
	Fixed Assets	40,363	31,500	15,750	(15,750)
<b>Wells and Water Measurement (475) Total</b>		<b>2,185,229</b>	<b>2,251,017</b>	<b>2,373,612</b>	<b>122,595</b>
<b>Operations Total</b>		<b>80,956,758</b>	<b>75,614,570</b>	<b>77,096,551</b>	<b>1,481,981</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Recycled and Purified Water Program</b>					
	Salaries & Benefits	282,943	104,464	156,924	52,460
	Consultants	0	0	2,800,000	2,800,000
	Cost Sharing & Rebates	359,407	0	0	0
<b>Recycled and Purified Water Program (410) Total</b>		<b>642,350</b>	<b>104,464</b>	<b>2,956,924</b>	<b>2,852,460</b>
<b>Deputy's Office of Water Supply Division</b>					
<b>Deputy's Office of Water Supply Division (415) Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Imported Water</b>					
	Salaries & Benefits	0	0	26,494	26,494
	Water Purchases	8,940,774	9,715,169	10,056,930	341,761
<b>Imported Water (425) Total</b>		<b>8,940,774</b>	<b>9,715,169</b>	<b>10,083,424</b>	<b>368,255</b>
<b>Water Supply Planning and Conservation</b>					
	Salaries & Benefits	48,031	129,350	123,801	(5,549)
<b>Water Supply Planning and Conservation (445) Total</b>		<b>48,031</b>	<b>129,350</b>	<b>123,801</b>	<b>(5,549)</b>
<b>Groundwater Management</b>					
	Salaries & Benefits	180,023	149,085	75,099	(73,986)
	Consultants	10,015	0	0	0

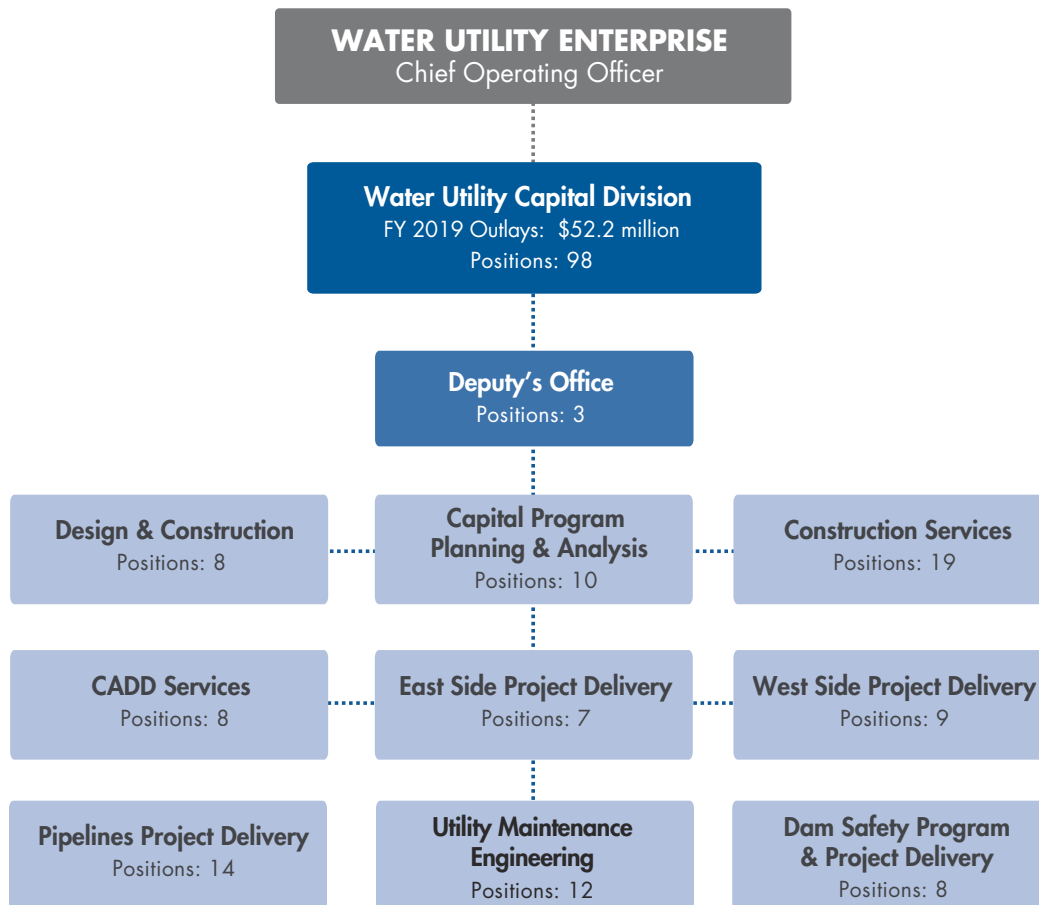
## Division Summaries

### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Direct Services	1,745	0	0	0
	Other Expenses	370	0	0	0
	Supplies	7,828	0	0	0
<b>Groundwater Management (465) Total</b>		<b>199,982</b>	<b>149,085</b>	<b>75,099</b>	<b>(73,986)</b>
<b>Wells and Water Measurement</b>					
	Salaries & Benefits	0	0	4,712	4,712
<b>Wells and Water Measurement (475) Total</b>		<b>0</b>	<b>0</b>	<b>4,712</b>	<b>4,712</b>
<b>Capital Total</b>		<b>9,831,136</b>	<b>10,098,068</b>	<b>13,243,961</b>	<b>3,145,893</b>
<b>Division Total</b>		<b>90,787,894</b>	<b>85,712,638</b>	<b>90,340,512</b>	<b>4,627,874</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Water Utility Capital Division



### Division Description and Objectives

The Water Utility Capital Division is responsible for planning, implementation and management of the Water Utility's portion of the District's rolling 5-year Capital Improvement Program (CIP). The objective of the Water Utility Capital program is to ensure that there is a reliable, clean water supply for current and future generations.

#### Design & Construction

The Design and Construction Department work on Capital Watershed Projects (Flood Protection and Fish Passage).

#### Capital Program Planning and Analysis

The Capital Program Planning and Analysis Department provides analytical support for both Water Utility Enterprise and Watershed capital projects including benchmarking and status reports. Runs the advertise and

## Division Summaries

award process for all public works projects over \$25,000 and provides support during construction. Assists with preparing and processing consultant agreements. Develops and produces the annual 5-year CIP including maintaining all backup data, managing the Staff CIP committee and the Board Ad Hoc CIP Committee.

### **Construction Services**

The Construction Services Department provides construction management and inspection for capital construction projects.

### **CADD Services**

The responsibilities of the CADD Department include the production of engineering drafting and minor design work, field investigations, management of CADD related software, in support of the District's water resources facilities, flood control and pipeline infrastructure, and watershed management.

### **East Side Project Delivery**

The East Side Project Delivery Department supports the implementation of the District's 5-Year Capital Improvement Program. Department staff manage and oversee the planning, design, and construction of various water supply capital projects, including those at the treatment plants and pumping plants.

### **West Side Project Delivery**

The West Side Project Delivery Department provides engineering services for the planning, design and construction of capital projects at the Rinconada Water Treatment Plant and other facilities as needed. In addition, the department prepares annual project and department budget requests and revises and adds to the Five-Year CIP as needed.

### **Pipelines Project Delivery**

The Pipelines Project Delivery Department is responsible for the planning, design and construction of the District's pipeline infrastructure defined in the District's 5 year CIP as well as other District documents. The department also provides structural and geotechnical engineering services and support District-wide. Majority of the staff are comprised of civil, structural and geotechnical engineers.

### **Utility Maintenance Engineering**

The Utility Maintenance Engineering Department provides sound civil and mechanical engineering as well as corrosion control services in support of Water Utility Operations and Maintenance Programs. The department also manages several Capital Projects related to large diameter pipeline inspection and rehabilitation and Pre-stressed Concrete Cylinder Pipe (PCCP) risk mitigation.

### **Dam Safety Program and Project Delivery**

The Dam Safety Program and Project Delivery Department manages maintenance, inspections, regulatory compliance, and safety of the District dams. In addition, the department also delivers all capital projects related to the dams. The dam safety and dam maintenance activities are carried out through the department's Dam Safety Program (91081007) and the Dams and Reservoirs Maintenance Program (91761099). Capital projects currently being managed by the department include - Anderson Dam Seismic Retrofit Project (91864005), Calero Dam

## Division Summaries

Seismic Retrofit Project (91874004) and the Guadalupe Dam Seismic Retrofit Project (91894002). Other dam-related projects currently managed by the department include Almaden Intake Project (91854001), Dam Safety Evaluation - Phase 1 Project (91084019), and Penitencia Water Treatment Plant Landslide Monitoring (93231007).

### FY 2018 Accomplishments

- Geotechnical investigations for the Calero and Guadalupe Dams Seismic Retrofit and Almaden Dam Improvement Projects were completed.
- 60% design plans completed for Anderson and Guadalupe Dams Seismic Retrofit Projects.
- Construction was completed for the Penitencia Delivery and Force Main Seismic Retrofit Project.
- Several construction projects were completed at the Penitencia Water Treatment Plant (PWTP): the seismic retrofit of the operations building; the clearwell recoating and repair; and installation of a fluoridation system.
- A new fluoridation system was installed and brought online at the Santa Teresa Water Treatment Plant.
- The Wolfe Road Recycled Water Facilities Project installed approximately 13,300 lineal feet of 24" inch diameter recycled water pipeline and appurtenances to expand the recycled water distribution system in the City of Sunnyvale and provide recycled water service to the Apple 2 campus.
- Eighty (80) distressed segments of the Almaden Valley Pipeline were successfully repaired using carbon fiber wrap in a 2-month emergency repair period.
- An expanded shortlist for the P3 procurement for the Expedited Purified Water Program was developed through a second RFQ process.

### FY 2019 Milestones

- Complete Phase II of the Rinconada Water Treatment Plant Reliability Improvement Project.
- Release Draft Environmental Impact Reports (EIR) for the Anderson and Guadalupe Dams Seismic Retrofit Projects for public review.
- Request Board certification of the Final EIR for the Anderson Dam Seismic Retrofit Project
- Complete 90% design for the Anderson, Calero, and Guadalupe Dam Seismic Retrofit Projects.
- Complete construction of the Main/Madrone Pipelines Restoration Project.
- Complete construction of the Coyote Warehouse.
- Initiate planning and preliminary design of the Vasona Pumping Plant Upgrade and Coyote Pumping Plant Adjustable Speed Drive Projects.
- Continue 10-Year Pipeline Inspection and Rehabilitation Program work.
- Complete the RFP process for the Expedited Purified Water Program and execute a Development Period Agreement with the highest-ranked P3 entity.

### Budget Issues and Constraints

The amount of funding available, derived from groundwater production charges in both North and South County, will determine the number of Capital Projects which will be funded in a given year. Current staffing levels will preclude the implementation of projects not already identified within the 5-year CIP. Staff availability and support

## Division Summaries

outside of the Water Utility Capital Division is also a factor affecting completion of the projected milestones and the volume of work that can be accomplished. Project progress can be greatly affected by external factors outside of the District (i.e., securing permits; obtaining timely reviews and approvals of project deliverables; timely development and execution of agreements with external agencies).

## Division Summaries

### Water Utility Capital Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	3,764,570	3,837,469	3,417,932	(419,537)	-11%
Operating	20,416	9,493	7,093	(2,400)	-25%
Capital	95,394,292	51,421,358	48,792,346	(2,629,013)	-5%
<b>Total</b>	<b>99,179,278</b>	<b>55,268,320</b>	<b>52,217,370</b>	<b>(3,050,950)</b>	<b>-6%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Capital Prog Plan and Analysis	1,160,482	(128,365,338)	(111,136,321)	17,229,017	-13%
West Side Project Delivery	45,986,830	62,453,471	50,433,723	(12,019,748)	-19%
Pipelines Project Delivery	19,491,503	15,817,472	29,354,614	13,537,142	86%
Dam Safety Program and project delivery	3,644,347	13,693,909	21,323,850	7,629,941	56%
East Side Project Delivery	4,558,688	6,657,146	15,770,708	9,113,561	137%
Deputy's Office of Water Utility Capital Division	961,215	820,004	1,066,949	246,945	30%
Utility Maintenance Engineering	5,862,796	22,584,698	12,672,823	(9,911,875)	-44%
CADD Services	1,171,958	1,266,307	1,334,206	67,899	5%
Construction Services	3,902,714	6,855,516	7,451,695	596,178	9%
Design & Construction Unit 3	12,438,744	53,485,136	23,945,123	(29,540,013)	-55%
<b>Total</b>	<b>99,179,278</b>	<b>55,268,321</b>	<b>52,217,370</b>	<b>(3,050,950)</b>	<b>-6%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Water Utility Capital Division	70	97	98	1**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.



# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of Water Utility Capital Division</b>					
	Salaries & Benefits	118,275	150,684	2,346	(148,338)
	Direct Services	1,821	0	0	0
	Supplies	89	0	0	0
	Other Expenses	304	0	0	0
<b>Deputy's Office of Water Utility Capital Division (315) Total</b>		<b>120,489</b>	<b>150,684</b>	<b>2,346</b>	<b>(148,338)</b>
<b>Design &amp; Construction Unit 3</b>					
	Salaries & Benefits	4,113	19,608	8,022	(11,586)
	Direct Services	11,915	0	0	0
	Supplies	19	0	0	0
<b>Design &amp; Construction Unit 3 (333) Total</b>		<b>16,047</b>	<b>19,608</b>	<b>8,022</b>	<b>(11,586)</b>
<b>Capital Prog Plan and Analysis</b>					
	Salaries & Benefits	33,685	28,622	5,317	(23,305)
<b>Capital Prog Plan and Analysis (335) Total</b>		<b>33,685</b>	<b>28,622</b>	<b>5,317</b>	<b>(23,305)</b>
<b>Construction Services</b>					
	Salaries & Benefits	132,061	21,901	43,915	22,014
	Direct Services	10,821	0	0	0
	Supplies	465	0	0	0
	Consultants	3,230	23,000	0	(23,000)
<b>Construction Services (351) Total</b>		<b>146,576</b>	<b>44,901</b>	<b>43,915</b>	<b>(986)</b>
<b>CADD Services</b>					
	Salaries & Benefits	239,433	165,601	158,839	(6,762)
	Direct Services	44,314	49,000	56,000	7,000
	Supplies	0	500	300	(200)
<b>CADD Services (366) Total</b>		<b>283,747</b>	<b>215,101</b>	<b>215,139</b>	<b>38</b>
<b>East Side Project Delivery</b>					
	Salaries & Benefits	198,976	70,235	61,651	(8,585)
<b>East Side Project Delivery (375) Total</b>		<b>198,976</b>	<b>70,235</b>	<b>61,651</b>	<b>(8,585)</b>
<b>West Side Project Delivery</b>					
	Salaries & Benefits	57,065	6,020	5,125	(895)
	Direct Services	2,700	0	0	0
<b>West Side Project Delivery (376) Total</b>		<b>59,765</b>	<b>6,020</b>	<b>5,125</b>	<b>(895)</b>
<b>Pipelines Project Delivery</b>					
	Salaries & Benefits	39,231	92,140	32,073	(60,066)
	Direct Services	7,327	0	0	0

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Supplies	285	0	0	0
<b>Pipelines Project Delivery (385) Total</b>		<b>46,842</b>	<b>92,140</b>	<b>32,073</b>	<b>(60,066)</b>
<b>Utility Maintenance Engineering</b>					
	Salaries & Benefits	1,329,828	1,474,904	1,101,813	(373,092)
	Direct Services	200,280	62,500	44,000	(18,500)
	Supplies	15,507	71,500	5,000	(66,500)
	Other Expenses	68,087	5,000	10,000	5,000
	Consultants	55,281	260,000	0	(260,000)
	Utilities	13,397	11,400	3,200	(8,200)
<b>Utility Maintenance Engineering (435) Total</b>		<b>1,682,380</b>	<b>1,885,304</b>	<b>1,164,013</b>	<b>(721,292)</b>
<b>Dam Safety Program and project delivery</b>					
	Salaries & Benefits	719,032	638,866	831,093	192,227
	Direct Services	195,259	304,300	374,650	70,350
	Supplies	24,284	42,000	42,000	0
	Other Expenses	222,097	214,180	254,680	40,500
	Consultants	35,012	135,000	385,000	250,000
	Utilities	794	0	0	0
<b>Dam Safety Program and project delivery (595) Total</b>		<b>1,196,478</b>	<b>1,334,346</b>	<b>1,887,423</b>	<b>553,077</b>
<b>Operations Total</b>		<b>3,784,986</b>	<b>3,846,962</b>	<b>3,425,024</b>	<b>(421,938)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of Water Utility Capital Division</b>					
	Salaries & Benefits	745,132	659,519	820,503	160,983
	Consultants	994	0	0	0
	Direct Services	18,322	0	0	0
	Supplies	1,400	600	1,400	800
	Other Expenses	73,409	9,200	242,700	233,500
	Fixed Assets	1,469	0	0	0
<b>Deputy's Office of Water Utility Capital Division (315) Total</b>		<b>840,726</b>	<b>669,319</b>	<b>1,064,603</b>	<b>395,283</b>
<b>Design &amp; Construction Unit 3</b>					
	Salaries & Benefits	1,375,956	1,527,378	1,645,001	117,623
	Consultants	4,556,310	2,680,000	6,987,000	4,307,000
	Direct Services	78,857	659,000	1,387,000	728,000

# Division Summaries

## Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Supplies	298,853	5,100	30,000	24,900
	Other Expenses	177,094	30,531,550	2,978,100	(27,553,450)
	Fixed Assets	5,852,284	17,257,500	10,710,000	(6,547,500)
	Utilities	83,342	805,000	200,000	(605,000)
<b>Design &amp; Construction Unit 3 (333) Total</b>		<b>12,422,697</b>	<b>53,465,528</b>	<b>23,937,101</b>	<b>(29,528,427)</b>
<b>Capital Prog Plan and Analysis</b>					
	Salaries & Benefits	1,099,496	1,760,004	1,873,955	113,952
	Consultants	18,107	3,500	22,500	19,000
	Direct Services	2,967	2,500	3,000	500
	Supplies	804	1,200	1,100	(100)
	Other Expenses	5,423	(130,161,163)	(113,042,193)	17,118,970
<b>Capital Prog Plan and Analysis (335) Total</b>		<b>1,126,797</b>	<b>(128,393,959)</b>	<b>(111,141,637)</b>	<b>17,252,322</b>
<b>Construction Services</b>					
	Salaries & Benefits	3,163,344	3,406,315	3,853,079	446,764
	Consultants	370,976	3,291,000	3,350,000	59,000
	Direct Services	211,539	89,300	185,500	96,200
	Supplies	1,206	5,000	5,000	0
	Other Expenses	9,072	19,000	14,200	(4,800)
<b>Construction Services (351) Total</b>		<b>3,756,137</b>	<b>6,810,615</b>	<b>7,407,779</b>	<b>597,164</b>
<b>CADD Services</b>					
	Salaries & Benefits	884,076	1,047,906	1,113,417	65,511
	Supplies	56	100	400	300
	Other Expenses	4,079	3,200	5,250	2,050
<b>CADD Services (366) Total</b>		<b>888,211</b>	<b>1,051,206</b>	<b>1,119,067</b>	<b>67,861</b>
<b>East Side Project Delivery</b>					
	Salaries & Benefits	1,360,037	1,428,411	1,487,257	58,846
	Consultants	286,804	694,800	13,430,100	12,735,300
	Direct Services	48,964	130,000	140,000	10,000
	Supplies	25,265	40,400	40,400	0
	Other Expenses	47,072	166,000	104,000	(62,000)
	Fixed Assets	2,591,481	4,127,300	507,300	(3,620,000)
	Utilities	88	0	0	0
<b>East Side Project Delivery (375) Total</b>		<b>4,359,712</b>	<b>6,586,911</b>	<b>15,709,057</b>	<b>9,122,146</b>
<b>West Side Project Delivery</b>					
	Salaries & Benefits	1,273,432	1,623,451	1,797,597	174,146
	Consultants	3,772,736	12,225,000	10,464,000	(1,761,000)
	Direct Services	517,254	100,000	785,000	685,000

# Division Summaries

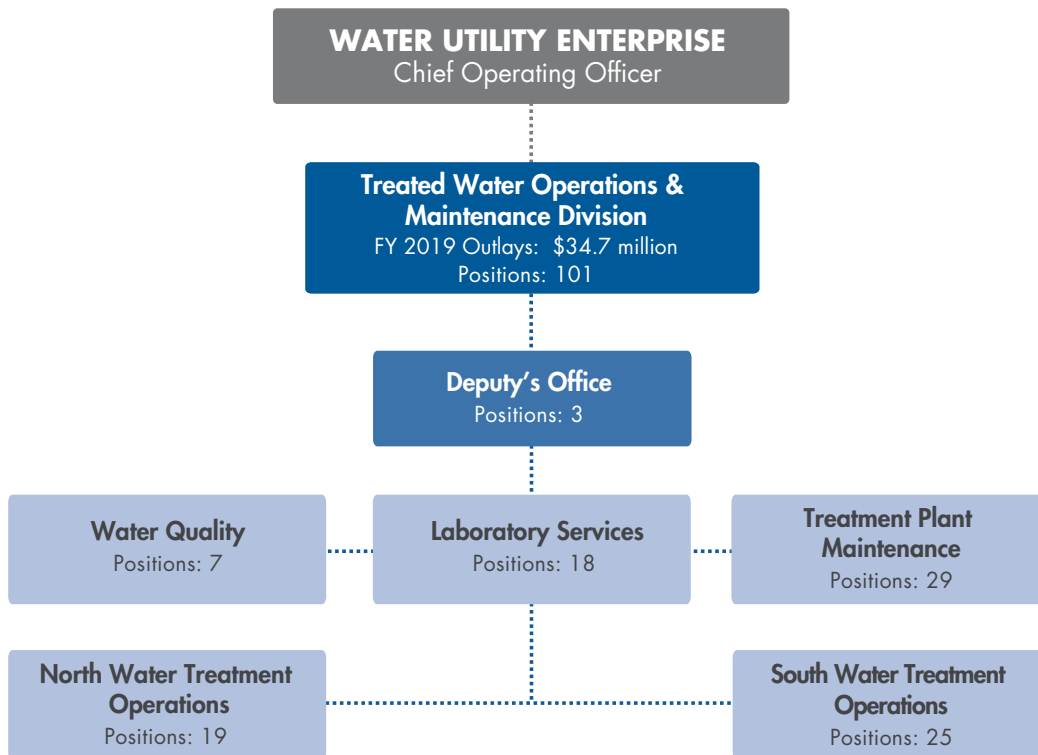
## Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Supplies	121,684	42,000	0	(42,000)
	Other Expenses	20,376	0	12,000	12,000
	Fixed Assets	40,218,482	48,457,000	37,370,000	(11,087,000)
	Utilities	3,101	0	0	0
<b>West Side Project Delivery (376) Total</b>		<b>45,927,065</b>	<b>62,447,451</b>	<b>50,428,597</b>	<b>(12,018,854)</b>
<b>Pipelines Project Delivery</b>					
	Salaries & Benefits	2,064,741	2,333,107	2,516,016	182,909
	Consultants	8,488,915	1,200,000	2,720,000	1,520,000
	Direct Services	89,462	75,325	604,625	529,300
	Supplies	1,172	700	700	0
	Other Expenses	73,493	41,200	171,200	130,000
	Fixed Assets	8,720,753	12,075,000	23,310,000	11,235,000
	Utilities	6,125	0	0	0
<b>Pipelines Project Delivery (385) Total</b>		<b>19,444,661</b>	<b>15,725,332</b>	<b>29,322,541</b>	<b>13,597,209</b>
<b>Utility Maintenance Engineering</b>					
	Salaries & Benefits	674,362	805,994	1,271,810	465,817
	Consultants	2,568,565	4,956,000	3,545,000	(1,411,000)
	Direct Services	13,215	11,798,500	4,100,000	(7,698,500)
	Supplies	540,129	3,052,500	2,400,000	(652,500)
	Other Expenses	48,645	86,400	192,000	105,600
	Fixed Assets	335,501	0	0	0
<b>Utility Maintenance Engineering (435) Total</b>		<b>4,180,417</b>	<b>20,699,394</b>	<b>11,508,810</b>	<b>(9,190,583)</b>
<b>Dam Safety Program and project delivery</b>					
	Salaries & Benefits	914,677	1,117,362	1,258,301	140,939
	Consultants	1,493,170	10,122,000	15,235,326	5,113,326
	Direct Services	6,073	85,200	28,800	(56,400)
	Supplies	306	0	0	0
	Other Expenses	33,643	85,000	2,064,000	1,979,000
	Fixed Assets	0	950,000	850,000	(100,000)
<b>Dam Safety Program and project delivery (595) Total</b>		<b>2,447,869</b>	<b>12,359,562</b>	<b>19,436,427</b>	<b>7,076,865</b>
<b>Capital Total</b>		<b>95,394,292</b>	<b>51,421,358</b>	<b>48,792,346</b>	<b>(2,629,013)</b>
<b>Division Total</b>		<b>99,179,278</b>	<b>55,268,320</b>	<b>52,217,370</b>	<b>(3,050,950)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Treated Water Operations & Maintenance Division



### Division Description and Objectives

The Treated Water Operations and Maintenance Division operates and maintains the District's three drinking Water Treatment Plants (WTP) – 100 MGD Santa Teresa WTP in south San Jose, 40 MGD Penitencia WTP in east San Jose and 80 MGD Rinconada WTP in Los Gatos; an advanced water purification center in North San Jose; a state-of-the-art water quality laboratory that performs close to 200,000 tests annually; 140 miles of large transmission pipelines; 400 acres of ponds that recharge the groundwater basin, which is our storage facility, and holds more water than our 10 reservoirs combined; and a three MGD wellfield in Campbell that is can be used to supplement treated water from Rinconada. The division is also the operator of a 40 MGD joint intertie facility in Milpitas co-owned with the San Francisco Public Utilities Commission.

#### Water Quality

The Water Quality Department has eight full-time staff made up of a manager, water quality engineers and a water quality specialist. The main focus of the Department is to provide process engineering support to our drinking water treatment plants and source water protection and monitoring to ensure quality drinking water for our customers.

# Division Summaries

## Laboratory Services

The Laboratory Services Department purchases of all necessary laboratory supplies and equipment to meet water quality monitoring requirements. It supports all sampling and analysis of surface and treated water, transmission & distribution systems, recycled water, process control for treatment plants, local groundwater basins, and groundwater recharge facilities, for State regulatory compliance. It also maintains lab certification with the California Regional Water Quality Control Board, Environmental Laboratory Accreditation Program.

## Treatment Plant Maintenance

The Treatment Plant Maintenance Department has skilled-craft maintenance staff, service contracts, parts and equipment required to sustain operations of the Santa Teresa (STWTP), Penitencia (PWTP), Rinconada (RWTP) water treatment plants, Campbell Well Field (CWF), and San Francisco Intertie (SFI) to produce drinking water.

## North Water Treatment Operations

The North Water Treatment Operations Department is responsible for operating one District's drinking water treatment plant (Penitencia Water Treatment Plant), the joint intertie facility with San Francisco Public Utilities Commission (SFPUC), as well as operations and maintenance of the Silicon Valley Advanced Water Purification Center (SVAWPC).

## South Water Treatment Operations

The South Water Treatment Operations Department is responsible for the efficient operations and management of the District's Rinconada Water Treatment Plant (RWTP) and Santa Teresa Water Treatment Plant (STWTP) and the Campbell Well Field.

## FY 2018 Accomplishments

- Startup of fluoridation at our Penitencia Water Treatment Plant.
- Completed updated ELAP lab certification to comply with the more stringent revised standards.
- Completed a disinfection of the joint SFPUC/District Intertie Pump Station.
- Completed preventive maintenance activities as prescribed and all high priority CM's.
- STWTP completed critical repair activities for the aqueous ammonia and sodium hypochlorite chemical systems during the shutdown from October 2017 to March 2018.
- Modified the microeffluent pumps at SVAWPC to resolve resonant vibration issues.
- Reviewed, updated and created new emergency response standard operating procedures for PWTP, STWTP, and RWTP in line with recommendations from the Infrastructure Reliability Project.
- 100% of treated water met drinking water standards (No water quality violation or unplanned treated water delivery interruption). Overall retailer survey results were good or excellent
- RWTP completed a second year of operation without any plant interruptions or water quality violations while undergoing Reliability Improvement Project construction.

# Division Summaries

## FY 2019 Milestones

- Supply approximately 110,000 acre-feet of treated water by contract annually to 7 treated water retailers.
- 100% of treated water meets or surpasses drinking water standards.
- Surface Water Treatment Rule Monitoring report is submitted to Division of Drinking Water (DDW) on time - by the 10th of each month.
- Submit annual Source & Treated Water reports to WUE staff, treated water retailers, and DDW by 2/15/2018. This includes the Consumer Confidence Report (CCR).
- Maintain state certification through the California Environmental Laboratory Accreditation Program (CA ELAP) for all fields of testing, including performance testing, by 11/2019.
- Complete review of the Water Treatment Plants' Operations Plans for Rinconada, Santa Teresa, Penitencia and the SVAWPC by February of each year and update as needed and submit to DDW by June of each year.
- Complete and submit the annual reservoir monitoring report to the DDW annually by August 31 of each year.
- Work with Santa Clara County Parks to maintain an ongoing invasive mussel vessel inspection program on District reservoirs.
- Operate the SFPUC-SCVWD Intertie during emergencies or when needed for maintenance activities for both parties. Treated water is traded and water balance is kept to a minimum at the end of each year.
- Supply purified water that has been treated by microfiltration, reverse osmosis and ultraviolet light disinfection, up to 8-million gallons per day, to South Bay Water Recycling in accordance with the Operations and Maintenance Agreement with the City of San Jose.

## Budget Issues and Constraints

Maintenance resources continue to be constrained as a result of staff support necessary for capital projects under construction such as the Reliability Improvement Project and Residuals Management Project. The impact of the resource constraint is that completion rates for preventive maintenance, corrective maintenance and planned work under the Annual Maintenance Work Plan may come in below the target of 90%, 80%, and 100%, respectively.

## Division Summaries

### Treated Water Operations & Maintenance Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	27,982,385	30,375,817	31,146,323	770,506	3%
Operating	4,416	0	0	0	3%
Capital	1,822,475	3,424,037	3,569,527	145,490	4%
<b>Total</b>	<b>29,809,276</b>	<b>33,799,854</b>	<b>34,715,850</b>	<b>915,996</b>	<b>3%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Water Quality	2,181,672	2,497,972	1,861,041	(636,932)	-25%
Deputy's Office of WU Operations & Maintenance Div	803,034	812,996	723,904	(89,092)	-11%
South Water Treatment Operations	9,042,768	10,549,695	10,933,012	383,318	4%
Treatment Plant Maintenance	7,844,343	8,484,411	9,574,253	1,089,841	13%
North Water Treatment Operations	6,266,863	7,262,512	7,139,291	(123,221)	-2%
Laboratory Services	3,670,596	4,192,268	4,484,349	292,081	7%
<b>Total</b>	<b>29,809,276</b>	<b>33,799,854</b>	<b>34,715,850</b>	<b>915,996</b>	<b>3%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Treated Water Operations & Maintenance Division	124	101	101	0**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.



# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of WU Operations &amp; Maintenance Div</b>					
	Salaries & Benefits	604,043	730,300	640,946	(89,354)
	Direct Services	8,055	0	0	0
	Supplies	3,440	0	0	0
	Other Expenses	5,286	6,850	6,850	0
<b>Deputy's Office of WU Operations &amp; Maintenance Div (515) Total</b>		<b>620,824</b>	<b>737,150</b>	<b>647,796</b>	<b>(89,354)</b>
<b>Water Quality</b>					
	Salaries & Benefits	1,335,552	1,409,531	1,341,485	(68,046)
	Consultants	194,080	6,200	3,200	(3,000)
	Direct Services	53,675	65,280	52,000	(13,280)
	Supplies	4,424	4,750	2,000	(2,750)
	Other Expenses	80,751	104,050	104,050	0
	Cost Sharing & Rebates	464,390	485,000	0	(485,000)
<b>Water Quality (525) Total</b>		<b>2,132,872</b>	<b>2,074,811</b>	<b>1,502,735</b>	<b>(572,076)</b>
<b>Laboratory Services</b>					
	Salaries & Benefits	2,781,933	2,879,934	3,271,197	391,263
	Consultants	119,909	85,000	88,000	3,000
	Direct Services	211,548	218,160	252,320	34,160
	Supplies	345,826	310,000	327,750	17,750
	Other Expenses	20,503	27,400	12,000	(15,400)
	Cost Sharing & Rebates	0	0	475,000	475,000
	Fixed Assets	52,277	49,500	49,500	0
<b>Laboratory Services (535) Total</b>		<b>3,531,995</b>	<b>3,569,994</b>	<b>4,475,767</b>	<b>905,773</b>
<b>Treatment Plant Maintenance</b>					
	Salaries & Benefits	4,193,245	4,310,212	4,330,275	20,063
	Consultants	378,846	0	0	0
	Direct Services	471,835	698,000	928,000	230,000
	Supplies	1,554,684	1,545,000	1,533,000	(12,000)
	Other Expenses	759	0	1,000	1,000
	Cost Sharing & Rebates	0	25,000	25,000	0
	Fixed Assets	3,072	10,000	10,000	0
<b>Treatment Plant Maintenance (555) Total</b>		<b>6,602,441</b>	<b>6,588,212</b>	<b>6,827,275</b>	<b>239,063</b>
<b>North Water Treatment Operations</b>					
	Salaries & Benefits	3,178,757	3,683,250	3,712,791	29,542
	Consultants	112,261	193,000	230,000	37,000
	Direct Services	194,589	217,000	230,500	13,500
	Supplies	2,218,231	1,934,500	1,783,500	(151,000)

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	5,926	33,500	33,500	0
	Utilities	558,916	1,178,000	1,149,000	(29,000)
<b>North Water Treatment Operations (565) Total</b>		<b>6,268,680</b>	<b>7,239,250</b>	<b>7,139,291</b>	<b>(99,958)</b>
<b>South Water Treatment Operations</b>					
	Salaries & Benefits	4,320,008	4,316,700	4,547,758	231,058
	Consultants	10,734	12,500	12,500	0
	Direct Services	82,819	218,778	189,000	(29,778)
	Supplies	2,779,527	4,121,422	4,071,200	(50,222)
	Other Expenses	9,945	51,000	27,000	(24,000)
	Utilities	1,626,955	1,446,000	1,706,000	260,000
<b>South Water Treatment Operations (566) Total</b>		<b>8,829,988</b>	<b>10,166,400</b>	<b>10,553,458</b>	<b>387,058</b>
<b>Operations Total</b>		<b>27,986,801</b>	<b>30,375,817</b>	<b>31,146,323</b>	<b>770,506</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of WU Operations &amp; Maintenance Div</b>					
	Salaries & Benefits	182,210	75,845	76,108	263
<b>Deputy's Office of WU Operations &amp; Maintenance Div (515) Total</b>		<b>182,210</b>	<b>75,845</b>	<b>76,108</b>	<b>263</b>
<b>Water Quality</b>					
	Salaries & Benefits	42,929	148,161	108,306	(39,856)
	Consultants	5,871	275,000	250,000	(25,000)
<b>Water Quality (525) Total</b>		<b>48,800</b>	<b>423,161</b>	<b>358,306</b>	<b>(64,856)</b>
<b>Laboratory Services</b>					
	Salaries & Benefits	3,296	2,274	8,582	6,308
	Other Expenses	720	0	0	0
	Fixed Assets	134,585	620,000	0	(620,000)
<b>Laboratory Services (535) Total</b>		<b>138,601</b>	<b>622,274</b>	<b>8,582</b>	<b>(613,692)</b>
<b>Treatment Plant Maintenance</b>					
	Salaries & Benefits	458,388	520,199	976,977	456,778
	Consultants	13,570	0	0	0
	Direct Services	63,064	68,000	264,000	196,000
	Supplies	636,798	413,000	906,000	493,000
	Other Expenses	40	0	0	0

## Division Summaries

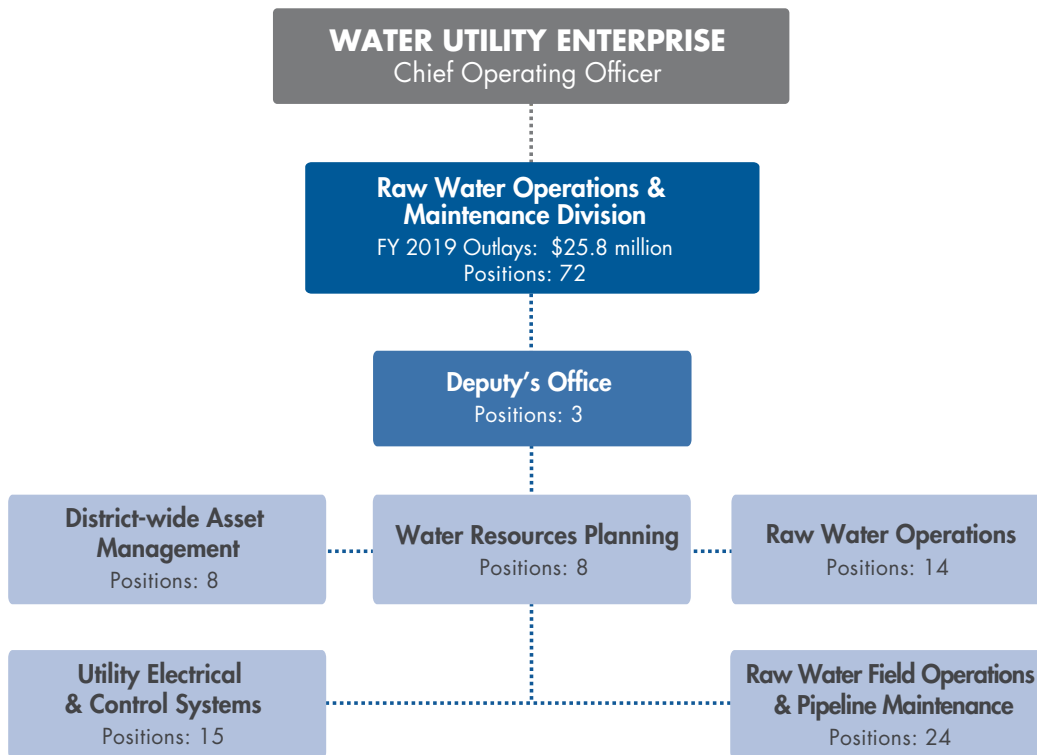
### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Fixed Assets	70,041	895,000	600,000	(295,000)
<b>Treatment Plant Maintenance (555) Total</b>		<b>1,241,902</b>	<b>1,896,199</b>	<b>2,746,977</b>	<b>850,778</b>
<b>North Water Treatment Operations</b>					
	Salaries & Benefits	685	23,263	0	(23,263)
	Supplies	(2,502)	0	0	0
<b>North Water Treatment Operations (565) Total</b>		<b>(1,817)</b>	<b>23,263</b>	<b>0</b>	<b>(23,263)</b>
<b>South Water Treatment Operations</b>					
	Salaries & Benefits	211,339	383,295	379,554	(3,741)
	Direct Services	1,440	0	0	0
<b>South Water Treatment Operations (566) Total</b>		<b>212,780</b>	<b>383,295</b>	<b>379,554</b>	<b>(3,741)</b>
<b>Capital Total</b>		<b>1,822,475</b>	<b>3,424,037</b>	<b>3,569,527</b>	<b>145,490</b>
<b>Division Total</b>		<b>29,809,276</b>	<b>33,799,854</b>	<b>34,715,850</b>	<b>915,996</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Raw Water Operations & Maintenance Division



### Division Description and Objectives

The Raw Water Operations and Maintenance Division maintains and/or operates 142 miles of large diameter transmission pipelines including 85 miles of raw water pipelines, three pumping plants and 393 acres of ponds used to recharge the groundwater basin. The use of local and imported raw water supplies are maximized to meet treated water, groundwater recharge and environmental needs.

The Division also provides District-wide electrical, control and SCADA systems engineering to enable the continued operation of critical District Facilities. The Division manages the District's Asset Management programs for Water Utility, Watershed, and Administration.

The Division also oversees the Computerized Maintenance Management System (CMMS), and the Environmental Services program for the Water Utility Enterprise (WUE) to ensure coordinated compliance with provisions of the California Environmental Quality Act (CEQA), as well as applicable regulatory requirements and permitting. This also includes supervision of District compliance with the Valley Habitat Plan permit, which provides ESA and CESA clearance for Water Utility operations, maintenance and capital projects. The Division's District-wide Energy Management program effectively reduces electricity costs by approximately one million dollars annually.

# Division Summaries

## **District-wide Asset Management**

The District-wide Asset Management Department implements and continually improves asset management standards and information systems based on industry best practices. The Department manages the District's Water Utility, Watershed, and Administration Asset management programs, and supports the users of the District's Computerized Maintenance Management System (CMMS), Maximo.

## **Water Resources Planning**

The Water Resources Planning Department provides the environmental services program for the Water Utility Enterprise (WUE). The services ensure coordinated compliance with provisions of the California Environmental Quality Act (CEQA), applicable regulatory requirements, and managing District compliance with the Valley Habitat Plan permit which provides ESA and CESA clearance for WUE operations, maintenance and capital projects. These services include environmental planning and review, preparation of CEQA documents, regulatory permit acquisition and monitoring, biological support and CEQA mitigation monitoring.

## **Raw Water Operations**

The Raw Water Operations Department performs the day-to-day operations planning and remote operations of the District's Raw Water System consisting of:

- 10 water supply reservoirs with a combined storage capacity of about 169,000 acre-feet
- 3 Raw Water Pump Stations with over 37,000 combined horsepower
- 1 hydro-electric facility
- 94 miles of large diameter raw water pipelines and tunnels
- 99 groundwater recharge ponds
- 86 miles of streams managed for groundwater recharge.

The department also performs the required water right and regulatory compliance reporting to maintain and protect local water supply operations.

## **Utility Electrical & Control Systems**

The Utility Electrical & Control Systems Department provides electrical and control systems engineering services to the District's treated water facilities: Penitencia, Santa Teresa, and Rinconada water treatment plants, 40 miles of treated water pipelines, the Campbell Well Field, and a pump station jointly owned and operated with the San Francisco Public Utilities Commission. Service is also provided to the Silicon Valley Advanced Water Purification Center and the following raw water facilities, 10 reservoirs, three pumping plants, 94 miles of large transmission pipelines and 393 acres of groundwater recharge ponds. The department manages the District-wide energy management program.

## **Raw Water Field Operations & Pipeline Maintenance**

The Raw Water Field Operations and Pipeline Maintenance Department is responsible for the mechanical, electrical and control system preventive, corrective, and rehabilitative maintenance of the pipeline infrastructure which includes three pump stations (Pacheco, Coyote and Vasona) and 142 miles of pipeline. Also included is the operation of recharge and water distribution systems for groundwater basins, reservoirs, canals, spreader dams, and other water supply infrastructure.

## Division Summaries

### **FY 2018 Accomplishments**

- Completed FY 19-23 Water Utility Maintenance Work Plan.
- Reported quarterly on environmental and biological review and permit requirements.
- Planned and executed on work projects identified in the 5 Year Maintenance Work Plan.
- Maintained reliable raw water and pipeline facilities by performing scheduled preventative maintenance.

### **FY 2019 Milestones**

- Complete FY 20-24 Water Utility Maintenance Work Plan.
- Report quarterly on environmental and biological review and permit requirements.
- Plan and execute on work projects identified in the 5 Year Maintenance Work Plan.
- Maintain reliable raw water and pipeline facilities by performing scheduled preventative maintenance.

### **Budget Issues and Constraints**

Limited resources and an increase in operational, maintenance and regulatory requirements which escalate the demands on staff time and resources.

## Division Summaries

### Raw Water Operations & Maintenance Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	17,835,679	17,081,093	18,909,505	1,828,412	11%
Operating	145,158	0	1,000,000	1,000,000	11%
Capital	2,469,713	4,896,587	5,930,367	1,033,780	21%
<b>Total</b>	<b>20,450,550</b>	<b>21,977,679</b>	<b>25,839,872</b>	<b>3,862,193</b>	<b>18%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Water Resources Planning	3,758,337	1,824,751	2,910,520	1,085,769	60%
District-wide Asset Management	2,060,939	2,234,420	2,968,757	734,337	33%
Raw Water Operations	3,223,435	3,279,907	3,575,257	295,351	9%
Utility Electrical & Control Systems	3,630,656	4,344,764	4,470,050	125,286	3%
Deputy's Office of Raw Water Ops & Maint Division	404,294	643,459	629,992	(13,466)	-2%
Raw Wtr Field Ops & Pipe Maint	7,372,889	9,650,379	11,285,296	1,634,917	17%
<b>Total</b>	<b>20,450,550</b>	<b>21,977,679</b>	<b>25,839,872</b>	<b>3,862,193</b>	<b>18%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

#### Authorized Positions (excluding fellowships)

Raw Water Operations & Maintenance Division	54	72	72	0**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of Raw Water Ops &amp; Maint Division</b>					
	Salaries & Benefits	400,468	639,659	623,992	(15,666)
	Consultants	261	0	0	0
	Direct Services	321	0	1,000	1,000
	Supplies	2,363	300	0	(300)
	Other Expenses	790	3,500	5,000	1,500
<b>Deputy's Office of Raw Water Ops &amp; Maint Division (408) Total</b>		<b>404,201</b>	<b>643,459</b>	<b>629,992</b>	<b>(13,466)</b>
<b>District-wide Asset Management</b>					
	Salaries & Benefits	1,652,834	1,618,058	1,599,723	(18,335)
	Consultants	339,995	415,000	1,015,000	600,000
	Direct Services	36,667	150,000	150,000	0
	Supplies	14,021	10,000	60,000	50,000
	Other Expenses	11,694	16,000	17,500	1,500
	Fixed Assets	0	10,000	0	(10,000)
<b>District-wide Asset Management (411) Total</b>		<b>2,055,212</b>	<b>2,219,058</b>	<b>2,842,223</b>	<b>623,165</b>
<b>Water Resources Planning</b>					
	Salaries & Benefits	1,060,173	1,098,068	942,272	(155,796)
	Consultants	516,259	0	0	0
	Direct Services	117,739	188,000	188,000	0
	Supplies	3,091	4,000	4,000	0
	Other Expenses	1,591,341	4,000	3,200	(800)
	Cost Sharing & Rebates	0	40,000	1,040,000	1,000,000
<b>Water Resources Planning (412) Total</b>		<b>3,288,604</b>	<b>1,334,068</b>	<b>2,177,472</b>	<b>843,404</b>
<b>Raw Water Operations</b>					
	Salaries & Benefits	2,616,763	2,823,257	3,034,239	210,982
	Consultants	95,314	20,000	25,000	5,000
	Direct Services	14,173	82,500	87,500	5,000
	Supplies	17,067	36,000	13,500	(22,500)
	Other Expenses	34,274	30,850	34,850	4,000
	Fixed Assets	4,647	0	0	0
	Utilities	431,041	287,300	362,300	75,000
<b>Raw Water Operations (455) Total</b>		<b>3,213,279</b>	<b>3,279,907</b>	<b>3,557,389</b>	<b>277,482</b>
<b>Utility Electrical &amp; Control Systems</b>					
	Salaries & Benefits	2,433,935	2,577,179	2,720,855	143,676
	Consultants	65,365	239,600	580,000	340,400
	Direct Services	321,374	532,664	510,250	(22,414)
	Supplies	3,775	0	0	0



## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Other Expenses	36,247	29,000	30,000	1,000
	Fixed Assets	13	0	0	0
	Utilities	58,622	0	0	0
Utility Electrical & Control Systems (545) Total		<b>2,919,332</b>	<b>3,378,443</b>	<b>3,841,105</b>	<b>462,662</b>
Raw Wtr Field Ops & Pipe Maint					
	Salaries & Benefits	3,981,944	3,694,799	4,256,964	562,165
	Consultants	177,650	152,000	164,000	12,000
	Direct Services	620,005	1,209,000	1,209,000	0
	Supplies	883,587	842,500	842,500	0
	Other Expenses	360,980	20,000	20,000	0
	Cost Sharing & Rebates	0	30,000	96,000	66,000
	Utilities	76,042	277,860	272,860	(5,000)
Raw Wtr Field Ops & Pipe Maint (585) Total		<b>6,100,208</b>	<b>6,226,159</b>	<b>6,861,324</b>	<b>635,165</b>
Operations Total		<b>17,980,837</b>	<b>17,081,093</b>	<b>19,909,505</b>	<b>2,828,412</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
Deputy's Office of Raw Water Ops & Maint Division					
	Supplies	92	0	0	0
Deputy's Office of Raw Water Ops & Maint Division (408) Total		<b>92</b>	<b>0</b>	<b>0</b>	<b>0</b>
District-wide Asset Management					
	Salaries & Benefits	5,727	15,362	126,534	111,171
District-wide Asset Management (411) Total		<b>5,727</b>	<b>15,362</b>	<b>126,534</b>	<b>111,171</b>
Water Resources Planning					
	Salaries & Benefits	448,206	443,683	686,048	242,364
	Direct Services	21,527	47,000	47,000	0
Water Resources Planning (412) Total		<b>469,733</b>	<b>490,683</b>	<b>733,048</b>	<b>242,364</b>
Raw Water Operations					
	Salaries & Benefits	10,155	0	17,869	17,869
Raw Water Operations (455) Total		<b>10,155</b>	<b>0</b>	<b>17,869</b>	<b>17,869</b>
Utility Electrical & Control Systems					
	Salaries & Benefits	533,915	876,321	628,945	(247,376)
	Direct Services	51,894	10,000	0	(10,000)

## Division Summaries

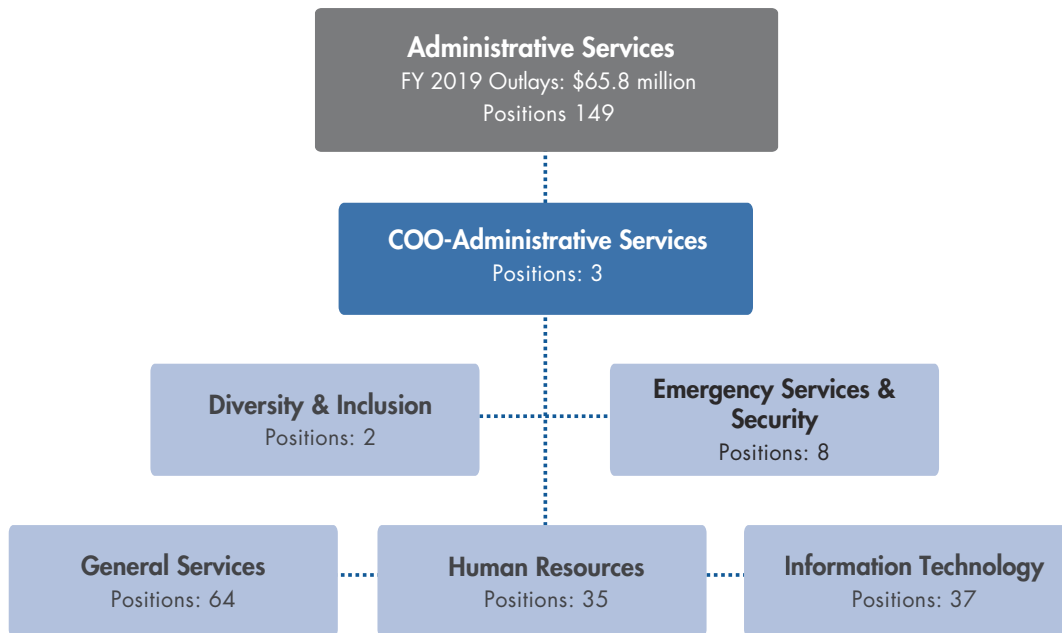
### Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Consultants	125,000	80,000	0	(80,000)
	Other Expenses	515	0	0	0
Utility Electrical & Control Systems (545) Total		<b>711,325</b>	<b>966,321</b>	<b>628,945</b>	<b>(337,376)</b>
Raw Wtr Field Ops & Pipe Maint					
	Supplies	570,619	740,000	250,000	(490,000)
	Salaries & Benefits	207,125	620,220	238,972	(381,248)
	Direct Services	405,284	1,989,000	2,660,000	671,000
	Consultants	87,491	75,000	875,000	800,000
	Other Expenses	0	0	400,000	400,000
	Utilities	2,162	0	0	0
Raw Wtr Field Ops & Pipe Maint (585) Total		<b>1,272,681</b>	<b>3,424,220</b>	<b>4,423,972</b>	<b>999,752</b>
Capital Total		<b>2,469,713</b>	<b>4,896,587</b>	<b>5,930,367</b>	<b>1,033,780</b>
Division Total		<b>20,450,550</b>	<b>21,977,679</b>	<b>25,839,872</b>	<b>3,862,193</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

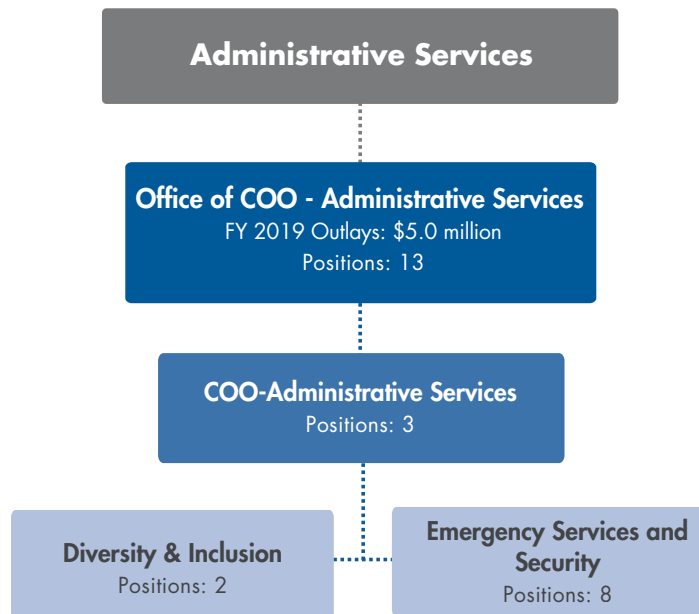
### Administrative Services



### Description

Administrative Services support the mission of the Santa Clara Valley Water District - to provide Silicon Valley safe, clean water for a healthy life, environment, and economy - by providing essential business services for the District including general services such as equipment and facilities maintenance, human resources programs and services, and information technology services and support. Administrative Services are vital to District operations and capital programs.

### Office of COO Administrative Services



### Division Description and Objectives

The Office of the Chief Operating Officer (COO) of Administrative Services (AS) provides executive leadership and direct oversight to District administrative business areas including Human Resources, General Services, and Information Technology. Office of the COO-AS is responsible for ensuring that administrative functions are operated efficiently and effectively, in accordance with the goals and policies established by the Board of Directors and the Chief Executive Officer. The COO-AS administers the Diversity & Inclusion program and oversees the Emergency and Security Services.

#### *Diversity & Inclusion Program*

The Diversity & Inclusion Program fosters diversity and inclusion in the workforce through various avenues including providing data on industry best practices, providing expertise on outreach efforts, and engaging the District's workforce. The Program supports the eleven Employee Resource Groups which provide information sharing, support, educational opportunities and career development as well as the promotion of cultural awareness. The Program also implements a variety of inclusion and recognition programs including Service Awards, the Employee Recognition Program, and the All Employee Meeting.

#### **Emergency Services and Security**

The Emergency Services is responsible for ensuring comprehensive, integrated, emergency management for the staff and critical infrastructure of the Santa Clara Valley Water District. Emergency Services also leads the

## Division Summaries

Districtwide development of applicable preparedness capabilities across prevention, preparedness, hazard mitigation, response, and recovery. The Security function provides risk-based security capabilities to protect the District's critical infrastructure and staff from terrorism, sabotage, vandalism, theft, violence, and other malicious acts.

### FY 2018 Accomplishments

- Provided leadership and support for all the administrative needs of the District including oversight over Human Resources, Information Technology, General Services, Emergency Management and Security Services, and Diversity and Inclusion.
- Coordinated development of Joint EAP for Coyote Creek between City of San Jose and the District.
- Renewed StormReady Certification and conducted annual inter-agency Winter Preparedness Workshop.
- Obtained FEMA Approval for current Local Hazard Mitigation Plan.
- Conducted EOC Section Training for all positions (Management, Planning and Intelligence, Operations, Logistics, Finance and Administration).
- Completed vulnerability assessments for Anderson Dam, Santa Teresa Water Treatment Plant, Pacheco Pass Pumping Plant, Coyote Pumping Plant, Penitencia Water Treatment Plant, Silicon Valley Advanced Water Treatment Plant, and Vasona Metering Station.
- Created the physical security measure plan for the Winfield Warehouse Trailers, Nature Quality Site, and Coyote Warehouse.
- Complied with written FERC security requirements for Anderson Dam.
- Executed the All Employee Meeting which gathered all staff to hear from the Board and Chiefs on the direction of the organization.
- Executed the Employee Recognition Program, Service Awards, FLOW awards and other employee recognition.

### FY 2019 Milestones

- Review, approve and present the status of Administrative Services quarterly performance.
- Complete Annual Employee Evaluations.
- Complete mid-year reviews of employee work plans.
- Review and revise the Chief Operating Officer of Administrative Services' work plan and ensure alignment with Deputies work plans.
- Review EAPs for possible updates or development and establish strategy for completing
- Develop and deliver EAP and EOC exercises as identified in Training and Exercise Plan
- Maintain the District's Emergency Operations Center (EOC) and Alternate EOC in a perpetual state of operational readiness
- Conduct inter-agency Winter Preparation Workshop
- Complete assessment of current access control and monitoring system
- Complete vulnerability assessment of Vasona Pumping Plant, and other facilities as identified and prioritized

# Division Summaries

## Office of COO Administrative Services — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	3,474,004	4,862,905	4,980,984	118,079	2%
Operating	31,026	0	0	0	2%
Capital	0	0	10,000	10,000	2%
<b>Total</b>	<b>3,505,030</b>	<b>4,862,905</b>	<b>4,990,984</b>	<b>128,079</b>	<b>3%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Security & Emergency Services	2,519,241	3,023,784	3,581,522	557,738	18%
Office of COO-Administrative Services	985,788	1,839,122	1,409,462	(429,659)	-23%
<b>Total</b>	<b>3,505,030</b>	<b>4,862,905</b>	<b>4,990,984</b>	<b>128,079</b>	<b>3%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Office of Chief Administrative Officer	3	12	13	1**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Security &amp; Emergency Services</b>					
	Salaries & Benefits	941,085	1,145,746	1,547,422	401,676
	Consultants	74,610	214,000	240,000	26,000
	Direct Services	1,307,439	1,268,738	1,333,000	64,262
	Supplies	185,887	374,300	424,500	50,200
	Other Expenses	10,220	21,000	26,600	5,600
<b>Security &amp; Emergency Services (219) Total</b>		<b>2,519,241</b>	<b>3,023,784</b>	<b>3,571,522</b>	<b>547,738</b>
<b>Office of COO-Administrative Services</b>					
	Salaries & Benefits	776,614	1,206,822	1,009,812	(197,009)
	Consultants	145,065	328,500	100,000	(228,500)
	Direct Services	8,122	1,600	1,600	0
	Supplies	22,559	112,500	88,550	(23,950)
	Other Expenses	33,428	189,700	209,500	19,800
<b>Office of COO-Administrative Services (602) Total</b>		<b>985,788</b>	<b>1,839,122</b>	<b>1,409,462</b>	<b>(429,659)</b>
<b>Operations Total</b>		<b>3,505,030</b>	<b>4,862,905</b>	<b>4,980,984</b>	<b>118,079</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

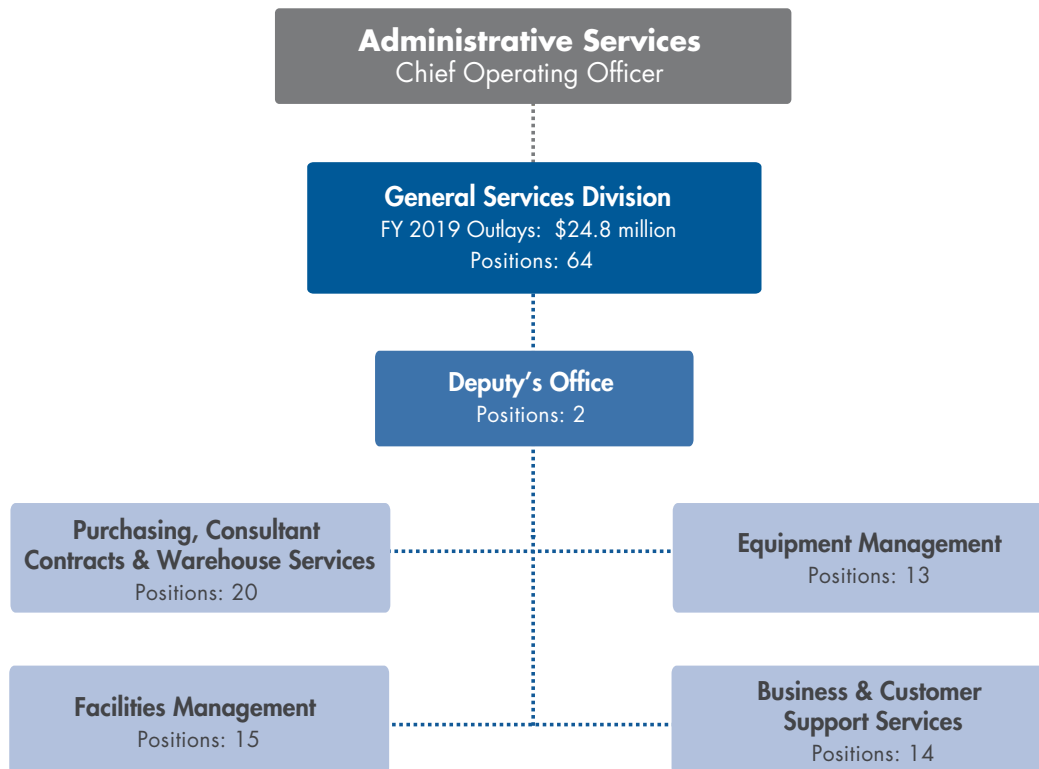
## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Security &amp; Emergency Services</b>					
	Supplies	0	0	10,000	10,000
<b>Security &amp; Emergency Services (219) Total</b>		<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
<b>Capital Total</b>		<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
<b>Division Total</b>		<b>3,505,030</b>	<b>4,862,905</b>	<b>4,990,984</b>	<b>128,079</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### General Services Division



### Division Description and Objectives

The General Services Division provides management and administration of the following departments:

#### **Business and Customer Support Services**

Business and Customer Support Services provides receptionist/switchboard, mail delivery, reprographic, word processing and forms management services.

#### **Purchasing, Consultant Contracts and Warehouse Services**

Purchasing, Consultant Contract and Warehouse Services Department purchases all goods and services, procures consultant contracts, and serves as the central receiving and distribution point for the organization.

#### **Equipment Management**

Equipment Management Department provides District-wide fleet and welding services.

#### **Facilities Management**



# Division Summaries

Facilities Management Department maintains, renews, and upgrades District buildings and grounds.

## FY 2018 Accomplishments

- The Business and Customer Support Department provided business services efficiently to support District business needs.
- The Purchasing, Consultant Contract and Warehouse Services Department hosted Business Open House in August 2017 to share information on upcoming business opportunities in support of District projects and programs. The Warehouse Team helped support the Levanta Puerto Rico organization to secure the pick-up and storage of 23 pallets of provisions, which were later shipped to Puerto Rico to assist with recovery efforts from Hurricane Maria.
- The Equipment Management Department surplus, replaced 15 vehicles and 28 pieces of construction equipment in accordance with the 12-year or 125,000-mile replacement criteria, and achieved 97.9% preventive maintenance compliance on light duty vehicles.
- The Facilities Department's one-time small capital improvement projects included: continued major work on new Employee Workspace project; expansion of 8 electric vehicle charging stations; Sacramento office remodel and expansion; Completion of Santa Teresa office renovations and moved 44 district staff; mobile workspaces for staff at Winfield; new furniture for Rinconada Water treatment Operations building and repair of sinkhole in driveway of the Water Quality Lab.

## FY 2019 Milestones

*Highlights of the General Services Division milestones include the following.*

- The Business Services Department will produce high quality reprographics and word processing deliverables per customer deadlines.
- Purchasing and Contracts Services Department will continue to host the annual Business Open House and continue to promote the District's business opportunities at vendor outreach events.
- The Warehouse program will continue to improve the current storage process and conduct the annual physical inventory.
- The Equipment Management Department will surplus and replace 12 vehicles and 23 pieces of construction equipment in accordance with the 12-year or 125,000-mile replacement criteria.
- The Facilities Management Unit for FY2019 include Facilities and Heating Ventilation Air Conditioning preventative maintenance and district space activities. Construction of hot water loop at Headquarters Building. Design phase of HQ generator replacement project. Construction for security fencing in corporation yard & along Almaden Expressway. Completion of repairs to Rinconada Water Treatment Plant controls building roof. Evaluate Winfield property as to best use of land. Collection of rent on all residential properties monthly and conduct periodic inspection of homes. Produce an annual report of earnings & expenses as of June 30, 2018 to be reported by Sept 30, 2018.

## Budget Issues and Constraints

Constraints of the General Services Division include funding to address deferred small capital projects. The District's facilities are fully occupied thus there is absolutely no extra space to locate new employees. This constraint on the space requires that the District consider new approaches taking into consideration cost of adding new work

## Division Summaries

space, use of technology, new approaches to work including remote-work and telecommuting. Uncertainty of fuel costs, unexpected natural disasters such as flooding or wildfires to provide support to field operations.

# Division Summaries

## General Services Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	16,431,539	18,384,280	19,467,005	1,082,725	6%
Operating	24,260	0	0	0	6%
Capital	6,753,026	3,814,114	5,380,817	1,566,703	41%
<b>Total</b>	<b>23,208,824</b>	<b>22,198,394</b>	<b>24,847,822</b>	<b>2,649,428</b>	<b>12%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Facilities Management	8,347,250	8,197,485	10,072,443	1,874,958	23%
Business and Customer Support Services	2,457,261	2,978,148	3,112,946	134,798	5%
Deputy's Office of General Services Division	255,119	446,384	440,460	(5,924)	-1%
Equipment Management	8,005,296	5,632,403	6,058,369	425,966	8%
Purchasing, Consultant Contracts Warehouse Services	4,143,899	4,943,973	5,163,604	219,631	4%
<b>Total</b>	<b>23,208,824</b>	<b>22,198,394</b>	<b>24,847,822</b>	<b>2,649,428</b>	<b>12%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

<b>General Services Division</b>	<b>63</b>	<b>65</b>	<b>64</b>	<b>(1)**</b>
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Business and Customer Support Services</b>					
	Salaries & Benefits	1,790,233	1,986,705	1,991,240	4,535
	Consultants	198	0	0	0
	Direct Services	637,744	966,506	1,099,481	132,975
	Supplies	7,628	9,410	9,500	90
	Other Expenses	1,635	11,450	12,725	1,275
	Fixed Assets	17,652	0	0	0
<b>Business and Customer Support Services (775) Total</b>		<b>2,455,089</b>	<b>2,974,071</b>	<b>3,112,946</b>	<b>138,875</b>
<b>Deputy's Office of General Services Division</b>					
	Salaries & Benefits	253,363	412,049	421,960	9,911
	Direct Services	525	0	0	0
	Supplies	1,231	3,050	4,500	1,450
	Other Expenses	0	12,000	14,000	2,000
<b>Deputy's Office of General Services Division (802) Total</b>		<b>255,119</b>	<b>427,099</b>	<b>440,460</b>	<b>13,361</b>
<b>Purchasing, Consultant Contracts Warehouse Services</b>					
	Salaries & Benefits	3,072,926	2,740,431	3,036,839	296,408
	Consultants	64,578	55,000	55,000	0
	Direct Services	167,320	471,527	487,925	16,398
	Supplies	806,519	1,063,000	1,012,000	(51,000)
	Other Expenses	15,045	55,997	53,620	(2,377)
<b>Purchasing, Consultant Contracts Warehouse Services (820) Total</b>		<b>4,126,388</b>	<b>4,385,955</b>	<b>4,645,384</b>	<b>259,429</b>
<b>Equipment Management</b>					
	Salaries & Benefits	1,862,486	1,897,093	2,040,201	143,108
	Direct Services	690,066	918,275	948,178	29,903
	Supplies	896,723	1,229,946	1,230,990	1,044
	Other Expenses	17,235	18,849	22,000	3,151
<b>Equipment Management (885) Total</b>		<b>3,466,510</b>	<b>4,064,163</b>	<b>4,241,369</b>	<b>177,206</b>
<b>Facilities Management</b>					
	Salaries & Benefits	2,209,003	2,450,621	2,562,527	111,906
	Consultants	89,964	185,000	185,000	0
	Direct Services	2,540,278	2,201,433	2,384,785	183,352
	Supplies	181,519	153,950	188,750	34,800
	Other Expenses	366,821	520,908	526,608	5,700
	Fixed Assets	68,458	100,000	120,000	20,000
	Utilities	696,649	921,080	929,287	8,207

## Division Summaries

### Operations Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Cost Sharing & Rebates	0	0	129,889	129,889
<b>Facilities Management (887) Total</b>		<b>6,152,692</b>	<b>6,532,992</b>	<b>7,026,846</b>	<b>493,854</b>
<b>Operations Total</b>		<b>16,455,799</b>	<b>18,384,280</b>	<b>19,467,005</b>	<b>1,082,725</b>

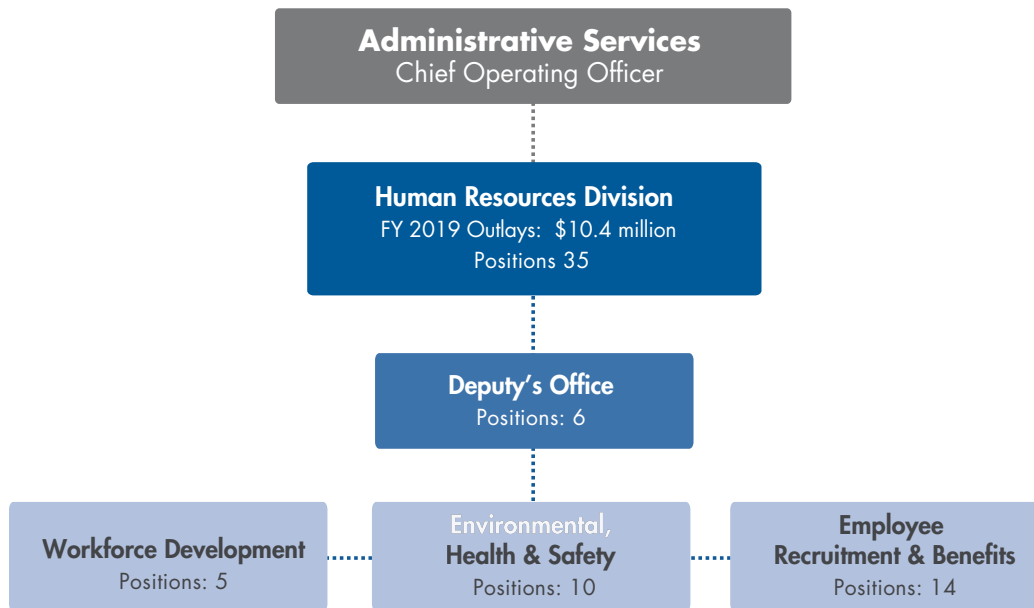
\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Business and Customer Support Services</b>					
	Salaries & Benefits	2,132	4,078	0	(4,078)
	Other Expenses	40	0	0	0
<b>Business and Customer Support Services (775) Total</b>		<b>2,172</b>	<b>4,078</b>	<b>0</b>	<b>(4,078)</b>
<b>Deputy's Office of General Services Division</b>					
	Salaries & Benefits	0	19,285	0	(19,285)
<b>Deputy's Office of General Services Division (802) Total</b>		<b>0</b>	<b>19,285</b>	<b>0</b>	<b>(19,285)</b>
<b>Purchasing, Consultant Contracts Warehouse Services</b>					
	Salaries & Benefits	17,511	558,018	518,220	(39,798)
<b>Purchasing, Consultant Contracts Warehouse Services (820) Total</b>		<b>17,511</b>	<b>558,018</b>	<b>518,220</b>	<b>(39,798)</b>
<b>Equipment Management</b>					
	Salaries & Benefits	23,034	22,629	0	(22,629)
	Fixed Assets	4,515,752	1,485,612	1,757,000	271,388
	Supplies	0	60,000	60,000	0
<b>Equipment Management (885) Total</b>		<b>4,538,786</b>	<b>1,568,241</b>	<b>1,817,000</b>	<b>248,759</b>
<b>Facilities Management</b>					
	Salaries & Benefits	61,806	69,819	36,997	(32,822)
	Fixed Assets	11,608	0	0	0
	Supplies	(302)	0	0	0
	Consultants	45,214	0	0	0
	Direct Services	2,076,232	1,594,674	3,008,600	1,413,926
<b>Facilities Management (887) Total</b>		<b>2,194,557</b>	<b>1,664,493</b>	<b>3,045,597</b>	<b>1,381,104</b>
<b>Capital Total</b>		<b>6,753,026</b>	<b>3,814,114</b>	<b>5,380,817</b>	<b>1,566,703</b>
<b>Division Total</b>		<b>23,208,824</b>	<b>22,198,394</b>	<b>24,847,822</b>	<b>2,649,428</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Human Resources Division



### Division Description and Objectives

The Human Resources Division is responsible for planning, managing, directing and coordinating Division staff and providing District-wide assistance in the areas of human resources. The Division includes the following programs: Recruitment, Classification and Compensation, Benefits, Talent Management, Environmental Health and Safety, and Equal Employment Opportunity.

#### Workforce Development

This department administers the District-wide Talent Management Program and Rotation Programs established to provide a capable workforce by meeting the training and professional development needs of the District. The program will equip employees with the tools to promote continuous learning and professional growth. The program also provides leadership development, performance management, succession development, general training, health and safety training, and the administration of training records in compliance with QEMS ISO processes.

#### Environmental, Health & Safety

As part of the District's Administration function, the Environmental, Health & Safety Unit provides services for all District Divisions and staff. These services cover a wide range of activities including environmental, health and safety written program development and maintenance, assisting with ISO 14001 registration, incident investigation

## Division Summaries

services, inspection and audit services and support, hazard analysis and risk prevention services, alcohol and drug abuse prevention and testing services, hazardous materials and hazardous waste management, regulatory permit compliance management, 24/7 hazardous materials emergency response capabilities, ergonomic evaluations and workspace modifications, and liaison with regulatory agencies when required. Additionally, the EH&S Unit is responsible for the management and maintenance of the District Permit Management System, distribution, and collection of the Environmental Compliance Self-Assessment Surveys for monitoring environmental compliance activities throughout the District, and the preparation and submittal of the District level Environmental Compliance Status Report for Senior Management Review. Additionally, the Environmental, Health and Safety (EH&S) Unit responds to requests from customers for specific health and safety services or program assistance to ensure that the District's health and safety programs are functional and sustainable.

### **Employee Recruitment and Benefits**

This department includes Recruitment & Examination, Internship Programs, Benefits & Wellness, and Classification & Compensation. These units are responsible for providing oversight of the recruitment and selection processes district-wide including year round and summer internship programs, partnering with community organizations and colleges for workforce planning, maintaining accurate classification specifications and job descriptions, conducting compensation surveys, providing classification and compensation advice to management, administration of employee and retiree benefit plans, conducting new hire orientations and separations, processing payroll and HR transactions, and administration of the award winning Wellness Program (includes on-site fitness classes, ongoing employee education on overall various health initiatives, annual well-being fair, lunch and learns, employee rewards, etc.)

### **FY 2018 Accomplishments**

- Created and launched several programs geared towards employee development including, Coaching, Competency Training and Emerging Leaders Certification Program.
- Improved internal processes, forms, and websites to provide a more efficient and streamlined service to employees & managers.
- Upgraded the District's online training portal to provide updated training content and maintain employee training records.
- Implemented a new Memorandum of Understanding for each of the three Bargaining Units.
- Completed the classification and compensation studies for the Engineers Society and Employees Association Bargaining Units.
- Received several awards for the Wellness program and reached 82% employee engagement.
- Completed annual Disparate Impact Analysis and Form 700 filings.
- EH&S effectively responded to a fuel spill at Canoas Creek San Jose and oversaw cleanup activities.
- EH&S addressed numerous fall protection hazards and rolled out mitigation efforts including providing enhanced training for field maintenance staff.
- Increased recruitment efforts to reach underserved members of the community by participating in recruitment events such as Bay Area Silicon Valley Bilingual & Diversity Job fair, San Jose State University 's Diversity Career Fair and MESA SJSU Mock Interviews.
- Increased summer internships, both college and high school, for a total of 65 internships.

## Division Summaries

### FY 2019 Milestones

- Implement and administer various employee development programs including, two rotation programs for Engineers Society and Employees Association Bargaining Units.
- Launch an online new employee onboarding module to help automate the collection and management of new-hire paperwork.
- Conduct regulatory HR compliance training.
- Enhance leadership and management training for supervisors and managers.
- Implement a new Learning Management System.
- Conduct a minimum of 30 required safety training classes in-house.
- Prepare two, biannual, District environmental compliance reports.

### Budget Issues and Constraints

The workload in Human Resources has increased significantly in all units due to a high volume of retirements and the business need to develop our current employees for management positions. This has resulted in unplanned work with the existing staff.



# Division Summaries

## Human Resources Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	7,693,313	9,450,479	9,901,957	451,477	5%
Operating	461	0	0	0	5%
Capital	10,790	225,760	494,100	268,340	119%
<b>Total</b>	<b>7,704,564</b>	<b>9,676,239</b>	<b>10,396,056</b>	<b>719,818</b>	<b>7%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Employee Recruitment and Benefits	3,078,006	3,459,745	4,096,271	636,526	18%
Deputy's Office of HR division	1,071,918	1,401,353	1,490,017	88,664	6%
Workforce Development	1,172,883	2,212,210	2,029,981	(182,229)	-8%
Environmental, Health & Safety	2,381,757	2,602,931	2,779,787	176,856	7%
<b>Total</b>	<b>7,704,563</b>	<b>9,676,239</b>	<b>10,396,056</b>	<b>719,818</b>	<b>7%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Human Resources Division	35	34	35	1**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Workforce Development</b>					
	Salaries & Benefits	770,172	811,998	833,531	21,533
	Consultants	152,511	351,600	480,000	128,400
	Direct Services	172,511	184,500	224,500	40,000
	Supplies	14,520	60,750	67,450	6,700
	Other Expenses	63,168	772,300	424,500	(347,800)
<b>Workforce Development (623) Total</b>		<b>1,172,883</b>	<b>2,181,148</b>	<b>2,029,981</b>	<b>(151,167)</b>
<b>Deputy's Office of HR division</b>					
	Salaries & Benefits	1,013,460	1,125,379	1,213,051	87,672
	Consultants	25,000	150,000	160,000	10,000
	Direct Services	14,049	61,750	50,100	(11,650)
	Supplies	4,902	7,200	7,000	(200)
	Other Expenses	12,073	4,060	6,435	2,375
<b>Deputy's Office of HR division (915) Total</b>		<b>1,069,484</b>	<b>1,348,389</b>	<b>1,436,586</b>	<b>88,197</b>
<b>Environmental, Health &amp; Safety</b>					
	Salaries & Benefits	1,698,712	1,887,367	1,931,078	43,711
	Consultants	156,092	232,948	291,540	58,592
	Direct Services	183,320	118,375	175,625	57,250
	Supplies	247,243	279,441	291,946	12,505
	Other Expenses	92,709	84,800	84,800	0
<b>Environmental, Health &amp; Safety (916) Total</b>		<b>2,378,076</b>	<b>2,602,931</b>	<b>2,774,989</b>	<b>172,058</b>
<b>Employee Recruitment and Benefits</b>					
	Salaries & Benefits	2,239,980	2,265,917	2,397,093	131,176
	Consultants	169,433	52,000	167,000	115,000
	Direct Services	536,568	799,344	889,058	89,714
	Supplies	4,419	21,000	12,000	(9,000)
	Other Expenses	122,930	179,750	195,250	15,500
<b>Employee Recruitment and Benefits (927) Total</b>		<b>3,073,331</b>	<b>3,318,011</b>	<b>3,660,401</b>	<b>342,390</b>
<b>Operations Total</b>		<b>7,693,774</b>	<b>9,450,479</b>	<b>9,901,957</b>	<b>451,477</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Workforce Development</b>					

# Division Summaries

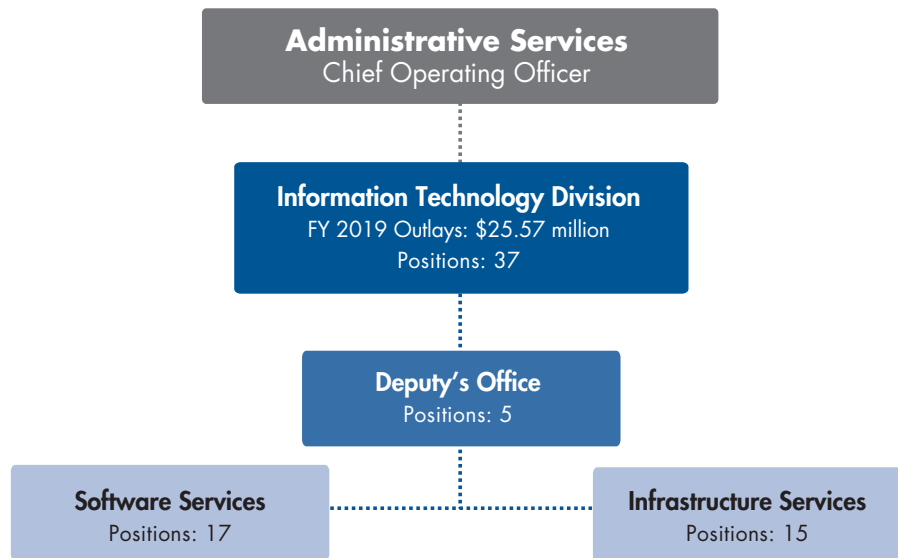
## Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
	Salaries & Benefits	0	31,062	0	(31,062)
<b>Workforce Development (623) Total</b>		<b>0</b>	<b>31,062</b>	<b>0</b>	<b>(31,062)</b>
<b>Deputy's Office of HR division</b>					
	Salaries & Benefits	2,434	52,965	53,432	467
<b>Deputy's Office of HR division (915) Total</b>		<b>2,434</b>	<b>52,965</b>	<b>53,432</b>	<b>467</b>
<b>Environmental, Health &amp; Safety</b>					
	Salaries & Benefits	3,681	0	4,798	4,798
<b>Environmental, Health &amp; Safety (916) Total</b>		<b>3,681</b>	<b>0</b>	<b>4,798</b>	<b>4,798</b>
<b>Employee Recruitment and Benefits</b>					
	Salaries & Benefits	4,554	141,733	435,870	294,137
	Supplies	121	0	0	0
<b>Employee Recruitment and Benefits (927) Total</b>		<b>4,675</b>	<b>141,733</b>	<b>435,870</b>	<b>294,137</b>
<b>Capital Total</b>		<b>10,790</b>	<b>225,760</b>	<b>494,100</b>	<b>268,340</b>
<b>Division Total</b>		<b>7,704,563</b>	<b>9,676,239</b>	<b>10,396,056</b>	<b>719,818</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Division Summaries

### Information Technology Division



### Division Description and Objectives

The Information Technology Division serves the technology needs of the District, enabling business users to carry out their work efficiently, effectively, and securely. We do so by providing planning, design, and operational support and maintenance of the District's: (1) physical technology infrastructure and cyber security posture; and (2) software application portfolio.

The Division's objectives are:

- Effectively manage the delivery of District's technology services;
- Guide technology decision-making to ensure consistency with the District's business direction;
- Ensure a skilled, responsive, and innovative workforce that keeps current with critical evolving business technologies; and
- Provide high quality customer service.

#### Administration

The Information Technology Division Administration provides management oversight, leadership and strategic support of Infrastructure and Information Security Services, and Software Services, to ensure effectiveness and fiscal accountability.

#### Infrastructure Services

## Division Summaries

Infrastructure Services is responsible for: (1) implementing and maintaining the network and data center, cyber security posture, District's computers, systems software, and connectivity (e.g., servers, networks, etc.); (2) serving as the first point of contact for staff to report problems and seek answers to questions related to their personal computers, network access, email, personal productivity software, and business application software; and (3) triaging, resolving, and escalating problems.

### Software Services

Software Services develops (where appropriate), supports, and maintains the District's business applications. These include Enterprise Resources Planning (ERP) system, work and asset management system (Maximo), geographic information system (GIS), in-house applications, and the District's internet and intranet.

