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

July 24, 2014
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. **Pledge of Allegiance** – The Pledge of Allegiance was led by President Vella.

C. **Establishment of Quorum:**

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

ABSENT: None.

A quorum was present.

ALSO PRESENT: General Manager Rudock, Operations Superintendent Young, District Secretary Pina, District Counsel Cassman, District Engineer Pakpour, and District Treasurer Ira.

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

A. **Water Treatment Operator Certification by California Department of Public Health – Rick Bisio, Brent Chester, and Henry Young**

General Manager Rudock acknowledged three staff for receiving their Water Treatment Operator 1 certificate from the California Department of Health: Henry Young, Brent Chester, and Rick Bisio. We now have 5 operators with this certificate. President Vella asked Operations Superintendent Young to convey congratulations to the recipients.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of June 26, 2014**

B. **Approve Expenditures from June 19, 2014, through July 16, 2014**

C. **Approve Contract for Professional Services in the amount of \$43,200 with John Davidson d/b/a Jrocket77 Design & Marketing for Completion and Launch of New MPWD Website, and Public Outreach/Education/Relations Services**

Director Warden mentioned that he did not see a Statement of Work (SOW) attachment for John Davidson d/b/a Jrocket77 Design & Marketing. General Manager Rudock explained that the SOW is contained in Section 2 of the contract rather than having an

51 attachment. She further explained that within the contract, approximately \$7,000 was
52 to finish up the website redesign, and the balance of the contract was for monthly
53 services. He will be working on our drought messaging and various other items when
54 needed. Director Zucca added that he would like to see a scope of services, so that it is
55 clear what we are paying for. Vice President Linvill asked District Counsel Cassman
56 about the template used for contracts. District Counsel Cassman explained that we
57 prefer to use our contract template rather than rely on a consultant's generated contract.
58

59 **D. Approve Contract for Professional Services in the amount of \$51,000 with Bartle**
60 **Wells Associates for Water Financial Plan & Rate Study, Capacity Charge Update,**
61 **and Miscellaneous Service Fee Update, and a 20% Project Contingency in the**
62 **Amount of \$10,200, for a Total Budget of \$61,200**
63

64 Vice President Linvill moved to approve the consent agenda, Director Stuebing seconded,
65 and it was unanimously approved with the exception of Director Zucca who abstained from
66 approving item 5.D. because he is working professionally with Bartle Wells at another city.
67

68 **6. HEARINGS AND APPEALS**

69 None.
70

71 **7. REGULAR BUSINESS**

72 **A. Drought and Water Conservation Update**

73 General Manager Rudock highlighted State Water Resources Control Board Emergency
74 Water Conservation Regulations with an August 1st effective date. She reported that
75 staff reached out to PAMF in San Carlos to ask for a copy of its landscape plan. We
76 have given them advance notice that there are statewide drought regulations being
77 imposed and that there may be impacts to their landscape plans if further outdoor
78 watering restrictions are mandated. The CCR went out to customers in a separate
79 mailing. The nine-week advertising campaign in The Daily Journal targeting water
80 conservation and rebate program messages cost about \$2,400 and ends next month.
81 These same messages are also bill stuffers and will be attached to the City Manager's
82 newsletters. The City said they would waive fees for drought messaging only on
83 banners, but they are not able to schedule it until September 2014 because the calendar
84 is full. Staff is working with the Claremont Village Shopping Center on its message
85 board. We are working on a banner for the back of our building. We are considering
86 free toilet flappers to add to our water conservation program. Staff's Second Quarter
87 Water Conservation Report (page 160 of the agenda), provides further details on water
88 conservation and rebate program efforts to date. There were only two lawn-be-gone
89 rebates but we are starting to see more interest. General Manager Rudock mentioned
90 about a customer with a large property getting rid of their front, back and side yards, and
91 replacing it with drought tolerant landscape. It will be the largest Lawn-Be-Gone project,
92 upwards of \$7,000. BAWSCA was approached by San Mateo County where they
93 wanted to do a rain barrel match program. BAWSCA was not interested, so staff is
94 going to reach out and see if this is something MPWD could consider. She then directed
95 the Directors to page 163 of the agenda which is our Water Shortage Contingency Plan.
96

