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REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE MID-PENINSULA WATER DISTRICT

September 24, 2015
Belmont, California

1. **OPENING**

A. **Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Linvill at 6:30 PM.

B. **Pledge of Allegiance** – The Pledge of Allegiance was led by Operations Manager Rene Ramirez.

C. **Establishment of Quorum:**

PRESENT: Directors Linvill, Stuebing, Vella, and Warden.

ABSENT: Vice President Zucca

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Administrative Services Manager Candy Pina, Operations Manager Rene Ramirez, District Counsel Joan Cassman, District Engineer Joubin Pakpour, and District Treasurer Jeff Ira.

2. **PUBLIC COMMENTS**

None.

3. **AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**

General Manager Rudock added Resolution 2015-18 Authorizing the Amended MPWD Budget for FY 2015/2016 – Capital Outlay/Capital Projects, as pages 95A and 95B.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of August 27, 2015.**

B. **Approve Expenditures from August 20, 2015, through September 16, 2015.**

C. **Approve Contract for Professional Services in the amount of \$144,941 with Accela, Inc., for a Comprehensive Financial Management System**

D. **Approve Contract for Professional Services in the amount of \$38,550 with Cornerstone Structural Engineering Group, Inc. for Dekoven Water Tanks Seismic Retrofit Evaluation and Strategy Development**

E. **Approve Contract for Professional Services in the amount of \$30,845 with Subtronic Corporation for Water Leak Survey of MPWD System**

Director Vella moved to approve the Consent Agenda, Director Stuebing seconded, and it was unanimously approved.

6. **HEARINGS AND APPEALS**

52 None.

53
54 **7. DROUGHT AND WATER CONSERVATION**

55 **A. Water Conservation Progress Report**

56 General Manager Rudock summarized her written report acknowledging that the MPWD
57 is exceeding its 20% target by almost 12%.

58
59 **8. REGULAR BUSINESS AGENDA**

60 **A. Regular MPWD Annual Report for End of Fiscal Year 2014/2015**

61 General Manager Rudock distributed the "Manager's Annual Report for End of Year
62 2014/2015" presentation. She summarized the end-of-year operating revenues and
63 operating expenditures. Both came in under budget. Budgeted Capital Expenditures
64 totaled \$2,352,000, which included the following projects: Buckland Tank Replacement
65 \$1,000,000; Phased Meter Change-Out Program \$532,000; Belburn Water Main
66 Replacement \$506,000; Notre Dame/Folger Tie-In \$92,000; SCADA Replacement
67 \$15,000; Fleet Replacement (Plug-In Vehicles) - \$46,000, and various unbudgeted
68 capitalized capital outlay items totaling \$161,000. She provided a claims update, which
69 totaled \$8,521 paid for property damage claims, and an additional \$10,000 for litigation
70 defense. With regard to loss prevention, there were no measurable property losses, no
71 employee on-the-job injuries or accidents, and no worker's compensation claims.

72
73 **B. Consider Resolution 2015-18 Authorizing the Amended MPWD Budget for FY
74 2015/2016 – Capital Outlay/Capital Projects**

75 General Manager Rudock summarized her report, explaining how she arrived at the
76 Amended Capital Outlay/Capital Projects budget. The change occurred because a
77 previously budgeted capital project—Alameda de las Pulgas Water Main Replace—had
78 to be postponed because of logistical challenges. A new capital budget format was
79 developed and presented for increased transparency.

80
81 Director Stuebing moved to approve Resolution 2015-18 Authorizing the Amended
82 MPWD Budget for FY 2015/2016 – Capital Outlay/Capital Projects, Director Vella
83 seconded. Roll call was taken, and it was unanimously approved.

84
85 **C. Consider ACWA Ballot for Region 5 Board Election for the 2016/2017 Term**

86 General Manager Rudock asked for Board direction on the ACWA Region 5 Board
87 Election. It was decided to endorse the Region 5 Nomination Committee's slate of
88 candidates. Director Warden moved to endorse the suggested candidates, Director
89 Vella seconded and it was unanimously approved.

90
91 **D. BAWSCA Update**

92 Director Vella commented that the meeting tone in July was "doom and gloom" versus
93 the August meeting tone that centered around more effort on water conservation. It was
94 reported that there was a 90% chance of an El Nino but the conditions may translate to
95 an El Nino affecting Southern California more than Northern California. There was
96 discussion about the reappointment of Art Jenson as Special Advisor. They also talked
97 about BAWSCA's investments and the reserve policy.

98
99 **9. MANAGER'S AND BOARD REPORTS**

100 **A. General Manager's Report**

101 General Manager Rudock highlighted items within her Manager's report.

103 **1. Supplemented by Administrative Services Manager's Report**

104 Administrative Services Manager Candy Pina pointed out the new chart "MPWD
105 Reserve Funds" which shows the balances of each reserve account for the last three
106 years. This report will be included each month in this report.

107
108 **2. Supplemented by Operations Manager's Report**

109 Operations Manager Ramirez summarized his report.

110
111 **3. Supplemented by District Engineer's Report**

112 District Engineer Joubin Pakpour had nothing to report.

113
114 **B. Financial Reports**

115 General Manager Tammy Rudock noted that total revenues and expenses were slightly
116 lower than budgeted by 1%. She will be watching revenues and expenses very closely
117 especially with a 32% reduction in water usage.

118
119 **C. Director Reports**

120 Director Warden agreed with General Manager Rudock's suggested protocol that staff
121 report on items not contained within their written reports.

122
123 Director Vella commented on the HIA meeting, pointing out the excellent presentation
124 given by General Manager Tammy Rudock, and BAWSCA's CEO Nicole Sandkulla.
125 President Linvill added she liked the presentation as well.

126
127 **10. FUTURE AGENDA BUSINESS ITEMS**

128 None.

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130 **11. COMMUNICATIONS**

131 None.

132
133 The Board recessed into Closed Session at 7:48PM to discuss two matters.

134
135 **12. CLOSED SESSION**

136 **A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

137 Government Code Section 54956.9(a)
138 *State Farm v. Mid-Peninsula Water District, et al.*
139 San Mateo County Case No. 534546

140 **B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

141 Government Code 54956.9(b)
142 Two Claims: 1) Maskay, Inc. d/b/a Eurotech
143 2) House of Wreckers

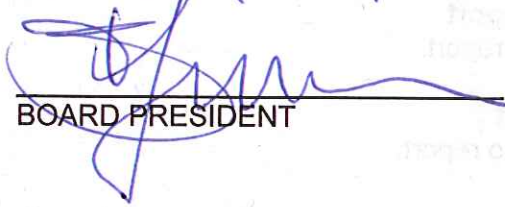
144
145 The Board reconvened into open session at 8:30PM. District Counsel Cassman stated that
146 the Board received a report on the litigation matters specified, and no action was taken.

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148 Director Warden motioned to adjourn at 8:31PM, Director Stuebing seconded, and it was
149 unanimously approved.

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Candace R. Aton
DISTRICT SECRETARY

APPROVED:


BOARD PRESIDENT

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10. FUTURE AGENDA BUSINESS ITEMS

11. COMMUNICATIONS

12. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION