



BOARD OF DIRECTORS
REGULAR MEETING
MINUTES
MAY 28, 2015

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DIRECTORS: BETTY L. LINVILL *President* • MATTHEW P. ZUCCA *Vice-President* • DAVE WARDEN • AL STUEBING • LOUIS J. VELLA

OFFICERS: TAMMY RUDOCK *General Manager* • CANDY PIÑA *District Secretary* • JOAN L. CASSMAN *District Counsel* • JOUBIN PAKPOUR *District Engineer* • JEFF IRA *Treasurer*

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

May 28, 2015
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 Linvill at 6:30PM.

B. **Pledge of Allegiance** – The Pledge of Allegiance was led by visiting ACWA/JPIA representative, and former MPWD Director, Charles (Chuck) Wagenseller.

C. **Establishment of Quorum:**

PRESENT: Directors Linvill, Stuebing, Vella, and Warden. Director Zucca arrived at 6:50PM.

ABSENT:

A quorum was present.

ALSO PRESENT: General Manager Rudock, Administrative Services Manager/District Secretary Pina, District Counsel Julie Sherman, District Engineer Brandon Laurie, Operations Superintendent Young, and District Treasurer Ira.

2. **PUBLIC COMMENTS**

None

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of April 23, 2015.**

B. **Approve Expenditures from April 16, 2015, through May 20, 2015.**

Director Vella abstained from voting on the minutes. Director Warden moved to approve the consent agenda, Director Vella seconded, and it was unanimously approved.

6. **HEARINGS AND APPEALS**

None.

7. **REGULAR BUSINESS**

A. **Review Final DRAFT MPWD 2015 FINANCIAL PLAN AND RATES STUDY**

Alex Handlers from Bartle Wells Associates (BWA) distributed an updated version dated May 26, 2015, of the MPWD Financial Plan and Rate Study Tables & Charts and the Water Shortage Emergency Rates. Administrative Services Manager Pina submitted a report showing the variances between the originally submitted document and the

51 updated document. Alex Handlers discussed California constitutional elements about
52 best and beneficial use for water and noted that water rates could not exceed the cost of
53 service. He presented a summary of his report. At the next board meeting on June 25,
54 2015, the Board would conduct its public hearing and the new rates would be increased
55 by 18% and made effective on July 1, 2015. Director Warden stated the report was very
56 good, and he is comfortable with the structure. Director Stuebing stated he liked the
57 table which showed the water impact over a five- year span.
58

59 **B. Consider Resolution 2015-06 Accepting as Complete the Notre Dame Avenue &**
60 **Folger Drive Tie-In Capital Project and Authorizing the Recordation of a Notice of**
61 **Completion for the Project**

62 Operations Superintendent Young summarized the Notre Dame Avenue & Folger Tie-In
63 capital project. There were no change orders and it was completed within a couple of
64 weeks so as to avoid any interference with the City of Belmont's storm drain and sewer
65 project along Notre Dame Avenue.
66

67 Director Vella moved to approve Resolution 2015-06 Accepting as Complete the Notre
68 Dame Avenue and Folger Drive Tie-In Project and Authorizing the Recordation of a
69 Notice of Completion for this project, Director Warden seconded. It was unanimously
70 approved with Vice-President Zucca absent.
71

72 **C. Review DRAFT MPWD FY 2015/2016 Operating and Capital Budgets**

73 General Manager Rudock summarized the changes made, which included reducing the
74 4% cost of living increase to 3% as directed by the Board of Directors, increasing the
75 water conservation efforts and rebate program budget line items, and an increase in the
76 cost of the new Financial Management System implementation. Director Warden
77 appreciated how many times the budget was submitted to the Board for their comments
78 over several months.
79

80 **D. Consider San Mateo County Candidate Policy Form for Special Districts**
81 **Consolidated Election on November 3, 2015**

82 General Manager Rudock discussed the two items needing clarification to submit the
83 form for the election. Those items were: a) The word limit for a candidate statement;
84 and b) The cost of the candidate's statement. After discussion, the Board agreed on
85 400-word candidate statement paid for by the candidate. The Administrative Services
86 Manager/District Secretary was directed to submit the form by July 1, 2015.
87

88 **E. BAWSCA Update**

89 Director Vella commented on the following items which were discussed at the recent
90 BAWSCA Board meeting.
91

92 The drought took center stage, including discussion about alternative water sources,
93 desalination plants, and recycled water. Water storage in the regional water system is
94 decent. There was concern over the lack of revenues due to conservation efforts, and
95 how to balance the lack of revenues with the costs of providing water. BAWSCA asked
96 that good ideas be sent to them. They commented the drought is expected to continue
97 into its fourth year.
98

99 The incident with untreated water getting into water systems was discussed. The San
100 Francisco Public Utilities Commission (SFPUC) noticed all who were impacted. Much
101 was learned from this incident.