97 Director Warden suggested we mail out the dye tablets that can be put in the toilet tank
98 and attach it to a bright neon orange card so that customers would see it in the
99 envelope. Since MPWD is considering replacing flappers in the toilet tank, this would let
100 them know if they need to replace the flapper. Vice President Linvill asked that we see
101 how much has been paid out in rebates for each program. Director Zucca commented

102 on portable electronic billboards, and suggested staff work with the City of Belmont to
103 put a conservation message on Ralston. President Vella suggested we piggyback on
104 the existing banners and put a conservation message on those banners. Director Zucca
105 cautioned us about statistics given by BAWSCA regarding their projection of the market
106 penetration rates for how many toilets are being changed out a year, etc. He suggested
107 we have it verified by another source and not just BAWSCA. General Manager Rudock
108 further reported that CBS News contacted MPWD asking how we are enforcing the state
109 mandated regulations. BAWSCA is actually working with them on a response. District
110 Engineer Pakpour suggested we partner with the city to have a magnet put on city
111 vehicles with conservation messages.
112

113 **B. Consider Resolution 2014-12 Recognizing the MPWD's 85th Anniversary**

114 General Manager Rudock introduced the resolution, noting that Engineering Tech Brent
115 Chester and Operations Superintendent Young researched through old files, resolutions,
116 and various resources to create the resolution. Vice President Linvill asked to change
117 the wording on the fourth "WHEREAS", and Director Warden suggested it be changed
118 from "assumed" to "expanded". Vice President Linvill added that she would prefer that
119 the fifth "WHEREAS" be completely removed which states "WHEREAS, in March of
120 1933 voters rejected a proposed City of Belmont takeover of the District; and". Director
121 Warden suggested staff contact Samantha at the Daily Journal with the signed
122 Resolution so she can write an article about it. Director Warden moved to approve
123 resolution 2014-12 recognizing Mid-Peninsula Water District's 85 Years of Service,
124 Director Stuebing seconded. Roll call was taken and it was unanimously approved.
125

126 **C. Consider Resolution 2014-13 Authorizing Award of a Construction Contract to
127 Lewis & Tibbitts, Inc., for the Belburn Drive Water Main Replacement Project (from
128 Academy to Notre Dame), in the Amount of \$442,735, and a 10% Project
129 Contingency in the Amount of \$44,274, for a Total Budget of \$487,009**

130 General Manager Rudock introduced the resolution and summarized the fiscal impact
131 section, and then turned the discussion over to District Engineer Pakpour. He described
132 the bid process. We received 11 eligible bids, which was encouraging and indicated
133 MPWD is rebuilding a positive reputation within the industry. After a thorough review of
134 the bids for responsiveness, District Engineer Pakpour recommended we award the
135 contract to Lewis & Tibbitts, Inc. He has worked with them in the past, and finds them to
136 be very good, fair and a reputable company. General Manager Rudock added that staff
137 would be managing the project. Director Zucca congratulated District Engineer Pakpour
138 on the engineer's bid coming in so close to the actual bids. He expressed his concern
139 with staff managing the project. He suggested staff do the inspection but there are so
140 many details which need to be followed up on, and he doesn't feel staff has enough
141 background to manage it. He would be more comfortable with District Engineer Pakpour
142 handling the management of the project. Vice President Linvill agreed with Director
143 Zucca. Director Zucca then moved to approve Resolution 2014-13 Authorizing Award
144 of a Construction Contract to Lewis & Tibbitts, Inc. for the Belburn Drive Water Main
145 Replacement Project (from Academy to Notre Dame), in the Amount of \$442,735, and a
146 10% Project Contingency in the Amount of \$44,274 for a Total Budget of \$487,009,
147 Director Warden seconded. Roll call was taken, and it was unanimously approved.
148

