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

November 16, 2015
Belmont, California

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1. **OPENING**

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A. **Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by Acting President Zucca at 7:48 PM.

B. **Pledge of Allegiance** – The Pledge of Allegiance was led by Director Vella.

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C. **Establishment of Quorum:**

PRESENT: Directors Zucca, Stuebing, and Vella.

ABSENT: President Linvill and Director Warden.

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Administrative Services Manager Candy Pina, Operations Manager Rene Ramirez, District Counsel Julie Sherman, 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 requested that Regular Business Agenda Item 8.B. be considered first in order to accommodate consultant schedules.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of October 22, 2015.**

B. **Approve Expenditures from October 14, 2015, through November 4, 2015.**

C. **Approve Contract for Professional Services in the amount of \$42,400 with Cornerstone Structural Engineering Group, Inc., for Hallmark Water Storage Tanks Seismic Retrofit Evaluation and Strategy Development**

D. **Approve the Purchase of Four (4) Vehicles for MPWD Operations from Towne Ford of Redwood City for a Total Cost of \$108,000**

E. **Approve the Emergency Purchase and Replacement of a New Electric Motor for Pump #3 at MPWD's Tunnels Pump Station from Pump Repair Service Company of Daly City at a Cost Not to Exceed \$60,000**

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

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6. HEARINGS AND APPEALS

None.

7. DROUGHT AND WATER CONSERVATION

A. Water Conservation Progress Report

General Manager Rudock noted that October 2015 units were calculated by staff because the SFPUC meter at Tunnels, which had been changed out in the past month, appeared to be recording usage inaccurately. The October number of units will be updated and reported once this issue is resolved.

8. REGULAR BUSINESS AGENDA

A. Receive and Accept the Financial Audit Report for Fiscal Year Ended June 30, 2015, Presented by David Becker, CPA, of James Marta & Company LLP

General Manager Rudock acknowledged that David Becker, CPA, presented a summary of the Fiscal Year 2014/2015 financial audit. The auditor acknowledged an unqualified opinion for the MPWD, which is the best possible. The audit report was received and accepted by the Board.

B. Review MPWD PARS OPEB Trust Account Investment Structure and Performance, and Consider Resolution 2015-20 Approving Investment Portfolio for the OPEB Trust Account, and Receive Presentation about New PARS Pension Rate Stabilization Program

General Manager Rudock acknowledged that Jennifer Meza from PARS, and Andrew Brown from HighMark Capital Management, presented their annual summary of the OPEB trust account and introduced the new PARS program.

C. Discuss Preliminary DRAFT of Proposed MPWD 5-Year Capital Improvement Program for Fiscal Years 2016/2017 through FY 2020/2021 and Financing Options

General Manager Rudock presented opening remarks regarding development of the 5-Year Capital Improvement Program (CIP) noting that this project is not only important to the MPWD's operations, but was also an excellent team-building opportunity for staff. Operations Manager Ramirez provided a summary of the rating criteria and ranking process by which staff analyzed each identified project and the final development of the proposed 5-year, 10-year, and beyond capital programs.

General Manager reported additional capital projects, which were not included in the preliminary proposal, including \$1.5 million for Dairy Lane structural and property rehabilitation and improvements, \$2 million to complete AMI installation project, and \$1.5 million for SCADA system replacement, rehabilitation, and upgrade. Acting President Zucca asked that these additional capital projects be included in the CIP 5-year, 10-year, and beyond 10-year plans where appropriate. Director Vella requested assurance that the MPWD would be coordinating with the City of Belmont on these projects, where possible.

General Manager Rudock introduced the topic of debt service to finance the CIP work. Acting President Zucca asked that a plan be put together presenting the Board with a variety of debt service options. He also asked that options be given to include extending the payback period to 45 years. He also requested that there be a timeline considering

101 what CIP projects would be done in each of the first five years. He asked that there be
102 consideration given to how the pay-go funds (\$1 million each year) would be spent on
103 the CIP projects.
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105 **9. MANAGER'S AND BOARD REPORTS**

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

107 General Manager Rudock highlighted the 2015 UWMP, noting that six (6) firms received
108 the MPWD's Request for Proposal (RFP). She disclosed that EKI was not included on
109 the consultant list, because of Acting President Zucca's affiliation with the firm and
110 relevant conflict of interest laws. The Board confirmed that staff should review the
111 proposals and recommend the award of the contract to the chosen firm for the Board's
112 consideration.
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114 **1. Supplemented by Administrative Services Manager's Report**

115 Administrative Services Manager Pina commented on the successful San Carlos
116 Charter Learning Center field trip, noting that parents said this field trip was the best
117 one they had been to, and thanked staff for their work.
118

119 **2. Supplemented by Operations Manager's Report**

120 Operations Manager Ramirez highlighted that all 22 pressure regulating valves found
121 at the 12 system stations have been rebuilt over the past four months. This is the
122 first time in 10 years that all regulators are fully functional at the same time.
123

124 **3. Supplemented by District Engineer's Report**

125 District Engineer Pakpour discussed five projects:

- 126 a. Survey field work on the MPWD's Folger properties will be completed by the
127 end of November;
- 128 b. Karen Road water main replacement project survey will be completed by the
129 end of November;
- 130 c. Alameda de las Pulgas water main replacement project 80% design plans
131 were submitted to staff for review;
- 132 d. DeKoven tanks' structural and seismic review is underway; and
- 133 e. Hallmark tanks' structural and seismic review will be initiated now that the
134 consultant services contract has been approved.
135

136 **B. Financial Reports**

137 General Manager Rudock noted that total revenues and expenses are on target.
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140 **C. Director Reports**

141 Director Stuebing reported he attended the San Mateo County California Special District
142 Association (CSDA) meeting, where it was discussed that the county will be moving
143 forward with a community choice allocation, which is related to cleaner and "greener"
144 options for electricity.
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147 **10. FUTURE AGENDA BUSINESS ITEMS**

148 General Manager Rudock highlighted next month's draft agenda
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150 **11. COMMUNICATIONS**

151 None.

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Director Stuebing motioned to adjourn at 9:04PM, Director Vella seconded, and it was unanimously approved.


DISTRICT SECRETARY

APPROVED:


BOARD PRESIDENT