152 Director Stuebing moved to approve Ordinance 113 Implementing 2015 Mandatory
153 Water Conservation Regulations and Amending Ordinance 111 Implementing Stage 2
154 Water Shortage Response of Water Shortage Contingency Plan regarding Mandatory
155 Restrictions on Outdoor Water Use incorporating the various modifications directed by
156 the Board, Director Warden seconded, and it was unanimously approved.
157

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

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

160 General Manager Rudock summarized her report, commenting about the launch
161 of the new website which will go live next week.
162

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

164 Administrative Services Manager Pina added that the annual financial audit will be
165 underway starting the middle of July, with field testing starting on July 27, 2015.
166

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

168 Operations Superintendent Young discussed the updated map put together by Brent
169 Chester, which shows the AMI meters installed. The green area on the map is what
170 is already installed, and the yellow area is what is being proposed for next year's
171 meters. This map was on display at the Public Works event. At the Public Works
172 event, staff got involved in a competition with the public works staff. It was a very
173 successful event. He discussed the leak report, noting a fire hydrant which had been
174 hit by a truck at 50 miles per hour. MPWD will file a claim to recuperate receipt
175 costs.
176

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

178 District Engineer Laurie discussed the Notre Dame Avenue and Folger Drive Tie-In
179 project. There was a negative change order of \$6,674.59, -8.2% of initial contract
180 price. He also stated that we recently completed the water hydraulic modeling and
181 project analysis of Zone 2 and passed around the project summaries. Zone 1
182 modeling would begin within a couple of weeks and the project is on target for
183 completion in August.
184

185 **B. Financial Reports**

186 General Manager Rudock reported that MPWD should be at 83.3% budget in both
187 revenues and expenses. However, MPWD is at 74.2% in revenue and 75.9% in
188 expenses. If depreciation was removed from the operations expenditures which was at
189 86.6%, overall expenses would be 74.8%. Even though revenues are lower than
190 budgeted by 9.1%, MPWD has reduced expenses by a similar amount so MPWD is on
191 target for the year-to-date reporting. Director Warden asked for clarification about the
192 Lawn-Be-Gone program. He was told that if your lawn is brown, they could not get the
193 rebate from BAWSCA. Water Conservation Specialist (WCS) Jeanette Kalabolas
194 explained that BAWSCA will be releasing their new applications on July 1st, and it has
195 been agreed that as a region we do not want people watering, so they are going to allow
196 the summer period of four months for people to allow their grass to turn brown. They will
197 have to go through the process of eligibility and meet the requirements, but for the
198 summer months we are going to allow that four month window for people to let their
199 lawns die out. Director Warden was pleased to hear of this change. Director Vella
200 asked for clarification about the increase in revenues, given that there is an 18% rate
201 increase, but the budget indicates shows 0.3% increase in Water Commodity Charges.

102 General Manager Rudock mentioned that Alameda County Water District has submitted
103 a proposal to BAWSCA member agencies offering up its excess stored water to be
104 available within the Regional Water System as long as it can avoid paying the balance
105 due for its minimum water supply from the SFPUC (about \$1.2 million). She will bring
106 back more details next month.
107

108 8. DROUGHT AND WATER CONSERVATION

109 A. Water Conservation Progress Report

110 General Manager Rudock highlighted April's reduction of 23.9% which was the highest
111 monthly effort since tracking started in February 2014. There are new tracking
112 requirements effective for the period of June 1, 2015 through February 29, 2016. She
113 mentioned that there was discussion among water suppliers within the Regional Water
114 System to implement similar minimum standards for outdoor irrigation restrictions,
115 including an odd/even watering schedule to promote consistency within the system.
116

117 Lastly, staff will be presenting water conservation information together with BAWSCA at
118 a meeting hosted by the Belmont Library on May 27th.
119

