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

May 23, 2019  
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. Establishment of Quorum:**

**PRESENT:** Directors Vella, Zucca, Warden, Schmidt and Wheeler.

A quorum was present.

**ALSO PRESENT:** General Manager Tammy Rudock, Administrative Services Manager and Board Secretary Candy Pina, District Engineer Joubin Pakpour, District Treasurer Jeff Ira, and District Counsel Julie Sherman.

**C. Pledge of Allegiance** – The Pledge of Allegiance was led by District Engineer Pakpour.

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

**A. Brent Chester, Operations Supervisor – 25 Year Service Anniversary**

General Manager Rudock advised the Board that Mr. Chester was unable to attend this evening's meeting and his recognition would be postponed until next month. She also shared that Jon Tscharner; Maintenance Technician announced his retirement and staff would also schedule that acknowledgement for next month's meeting.

**B. MPWD – Achieved Special District Leadership Foundation's District Transparency Certificate of Excellence**

Board President Vella and General Manager Rudock reported on the District's recognition at the CSDA Special District Legislative Days they attended in Sacramento, CA on May 21-22, 2019.

**C. City of Belmont and MPWD – Honor Award presented by the American Public Works Association/Silicon Valley Chapter for 2017 Joint Sewer Rehabilitation and Water Main Replacement Capital Project**

General Manager Rudock offered details from the awards ceremony held Wednesday, May 15, 2019, regarding the joint award presented to the MPWD and City of Belmont.

5. **CONSENT AGENDA**

**A. Approve Minutes for the Regular Board Meeting of April 25, 2019**

52  
53 **B. Approve Expenditures from April 20, 2019 through May 13, 2019**

54  
55 **C. Approve Contract for Professional Services in the total amount of \$35,000 with**  
56 **Urban Futures, Inc. for Comprehensive Financial Modeling (10-Year), including**  
57 **Analysis of MPWD PARS OPEB/PRSB Plan**

58 Director Warden commented on UFI Financial Solutions' Model Services proposal letter  
59 and the expense for a spreadsheet model. General Manager Rudock explained that this  
60 is the financial planning alternative staff developed in lieu of a comprehensive water rate  
61 study for next year's Proposition 218 process. This work is required in order to be  
62 compliant with Proposition 218's substantive requirements.

63  
64 Director Wheeler moved to approve the Consent Agenda and the Contract for  
65 Professional Services in the total amount of \$35,000 with Urban Futures, Inc. for  
66 Comprehensive Financial Modeling (10-Year), including Analysis of MPWD PARS  
67 OPEB/PRSB Plan. Director Schmidt seconded and it was unanimously approved, with  
68 the exception of Director Warden's abstention from the vote on the April 25, 2019 Board  
69 meeting minutes.

70  
71 **6. HEARINGS AND APPEALS**

72 None.

73  
74 **7. MPWD FY 2016-2021 CAPITAL IMPROVEMENT PROGRAM AND 2016 COP**  
75 **(CERTIFICATES OF PARTICIPATION) FINANCING**

76 **A. Consider Resolution 2019-09 Authorizing Award of Contract to Stoloski &**  
77 **Gonzalez, Inc. for Construction of the Notre Dame Ave, Cliffside Court and Tahoe**  
78 **Drive Area Water Main Replacement Project and Zone 5 Fire Hydrant Upgrades (CIP**  
79 **07-1621-CP) in the amount of \$1,949,385 and Providing a 10% Project Contingency in**  
80 **the amount of \$195,000 for a Total Project Budget of \$2,144,385**

81 District Engineer Pakpour provided an update on the CIP 07-1621-CP bid process and  
82 recommended the project award to Stoloski & Gonzalez, Inc.

83  
84 Director Warden asked staff to elaborate on bid error procedures. General Counsel  
85 Sherman explained the relief of bids process pursuant to California Contract Code Section  
86 5103.

87  
88 Director Schmidt inquired as to why the date was left blank on the first page of the proposed  
89 Construction Agreement under Section 3, Contract Price (page 29 of the Board packet).  
90 District Engineer Pakpour explained that a sample template is included under the Board  
91 packet for reference purposes only. District Counsel Sherman also added that contract  
92 terms remain unchanged from the template version and the contract document package is  
93 completed once all of the required attachments, including proof of insurance and project  
94 bonds, are received.

95  
96 President Vella asked staff to explain the difference between ductile iron pipe (DIP) and  
97 plastic PVC piping that is being proposed for use here. District Engineer Pakpour shared  
98 that PVC is used in areas that are highly susceptible to corrosion and DIP is used because it  
99 can better withstand seismic activity.

100  
101 Vice President Zucca commented on the word- for- word repetition of the subject and  
102 recommendation lines as presented under Agenda Item 7.A.'s report in the Board packet.

103 General Manager Rudock clarified that the information is presented as verbatim for  
104 transparency purposes and District Counsel Sherman advised what is required of the District  
105 per the Brown Act.  
106

107 Vice President Zucca moved to approve Resolution 2019-09 Award of Contract to Stoloski &  
108 Gonzalez, Inc. for Construction of the Notre Dame Avenue, Cliffside Court, Tahoe Drive  
109 Area Water Main Replacement Project and Zone 5 Fire Hydrant Upgrades (CIP 07-1621-CP  
110 in the amount of \$1,949,385 and providing a 10% contingency in the amount of \$195,000 for  
111 a total project budget of \$2,144,385. Director Warden seconded and it was unanimously  
112 approved.  
113

