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

December 19, 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 6:30PM.

B. Establishment of Quorum:

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

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, District Counsel Julie Sherman and District Treasurer Jeff Ira.

C. Pledge of Allegiance – The Pledge of Allegiance was led by District Staff in attendance.

2. **CONVENE TO CLOSED SESSION:**

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

The Board convened to closed session at 6:32PM.

3. **RECONVENE TO OPEN SESSION**

Enact Resolution 2019-20 approving a Compensation Adjustment for the General Manager effective January 1, 2020 and Corresponding Sixth Amendment to the General Manager's Employment Agreement and Approving the General Manager Salary Schedule effective January 1, 2020

The Board reconvened to open session at 6:40PM and congratulated General Manager Rudock on her efforts to date and the contract extension. President Vella provided an oral report regarding the proposed actions.

Director Warden moved to approve Resolution 2019-20 approving a Compensation Adjustment for the General Manager effective January 1, 2020 and Corresponding Sixth Amendment to the General Manager's Employment Agreement and Approving the General Manager Salary Schedule effective January 1, 2020. Vice President Zucca seconded and it was unanimously approved.

4. **PUBLIC COMMENT**

Staff and members of the Mid-Peninsula Water District Employee Association were in attendance to honor General Manager Rudock's contract renewal and thank the Board of Directors for recognizing the value and leadership experience she brings to the District.

52 Michael Anderson, Brent Chester and Ron Leithner spoke on behalf of the Association. Her
53 best qualities were recognized and appreciation was expressed by all.

54
55 The Board recessed for a reception at 6:52PM.

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57 **5. OPEN SESSION (continued)**

58 **A. Election of Officers for 2020**

59 President Vella reconvened the Board meeting at 7:15PM and commented on the
60 District's 2019 Achievements.

61
62 Director Warden nominated Director Zucca for Board President, and moved to elect
63 Director Zucca. Director Wheeler seconded and it was unanimously approved.

64
65 President Zucca assumed the duties of Board President for the nominations of Vice
66 President.

67
68 Director Warden expressed that although he is next in line to serve as Vice President, he
69 would prefer to pass on the position to allow one of the District's new Board members
70 the opportunity to experience the role.

71
72 Director Warden nominated Director Schmidt for Board Vice President, and moved to
73 elect Director Schmidt. Director Wheeler seconded and it was unanimously approved.

74
75 Board members rotated their seating at the dais.

76
77 **B. Presentation to Outgoing Board President Louis Vella and Acknowledgement of
78 20 Years of Service to the MPWD**

79 President Zucca acknowledged Director Vella for his 20-year tenure with the District and
80 presented Resolution 2019-23 for adoption. He thanked him for his successes, valued
81 leadership and contributions over the years and presented him with a clock in
82 recognition of service.

83
84 President Zucca moved to approve Resolution 2019-23. Director Wheeler seconded
85 and it was unanimously approved.

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

90 General Manager Rudock reported on Directors Schmidt's amendment request to page 1,
91 line 44 of the November 19, 2019 Regular Board Meeting Minutes. He asked that the
92 following statement be added, "Director Schmidt raised concerns with the California
93 Chamber of Commerce's political activities in contrast with local Chambers of Commerce
94 that function differently. After Board discussion, staff agreed to not renew the subscription
95 of MPWD's membership with the California Chamber."
96

97 **7. ACKNOWLEDGEMENTS/PRESENTATIONS**

98 None.

99
100 **8. CONSENT AGENDA**

101 **A. Approve Minutes for the Regular Board Meeting of November 19, 2019**
102

103 **B. Approve Expenditures from November 14, 2019 through December 11, 2019**

104 Director Wheeler inquired about a recent Wells Fargo expenditure under the Accounts
105 Payable Summary Report. Administrative Services Manager Pina explained that staff
106 recently attended the ACWA JPIA Annual Fall Conference, so a credit card payment
107 was made to cover expenses.
108

109 Director Warden moved to approve the consent agenda. Director Vella seconded and it
110 was unanimously approved.
111

112 **9. HEARINGS AND APPEALS**

113 None.
114

115 **10. MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP**
116 **(CERTIFICATES OF PARTICIPATION) FINANCING**

117 **A. Consider Resolution 2019-21 Authorizing the Seventh Amendment to the Master**
118 **Professional Services Contract with Pakpour Consulting Group, Inc. referenced as**
119 **Contract No. 07-1621-CP in the amount of \$107,092 for Additional Engineering**
120 **Design and Construction Support Services related to the Notre Dame Avenue,**
121 **Cliffside Court and Tahoe Drive Water Main Replacement Project**
122

123 Operations Manager Ramirez reviewed the components of the contract amendment,
124 included in Pakpour Consulting Group's Additional Budget Request No. 1, and an open
125 discussion followed.
126

127 Director Vella moved to approve Resolution 2019-21 Authorizing the Seventh
128 Amendment to the Master Professional Services Contract with Pakpour Consulting
129 Group, Inc. referenced as Contract No. 07-1621-CP in the amount of \$107,092 for
130 Additional Engineering Design and Construction Support Services related to the Notre
131 Dame Avenue, Cliffside Court and Tahoe Drive Water Main Replacement Project.
132 Director Wheeler seconded and it was unanimously approved.
133

134 President Zucca stressed that while the additional services were warranted for the
135 project, since the amendment was close to 30% of the original contract, staff should
136 bring recommended proposals to perform such services to the Board for consideration
137 prior to the expenditure of resources. Staff agreed.
138