120 B. Consider Ordinance 113 Implementing 2015 Statewide Mandatory Water 121 Conservation Regulations and Amending Ordinance 111 Implementing Stage 2 122 Water Shortage Response of Water Shortage Contingency Plan Regarding 123 Mandatory Restrictions on Outdoor Water Use 124

125 General Manager Rudock and District Counsel Sherman presented Ordinance 113 and
126 discussed staff's approach to monitor consumption before implementing enforcement
127 actions. She was directed to add language about the MPWD's 20% reduction goal, and
128 to add the mandatory requirement for hotels to launder linens upon request from
129 customers. It was recommended to remove point "J" in the ordinance, which states 'The
130 use of potable water for outdoor irrigation in an amount that exceeds 80% of the
131 customer's use of water for that purpose in calendar year 2014', because it is too vague.
132 Lastly, it was recommended that language be added limiting external water usage to two
133 days per week without a specific watering schedule at this time.
134

135 Director Vella asked that the language be easily understood, and that what is being
136 asked is easy to manage. Vice President Zucca suggested since the District has an
137 80% reduction requirement, there be a suggestion of how many minutes to water for the
138 two days per week requirement. Director Stuebing added that most customers will not
139 read this ordinance; therefore, communication from MPWD staff will be important to
140 customers. District Counsel Sherman will incorporate the changes and submit it to the
141 District Secretary for signatures.
142

143 MPWD ratepayer Phil Kaster addressed the Board during public comment regarding
144 irrigation water use. He asked for clarification about the word "irrigation" and did it
145 include anybody watering their yard with sprinkler systems or hand watering.
146 Director Stuebing clarified that the ordinance did not affect either hand watering,
147 sprinkler systems, or drip systems. Mr. Kaster commented that during his
148 experience in twenty years in writing regulations for the federal government is if it
149 is not enforceable or enforced, it is worse than nothing at all. He recommended
150 leaving it as a goal rather than using enforcement.
151

202 General Manager Rudock indicated the Fixed Service Charges will increase by the 18%;
203 however, due to mandatory conservation efforts of 20% reduction, she reduced the
204 anticipated revenues. The net effect of this reduction indicates 0.3% rate increase from
205 last year.
206

207 **C. Director Reports**

208 Director Stuebing discussed the Belmont Library Presentation, noting there is a very
209 interested group in the community and even anxious about how they are going to save
210 water. Then there are some who are oblivious. It is our challenge to reach those
211 people, and it has to be through a positive message.
212

213 Director Vella mentioned that we need to make an effort to be present at meetings and
214 settings where drought is being discussed.
215

216 Director Zucca thanked again staff for helping with the presentation he gave at the
217 Belmont City Council Meeting. He would like for MPWD to present a "State of the
218 Water" address at least once a year. The City Council members asked very good
219 questions, they were engaged, and it was a good meeting.
220

221 President Linvill said she enjoyed the Association of California Water Agency
222 Conference (ACWA) conference this year. She found it to be the best one she has
223 attended. It was well attended. Governor Brown spoke at lunch. There were very
224 meaningful sessions. She found groups like "Fish and Wildlife" and the "Farmers" were
225 very emotionally involved in their functions, and there was agreement amongst these
226 groups that we are all in this together, that the environment needs to be protected. It
227 was a very powerful conference. She commented on an article written by the New
228 Yorker about the Salton Sea, and one about Lake Mead drying up.
229

230 **9. FUTURE AGENDA BUSINESS ITEMS**

- 231 1) Proposition 218 water rates public hearing is schedule for the June 25, 2015, regular
232 Board meeting.
233 2) Final FY 2015/2016 Operating and Capital Budgets for approval.
234 3) MPWD Green Certification.
235

236 **10. COMMUNICATIONS**

237 The Belmont Chamber of Commerce Belmont Street Map and Community Guide, of which
238 the MPWD is a participant, were distributed.

239 Water Conservation Specialist, Jeanette Kalabolas summarize the Belmont Library
240 presentation, which had a conservation theme. About 40 adults were in attendance, and
241 attendees picked up toilet tank dye tabs, tank banks, and moisture meters. Other
242 conservation ideas were discussed during the presentation. The attendees were very
243 interested in the subject matter and had very good questions and comments.
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245 **11. ADJOURNMENT**

246 Director Vella moved to adjourn at 8:18PM, Director Stuebing seconded, and it was
247 unanimously approved.
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Candace R. Pina
DISTRICT SECRETARY

APPROVED:

[Signature]
BOARD PRESIDENT