149 **D. Consider Resolution 2014-14 Establishing the Appropriations Limit Applicable to
150 the MPWD during Fiscal Year 2014/2015**

151 General Manager Rudock introduced the resolution and added that District Counsel
152 Cassman should have been listed on the report because it was a joint effort in putting

153 the resolution together. District Counsel Cassman explained the purpose of the
154 Appropriations Limit and why it is updated each year. Director Stuebing moved to
155 approve Resolution 2014-14 establishing the Appropriations Limit Applicable to the
156 MPWD during Fiscal Year 2014/2015, and Vice President Linvill seconded. Roll call was
157 taken and it was unanimously approved.

158
159 **E. Review and Approve the MPWD's Response to the San Mateo County Grand**
160 **Jury's Report filed May 19, 2014, regarding Transparency of Special Districts'**
161 **Website**

162 General Manager Rudock asked for the Board's input on the DRAFT Grand Jury
163 Response she provided. Vice President Linvill felt the written response could be
164 interpreted as being contentious. She asked that it be toned down. General Manager
165 Rudock explained that she followed the specific instructions provided by the Grand Jury.
166 Director Warden stated that the Grand Jury has no real authority to enforce their
167 findings, and felt her response was completely in line with what the Grand Jury expects,
168 and the tone was normal. Director Zucca suggested the commitment dates be removed,
169 and President Vella agreed. With the changes listed above to the MPWD's response,
170 Director Warden moved to approve the MPWD's response to the San Mateo County
171 Grand Jury's report, Director Stuebing seconded, and it was unanimously approved.

172
173 **F. Discuss State Water Resources Control Board Emergency Water Conservation**
174 **Regulations**

175 General Manager Rudock summarized her written report. District Counsel Cassman
176 read the regulations and explained how she interpreted them as it relates to MPWD.
177 She felt the state was not saying there should be a limit on outdoor watering to two days
178 per week. Director Warden discussed the differences between the letter of the law and
179 the spirit of the law. Director Zucca then said that he feels the state board does not want
180 to take a position of imposing a mandatory "you shall do this" to large water districts
181 because those large districts have already developed robust water contingency plans on
182 how to deal with water shortages. He felt what they were saying is that if you don't have
183 a water contingency plan, or you have less than 3,000 connections, the State will define
184 and prescribe it for you. If you are bigger, then you have to at least accomplish
185 whatever your particular water contingency plan indicates. He further stated we have to
186 implement what is equally commensurate with what is defined in the regulations. But it
187 is up to us to decide how we are going to implement it. We have to implement it to the
188 point where we impose mandatory restrictions on outdoor irrigation of ornamental
189 landscape or turf with potable water. President Vella suggested staff needs to be
190 familiar with the message being communicated to customers. General Manager Rudock
191 mentioned that we may need to hire someone temporarily to free up MPWD Water
192 Conservation Coordinator Jeanette Kalabolas to be in the field working with customers
193 while the drought continues. Zucca suggested we draft a letter to send to the customer,
194 showing that MPWD is acting on state mandated conservation efforts, which will include
195 \$500 fines for those who do not follow the mandates. He also suggested staff assist
196 customers with conservation ideas to help them reduce water usage.

197
198 **G. BAWSCA Update**

199 President Vella said the meeting was dominated by precipitation charts, forecasts, water
200 usage, etc. He commented that he expected San Francisco to be more concerned than
201 they were with the drought conditions. There is no consensus on what to expect from
202 the upcoming predicted El Nino. It has been one year since Nicole Sandkulla took over
203 as BAWSCA Executive Directors and she is up for review. District Counsel Cassman

204 commented that we are part of BAWSCA and get our water from San Francisco, and our
205 water source is not in an emergency situation. If we put penalties in place when our own
206 water supplier is saying we need to be cautious but are not in an emergency situation,
207 then the question becomes, can we justify imposing penalties at this time? The
208 response was that we should have measures in place in case we have to impose
209 penalties for water wasters.
210