## FY 2018 Accomplishments

- Upgraded the board room audio visual environment and systems.
- Supported Office of Communications to modernize the District website.
- Completed SMP2 application enhancements. Generated Annual Summary Report and Notice of Proposed Work.
- Completed Flood Forecast/Warning application enhancements.
- Redesigned existing system for housing water supply and consumption data for flexible reporting and better planning and modeling; validated and consolidated data.
- Recommended to the Board and received Board's direction to stop the PeopleSoft upgrade project; and begin the RFP process to implement a new Enterprise Resource Planning (ERP) system.
- Supported the Budget Office to complete Vena system's enhancements for the District's Budgeting module; supported Capital Program department to complete the implementation of the Capital Planning module to replace the obsolete Capital Dashboard tool.
- Expanded and developed the environmental database with Fisheries module and migrate historical data into Wildlife.
- Reviewed the findings of the Cyber Security Vulnerability Assessment report and progressively implemented the recommendations, thereby improving the security of the District network.
- Implemented Proof of Concept for water utility engineering technical infrastructure network upgrade.

## FY 2019 Milestones

- Develop and acquire resources to begin implementing a three-year IT strategic plan.
- Complete the RFP process, finalize the selection of a Consultant and an Enterprise Resource Planning (ERP) system, and begin the implementation of the system.
- Support Finance department to implement the Financial Forecasting module within the Vena system.
- Implement geographic information system (GIS) roadmap Phase 1 and 2.
- Complete implementation of e-litigation and e-discovery system.
- Support Records Management Office and begin the RFP process for an Electronic Content Management (ECM) system implementation.

## Division Summaries

- Complete the last phase of a multiyear wireless networking project, providing wireless networking at all District facilities.
- Prepare plans and implement IT disaster recovery systems and real-time cutover in the event of a major disaster.
- Expanded wireless network to Santa Teresa Water Treatment Plant, Vasona Pump Plant, and Coyote Pump Plant.
- Continue to replace desktop computers based on a four-year computer replacement cycle, upgrading the operating systems to the latest standards.
- Continue addressing the findings of the Cyber Security Vulnerability Assessment report and implement the recommendations, thereby improving the security of the District network.
- Complete upgrade for water utility engineering technical infrastructure network.

### Budget Issues and Constraints

The Information Technology Division budget issues and constraints pertain to balancing resources to accomplish both short- and long-term goals of the District:

- Having sufficient and appropriate staffing resources to support the District's growing technology infrastructure and to become a more digital organization.
- Having sufficient and appropriate staffing resources to support the District's cyber security improvement program.
- Engagement and capacity of business partners to support planned projects.
- Decision-making support to balance a demanding and growing project portfolio.

# Division Summaries

## Information Technology Division — Budget Summary

Project Type (Category)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Operations	9,938,743	11,150,518	12,241,400	1,090,882	10%
Operating	195,808	0	0	0	10%
Capital	4,605,478	16,364,632	13,331,962	(3,032,670)	-19%
<b>Total</b>	<b>14,740,029</b>	<b>27,515,150</b>	<b>25,573,362</b>	<b>(1,941,788)</b>	<b>-7%</b>

Department (Unit)	FY 2017 Budgetary Actuals	FY 2018 Adopted Budget	FY 2019 Proposed Budget	FY 2019 Change \$	FY 2019 Change %
Software Services	4,653,979	5,494,807	5,954,476	459,669	8%
Infrastructure Services	8,552,702	12,780,551	10,372,824	(2,407,728)	-19%
Deputy's Office of Information Technology Division	1,533,348	9,239,792	9,246,062	6,271	0%
<b>Total</b>	<b>14,740,029</b>	<b>27,515,150</b>	<b>25,573,362</b>	<b>(1,941,788)</b>	<b>-7%</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

### Authorized Positions (excluding fellowships)

Information Technology Division	43	45	37	(8)**
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\*\* The position change may reflect positions transfer between departments, reorganization, or new positions. New positions are discussed in the Fund Summaries Chapter.

# Division Summaries

## Operations Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of Information Technology Division</b>					
	Salaries & Benefits	669,184	657,278	643,884	(13,394)
	Consultants	0	58,000	0	(58,000)
	Direct Services	4,039	50,720	25,793	(24,927)
	Supplies	2,608	1,030	1,050	20
	Other Expenses	18,609	30,800	39,000	8,200
<b>Deputy's Office of Information Technology Division (715) Total</b>		<b>694,440</b>	<b>797,828</b>	<b>709,727</b>	<b>(88,101)</b>
<b>Software Services</b>					
	Salaries & Benefits	3,040,951	2,950,836	3,221,948	271,112
	Consultants	259,518	500,000	720,000	220,000
	Direct Services	926,593	1,044,033	1,131,827	87,794
	Supplies	1,531	0	0	0
	Other Expenses	28,957	50,000	50,000	0
<b>Software Services (725) Total</b>		<b>4,257,551</b>	<b>4,544,869</b>	<b>5,123,775</b>	<b>578,906</b>
<b>Infrastructure Services</b>					
	Salaries & Benefits	2,438,028	2,346,730	2,474,388	127,659
	Consultants	185,893	546,750	972,000	425,250
	Direct Services	2,305,320	2,589,175	2,725,675	136,500
	Supplies	30,742	39,750	51,000	11,250
	Other Expenses	220,592	285,416	184,835	(100,581)
	Fixed Assets	1,986	0	0	0
<b>Infrastructure Services (735) Total</b>		<b>5,182,560</b>	<b>5,807,821</b>	<b>6,407,898</b>	<b>600,078</b>
<b>Operations Total</b>		<b>10,134,551</b>	<b>11,150,518</b>	<b>12,241,400</b>	<b>1,090,882</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

## Capital Budget by Department and Account Category

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Deputy's Office of Information Technology Division</b>					
	Salaries & Benefits	258,347	271,567	350,439	78,872
	Consultants	24,900	6,913,396	6,913,396	0
	Direct Services	553,312	1,150,000	1,165,500	15,500
	Other Expenses	2,348	5,000	5,000	0
	Fixed Assets	0	102,000	102,000	0
<b>Deputy's Office of Information Technology Division (715) Total</b>		<b>838,908</b>	<b>8,441,963</b>	<b>8,536,335</b>	<b>94,372</b>



# Division Summaries

## Capital Budget by Department and Account Category (Continued)

Department	Account Category	FY 2017 Budgetary Actual	FY 2018 Adopted \$	FY 2019 Proposed \$	FY 2019 Change \$
<b>Software Services</b>					
	Salaries & Benefits	193,693	574,938	355,701	(219,237)
	Consultants	198,450	375,000	475,000	100,000
	Direct Services	4,286	0	0	0
<b>Software Services (725) Total</b>		<b>396,428</b>	<b>949,938</b>	<b>830,701</b>	<b>(119,237)</b>
<b>Infrastructure Services</b>					
	Salaries & Benefits	189,664	503,761	238,425	(265,336)
	Consultants	267,840	942,670	125,000	(817,670)
	Direct Services	200,925	695,600	278,600	(417,000)
	Other Expenses	21	0	0	0
	Fixed Assets	2,711,692	4,830,700	3,322,900	(1,507,800)
<b>Infrastructure Services (735) Total</b>		<b>3,370,142</b>	<b>6,972,731</b>	<b>3,964,925</b>	<b>(3,007,806)</b>
<b>Capital Total</b>		<b>4,605,478</b>	<b>16,364,632</b>	<b>13,331,962</b>	<b>(3,032,670)</b>
<b>Division Total</b>		<b>14,740,029</b>	<b>27,515,150</b>	<b>25,573,362</b>	<b>(1,941,788)</b>

\* Totals reflect the net budget and do not include intra-district reimbursement charges.

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# **WATERSHED MANAGEMENT FUNDS**

# Fund Summaries

## Description

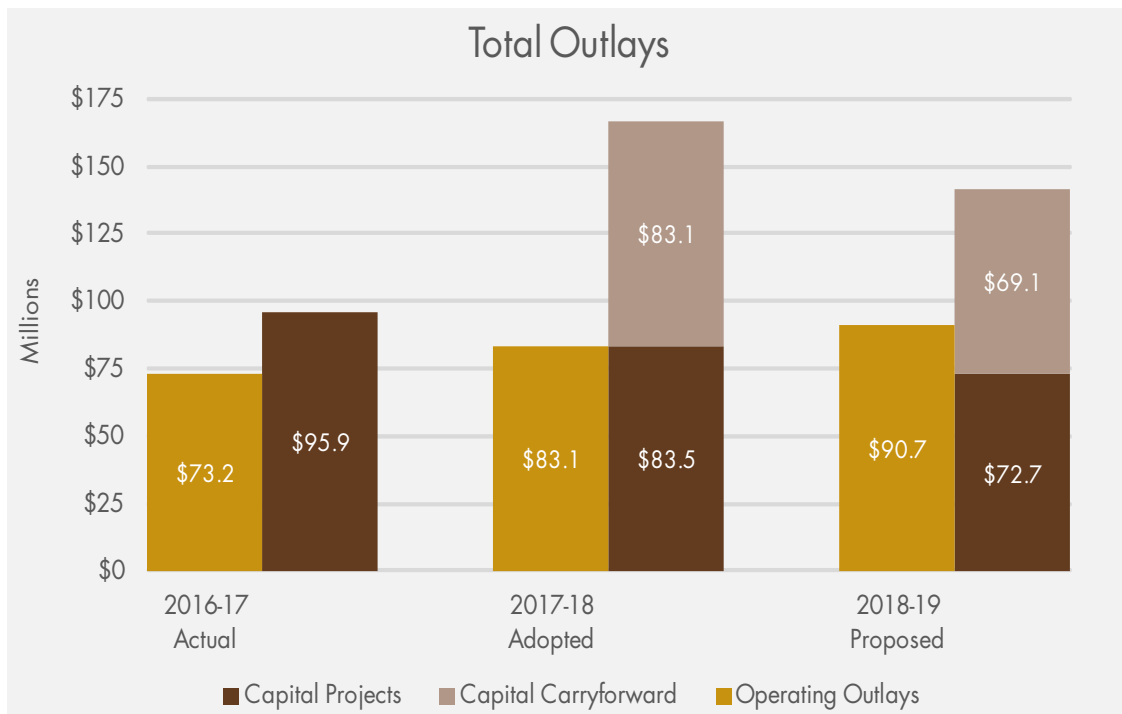
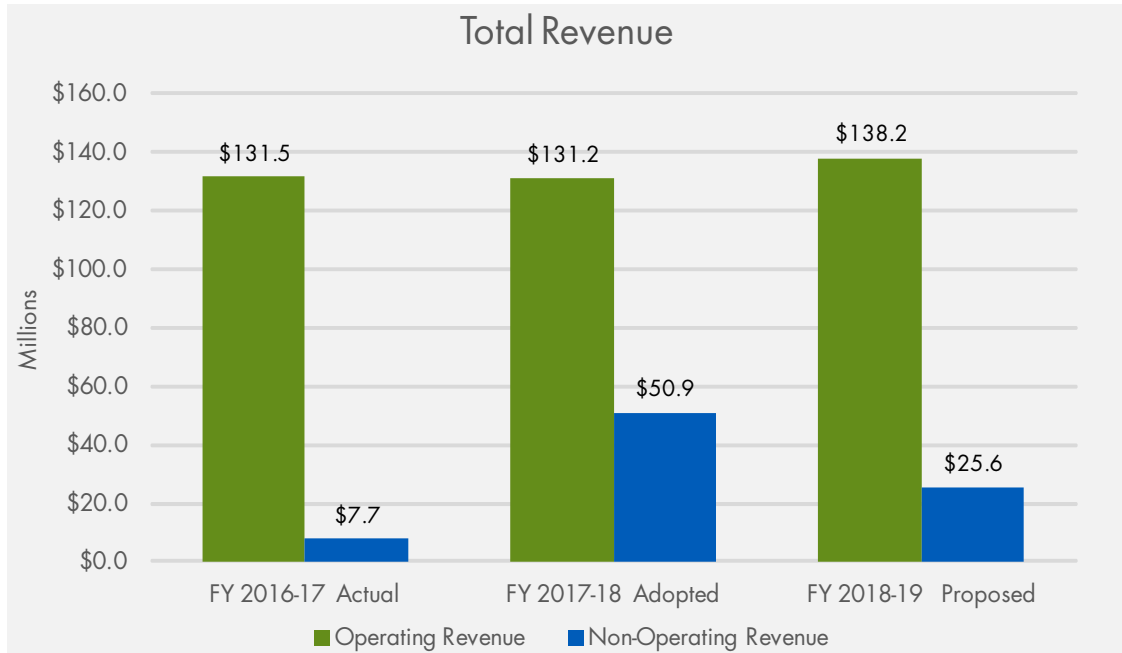
The Board of Directors defines Watershed stewardship as the management of natural resources in a manner that fosters ecosystem health, improved water quality, flood protection and compatible recreational opportunities. The Watersheds Chief Operating Officer leads the implementation of the watershed stewardship program with three funding sources:

- Watershed and Stream Stewardship (Fund 12)
- Safe, Clean Water and Natural Flood Protection (Fund 26)
- Benefit Assessment Funds (Fund 21, 22, 23, 24, and 25)

Financial summaries and a description of programs and outcomes from these funds can be found in this chapter.

# Fund Summaries

## Watershed Management Funds



# Fund Summaries

## Watershed Management Funds Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
Benefit Assessment	\$ 14,790,954	\$ 14,777,514	\$ 14,777,514	\$ 14,778,000	\$ 486	0.0%
Property Tax	115,904,514	116,148,582	120,590,760	123,158,985	7,010,403	6.0%
Intergovernmental Services	494,532	—	—	—	—	—
Operating Other	302,711	233,166	233,166	240,000	6,834	2.9%
<b>Total Operating Revenue</b>	<b>\$ 131,492,711</b>	<b>\$ 131,159,262</b>	<b>\$ 135,601,440</b>	<b>\$ 138,176,985</b>	<b>\$ 7,017,723</b>	<b>5.4%</b>
<b>Non-Operating Revenue</b>						
Capital Reimbursements	\$ 1,818,038	\$ 47,158,000	\$ 47,461,000	\$ 21,569,000	\$ (25,589,000)	(54.3)%
Interest Income *	2,973,196	2,453,000	2,453,000	2,648,000	195,000	7.9%
Non-Operating Other	2,895,655	1,335,592	1,335,592	1,376,000	40,408	3.0%
<b>Total Non-Operating Revenue</b>	<b>\$ 7,686,889</b>	<b>\$ 50,946,592</b>	<b>\$ 51,249,592</b>	<b>\$ 25,593,000</b>	<b>\$ (25,353,592)</b>	<b>(49.8)%</b>
<b>TOTAL REVENUE</b>	<b>\$ 139,179,600</b>	<b>\$ 182,105,854</b>	<b>\$ 186,851,032</b>	<b>\$ 163,769,985</b>	<b>\$ (18,335,869)</b>	<b>(10.1)%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 54,494,584	\$ 64,429,933	\$ 64,429,933	\$ 67,250,422	\$ 2,820,489	4.4%
Operating Project	6,524,489	4,066,665	4,066,665	6,660,666	2,594,001	63.8%
Debt Service	12,173,224	14,622,041	14,622,041	16,827,272	2,205,231	15.1%
<b>Total Operating Outlays</b>	<b>\$ 73,192,297</b>	<b>\$ 83,118,639</b>	<b>\$ 83,118,639</b>	<b>\$ 90,738,360</b>	<b>\$ 7,619,721</b>	<b>9.2%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 95,942,943	\$ 83,473,374	\$ 168,025,768	\$ 72,661,202	\$ (10,812,172)	(13.0)%
Carry Forward Capital Projects	—	83,111,000	—	69,099,983	(14,011,017)	(16.9)%
<b>Total Capital Outlays</b>	<b>\$ 95,942,943</b>	<b>\$ 166,584,374</b>	<b>\$ 168,025,768</b>	<b>\$ 141,761,185</b>	<b>\$ (24,823,189)</b>	<b>(14.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 169,135,240</b>	<b>\$ 249,703,013</b>	<b>\$ 251,144,407</b>	<b>\$ 232,499,545</b>	<b>\$ (17,203,468)</b>	<b>(6.9)%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Certificates of Participation	\$ 1,443,987	\$ 8,500,000	\$ 8,500,000	\$ —	\$ (8,500,000)	(100.0)%
Commercial Paper Proceeds	—	140,000,000	30,000,000	110,000,000	(30,000,000)	(21.4)%
Transfers In	2,647,044	11,921,163	11,921,163	4,596,128	(7,325,035)	(61.4)%
Transfers Out	(3,947,545)	(4,472,172)	(4,472,172)	(6,028,305)	(1,556,133)	34.8%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ 143,486</b>	<b>\$ 155,948,991</b>	<b>\$ 45,948,991</b>	<b>\$ 108,567,823</b>	<b>\$ (47,381,168)</b>	<b>(30.4)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (29,812,154)</b>	<b>\$ 88,351,832</b>	<b>\$ (18,344,384)</b>	<b>\$ 39,838,263</b>	<b>\$ (48,513,569)</b>	<b>(54.9)%</b>
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
SCW Currently Authorized Projects	\$ 129,018,840	\$ 15,357,000	\$ 68,665,756	\$ 16,134,748	\$ 777,748	5.1%
SCW Operating and Capital Reserve	631,179	146,714,094	16,807,181	123,269,436	(23,444,658)	(16.0)%
<b>Total Restricted Reserves</b>	<b>\$ 129,650,019</b>	<b>\$ 162,071,094</b>	<b>\$ 85,472,937</b>	<b>\$ 139,404,184</b>	<b>\$ (22,666,910)</b>	<b>(14.0)%</b>
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ 34,375,681	\$ 9,369,000	\$ 22,926,371	\$ 6,357,396	\$ (3,011,604)	(32.1)%
Operating and Capital Reserve	30,522,489	60,189,191	67,804,496	70,280,488	10,091,297	16.8%

# Fund Summaries

## Watershed Management Funds Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Total Committed Reserves</b>	\$ 64,898,170	\$ 69,558,191	\$ 90,730,867	\$ 76,637,884	\$ 7,079,693	10.2%
<b>TOTAL YEAR-END RESERVES</b>	\$ 194,548,189	\$ 231,629,285	\$ 176,203,804	\$ 216,042,068	\$ (15,587,217)	(6.7)%
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 24,551,010	\$ 27,325,292	\$ 27,325,292	\$ 28,497,148	\$ 1,171,856	4.3%
Salary Savings Factor	—	(739,647)	(739,647)	(769,719)	(30,072)	4.1%
Services & Supplies	20,075,109	22,905,609	22,905,609	26,875,962	3,970,353	17.3%
Intra-District Charges	16,392,954	19,005,344	19,005,344	19,307,697	302,353	1.6%
<b>OPERATING OUTLAY TOTAL</b>	\$ 61,019,073	\$ 68,496,598	\$ 68,496,598	\$ 73,911,088	\$ 5,414,490	7.9%
<b>DEBT SERVICE</b>						
Salary Savings Factor	\$ —	\$ —	\$ —	\$ —	\$ —	—
Services & Supplies	60,450	784,247	784,247	1,020,942	236,695	30.2%
Debt Service	12,112,773	13,837,794	13,837,794	15,806,330	1,968,536	14.2%
<b>DEBT SERVICE TOTAL</b>	\$ 12,173,223	\$ 14,622,041	\$ 14,622,041	\$ 16,827,272	\$ 2,205,231	15.1%
<b>CAPITAL PROJECTS</b>						
Salaries and Benefits	\$ 13,472,558	\$ 16,829,838	\$ 16,829,838	\$ 18,732,002	\$ 1,902,164	11.3%
Salary Savings Factor	—	(469,753)	(469,753)	(517,147)	(47,394)	10.1%
Services & Supplies	74,882,620	56,187,125	140,739,519	42,747,487	(13,439,638)	(23.9)%
Carry Forward Capital Projects	—	83,111,000	—	69,099,983	(14,011,017)	(16.9)%
Intra-District Charges	7,587,765	10,926,163	10,926,163	11,698,860	772,697	7.1%
<b>CAPITAL PROJECTS TOTAL</b>	\$ 95,942,943	\$ 166,584,373	\$ 168,025,767	\$ 141,761,185	\$ (24,823,188)	(14.9)%
<b>TOTAL OUTLAYS****</b>	\$ 169,135,239	\$ 249,703,012	\$ 251,144,406	\$ 232,499,545	\$ (17,203,467)	(6.9)%

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Watershed and Stream Stewardship Fund Description

The Watershed and Stream Stewardship Fund was created in FY 2000-01 as part of the Board of Directors' direction to balance the overall Flood Protection and Stream Stewardship Program. When created, this fund supported specific stewardship activities within the watersheds from a portion of the District's ad valorem property tax allocation. Beginning in FY 2008-09, this fund was redefined to support all activities from the five watersheds funds supported by revenue from:

- All District's 1% ad valorem property tax allocation, except the portion allocated to District General Fund and Water Enterprise Fund
- Benefit assessments
- Capital reimbursement
- Intergovernmental revenue
- Interest revenue
- The revenues in the Watershed and Stream Stewardship Fund are used to provide:
- Environmentally responsible maintenance and construction of flood conveyance and ecological assets to preserve or improve flood protection, water quality, or environmental values including sediment removal; levee maintenance; erosion protection; debris removal; vegetation management; invasive species removal and control; Good Neighbor Maintenance, trash and graffiti removal; corrective maintenance, property, fence and road repairs
- Administration of the Water Resources Protection Ordinance to protect District assets
- Consultation with other agencies to manage flood risk and to protect ecological assets
- Emergency preparedness/response including sandbags and efforts to respond to or reduce the threat of floods
- Protection and improvement of water quality from urban runoff and other stream impairments

- Monitoring and assessing the condition and performance of both flood conveyance and environmental assets in the watersheds
- Public outreach and education
- Other program activities such as work improvement efforts, floodplain management, hydrology, safety training and workforce development

Preliminary targets for sediment removal, field condition assessments, levee maintenance and erosion protection are based on the Stream Maintenance Program-2 (SMP-2) Notice of Proposed Work (NPW) submitted to the regulatory agencies every year in April. The NPW consists of all potential work identified for that season. While the District intends to complete all work listed in the NPW, some of the work may not be completed for numerous reasons, such as the ability to propose and implement required mitigation, timely receipt of regulatory agencies' approvals, changed site conditions, biological restrictions due to nesting birds, and other factors. Furthermore, an additional NPW may be submitted due to late-occurring work because of winter storms. Therefore, proposed quantities in this document are subject to change.

The FY 2018-19 budget includes a new position to support review of external development proposals, such as the BART extension, High Speed Rail and San Jose downtown Google development, that affect the District facilities. Furthermore, additional positions are partially funded by the Watershed and Stream Stewardship Fund to help meet the additional requirements of the SMP-2 permits, support improved Watersheds workflow processes; as well as support the Board priority to finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).

Programs and projects are designed to fulfill each goal. Following each goal statement is a list of projects that are included in the FY 2018-19 budget.



# Fund Summaries

## Outcomes

### **Goal 3.1: Natural flood protection for residents, businesses, and visitors**

Provide flood protection to the county's growing community by building flood protection projects and maintaining conveyance capacity of modified channels.

*Major Capital Projects starting or continuing construction:*

- Berryessa Creek Phase 2 from Lower Penitencia Creek to Calaveras Boulevard
- Lower Silver Creek Reaches 4-6, I-680 to Cunningham Avenue
- Cunningham Flood Detention Certification
- Berryessa Creek Phase 2B on lower Calera Creek
- Watersheds Asset Rehabilitation Program: Stevens Creek downstream of El Camino Real Erosion Repair; Coyote Creek Levee Repair, Upstream of SR 237; Coyote Creek Levee Repair Downstream of SR 237, San Tomas Aquino Creek concrete repair; Matadero Creek Concrete Repair and Sediment removal; and Uvas Creek Levee Repair
- Sunnyvale East Channel, Guadalupe Slough to I-280
- Sunnyvale West Channel, Guadalupe Slough to Hwy 101
- Upper Llagas Creek, Buena Vista Road to Llagas Road

*Major Capital Projects in planning and design:*

- Palo Alto Flood Basin Structure Improvements
- Lower Penitencia Creek Improvements, Coyote Creek to San Andreas Drive
- Watersheds Asset Rehabilitation Program: Calabazas Creek (Miller Ave. to Bollinger Rd.) Erosion Repair
- Upper Penitencia Creek, Coyote Creek to Dorel Drive
- Coyote Creek, Montague Expressway to Tully Road

*Maintain conveyance capacity of modified channels:*

Effectively and efficiently maintain and operate flood

water conveyance channels to design specifications including sustainable sediment management, vegetation management and debris removal.

- Remove an estimated 93,276 cubic yards of sediment
- Control over 2,720 acres of upland vegetation to allow access for sediment removal and levee maintenance
- Inspect approximately 281 miles of creeks
- Inspect approximately 113 miles of levees
- Perform maintenance on approximately 28,155 linear feet of levees

### **Goal 3.2: Reduced potential for flood damages**

Reduce the potential for flood damages by: preparing for and responding to flood emergencies; informing the public on flood awareness; implementing the Water Resources Protection Ordinance; implementing the Encroachment Remediation and Prevention Plan; consulting with and supporting external agencies for floodplain management; maintaining and improving our flood warning system. To support implementation of Water Resources Protection Ordinance, a new position has been included in FY 2019. This additional resource will support review of external development proposals, such as the BART extension, High Speed Rail and San Jose downtown Google development, that affect the District facilities. This function is a key aspect of a coordinated approach to environmental stewardship and protection of District assets as the unit reviews and coordinates external development proposals and proposed trail projects with external stakeholders, project proponents, agencies and internal District staff.

- Provide approximately 40,000 filled bags
- Send floodplain mailer to approximately 53,243 homes and businesses in flood-prone areas

### **Goal: 4.1: Protect and restore creek, bay and other aquatic ecosystems**

Protect and restore creek and bay ecosystems: managing mitigation and enhancement sites;

# Fund Summaries

monitoring the biological values along the creeks and bay; understanding the natural hydrology of the watersheds; responding to hazardous material incidents; educating residents on creek stewardship; conducting stormwater runoff pollution prevention activities and continuing Good Neighbor Maintenance will remove trash from visible creek reaches, repair fences as needed for public safety, respond to requests for trash and graffiti removal within 5 working days and respond to Adopt-A-Creek trash pickups.

- Stabilize approximately 1,129 linear feet of stream banks

## *Capital Projects:*

- SMP Mitigation, Stream and Watershed Protection Program

## **Goal: 4.2: Improved quality of life in Santa Clara County through trails and open space**

Provide additional recreational opportunities by partnering with cities and the County to create creekside trails and open space.

## **Goal: 4.3: Strive for zero net greenhouse gas emission or carbon neutrality**

Identify and inventory the district's carbon footprint and develop reduction strategies and support the county Green Business Program.

## **Fiscal Status**

Property tax revenue is projected at \$79.2 million, a 7.5% or \$5.5 million increase from FY 2017-18.

Interest earnings are projected at \$0.9 million, a 24.9% or \$195k increase from FY 2017-18.

Other Income of \$1.6 million is budgeted for rental and other miscellaneous income.

Capital Reimbursement of \$12.4 million is budgeted as follows:

- \$6.6 million for Department of Water Resources (DWR) Proposition 1E; Berryessa Creek, Lower Penitencia Creek – Calaveras Blvd. (\$1.6 million); Lower Silver Creek, I-680 to Cunningham, Reaches 4-6 (\$3.0 million); Lower Penitencia Creek Improvements, Berryessa to Coyote Creeks (\$1.0 million); and Cunningham Flood Detention Certification (\$1.0 million)
- \$110k for State Subventions: Guadalupe River – DT, I-880 to I-280
- \$1.4 million for San Francisquito Creek, SF Bay-Searsville Dam from Joint Powers Authority
- \$4.3 million for DWR-NRCS; Cunningham Flood Detention Certification

Operating Transfers in from Benefit Assessment Fund for the excess amount over the debt obligations is budgeted as \$2.6 million

Operating Transfers out of \$3.4 million from WSS fund is budgeted as follows:

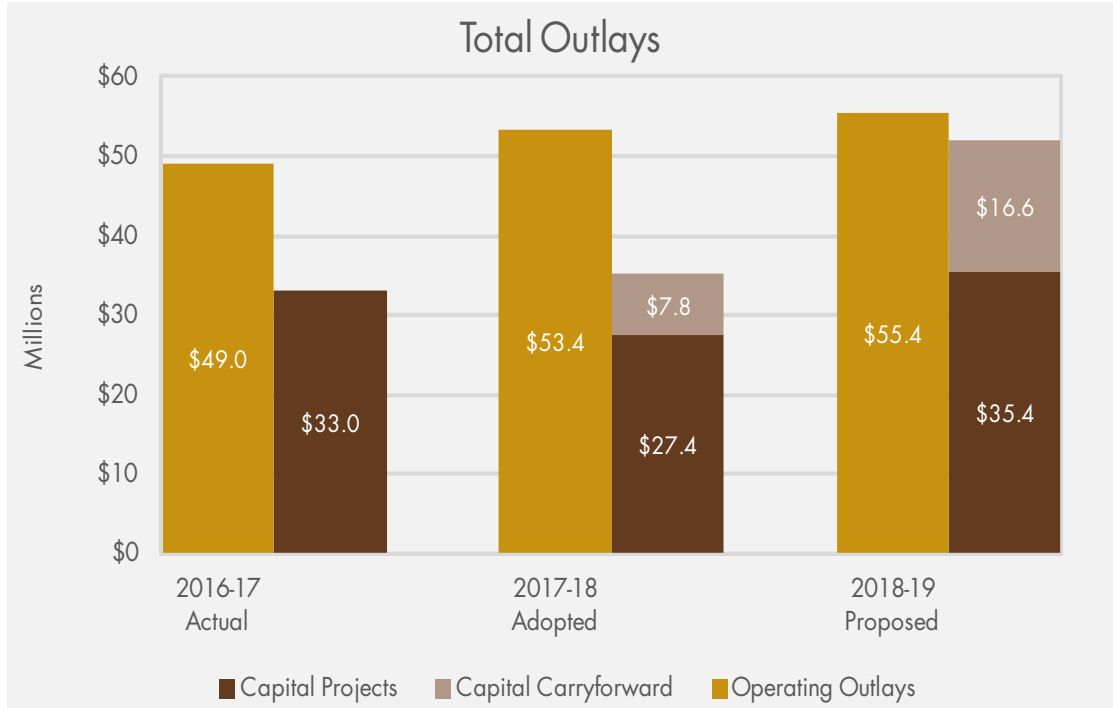
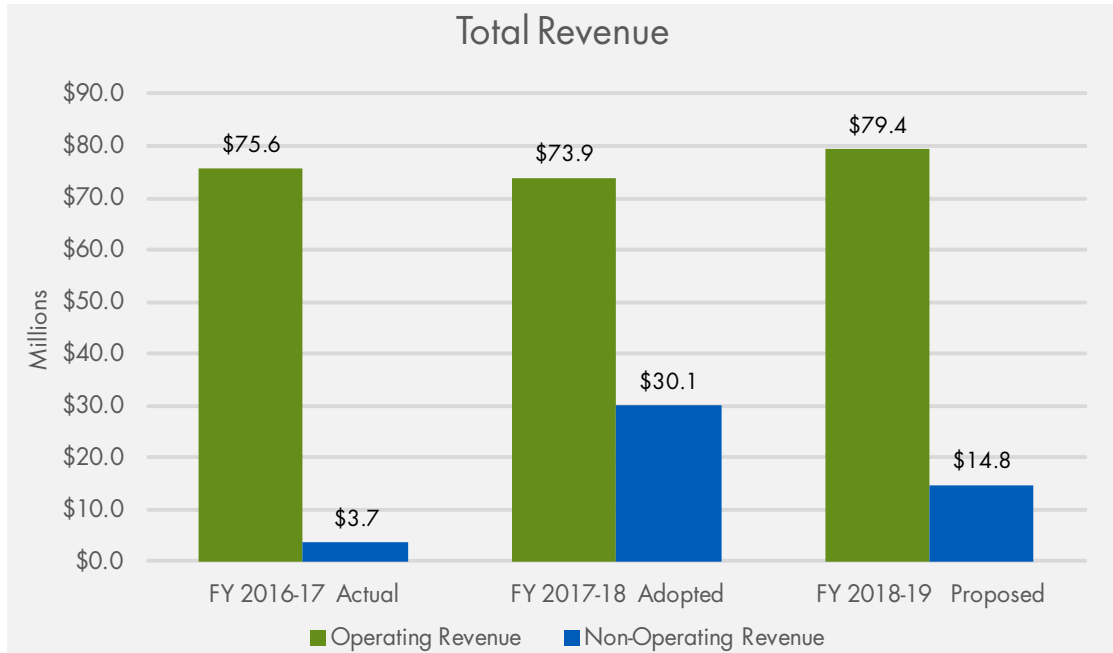
- \$0.3 million to General Fund (11) for Drought Induced Tree Removal
- \$0.5 million to Water Enterprise Fund (61) for Open Space Credit
- \$2.6 million to Information Technology Fund (73) for IT Capital projects costs

## **Budget Issues**

- Implementation of the Stream Maintenance Program-2 continues to result in increasing demands for staff resources from multiple Operations and Maintenance units and mitigation requirements.
- Hazardous Tree program budget may require an adjustment if tree mortality rates continue to rise.
- The Watershed and Stream Stewardship fund is limited, and every year staff has identified more work than the fund can support. Funding a high demand for cleanup of homeless encampments continues to be a challenge.
- If there is significant increase in sale of surplus properties or addressing encroachments because of change in Board policy, additional resources would be required.

# Fund Summaries

## Watershed and Stream Stewardship Fund



# Fund Summaries

## Watershed and Stream Stewardship Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
Property Tax	\$ 74,805,680	\$ 73,638,000	\$ 78,080,178	\$ 79,160,985	\$ 5,522,985	7.5%
Intergovernmental Services	491,870	—	—	—	—	—
Operating Other	302,711	233,166	233,166	240,000	6,834	2.9%
<b>Total Operating Revenue</b>	<b>\$ 75,600,261</b>	<b>\$ 73,871,166</b>	<b>\$ 78,313,344</b>	<b>\$ 79,400,985</b>	<b>\$ 5,529,819</b>	<b>7.5%</b>
<b>Non-Operating Revenue</b>						
Capital Reimbursements	\$ 29	\$ 28,000,000	\$ 33,938,000	\$ 12,443,000	\$ (15,557,000)	(55.6)%
Interest Income *	1,090,936	783,000	783,000	978,000	195,000	24.9%
Nonoperating Other	2,601,635	1,335,592	1,335,592	1,376,000	40,408	3.0%
<b>Total Non-Operating Revenue</b>	<b>\$ 3,692,600</b>	<b>\$ 30,118,592</b>	<b>\$ 36,056,592</b>	<b>\$ 14,797,000</b>	<b>\$ (15,321,592)</b>	<b>(50.9)%</b>
<b>TOTAL REVENUE</b>	<b>\$ 79,292,861</b>	<b>\$ 103,989,758</b>	<b>\$ 114,369,936</b>	<b>\$ 94,197,985</b>	<b>\$ (9,791,773)</b>	<b>(9.4)%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 44,146,020	\$ 51,294,155	\$ 51,294,155	\$ 52,043,565	\$ 749,410	1.5%
Operating Project	4,887,980	2,080,287	2,080,287	3,343,965	1,263,678	60.7%
<b>Total Operating Outlays</b>	<b>\$ 49,034,000</b>	<b>\$ 53,374,442</b>	<b>\$ 53,374,442</b>	<b>\$ 55,387,530</b>	<b>\$ 2,013,088</b>	<b>3.8%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 32,980,835	\$ 27,385,641	\$ 38,834,951	\$ 35,440,414	\$ 8,054,773	29.4%
Carry Forward Capital Projects	—	7,790,000	—	16,568,975	8,778,975	112.7%
<b>Total Capital Outlays</b>	<b>\$ 32,980,835</b>	<b>\$ 35,175,641</b>	<b>\$ 38,834,951</b>	<b>\$ 52,009,389</b>	<b>\$ 16,833,748</b>	<b>47.9%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 82,014,835</b>	<b>\$ 88,550,083</b>	<b>\$ 92,209,393</b>	<b>\$ 107,396,919</b>	<b>\$ 18,846,836</b>	<b>21.3%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Certificates of Participation	\$ —	\$ 3,000,000	\$ 3,000,000	\$ —	\$ (3,000,000)	(100.0)%
Transfers In	2,647,044	2,572,163	2,572,163	2,567,128	(5,035)	(0.2)%
Transfers Out	(1,300,500)	(1,900,009)	(1,900,009)	(3,461,177)	(1,561,168)	82.2%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ 1,346,544</b>	<b>\$ 3,672,154</b>	<b>\$ 3,672,154</b>	<b>\$ (894,049)</b>	<b>\$ (4,566,203)</b>	<b>(124.3)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (1,375,430)</b>	<b>\$ 19,111,829</b>	<b>\$ 25,832,697</b>	<b>\$ (14,092,983)</b>	<b>\$ (33,204,812)</b>	<b>(173.7)%</b>
<b>YEAR-END RESERVES</b>						
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ 34,375,681	\$ 9,369,000	\$ 22,926,371	\$ 6,357,396	\$ (3,011,604)	(32.1)%
Operating and Capital Reserve	30,522,489	60,189,191	67,804,496	70,280,488	10,091,297	16.8%
<b>Total Committed Reserves</b>	<b>\$ 64,898,170</b>	<b>\$ 69,558,191</b>	<b>\$ 90,730,867</b>	<b>\$ 76,637,884</b>	<b>\$ 7,079,693</b>	<b>10.2%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 64,898,170</b>	<b>\$ 69,558,191</b>	<b>\$ 90,730,867</b>	<b>\$ 76,637,884</b>	<b>\$ 7,079,693</b>	<b>10.2%</b>
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		

# Fund Summaries

## Watershed and Stream Stewardship Fund Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 20,874,268	\$ 22,595,046	\$ 22,595,046	\$ 23,400,997	\$ 805,951	3.6%
Salaries Savings Factor	—	(610,062)	(610,062)	(630,636)	(20,574)	3.4%
Services & Supplies	14,357,584	15,805,402	15,805,402	16,874,893	1,069,491	6.8%
Intra-District Charges	13,802,149	15,584,056	15,584,056	15,742,276	158,220	1.0%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 49,034,001</b>	<b>\$ 53,374,442</b>	<b>\$ 53,374,442</b>	<b>\$ 55,387,530</b>	<b>\$ 2,013,088</b>	<b>3.8%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 6,291,298	\$ 7,487,831	\$ 7,487,831	\$ 8,508,617	\$ 1,020,786	13.6%
Salaries Savings Factor	—	(208,775)	(208,775)	(233,888)	(25,113)	12.0%
Services & Supplies	23,119,116	15,248,439	26,697,749	21,858,454	6,610,015	43.3%
Carry Forward Capital Projects	—	7,790,000	—	16,568,975	8,778,975	112.7%
Intra-District Charges	3,570,421	4,858,145	4,858,145	5,307,231	449,086	9.2%
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 32,980,835</b>	<b>\$ 35,175,640</b>	<b>\$ 38,834,950</b>	<b>\$ 52,009,389</b>	<b>\$ 16,833,749</b>	<b>47.9%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 82,014,836</b>	<b>\$ 88,550,082</b>	<b>\$ 92,209,392</b>	<b>\$ 107,396,919</b>	<b>\$ 18,846,837</b>	<b>21.3%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Watershed and Stream Stewardship Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
10291002	Rental Expense Stevens Creek	254,312	377,721	351,354		General Services Division
30061004	Rent Exp Guadalupe & Coyote	176,240	214,818	210,956		General Services Division
30151026	Guad Rvr Mitgtn Monitoring Prg	316,435	831,532	685,702		Watershed Stewardship & Planning Division
62001090	Unscoped Projects-Budget Only		300,000	100,000		Office of COO Watersheds
62011002	Watershed Asset Protection Sup	3,120,759	4,103,371	4,589,081		Watershed Stewardship & Planning Division
**	62021002 Watershed Emergency Operations	94,346				Watershed Operations & Maintenance Division
	62021003 CPRU Tech Support	349,787	398,634	389,531		Watershed Stewardship & Planning Division
	62021004 Vegetation Mgmt Tech Support	652,044	738,673	763,189		Watershed Operations & Maintenance Division
**	62021007 Geomorphic Data Analysis	129,998				Watershed Stewardship & Planning Division
*	62021008 Energy Management	4,323	8,337	6,185		Raw Water Operations & Maintenance Division
	62021009 Watershds O&M Eng&Insp Support	907,270	885,433	883,837		Watershed Operations & Maintenance Division
*	62031001 Watershed Revenue	49,459	63,226	34,400		Financial Planning and Management Services Division
*	62031002 Grants Management	327,972	368,967	381,517		Financial Planning and Management Services Division
*	62041022 Stream Maint Prog Mgmt	2,525,049	3,048,513	2,872,007		Watershed Operations & Maintenance Division
	62041023 Community Rating System (CRS)	333,159	402,927	506,406		Watershed Stewardship & Planning Division
	62041026 Watersheds Asset Mgt Plng Prgm	623,819	920,061			Raw Water Operations & Maintenance Division
	62041027 Integrated Wtr Resrce Mstr Pln	1,009,615	1,630,898	1,353,826		Watershed Stewardship & Planning Division
*	62041039 Integrated Regional Water Mgmt	38,748	111,606	93,329		Water Supply Division
	62041043 Environmental Srvcs Tech Suppt	350,397	267,234	342,926		Watershed Stewardship & Planning Division
**	62041046 Survey Record Management	11,208				Watershed Design & Construction Division
*	62041047 Ecolgcal Data Collectn & Analy	291,807	379,466	438,144		Watershed Stewardship & Planning Division
	62061001 Watersheds Administration	5,251,314	5,138,396	4,891,384		Office of COO Watersheds
	62061002 Districtwide Salary Savings-12		(610,062)	(630,636)		Financial Planning and Management Services Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Watershed and Stream Stewardship Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
62061005	WS Customer Relations&Outreach	332,714	493,715	515,385		Office of Chief of External Affairs
62061008	Hydrology&Hydraulics Tech Supp	608,070	1,211,084	1,200,583		Watershed Stewardship & Planning Division
* 62061019	Supp Volunteer Cleanup Effort	77,173	172,618	179,376		Office of Chief of External Affairs
** 62061022	Watershed Ops Safety Implement	234,005				Human Resources Division
** 62061023	Watershed Ops Safety Training	388,355				Human Resources Division
62061028	WS Training & Development	818,559	1,693,319	1,389,335		Office of COO Watersheds
62061029	Field Operations Support	468,158	618,061	643,825		Watershed Operations & Maintenance Division
** 62061042	Watershed Customer Relations	236,912				Office of the CEO
* 62061045	AM Systems and Standards	172,747	187,774	1,172,868		Raw Water Operations & Maintenance Division
** 62061046	District CMMS Administration					Raw Water Operations & Maintenance Division
* 62061048	Climate Change Adaptation/ Mtg.	91,982	240,411	437,573		Watershed Stewardship & Planning Division
* 62071041	Welding Services	68,339	76,544	87,930		General Services Division
62181005	SMP Mitigation Site Mgmt	244,956	524,232	524,303		Watershed Stewardship & Planning Division
* 62741042	Water Resorcs EnvPlng & Permtg	19,627	74,186	43,662		Raw Water Operations & Maintenance Division
62761006	Invasive Plant Management Prog	849,045	1,029,170	1,186,262		Watershed Operations & Maintenance Division
62761008	Sandbag Program	656,258	661,907	620,485		Watershed Operations & Maintenance Division
62761009	Pond A4 Operations	89,670	154,995	219,084		Watershed Operations & Maintenance Division
** 62761010	Watersheds Tree Maintenance	578,007				Watershed Operations & Maintenance Division
* 62761022	Watershed Good Neighbor Maint	608,117	839,124	809,610		Watershed Operations & Maintenance Division
* 62761023	Watershed Sediment Removal	5,985,872	5,309,149	6,082,826		Watershed Operations & Maintenance Division
62761024	Wtrshd Facility Cndtion Assmnt	1,015,349	1,847,158	1,881,115		Watershed Operations & Maintenance Division
62761025	Watershed General Field Maint	1,922,590	1,535,519	1,569,653		Watershed Operations & Maintenance Division
62761026	Watershed Debris Removal	1,849,091	1,493,713	1,359,444		Watershed Operations & Maintenance Division
62761027	Watershed Erosion Protection	2,086,424	2,875,914	3,194,383		Watershed Operations & Maintenance Division

