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

October 24, 2019
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 Vella at 6:33PM.

B. Establishment of Quorum:

PRESENT: Directors Vella, Schmidt and Wheeler. Directors Zucca and Warden were absent.

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Operations Manager Rene Ramirez, Administrative Services Manager and Board Secretary Candy Pina, District Engineer Joubin Pakpour and District Counsel Julie Sherman. District Treasurer Jeff Ira was absent.

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

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. Approve Minutes for the Regular Board Meeting of September 26, 2019

B. Approve Expenditures from September 20, 2019 through October 17, 2019

Director Schmidt inquired about several of the larger payments made and staff explained that one was a CIP progress payment written to Stoloski & Gonzalez, Inc. and the other was to Roberts and Brune Co. Inc. for materials purchased, so that staff could complete the installation of 500 feet of new water main under Malcolm Ave.

Director Wheeler moved to approve minutes for the Regular Board Meeting of September 26, 2019 and Expenditures from September 20, 2019 through October 17, 2019. Director Schmidt seconded and it was unanimously approved.

6. **HEARINGS AND APPEALS**

None.

52 7. **MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP**
53 **(CERTIFICATES OF PARTICIPATION) FINANCING**

54 **A. Receive Quarterly Reports on 2019 COP Financing through September 30, 2019:**

- 55 1. **Financial Reconciliation Report; and**
56 2. **Capital Project Fund Report**

57 General Manager Rudock advised that because Dan Bergman of IGService was unable
58 to attend tonight's meeting, Administrative Services Manager Pina and Operations
59 Manager Ramirez would be presenting the quarterly update in his place.

60
61 Administrative Service Manager Pina reported on project costs and dividends earned
62 YTD and Operations Manager Ramirez shared report highlights and reviewed the chart
63 and graph data presented under the IGService Spending Report provided staff.

64
65 Director Wheeler asked staff to modify the third block of the MPWD 2016 COP CIP
66 Reconciliation Report. It was suggested that the YTD in the title be re-worded and the
67 date column be changed to the exact project date of completion. Staff agreed with the
68 recommendations and will modify the report accordingly.

69
70 Director Schmidt commented on the project completion column under table three of the
71 report marked June-20 and the fact that the date is eminent and work is likely to be
72 completed. Operations Manager Ramirez advised staff would address and amend
73 accordingly before the January 2020 quarterly update. General Manager Rudock added
74 that staff would provide an updated CIP plan prior to year-end and an open Board
75 discussion followed.

76
77 Director Schmidt also asked if staff had considered the impacts of a major earthquake to
78 the District's infrastructure, planning and prioritization. Staff shared that prioritization
79 takes into account seismicity. District Engineer Pakpour pointed out that when it comes
80 to earthquakes, one should never get too comfortable with a plan. He emphasized that
81 earthquake proofing simply does not exist and infrastructure upgrades must be balanced
82 with costs and benefit when prioritizing projects.

83
84 **8. REGULAR BUSINESS AGENDA**

85 **A. Receive and Accept the Financial Audit Report for Fiscal Year Ended June 30,**
86 **2019 Presented by James Marta, CPA of James Marta & Company, LLP**

87 Administrative Services Manager Pina introduced James Marta, CPA and managing
88 partner from James Marta & Company, LLP.

89
90 Mr. Marta shared that overall the audit yielded an unmodified (clean) opinion and good
91 net position. He provided a summary of the audit highlights and touched on the District's
92 future financial outlook, strategies and concerns.

93
94 President Vella asked some questions about the District's assets and net position
95 between the years 2009-2013. General Manager Rudock defined asset inclusions and
96 confirmed the use of accounting actuals to generate the graphs provided.

97
98 Director Schmidt commented on the pension analysis provided on page 20 of the
99 financial statements report delivered by James Marta & Company, LLP. An open Board
100 discussion followed and Mr. Marta concluded by directing staff and the Board to page 8
101

103 of the financial statements report where long-term liabilities are explained in greater
104 detail.

105
106 **B. Review and Approve Request for Proposal for Executive Search Services to**
107 **Assist with Recruitment for General Manager**

108 General Manager Rudock provided procurement details and District Counsel Sherman
109 offered additional input with respect to the request for proposal for recruitment of a new
110 General Manager.

