

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

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

December 17, 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 Vice President Linvill.

C. **Establishment of Quorum:**

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

ABSENT: 0

A quorum was present.

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

D. **Election of Officers (Followed by a Reception)**

Director Stuebing moved to nominate Director Linvill as President, and Director Warden seconded. President Vella called for other nominations, and hearing none, Vice President Linvill accepted the nomination. Roll call was taken and the motion was unanimously approved. Betty Linvill was elected Board President.

Director Warden moved to nominate Director Zucca as Vice President and Director Stuebing seconded. President Linvill called for other nominations, and hearing none, Director Zucca accepted the nomination. Roll call was taken and the motion was unanimously approved. Matt Zucca was elected Board Vice President.

President Linvill then presented the outgoing President Vella with a token gift, and thanked him for his service in leading the District in 2014.

2. **PUBLIC COMMENTS**

None

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

Director Stuebing provided a few edits to the November 22, 2014, Board meeting minutes, and District Secretary Pina distributed a copy of the edited minutes.

General Manager Rudock requested the addition of acknowledgments of Michael Anderson and Feryadoon Farsi of Pakpour Consulting Group for their project management and inspection work on the Belburn Water Main Replacement project.

50 General Manager Rudock requested that Regular Business Item No. 7.B. be moved up as
51 the first item after the Board's reception in order to accommodate the schedules of
52 consultants making the presentation.

53
54 **4. ACKNOWLEDGEMENTS/PRESENTATIONS**

55 Michael Anderson from MPWD and Feraydoon J. Farsi from Pakpour Consulting, were
56 acknowledged for their work on the Belburn Water Main Replacement Project. Michael
57 Anderson was the MPWD's inspector on the project, and Feraydoon Farsi was the design
58 engineer and project manager. District Engineer Pakpour commented that their excellent
59 work resulted in cost savings to the MPWD. General Manager Rudock shared that it was
60 one of Michael's goals to serve as field inspector on a capital improvement project, and that
61 he did a really good job of coordinating his activities as inspector and field operations
62 supervisor.

63
64 President Linvill adjourned the meeting at 6:47PM for a reception in honor of the election of
65 new officers. The meeting reconvened at 7:11 p.m.

66
67 Agenda Item 7.B. was presented first in order to accommodate consultant schedules.

68
69 **7. REGULAR BUSINESS**

70 **B. Review MPWD PARS OPEB Trust Account Investment Structure and**
71 **Performance, and Consider Resolution 2014-18 Approving Investment Portfolio**
72 **for the Trust Account**

73 General Manager Rudock introduced Jennifer Meza, Client Services Coordinator from
74 PARS. Ms. Meza described the PARS/OPEB team, explaining the roles of each. She
75 provided an overview of the MPWD's trust account, discussing the contributions to the
76 plan, and the actuarial results. Ms. Meza introduced Ryan Fox, Portfolio Manager from
77 High Mark Capital, who reviewed how the MPWD's portfolio performed in the market for
78 the last quarter and year, and the strategy going forward. Overall, since inception, the
79 return on investment is 5.8%. General Manager asked the Board to consider moving
80 from a Moderately Conservative investment strategy to the next step up which is the
81 Moderate investment strategy.

82
83 The Board unanimously agreed that they preferred to stay in the Moderately
84 Conservative strategy as they feel strongly they have been entrusted with managing
85 these funds, and they are not willing to put any of them at risk to market volatility.
86 President Linvill asked District Treasurer Ira's his opinion, and he said he would suggest
87 the Balanced strategy (as recommended by staff last year), but he understands that the
88 Board is interested in preserving the funds in the safest strategy and agrees that they
89 are in the right plan.

90
91 Director Stuebing moved to approve Resolution 2014-18 Approving Investment Portfolio
92 for the Trust Account to retain the Moderately Conservative investment strategy, Director
93 Warden seconded. Roll call was taken, and it was unanimously approved.

94
95 **5. CONSENT AGENDA**

96 **A. Approve Minutes for the Regular Board Meeting of October 23, 2014**

97
98 **B. Approve Expenditures from October 15, 2014, through November 12, 2014**

99 Director Stuebing moved to approve the consent agenda with the edited minutes, Director
100 Warden seconded, and it was unanimously approved with the exception of Director Vella
101 who abstained on Item A.
102

103 **6. HEARINGS AND APPEALS**

104 None
105

106 **7. REGULAR BUSINESS**

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

108 General Manager Rudock briefly summarized her written report. Director Warden
109 inquired about the nature of the water waste complaints and was told that neighbors are
110 turning in water wasting neighbors. He also requested that staff address the sprinkler
111 system usage now that we are in the winter months. General Manger Rudock said that
112 MPWD's next mailing/flyer addresses the issue. Director Vella inquired about the rain
113 barrel rebate program. It was determined that even though this program is not as
114 effective in the summer months for conservation, it does encourage customers to
115 continue thinking in terms of water conservation throughout the year.
116

117 **C. Consider Resolution 2014-19 Approving and Adopting a Section 125 Cafeteria
118 Plan for Active Employees of the Mid-Peninsula Water District**

119 District Counsel Cassman described the purpose of the resolution. A Cafeteria Plan
120 provides a vehicle for MPWD to fund required contributions for the newly adopted HSA
121 benefits package from which participating employees can use pre-tax dollars to pay high
122 deductibles under this new health care benefit. Director Zucca moved to approve
123 Resolution 2015-19 Approving and Adopting a Section 125 Cafeteria Plan for Active
124 Employees of the Mid-Peninsula Water District, Director Warden seconded. Roll call
125 was taken and it was unanimously approved.
126