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - Watershed and Stream Stewardship Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
62761028	Watershed Levee Maintenance	763,839	1,569,942	1,284,440		Watershed Operations & Maintenance Division
* 62761071	Emergency Management	684,860	905,318	837,305		Office of COO Administrative Services
** 62761072	Business Continuity Program	21,490				Office of COO Administrative Services
62761074	Corps Local Sponsor O&M	185,819	1,400,542	1,241,151		Watershed Operations & Maintenance Division
* 62761075	Mgmt of Revegetation Projects	480,578	909,549	829,235		Watershed Operations & Maintenance Division
* 62761078	Vegetation Mangmnt for Access	2,502,415	2,103,614	2,698,155		Watershed Operations & Maintenance Division
62761080	Non SMP Veg Removal for Convey	30,863	366,071	25,502		Watershed Operations & Maintenance Division
* 62771011	Inter Agency Urban Runoff Prog	952,751	995,383	1,027,358		Watershed Stewardship & Planning Division
* 62771031	HAZMAT Emergency Response	104,001	57,532	91,963		Human Resources Division
* 62811043	Hydrologic Data Msrmt & Mgmt	746,843	842,548	853,852		Watershed Stewardship & Planning Division
* 62811046	Warehouse Services	859,151	1,000,885	1,046,902		General Services Division
* 62811049	X Valley Subsidence Survey		172,039	296,400		Watershed Design & Construction Division
** 62811050	Benchmark Maint (Countywide	141,035				Watershed Design & Construction Division
* 62811054	District Real Property Adminis	452,290	352,387	430,463		Watershed Design & Construction Division
<b>Total Operations</b>		<b>44,146,020</b>	<b>51,294,155</b>	<b>52,043,565</b>		

### Operating

40212032	Coyote Creek Mitgtn Monitoring	77,008	202,078	276,832		Watershed Stewardship & Planning Division
** 40262033	Lwr Silver Mitigation & Monitr	21,128				Watershed Stewardship & Planning Division
62042032	Multiple Sm Prjcts Mitgtn Mont	142,259	279,680	349,903		Watershed Stewardship & Planning Division
62042047	Mitigation & Stwdshp Land Mgmt	136,964	195,362	237,920		Watershed Stewardship & Planning Division
** 62042049	Flood Risk Mapping	975,031				Watershed Stewardship & Planning Division
62042050	Watershd Maint Guideline Updte	1,664,787	270,141	1,309,486		Watershed Operations & Maintenance Division
62042051	Plant Pathogen Management	299,345	451,672	379,096		Watershed Stewardship & Planning Division

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - Watershed and Stream Stewardship Fund (Continued)

	Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
**	62062003	El Nino Flood Emrgncy Response	1,561,072				Office of the CEO
*	62762011	Tree Maintenance Program	10,387	681,354	790,729		Watershed Operations & Maintenance Division
<b>Total Operating</b>			<b>4,887,980</b>	<b>2,080,287</b>	<b>3,343,965</b>		
<b>Capital</b>							
**	10244001	Permanente Ck, SF Bay-Foothill				177,931	Watershed Design & Construction Division
	10394001	PA Flood Basin Tide Gate Imprv	144,005	458,005	1,315,730	763,820	Watershed Design & Construction Division
	20194005	San Tomas Ck, Quito Rd Bridges		123,739			Watershed Stewardship & Planning Division
	20444001	Salt Ponds A5-11 Restoration	1,184,189	753,926	95,262	450,228	Watershed Stewardship & Planning Division
	30114002	Canoas Crk, Rodent Damage Repr	632,868			30,305	Watershed Design & Construction Division
	30154015	Guadalupe Rv-DT, Coleman-SClra	1,800			8,000	Watershed Design & Construction Division
	40174004	L. Berryessa Ck, L.Penit-Calav	784,158			73,150	Watershed Design & Construction Division
	40174005	Berryessa Crk, Lwr. Pen Phs 2	21,252,176		17,473,333	1,640,197	Watershed Design & Construction Division
	40214021	ERP-Coyote Crk, U/S Hwy 237	415,432				Watershed Design & Construction Division
	40214022	ERP-Coyote Crk, D/S Hwy 237	299,530				Watershed Design & Construction Division
	40264008	Lwr Silver-R4-6 N Babb-Cunni	3,465,172	1,980,884	507,097	519,228	Water Utility Capital Division
	40264011	Cunningham Fld Detention Cert	982,107	1,673,841	1,289,575		Watershed Design & Construction Division
	40264012	Low Silver 680-Cunningham Reim	79,536			85,690	Water Utility Capital Division
**	40324003	U Penitencia Cr-Corps Coord	354,600				Watershed Stewardship & Planning Division
**	40324005	U Penitencia, Coyt-Dorel LERRD	112,889			4,956,138	Watershed Stewardship & Planning Division
	40334005	Lwr Penitencia Crk Improvemnts	932,760	4,814,866	1,881,880	6,177,320	Watershed Design & Construction Division
	50184003	ERP-Uvas Crk, Wren-Levee end	237,966				Watershed Design & Construction Division
	50284010	Lower Llagas Capacity Restore	11,252			1,515,000	Water Utility Capital Division
	50314001	ERP-West Branch Llagas Creek	(117)				Watershed Design & Construction Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Watershed and Stream Stewardship Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
62044001	Watershed Habitat Enhancemnt S	24,365	1,166,914	1,016,026	65,549	Watershed Design & Construction Division
* 62044026	San Francisco Bay Shoreline	125,411	2,721,261		106,420	Watershed Design & Construction Division
62064023	Districtwide Salary Savings		(208,775)	(233,888)		Financial Planning and Management Services Division
* 62074030	WU Capital Training & Dvlpmnt			42,092		Water Utility Capital Division
* 62074033	CIP Development & Admin	171,517	350,964	398,042		Water Utility Capital Division
* 62074036	Survey Mgmt & Tech Support	53,400	159,894	151,324		Watershed Design & Construction Division
* 62074038	Capital Progrm Srvc Admin		1,834,502	1,611,376		Water Utility Capital Division
** 62074045	Technical Review Committee	41,045				Water Utility Capital Division
** 62074051	WS Capital Training & Dvlpmnt	189,087				Office of COO Watersheds
** 62074052	WS Capital Program Srvc Admin	787,982				Office of COO Watersheds
** 62074053	WS Capital Hlth & Safety Trng	11,709				Office of COO Watersheds
62084001	Watersheds Asset Rehabilitatio	333,169	11,046,551	9,892,564		Watershed Design & Construction Division
62184001	SMP Mit-Stream Wtrshd Land Acq	121,567	509,068			Watershed Design & Construction Division
<b>Total Capital</b>		<b>32,749,573</b>	<b>27,385,641</b>	<b>35,440,414</b>	<b>16,568,976</b>	
<b>Total</b>		<b>81,783,574</b>	<b>80,760,083</b>	<b>90,827,945</b>	<b>16,568,976</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding

## Safe, Clean Water & Natural Flood Protection Fund Description

The Safe, Clean Water & Natural Flood Protection Fund accounts for a 15-year program that was approved by the voters in November 2012 to address several community priorities. The program replaced the Clean, Safe Creeks plan passed by voters in November 2000. The Safe, Clean Water and Natural Flood Protection (SCW) program is funded by a combination of revenues from the continuation of an annual special parcel tax, reserves from unspent funds of the Clean, Safe Creeks plan, and state and federal funding. The program includes a debt financing component that will help fund capital projects earlier in the program rather than later.

Program funds will be used to meet remaining Clean, Safe Creeks plan commitments and to fulfill the following community priorities:

- Ensure a safe, reliable water supply;
- Reduce toxins, hazards and contaminants in our waterways;
- Protect our water supply from earthquakes and natural disasters;
- Restore wildlife habitat and provide open space;
- Provide flood protection to homes, businesses, schools and highways.

The program supplements other available but limited resources to provide stream stewardship activities and flood protection improvements. The program supports activities that benefit not only the community at large but that also provide relief to Water Utility rate payers. For example, the fund will pay towards the project to restore the Main Avenue and Madrone pipelines that otherwise would need to be paid by water utility rate payers. The project will restore the water transmission pipelines to full operating capacity from Anderson Reservoir for groundwater recharge.

The FY 2018-19 budget includes additional positions that are partially funded by the SCW Fund to support the following projects:

- One position to support the Grants and Partnerships to Restore Wildlife Habitat and Access to Trails; Support Volunteer Cleanup Efforts and Education and the Pollution Prevention Partnerships and Grants projects.
- One position to support vegetation management activities to reduce flood risk by maintaining design conveyance capacity of flood protection projects, to provide access for maintenance personnel and equipment as well as to maintain existing revegetation projects and future revegetation sites.
- One position to help manage the SCW program, including ) developing, implementing and executing the processes, reports, measurements, and plans required to safeguard the delivery of its 5-year and 15-year key performance indicators; preparing the annual SCW report and the 5-year implementation plan, providing administrative support to the SCW Independent Monitoring Committee and coordinating the completion of independent audits during the 15-year program.
- Following each priority statement is a list of projects that are included in the FY 2018-19 budget.

## Outcomes

### Goal 3.1: Natural flood protection for residents, businesses, and visitors

Protect parcels from flooding by applying an integrated watershed management approach that balances environmental quality and protection from flooding; Ensure continued coordination with and funding support from the US Army Corps of Engineers (USACE); continue projects to maintain channel conveyance capacity.

*Major Capital Projects starting or continuing construction:*

- San Francisquito Creek, San Francisco Bay to HWY 101 (SCW Priority E5)
- Upper Llagas Creek, Buena Vista Road to Wright Avenue (SCW Priority E6)
- Berryessa Creek, Calaveras Boulevard to I-680 (continue CSC)

# Fund Summaries

- Permanente Creek, San Francisco Bay to Foothill Expressway (continue CSC)
- Upper Guadalupe River, I-280 to Blossom Hill Road (SCW Priority E8)
- Sunnyvale East Channel, Guadalupe Slough to I-280 (continue CSC)
- Sunnyvale West Channel, Guadalupe Slough to Hwy 101 (continue CSC)

## *Major Capital Projects in planning and design:*

- Upper Penitencia Creek, Coyote Creek to Dorel Drive (SCW Priority E4)
- San Francisquito Creek, HWY 101 to El Camino Real (SCW Priority E5)
- San Francisco Bay Shoreline (SCW Priority E7)
- Upper Guadalupe River, I-280 to Blossom Hill Road (SCW Priority E8)
- Coyote Creek, Montague Expressway to Tully Road (continue CSC)

## *SCW Priority E1:*

The Vegetation Control and Sediment Removal for Flood Protection – This effort supports the District's ongoing vegetation control and sediment removal activities that reduce flood risk by maintaining design conveyance capacity of flood protection projects.

An additional position has been included in the FY 2018-19 budget to help address a backlog of this critical work resulting, in part, from staffing shortages, additional requirements of the SMP-2 permits, and the increasing demands of the public's online and phone requests for service, which the District is committed to responding to within five (5) business days.

- Provides 16% of funding for removal of approximately 93,276 cubic yards of sediment
- Control 408 acres of upland vegetation (program total is 6,120 acres over 15 years)
- Control 619 acres of in-stream vegetation to provide flood protection in all five watersheds

## **Goal 3.2: Reduce potential for flood damages**

Reduce the risk of flooding from creeks by preparing for and responding to flood emergencies.

## *SCW Priority C2:*

Emergency Response Upgrades - Improve the accuracy of flood forecasting services with the use of stream gauges and hydrological, hydraulic and geotechnical studies

## *SCW Priority E2:*

- Enhance inter-agency response to storm-related emergencies by working with agencies to incorporate district-endorsed flood emergency procedures into their Emergency Operations Center plans
- Complete flood fighting action plans for watershed
- Coordinate public outreach for uniform emergency messages and web-based information

## *SCW Priority E3:*

- Implement risk reduction strategies consistent with FEMA's Community Rating System as appropriate
- Provide more accurate flood plain mapping and potentially change FEMA regulatory floodplain
- Conduct hydrologic and hydraulic study for Ross Creek to evaluate 1% flood risk

## **Goal 4.1: Protect and restore creek, bay and other aquatic ecosystems**

### *SCW Priority B1:*

- Improve impaired water bodies to help the District meet surface water quality standards and reduces pollutants in streams, groundwater, lakes and reservoirs.
- Operate and maintain oxygenation treatment systems in four reservoirs. Benefits include improved water quality including water going to drinking water treatment plants and reduction of methyl mercury in reservoirs to prevent entry into the food web.
- Fund several pollution prevention and reduction activities such as discouraging re-encampments along the Guadalupe River and Coyote Creek as well as trash mapping and removal.

### *SCW Priority B2:*

# Fund Summaries

- Interagency Urban Runoff Program - Support collaborative efforts with other agencies and non-profit organizations to protect surface water quality, including development of a Storm Water Resource Plan as part of a state planning grant for the Santa Clara Basin to prioritize green storm water infrastructure.
- Support pollution prevention and reduction activities such as the Pajaro River watershed pathogen and microbial source tracking study to determine sources of pollutants and the nutrient loading analysis for the Uvas/Llagas watershed.
- Operate and maintain four (4) trash capture devices throughout the county

## *SCW Priority B3:*

- Administer 12 Pollution Prevention grants and partnership projects awarded since 2014
- Provide up to \$200,000 per year for partnerships with municipalities for programs specific to reducing contaminants in groundwater or surface water
- Solicit new proposals to support pollution prevention efforts
- Develop and implement new grant agreements

## *SCW Priority B4:*

- Good Neighbor Illegal Encampment Cleanup- Perform 52 annual cleanups for the duration of the Safe, Clean Water program to reduce the amount of trash and pollutants entering the streams

## *SCW Priority B5:*

- Hazardous Material Response Program – Respond to 100% of hazardous materials reports requiring urgent on-site inspection in 2 hours or less

## *SCW Priority B6:*

- Good Neighbor Program - Fund 40% of the Good Neighbor Maintenance activity for all watersheds for graffiti and litter removal

## *SCW Priority B7:*

- Administer 7 grants projects for Support Volunteer Clean Up and Education Effort projects awarded since 2014
- Continue to develop and implement partnership agreements

- Solicit new proposals for support volunteer cleanup and education projects as directed by the board

## *SCW Priority D1:*

- Management of Revegetation Projects
- Maintain a minimum of 300 existing acres of revegetation planting annually to meet regulatory requirements and conditions throughout the five watersheds

## *SCW Priority D2:*

- Revitalize stream, upland and wetland habitat by removing non-native, invasive plants and revegetating habitat with native species

## *SCW Priority D3:*

- Develop Stream Corridor Priority Plans to prioritize stream restoration activities
- Conduct proposal solicitation and execute agreements, which includes \$500,000 for partnerships and \$200,000 for mini-grants for wildlife habitat restoration
- Continue to develop and implement partnership agreements
- Administer over 16 wildlife habitat restoration grants and partnership projects awarded since 2014

## *SCW Priority D4:*

- Restore and maintain healthy fisheries populations by improving fish passage and habitat such as installing large woody debris and/or gravel in steelhead streams
- Almaden Lake Improvement - creek/lake separation (Capital project)
- Planning Phase study of Ogier Ponds creek/lake separation
- Feasibility study of Metcalf Ponds creek/lake separation
- Evaluation of fish passage barriers along Stevens Creek
- Bolsa Bridge Fish Passage Improvement design (Capital project)

## *SCW Priority D5:*

- Create a comprehensive watershed database that tracks stream ecosystem functions

# Fund Summaries

- Establish a baseline ecological level of service for the West Valley Watershed
- Reassess streams to determine if ecological levels of service are maintained or improved

## SCW Priority D6:

Increase the stability through channel improvement projects based on sound geomorphic science principles

- Hale Creek

## SCW Priority D7:

- Provide up to \$8 million for the acquisition of property for the conservation of habitat lands to preserve local ecosystems
- Between FY 2014 - 2018, the District worked with partner agencies to establish the criteria to identify partnerships; project funding is expected to begin in FY 2018 - 19

## SCW Priority D8:

- Reuse local stream sediments to build and rehabilitate tidal habitat
- South Bay Salt Ponds Restoration (Capital project)

## Goal 4.2: Improved quality of life in Santa Clara County through trails and open space

### SCW Priority D3:

- Conduct proposal solicitation and execute agreements, which includes \$571,000 grant funds for trails and open space
- Administer 6 open space and trail grants projects awarded since 2014

## Fiscal Status

The special parcel tax is budgeted at \$44.0 million, reflecting a 3.5% increase from the FY 2017-18 budget. This special tax is based on the land use and parcel size rather than assessed property value. Consequently, the annual rates of change are different than for the other property taxes in the Watershed Stream and Stewardship Fund.

Interest earnings are projected at \$1.7 million, which is flat relative to the FY 2017-18 budget.

Capital Reimbursement of \$9.1 million is budgeted as follows:

- \$6.1 million for State Subventions: Berryessa Creek, Calaveras Blvd. to I-680 and (\$.8 million) Llagas Creek – Upper, Buena Vista to Wright (\$5.3 million)
- \$3.0 million for Department of Water Resources Proposition 1E: Berryessa Creek, Calaveras Blvd to I-680

New debt proceeds of \$110 million is planned to be issued in FY 2018-19.

\$2.0 million is budgeted to be transferred in from Water Enterprise Fund for the Main / Madrone project in FY 2018-19.

## Budget Issues

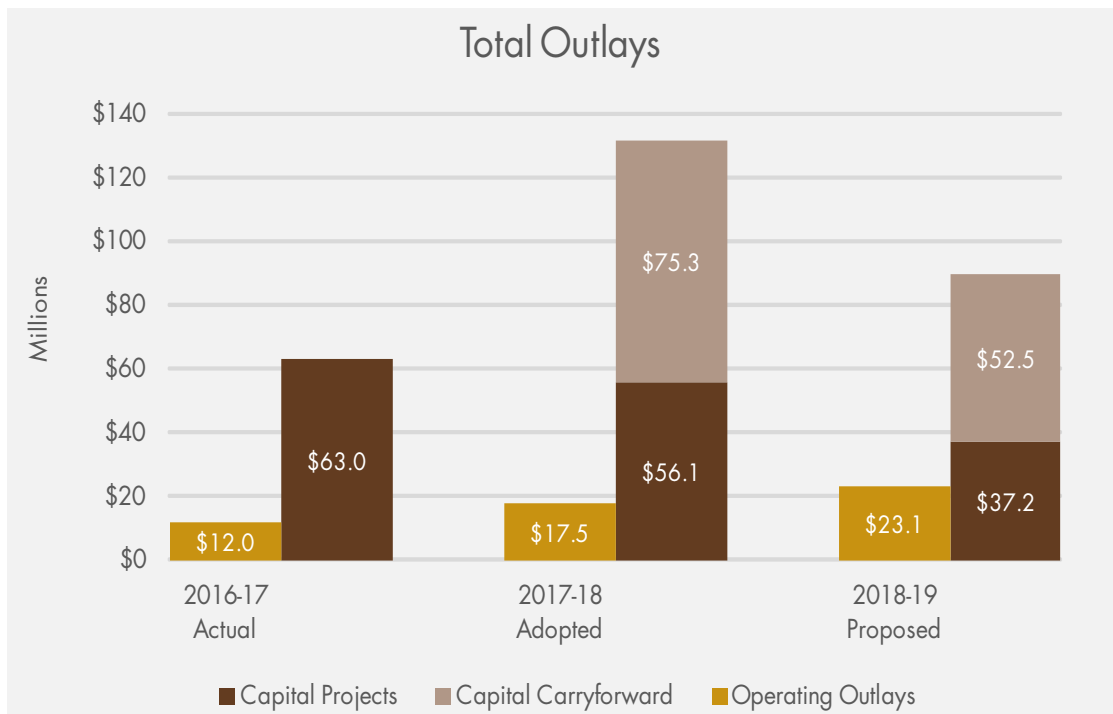
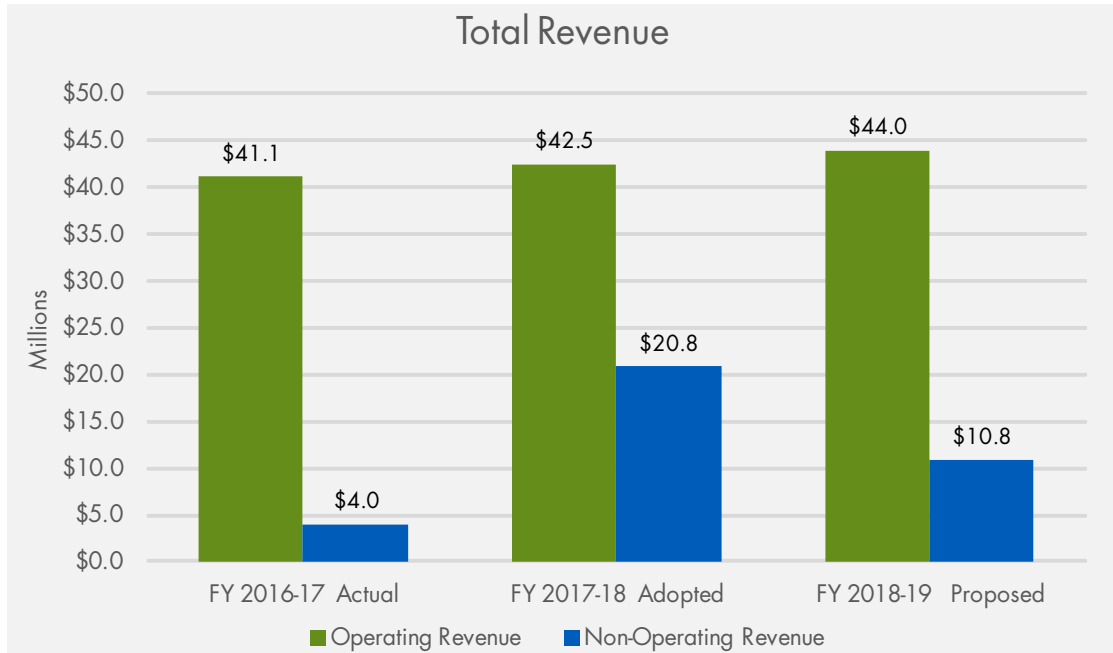
Staff continues to work aggressively with the USACE to obtain Federal funding. Flood protection projects continue to the extent possible with local funding.

- Due to uncertainty in USACE funding for capital flood protection projects, staff continues to explore other capital funding options.
- Good Neighbor Program: Although the District has exceeded the key performance indicators for the Encampment Cleanup project, there continues to be an increased community demand for encampment cleanups. As a result, the project does not have adequate funding to meet the increased demand for services from the community and partner agencies.
- Stream Stewardship Activities: There is limited funds to meet the demands for stream stewardship activities.



# Fund Summaries

## Safe, Clean Water and Natural Flood Protection Fund



# Fund Summaries

## Safe, Clean Water and Natural Flood Protection Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
Special Parcel Tax	\$ 41,098,834	\$ 42,510,582	\$ 42,510,582	\$ 43,998,000	\$ 1,487,418	3.5%
Intergovernmental Services	2,662	—	—	—	—	—
<b>Total Operating Revenue</b>	<b>\$ 41,101,496</b>	<b>\$ 42,510,582</b>	<b>\$ 42,510,582</b>	<b>\$ 43,998,000</b>	<b>\$ 1,487,418</b>	<b>3.5%</b>
<b>Non-Operating Revenue</b>						
Capital Reimbursements	\$ 1,818,009	\$ 19,158,000	\$ 13,523,000	\$ 9,126,000	\$ (10,032,000)	(52.4)%
Interest Income *	1,882,260	1,670,000	1,670,000	1,670,000	—	—
Nonoperating Other	294,020	—	—	—	—	—
<b>Total Non-Operating Revenue</b>	<b>\$ 3,994,289</b>	<b>\$ 20,828,000</b>	<b>\$ 15,193,000</b>	<b>\$ 10,796,000</b>	<b>\$ (10,032,000)</b>	<b>(48.2)%</b>
<b>TOTAL REVENUE</b>	<b>\$ 45,095,785</b>	<b>\$ 63,338,582</b>	<b>\$ 57,703,582</b>	<b>\$ 54,794,000</b>	<b>\$ (8,544,582)</b>	<b>(13.5)%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 10,348,564	\$ 13,135,778	\$ 13,135,778	\$ 15,206,856	\$ 2,071,078	15.8%
Operating Project	1,636,508	1,986,379	1,986,379	3,316,701	1,330,322	67.0%
Debt Service	29,315	2,416,690	2,416,690	4,616,400	2,199,710	91.0%
<b>Total Operating Outlays</b>	<b>\$ 12,014,387</b>	<b>\$ 17,538,847</b>	<b>\$ 17,538,847</b>	<b>\$ 23,139,957</b>	<b>\$ 5,601,110</b>	<b>31.9%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 62,962,108	\$ 56,087,733	\$ 129,190,817	\$ 37,220,788	\$ (18,866,945)	(33.6)%
Carry Forward Capital Projects	—	75,321,000	—	52,531,008	(22,789,992)	(30.3)%
<b>Total Capital Outlays</b>	<b>\$ 62,962,108</b>	<b>\$ 131,408,733</b>	<b>\$ 129,190,817</b>	<b>\$ 89,751,796</b>	<b>\$ (41,656,937)</b>	<b>(31.7)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 74,976,495</b>	<b>\$ 148,947,580</b>	<b>\$ 146,729,664</b>	<b>\$ 112,891,753</b>	<b>\$ (36,055,827)</b>	<b>(24.2)%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Certificates of Participation	\$ 1,443,987	\$ 5,500,000	\$ 5,500,000	\$ —	\$ (5,500,000)	(100.0)%
Commercial Paper Proceeds	—	140,000,000	30,000,000	110,000,000	(30,000,000)	(21.4)%
Transfers In	—	9,349,000	9,349,000	2,029,000	(7,320,000)	(78.3)%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ 1,443,987</b>	<b>\$ 154,849,000</b>	<b>\$ 44,849,000</b>	<b>\$ 112,029,000</b>	<b>\$ (42,820,000)</b>	<b>(27.7)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (28,436,723)</b>	<b>\$ 69,240,002</b>	<b>\$ (44,177,082)</b>	<b>\$ 53,931,247</b>	<b>\$ (15,308,755)</b>	<b>(22.1)%</b>
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
SCW Currently Authorized Projects	\$ 129,018,840	\$ 15,357,000	\$ 68,665,756	\$ 16,134,748	\$ 777,748	5.1%
SCW Operating and Capital Reserve	631,179	146,714,094	16,807,181	123,269,436	(23,444,658)	(16.0)%
<b>Total Restricted Reserves</b>	<b>\$ 129,650,019</b>	<b>\$ 162,071,094</b>	<b>\$ 85,472,937</b>	<b>\$ 139,404,184</b>	<b>\$ (22,666,910)</b>	<b>(14.0)%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 129,650,019</b>	<b>\$ 162,071,094</b>	<b>\$ 85,472,937</b>	<b>\$ 139,404,184</b>	<b>\$ (22,666,910)</b>	<b>(14.0)%</b>
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		



# Fund Summaries

## Safe, Clean Water and Natural Flood Protection Fund Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 3,676,742	\$ 4,730,246	\$ 4,730,246	\$ 5,096,151	\$ 365,905	7.7%
Salaries Savings Factor	—	(129,585)	(129,585)	(139,083)	(9,498)	7.3%
Services & Supplies	5,717,525	7,100,207	7,100,207	10,001,068	2,900,861	40.9%
Intra-District Charges	2,590,805	3,421,288	3,421,288	3,565,421	144,133	4.2%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 11,985,072</b>	<b>\$ 15,122,156</b>	<b>\$ 15,122,156</b>	<b>\$ 18,523,557</b>	<b>\$ 3,401,401</b>	<b>22.5%</b>
<b>DEBT SERVICE</b>						
Services & Supplies	\$ 29,315	\$ 740,690	\$ 740,690	\$ 979,400	\$ 238,710	32.2%
Debt Service	—	1,676,000	1,676,000	3,637,000	1,961,000	117.0%
<b>DEBT SERVICE TOTAL</b>	<b>\$ 29,315</b>	<b>\$ 2,416,690</b>	<b>\$ 2,416,690</b>	<b>\$ 4,616,400</b>	<b>\$ 2,199,710</b>	<b>91.0%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 7,181,260	\$ 9,342,007	\$ 9,342,007	\$ 10,223,384	\$ 881,377	9.4%
Salaries Savings Factor	—	(260,977)	(260,977)	(283,259)	(22,282)	8.5%
Services & Supplies	51,763,504	40,938,686	114,041,770	20,889,033	(20,049,653)	(49.0)%
Carry Forward Capital Projects	—	75,321,000	—	52,531,008	(22,789,992)	(30.3)%
Intra-District Charges	4,017,344	6,068,017	6,068,017	6,391,629	323,612	5.3%
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 62,962,108</b>	<b>\$ 131,408,733</b>	<b>\$ 129,190,817</b>	<b>\$ 89,751,795</b>	<b>\$ (41,656,938)</b>	<b>(31.7)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 74,976,495</b>	<b>\$ 148,947,579</b>	<b>\$ 146,729,663</b>	<b>\$ 112,891,752</b>	<b>\$ (36,055,827)</b>	<b>(24.2)%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Safe, Clean Water & Natural Flood Protection Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
	26001090 Unscoped Projects-Budget Only		100,000	100,000		Office of COO Watersheds
*	26031001 Watershed Revenue	115,404	147,528	80,266		Financial Planning and Management Services Division
	26041023 Emergency Response Upgrades	306,932	369,565	343,888		Watershed Stewardship & Planning Division
	26041024 Flood Risk Reduction Studies	681,721	663,790	819,370		Watershed Stewardship & Planning Division
*	26041047 Ecological Data Collectn & Analy	592,456	770,430	889,566		Watershed Stewardship & Planning Division
	26061002 Rent Exp Clean Safe Ck 7/1/01+	103,575	163,498	158,332		General Services Division
**	26061003 Stewardship Grnts/Partnrshp Admn	8,269	71,663			Office of Chief of External Affairs
	26061004 Districtwide Salary Savings-26		(129,585)	(139,083)		Financial Planning and Management Services Division
	26061005 Flood Emrgncy Respse Planning	454,142	321,349	216,898		Office of COO Administrative Services
	26061006 Pollution Prvtn Prtnrshp & Grt	363,172	764,176	449,902		Office of Chief of External Affairs
	26061007 Grants to Rest Habitat Access	674,091	1,441,508	3,147,756		Office of Chief of External Affairs
	26061008 Water Conservation Grants	116,466	129,314	130,299		Water Supply Division
	26061010 Nitrate Treatment System Rebate	16,873	29,000	53,012		Water Supply Division
	26061012 Safe Clean Water Implementatn	431,366	581,372	782,527		Watershed Design & Construction Division
*	26061019 Supp Volunteer Cleanup Effort	94,323	210,978	219,238		Office of Chief of External Affairs
*	26761022 Watershed Good Neighbor Maint	405,411	559,416	539,740		Watershed Operations & Maintenance Division
*	26761023 Watershed Sediment Removal	974,444	864,280	990,227		Watershed Operations & Maintenance Division
*	26761075 Mgmt of Revegetation Projects	663,656	1,256,045	1,145,135		Watershed Operations & Maintenance Division
	26761076 Rev, Riprn, Uplnd, & Wtlnd Hab	597,918	916,631	1,558,017		Watershed Stewardship & Planning Division
*	26761078 Vegetation Mangmnt for Access	441,603	371,226	476,145		Watershed Operations & Maintenance Division
*	26771011 Inter Agency Urban Runoff Prog	668,952	698,886	721,337		Watershed Stewardship & Planning Division
	26771027 Encampment Cleanup Program	1,018,873	907,984	927,131		Watershed Operations & Maintenance Division
*	26771031 HAZMAT Emergency Response	34,667	19,177	30,654		Human Resources Division
	26771067 Stream Capacity Vegetation Con	1,584,249	1,907,549	1,566,499		Watershed Operations & Maintenance Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Safe, Clean Water & Natural Flood Protection Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Total Operations</b>		<b>10,348,564</b>	<b>13,135,778</b>	<b>15,206,856</b>		
<b>Operating</b>						
26042002	Fish Habitat Improvements	426,052	500,142	602,891		Watershed Stewardship & Planning Division
26072008	SCW D7 Conservation Habitat			1,000,000		Raw Water Operations & Maintenance Division
26752043	Impaired Water Bodies Imprvmnts	1,210,456	1,486,236	1,713,810		Watershed Stewardship & Planning Division
<b>Total Operating</b>		<b>1,636,508</b>	<b>1,986,379</b>	<b>3,316,701</b>		
<b>Debt Service</b>						
26993001	Commercial Paper Tax Exmpt SCW	29,315	2,416,690	4,616,400		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>29,315</b>	<b>2,416,690</b>	<b>4,616,400</b>		
<b>Capital</b>						
26044001	Almaden Lake Improvement	424,336	653,638	190,757	1,009,948	Watershed Design & Construction Division
26044002	SCW Fish Passage Improvement	71,375	224,223	391,865	933,010	Watershed Design & Construction Division
26064023	Districtwide Salary Savings		(260,977)	(283,259)		Financial Planning and Management Services Division
26074002	Sunnyvale East & West Channel	1,860,198	4,820,232		9,743,000	Water Utility Capital Division
* 26074030	CPS Training and Development	14,718		42,092		Water Utility Capital Division
* 26074033	CIP Development & Admin	231,176	415,957	471,753		Water Utility Capital Division
* 26074036	Survey Mgmt & Tech Support	71,975	189,505	179,346		Watershed Design & Construction Division
* 26074038	Capital Program Services Admin	77,939	2,174,225	1,909,779		Water Utility Capital Division
** 26074045	Technical Review Committee	55,323				Water Utility Capital Division
** 26074046	WU Captl Health & Safety Trng	874				Water Utility Capital Division
** 26074051	WS Capital Training & Dvlpmnt	247,614				Office of COO Watersheds
** 26074052	WS Capital Program Srvc Admin	1,031,883				Office of COO Watersheds
** 26074053	WS Capital Hlth & Safety Trng	15,333				Office of COO Watersheds
26154002	Guadalupe Rv-Upr, 280-SPRR(R6	288,333			829,000	Watershed Design & Construction Division
26154003	Guadalupe Rv-Upr, SPRR-BH 7-12	1,800,424	6,543,945	6,516,491	17,681,334	Watershed Design & Construction Division
26164001	HaleCreekEnhancementPilotStudy	323,585	1,305,856	2,581,476	21,474	Watershed Design & Construction Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Safe, Clean Water & Natural Flood Protection Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
26174041	Berryessa Calav/Old Pied Cor	791,826			5,761,250	Watershed Design & Construction Division
26174042	Berryessa Calav/Old Pied LER	74,259		209,000		Watershed Design & Construction Division
26174043	Coyote Creek, Montague-Tully	128,259		1,752,173	505,027	Watershed Stewardship & Planning Division
26174051	U. Llagas Ck, Reimburse E6b	4,356,917	105,824		5,225,000	Water Utility Capital Division
26174052	U. Llagas Ck, Nonreimburse E6a	4,685,825	2,355		9,045,000	Water Utility Capital Division
26174054	U.Llagas Ck Design B. Vsta Rd	979,754	1,039,957	5,239,930		Water Utility Capital Division
26244001	Permanente Ck, Bay-Fthill CSC	39,989,950	16,905,770	5,281,455		Watershed Design & Construction Division
26284001	San Francisquito Ck,BaySer CSC	554,661			26,824	Watershed Design & Construction Division
26284002	San Francisquito Early Implemt	1,062,703	7,337,635	3,109,935	320,565	Watershed Design & Construction Division
26324001	U Penitncia Crk Corp Coord SCW			1,524,802	384,577	Watershed Stewardship & Planning Division
26444001	SFBS EIA 11 Desgn & Part Const	1,817,688		6,721,838		Watershed Design & Construction Division
26444002	SFBS Other EIAs Planning	376,007			1,045,000	Watershed Design & Construction Division
26444003	SBSP Restoration Partnership	14,425	12,700			Watershed Stewardship & Planning Division
26564001	Main/Madrone PL Restoration	1,614,747	14,616,888	291,555		Water Utility Capital Division
26764001	IRP2 AddLine Valves			1,089,798		Water Utility Capital Division
<b>Total Capital</b>		<b>62,962,108</b>	<b>56,087,733</b>	<b>37,220,788</b>	<b>52,531,008</b>	
<b>Total</b>		<b>74,976,496</b>	<b>73,626,579</b>	<b>60,360,745</b>	<b>52,531,008</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Benefit Assessment Funds Overview

The Flood Control Benefit Assessment was first authorized by the District Board of Directors in 1981, and then by ballot measures in 1982, 1986, and 1990. The program had a sunset date of 2000 but the assessment will continue until 2030, when the District will pay off the bonds associated with it. The Benefit Assessment funds are in place to account for both revenue received and expenditures by zone.

Starting from FY 2008-09, the following watershed funds are redefined as the Benefit Assessment Funds as a result of the watershed fund consolidation effort:

- The Lower Peninsula Watershed (Fund 21) is defined by geographic boundaries encompassing the tributaries and watersheds of San Francisquito Creek, Matadero Creek, Barron Creek, Adobe Creek, Stevens Creek, and Permanente Creek. The geographic area includes the cities of Palo Alto, Los Altos, Los Altos Hills, Mountain View, and portions of Cupertino.
- The West Valley Watershed (Fund 22) is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe Slough, Sunnyvale West Outfall, Sunnyvale East Outfall, Calabazas Creek, San Tomas Aquino Creek, and Saratoga Creek. The geographic area includes portions of the cities of Sunnyvale, Cupertino, Monte Sereno, San Jose, Santa Clara, Campbell, Saratoga and the Town of Los Gatos.
- The Guadalupe Watershed (Fund 23) is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe River. The major tributaries are Los Gatos Creek, Canoas Creek, Ross Creek, Guadalupe Creek, and Alamitos Creek. The geographic area includes portions of the cities of Santa Clara, San Jose, Campbell, Monte Sereno, and the Town of Los Gatos.

- The Coyote Watershed (Fund 24) is defined by geographic boundaries encompassing the tributaries and watersheds of Coyote Creek. The major tributaries are Lower Penitencia Creek, Scott Creek, Berryessa Creek, Upper Penitencia Creek, Silver Creek, Thompson Creek, Fisher Creek, and Packwood Creek. The geographic area includes the city of Milpitas and portions of the cities of San Jose and Morgan Hill.
- The Uvas/Llagas Watershed (Fund 25) is defined by geographic boundaries encompassing the tributaries and watersheds of the Pajaro River in Santa Clara County. The major tributaries are Little Llagas Creek, Llagas Creek, the west branch of Llagas Creek, Uvas-Carnadero Creek, Pescadero Creek, and Pacheco Creek. The Uvas/Llagas Watershed Fund is comprised of mostly unincorporated area and includes the city of Gilroy and portions of the cities of San Jose and Morgan Hill.

