



62 13-0022, and its General Manager is authorized to execute the Amendment pending  
63 approval by the requisite number of Wholesale Customers.

64  
65 Vice President Vella added that all BAWSCA water agencies are being asked to  
66 approve the same Amendment to the Water Supply Agreement.

67  
68 Director Altscher moved to approve Resolution 2013-02 and Vice President Vella  
69 seconded. Roll call was taken and it was unanimously approved.

70

71 **6. CONSIDER RESOLUTION 2013-03 AUTHORIZING AN ICMA RETIREMENT**  
72 **CORPORATION 457 DEFERRED COMPENSATION PLAN AND TRUST AS A**  
73 **VOLUNTARY EMPLOYMENT BENEFIT AND APPROVING THE ADMINISTRATIVE**  
74 **SERVICES AGREEMENT**

75

76 General Manager Rudock introduced the Board to the ICMA-RC and the fact that it  
77 offers supplemental retirement plans for public agencies only. She described the  
78 proposed ICMA-RC 457 Deferred Compensation Plan as a typical pre-tax voluntary  
79 contribution benefit for MPWD employees. There would be no matching funds provided  
80 by the MPWD. There would be no cost to administer the program, except for minimal  
81 staff time (e.g., enrollment, payroll, deduction changes).

82

83 Staff worked with Nancy Hilu, an attorney specializing in such matters with the District  
84 Counsel's law firm, in reviewing the agreement, plan documents, and Resolution  
85 2013-03. Ms. Hilu suggested a plan summary document for employees, which was  
86 distributed in DRAFT format at the meeting for Director's to review. Ms. Hilu further  
87 recommended memorializing certain provisions regarding the administration of the  
88 ICMA-RC 457 Deferred Compensation Plan. Those items were added to the Board's  
89 Resolution 2013-03 for consideration, including various accrued pay and leave pay  
90 items being allowed for deferral to the ICMA-RC 457 Deferred Compensation Plan at  
91 termination of employment, allowance for unforeseen emergency withdrawals,  
92 allowance for roll-over funds from another retirement plan into the MPWD ICMA-RC 457  
93 Deferred Compensation Plan, and prohibiting participating employees from taking loans  
94 from the plan. A revised Resolution 2013-03 was distributed to each Director. The  
95 highlighted sections in yellow were added and the red strikethroughs were Ms. Hilu's  
96 revisions.

97

98 The Summary Plan Description will be finalized for distribution to employees. District  
99 Counsel stated that the plan documents were reviewed for conformance with the  
100 California PEPRA (Public Employees' Pension Reform Act) of 2013 as well.

101

102 Director Zucca moved to approve the revised Resolution 2013-03 and Director Altscher  
103 seconded. Roll call was taken and it was unanimously approved.

104

105 **7. RECEIVE REVIEW OF FISCAL YEAR 2012/2013 OPERATING BUDGET AND**  
106 **APPROVE NEW BUDGET FORMAT**

107

108 General Manager Rudock made a brief PowerPoint presentation before discussing the  
109 budget details in the proposed format. She explained how staff started with the  
110 approved existing FY 2012/2013 MPWD budget and stressed that staff made sure  
111 related operating and capital revenues and operating and capital expenditures matched  
112 up as approved. She reviewed the MPWD Reserves and FY 2012/2013 projections as  
113 outlined in the original budget.

114

115 Management's goals were explained: Achieve the Board goals for financial  
116 management and develop a more effective and user-friendly budget.

117

118 Column descriptions were defined for the new budget format. The line items with  
119 "dashes" indicate numbers to be determined as staff moves next to developing DRAFT  
120 amended operating and capital budgets.

121

122 For the new budget format, the operating and capital budgets were separated. Deferred  
123 and prepaid capital revenues were appropriately brought forth and itemized within the

124 capital budget. The Industrial Drive Intertie/PAMF project was included within the  
125 capital budget since it was approved and constructed this budget year.

126  
127 Operating lines items were discussed. In particular, the Customer Credit Card Services  
128 fees were pointed out, because they were not budgeted. Actual expenditures for the  
129 period indicated (7/1/2012 – 12/31/12) are \$48,173, which means they will likely total  
130 \$100,000 for the full FY 2012/2013. These are service fees that credit/debit card  
131 companies charge the MPWD for customers that pay by this option. General Manager  
132 Rudock stated she is working with a public relations consultant and staff on several  
133 educational and information public outreach communications and one is a payment  
134 options flyer (encouraging electronic debit payment). District Counsel expressed that  
135 she would confirm whether the MPWD is able to charge back the service fee to the  
136 customer utilizing a debit/credit card payment option.

137  
138 General Manager Rudock expressed appreciation to staff for development of the new  
139 budget format, particularly Administrative Services Manager, Candy Pina. She  
140 accomplished the difficult task of breaking the budget line items out, changing codes,  
141 and fitting existing accounts into the new format. There were several DRAFT copies.

142  
143 Directors expressed appreciation for a more transparent budget format.

144  
145 The new budget format was approved.

## 146 147 **8. MANAGER'S REPORT**

148  
149 General Manager Rudock reported that staff followed up on items from the January 10<sup>th</sup>  
150 Special Meeting, transmitting the 2013 MPWD Strategic Plan to all Directors and staff,  
151 and the January 24<sup>th</sup> Regular Board Meeting. She mentioned that meter reading is  
152 currently being accomplished on a SEGWAY Personal Transporter and it is proving to  
153 make that function much more efficient. It saves 1-2 hours per day for meter reading as  
154 opposed to daily walking the routes. It will also save on fuel purchases. Press releases  
155 were developed and transmitted regarding the new MPWD leadership and the 2012  
156 MPWD Calendar Contest.