111
112 Director Schmidt suggested that there may be value in going nationwide or even
113 international with this request. An open Board discussion followed and District Counsel
114 Sherman clarified that immigration issues and cost accrual considerations would need to
115 be considered.

116
117 Board direction was given that staff table the item and place it on next month's agenda
118 due to the absence of two Directors from tonight's meeting.

119
120 **9. MANAGER AND BOARD REPORTS**

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

122 General Manager Rudock reminded the Board about the ACWA JPIA Harassment
123 Prevention Webinar on December 18, 2019 and the online training available to them to
124 complete before the end of the year to fulfill their AB 1661 bi-annual requirement.

125
126 **1. Supplemented by Administrative Services Manager's Report**

127 Administrative Services Manager Pina gave a PARS OPEB and PRSP account
128 summary update.

129
130 Director Schmidt asked why there was an increase in water consumption for the
131 month of September 2019. General Manager Rudock responded that the summer
132 months just passed, the weather has been warm, and there has been little to no
133 precipitation. She further referenced Operation Manager Ramirez's water
134 conservation data chart provided under his September Operations Report (page 100
135 of the Board packet) and explained that cumulative water savings percentages
136 remain above 10% each month compared to 2013. Lastly we are entering the winter
137 months when consumption typically decreases because of cooler temperatures and
138 the rainy season.

139
140 **2. Supplemented by Operations Manager's Report**

141 Operations Manager Ramirez reported on the completion of the AMI program and
142 staff's recent Capital Project 15-74 - Zone 2 water main under Malcolm Avenue
143 replacement achievement; Notre Dame water main repair on a water main to be
144 abandoned with the current capital project under construction; tomorrow's student
145 field trip; water conservation and staff's attached 2019 third quarter report.

146
147 President Vella complimented staff on the Capital Project 15-74 - Zone 2 water main
148 under Malcolm Avenue replacement effort.

149
150 **3. District Engineer's Report**

151 District Engineer Pakpour reported on current CIP construction project: he went over
152 several project change orders; the request for progress payment number 2; the use
153 of Pakpour Consulting Group as in-house inspection, while District staff were off on

154 vacation; and shared pictures of the construction along Notre Dame Avenue,
155 Cliffside Court and Tahoe Drive Area.
156

157 **B. Financial Reports**

158 **1. Month Ended July 31, 2019**

159 **2. Month End August 31, 2019**

160 Administrative Services Manager Pina reported on FY19-20 revenues, expenditures
161 and target YTD % of budget totals and General Manager Rudock commented on the
162 capital improvements – work in progress (El Camino and Notre Dame) labor costs
163 budget and accounting page of the financial report provided.
164

165 **C. Director Reports**

166 President Vella reported that he and the General Manager recently had lunch with three
167 (3) prior Board Presidents in celebration of the District's 90th Anniversary.
168

169 Director Schmidt reported on highlights from the Board Finance Committee meeting held
170 Thursday, October 10, 2019. An open Board discussion followed on minute
171 requirements. District Counsel Sherman said she would confirm and respond back.
172

173 **10. COMMUNICATIONS**

174 General Manager Rudock advised that she may need designation to vote via proxy when
175 she attends the upcoming fall 2019 ACWA JPIA conference. An open Board discussion
176 followed on special instructions and directional requirements. She also reminded the Board
177 about the upcoming CSDA meeting on Tuesday, October 29, 2019 at 7:00PM.
178

179 The Board convened to closed session at 8:37PM.
180

181 **11. CLOSED SESSION**

182 Public Employee Performance Evaluation and Associated Negotiations
183 Government Code §§54957 and 54957.6
184 Title: General Manager
185

186 **12. RECONVENE TO OPEN SESSION**

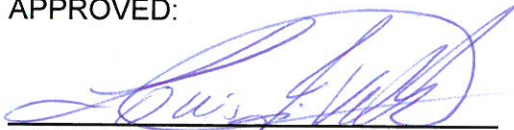
187 The Board reconvened to open session at 9:15PM. District Counsel advised that no
188 reportable action had been taken.
189

190 **13. ADJOURNMENT**

191 The meeting was adjourned at 9:16PM.
192
193

194 
195 _____
196 DISTRICT SECRETARY

197 APPROVED:

198 
199 _____
200 BOARD PRESIDENT
201