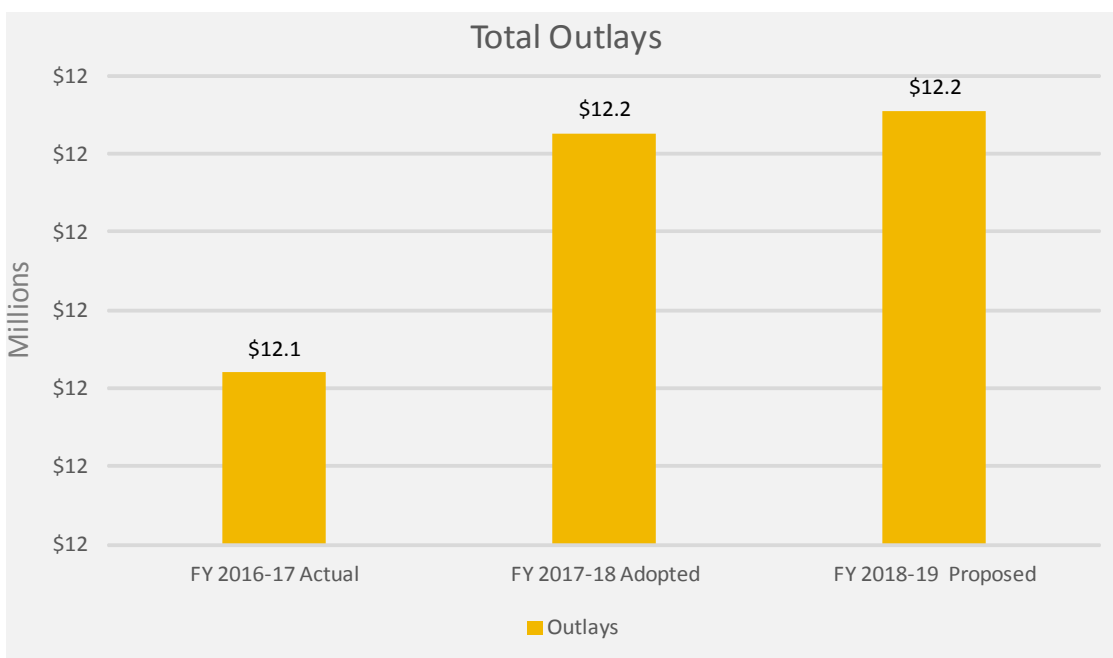
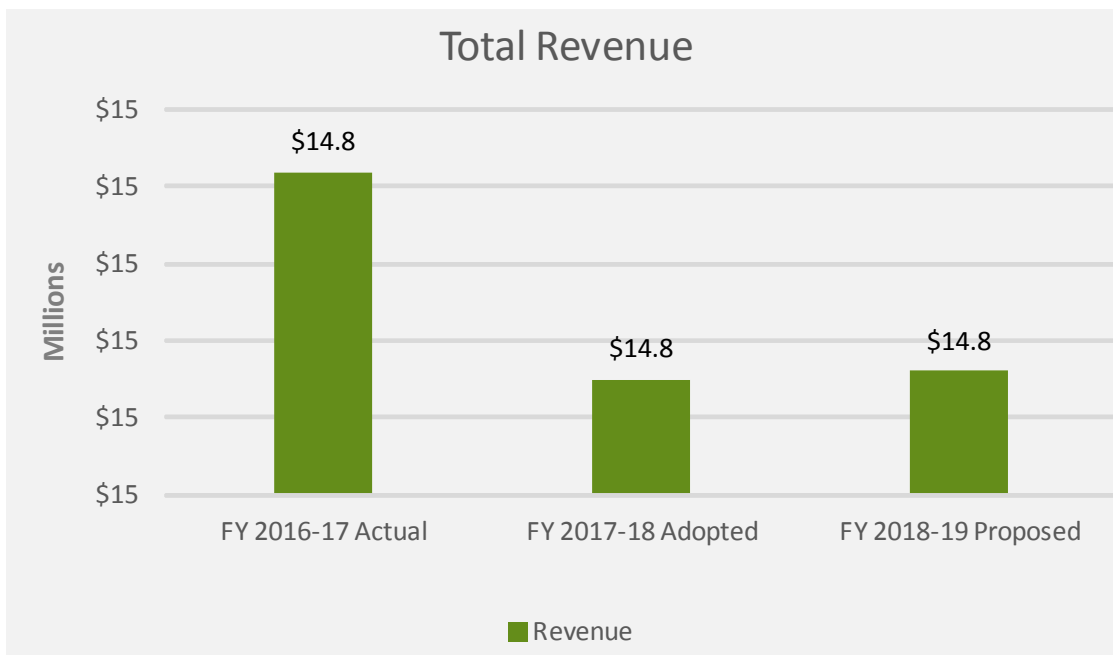
These funds are redefined as the benefit assessment funds comprised of voter-approved debt repayment phase of the benefit assessment program, with benefit assessment levied at 1.25 times the annual debt service. The excess amount over annual debt service will be transferred out to the consolidated Watershed and Stream Stewardship Fund (Fund 12) for the maintenance of the flood protection infrastructure.

The benefit assessment for a single family residence is expected at approximately:

- \$40.90/year for Lower Peninsula Watershed
- \$13.21/year for West Valley Watershed
- \$21.05/year for Guadalupe Watershed
- \$20.91/year for Coyote Watershed
- \$0.00/year for Uvas/Llagas Watershed. The debt has been paid off

# Fund Summaries

## Benefit Assessment Funds



1 FY2017-18 Capital distinguishes between current year budget and re-appropriated funds carried forward from prior years

2 FY2018-19 Capital identifies the new budget and illustrates prior year funding estimated to be carried forward

# Fund Summaries

## Benefit Assessment Funds

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
Lower Peninsula Watershed	\$ 4,037,346	\$ 4,038,079	\$ 4,038,079	\$ 4,039,000	\$ 921	0.0%
West Valley Watershed	2,256,521	2,265,508	2,265,508	2,255,000	(10,508)	(0.5)%
Guadalupe Watershed	4,552,181	4,578,702	4,578,702	4,552,000	(26,702)	(0.6)%
Coyote Watershed	3,944,906	3,895,225	3,895,225	3,932,000	36,775	0.9%
<b>TOTAL REVENUE</b>	<b>\$ 14,790,954</b>	<b>\$ 14,777,514</b>	<b>\$ 14,777,514</b>	<b>\$ 14,778,000</b>	<b>\$ 486</b>	<b>0.0%</b>
<b>OUTLAYS</b>						
<b>Debt Service</b>						
Lower Peninsula Watershed	\$ 3,363,905	\$ 3,361,126	\$ 3,361,126	\$ 3,362,476	\$ 1,350	0.0%
West Valley Watershed	1,842,093	1,855,206	1,855,206	1,855,910	704	0.0%
Guadalupe Watershed	3,686,124	3,721,829	3,721,829	3,724,056	2,227	0.1%
Coyote Watershed	3,251,787	3,267,190	3,267,190	3,268,430	1,240	0.0%
<b>TOTAL OUTLAYS****</b>	<b>\$ 12,143,909</b>	<b>\$ 12,205,351</b>	<b>\$ 12,205,351</b>	<b>\$ 12,210,872</b>	<b>\$ 5,521</b>	<b>0.0%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
<b>Transfers Out to WSS Fund</b>						
Lower Peninsula Watershed	\$ (673,441)	\$ (676,953)	\$ (676,953)	\$ (676,524)	\$ 429	(0.1)%
West Valley Watershed	(414,428)	(410,302)	(410,302)	(409,090)	1,212	(0.3)%
Guadalupe Watershed	(866,057)	(856,873)	(856,873)	(853,944)	2,929	(0.3)%
Coyote Watershed	(693,119)	(628,035)	(628,035)	(627,570)	465	(0.1)%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ (2,647,045)</b>	<b>\$ (2,572,163)</b>	<b>\$ (2,572,163)</b>	<b>\$ (2,567,128)</b>	<b>\$ 5,035</b>	<b>(0.2)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>—</b>

## Outlay Summary by Account Type

<b>OUTLAYS</b>						
<b>Services &amp; Supplies</b>						
Lower Peninsula Watershed	\$ 10,676	\$ 10,276	\$ 10,276	\$ 4,565	\$ (5,711)	(55.6)%
West Valley Watershed	5,248	7,047	7,047	7,830	783	11.1%
Guadalupe Watershed	8,434	14,818	14,818	16,467	1,649	11.1%
Coyote Watershed	6,777	11,416	11,416	12,680	1,264	11.1%
<b>Total Services &amp; Supplies</b>	<b>\$ 31,135</b>	<b>\$ 43,557</b>	<b>\$ 43,557</b>	<b>\$ 41,542</b>	<b>\$ (2,015)</b>	<b>(4.6)%</b>
<b>Debt Service</b>						
Lower Peninsula Watershed	\$ 3,353,229	\$ 3,350,850	\$ 3,350,850	\$ 3,357,911	\$ 7,061	0.2%
West Valley Watershed	1,836,845	1,848,159	1,848,159	1,848,080	(79)	(0.0)%
Guadalupe Watershed	3,677,690	3,707,011	3,707,011	3,707,589	578	0.0%
Coyote Watershed	3,245,009	3,255,774	3,255,774	3,255,750	(24)	(0.0)%
<b>Total Debt Service</b>	<b>\$ 12,112,773</b>	<b>\$ 12,161,794</b>	<b>\$ 12,161,794</b>	<b>\$ 12,169,330</b>	<b>\$ 7,536</b>	<b>0.1%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 12,143,908</b>	<b>\$ 12,205,351</b>	<b>\$ 12,205,351</b>	<b>\$ 12,210,872</b>	<b>\$ 5,521</b>	<b>0.0%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Lower Peninsula Watershed Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Debt Service</b>						
* * 10993005	2004A COP Lower Peninsula WS	1,085,868				Financial Planning and Management Services Division
* * 10993006	2007 COP Refunding LP WS	2,278,037				Financial Planning and Management Services Division
10993008	2017A COP Refunding LP WS		3,361,126	3,362,476		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>3,363,905</b>	<b>3,361,126</b>	<b>3,362,476</b>		
<b>Total</b>		<b>3,363,905</b>	<b>3,361,126</b>	<b>3,362,476</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - West Valley Watershed Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Debt Service</b>						
** 20993006	2007 COP Refunding WV WS	684,754				Financial Planning and Management Services Division
20993007	2012A COP Refunding WV WS	1,157,339	1,171,611	1,172,053		Financial Planning and Management Services Division
20993008	2017A COP Refunding WV WS		683,595	683,857		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>1,842,093</b>	<b>1,855,206</b>	<b>1,855,910</b>		
<b>Total</b>		<b>1,842,093</b>	<b>1,855,206</b>	<b>1,855,910</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Guadalupe Watershed Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Debt Service</b>						
** 30993005	2004A COP Guadalupe WS	33,204				Financial Planning and Management Services Division
** 30993006	2007 COP Refunding Guad WS	760,871				Financial Planning and Management Services Division
30993007	2012a COP Refunding Guad WS	2,892,049	2,930,510	2,931,615		Financial Planning and Management Services Division
30993008	2017A COP Refunding Guad WS		791,319	792,441		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>3,686,124</b>	<b>3,721,829</b>	<b>3,724,056</b>		
<b>Total</b>		<b>3,686,124</b>	<b>3,721,829</b>	<b>3,724,056</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Coyote Watershed Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Debt Service</b>						
** 40993006	2007 COP Refunding Coyote WS	2,050,837				Financial Planning and Management Services Division
40993007	2012A COP Refunding Coyote WS	1,200,950	1,215,829	1,216,286		Financial Planning and Management Services Division
40993008	2017A COP Refunding Coyote WS		2,051,361	2,052,144		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>3,251,787</b>	<b>3,267,190</b>	<b>3,268,430</b>		
<b>Total</b>		<b>3,251,787</b>	<b>3,267,190</b>	<b>3,268,430</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

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# **WATER ENTERPRISE AND STATE WATER PROJECT FUNDS**

# Fund Summaries

## Overview

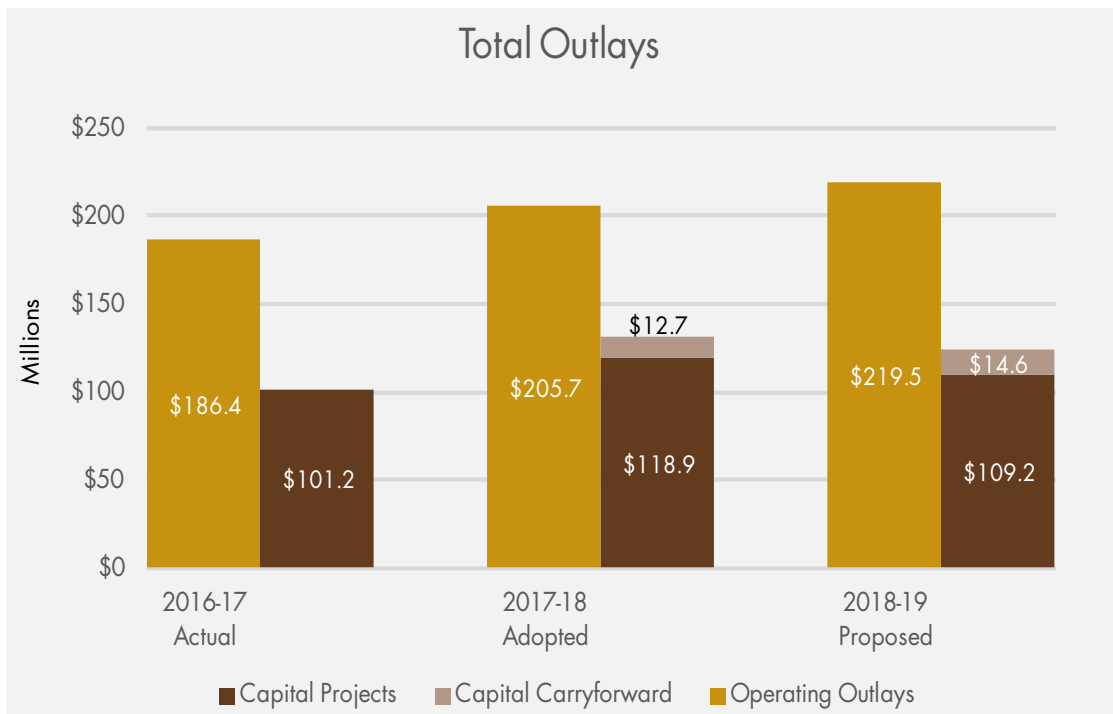
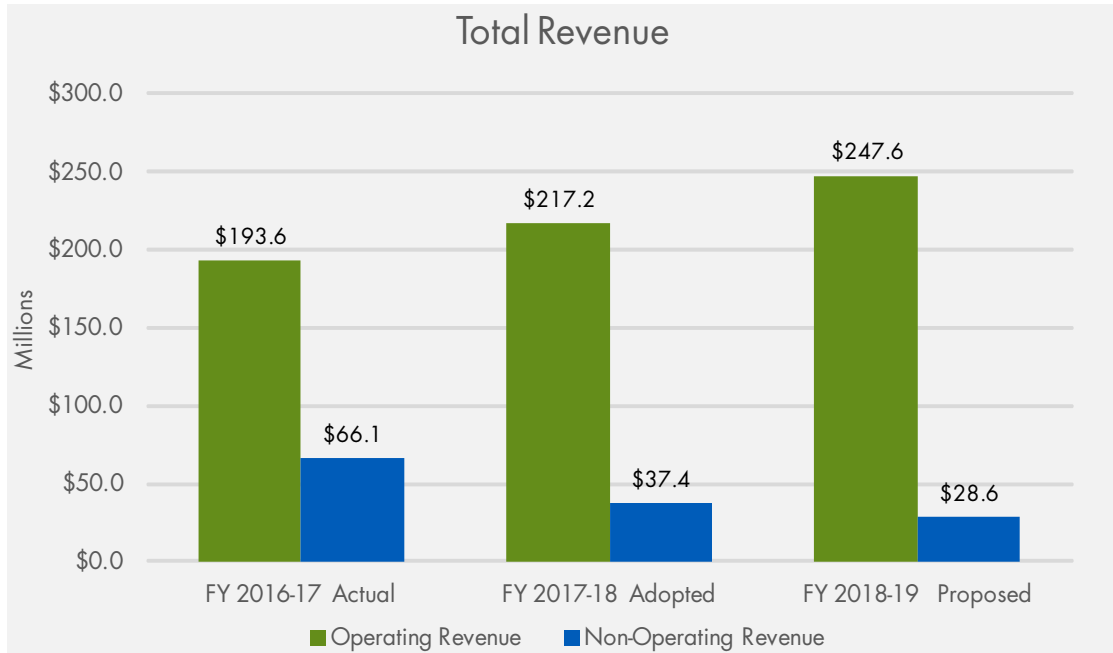
As the water management agency and principal water wholesaler for Santa Clara County, the Santa Clara Valley Water District manages a sustainable water supply through conjunctive use of surface and groundwater resources. The Chief Operating Officer - Water Utility implements the program to protect and augment water supplies through the use of two funds:

- The Water Utility Enterprise Fund (Fund 61)
- The State Water Project Fund (Fund 63)

Financial summaries and a description of programs and outcomes from these funds can be found in this chapter.

# Fund Summaries

## Water Enterprise and State Water Project Funds



# Fund Summaries

## Water Enterprise and State Water Projects Combined Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
GroundWater	\$ 67,936,832	\$ 78,943,000	\$ 78,943,000	\$ 90,796,000	\$ 11,853,000	15.0%
Treated Water	122,212,497	133,875,000	133,875,000	152,787,000	18,912,000	14.1%
Surface/Recycled	747,007	2,424,000	2,424,000	2,653,000	229,000	9.4%
Intergovernmental Services	2,036,601	1,189,000	1,189,000	625,000	(564,000)	(47.4)%
Operating Other	625,686	735,000	735,000	735,000	—	—
<b>Total Operating Revenue</b>	<b>\$ 193,558,623</b>	<b>\$ 217,166,000</b>	<b>\$ 217,166,000</b>	<b>\$ 247,596,000</b>	<b>\$ 30,430,000</b>	<b>14.0%</b>
<b>Non-Operating Revenue</b>						
Property Tax	\$ 44,785,987	\$ 32,509,600	\$ 32,837,470	\$ 24,962,471	\$ (7,547,129)	(23.2)%
Capital Reimbursements	17,526,700	2,688,000	4,116,000	1,355,000	(1,333,000)	(49.6)%
Interest Income *	1,866,077	820,000	820,000	1,084,000	264,000	32.2%
Non-Operating Other	1,899,523	1,379,064	1,379,064	1,200,000	(179,064)	(13.0)%
<b>Total Non-Operating Revenue</b>	<b>\$ 66,078,287</b>	<b>\$ 37,396,664</b>	<b>\$ 39,152,534</b>	<b>\$ 28,601,471</b>	<b>\$ (8,795,193)</b>	<b>(23.5)%</b>
<b>TOTAL REVENUE</b>	<b>\$ 259,636,910</b>	<b>\$ 254,562,664</b>	<b>\$ 256,318,534</b>	<b>\$ 276,197,471</b>	<b>\$ 21,634,807</b>	<b>8.5%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 164,289,337	\$ 170,714,192	\$ 173,599,610	\$ 177,272,714	\$ 6,558,522	3.8%
Operating Project	4,463	292,009	292,009	338,884	46,875	16.1%
Debt Service	22,111,384	34,656,167	34,656,167	41,885,770	7,229,603	20.9%
<b>Total Operating Outlays</b>	<b>\$ 186,405,184</b>	<b>\$ 205,662,368</b>	<b>\$ 208,547,786</b>	<b>\$ 219,497,368</b>	<b>\$ 13,835,000</b>	<b>6.7%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 101,220,550	\$ 118,906,728	\$ 154,385,352	\$ 109,216,248	\$ (9,690,480)	(8.2)%
Carry Forward Capital Projects	—	12,676,000	—	14,614,126	1,938,126	15.3%
<b>Total Capital Outlays</b>	<b>\$ 101,220,550</b>	<b>\$ 131,582,728</b>	<b>\$ 154,385,352</b>	<b>\$ 123,830,374</b>	<b>\$ (7,752,354)</b>	<b>(5.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 287,625,734</b>	<b>\$ 337,245,096</b>	<b>\$ 362,933,138</b>	<b>\$ 343,327,742</b>	<b>\$ 6,082,646</b>	<b>1.8%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Bond Proceeds	\$ —	\$ 62,000,000	\$ 110,000,000	\$ 64,193,000	\$ 2,193,000	3.5%
Commercial Paper Proceeds	24,230,000	—	—	—	—	—
Transfers In	4,282,308	4,540,222	3,252,000	1,128,000	(3,412,222)	(75.2)%
Transfers Out	(2,380,082)	(10,816,659)	(9,528,437)	(5,937,166)	4,879,493	(45.1)%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ 26,132,226</b>	<b>\$ 55,723,563</b>	<b>\$ 103,723,563</b>	<b>\$ 59,383,834</b>	<b>\$ 3,660,271</b>	<b>6.6%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (1,856,598)</b>	<b>\$ (26,958,869)</b>	<b>\$ (2,891,041)</b>	<b>\$ (7,746,437)</b>	<b>\$ 19,212,432</b>	<b>(71.3)%</b>



# Fund Summaries

## Water Enterprise and State Water Projects Combined Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
WUE Rate Stabilization	\$ 19,973,809	\$ 21,066,011	\$ 21,066,011	\$ 22,477,551	\$ 1,411,540	6.7%
WUE San Felipe Emergency	2,953,130	2,976,275	3,003,130	3,053,130	76,855	2.6%
WUE State Water Project Tax Reserve	7,908,331	—	6,620,109	4,725,400	4,725,400	—
WUE Public-Private Partnership (P3) Reserve	—	—	—	4,000,000	4,000,000	—
WUE Water Supply	14,277,014	14,677,141	14,677,141	14,677,000	(141)	(0.0)%
WUE SVAWPC	1,906,000	1,906,000	986,000	986,000	(920,000)	(48.3)%
WUE Drought Reserve	3,000,000	5,000,000	5,000,000	7,000,000	2,000,000	40.0%
<b>Total Restricted Reserves</b>	<b>\$ 50,018,284</b>	<b>\$ 45,625,427</b>	<b>\$ 51,352,391</b>	<b>\$ 56,919,081</b>	<b>\$ 11,293,654</b>	<b>24.8%</b>
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ 44,276,441	\$ 27,146,000	\$ 21,213,594	\$ 6,599,468	\$ (20,546,532)	(75.7)%
Operating and Capital Reserve	17,140,170	36,126,107	35,977,869	37,278,868	1,152,761	3.2%
<b>Total Committed Reserves</b>	<b>\$ 61,416,611</b>	<b>\$ 63,272,107</b>	<b>\$ 57,191,463</b>	<b>\$ 43,878,336</b>	<b>\$ (19,393,771)</b>	<b>(30.7)%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 111,434,895</b>	<b>\$ 108,897,534</b>	<b>\$ 108,543,854</b>	<b>\$ 100,797,417</b>	<b>\$ (8,100,117)</b>	<b>(7.4)%</b>
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 46,015,146	\$ 49,909,486	\$ 49,881,592	\$ 53,041,446	\$ 3,131,960	6.3%
Salary Savings Factor	—	(1,340,805)	(1,340,805)	(1,401,905)	(61,100)	4.6%
Services & Supplies	91,334,408	89,716,622	92,648,631	92,736,281	3,019,659	3.4%
Intra-District Charges	26,944,245	32,720,898	32,702,202	33,235,776	514,878	1.6%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 164,293,799</b>	<b>\$ 171,006,201</b>	<b>\$ 173,891,620</b>	<b>\$ 177,611,598</b>	<b>\$ 6,605,397</b>	<b>3.9%</b>
<b>DEBT SERVICE</b>						
Services & Supplies	\$ 927,396	\$ 1,413,180	\$ 1,413,180	\$ 2,219,400	\$ 806,220	57.0%
Debt Service	21,183,988	33,242,987	33,242,987	39,666,370	6,423,383	19.3%
<b>DEBT SERVICE TOTAL</b>	<b>\$ 22,111,384</b>	<b>\$ 34,656,167</b>	<b>\$ 34,656,167</b>	<b>\$ 41,885,770</b>	<b>\$ 7,229,603</b>	<b>20.9%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 12,170,697	\$ 14,332,459	\$ 14,332,459	\$ 15,277,567	\$ 945,108	6.6%
Salary Savings Factor	—	(388,197)	(388,197)	(419,651)	(31,454)	8.1%
Services & Supplies	82,290,745	95,756,642	131,235,266	84,694,745	(11,061,897)	(11.6)%
Carry Forward Capital Projects	—	12,676,000	—	14,614,126	1,938,126	15.3%
Intra-District Charges	6,759,108	9,205,824	9,205,824	9,663,587	457,763	5.0%
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 101,220,550</b>	<b>\$ 131,582,728</b>	<b>\$ 154,385,352</b>	<b>\$ 123,830,374</b>	<b>\$ (7,752,354)</b>	<b>(5.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 287,625,733</b>	<b>\$ 337,245,096</b>	<b>\$ 362,933,139</b>	<b>\$ 343,327,742</b>	<b>\$ 6,082,646</b>	<b>1.8%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Water Enterprise Fund

### Description

Water Enterprise Fund ensures the availability of water to 15 cities, farmers, and individual well owners spread over 1,300 square miles, with District-managed usage estimated to total 226,000 acre-feet (AF) in FY 2018-19.

This requires the operation of the following facilities:

- 10 surface reservoirs with a total operationally restricted storage capacity of 113,667 AF
- 17 miles of canals
- 4 water supply diversion dams
- 99 groundwater recharge ponds
- 86 miles of controlled in-stream recharge in the county
- 142 miles of pipelines
- 3 water treatment plants
- 1 Advanced Water Purification Center
- 3 Raw Water Pump Stations with over 37,000 combined horsepower
- 1 well field

Accounts related to activities of the Water Utility are segregated into the Water Utility Enterprise Fund and the State Water Project Fund. For the Water Utility Enterprise Fund, revenue is derived from treated, surface and recycled water sales; groundwater production charges; federal, state and local grants; interest earnings; and ad valorem taxes as provided by law. The Water Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Water Utility Enterprise Fund accounts for all costs except those of the State Water Project Fund. The State Water Project Fund accounts specifically for state water project tax revenue and state water project contractual

costs.

The FY 2018-19 Proposed Budget includes North County (Zone W-2) groundwater production charges that reflect a 9.7% increase over the prior year for municipal and industrial water and a 22.0% increase for agricultural water. The approved Municipal and Industrial groundwater production charge is \$1,289 per AF. The approved total treated water contract charge is \$1,389 per AF. The approved agricultural groundwater production charge in North County is \$30.61 per AF.

Also included in the FY 2018-19 Proposed Budget are South County (Zone W-5) groundwater production charges that reflect a 7.7% increase over the prior year for both municipal and industrial as well as agricultural water. The approved Municipal and Industrial groundwater production charge is \$450 per AF, and the approved agricultural groundwater production charge is \$30.61 per AF.

Estimated total revenue for FY 2018-19 is \$276.2 million (\$257.2 million for fund 61 and \$19.0 million for fund 63), or 8.5% more than the FY 2017-18 budget. Operations costs (excluding debt service) are expected to be \$177.6 million for both funds. This represents a (3.9%) increase from the FY 2017-18 budget. The cost of purchased water from the federal and state projects continues to be the largest expense item at \$16.8 million and \$20.9 million, respectively. The budget also includes \$10.1 million to pay the District's capital cost obligations for the federal San Felipe Division of the Central Valley Project.

Debt service is budgeted at \$41.9 million.

In FY 2018-19 the capital appropriation is estimated to be \$109.2 million and capital carry forward is estimated at \$14.6 million. For FY 2018-19, total requirements of \$343.3 million are to be met from a combination of current revenues, reserves, and debt.

The approved water charges will generate \$246.2

# Fund Summaries

million in revenues from water usage. Property tax revenues are projected to be \$25.0 million, and interest earnings and other revenue are estimated to be \$5.0 million for a total of \$276.2 million.

Total reserves for both funds are \$100.8 million, a decrease of \$8.1 million relative to FY 2017-18.

## Significant Business Challenges/ Opportunities

- Support the Board in achieving the Board Budget Priorities for FY 2018-19 with funding from the Water Utility Enterprise including: Priority 1 Make Key decisions regarding the California WaterFix; Priority 3 Advance the District's interest in countywide storm water resource planning; Priority 6 Advance the Anderson Dam Seismic Retrofit Project; Priority 7 Advance recycled and purified water efforts with San Jose and other agencies; Priority 8 Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE); and Priority 9 Actively pursue efforts to increase water storage opportunities.
- Continuing to resolve issues and pursuing regulatory actions conducive to the best possible opportunity for the District to participate in the California WaterFix project, thus enabling the District's Board to make a well-informed decision about whether to participate in the project.
- Participating in the planning and evaluation of storage projects, including Sites Reservoir, Los Vaqueros Reservoir, and although funded by the General Fund, the Pacheco Reservoir. This includes evaluation of potential benefits to the District as well as seeking funding opportunities to offset potential project costs.
- Managing operation of local reservoirs with regard to seismic stability issues.
- Within approved budgets, providing the required level of supply, treatment, delivery, and renewal of aging infrastructure.
- Meeting or surpassing all drinking water standards and delivering approximately 110,000 acre feet of water to fulfill treated water contracts.

- Operating Rinconada, Penitencia, and Santa Teresa water treatment plants and SFPUC/SCVWD Intertie to deliver treated water during scheduled outages for planned inspection/rehabilitation of the Cross Valley and Calero Pipelines.
- Continuing construction of the Rinconada Water Treatment Plant Reliability Improvement Project according to approved schedule and budget.
- Continuing seismic retrofit design of Anderson, Calero, and Guadalupe dams; design of improvements at Almaden Dam; and seismic evaluations of Chesbro, Coyote, and Uvas dams.
- Expediting development of purified water supply systems to enhance long-term reliability of supply.
- Resolving the Three Creeks water rights issues through meeting the FAHCE settlement agreement commitments; focusing on completion of the Fish Habitat Restoration Plan and CEQA documentation to support an application to the State Water Resources Control Board.

## Major Capital Projects

### E 2.1 Current and future water supplies are reliable

- Anderson Dam Seismic Retrofit – Design
- Calero and Guadalupe Dams Seismic Retrofits – Design
- Dam Safety Program Seismic Stability – Continuing evaluation
- Expedited Purified Water Program - Public-Private Partnership (P3) Procurement
- Coyote Pumping Plant ASD Replacement - Planning

### E 2.2 Raw water transmission & distribution assets ensure reliability and efficiency

- Cross Valley and Calero Pipeline - Rehabilitation Project – Inspection/Construction
- Main & Madrone Pipelines Restoration – Construction
- Vasona Pumping Plant Upgrades – Planning/Design

# Fund Summaries

- Raw Water Transmission Small Capital Improvements – Ongoing

## **E 2.3 Reliable high quality drinking water is delivered**

- RWTP Reliability Improvement – Construction
- RWTP Residuals Remediation – Planning/Design
- Water Treatment Small Capital Improvements – Ongoing

### **Fiscal Status**

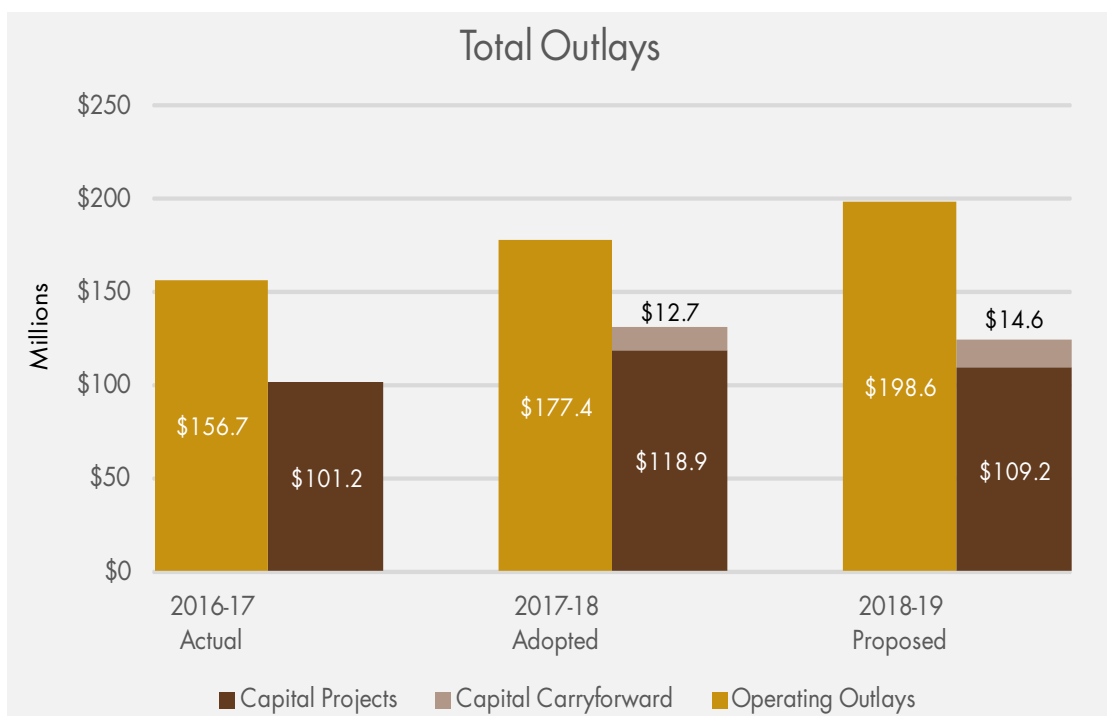
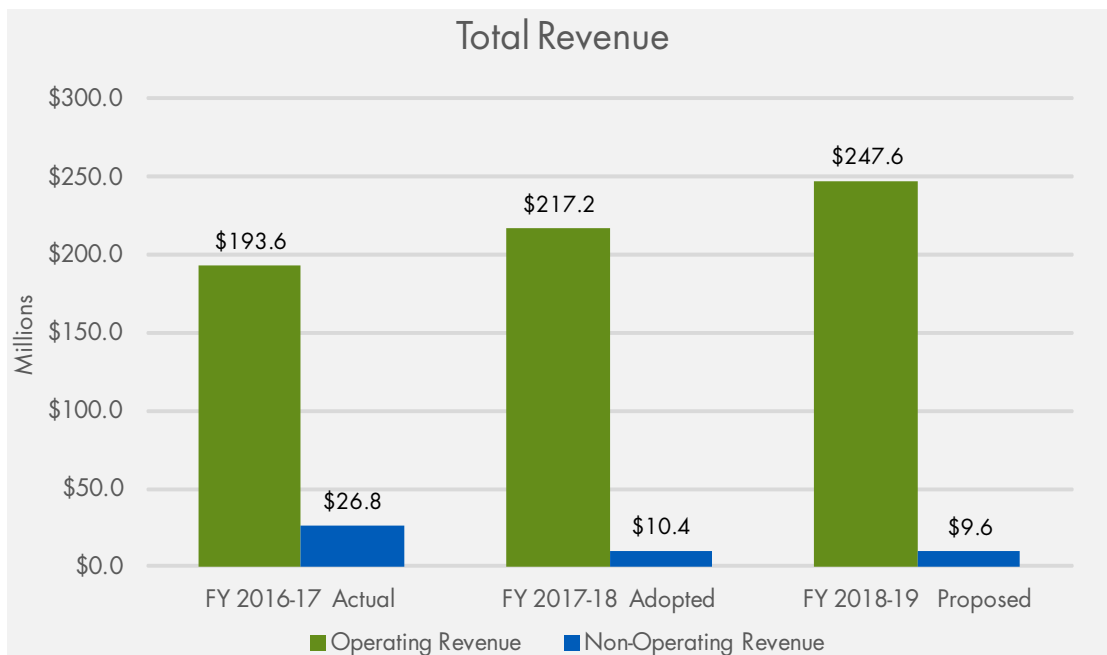
The debt service coverage ratio is targeted at 2.0 or higher to help ensure financial stability and continued high credit ratings. Discretionary reserves are targeted at a minimum per the District's policy.

### **Budget Issues**

Staff assumed that revenue from water charges is based on District water use of 226,000 AF. This represents a 4% increase year over year, but also represents a 21% reduction relative to calendar year 2013 actual. Staff also assumed a debt issuance of \$64.2 million to help finance critical investments in water supply infrastructure.

# Fund Summaries

## Water Enterprise Fund (Fund 61)



# Fund Summaries

## Water Enterprise Fund Summary (Fund 61)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
Groundwater Production Charges	\$ 67,936,832	\$ 78,943,000	\$ 78,943,000	\$ 90,796,000	\$ 11,853,000	15.0%
Treated Water Charges	122,212,497	133,875,000	133,875,000	152,787,000	18,912,000	14.1%
Surface&Recycled Water Charges	747,007	2,424,000	2,424,000	2,653,000	229,000	9.4%
Intergovernmental Services	2,036,601	1,189,000	1,189,000	625,000	(564,000)	(47.4)%
Operating Other	625,686	735,000	735,000	735,000	—	—
<b>Total Operating Revenue</b>	<b>\$ 193,558,623</b>	<b>\$ 217,166,000</b>	<b>\$ 217,166,000</b>	<b>\$ 247,596,000</b>	<b>\$ 30,430,000</b>	<b>14.0%</b>
<b>Non-Operating Revenue</b>						
Property Tax	\$ 6,682,112	\$ 6,509,600	\$ 6,837,470	\$ 6,962,471	\$ 452,871	7.0%
Capital Reimbursements	17,526,700	2,688,000	4,116,000	1,355,000	(1,333,000)	(49.6)%
Interest Income *	1,866,077	820,000	820,000	1,084,000	264,000	32.2%
Nonoperating Other	689,722	379,064	379,064	200,000	(179,064)	(47.2)%
<b>Total Non-Operating Revenue</b>	<b>\$ 26,764,611</b>	<b>\$ 10,396,664</b>	<b>\$ 12,152,534</b>	<b>\$ 9,601,471</b>	<b>\$ (795,193)</b>	<b>(7.6)%</b>
<b>TOTAL REVENUE</b>	<b>\$ 220,323,234</b>	<b>\$ 227,562,664</b>	<b>\$ 229,318,534</b>	<b>\$ 257,197,471</b>	<b>\$ 29,634,807</b>	<b>13.0%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 134,565,300	\$ 142,425,970	\$ 145,311,388	\$ 156,378,005	\$ 13,952,035	9.8%
Operating Project	4,463	292,009	292,009	338,884	46,875	16.1%
Debt Service	22,111,384	34,656,167	34,656,167	41,885,770	7,229,603	20.9%
<b>Total Operating Outlays</b>	<b>\$ 156,681,147</b>	<b>\$ 177,374,146</b>	<b>\$ 180,259,564</b>	<b>\$ 198,602,659</b>	<b>\$ 21,228,513</b>	<b>12.0%</b>
<b>Capital Outlays</b>						
Capital Projects	\$ 101,220,550	\$ 118,906,728	\$ 154,385,352	\$ 109,216,248	\$ (9,690,480)	(8.2)%
Carry Forward Capital Projects	—	12,676,000	—	14,614,126	1,938,126	15.3%
<b>Total Capital Outlays</b>	<b>\$ 101,220,550</b>	<b>\$ 131,582,728</b>	<b>\$ 154,385,352</b>	<b>\$ 123,830,374</b>	<b>\$ (7,752,354)</b>	<b>(5.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 257,901,697</b>	<b>\$ 308,956,874</b>	<b>\$ 334,644,916</b>	<b>\$ 322,433,033</b>	<b>\$ 13,476,159</b>	<b>4.4%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Bond Proceeds	\$ —	\$ 62,000,000	\$ 110,000,000	\$ 64,193,000	\$ 2,193,000	3.5%
Commercial Paper Proceeds	24,230,000	—	—	—	—	—
Transfers In	4,282,308	3,252,000	3,252,000	1,128,000	(2,124,000)	(65.3)%
Transfers Out	(698,774)	(10,816,659)	(9,528,437)	(5,937,166)	4,879,493	(45.1)%
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ 27,813,534</b>	<b>\$ 54,435,341</b>	<b>\$ 103,723,563</b>	<b>\$ 59,383,834</b>	<b>\$ 4,948,493</b>	<b>9.1%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ (9,764,929)</b>	<b>\$ (26,958,869)</b>	<b>\$ (1,602,819)</b>	<b>\$ (5,851,728)</b>	<b>\$ 21,107,141</b>	<b>(78.3)%</b>

# Fund Summaries

## Water Enterprise Fund Summary (Fund 61) (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
WUE Rate Stabilization	\$ 19,973,809	\$ 21,066,011	\$ 21,066,011	\$ 22,477,551	\$ 1,411,540	6.7%
WUE San Felipe Emergency	2,953,130	2,976,275	3,003,130	3,053,130	76,855	2.6%
WUE Public-Private Partnership (P3) Reserve	—	—	—	4,000,000	4,000,000	—
WUE Water Supply	14,277,014	14,677,141	14,677,141	14,677,000	(141)	(0.0)%
WUE SVAWPC	1,906,000	1,906,000	986,000	986,000	(920,000)	(48.3)%
WUE Drought Reserve	3,000,000	5,000,000	5,000,000	7,000,000	2,000,000	40.0%
<b>Total Restricted Reserves</b>	<b>\$ 42,109,953</b>	<b>\$ 45,625,427</b>	<b>\$ 44,732,282</b>	<b>\$ 52,193,681</b>	<b>\$ 6,568,254</b>	<b>14.4%</b>
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ 44,276,441	\$ 27,146,000	\$ 21,213,594	\$ 6,599,468	\$ (20,546,532)	(75.7)%
Operating and Capital Reserve	17,140,170	36,126,107	35,977,869	37,278,868	1,152,761	3.2%
<b>Total Committed Reserves</b>	<b>\$ 61,416,611</b>	<b>\$ 63,272,107</b>	<b>\$ 57,191,463</b>	<b>\$ 43,878,336</b>	<b>\$ (19,393,771)</b>	<b>(30.7)%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 103,526,564</b>	<b>\$ 108,897,534</b>	<b>\$ 101,923,745</b>	<b>\$ 96,072,017</b>	<b>\$ (12,825,517)</b>	<b>(11.8)%</b>
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		
<b>Outlay Summary by Account Type</b>						
<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 46,015,146	\$ 49,909,486	\$ 49,881,592	\$ 53,041,446	\$ 3,131,960	6.3%
Salaries Savings Factor	—	(1,340,805)	(1,340,805)	(1,401,905)	(61,100)	4.6%
Services & Supplies	61,610,371	61,428,400	64,360,409	71,841,572	10,413,172	17.0%
Intra-District Charges	26,944,245	32,720,898	32,702,202	33,235,776	514,878	1.6%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 134,569,762</b>	<b>\$ 142,717,979</b>	<b>\$ 145,603,398</b>	<b>\$ 156,716,889</b>	<b>\$ 13,998,910</b>	<b>9.8%</b>
<b>DEBT SERVICE</b>						
Services & Supplies	\$ 927,396	\$ 1,413,180	\$ 1,413,180	\$ 2,219,400	\$ 806,220	57.0%
Debt Service	21,183,988	33,242,987	33,242,987	39,666,370	6,423,383	19.3%
<b>DEBT SERVICE TOTAL</b>	<b>\$ 22,111,384</b>	<b>\$ 34,656,167</b>	<b>\$ 34,656,167</b>	<b>\$ 41,885,770</b>	<b>\$ 7,229,603</b>	<b>20.9%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 12,170,697	\$ 14,332,459	\$ 14,332,459	\$ 15,277,567	\$ 945,108	6.6%
Services & Supplies	82,290,745	95,756,642	131,235,266	84,694,745	(11,061,897)	(11.6)%
Carry Forward Capital Projects	—	12,676,000	—	14,614,126	1,938,126	15.3%
Intra-District Charges	6,759,108	9,205,824	9,205,824	9,663,587	457,763	5.0%
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 101,220,550</b>	<b>\$ 131,582,728</b>	<b>\$ 154,385,352</b>	<b>\$ 123,830,374</b>	<b>\$ (7,752,354)</b>	<b>(5.9)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 257,901,696</b>	<b>\$ 308,956,874</b>	<b>\$ 334,644,917</b>	<b>\$ 322,433,033</b>	<b>\$ 13,476,159</b>	<b>4.4%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding



# Fund Summaries

## Water Enterprise Cost Center Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Adjusted Budget 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					% Diff	
SOURCE OF SUPPLY						
Operations	\$ 94,905,441	\$ 92,983,880	\$ 95,869,298	\$ 96,420,053	\$ 3,436,173	3.7%
Operating Projects	11	—	—	—	—	—
Capital	28,599,915	27,721,383	34,922,791	36,313,662	8,592,279	31.0%
Total	\$ 123,505,367	\$ 120,705,263	\$ 130,792,089	\$ 132,733,715	\$ 12,028,452	10.0%
RAW WATER TRANSMISSION AND DISTRIBUTION						
Operations	\$ 13,935,605	\$ 13,953,701	\$ 13,953,701	\$ 14,968,467	\$ 1,014,766	7.3%
Capital	8,890,146	1,912,720	3,691,880	3,162,877	1,250,157	65.4%
Total	\$ 22,825,751	\$ 15,866,421	\$ 17,645,581	\$ 18,131,344	\$ 2,264,923	14.3%
WATER TREATMENT						
Operations	\$ 33,653,326	\$ 38,332,440	\$ 38,332,440	\$ 38,925,318	\$ 592,878	1.5%
Capital	54,090,501	68,502,152	68,502,152	50,564,324	(17,937,828)	(26.2)%
Total	\$ 87,743,827	\$ 106,834,592	\$ 106,834,592	\$ 89,489,642	\$ (17,344,950)	(16.2)%
TREATED WATER TRANSMISSION AND DISTRIBUTION						
Operations	\$ 1,495,675	\$ 1,902,604	\$ 1,902,604	\$ 1,645,398	\$ (257,206)	(13.5)%
Capital	4,080,609	231,965	643,232	595,650	363,685	156.8%
Total	\$ 5,576,284	\$ 2,134,569	\$ 2,545,836	\$ 2,241,048	\$ 106,479	5.0%
ADMINISTRATION AND GENERAL						
Operations	\$ 20,299,290	\$ 23,541,567	\$ 23,541,567	\$ 25,313,479	\$ 1,771,912	7.5%
Operating Projects	4,451	292,009	292,009	338,884	46,875	16.1%
Debt	22,111,384	34,656,167	34,656,167	41,885,770	7,229,603	20.9%
Capital	5,559,381	20,538,509	23,562,451	18,579,736	(1,958,773)	(9.5)%
Total	\$ 47,974,506	\$ 79,028,252	\$ 82,052,194	\$ 86,117,869	\$ 7,089,617	9.0%
TOTAL WATER ENTERPRISE FUND	\$ 287,625,735	\$ 324,569,097	\$ 339,870,292	\$ 328,713,618	\$ 4,144,521	1.3%
Carried Forward Capital Projects	\$ —	\$ 12,676,000	\$ —	\$ 14,614,126	\$ 1,938,126	15.3%
WUE FUND WITH CARRYFOWARD	\$ 287,625,735	\$ 337,245,097	\$ 339,870,292	\$ 343,327,744	\$ 6,082,647	1.8%
FUND SUMMARY BY CATEGORY						
Operations	\$ 164,289,337	\$ 170,714,192	\$ 173,599,610	\$ 177,272,714	\$ 6,558,523	3.8%
Operating Projects	4,463	292,009	292,009	338,884	46,875	16.1%
Debt	22,111,384	34,656,167	34,656,167	41,885,770	7,229,603	20.9%
Capital	101,220,550	118,906,728	131,322,505	109,216,248	(9,690,480)	(8.2)%
Carried Forward Capital Projects	—	12,676,000	—	14,614,126	1,938,126	15.3%
Total	\$ 287,625,734	\$ 337,245,096	\$ 339,870,291	\$ 343,327,742	\$ 6,082,647	1.8%



# Fund Summaries

## Water Enterprise Charge Summary

	Adopted 2014/15	Adopted 2015/16	Adopted 2016/17	Adopted 2017/18	Proposed 2018/19
<b>Groundwater Production</b>					
<b>Zone W-2</b>					
Agricultural	19.14	21.36	23.59	25.09	30.61
Non-Agricultural	747.00	894.00	1,072.00	1,175.00	1,289.00
<b>Zone W-5</b>					
Agricultural	19.14	21.36	23.59	25.09	30.61
Non-Agricultural	319.00	356.00	393.00	418.00	450.00
<b>Treated Water</b>					
Contract (Scheduled) <sup>(2)</sup>	847.00	994.00	1,172.00	1,275.00	1,389.00
Non-Contract <sup>(3)</sup>	897.00	1,094.00	1,272.00	1,225.00	1,339.00
<b>Untreated Water (Basic User Charge)</b>					
<b>Zone W-2</b>					
Agricultural	19.14	21.36	23.59	25.09	30.61
Non-Agricultural	747.00	894.00	1,072.00	1,175.00	1,289.00
<b>Zone W-5</b>					
Agricultural	19.14	21.36	23.59	25.09	30.61
Non-Agricultural	319.00	356.00	393.00	418.00	450.00
Water Master <sup>(1)</sup>	18.60	22.60	27.46	33.36	35.93
<b>Minimum Charge</b>					
Zone W-2 Non-Agricultural	560.25	670.50	804.00	883.50	966.75
Zone W-5 Non-Agricultural	239.25	267.00	294.75	313.50	337.50
Zone W-2 Agricultural	14.35	16.02	17.69	18.82	22.96
Zone W-5 Agricultural	14.35	16.02	17.69	18.82	22.96
<b>Reclaimed Water</b>					
<b>Gilroy Reclamation Facility</b>					
Agricultural	42.94	45.16	47.38	48.88	54.41
Non-Agricultural	299.00	336.00	373.00	398.00	430.00

(1) The surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge

(2) The total treated water contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the contract surcharge

(3) The total treated water non-contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the non-contract surcharge

# Fund Summaries

## Water Utility Cost Allocation

Job #	Job Description	South County %	South County Cost \$	North County Cost \$	Proposed 2018-2019	Basis of Allocation to the South
<b>Operations</b>						
91041012	Water Operations Planning	17.3%	\$ 87,509	\$ 418,324	\$ 505,833	Raw Water Deliveries
91041018	Groundwater Management Program	40.9%	1,744,424	2,520,671	4,265,095	Groundwater Production Ratio
91061012	Facilities Env Compliance	17.3%	7,244	34,627	41,870	Raw Water Deliveries
91081007	Dam Safety Program	14.4%	247,185	1,469,377	1,716,562	Program Benefit Calculation
91101004	Recycled Water Program	5.9%	392,796	6,264,761	6,657,557	Population
91111001	Water Rights	17.3%	68,260	326,308	394,569	Raw Water Deliveries
91131004	Imported Water Program	12.9%	2,276,942	15,373,773	17,650,715	Imported Water Ratio
91131006	IW San Felipe Division Delvrs	20.0%	3,655,031	14,620,126	18,275,157	Program Benefit Calculation
91131007	IW South Bay Aqueduct Delvrs	—	—	5,375,500	5,375,500	No South County Benefit
91131008	State Water Project Costs	—	—	20,894,709	20,894,709	No South County Benefit
91151001	Water Conservation Program	7.3%	451,542	5,733,965	6,185,507	Program Benefit Calculation
91151012	Recycled/Purified Water Public Engagement	5.9%	48,492	773,408	821,900	Population
91211004	San Felipe Reach 1 Operation	21.0%	158,589	596,595	755,184	CVP Imported Water Ratio
91211005	SFD Reach 1 Administration	21.0%	2,121	7,979	10,100	CVP Imported Water Ratio
91211084	San Felipe Reach1 Ctrl and Ele	21.0%	92,169	346,730	438,899	CVP Imported Water Ratio
91211085	SF Reach 1- Engineering - Other	21.0%	16,036	60,324	76,360	CVP Imported Water Ratio
91211099	San Felipe Reach 1 Gen Maint	21.0%	173,047	650,987	824,035	CVP Imported Water Ratio
91221002	San Felipe Reach 2 Operation	21.0%	29,620	111,429	141,049	CVP Imported Water Ratio
91221006	SF Reach 2- Engineering - Other	21.0%	48,723	183,291	232,014	CVP Imported Water Ratio
91221099	San Felipe Reach 2 Gen Maint	21.0%	32,152	120,953	153,105	CVP Imported Water Ratio
91231002	San Felipe Reach 3 Operation	21.0%	50,332	429,017	479,349	CVP Imported Water Ratio
91231084	San Felipe Reach3 Ctrl and Ele	21.0%	46,862	399,441	446,302	CVP Imported Water Ratio
91231085	SF Reach 3- Engineering - Other	21.0%	20,642	175,949	196,591	CVP Imported Water Ratio
91231099	San Felipe Reach 3 Gen Maint	21.0%	142,529	762,418	904,947	CVP Imported Water Ratio
91281007	SWAWPC Facility Operations	—	—	2,546,168	2,546,168	No South County Benefit

# Fund Summaries

## Water Utility Cost Allocation (Continued)

Job #	Job Description	South County %	South County Cost \$	North County Cost \$	Proposed 2018-2019	Basis of Allocation to the South
91281008	SVAWPC Facility Maintenance	—	—	1,385,208	1,385,208	No South County Benefit
91451002	Well Ordinance Program	22.1%	317,498	1,119,145	1,436,643	Well Permits and Inspections
91451005	Source Water Quality Mgmt	13.2%	42,438	279,062	321,500	M&I Water Usage Ratio
91451011	Invasive Mussel Prevention	17.3%	103,548	494,996	598,544	Raw Water Deliveries
91761001	Local Res / Div Plan & Analysis	21.9%	300,738	1,072,497	1,373,235	Total Water Deliveries Ratio
91761013	SCADA Systems Upgrades	21.0%	30,376	114,272	144,648	CVP Imported Water Ratio
91761099	Dams / Reservoir Gen Maint	22.0%	566,082	2,007,018	2,573,100	Program Benefit Calculation
91061007	Districtwide Salary Savings	13.2%	(185,051)	(1,216,853)	(1,401,905)	M&I Water Usage Ratio
92041014	FAHCE/Three Creeks HCP Project	7.0%	273,816	3,637,843	3,911,659	Coyote Water Supply Ratio
92061012	Facilities Env Compliance	17.3%	13,038	62,328	75,366	Raw Water Deliveries
92261099	Vasona Pump Station Gen Main	—	—	137,263	137,263	No South County Benefit
92761001	Raw Water T and D Genrl Oper	17.3%	285,945	1,366,916	1,652,861	Raw Water Deliveries
92761006	Rchrg / RW Field Fac Asset Mgt	43.0%	4,300	5,700	10,000	Groundwater Recharge Ratio
92761007	Rchrg / RW Field Ops Pln&Anlys	43.0%	2,150	2,850	5,000	Groundwater Recharge Ratio
92761008	Recycled Water T&D Genrl Maint	100.0%	280,223	—	280,223	Benefits only South County
92761009	Recharge/RW Field Ops	43.0%	1,291,284	1,711,702	3,002,986	Groundwater Recharge Ratio
92761010	Rchrg / RW Field Fac Maint	43.0%	864,043	1,145,359	2,009,403	Groundwater Recharge Ratio
92761012	Untreated Water Prog Plan&Analysis	52.5%	142,268	128,719	270,987	Untreated Water Deliveries Ratio
92761013	SCADA Systems Upgrades	17.3%	14,300	68,357	82,656	Raw Water Deliveries
92761082	Raw Water T&D Ctrl and Electr	17.3%	128,191	612,798	740,990	Raw Water Deliveries
92761083	Raw Water T&D Eng Other	17.3%	24,954	119,290	144,244	Raw Water Deliveries
92761085	Anderson Hydrelctrc Fclty Main	22.8%	34,131	115,566	149,697	Anderson Water Deliveries Ratio
92761099	Raw Water T / D Gen Maint	17.3%	389,360	1,861,274	2,250,634	Raw Water Deliveries
92781002	RW Corrosion Control	17.3%	42,298	202,200	244,499	Raw Water Deliveries
93061012	Facilities Env Compliance	—	—	510,815	510,815	No South County Benefit
93081008	W T General Water Quality	—	—	2,153,992	2,153,992	No South County Benefit

# Fund Summaries

## Water Utility Cost Allocation (Continued)

Job #	Job Description	South County %	South County Cost \$	North County Cost \$	Proposed 2018-2019	Basis of Allocation to the South
93081009	Water Treatment Plant Engineering	—	—	135,207	135,207	No South County Benefit
93231007	PWTP Landslide Monitoring	—	—	48,701	48,701	No South County Benefit
93231009	PWTP General Operations	—	—	5,317,647	5,317,647	No South County Benefit
93231099	Penitencia WTP General Maint	—	—	2,590,445	2,590,445	No South County Benefit
93281005	STWTP - General Operations	—	—	5,033,928	5,033,928	No South County Benefit
93281099	Santa Teresa WTP General Maint	—	—	3,229,259	3,229,259	No South County Benefit
93291012	RWTP General Operations	—	—	8,106,029	8,106,029	No South County Benefit
93291099	Rinconada WTP General Maint	—	—	3,526,121	3,526,121	No South County Benefit
93401002	Water District Laboratory	8.2%	400,238	4,480,718	4,880,956	Lab Analyses
93761001	SF/SCVWD Intertie General Ops	—	—	217,112	217,112	No South County Benefit
93761004	Campbell Well Field Operations	—	—	145,273	145,273	No South County Benefit
93761005	Campbell Well Field Maintenance	—	—	95,763	95,763	No South County Benefit
93761006	Treated Water Ctrl & Elec Eng	—	—	2,596,336	2,596,336	No South County Benefit
93761013	SCADA Systems Upgrades	—	—	242,802	242,802	No South County Benefit
93761099	SF/SCVWD Intertie Gen Maint	—	—	94,932	94,932	No South County Benefit
94761005	TW T&D - Engineering - Other	—	—	156,044	156,044	No South County Benefit
94761013	SCADA Systems Upgrades	—	—	46,494	46,494	No South County Benefit
94761099	Treated Water T/D Gen Maint	—	—	1,220,644	1,220,644	No South County Benefit
94781001	Treated Water T/D Corrosion	—	—	222,216	222,216	No South County Benefit
95001090	Unscoped Projects- Budget Only	13.2%	13,200	86,800	100,000	M&I Water Usage Ratio
95011003	WU Asset Protection Support	2.4%	22,767	925,871	948,638	Program Benefit Calculation
95021008	Electrical Power Support	1.5%	3,218	207,087	210,304	Labor Hours
95031002	Grants Management	44.4%	169,393	212,123	381,517	Program Benefit Calculation
95041039	Integrated Regional Water Mgmt	13.2%	12,319	81,010	93,329	M&I Water Usage Ratio
95061012	Rental Expense San Pedro, MH	100.0%	31,879	—	31,879	Benefits only South County
95061037	WUE Training & Development	13.2%	208,232	1,369,284	1,577,516	M&I Water Usage Ratio

# Fund Summaries

## Water Utility Cost Allocation (Continued)

Job #	Job Description	South County %	South County Cost \$	North County Cost \$	Proposed 2018-2019	Basis of Allocation to the South
95061038	WUE Administration	13.2%	1,004,628	6,606,189	7,610,817	M&I Water Usage Ratio
95061043	WUE ER Response Plan & Implement	—	—	271,828	271,828	No South County Benefit
95061045	AM Framework Implementation	13.2%	283,834	1,866,424	2,150,259	M&I Water Usage Ratio
95061047	WUE Technical Training Program	13.2%	167,630	1,102,291	1,269,921	M&I Water Usage Ratio
95061048	Climate Change Adaptation/Mtg.	13.2%	57,760	379,813	437,573	M&I Water Usage Ratio
95071041	Welding Services	1.5%	7,356	499,934	507,290	Program Benefit Calculation
95101003	W2 W5 Wtr Revenue Program	63.0%	849,780	499,077	1,348,858	Labor Hours
95111003	Water Use Measurement	44.5%	911,097	1,136,312	2,047,409	Labor Hours
95121003	Long Term Financial Planning	13.2%	75,912	499,181	575,093	M&I Water Usage Ratio
95151002	Water Utility Customer Relations	5.9%	27,469	438,112	465,581	Population
95741001	WUE Long-term Planning	13.2%	160,589	1,055,992	1,216,580	M&I Water Usage Ratio
95741042	Water Resources EnvPlng & Permtg	18.0%	70,733	322,227	392,959	Program Benefit Calculation
95761003	SCADA Network Administration	2.8%	8,931	310,026	318,957	Program Benefit Calculation
95761071	Emergency Preparedness Prog	5.9%	49,401	787,904	837,305	Population
95771011	InterAgency Urban Runoff Program	17.3%	75,631	361,543	437,174	Raw Water Deliveries
95771031	HAZMAT Emergency Response	8.3%	6,785	74,960	81,745	Emergency Response Events
95811043	Hydrologic Data Msrmt & Mgmt	17.0%	145,155	708,697	853,852	Stream Gauge location
95811046	Warehouse Services	13.2%	87,940	578,271	666,210	M&I Water Usage Ratio
95811049	X Valley Subsidence Survey	—	—	296,400	296,400	No South County Benefit
95811054	District Real Property Administration	—	—	184,484	184,484	Program Benefit Calculation
<b>Operations Total</b>			<b>\$ 19,610,054</b>	<b>\$ 157,662,658</b>	<b>\$ 177,272,712</b>	
<b>Operating Projects</b>						
95762011	Tree Maintenance Program	13.2%	\$ 44,733	\$ 294,151	\$ 338,884	M&I Water Usage Ratio
<b>Operating Projects Total</b>			<b>\$ 44,733</b>	<b>\$ 294,151</b>	<b>\$ 338,884</b>	
<b>TOTAL</b>	<b>OPERATIONS AND OPERATING</b>		<b>\$ 19,654,787</b>	<b>\$ 157,956,809</b>	<b>\$ 177,611,596</b>	

# Fund Summaries

## Total Outlays - Source of Supply

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
91041012	Water Operations Planning	426,035	613,200	505,833		Raw Water Operations & Maintenance Division
91041018	Groundwater Management Program	3,744,446	4,027,886	4,265,095		Water Supply Division
91061007	Districtwide Salary Savings-61		(1,340,805)	(1,401,905)		Financial Planning and Management Services Division
* 91061012	Facilities Env Compliance	34,550	41,560	41,870		Human Resources Division
91081007	Dam Safety Program	1,414,198	1,407,025	1,716,562		Water Utility Capital Division
91101004	Recycled & Purified Water Prog	6,306,574	6,383,874	6,657,557		Water Supply Division
91111001	Water Rights	357,514	320,002	394,569		Raw Water Operations & Maintenance Division
91131004	Imported Water Program	9,992,090	7,289,171	17,650,715		Water Supply Division
91131006	IW San Felipe Division Delvrs	20,338,793	23,033,465	18,275,157		Water Supply Division
91131007	IW South Bay Aqueduct Delvrs	3,129,025	3,053,971	5,375,500		Water Supply Division
91151001	Water Conservation Program	6,497,325	5,251,415	6,185,507		Water Supply Division
** 91151007	Water Conservation-Residential	(4)				Water Supply Division
** 91151008	Water Conservation-Commercial	(35)				Water Supply Division
** 91151009	Water Conservation - AG	(4)				Water Supply Division
** 91151010	Water Conservation-Landscape	(133)				Water Supply Division
** 91151011	Water Conservation Campaign	211,312				Office of Chief of External Affairs
91151012	Recycled/Purified Water Public Engagement	392,460	899,693	821,900		Office of Chief of External Affairs
91211004	San Felipe Reach 1 Operation	582,648	653,230	755,184		Raw Water Operations & Maintenance Division
91211005	SFD Reach 1 Administration	9,121	9,771	10,100		Water Supply Division
91211084	San Felipe Reach1 Ctrl and Ele	313,711	412,208	438,899		Raw Water Operations & Maintenance Division
91211085	SF Reach 1-Engineering - Other	113,230	93,673	76,360		Water Utility Capital Division
91211099	San Felipe Reach 1 Gen Maint	743,450	792,365	824,035		Raw Water Operations & Maintenance Division
91221002	San Felipe Reach 2 Operation	56,448	131,353	141,049		Raw Water Operations & Maintenance Division
91221006	SF Reach 2-Engineering - Other	168,295	126,189	232,014		Water Utility Capital Division
91221099	San Felipe Reach 2 Gen Maint	299,570	188,845	153,105		Raw Water Operations & Maintenance Division
91231002	San Felipe Reach 3 Operation	328,482	381,955	479,349		Raw Water Operations & Maintenance Division
91231084	San Felipe Reach3 Ctrl and Ele	231,132	381,344	446,302		Raw Water Operations & Maintenance Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Source of Supply (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
91231085	SF Reach 3-Engineering - Other	20,908	152,926	196,591		Water Utility Capital Division
91231099	San Felipe Reach 3 Gen Maint	874,238	641,788	904,947		Raw Water Operations & Maintenance Division
91281007	SVAWPC Facility Operations	2,516,757	2,568,927	2,546,168		Treated Water Operations & Maintenance Division
91281008	SVAWPC Facility Maintenance	1,068,890	1,594,725	1,385,208		Treated Water Operations & Maintenance Division
91441003	Desalination	7,356	23,310			Water Supply Division
91451002	Well Ordinance Program	1,439,915	1,588,748	1,436,643		Water Supply Division
91451005	Source Water Quality Mgmt	580,743	373,443	321,500		Treated Water Operations & Maintenance Division
91451011	Invasive Mussel Prevention	553,316	607,455	598,544		Treated Water Operations & Maintenance Division
**	91551001 Groundwater Monitoring	165				Water Supply Division
**	91551002 Groundwater Supply Managemen	(1)				Water Supply Division
	91761001 Local Res/Div Plan & Analysis	1,085,285	956,689	1,373,235		Raw Water Operations & Maintenance Division
*	91761013 SCADA Systems Upgrades	52,499	52,251	144,648		Raw Water Operations & Maintenance Division
	91761099 Dams / Reservoir Gen Maint	1,291,104	1,984,005	2,573,100		Water Utility Capital Division
**	91791012 Groundwater Quality Manageme	(2)				Water Supply Division
<b>Total Operations</b>		<b>65,181,404</b>	<b>64,695,658</b>	<b>75,525,344</b>		
<b>Operating</b>						
**	91792001 Domestic Well Testing Program	11				Water Supply Division
<b>Total Operating</b>		<b>11</b>				
<b>Capital</b>						
91084019	Dam Safety Seismic Stability	417,665		1,093,043	32,889	Water Utility Capital Division
91084020	Calero-Guad Dams Seismic Retro	(4,693)	119		209,000	Water Utility Capital Division
91094009	SoCo Rcyld Wtr PL Short-Trm 1B	948,752			6,303,000	Water Utility Capital Division
91094010	So. County Recycled Water Fund	467,011			331,507	Water Supply Division
91154007	Water Purchases Captl Project	8,940,774	9,715,169	10,056,930		Water Supply Division
91184008	SV Adv Wtr Purification Ctr	59,168	32,277			Water Utility Capital Division
91214001	Pacheco Conduit Rehabilitation	2,959,605	97,004			Water Utility Capital Division
91214010	Small Caps, San Felipe R1	833,867	2,408,824	2,901,283		Raw Water Operations & Maintenance Division
91224010	Small Caps, San Felipe R2	443,044	48,466	595,125		Raw Water Operations & Maintenance Division

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - Source of Supply (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
91234002	Coyote Pumping Plant ASD Rplcm		535,963	697,862	435,963	Water Utility Capital Division
91234010	Small Caps, San Felipe R3	146,535		205,000		Raw Water Operations & Maintenance Division
91234011	Coyote Pumping Plant Warehouse	216,872	2,903,902	1,033,913		Water Utility Capital Division
91244001	Wolfe Rd Recycled Wtr Facility	1,463,493	197,963			Water Utility Capital Division
91284009	SVAWPC Expansion Project	24,971	(403)			Water Utility Capital Division
91304001	Indirect Potable Reuse-Plan	1,979,792		3,493,141	1,146,659	Water Supply Division
91384001	Purified Water Pipeline	33,221				Water Utility Capital Division
91854001	Almaden Dam Improvements	527,742	519,999	3,764,122		Water Utility Capital Division
91864005	Anderson Dam Seismic Retrofit	2,483,306	7,913,297	10,561,864		Water Utility Capital Division
91874004	Calero Dam SeisRetrofit Des&Con	3,545,646	2,187,989	1,712,856	1,731,464	Water Utility Capital Division
91894002	Guadalupe Dam SeisRetrofit Des&Con	3,110,386	1,160,810	198,525	1,724,275	Water Utility Capital Division
91954001	Pacheco PP ASD Replacement	2,760				Water Utility Capital Division
<b>Total Capital</b>		<b>28,599,915</b>	<b>27,721,383</b>	<b>36,313,662</b>	<b>11,914,758</b>	
<b>Total</b>		<b>93,781,330</b>	<b>92,417,040</b>	<b>111,839,005</b>	<b>11,914,758</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - Raw Water Transmission and Distribution

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
92041014	FAHCE/Three Creeks HCP Project	3,781,107	3,458,903	3,911,659		Watershed Stewardship & Planning Division
* 92061012	Facilities Env Compliance	62,190	74,808	75,366		Human Resources Division
92261099	Vasona Pump Station Gen Main	170,390	89,171	137,263		Raw Water Operations & Maintenance Division
92761001	Raw Water T&D Gen'l Oper	1,424,839	1,680,313	1,652,861		Raw Water Operations & Maintenance Division
92761006	Rchrg / RW Field Fac Asset Mgt	56,298	93,623	10,000		Raw Water Operations & Maintenance Division
92761007	Rchrg / RW Fld Ops Pln & Anlys	163,214	91,117	5,000		Raw Water Operations & Maintenance Division
92761008	Recycled Water T&D Gen'l Maint	134,900	100,490	280,223		Raw Water Operations & Maintenance Division
92761009	Recharge/RW Field Ops	2,956,990	2,851,026	3,002,986		Raw Water Operations & Maintenance Division
92761010	Rchrg / RW Field Fac Maint	2,008,204	1,840,633	2,009,403		Raw Water Operations & Maintenance Division
92761012	Untreated Water Prog Plan	17,781	117,459	270,987		Raw Water Operations & Maintenance Division
* 92761013	SCADA Systems Upgrades	29,999	29,858	82,656		Raw Water Operations & Maintenance Division
92761082	Raw Water T&D Ctrl and Electr	716,822	748,950	740,990		Raw Water Operations & Maintenance Division
92761083	Raw Water T&D Eng Other	211,636	200,329	144,244		Water Utility Capital Division
92761085	Anderson Hydrelctrc Fclty Main	169,920	233,554	149,697		Raw Water Operations & Maintenance Division
92761099	Raw Water T / D Gen Maint	1,727,467	1,862,131	2,250,634		Raw Water Operations & Maintenance Division
92781002	Raw Water Corrosion Control	303,848	481,335	244,499		Water Utility Capital Division
<b>Total Operations</b>		<b>13,935,605</b>	<b>13,953,701</b>	<b>14,968,467</b>		
<b>Capital</b>						
92144001	Pacheco/SC Conduit ROW ACQ	261,605	251,556	1,513,821		Water Utility Capital Division
92224001	Pen Force Main Seismic Retrofi	8,552,334	441,770			Water Utility Capital Division
92264001	Vasona Pump Station Upgrade	810	712,050	549,175	480,150	Water Utility Capital Division
92374005	SCADA Remote Arch&Comm Upgrade	75,397	185,960	251,238	361,132	Water Utility Capital Division
92764009	Small Caps, Raw Water T&D		321,385	848,643		Raw Water Operations & Maintenance Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Raw Water Transmission and Distribution (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Total Capital</b>		<b>8,890,146</b>	<b>1,912,720</b>	<b>3,162,877</b>	<b>841,281</b>	
<b>Total</b>		<b>22,825,750</b>	<b>15,866,421</b>	<b>18,131,344</b>	<b>841,281</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Water Treatment

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
* 93061012	Facilities Env Compliance	421,510	507,029	510,815		Human Resources Division
93081008	W T General Water Quality	1,662,438	1,866,724	2,153,992		Treated Water Operations & Maintenance Division
93081009	Water Treatment Plant Engineer	148,551	658,910	135,207		Water Utility Capital Division
93231007	PWTP Landslide Monitoring	36,949	217,485	48,701		Water Utility Capital Division
93231009	PWTP General Operations	3,875,427	5,563,176	5,317,647		Treated Water Operations & Maintenance Division
93231099	Penitencia WTP General Maint	2,544,340	2,579,658	2,590,445		Treated Water Operations & Maintenance Division
93281005	STWTP - General Operations	5,100,349	4,865,555	5,033,928		Treated Water Operations & Maintenance Division
93281099	Santa Teresa WTP General Maint	2,696,409	3,348,219	3,229,259		Treated Water Operations & Maintenance Division
93291012	RWTP General Operations	7,012,876	7,594,962	8,106,029		Treated Water Operations & Maintenance Division
93291099	Rinconada WTP General Maint	3,554,431	3,307,387	3,526,121		Treated Water Operations & Maintenance Division
93401002	Water District Laboratory	4,145,833	4,675,738	4,880,956		Treated Water Operations & Maintenance Division
93761001	SF/SCVWD Intertie General Ops	99,663	213,522	217,112		Treated Water Operations & Maintenance Division
93761004	Campbell Well Field Operations	179,370	188,663	145,273		Treated Water Operations & Maintenance Division
93761005	Campbell Well Field Maint	146,613	101,451	95,763		Treated Water Operations & Maintenance Division
93761006	Treated Water Ctrl & Elec Eng	1,883,209	2,520,054	2,596,336		Raw Water Operations & Maintenance Division
* 93761013	SCADA Systems Upgrades	88,124	87,708	242,802		Raw Water Operations & Maintenance Division
93761099	SF/SCVWD Intertie Gen Maint	57,236	36,200	94,932		Treated Water Operations & Maintenance Division
<b>Total Operations</b>		<b>33,653,326</b>	<b>38,332,440</b>	<b>38,925,318</b>		
<b>Capital</b>						
93084011	Fluoridation at WTPs	3,121,107	276,958			Water Utility Capital Division
93234043	PWTP Clearwell Recoat & Repair	562,019				Water Utility Capital Division
93234044	PWTP Residuals Management					Treated Water Operations & Maintenance Division
93294051	RWTP FRP Residuals Management	3,153,713	17,053,401			Water Utility Capital Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Water Treatment (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
93294056	RWTP Treated Water Valves Upgd	209,251	170,276	9,426		Water Utility Capital Division
93294057	RWTP Reliability Improvement	44,633,482	48,143,577	46,977,734	176,766	Water Utility Capital Division
93294058	RWTP Residuals Remediation				1,600,000	Water Utility Capital Division
** 93504001	Infstr Reliability Master Plan	1,466				Raw Water Operations & Maintenance Division
93764003	IRP2 WTP Bldg Seismic Retrofit	1,010,795	345,964			Water Utility Capital Division
93764004	Small Caps, Water Treatment	1,398,667	2,511,976	3,577,164		Treated Water Operations & Maintenance Division
<b>Total Capital</b>		<b>54,090,501</b>	<b>68,502,152</b>	<b>50,564,324</b>	<b>1,776,766</b>	
<b>Total</b>		<b>87,743,826</b>	<b>106,834,592</b>	<b>89,489,641</b>	<b>1,776,766</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Treated Water Transmission and Distribution

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
94761005	TW T&D - Engineering - Other	142,023	162,303	156,044		Water Utility Capital Division
* 94761013	SCADA Systems Upgrades	16,875	16,795	46,494		Raw Water Operations & Maintenance Division
94761099	Treated Water T/D Gen Maint	1,010,305	1,173,558	1,220,644		Raw Water Operations & Maintenance Division
94781001	Treated Water T/D Corrosion	326,472	549,948	222,216		Water Utility Capital Division
<b>Total Operations</b>		<b>1,495,675</b>	<b>1,902,604</b>	<b>1,645,398</b>		
<b>Capital</b>						
94084007	Treated Wtr Isolation Valves			528,770		Water Utility Capital Division
94084008	Westside Retailer Interties			66,880		Water Utility Capital Division
94384002	Pen Del Main Seismic Retrofit	4,080,609	231,965			Water Utility Capital Division
<b>Total Capital</b>		<b>4,080,609</b>	<b>231,965</b>	<b>595,650</b>		
<b>Total</b>		<b>5,576,284</b>	<b>2,134,569</b>	<b>2,241,048</b>		

\* Recipient projects  
 \*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Administration and General

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
95001090	Unscoped Projects-Budget Only		100,000	100,000		Office of COO Water Utility
95011003	WU Asset Protection Support	556,920	1,004,031	948,638		Watershed Stewardship & Planning Division
* 95021008	Energy Management	146,971	283,449	210,304		Raw Water Operations & Maintenance Division
* 95031002	Grants Management	327,972	368,967	381,517		Financial Planning and Management Services Division
* 95041039	Integrated Regional Water Mgmt	38,749	111,606	93,329		Water Supply Division
** 95041046	Survey Record Management	11,208				Watershed Design & Construction Division
95061007	WUE Asset Management Plng Prgm	1,243,035	1,218,301			Raw Water Operations & Maintenance Division
95061012	Rental Expense San Pedro,MH	16,399	32,163	31,879		General Services Division
** 95061027	Water Utility Health & Safety	372,826				Human Resources Division
** 95061032	Water Utility Safety Training	368,021				Human Resources Division
95061037	WUE Training & Development	1,027,363	1,357,539	1,577,516		Office of COO Water Utility
95061038	WUE Administration	6,420,408	7,362,010	7,610,817		Office of COO Water Utility
95061043	WUE O&M Support	34,192	265,413	271,828		Treated Water Operations & Maintenance Division
* 95061045	Asset Management Program	518,241	563,322	2,150,259		Raw Water Operations & Maintenance Division
** 95061046	District CMMS Administration					Raw Water Operations & Maintenance Division
95061047	WUE Technical Training Program	642,708	1,112,585	1,269,921		Office of COO Water Utility
* 95061048	Climate Change Adaptation/Mtg.	91,984	240,411	437,573		Watershed Stewardship & Planning Division
* 95071041	Welding Services	394,265	441,603	507,290		General Services Division
95101003	W2 W5 Water Revenue Program	1,489,989	1,648,693	1,348,858		Financial Planning and Management Services Division
95111003	Water Use Measurement	1,717,947	1,755,569	2,047,409		Water Supply Division
** 95121001	Fin/Economic Water Rate Stud	348,764				Financial Planning and Management Services Division
* 95121003	LT Financial Planning & Rate S		626,924	575,093		Financial Planning and Management Services Division
95151002	WU Customer Relations & Outreach	195,183		465,581		Office of Chief of External Affairs
** 95731001	Water Supply Modeling/Analysis	(65)				Water Supply Division
95741001	Water Supply Planning	977,403	1,005,582	1,216,580		Water Supply Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Administration and General (Continued)

	Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
*	95741042	Water Resorcs EnvPlng & Permtg	176,648	667,671	392,959		Raw Water Operations & Maintenance Division
	95761003	SCADA Network Administration	178,926	193,164	318,957		Information Technology Division
*	95761071	Emergency Management	684,866	905,318	837,305		Office of COO Administrative Services
**	95761072	Business Continuity Program	21,491				Office of COO Administrative Services
*	95771011	Inter Agency Urban Runoff Prog	405,426	423,567	437,174		Watershed Stewardship & Planning Division
*	95771031	HAZMAT Emergency Response	92,445	51,139	81,745		Human Resources Division
*	95811043	Hydrologic Data Msmt & Mgmt	746,845	842,548	853,852		Watershed Stewardship & Planning Division
*	95811046	Warehouse Services	546,733	636,927	666,210		General Services Division
*	95811049	X Valley Subsidence Survey	170,552	172,039	296,400		Watershed Design & Construction Division
**	95811050	Benchmark Maint (Countywide	141,035				Watershed Design & Construction Division
*	95811054	District Real Property Adminis	193,839	151,023	184,484		Watershed Design & Construction Division
<b>Total Operations</b>			<b>20,299,290</b>	<b>23,541,567</b>	<b>25,313,479</b>		
<b>Operating</b>							
*	95762011	Tree Maintenance Program	4,451	292,009	338,884		Watershed Operations & Maintenance Division
<b>Total Operating</b>			<b>4,451</b>	<b>292,009</b>	<b>338,884</b>		
<b>Debt Service</b>							
	95993007	Commercial Paper Tax Exempt	457,742	2,735,340	1,631,200		Financial Planning and Management Services Division
	95993008	Commercial Paper Taxable	528,122	2,735,340	1,631,200		Financial Planning and Management Services Division
	95993012	2006B WUE Refunding Taxable	1,780,567	1,803,689	1,803,050		Financial Planning and Management Services Division
**	95993013	2007A WU Revenue COPs Tax Ex	5,109,360				Financial Planning and Management Services Division
	95993014	2007B WU Revenue COPs	1,781,978	2,800,500	3,414,000		Financial Planning and Management Services Division
	95993015	2016A WU Ref Rev Bond (TE)	2,659,000	5,338,250	5,340,750		Financial Planning and Management Services Division
	95993016	2016B WU Ref Rev Bond (TX)	5,887,496	3,252,121	3,254,622		Financial Planning and Management Services Division
	95993017	WU COP 2016C (Tax-Exempt)	2,106,575	4,145,950	5,057,650		Financial Planning and Management Services Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - Administration and General (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
95993018	WU COP 2016D (Taxable)	1,580,185	4,230,685	5,476,973		Financial Planning and Management Services Division
95993019	WU Rev Bond 2017A (Tax Exempt)	220,360	4,730,630	4,380,500		Financial Planning and Management Services Division
95993020	WU Rev Bond 2018A (TE)		1,445,250	3,497,146		Financial Planning and Management Services Division
95993021	WU Rev Bond 2018B (TX)		1,438,412	4,253,679		Financial Planning and Management Services Division
95993022	WU Rev Bond 2019A (Tax-Exempt)			825,000		Financial Planning and Management Services Division
95993023	WU Rev Bond 2019B (Taxable)			1,060,000		Financial Planning and Management Services Division
95993024	WU Rev Bond 2019C (Tax-Exempt)			260,000		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>22,111,384</b>	<b>34,656,167</b>	<b>41,885,770</b>		
<b>Capital</b>						
95064011	Districtwide Salary Savings-61		(388,197)	(419,651)		Financial Planning and Management Services Division
95074001	Capital Warranty Services	76,011	185,912	112,197	47,024	Water Utility Capital Division
* 95074030	WU Capital Training & Dvlpmnt	461,175		1,318,889		Water Utility Capital Division
* 95074033	CIP Development & Admin	328,120	519,946	589,692		Water Utility Capital Division
* 95074036	Survey Mgmt & Tech Support	102,158	236,881	224,183		Watershed Design & Construction Division
* 95074038	Capital Progm Srvc Admin	2,442,077	2,717,781	2,387,223		Water Utility Capital Division
** 95074045	Technical Review Committee	78,521				Water Utility Capital Division
** 95074046	WU Captl Health & Safety Trng	27,403				Water Utility Capital Division
** 95084001	5-Year Pipeline Rehabilitation	1,876,623				Water Utility Capital Division
95084002	10-Yr PL Inspection and Rehab		15,965,207	13,865,414		Water Utility Capital Division
95274003	WU Computer Network Modrnizatr	167,293	1,300,979	501,788	34,297	Information Technology Division
<b>Total Capital</b>		<b>5,559,381</b>	<b>20,538,509</b>	<b>18,579,736</b>	<b>81,321</b>	
<b>Total</b>		<b>47,974,506</b>	<b>79,028,251</b>	<b>86,117,868</b>	<b>81,321</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

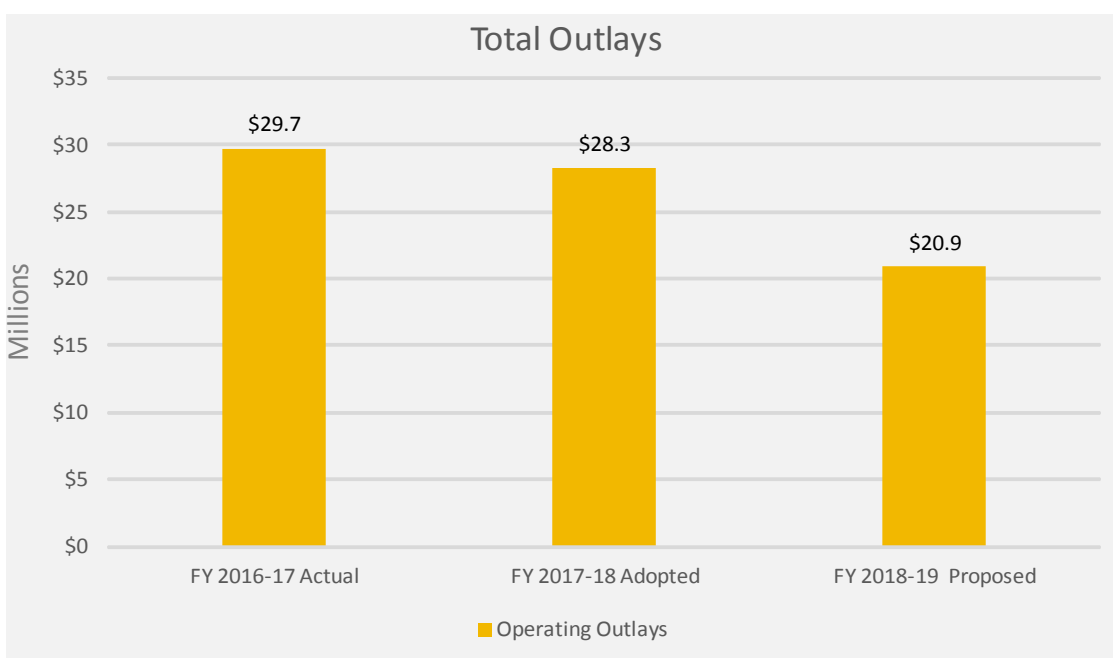
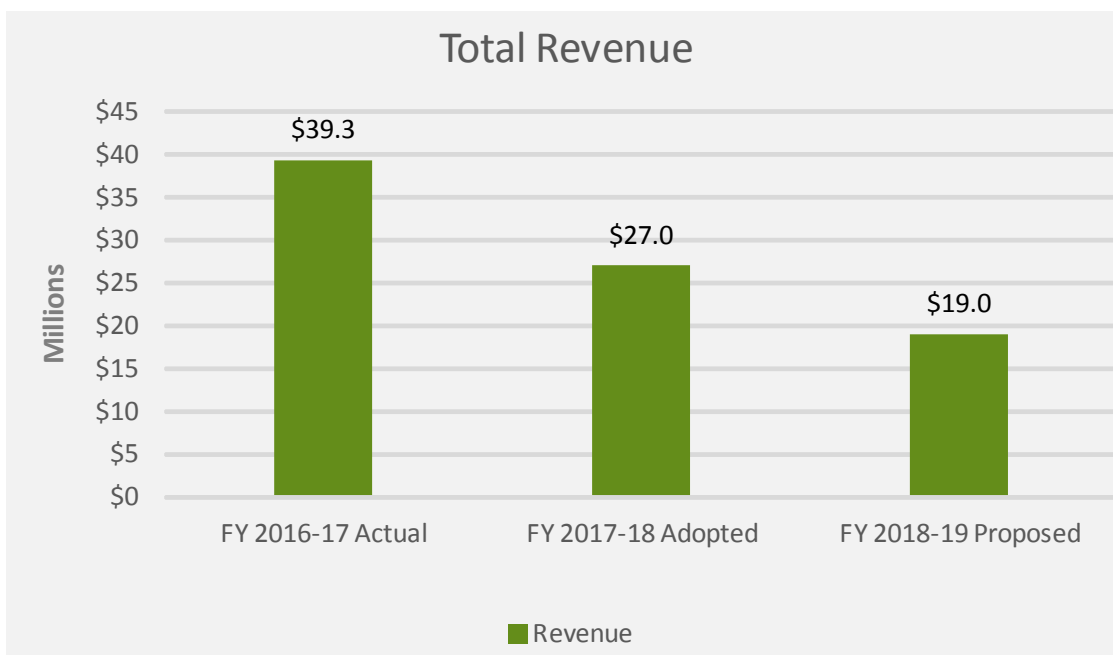
## State Water Project Fund

The State Water Project Fund was created in October 2010 to improve transparency and ensure compliance with Water Code Section 11654. The State Water Project Fund accounts specifically for State Water Project Tax revenue and State Water Project contractual costs. State Water Project Tax revenue can only be spent on State Water Project contractual costs.

