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

January 10, 2019
Belmont, California

1. **OPENING**

A. Call to Order:
The special meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Vella at 6:07PM.

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, District Secretary/Administrative Services Manager Candy Pina, District Counsel Julie Sherman, District Engineer Pakpour, District Treasurer Jeff Ira, Jeanette Kalabolas, Administrative Specialist, and facilitator, Julie Brown.

C. Pledge of Allegiance – The Pledge of Allegiance was led by Julie Brown.

2. **PUBLIC COMMENTS**
None

3. **AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**
None

4. **REGULAR BUSINESS AGENDA**

A. **Receive General Manager's Report on 2017-2018 Strategic Plan Accomplishments**

- Facilitating Consultant Julie Brown, of Julie M. Brown and Associates, who has worked for several years with the Board on its strategic planning opened the discussion with the idea of focusing on three main topics over the course of the evening: Accomplishments, 2017-2018 plan challenges, and strategic "rocks" for 2019-2010 plan.
- General Manager Rudock reviewed highlights from the 2017-2018 Strategic Plan Progress Report.
- Ms. Brown then asked General Manager Rudock to reflect on her 2017-2018 accomplishments and General Manager Rudock responded in order:
    - Finance
    - Capital
    - Organization/Operations
    - Water Conservation/Efficiency
- The Board of Directors and staff were then given the opportunity to provide their input as to key 2017 accomplishments and Ms. Brown charted the following highlights:
    - Cost of Service Fee Analysis
    - Financial Management System Transition
    - Pre-Funding Liabilities

- Delivering on Capital Program Commitments
- Working Safe
- Labor Negotiations
- Completing Employee Position Descriptions
- Total Compensation Study
- Staff Leadership Development
- City of Belmont Joint Capital Project
- Board Bylaws Completed
- Financial Management
- Taking Longer, Broader View of Work (Rates, Connections Fees, Water Off-Set, Drought Rates, etc.)
- Master Plan
- Health Care Contract
- Continuing to Run the Business with Small Group

B. Develop Preliminary 2019-2020 Strategic Plan

- General Manager Rudock shared 2019-2020 staff proposed Strategic "rocks" and Plan for Board comment:
  - Strategic Element #1 – External Relationships and Customer Service
    1-1. External Relationships/Customer Service and the corresponding support systems (e.g. billing)
    1-2. Sensus Customer Service Portal
    1-3. Website Maintenance
    1-4. State of District Address
    1-5. Coordination Agreements with Belmont for Long-Term Planning Agreement
  - Strategic Element #2 – Resource Management Priorities
    2-1. Review, Revision & Update Water Service Ordinance 103
    2-2. Consider the Sale of District Properties
    2-3. Conservation (From Board of Directors: Explore best practices opportunities such as the idea for shallow aquifer reuse like in Australia, and/or gray water programs as part of an action plan)
    2-4. Records Retention and Email Policy
  - Strategic Element #3 – Infrastructure Management and Operations
    3-1. Continue CIP
    3-2. Complete Update Emergency Response Plan
    3-3. Update Comprehensive System Analysis (Master Plan)
    3-4. 1510 Folger Pump Station Demolition
    3-5. Rehabilitate Dairy Lane Operations Center
    3-6. Complete O&M Manual
  - Strategic Element #4 – Human Resources Management
    4-1. Reorganization/Succession Planning for General Manager (From Board of Directors: Focus on timing, incentives, continuity and overall transition plan for staff as part of the action plan)
    4-2. Revise and Review Personnel Manual
    4-3. Update Employee Performance Evaluation Tool
  - Strategic Element #5 – Financial Management
    5-1. Discuss Gap in COP/CIP ($8M)
    5-2. Create Financial Plan Policy for PARS OPEB and PRSP Trust Funds
    5-3. RFQ for Next 5-Years Rate Plan/10-Year Financial Plan
    5-4. Complete Financial Control Policy Manual
- The Board of Directors and staff also discussed 2019-2020 challenges:

- State Water Resources Control Board funded/unfunded mandates
- Managing rising costs (specifically construction)
- Recruitment/retention issue with area cost of living
- Succession planning/retirements
- Per capita cost of water
- New State government and unknown potential impacts
- Potential extended drought
- Major failure of SFPUC infrastructure
- Water conservation
- Substitute Environmental Document (SED) – Potential significant water supply impact if drought occurs

- Staff and the Board agreed that a next steps task list will be brought back at the February 2019 Board meeting for review and additional input.

C. Consider and Approve 2019-2020 Director Assignments

- Director assignments for 2019-2020 were discussed briefly and are as follows:
  - Association of California Water Agencies (ACWA) Region 5 – All
  - ACWA/Joint Poers Insurance Authority (JPIA) – Directors Warden and Wheeler
  - Bay Area Water Supply & Conservation Agency (BAWSCA) – Director Vella
  - San Mateo Chapter-California Special Districts Association (CSDA) – Staff
  - General Manager Performance Evaluation – Directors Vella and Zucca
  - Harbor Industrial Association (HIA) – Directors Vella and Wheeler
  - Financial Audit Committee – Directors Warden and Schmidt
  - Belmont Chamber of Commerce – All
  - 1976 Painted Hydrants Committee – Director Warden

D. Other Topics for the Good of the Order

None.

The Board convened into Closed Session at 8:20PM.

5. CLOSED SESSION

REVIEW PUBLIC EMPLOYEE DISCIPLINE DETERMINATION
Government Code §54957(b)

6. RECONVENE TO OPEN SESSION

The Board reconvened to open session at 8:45PM. District Counsel Sherman reported that the Board upheld the discipline determination.

7. ADJOURNMENT

The meeting was adjourned at 8:46PM.

Candace R Pina
DISTRICT SECRETARY

APPROVED:

BOARD PRESIDENT