139 **11. REGULAR BUSINESS AGENDA**

140 **A. Receive Report and Review Investment Structure and Plan Performance for MPWD**
141 **Public Agency Retirement Service (PARS) Other Post-Employment Benefits**
142 **(OPEB) Pre-Funding Trust Program and Pension Rate Stabilization Program**
143 **(PRSP), and Consider Resolution 2019-22 Approving Plan Investment Portfolio for**
144 **2020**
145

146 General Manager Rudock introduced the PARS representatives in attendance and the
147 team shared highlights from the PARS OPEB Pre-Funding Trust Program and PRSP.
148 Client Review Reports were provided and an open Board discussion followed.
149

150 General Manager Rudock recommended that the MPWD retain the existing investment
151 portfolio for 2020.
152

153 Vice President Schmidt moved to approve Resolution 2019-22 Approving Plan
154 Investment Portfolio for 2020. Director Vella seconded and it was unanimously
155 approved.
156

157 **B. Consider Residential Water Service Termination Policy (For adoption by February**
158 **1, 2020 in Compliance with SB 998)**

159 General Manager Rudock discussed the Draft Water Service Termination Policy and
160 background information. She also shared that staff was working with other local
161 agencies in a collaborative effort to address compliance issues, particularly the
162 cumbersome translation of notices into at least five (5) different languages.
163

164 Staff reviewed the graph on existing noticing and timeline for termination of residential
165 water service and an open Board discussion followed. Board direction was given to
166 update the \$75.00 description indicators on the graph to read either late fee or penalty
167 fee for consistency purposes.
168

169 Next month, staff will be prepared with to present the policy for a final review and
170 adoption in compliance with the State mandated deadline of February 1, 2020.
171

172 **C. Receive BAWSCA Update**

173 General Manager Rudock reported that BAWSCA Water Management Representatives
174 received a thorough review of the Los Vaqueros Reservoir Expansion Project, and why it
175 might be beneficial for BAWSCA agencies during drought for the 5% shortfall that would
176 not be provided by the SFPUC. Anticipated costs for the project have not yet been
177 determined. It is not anticipated that staff would be recommending participation in the
178 project, due to what will likely be a large cost for a small resource, and because MPWD
179 customers were able to achieve extra savings during the last significant drought.
180

181 General Manager Rudock also reported that the MPWD made comments to BAWSCA's
182 draft WSA amendments for sale of Minimum Purchase Agreements among BAWSCA
183 wholesale agencies. That matter would be coming to the Board for consideration and
184 approval likely sometime later this year.
185

186 Director Vella reported that the BAWSCA Board completed the CEO's performance
187 evaluation and had also received a presentation on the Los Vaqueros project.
188

189 **12. MANAGER AND BOARD REPORTS**

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

191 General Manager Rudock provided a written summary report to the Board of the
192 sessions and activities she attended at the ACWA JPIA 2019 Fall Conference in San
193 Diego. She stated that Director Schmidt also attended the conference.
194

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

196 Administrative Services Manager Pina highlighted the note added to the Water
197 Revenue report, which referenced how units were being calculated on the
198 Administrative Services Manager's report versus the Operations Manager's report.
199 She also explained the secondary report added related to credit card expenses and
200 total fees.
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2. Supplemented by Operations Manager’s Report

Operations Manager Ramirez reported that the last AMI transmitter was installed and is transmitting normally. He reminded the Board that the transmitter’s location was at a residence whose owner had challenged the installation. The transmitter was installed a few days after the General Manager sent an email notification to the homeowner. Mr. Ramirez also reported that the number of utility location requests for November had dropped, which coincides with a slow-down of construction activity during winter months. He shared with the Board that Operations staff was busy dealing with water main breaks around the Thanksgiving holiday, including a leak on Thanksgiving Day. There were six main breaks in 11 days during a cold spell. He mentioned that he is enrolled in a year-long leadership class sponsored by ACWA JPIA. The last operations measure mentioned – water use during November -- was down 2.5% from the 2013 basis.

3. District Engineer’s Report

District Engineer Pakpour reported the design of the Dekoven Tanks Replacement Project is proceeding as scheduled. He also reviewed the report for the Notre Dame Avenue, Cliffside Court, Tahoe Drive Area Water Main Project. In particular, he spent time going over Change Orders 3 and 4 and progress of the project, which is near completion.

B. Financial Reports

1. Month Ended November 30, 2019

Administrative Services Manager Pina highlighted that revenues were at 53.4% with expenses at 42.9% of budget. She also reported that Operating funds of \$300,000 were transferred to LAIF and \$100,000 to BNY.

C. Director Reports

Directors Wheeler, Vella, and Warden had no reports.

President Zucca reported that he recommended to staff a meeting that he attended with Peninsula Clean Energy regarding use of micro-turbines in water distribution systems to generate power during peak use times.

Vice President Schmidt reported that he attended the ACWA JPIA 2019 Fall Conference in San Diego and was interested in the report by Montecito Water District and its approach to commercial fire protection charges, Carrum Health’s niche surgery services for Anthem members, and information presented regarding cyber penetration reviews.

13. COMMUNICATIONS

District Treasurer Jeff Ira reported that his firm’s monthly review and testing of MPWD internal financial controls satisfies the Board’s procedures for financial review.

General Manager Rudock distributed the MPWD Personnel Manuals (March 28, 2019).

14. ADJOURNMENT

The meeting was adjourned at 9:37PM.

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APPROVED:

Matt Zyca
BOARD PRESIDENT

Candace R. Pira
DISTRICT SECRETARY