Staff proposes that the State Water Project Tax revenue be set at \$18.0 million for FY 2018-19, which when combined with other revenue (refunds from Department of Water Resources), and the State Water Project Reserve would fund projected contractual obligations of \$20.9 million.

# Fund Summaries

## State Water Project Fund (Fund 63)



1 FY2017-18 Capital distinguishes between current year budget and re-appropriated funds carried forward from prior years

2 FY2018-19 Capital identifies the new budget and illustrates prior year funding estimated to be carried forward

# Fund Summaries

## State Water Project Fund (Fund 63)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
Property Tax	\$ 38,103,875	\$ 26,000,000	\$ 26,000,000	\$ 18,000,000	\$ (8,000,000)	(30.8)%
Nonoperating Other	1,209,801	1,000,000	1,000,000	1,000,000	—	—
<b>TOTAL REVENUE</b>	<b>\$ 39,313,676</b>	<b>\$ 27,000,000</b>	<b>\$ 27,000,000</b>	<b>\$ 19,000,000</b>	<b>\$ (8,000,000)</b>	<b>(29.6)%</b>
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 29,724,037	\$ 28,288,222	\$ 28,288,222	\$ 20,894,709	\$ (7,393,513)	(26.1)%
<b>Total Operating Outlays</b>	<b>\$ 29,724,037</b>	<b>\$ 28,288,222</b>	<b>\$ 28,288,222</b>	<b>\$ 20,894,709</b>	<b>\$ (7,393,513)</b>	<b>(26.1)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 29,724,037</b>	<b>\$ 28,288,222</b>	<b>\$ 28,288,222</b>	<b>\$ 20,894,709</b>	<b>\$ (7,393,513)</b>	<b>(26.1)%</b>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Transfers In	\$ —	\$ 1,288,222	\$ —	\$ —	\$ (1,288,222)	(100.0)%
Transfers Out	(1,681,308)	—	—	—	—	—
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>\$ (1,681,308)</b>	<b>\$ 1,288,222</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (1,288,222)</b>	<b>(100.0)%</b>
<b>BALANCE AVAILABLE</b>	<b>\$ 7,908,331</b>	<b>\$ —</b>	<b>\$ (1,288,222)</b>	<b>\$ (1,894,709)</b>	<b>\$ (1,894,709)</b>	<b>—</b>
<b>YEAR-END RESERVES</b>						
<b>Restricted Reserves</b>						
WUE State Water Project Tax Reserve	\$ 7,908,331	\$ —	\$ 6,620,109	\$ 4,725,400	\$ 4,725,400	—
<b>Total Restricted Reserves</b>	<b>\$ 7,908,331</b>	<b>\$ —</b>	<b>\$ 6,620,109</b>	<b>\$ 4,725,400</b>	<b>\$ 4,725,400</b>	<b>—</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 7,908,331</b>	<b>\$ —</b>	<b>\$ 6,620,109</b>	<b>\$ 4,725,400</b>	<b>\$ 4,725,400</b>	<b>—</b>
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		
<b>Outlay Summary by Account Type</b>						
Services & Supplies	\$ 29,724,037	\$ 28,288,222	\$ 28,288,222	\$ 20,894,709	\$ (7,393,513)	(26.1)%
<b>OPERATING OUTLAY</b>						
Services & Supplies	\$ 29,724,037	\$ 28,288,222	\$ 28,288,222	\$ 20,894,709	\$ (7,393,513)	(26.1)%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 29,724,037</b>	<b>\$ 28,288,222</b>	<b>\$ 28,288,222</b>	<b>\$ 20,894,709</b>	<b>\$ (7,393,513)</b>	<b>(26.1)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 29,724,037</b>	<b>\$ 28,288,222</b>	<b>\$ 28,288,222</b>	<b>\$ 20,894,709</b>	<b>\$ (7,393,513)</b>	<b>(26.1)%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*)Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*)Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Water Enterprise Summary by Zone

	Budgetary Basis Basis Actual 2016-2017	Adopted Budget 2017-18	Estimated Actual 2017-18	Proposed Budget 2018-19	Percent Change
<b>Zone W2 North County</b>					
<b>Allocated Revenue</b>					
Operating Revenue	\$ 183,485,377	\$ 205,633,398	\$ 205,633,398	\$ 234,646,359	14.1%
Non-operating Revenue	62,357,551	34,461,857	36,110,835	25,988,112	(24.6)%
<b>Total Allocated Revenue</b>	<b>\$ 245,842,928</b>	<b>\$ 240,095,255</b>	<b>\$ 241,744,233</b>	<b>\$ 260,634,471</b>	<b>8.6%</b>
<b>Allocated Operating Outlays</b>					
Operations	\$ 148,275,381	\$ 153,164,848	\$ 155,675,163	\$ 157,662,660	2.9%
Operating Projects	3,887	254,048	254,048	294,151	15.8%
Debt Service	22,111,382	34,656,166	34,656,165	41,885,768	20.9%
<b>Total Allocated Operating Outlays</b>	<b>\$ 170,390,650</b>	<b>\$ 188,075,062</b>	<b>\$ 190,585,376</b>	<b>\$ 199,842,579</b>	<b>6.3%</b>
Balance Available for Capital/Reserve	75,452,278	52,020,193	51,158,857	60,791,892	16.9%
<b>Capital Appropriations</b>	<b>\$ 101,220,552</b>	<b>\$ 131,582,727</b>	<b>\$ 154,385,352</b>	<b>\$ 123,830,374</b>	<b>(5.9)%</b>
<b>Other Financing Resources</b>					
Commercial Paper Proceeds	\$ 24,230,000	\$ 62,000,000	\$ 110,000,000	\$ 64,193,000	3.5%
Transfers In	4,282,308	4,540,222	3,252,000	1,128,000	(75.2)%
Transfers Out	(2,380,082)	(10,816,659)	(9,528,437)	(5,937,166)	(45.1)%
<b>Total Other Financing Sources/(Uses)</b>	<b>\$ 26,132,226</b>	<b>\$ 55,723,563</b>	<b>\$ 103,723,563</b>	<b>\$ 59,383,834</b>	<b>6.6%</b>
Zone W5 Open Space Credit	(6,720,752)	(7,528,788)	(7,550,263)	(6,809,427)	(9.6)%
Zone W5 Capital Amortization	3,818,474	4,652,071	4,536,657	5,750,105	23.6%
Zone W5 Interest (Earnings)/Payments	(83,914)	(65,134)	(85,695)	(98,083)	50.6%
<b>Balance Available for W2</b>	<b>\$ (2,622,240)</b>	<b>\$ (26,780,822)</b>	<b>\$ (2,602,233)</b>	<b>\$ (4,812,053)</b>	<b>(82.0)%</b>
<b>Zone W5 South County</b>					
<b>Allocated Revenue</b>					
Operating Revenue	\$ 10,073,246	\$ 11,532,602	\$ 11,532,602	\$ 12,949,641	12.3%
Non-operating Revenue	3,720,736	2,934,807	3,041,699	2,613,359	(11.0)%
<b>Total Allocated Revenue</b>	<b>\$ 13,793,982</b>	<b>\$ 14,467,409</b>	<b>\$ 14,574,301</b>	<b>\$ 15,563,000</b>	<b>7.6%</b>
Open Space Credit	6,720,752	7,528,788	7,550,263	6,809,427	(9.6)%
<b>Total Current Resources</b>	<b>\$ 20,514,734</b>	<b>\$ 21,996,197</b>	<b>\$ 22,124,564</b>	<b>\$ 22,372,427</b>	<b>1.7%</b>
<b>Allocated Costs</b>					
Operations	\$ 12,230,941	\$ 13,011,751	\$ 13,386,855	\$ 15,955,024	22.6%
Operating Projects	575	37,961	37,961	44,733	17.8%
Imported Water Purchases	3,783,015	4,537,593	4,537,593	3,655,031	(19.4)%
<b>Total Allocated Outlays</b>	<b>\$ 16,014,531</b>	<b>\$ 17,587,305</b>	<b>\$ 17,962,409</b>	<b>\$ 19,654,788</b>	<b>11.8%</b>
Balance Available for Capital/Reserve	4,500,203	4,408,892	4,162,155	2,717,639	(38.4)%
Interest (earned)/due Utility Reserves	(83,914)	(65,134)	(85,695)	(98,083)	50.6%
Total Capital Amortization	3,818,474	4,652,071	4,536,657	5,750,105	23.6%
<b>Balance Available/(Deficit) for Zone W5</b>	<b>\$ 765,643</b>	<b>\$ (178,045)</b>	<b>\$ (288,807)</b>	<b>\$ (2,934,383)</b>	<b>1,548.1%</b>
<b>Total Balance Available/(Deficit)</b>	<b>\$ (1,856,597)</b>	<b>\$ (26,958,867)</b>	<b>\$ (2,891,040)</b>	<b>\$ (7,746,436)</b>	<b>(71.3)%</b>

# Fund Summaries

## South County Capital Amortization

(In Thousands \$)						
Job Description	Total Project Cost	South County %	South County Cost	FY -19 Cost Recovery	Year Cost Recovery is Complete	Basis of Allocation to the South
Uvas Dam & Reservoir	\$ 1,124	100.0%	1,124	88	FY 22	Benefits only South County
San Pedro Recharge Facility	1,882	100.0%	1,882	147	FY 22	Benefits only South County
San Pedro Recharge house	700	100.0%	700	47	FY 31	Benefits only South County
Recycled Water Improvements I	7,232	100.0%	7,232	481	FY 32	Benefits only South County
Recycled Water Improvements II	118	100.0%	118	8	FY 33	Benefits only South County
Recycled Water Improvements III	1,721	100.0%	1,721	115	FY 34	Benefits only South County
Water Banking Rights	6,226	8.0%	498	33	FY 35	Total Imported Water Ratio
Dam Instrumentation	6,243	21.0%	1,311	87	FY 41	Program benefit calculation
Geodetic Control Maintenance	236	41.0%	97	6	FY 36	Survey Analysis
Dam Maintenance Mitigation	244	22.0%	54	4	FY 45	Program benefit calculation
SC Recycled Water Masterplan - Immediate Term	3,257	100.0%	3,257	216	FY 37	Benefits only South County
SC Recycled Water Masterplan - Short Term Implementation 1A	4,314	100.0%	4,314	286	FY 42	Benefits only South County
Water Banking FY 06	18,895	9.0%	1,701	113	FY 36	Total Imported Water Ratio
San Felipe Division Capital	10,057	15.4%	1,549	1,549	N/A	Repayment Cost Distribution
Pacheco Conduit Inspection and Rehab	8,163	19.1%	1,559	98	FY 48	CVP Imported Water Ratio
Pacheco Pumping Plant Regulating Tank Recoating	2,550	17.0%	434	29	FY 42	CVP Imported Water Ratio
San Felipe Communications Cable Replacement	235	17.0%	40	3	FY 42	CVP Imported Water Ratio
Small Caps, San Felipe	2,330	21.0%	489	489	N/A	CVP Imported Water Ratio
Santa Clara Tunnel Landslide	4,509	15.1%	681	45	FY 39	CVP Imported Water Ratio
SC Tunnel Landslide Mitigation	217	16.9%	37	2	FY 39	CVP Imported Water Ratio
Small Caps, San Felipe Reach 2	595	21.0%	125	125	N/A	CVP Imported Water Ratio
Small Caps, San Felipe Reach 3	209	21.0%	44	44	N/A	CVP Imported Water Ratio
Water Infrastructure Reliability Program	2,134	1.5%	32	2	FY 36	Program benefit calculation
Water Infrastructure Baseline Improvement	2,403	3.6%	87	6	FY 38	Spare pipe usage
Coyote Dam Control Building Improvements	576	19.6%	113	7	FY 42	Anderson deliveries ratio
Pacheco Pumping Plant ASD Replace	19,169	18.6%	3,565	236	FY 45	CVP Imported Water Ratio
Radio Repeater Infill	5	11.1%	1	—	FY 42	M&I Water Usage Ratio
Santa Clara Conduit Rehab	1,814	17.0%	308	20	FY 42	CVP Imported Water Ratio
Raw Water Control System	9,188	4.3%	399	26	FY 37	Program benefit calculation
Small Caps, Raw Water T&D	881	17.3%	152	152	N/A	Raw Water Usage
Main-Madrone PL Restoration	11,378	100.0%	11,378	715	FY 48	Benefits only South County
Inf Reliability Master Plan	2,065	12.3%	254	16	FY 46	M&I Water Usage Ratio
Water Protection	11,387	2.3%	261	17	FY 45	Program benefit calculation
Microwave Telecommunications	4,595	11.5%	528	35	FY 44	M&I Water Usage Ratio
Capital Warranty Services	162	13.2%	21	21	N/A	M&I Water Usage Ratio
5-year Pipeline Rehabilitation	28,879	4.6%	1,328	83	FY 47	Program benefit calculation
Pipeline Hydraulic Reliability Upgrades	335	2.3%	8	1	FY 45	Program benefit calculation
WTP_WQL Network Equipment	503	13.2%	66	66	N/A	M&I Water Usage Ratio
Winfield Capital Improvement	497	12.7%	63	4	FY 48	M&I Water Usage Ratio
Corp Yard Relocation	26	10.2%	3	—	FY 40	M&I Water Usage Ratio
Information Systems Management	5,802	9.8%	569	38	FY 40	M&I Water Usage Ratio
Peoplesoft Upgrade	78	9.8%	8	1	FY 39	M&I Water Usage Ratio
Peoplesoft System Upgrade & Expansion	1,217	12.3%	150	9	FY 46	M&I Water Usage Ratio

# Fund Summaries

## South County Capital Amortization (Continued)

(In Thousands \$)						
Job Description	Total Project Cost	South County %	South County Cost	FY -19 Cost Recovery	Year Cost Recovery is Complete	Basis of Allocation to the South
Uvas Property Acquisition	1,251	100.0%	1,251	79	FY 46	Benefits only South County
Capital Program Administration	3,483	6.2%	216	216	N/A	Total Capital Cost Ratio
<b>Grand Total</b>	<b>\$ 188,885</b>		<b>49,728</b>	<b>5,765</b>		

(\*) Capital projects that benefit South County are paid for over the life of the project (typically 30 years) beginning when the project is completed

# Fund Summaries

## Total Outlays - State Water Project Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
91131008	State Water Project Costs	29,724,037	28,288,222	20,894,709		Water Supply Division
<b>Total Operations</b>		<b>29,724,037</b>	<b>28,288,222</b>	<b>20,894,709</b>		
<b>Total</b>		<b>29,724,037</b>	<b>28,288,222</b>	<b>20,894,709</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

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## DISTRICT GENERAL FUND

# Fund Summaries

## District General Fund Overview

The General Fund is the District's primary funding source for administrative and strategic support services. These services are provided to the Water Utility Enterprise and Watershed programs and projects. They are necessary for governance and delivery of vital water management and watershed stewardship services to the community.

The main purposes of the resources budgeted to the General Fund are to provide:

- Executive leadership and oversight.
- Long and short-term financial planning.
- A capable and knowledgeable workforce.
- Sustainable assets, equipment and infrastructure.

These administrative and strategic services are described below by the organization areas that follow. More detail about these areas is in the division chapter four, page 4-1.

### Office of the Chief Executive Officer

The Chief Executive Officer (CEO) provides strategic direction and oversight to lead the District in implementing its mission and achieving its vision; fosters cooperative and collaborative working relationships with other government agencies, retailers, stakeholders, and the community; supports the Board, advises and informs the Board and provides interface between the Board and staff. The CEO provides executive leadership to the District and support to the Board of Directors to ensure that the District efficiently implements the Board's Ends policies and complies with Executive Limitations. Among the operational areas reporting directly to the CEO are Labor Relations and the Financial Planning and Management Services Division.

### Office of District Counsel

The District Counsel represents the District's interests in a variety of court and administrative matters and provides timely legal advice to the Board and

management as the District implements strategies to streamline operations and increase accountability. The District Counsel also oversees the Risk Management Administration.

### Office of the Clerk of the Board

The Clerk of the Board (COB) budgets funds that directly support the work of the District's Board of Directors, including Board Governance Policy management, Board performance monitoring, lobbyist reporting and tracking, elections, regulatory, administrative, and liaison support services to the Board, its Advisory, Ad Hoc and Joint Committees with other public agencies, the Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee, Board Appointed Officers, District staff, and the public.

The COB also facilitates the public's access to Board information, including Board meetings and related committee meetings in accordance with the California Ralph M. Brown Act. Additionally, the COB monitors the Board budget and Board members' expenses in accordance with District Ordinance 02-01, Resolution 11-73, and Board Governance Policy GP-10, and maintains the integrity of the Board's legislative records, processes, and actions. The COB also oversees Records & Library Services.

### Office of the Chief of External Affairs

The Chief of External Affairs (CEA) reports directly to the Chief Executive Officer and serves as a key member of the executive leadership team and represent the CEO and the District in interactions with employees, the public, and other agencies and organizations. The CEA oversees the strategic planning and integration of external policies and legislation as it relates to the business interests of the District and is responsible for managing the District's relationships with the community, government officials, the media, and other key stakeholders. The Office of the CEA oversees the Civic Engagement, Government Relations, and District

# Fund Summaries

Communications.

## **Office of the Chief Operating Officer of Administrative Services**

The Office of the Chief Operating Officer (COO) of Administrative Services (AS) provides executive leadership and direct oversight to District administrative business areas including Human Resources, General Services, and Information Technology. Office of the COO-AS is responsible for ensuring that administrative functions are operated efficiently and effectively, in accordance with the goals and policies established by the Board of Directors and the Chief Executive Officer. The COO-AS also administers the Diversity & Inclusion program and oversees the Emergency Services and Security.

## **Major Capital Projects**

The FY 2018-19 Capital Outlay budget in the General Fund is approximately \$14.9 million, increased \$13.2 million from FY 2017-18; \$12.8 million for Pacheco Reservoir Expansion Study and \$2.1 million to maintain existing buildings, grounds and services through several small capital improvement projects.

## **Fiscal Status**

Intra-district reimbursements (overhead) are the primary source of funding in the General Fund. They are budgeted at \$61.5 million in FY 2018-19, an 8.9% increase from FY 2017-18. The Intra-district reimbursements rate for FY 2018-19 is 88.7%. The CEO, District Counsel, Clerk of the Board and District Administration costs funded in the General Fund provides services to Watershed and Water Utility Enterprise operations and capital programs. Generally, the intra-district reimbursements are paid for 60% from Water Utility Enterprise and the remainder from Watershed Funds reflecting the level of services provided to each respective operation.

Property tax revenue is projected at \$7.7 million. The projection reflects an increase of \$0.6 million which is a 9.0% increase from FY 2017-18 adopted budget.

The increase in property tax revenues is based on updates received from Santa Clara County that project continued growth in the real estate market. Interest income is projected to be \$85K which is an increase of \$5K from FY 2017-18 adopted budget.

Operating Transfers In of \$0.3 million are from the Watershed and Stream Stewardship Fund for Drought Induced Tree Removal

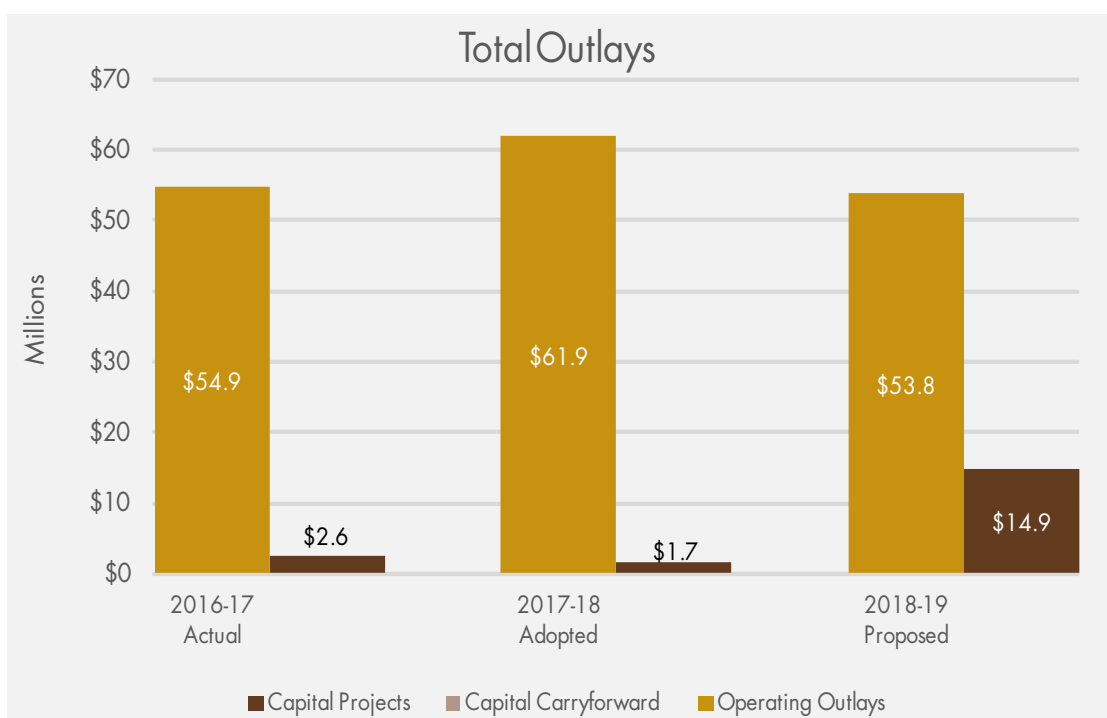
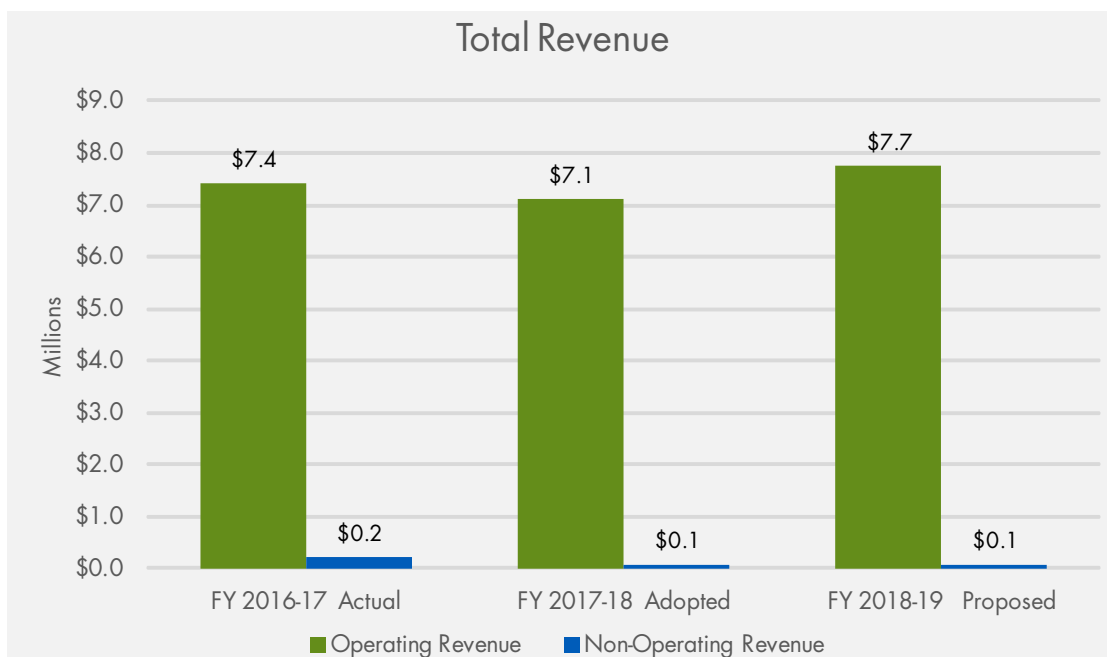
Operating Transfers Out of \$0.6 million are to the Water Utility Enterprise Fund to offset lost agricultural water revenue associated with the Board's policy of setting low agricultural charges to preserve open space.

Operating costs for the services provided to Watersheds and Water Utility Enterprise operations total \$53.8 million for FY 2018-19. This is a decrease of \$8.1 million which is a 13.1% decrease over the FY 2017-18 adopted level. This change is primarily comprised of: costs for eight projects reprogrammed to Information Technology Fund (-\$11 million), net of salary increases per MOU and one position moved to Water Utility (\$1.2 million), increase in Board of Directors election cost (\$1.1 million) as well as \$0.6 million increase in services and supplies for various projects and programs.

General Fund reserves are estimated at approximately \$4.6 million and are in compliance with the District Reserve Policy.

# Fund Summaries

## District General Fund



# Fund Summaries

## District General Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
<b>REVENUE</b>						
<b>Operating Revenue</b>						
Property Tax	\$ 7,419,980	\$ 7,102,100	\$ 7,683,941	\$ 7,742,870	\$ 640,770	9.0%
<b>Total Operating Revenue</b>	\$ 7,419,980	\$ 7,102,100	\$ 7,683,941	\$ 7,742,870	\$ 640,770	9.0%
<b>Non-Operating Revenue</b>						
Interest Income *	\$ 116,793	\$ 80,000	\$ 80,000	\$ 85,000	\$ 5,000	6.3%
Non-Operating Other	95,987	—	—	—	—	—
<b>Total Non-Operating Revenue</b>	\$ 212,780	\$ 80,000	\$ 80,000	\$ 85,000	\$ 5,000	6.3%
<b>TOTAL REVENUE</b>	\$ 7,632,760	\$ 7,182,100	\$ 7,763,941	\$ 7,827,870	\$ 645,770	9.0%
<b>OUTLAYS</b>						
<b>Operating Outlays</b>						
Operations **	\$ 52,966,728	\$ 61,360,076	\$ 61,235,170	\$ 53,215,553	\$ (8,144,523)	(13.3)%
Operating Project	1,368,881	66,296	776,296	121,705	55,409	83.6%
Debt Service	535,524	472,149	472,149	476,094	3,945	0.8%
<b>Total Operating Outlays</b>	\$ 54,871,133	\$ 61,898,521	\$ 62,483,615	\$ 53,813,352	\$ (8,085,169)	(13.1)%
<b>Capital Outlays</b>						
Capital Projects	\$ 2,555,425	\$ 1,704,374	\$ 4,310,374	\$ 14,864,627	\$ 13,160,253	772.1%
<b>Total Capital Outlays</b>	\$ 2,555,425	\$ 1,704,374	\$ 4,310,374	\$ 14,864,627	\$ 13,160,253	772.1%
<b>TOTAL OUTLAYS****</b>	\$ 57,426,558	\$ 63,602,895	\$ 66,793,989	\$ 68,677,979	\$ 5,075,084	8.0%
Less Intra-District Reimb	(45,191,746)	(56,443,682)	(56,429,186)	(61,456,337)	(5,012,655)	8.9%
<b>NET OUTLAYS</b>	\$ 12,234,812	\$ 7,159,213	\$ 10,364,803	\$ 7,221,642	\$ 62,429	0.9%
<b>OTHER FINANCING SOURCES/(USES)</b>						
Transfers In	\$ 698,774	\$ 453,446	\$ 2,703,446	\$ 291,733	\$ (161,713)	(35.7)%
Transfers Out	(1,300,500)	(1,626,000)	(1,783,000)	(564,000)	1,062,000	(65.3)%
<b>TOTAL OTHER SOURCES/(USES)</b>	\$ (601,726)	\$ (1,172,554)	\$ 920,446	\$ (272,267)	\$ 900,287	(76.8)%
<b>BALANCE AVAILABLE</b>	\$ (5,203,778)	\$ (1,149,667)	\$ (1,680,416)	\$ 333,961	\$ 1,483,628	(129.0)%
<b>YEAR-END RESERVES</b>						
<b>Committed Reserves</b>						
Currently Authorized Projects ***	\$ —	\$ 1,060,326	\$ —	\$ —	\$ (1,060,326)	(100.0)%
Operating and Capital Reserve	5,961,836	4,091,403	4,281,420	4,615,381	523,978	12.8%
<b>Total Committed Reserves</b>	\$ 5,961,836	\$ 5,151,729	\$ 4,281,420	\$ 4,615,381	\$ (536,348)	(10.4)%
<b>TOTAL YEAR-END RESERVES</b>	\$ 5,961,836	\$ 5,151,729	\$ 4,281,420	\$ 4,615,381	\$ (536,348)	(10.4)%
<b>UNCOMMITTED FUNDS</b>			\$ —	\$ —		

# Fund Summaries

## District General Fund Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries & Benefits	\$ 35,072,208	\$ 37,974,754	\$ 38,002,648	\$ 33,880,356	\$ (4,094,398)	(10.8)%
Salaries Savings Factor	—	(1,133,539)	(1,133,539)	(1,166,751)	(33,212)	2.9%
Services & Supplies	15,873,186	18,886,393	19,439,393	15,950,237	(2,936,156)	(15.5)%
Intra-District Charges	3,390,216	5,698,763	5,702,963	4,673,416	(1,025,347)	(18.0)%
OPERATING OUTLAY TOTAL	\$ 54,335,610	\$ 61,426,371	\$ 62,011,465	\$ 53,337,258	\$ (8,089,113)	(13.2)%
DEBT SERVICE						
Services & Supplies	\$ 2,060	\$ 1,443	\$ 1,443	\$ 1,617	\$ 174	12.1%
Debt Service	533,464	470,706	470,706	474,477	3,771	0.8%
DEBT SERVICE TOTAL	\$ 535,524	\$ 472,149	\$ 472,149	\$ 476,094	\$ 3,945	0.8%
CAPITAL PROJECTS						
Salaries & Benefits	\$ 227,570	\$ 142,193	\$ 142,193	\$ 844,584	\$ 702,391	494.0%
Services & Supplies	2,250,753	1,590,258	4,196,258	13,983,102	12,392,844	779.3%
Intra-District Charges	77,102	44,670	44,670	133,680	89,010	199.3%
CAPITAL PROJECTS TOTAL	\$ 2,555,425	\$ 1,704,375	\$ 4,310,375	\$ 14,864,627	\$ 13,160,252	772.1%
TOTAL OUTLAYS****	\$ 57,426,559	\$ 63,602,895	\$ 66,793,989	\$ 68,677,979	\$ 5,075,084	8.0%

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - District General Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
60001090	CEOUnscopd Projects-BudgtOnly		100,000	100,000		Office of the CEO
60001091	COO Unscopd Projects-BdgtOnly		100,000	100,000		Office of COO Administrative Services
60001092	CEA UnscopdProject-BudgetOnly		100,000	100,000		Office of Chief of External Affairs
* 60021008	Energy Management	64,840	125,051	92,781		Raw Water Operations & Maintenance Division
60041003	Hollister Groundwater Mgmt	36,466		38,043		Water Supply Division
60061007	Drought Emergency Response	698,774	199,170	14,242		Water Supply Division
* 60061012	Facilities Env Compliance	172,750	207,799	209,351		Human Resources Division
** 60061017	Info Technology Div Admin	863,088	709,261			Information Technology Division
60061018	General Services Div Admin	614,958	489,049	500,755		General Services Division
** 60061019	Employee Recognition Program	61,684				Office of COO Administrative Services
60061023	Districtwide Salary Savings-11		(1,133,539)	(1,166,751)		Financial Planning and Management Services Division
** 60061026	IT Strategic Plan and Analysis	327,999				Information Technology Division
** 60061032	Internal Communications	164,376				Office of the CEO
** 60061053	Admin Asset Mgmt Program	270,170	364,111			Raw Water Operations & Maintenance Division
* 60061055	AM Systems and Standards	129,560	140,831	390,956		Raw Water Operations & Maintenance Division
** 60061056	Asset Management Program					Raw Water Operations & Maintenance Division
60061058	Drought Induced Tree Removal		274,003	291,734		Watershed Operations & Maintenance Division
* 60071041	Welding Services	15,771	17,664	20,292		Human Resources Division
60091001	Directors Fees / Expenses	369,571	364,196	375,662		Office of Clerk of the Board
60101001	Purchasing Services	1,580,419	1,542,824	1,574,085		Human Resources Division
60101002	Building and Grounds	5,719,080	6,204,880	6,720,264		General Services Division
** 60101006	Telecommunications Sys Opr/M	1,846,476	1,896,404			Information Technology Division
60101008	District Security Services	1,160,121	1,422,765	1,883,686		Office of COO Administrative Services
** 60101011	Technical Infrastructure Servi	344,556	699,601			Information Technology Division
60101017	CADD System Tech Support	84,520	104,205	135,852		Water Utility Capital Division
** 60101018	Local Hazard Mitigation Progm	18,357				Office of COO Watersheds
60111002	General Accounting Services	1,130,636	3,255,980	3,075,249		Financial Planning and Management Services Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - District General Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
** 60111003	Accounts Payable Services	858,418				Financial Planning and Management Services Division
** 60111004	Payroll Services	618,134				Financial Planning and Management Services Division
60111006	Contract Services	822,924	1,444,737	1,385,184		Human Resources Division
* 60121003	LT Financial Planning & Rate S		197,976	181,608		Financial Planning and Management Services Division
60131004	Ofc of Chief Admin Officer	718,073	910,774	814,751		Office of COO Administrative Services
60131007	Ofc of Chief Executive Officer	456,110	823,915	952,195		Office of the CEO
60131014	Continual Improvement	561,132	170,694	458,313		Financial Planning and Management Services Division
** 60131015	CEO Management Audit Program	267,405				Financial Planning and Management Services Division
** 60131016	Office of CEO & Board Support	421,931	1,022,239			Office of the CEO
60141001	District Counsel	2,884,894	3,234,213	3,262,859		Office of District Counsel
** 60151001	Software Development & Support	862,163				Information Technology Division
** 60161001	Software Maint & License	885,926	1,073,884			Information Technology Division
** 60161003	Internet/Intranet Maintenance	280,167				Information Technology Division
** 60161004	Software Services		3,273,449			Information Technology Division
60171002	Education & Volunteer Program	509,863	1,261,258	1,256,613		Office of Chief of External Affairs
60171009	Community Relations	168,353	626,370	323,983		Office of Chief of External Affairs
** 60181002	Network Administration	999,074	1,680,145			Information Technology Division
** 60191001	Data Center Operations	469,083				Information Technology Division
** 60201001	District HVAC Services	(117)				General Services Division
60221001	Budget and Financial Analyses	1,453,494	2,114,631	1,936,735		Financial Planning and Management Services Division
60221002	Debt & Treasury Management	461,704	544,404	647,788		Financial Planning and Management Services Division
60221003	FPMD Administration	561,207	465,029	498,251		Financial Planning and Management Services Division
** 60221005	Fin Forecasting & CIP Analysis	180,160				Financial Planning and Management Services Division
** 60221007	Credit Card Services Fees		75,000			Financial Planning and Management Services Division
60231002	Communications	1,336,947	1,473,940	2,158,389		Office of Chief of External Affairs
60231003	Federal Government Relations	650,607	884,125	925,995		Office of Chief of External Affairs
60231004	State Government Relations	678,591	911,078	984,735		Office of Chief of External Affairs
60231005	Local Government Relations	940,070	1,207,501	1,522,763		Office of Chief of External Affairs
60231006	Office of Chief of Ext Affairs		577,466	845,978		Office of Chief of External Affairs

\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Total Outlays - District General Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
60241026	Quality and Env Mgmt Sys Prog	725,260	739,230	801,782		Financial Planning and Management Services Division
** 60271007	Payroll & Financial Sys Maint	457,371				Financial Planning and Management Services Division
** 60271010	GIS Maintenance & Support	534,556				Information Technology Division
** 60271011	Computerized Maint Mgmt Syst	439,317				Information Technology Division
** 60271060	ERP System Maint & Support	430,892				Information Technology Division
** 60271062	Information Security Admin	244,055	440,179			Information Technology Division
** 60271064	Office Cmptr Maint/Help Dsk Sup	1,176,694	1,222,395			Information Technology Division
** 60281001	EEO Mandatory Training	74,989				Human Resources Division
60281003	Ethics & EEO Programs	276,899	616,520	593,633		Human Resources Division
60281004	Diversity & Inclusion Program	439,995	1,284,329	1,147,306		Office of COO Administrative Services
60281006	Reasonable Accommodation		228,648	278,517		Human Resources Division
60291001	Recruitment and Examination	1,496,148	1,615,957	1,721,092		Human Resources Division
60291002	Benefits and Wellness Admin	1,047,010	1,079,985	1,227,302		Human Resources Division
60291003	Labor Relations	360,108	775,832	765,943		Office of the CEO
60291004	Talent Management Program	1,076,051	1,576,792	1,843,109		Human Resources Division
60291005	Classification&CompensationPg m	370,389	321,594	278,205		Human Resources Division
** 60291007	Deferred Compensation Committe	85,043				Human Resources Division
60291011	HR Program Admin	911,180	733,464	791,478		Human Resources Division
** 60291016	Ethics	278,169				Human Resources Division
** 60291017	Meet and Confer	286,428				Office of the CEO
60291032	Bargaining Unit Representation	111,885	355,262	87,479		Office of the CEO
60291038	GF Training & Development	612,648	634,674	1,580,362		Office of COO Administrative Services
** 60291039	Professional & Assn Membrships	353,818				Financial Planning and Management Services Division
60291040	Rotation Program	727,838	723,228	306,000		Human Resources Division
60291041	Internship Program	336,330	713,450	715,290		Human Resources Division
60291042	Skilled Trades Internship Prgm		142,562			Human Resources Division
60301001	Clerk of the Board Serv	1,558,035	1,959,429	3,200,092		Office of Clerk of the Board
** 60301003	Board Committees	382,868				Office of Clerk of the Board
60311001	Records & Library Services	415,559	1,163,860	1,249,478		Office of Clerk of the Board
** 60311002	Request for Public Records	241,799				Information Technology Division
** 60331001	Research / Library Services	254,263				Office of Clerk of the Board

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - District General Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
60351001	Business & Customer SupportSvc	2,467,767	3,261,426	3,373,725		General Services Division
** 60361002	Graphics Services	364,302				Office of the CEO
** 60411002	GF Safety Training & Admin	181,367				Human Resources Division
* 60811046	Warehouse Services	527,207	614,180	642,417		General Services Division
<b>Total Operations</b>		<b>52,966,728</b>	<b>61,360,076</b>	<b>53,215,553</b>		
<b>Operating</b>						
60042001	Pacheco Res Prop 1 App Study	1,125,401	66,296	121,705		Water Supply Division
** 60272001	IS Consolidation & Integration	210,249				Information Technology Division
** 60312001	Microfiche Conversion	33,231				Office of Clerk of the Board
<b>Total Operating</b>		<b>1,368,881</b>	<b>66,296</b>	<b>121,705</b>		
<b>Debt Service</b>						
** 60993005	2004A COP General Fund	535,524				Financial Planning and Management Services Division
60993009	2017A COP Refunding GF		472,149	476,094		Financial Planning and Management Services Division
<b>Total Debt Service</b>		<b>535,524</b>	<b>472,149</b>	<b>476,094</b>		
<b>Capital</b>						
60064023	Districtwide Salary Savings		(72,746)	(96,739)		Financial Planning and Management Services Division
** 60074030	WU Capital Training & Dvlpmnt	14,718				Water Utility Capital Division
* 60074033	CIP Development & Admin	14,915	12,999	14,742		Water Utility Capital Division
* 60074036	Survey Mgmt & Tech Support	4,644	5,922	5,605		Watershed Design & Construction Division
* 60074038	Capital Progm Srvcs Admin	77,938	67,945	59,681		Water Utility Capital Division
** 60074045	Technical Review Committee	3,569				Water Utility Capital Division
** 60074046	WU Captl Health & Safety Trng	875				Water Utility Capital Division
** 60074051	WS Capital Training & Dvlpmnt	13,506				Office of COO Watersheds
** 60074052	WS Capital Program Srvcs Admin	56,284				Office of COO Watersheds
** 60074053	WS Capital Hlth & Safety Trng	836				Office of COO Watersheds
60204016	Facility Mgmt-Sm Cap Improv	2,187,059	1,690,255	2,072,000		General Services Division
** 60204021	Winfield Capital Improvements	180,988				Water Utility Capital Division
60204032	Headquarters Operations Bldg	93				Water Utility Capital Division
60954001	Pacheco Reservoir ExpansnStudy			12,809,339		Water Utility Capital Division

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Total Outlays - District General Fund (Continued)

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Total Capital</b>		<b>2,555,425</b>	<b>1,704,374</b>	<b>14,864,627</b>		
<b>Total</b>		<b>57,426,558</b>	<b>63,602,895</b>	<b>68,677,980</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

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## SERVICE FUNDS

# Fund Summaries

## Service Funds Overview

The District manages three Internal Service Funds - the Fleet Management Fund, the Risk Fund and the Information Technology Fund. These funds provide goods and services to District Administration, Watersheds and Water Utility Enterprise divisions and recover costs through intra-district reimbursements. Intra-district reimbursements are the amounts needed for operations and to maintain adequate reserves in accordance with the District Reserve Policy. Further information on each fund is provided below and in the pages that follow.

## Fleet Management Fund

The Fleet Management Fund was established to capture the operations, maintenance and replacement costs of District-owned vehicles and equipment such as: sedans, vans, pickup trucks and field equipment (Class I); heavy duty trucks and trailers (Class II); heavy construction equipment (Class III); and, portable equipment including large pumps, electrical panels, hose and fittings, air compressors, chain saws, weed whackers, generators, etc. (Class IV). Reimbursement charges for FY 2018-19 total \$5.1 million. The reimbursement rate is 6% for FY 2018-19.

### Key Highlights

The following are key highlights for the upcoming fiscal year:

- Surplus and replacement of 15 vehicles and 28 pieces of construction equipment in accordance with the 12-year or 125,000 mile replacement criteria.
- Evaluate and implement industry best practices within operation.
- Conduct a vehicle utilization study in collaboration with user department to reduce underutilized assets.