127 **D. Consider Resolution 2014-20 Approving Medical Benefits Provided to Directors of
128 the Mid-Peninsula Water District**

129 District Counsel Cassman explained that after an exhaustive search by staff and district
130 counsel, there was no record of any former action by the MPWD Board granting health
131 benefits to Directors as part of their compensation. She explained that the State
132 Attorney General has opined that a public agency should have a record of the Board
133 authorizing this benefit. Therefore, this resolution has been created to address this
134 requirement. Directors are not entitled to a benefit greater than a non-safety public
135 employee, and therefore, they are entitled to the same benefits MPWD active employees
136 are currently receiving. Director Zucca moved to approve Resolution 2014-20 Approving
137 Medical Benefits Provided to Directors of the Mid-Peninsula Water District, Director
138 Stuebing seconded. Roll call was taken, and it was unanimously approved.
139

140 **E. Schedule MPWD Strategic Planning Special Meeting in January 2015**

141 General Manger Rudock offered several dates for the directors to consider for the
142 strategic planning meeting in January. It was agreed the meeting would take place on
143 Tuesday, January 13, 2015 at 6:00 p.m. Dinner will be provided. President Linvill
144 mentioned that she would make contact with Julie Brown about facilitating the Board's
145 planning session.
146

147
148 **8. MANAGER'S AND BOARD REPORTS**

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

150 General Manager Rudock reported that the City of Belmont is fast tracking a capital
151 project entitled Notre Dame Reconstruction, which MPWD staff and the District Engineer
152 previously understood was going to start in Summer 2015. From an email she received
153 on December 14, 2014, City Public Works and engineering staff just learned within the
154 past two weeks that the project had to be divided into two projects—separating
155 underground utility work that is City funded from the roadway reconstruction that is
156 federally grant funded. The City Engineer is concerned about meeting the grant funding
157 deadline of December 2015. MPWD is trying to coordinate with Public Works and city
158 engineering staff on this project because the MPWD has two mains that are aged and
159 need to be replaced, especially since the city is undertaking an underground project and
160 completely reconstructing Notre Dame Drive. Because of the fast tracking of this
161 project, District Engineer Pakpour is working with the City Engineer to get MPWD design
162 work coordinated with the City's project designer, Bellecci & Associates.
163

164 Director Zucca was very disappointed to hear the city did not coordinate this with us
165 sooner and that this lack of coordination is not in the best interest of the community,
166 particularly since the MPWD would have to use reserve funds for its water main
167 replacement. Director Warden was interested in the federal grant funding source and
168 whether the City Council had approved it already. Director Vella expressed frustration
169 with the expedited timeframe and workload on staff. Director Zucca confirmed with the
170 District Engineer that they would not be involved in design or project management. The
171 District Engineer confirmed that they would be as involved as possible and the MPWD's
172 inspector would be on site. Staff will move forward with engineering design work.
173

174 Staff was directed to obtain information about the federal grant and return with a report
175 on the status of the project next month.
176

177 The General Manager highlighted a couple of items from her written summary of
178 the ACWA/JPIA Fall Conference in San Diego.
179

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

181 Administrative Services Manager Pina had nothing new to add to the ASM report.
182

183 **2. Supplemented by Operations Superintendent's Report**

184 Operations Superintendent Young commented that the Standard Operating
185 Procedures (SOP) are in place for the pumps and generators operations and
186 maintenance. All water meters are ready to be installed for the 2014/2015 fiscal
187 year. Once these meters are installed, the MPWD will be 25% complete.
188

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

190 District Engineer Pakpour reported on the Buckland Tank Replacement Project. As
191 of December 9, 2014, the project is 85% complete. The south tank is fully
192 operational, and the north tank is built. Change order #4 is still very small at 1.5% of
193 total contract amount. The contractor has asked for an additional 17 days which will
194 cost around \$22,000. They are 20 days behind schedule. District Engineer is now
195 working with the owner of the company. All the major work is completed on this
196 project.
197

198 District Engineer Pakpour reported on the Belburn Water Main Replacement Project.
199 The project is going to be put on hold until the spring, when we have the needed

200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245

weather conditions to finish the last part of the project, the slurry seal. The contractor will hold the contract price, and a notice of completion will be issued once the slurry seal is completed.

B. Financial Reports

General Manager Rudock reported that MPWD is within the budget amounts projected.

C. Director Reports

President Linvill mentioned a recent trip she took to Bend, Oregon.

Director Vella said he and Henry attended the HIA meeting. He also attended the monthly Chamber breakfast session with Belmont City Council Member Stone.

9. FUTURE AGENDA BUSINESS ITEMS.

None

10. COMMUNICATIONS

General Manager Rudock offered the 2015 HIA meeting schedule.

11. CLOSED SESSION

The Board adjourned into Closed Session at 9:10 p.m. to discuss one matter.

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION AND ASSOCIATED NEGOTIATIONS

Government Code §§54957 AND 54957.6

Title: General Manager


The Board came out of closed session at 10:12PM. District Counsel reported that no action had been taken.

12. ADJOURNMENT

The meeting was adjourned at 10:13PM.


DISTRICT SECRETARY

APPROVED:


BOARD PRESIDENT