211 **8. MANAGER'S AND BOARD REPORTS**

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

213 General Manager Rudock highlighted that she has done a process meeting with the
214 Employees' Association and will be meeting with them on July 25th. Follow-up items
215 from the June 26th Board meeting include: Updated budget documents were provided
216 for Directors to put in their notebooks. The updated budget was also posted to the
217 website. The arbitration resolution was sent to BAWSCA, and the form designating
218 MPWD Director and Alternates have been sent so ACWA/JPIA.
219

220 She shared the packet received from the Chamber of Commerce meeting where Greg
221 Scoles was the featured speaker. There is a new mixed-use (residential and
222 commercial) development being proposed at 570-600 El Camino in Belmont. She had a
223 conversation with the developer, letting him know the water district needs to be in the
224 loop since we provide the water. The city is currently working on and considering its
225 General Plan Amendment.
226

227 Director Warden asked about item #16 on the Future agenda items, Board Bylaws.
228 General Manager Rudock said that Director Zucca, Vice President Linvill, District
229 Counsel Cassman, and General Manager Rudock are on the committee, and it is time to
230 have a meeting. She further explained the purpose of the bylaws, which is to establish
231 internal governance standards and Board procedures.
232

233 **1. Supplemented by Administrative Services Manager's (ASM) Report:**

234 Administrative Services Manager Pina commented that the FY 2013/2014 financial
235 audit has already started. Field work will take place on July 29th – 31st.
236

237 **2. Supplemented by Operations Superintendent's Report:**

238 Operations Superintendent Young reported there were no service upgrades this
239 month. We had one leak on June 22nd, which had previously been repaired with a
240 leak clamp. The roadway repair was going to be significant so we replaced a large
241 section of pipe that will hopefully take care of the problem. We continued with the
242 AMI meter installation on Davis Drive.
243

244 **3. Supplemented by District Engineer's Report:**

245 District Engineer Pakpour summarized his progress report on the Buckland Tanks
246 Replacement Project, which is ahead of schedule and under budget, and the south
247 tank is up and the project is 45% complete. Two of the neighbors were going to
248 come and comment about how well the project is progressing. Director Warden
249 suggested that they have a nice party for the neighbors once the tank is completed.
250 The contractor's new project manager is doing a great job.
251

252 The new development on El Camino mentioned by General Manager Rudock is
253 being conditioned by MPWD to replace 1,500 linear feet of water main on El Camino.
254 The water main in that general area is undersized and there has been a history of

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leaks. Thus some main replacement will be a condition of approval for this development. We are now looking at every development project coming in and cross referencing it with our capital improvement program, to see what we can potentially do.

B. Financial Reports

General Manager Rudock reported that these numbers are end of year actual numbers, but they will change based on the audit. She would like to reserve reporting on them until after the audit is complete. Overall, the revenues exceeded the expenditures, and we had more money transferred into capital than anticipated. Discussion occurred regarding SFPUC Treated Water Costs compared to revenues.

C. Director Reports

President Vella said it was a good job on the CCR that was distributed and he really liked the approach taken.

9. FUTURE AGENDA BUSINESS ITEMS

None.

10. COMMUNICATIONS

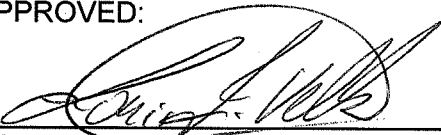
General Manager Rudock distributed the Belmont Directory and Community Guide which contained our conservation message on the inside back page. She also mentioned that when we send out the open enrollment packets in September, there are several changes. The ACWA/JPIA is pursuing cost-effective healthcare options to avoid any potential for the Affordable Care Act excise tax ("Cadillac" tax) to be imposed on Employers in 2018. She will discuss changes in a summary report next month.

11. ADJOURNMENT

Director Zucca motioned to adjourn at 9:18PM, Director Stuebing seconded, and it was unanimously approved.


DISTRICT SECRETARY

APPROVED:


BOARD PRESIDENT