## Risk Insurance Fund

This fund was established to provide for liability, property, Workers' Compensation insurance and self-insurance costs. Included in this fund are various health and safety programs designed to ensure the safety and well-being of employees, a reserve for catastrophic uninsured property loss, and self-insurance reserves for both known and unreported Workers Compensation and liability claims set at levels prescribed by actuarial studies. Currently, loss prevention efforts are being integrated with other performance-based objectives such as quality and cost-control to ensure that health and safety activities are integrated into the day-to-day operations of District business. The District supports the philosophy that all accidents and injuries are preventable through establishment of and compliance with safe work procedures and best management practices for our industry. Reimbursement charges for FY 2018-19 total \$5.3 million with a reimbursement rate of 6.2%.

### Key Highlights

The following are key highlights for the upcoming fiscal year:

- Continuing to administer the Workers Compensation program in a manner that increases employee awareness of potential dangers and seeks to reduce employee injuries and accidents.
- Continuing to administer the Liability and Property programs in a manner that provides prompt and fair adjustment of claims and losses.
- Continuing to manage safety, ergonomics and industrial hygiene programs in compliance with regulatory requirements and industry best practices.

## Information Technology Fund

The Information Technology Fund was established to capture the operation, maintenance, and replacement costs of supporting the technology and information security needs of the District. It accounts for all network,

# Fund Summaries

data center, telecom, servers, computers, and business and support applications. Intra-District charges for this fund are set to recover the current operating costs. For FY 2018-19, \$13.6 million will be recovered through Intra-District charges, the reimbursement rate is 16.4%.

Major planned capital projects will be funded by operating transfers from the Watershed Stream Stewardship Fund and Water Utility Enterprise Fund. For FY 2018-19 total transfer amount is \$6.5 million.

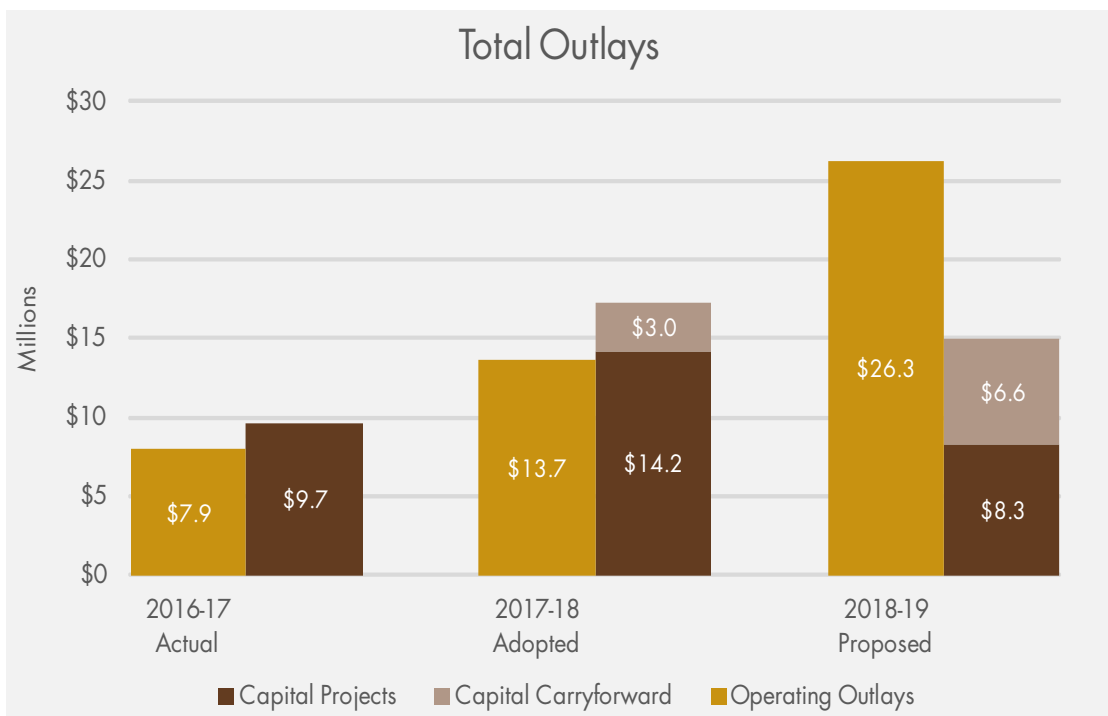
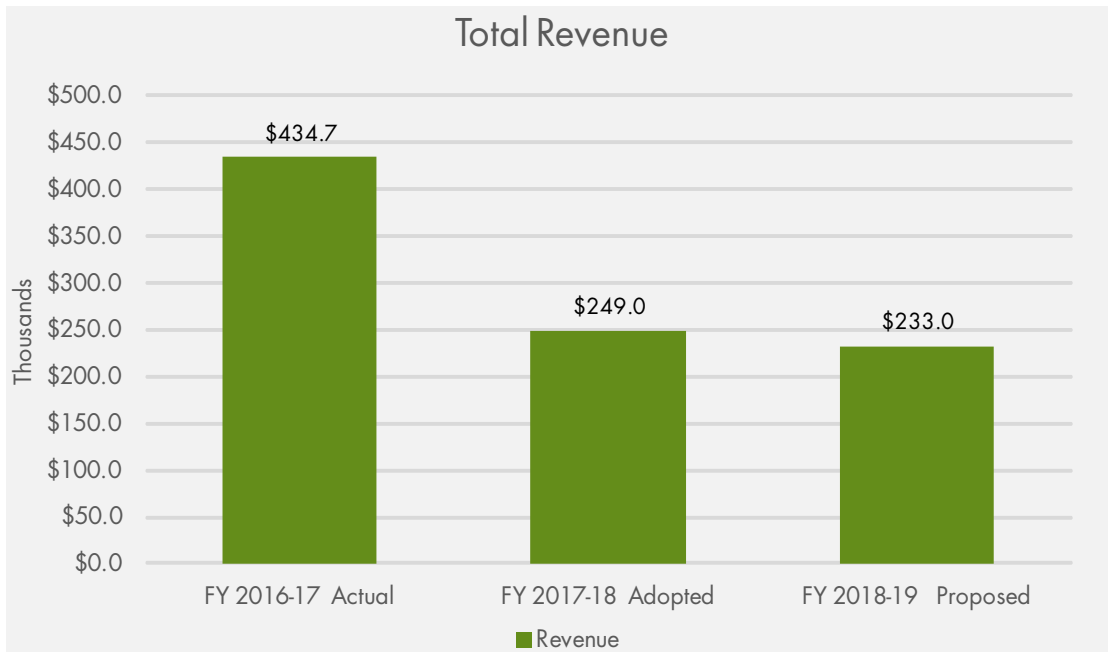
## Key Highlights

The following are key highlights for the upcoming fiscal year:

- Develop and acquire resources to begin implementing a three-year IT strategic plan.
- Complete the RFP process, finalize the selection of a Consultant and an Enterprise Resource Planning (ERP) system, and begin the implementation of the system.
- Implement geographic information system (GIS) roadmap Phase 1 and 2.
- Complete implementation of e-litigation and e-discovery system.
- Support Records Management Office and begin the RFP process for an Electronic Content Management (ECM) system implementation.
- Complete the last phase of a multiyear wireless networking project, providing wireless networking at all District facilities.
- Prepare plans and implement IT disaster recovery systems and real-time cutover in the event of a major disaster.
- Continue addressing the findings of the Cyber Security Vulnerability Assessment report and implement the recommendations, thereby improving the security of the District network.
- Complete upgrade of the water utility engineering technical infrastructure network.

# Fund Summaries

## Service Funds Combined





# Fund Summaries

## Service Funds Combined Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 265,952	\$ 147,000	\$ 147,000	\$ 183,000	\$ 36,000	24.5%
Non-Operating Other	168,759	102,000	102,000	50,000	(52,000)	(51.0)%
TOTAL REVENUE	\$ 434,711	\$ 249,000	\$ 249,000	\$ 233,000	\$ (16,000)	(6.4)%
OUTLAYS						
Operating Outlays						
Operations **	\$ 7,594,811	\$ 11,330,274	\$ 11,330,274	\$ 25,778,700	\$ 14,448,426	127.5%
Operating Project	344,908	2,350,000	2,350,000	500,000	(1,850,000)	(78.7)%
Total Operating Outlays	\$ 7,939,719	\$ 13,680,274	\$ 13,680,274	\$ 26,278,700	\$ 12,598,426	92.1%
Capital Outlays						
Capital Projects	\$ 9,669,074	\$ 14,216,757	\$ 11,346,049	\$ 8,330,610	\$ (5,886,147)	(41.4)%
Carry Forward Capital Projects	—	3,025,000	—	6,591,017	3,566,017	117.9%
Total Capital Outlays	\$ 9,669,074	\$ 17,241,757	\$ 11,346,049	\$ 14,921,627	\$ (2,320,130)	(13.5)%
TOTAL OUTLAYS****	\$ 17,608,793	\$ 30,922,031	\$ 25,026,323	\$ 41,200,327	\$ 10,278,296	33.2%
Less Intra-District Reimb	(17,967,857)	(24,998,415)	(24,998,415)	(24,086,984)	911,431	(3.6)%
NET OUTLAYS	\$ (359,064)	\$ 5,923,616	\$ 27,908	\$ 17,113,343	\$ 11,189,727	188.9%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ —	\$ —	\$ 157,000	\$ 6,513,610	\$ 6,513,610	—
Transfers Out	—	—	(2,250,000)	—	—	—
TOTAL OTHER SOURCES/(USES)	\$ —	\$ —	\$ (2,093,000)	\$ 6,513,610	\$ 6,513,610	—
BALANCE AVAILABLE	\$ 793,775	\$ (5,674,616)	\$ (1,871,908)	\$ (10,366,733)	\$ (4,692,117)	82.7%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects ***	\$ 6,254,582	\$ —	\$ 7,032,290	\$ 441,273	\$ 441,273	—
Operating and Capital Reserve	5,268,684	2,037,255	4,308,432	1,184,522	(852,733)	(41.9)%
Catastrophy - Property Self-Insurance	7,689,364	6,000,000	6,000,000	5,014,194	(985,806)	(16.4)%
Workers Compensation Liability	5,666,000	5,666,000	5,666,000	6,000,000	334,000	5.9%
Total Committed Reserves	\$ 24,878,630	\$ 13,703,255	\$ 23,006,722	\$ 12,639,989	\$ (1,063,266)	(7.8)%
TOTAL YEAR-END RESERVES	\$ 24,878,630	\$ 13,703,255	\$ 23,006,722	\$ 12,639,989	\$ (1,063,266)	(7.8)%
UNCOMMITTED FUNDS			\$ —	\$ —		

# Fund Summaries

## Service Funds Combined Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries & Benefits	\$ 3,172,306	\$ 3,902,355	\$ 3,902,355	\$ 9,744,781	\$ 5,842,426	149.7%
Services & Supplies	3,213,176	7,409,344	7,409,344	11,180,248	3,770,904	50.9%
Intra-District Charges	1,554,236	2,368,576	2,368,576	5,353,672	2,985,096	126.0%
OPERATING OUTLAY TOTAL	\$ 7,939,718	\$ 13,680,275	\$ 13,680,275	\$ 26,278,701	\$ 12,598,426	92.1%
CAPITAL PROJECTS						
Salaries & Benefits	\$ 890,520	\$ 2,491,817	\$ 2,491,817	\$ 2,670,656	\$ 178,839	7.2%
Services & Supplies	8,324,577	10,253,082	7,382,374	4,183,320	(6,069,762)	(59.2)%
Carry Forward Capital Projects	—	3,025,000	—	6,591,017	3,566,017	117.9%
Intra-District Charges	453,978	1,471,858	1,471,858	1,476,633	4,775	0.3%
CAPITAL PROJECTS TOTAL	\$ 9,669,075	\$ 17,241,757	\$ 11,346,049	\$ 14,921,626	\$ (2,320,131)	(13.5)%
TOTAL OUTLAYS****	\$ 17,608,793	\$ 30,922,032	\$ 25,026,324	\$ 41,200,327	\$ 10,278,295	33.2%

(\*) Interest revenue does not include GASB31 market value adjustment

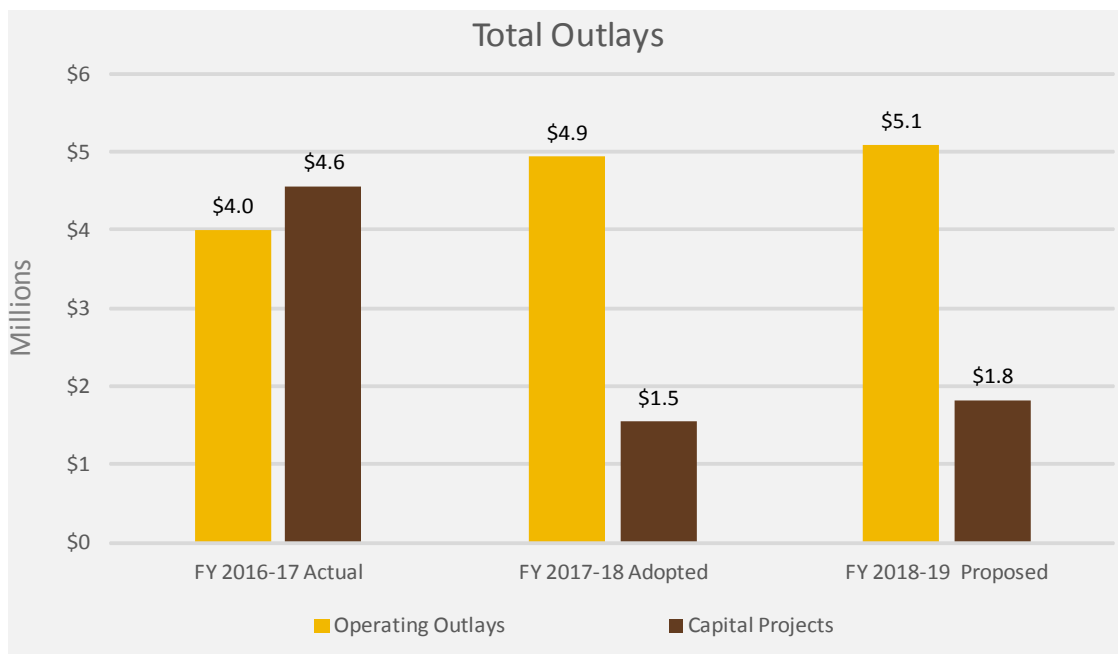
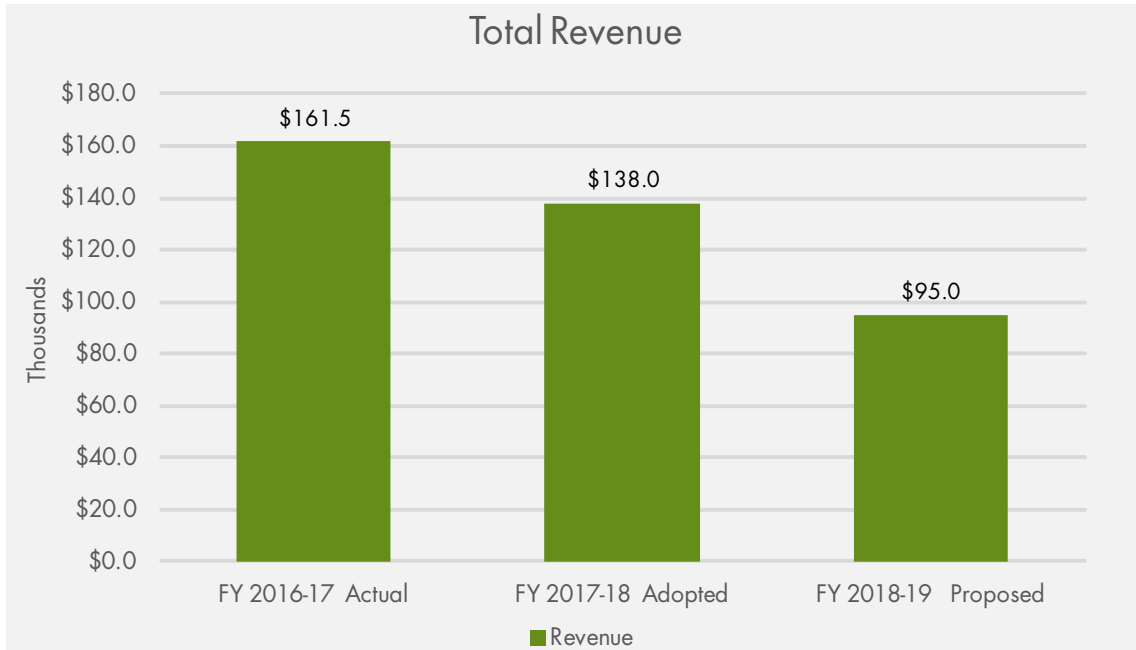
(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*)Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*)Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Fleet Management Fund



1 FY2017-18 Capital distinguishes between current year budget and re-appropriated funds carried forward from prior years

2 FY2018-19 Capital identifies the new budget and illustrates prior year funding estimated to be carried forward

# Fund Summaries

## Fleet Management Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 56,468	\$ 36,000	\$ 36,000	\$ 45,000	\$ 9,000	25.0%
Nonoperating Other	105,016	102,000	102,000	50,000	(52,000)	(51.0)%
TOTAL REVENUE	\$ 161,484	\$ 138,000	\$ 138,000	\$ 95,000	\$ (43,000)	(31.2)%
OUTLAYS						
Operating Outlays						
Operations **	\$ 3,992,442	\$ 4,933,602	\$ 4,933,602	\$ 5,092,094	\$ 158,492	3.2%
Total Operating Outlays	\$ 3,992,442	\$ 4,933,602	\$ 4,933,602	\$ 5,092,094	\$ 158,492	3.2%
Capital Outlays						
Capital Projects	\$ 4,561,268	\$ 1,545,000	\$ 1,545,000	\$ 1,817,000	\$ 272,000	17.6%
Total Capital Outlays	\$ 4,561,268	\$ 1,545,000	\$ 1,545,000	\$ 1,817,000	\$ 272,000	17.6%
TOTAL OUTLAYS****	\$ 8,553,710	\$ 6,478,602	\$ 6,478,602	\$ 6,909,094	\$ 430,492	6.6%
Less Intra-District Reimb	(7,340,602)	(4,929,990)	(4,929,990)	(5,199,093)	(269,103)	5.5%
NET OUTLAYS	\$ 1,213,108	\$ 1,548,612	\$ 1,548,612	\$ 1,710,001	\$ 161,389	10.4%
BALANCE AVAILABLE	\$ (1,051,624)	\$ (1,410,612)	\$ (1,410,612)	\$ (1,615,001)	\$ (204,389)	14.5%
YEAR-END RESERVES						
Committed Reserves						
Operating and Capital Reserve	\$ 3,402,009	\$ 869,601	\$ 1,991,397	\$ 376,396	\$ (493,205)	(56.7)%
Total Committed Reserves	\$ 3,402,009	\$ 869,601	\$ 1,991,397	\$ 376,396	\$ (493,205)	(56.7)%
TOTAL YEAR-END RESERVES	\$ 3,402,009	\$ 869,601	\$ 1,991,397	\$ 376,396	\$ (493,205)	(56.7)%
UNCOMMITTED FUNDS			\$ —	\$ —		

## Outlay Summary by Account Type

<b>OPERATING OUTLAY</b>						
Salaries & Benefits	\$ 1,643,417	\$ 1,752,875	\$ 1,752,875	\$ 1,831,720	\$ 78,845	4.5%
Services & Supplies	1,568,619	2,109,760	2,109,760	2,176,807	67,047	3.2%
Intra-District Charges	780,406	1,070,968	1,070,968	1,083,567	12,599	1.2%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 3,992,442</b>	<b>\$ 4,933,603</b>	<b>\$ 4,933,603</b>	<b>\$ 5,092,094</b>	<b>\$ 158,491</b>	<b>3.2%</b>
<b>CAPITAL PROJECTS</b>						
Salaries & Benefits	\$ 23,034	\$ —	\$ —	\$ —	\$ —	—
Services & Supplies	4,527,360	1,545,000	1,545,000	1,817,000	272,000	17.6%
Intra-District Charges	10,875	—	—	—	—	—
<b>CAPITAL PROJECTS TOTAL</b>	<b>\$ 4,561,269</b>	<b>\$ 1,545,000</b>	<b>\$ 1,545,000</b>	<b>\$ 1,817,000</b>	<b>\$ 272,000</b>	<b>17.6%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 8,553,711</b>	<b>\$ 6,478,603</b>	<b>\$ 6,478,603</b>	<b>\$ 6,909,094</b>	<b>\$ 430,491</b>	<b>6.6%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Fleet Management Fund

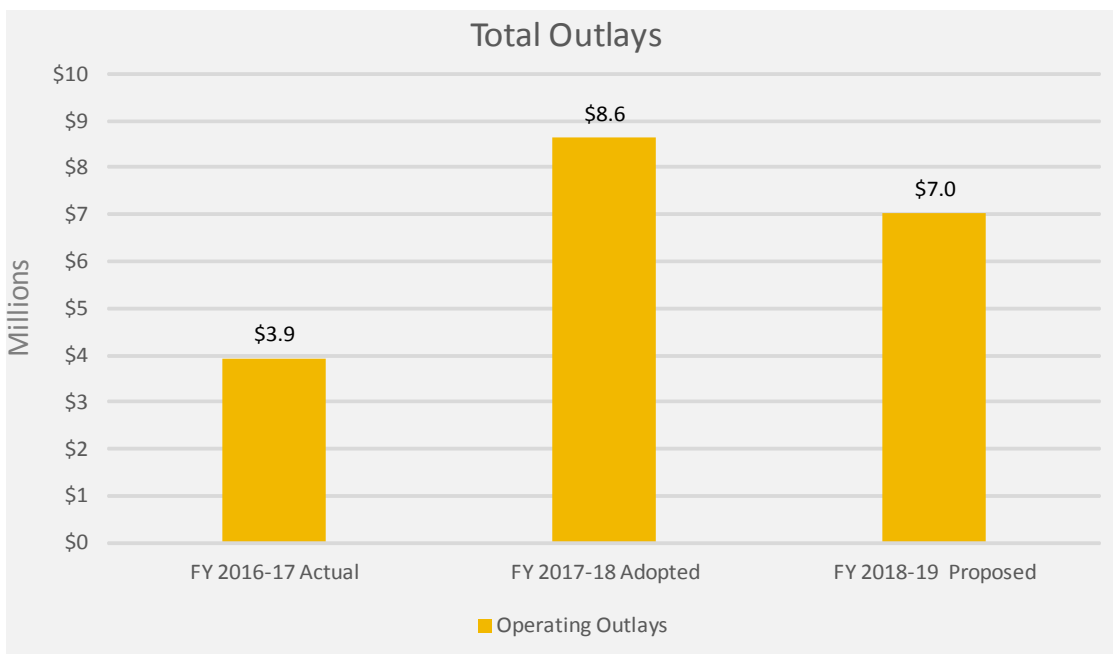
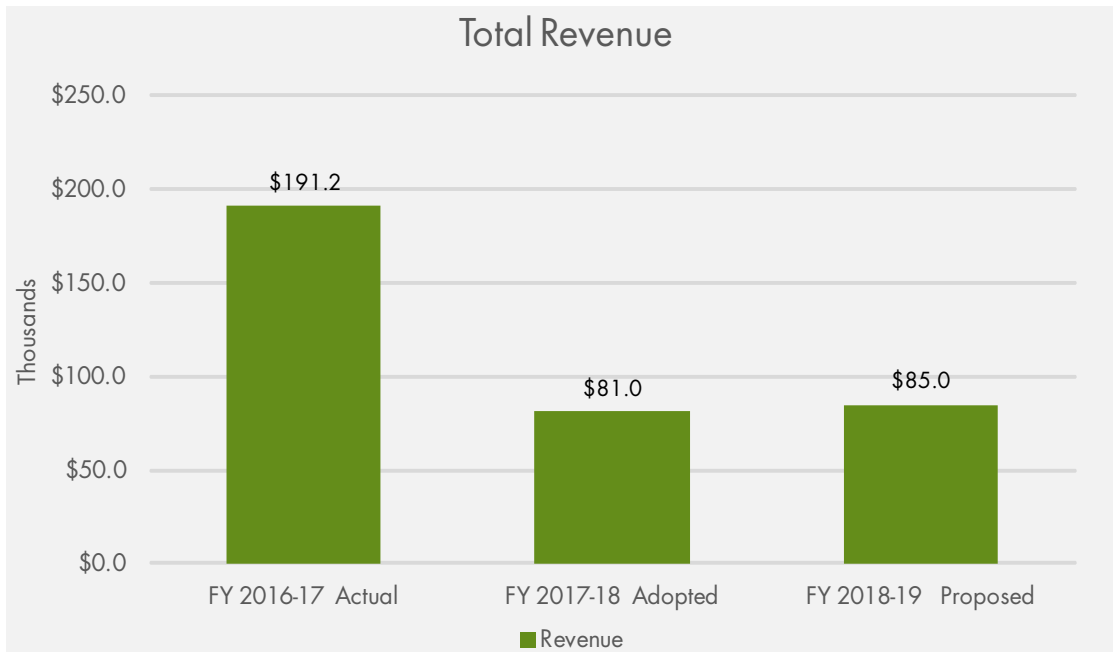
Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
70011099	Class I Equip Oper / Maint	621,207	866,844	779,757		General Services Division
70021099	Class II Equip Oper / Maint	760,817	857,289	945,769		General Services Division
70031099	Class III Equip Oper / Maint	277,027	389,359	315,575		General Services Division
70041099	Class IV Equip Oper / Maint	897,204	1,157,700	1,242,903		General Services Division
70061003	Vehicle & Equipment Admin&Mgmt	1,236,106	1,418,357	1,527,944		General Services Division
* 70061045	Asset Management Program	43,187	46,944	195,478		Raw Water Operations & Maintenance Division
** 70061046	District CMMS Administration					Raw Water Operations & Maintenance Division
** 70061053	Admin Asset Mgmt Program	90,057	121,370			Raw Water Operations & Maintenance Division
* 70071041	Welding Services	47,312	52,992	60,875		General Services Division
* 70811046	Warehouse Services	19,526	22,747	23,793		General Services Division
<b>Total Operations</b>		<b>3,992,442</b>	<b>4,933,602</b>	<b>5,092,094</b>		
<b>Capital</b>						
70004001	New Vehicle Equip Acquisitio	579,685				General Services Division
70004002	Replacement Vehicle & Equip	3,981,583	1,545,000	1,817,000		General Services Division
<b>Total Capital</b>		<b>4,561,268</b>	<b>1,545,000</b>	<b>1,817,000</b>		
<b>Total</b>		<b>8,553,710</b>	<b>6,478,602</b>	<b>6,909,094</b>		

\* Recipient projects

\*\* Closed, combined or no current year funding

# Fund Summaries

## Risk Insurance Fund



1 FY2017-18 Capital distinguishes between current year budget and re-appropriated funds carried forward from prior years

2 FY2018-19 Capital identifies the new budget and illustrates prior year funding estimated to be carried forward

# Fund Summaries

## Risk Insurance Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 127,418	\$ 81,000	\$ 81,000	\$ 85,000	\$ 4,000	4.9%
Nonoperating Other	63,743	—	—	—	—	—
TOTAL REVENUE	\$ 191,161	\$ 81,000	\$ 81,000	\$ 85,000	\$ 4,000	4.9%
OUTLAYS						
Operating Outlays						
Operations **	\$ 3,577,629	\$ 6,275,176	\$ 6,275,176	\$ 6,531,744	\$ 256,568	4.1%
Operating Project	344,908	2,350,000	2,350,000	500,000	(1,850,000)	(78.7)%
Total Operating Outlays	\$ 3,922,537	\$ 8,625,176	\$ 8,625,176	\$ 7,031,744	\$ (1,593,432)	(18.5)%
TOTAL OUTLAYS****	\$ 3,922,537	\$ 8,625,176	\$ 8,625,176	\$ 7,031,744	\$ (1,593,432)	(18.5)%
Less Intra-District Reimb	(3,509,137)	(7,842,800)	(7,842,800)	(5,306,950)	2,535,850	(32.3)%
NET OUTLAYS	\$ 413,400	\$ 782,376	\$ 782,376	\$ 1,724,794	\$ 942,418	120.5%
BALANCE AVAILABLE	\$ (222,239)	\$ (701,376)	\$ (701,376)	\$ (1,639,794)	\$ (938,418)	133.8%

### YEAR-END RESERVES

#### Committed Reserves

Operating and Capital Reserve	\$ —	\$ 65,904	\$ 987,988	\$ 0	\$ (65,904)	(100.0)%
Catastrophy - Property Self-Insurance	7,689,364	6,000,000	6,000,000	5,014,194	(985,806)	(16.4)%
Workers Compensation Liability	5,666,000	5,666,000	5,666,000	6,000,000	334,000	5.9%
<b>Total Committed Reserves</b>	<b>\$ 13,355,364</b>	<b>\$ 11,731,904</b>	<b>\$ 12,653,988</b>	<b>\$ 11,014,194</b>	<b>\$ (717,710)</b>	<b>(6.1)%</b>
<b>TOTAL YEAR-END RESERVES</b>	<b>\$ 13,355,364</b>	<b>\$ 11,731,904</b>	<b>\$ 12,653,988</b>	<b>\$ 11,014,194</b>	<b>\$ (717,710)</b>	<b>(6.1)%</b>

#### UNCOMMITTED FUNDS

\$ — \$ 0

## Outlay Summary by Account Type

#### OPERATING OUTLAY

Salaries & Benefits	\$ 1,528,890	\$ 2,135,857	\$ 2,135,857	\$ 2,088,878	\$ (46,979)	(2.2)%
Services & Supplies	1,619,817	5,199,584	5,199,584	3,695,661	(1,503,923)	(28.9)%
Intra-District Charges	773,830	1,289,735	1,289,735	1,247,206	(42,529)	(3.3)%
<b>OPERATING OUTLAY TOTAL</b>	<b>\$ 3,922,537</b>	<b>\$ 8,625,176</b>	<b>\$ 8,625,176</b>	<b>\$ 7,031,745</b>	<b>\$ (1,593,431)</b>	<b>(18.5)%</b>
<b>TOTAL OUTLAYS****</b>	<b>\$ 3,922,537</b>	<b>\$ 8,625,176</b>	<b>\$ 8,625,176</b>	<b>\$ 7,031,745</b>	<b>\$ (1,593,431)</b>	<b>(18.5)%</b>

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Risk Insurance Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
65051001	Risk Management	828,757	2,351,239	2,634,136		Office of District Counsel
65051002	Workers Compensation Program	729,057	821,495	841,334		Office of District Counsel
65051003	Health&Safety Program Mgt	1,058,122	3,102,442	3,056,275		Human Resources Division
** 65051004	Risk Management Program Admi	406,937				Office of District Counsel
** 65051009	District Ergonomics Program	178,092				Human Resources Division
** 65051011	Industrial Hygiene Program	376,663				Human Resources Division
<b>Total Operations</b>		<b>3,577,629</b>	<b>6,275,176</b>	<b>6,531,744</b>		
<b>Operating</b>						
65052001	2017 President Day Flood	344,908	2,350,000	500,000		Office of District Counsel
<b>Total Operating</b>		<b>344,908</b>	<b>2,350,000</b>	<b>500,000</b>		
<b>Total</b>		<b>3,922,537</b>	<b>8,625,176</b>	<b>7,031,744</b>		

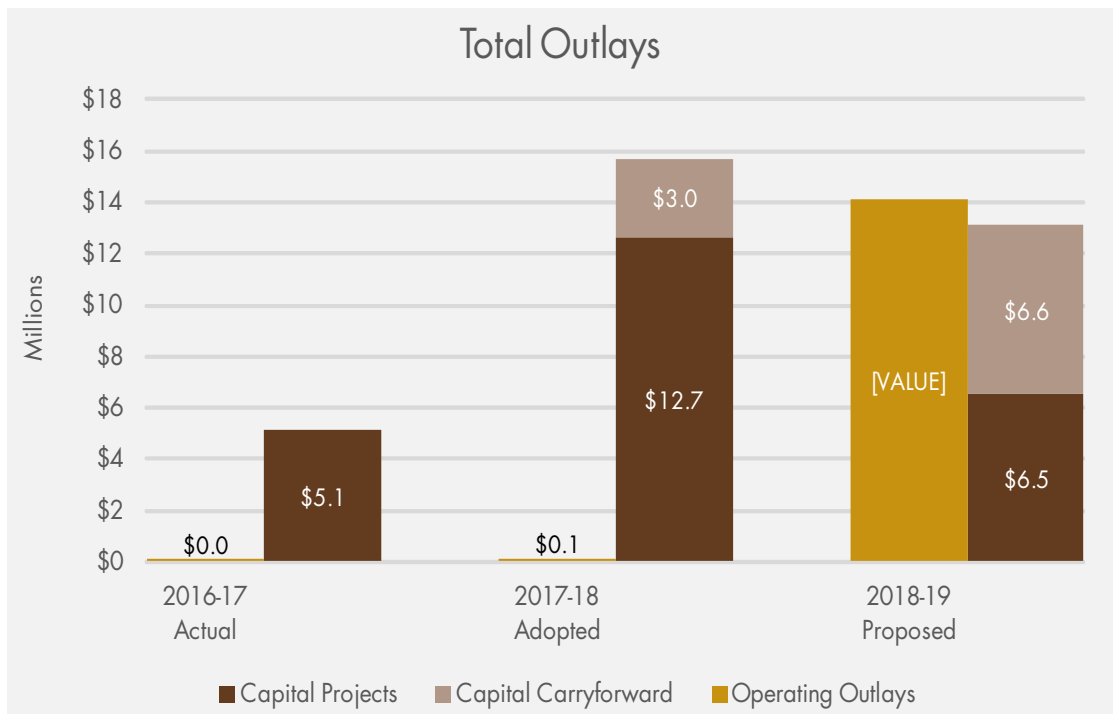
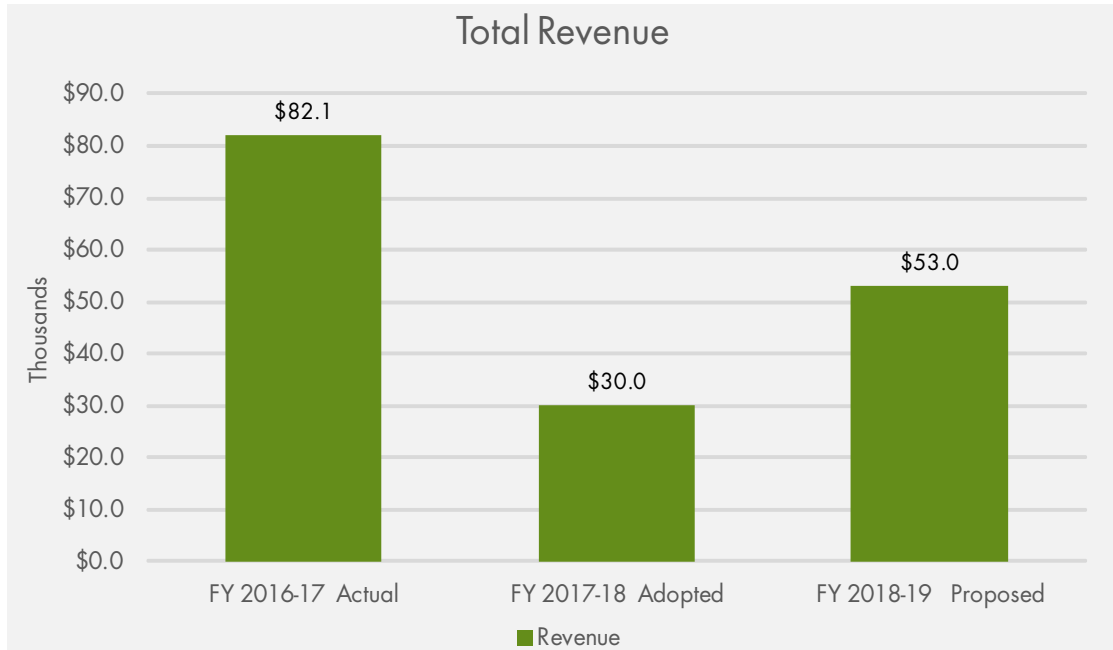
\* Recipient projects

\*\* Closed, combined or no current year funding



# Fund Summaries

## Information Technology Fund



# Fund Summaries

## Information Technology Fund Summary

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 82,067	\$ 30,000	\$ 30,000	\$ 53,000	\$ 23,000	76.7%
TOTAL REVENUE	\$ 82,067	\$ 30,000	\$ 30,000	\$ 53,000	\$ 23,000	76.7%
OUTLAYS						
Operating Outlays						
Operations **	\$ 24,740	\$ 121,496	\$ 121,496	\$ 14,154,862	\$ 14,033,366	11,550.5%
Total Operating Outlays	\$ 24,740	\$ 121,496	\$ 121,496	\$ 14,154,862	\$ 14,033,366	11,550.5%
Capital Outlays						
Capital Projects	\$ 5,107,806	\$ 12,671,757	\$ 9,801,049	\$ 6,513,610	\$ (6,158,147)	(48.6)%
Carry Forward Capital Projects	—	3,025,000	—	6,591,017	3,566,017	117.9%
Total Capital Outlays	\$ 5,107,806	\$ 15,696,757	\$ 9,801,049	\$ 13,104,627	\$ (2,592,130)	(16.5)%
TOTAL OUTLAYS****	\$ 5,132,546	\$ 15,818,253	\$ 9,922,545	\$ 27,259,489	\$ 11,441,236	72.3%
Less Intra-District Reimb	(7,118,119)	(12,225,625)	(12,225,625)	(13,580,941)	(1,355,316)	11.1%
NET OUTLAYS	\$ (1,985,573)	\$ 3,592,628	\$ (2,303,080)	\$ 13,678,548	\$ 10,085,920	280.7%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ —	\$ —	\$ 157,000	\$ 6,513,610	\$ 6,513,610	—
Transfers Out	—	—	(2,250,000)	—	—	—
TOTAL OTHER SOURCES/(USES)	\$ —	\$ —	\$ (2,093,000)	\$ 6,513,610	\$ 6,513,610	—
BALANCE AVAILABLE	\$ 2,067,640	\$ (3,562,628)	\$ 240,080	\$ (7,111,938)	\$ (3,549,310)	99.6%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects ***	\$ 6,254,582	\$ —	\$ 7,032,290	\$ 441,273	\$ 441,273	—
Operating and Capital Reserve	1,866,675	1,101,750	1,329,047	808,126	(293,624)	(26.7)%
Total Committed Reserves	\$ 8,121,257	\$ 1,101,750	\$ 8,361,337	\$ 1,249,399	\$ 147,649	13.4%
TOTAL YEAR-END RESERVES	\$ 8,121,257	\$ 1,101,750	\$ 8,361,337	\$ 1,249,399	\$ 147,649	13.4%
UNCOMMITTED FUNDS			\$ —	\$ —		

# Fund Summaries

## Information Technology Fund Summary (Continued)

	Budgetary Basis Actual 2016-17	Adopted Budget 2017-18	Projected Year End 2017-18	Proposed Budget 2018-19	Change from 2017-18 Adopted	
					\$ Diff	% Diff
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries & Benefits	\$ —	\$ 13,623	\$ 13,623	\$ 5,824,183	\$ 5,810,560	42,653.6%
Services & Supplies	24,740	100,000	100,000	5,307,780	5,207,780	5,207.8%
Intra-District Charges	—	7,873	7,873	3,022,899	3,015,026	38,294.8%
OPERATING OUTLAY TOTAL	\$ 24,740	\$ 121,496	\$ 121,496	\$ 14,154,862	\$ 14,033,366	11,550.5%
CAPITAL PROJECTS						
Salaries & Benefits	\$ 867,486	\$ 2,491,817	\$ 2,491,817	\$ 2,670,656	\$ 178,839	7.2%
Services & Supplies	3,797,217	8,708,082	5,837,374	2,366,320	(6,341,762)	(72.8)%
Carry Forward Capital Projects	—	3,025,000	—	6,591,017	3,566,017	117.9%
Intra-District Charges	443,103	1,471,858	1,471,858	1,476,633	4,775	0.3%
CAPITAL PROJECTS TOTAL	\$ 5,107,806	\$ 15,696,757	\$ 9,801,049	\$ 13,104,626	\$ (2,592,131)	(16.5)%
TOTAL OUTLAYS****	\$ 5,132,546	\$ 15,818,253	\$ 9,922,545	\$ 27,259,488	\$ 11,441,235	72.3%

(\*) Interest revenue does not include GASB31 market value adjustment

(\*\*) Operations outlay does not include OPEB Expense-unfunded liability

(\*\*\*) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(\*\*\*\*) Total Outlays amounts may have a slight variance due to rounding

# Fund Summaries

## Total Outlays - Information Technology Fund

Job #	Job Description	Budgetary Basis Actual 2016-2017	Adopted Budget 2017-2018	Proposed Budget 2018-2019	Estimated Carry Forward Budget 2018-2019	Job Managed By
<b>Operations</b>						
73271001	Telecommunications Sys Opr/M			2,023,657		Information Technology Division
73271002	Technical Infrastructure Services			742,427		Information Technology Division
73271003	Network Administration			2,382,157		Information Technology Division
73271004	Information Security Admin			376,608		Information Technology Division
73271005	Office Cmptr Maint/Help Dsk Sup			1,707,619		Information Technology Division
73271006	Info Technology Div Admin			877,771		Information Technology Division
73271007	Emerging IT Technologies	24,740	121,496	102,669		Information Technology Division
73271008	Software Maint & License			1,171,150		Information Technology Division
73271009	Software Services			4,770,804		Information Technology Division
<b>Total Operations</b>		<b>24,740</b>	<b>121,496</b>	<b>14,154,862</b>		
<b>Capital</b>						
73274001	IT Disaster Recovery	41,078	440,947			Information Technology Division
73274002	ERP System Implementation	642,357	7,319,644	3,660,158	6,145,077	Information Technology Division
73274004	Network Equipment	2,035,745	1,690,975	1,185,799		Information Technology Division
73274006	Office Computers Replace Equip	1,182,140	967,980	1,024,703		Information Technology Division
73274007	Vena Software Implementation	891,776				Information Technology Division
73274008	Software Upgrades & Enhancemen	263,311	610,672	559,358	268,282	Information Technology Division
73274009	Data Consolidation	50,131	278,996	83,591	177,659	Information Technology Division
73274010	Boardroom Technology Upgrade	1,267	817,554			Information Technology Division
73274011	E-Discovery Management System		544,990			Information Technology Division
<b>Total Capital</b>		<b>5,107,806</b>	<b>12,671,757</b>	<b>6,513,610</b>	<b>6,591,017</b>	
<b>Total</b>		<b>5,132,546</b>	<b>12,793,253</b>	<b>20,668,473</b>	<b>6,591,017</b>	

\* Recipient projects

\*\* Closed, combined or no current year funding