157  
158 A brief report on the security inspection was delivered, and General Manager Rudock  
159 reported that several of the recommendations were already implemented. Further  
160 security features would be added for staff and premises safety. Those would be  
161 addressed during the budget amendment process.

162  
163 General Manager Rudock presented a brief overview of the SFPUC Annual Meeting  
164 held on February 15<sup>th</sup>.

165  
166 She ended her report that it was a busy month for meetings as outlined in her written  
167 report.

### 168 169 **A. Supplemented by the Administrative Services Manager's Report**

170 General Manager Rudock delivered a brief report of the Administrative Service  
171 Manager's activities since last month's Board Meeting. Candy and her staff have  
172 been busy with meetings and training. It was also noted that a couple financial  
173 reports were rolled up into the Administrative Services Manager's report—the  
174 Schedule of Cash and Investments and Water Revenues for Fiscal Year 2012/2013.  
175 Directors were guided to the Wells Fargo Checking account and LAIF account line  
176 items and the fact that electronic transfers occurred between the two accounts to  
177 ensure increased investment earnings in LAIF.

### 178 179 **B. Supplemented by the Operations Superintendent's Report**

180 General Manager Rudock provided a summary report of the Operations  
181 Superintendent's activities (since he needed to leave the Board Meeting). The two  
182 large Hallmark Tanks are being cleaned by staff. AMI meter installations are  
183 continuing. The Buckland Avenue retaining wall and Industrial Road Intertie/PAMF  
184 Project projects are near completion. The water main breaks were itemized and  
185 self-explained.

186  
187 District Engineer Pakpour requested that staff follow up with his office the Hallmark  
188 Tanks cleaning when it is completed so that the data is captured for future capital  
189 planning and development.  
190

191 **C. Supplemented by the District Engineer's Report**

192 District Engineer Pakpour delivered his report of progress on the Buckland Tanks  
193 Replacement Project. The relocation of the PG&E utility poles remains a major  
194 construction issue. A tentative October 2013 bid date and November-December  
195 construction date are anticipated.  
196

197 Director Zucca moved approval of the Manager's Report and Vice President Vella  
198 seconded. It was unanimously approved.  
199

200 **9. DIRECTORS' REPORTS**

201  
202 Vice President Vella reported the Audit Exit Conference was held last week with  
203 Director Linvill, staff, and the financial auditor. The financial auditor understands more  
204 clearly the expectations for the final audit product. Its presentation is anticipated for  
205 next month's Board Meeting.  
206

207 President Stuebing mentioned that he attended the February 7<sup>th</sup> HIA Meeting that was  
208 already reported by General Manager Rudock.  
209

210 Director Altscher reported that he also attended the February 7<sup>th</sup> HIA Meeting. He  
211 attended the recent San Mateo CSDA Meeting wherein Warren Slocum was the guest  
212 speaker. He further reported that the General Manager from Westborough Water  
213 District had conducted a rates comparative study and reported that with its flat rate  
214 structure, water consumption was down. A lively discussion ensued among the  
215 Directors, concluding that the Westborough Water District is unique in that it serves  
216 mostly condominiums and townhomes and water consumption is mostly indoor use with  
217 minimal outdoor use for landscaping.  
218

219 **10. RECEIVE FINANCIAL REPORT AND APPROVE EXPENDITURES FROM**  
220 **JANUARY 18, 2013, THROUGH FEBRUARY 15, 2013**

221  
222 General Manager referred to the printed financial reports and the formatting that was  
223 similar to the new budget format. These reports reflected last month's activities. The  
224 Check Detail would remain in its existing format. The Water Services and Sales  
225 financial report was distributed; it will likely be included within the Administrative  
226 Services Manager report in the future.  
227

228 Director Zucca moved approval of the Financial Reports and Expenditures from January  
229 18, 2013, through February 15, 2013, and Director Altscher seconded. They were  
230 unanimously approved.  
231

232 **11. FUTURE AGENDA ITEMS**

233  
234 Vice President Vella mentioned that the Financial Audit should be ready for presentation  
235 next month.  
236

237 **12. COMMUNICATIONS**

238  
239 General Manager Rudock reported that she received a communication from the Water  
240 Education Foundation inviting interested individuals to be part of the Sea to Sierra  
241 Water Tour, on April 4<sup>th</sup> and 5<sup>th</sup>. This tour views California water and discusses key  
242 issues while traveling across the state on Amtrak's California Zephyr.  
243

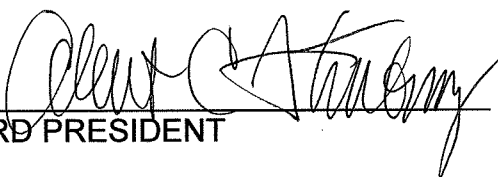
244 She further reported a Questionnaire transmitted by the San Mateo Grand Jury  
245 regarding Director compensation, benefits, and meeting/preparation time and  
246 attendance.  
247

248 Finally, she received an email from the San Mateo Clerk-Recorder's Office rejecting the  
249 former Office Manager's (Catherine Abou-Remeleh) "Leaving Office" Form 700 because  
250 it was not signed. A Certified letter was mailed to Ms. Remeleh requesting signature on  
251 the Form 700. General Manager Rudock followed up with the San Mateo Clerk-  
252 Recorder's Office.

253  
254 **13. ADJOURNMENT at 8:24PM.** Vice President Vella moved for adjournment and  
255 Director Zucca seconded. It was unanimously approved.

256  
257  
258  
259  
260   
261 DISTRICT SECRETARY

262  
263 APPROVED:

264  
265   
266 BOARD PRESIDENT  
267  
268