## 114 **8. REGULAR BUSINESS AGENDA**

### 115 **A. Review and Discuss Final DRAFT MPWD Operating and Capital Budgets for Fiscal** 116 **Year 2019/2020**

117 General Manager Rudock reported on several DRAFT budget line item corrections  
118 under the Increase/(Decrease) column discovered by Director Schmidt.  
119

120 The Board gave staff direction that going forward the Ad-Hoc Finance Committee is to  
121 meet, review and discuss the Fiscal Year Operating Budget prior to its annual adoption.  
122

123 Director Schmidt inquired about the District's depreciation schedule and why it's  
124 reflected under both Operating and Capital Expenses. General Manager Rudock  
125 explained that rates are paying for \$970,000 to be funded FY 2019-2020 and transferred  
126 over to the CIP. Director Schmidt also asked that staff show the delta(s) between each  
127 draft budget presented to the Board on an annual basis going forward in an effort to  
128 document its evolution.  
129

130 An open board discussion followed on salaries and wages budget description item,  
131 present and future staffing needs and meter maintenance. Director Warden requested a  
132 breakdown of the proposed Salaries & Wages increase. Upon the conclusion of  
133 conversation, Board direction was given to bring back an amended draft with the  
134 changes discussed for final consideration next month.  
135

### 136 **B. Consider Resolution 2019-10 Approving an Adjustment to the Compensation of** 137 **the General Manager of the MPWD effective January 1, 2019 Corresponding Fifth** 138 **Amendment to the General Manger's Employment Agreement and Updated** 139 **General Manager Salary Schedule**

140 District Counsel Sherman reminded the Board that the Brown Act requires a brief oral  
141 summary prior to adoption of this item.  
142

143 Director Warden asked if the cost of living stipend would only apply to the District's  
144 current General Manager. District Counsel Sherman confirmed that the stipend will  
145 remain in effect for the current General Manager only. He also asked for clarification  
146 with respect to CalPERS rules. District Counsel Sherman confirmed that the stipend is  
147 not intended to meet the definition of "pay rate" or "special compensation" for purposes  
148 of reporting the General Manager's compensation to CalPERS.  
149

150 The Board recognized General Manager Rudock's achievement and congratulated her  
151 on another successful year. District Counsel Sherman summarized the proposed salary  
152 adjustment recommendation.  
153

154 Vice President Zucca moved to approve Resolution 2019-10 Approving an Adjustment to  
155 the Compensation of the General Manager of the MPWD effective January 1, 2019  
156 Corresponding Fifth Amendment to the General Manger's Employment Agreement and  
157 Updated General Manager Salary Schedule. Director Wheeler seconded and it was  
158 unanimously approved.  
159

160 **C. Approve Revised Annual Planning Schedule for Board of Directors**

161 General Manager Rudock reported on a number of edits.  
162

163 The Board discussed conducting strategic planning meetings annually in lieu of a bi-  
164 annual meeting and it was decided that a special meeting would occur each January  
165 with a facilitator participating in odd-numbered years only.  
166

167 Director Schmidt asked staff to elaborate on July's schedule activity #3,  
168 Consider/Approve living wage adjustment for MPWD Employee Association. General  
169 Manager Rudock explained that this is a provision of the negotiated letter agreement  
170 that was ratified and approved in September 2018.  
171

172 General Manager Rudock asked for further clarification on August's schedule activity #1,  
173 Receive progress report on Annual Strategic Plan. The Board decided that this mid-year  
174 report could be moved to September's schedule activity #1: Receive General Manager's  
175 MPWD annual progress report for fiscal year end. The Board also confirmed that they  
176 would like the month of August blocked on the schedule and move those items to July or  
177 September, as the Board agreed to take a month off each summer for scheduled  
178 vacations.  
179

180 **D. Receive BAWSCA Report**

181 General Manager Rudock reported on highlights from the BAWSCA Board meeting and  
182 the Water Manager Representative meeting.  
183

184 There was discussion about BAWSCA's use of the water management committee and  
185 General Manager Rudock stated that BAWSCA staff recently reminded the water  
186 managers that they were an advisory group only. President Vella had understood that  
187 BAWSCA agenda items were vetted first at the manager/local agency staff level before  
188 coming to the BAWSCA Board.  
189

190 **9. MANAGER AND BOARD REPORTS**

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

192 General Manager Rudock reported on several items that were not included under her  
193 board packet report, including the MPWD's participation in the San Mateo County  
194 Annual Public Works Rodeo on Wednesday, May 15, 2019, Belmont's Public Works  
195 Open House, and the MPWD's Spring 2019 BAWSCA Landscape Education Class on  
196 Wednesday, May 22, 2019. She also reminded the Board about the ACWA Region 5  
197 Board openings.  
198

199 Director Zucca commented on the possibility of a joint agency local effort citizen's  
200 academy.  
201

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

203 Administrative Services Manager Pina provided a status report on miscellaneous  
204 fees collected in 2019.

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**2. Supplemented by Operations Manager's Report**

In the absence of the Operations Manager, General Manager Rudock reported on the drop in AMI meter installations remaining from 192 to 178.

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

District Engineer Pakpour gave a background summary and update on the current Hillcrest Pressure Regulating Station capital project in Redwood City.

**B. Financial Reports**

**1. Receive Financial Reports for Month Ended April 30, 2019**

Administrative Services Manager Pina reported on the year-to-date and operating/non-operating revenue and expense totals percentages. She also shared that the current debt service coverage ratio is 2.54 and that footnotes have been added to the Financial Summary Report for reference purposes.

**C. Director Reports**

Director Wheeler reported that he attended the HIA meeting, along with General Manager Rudock, and he provided an update on the Belmont Creek Flood Control Project and California Senate Bill 555 legislation.

Director Schmidt reminded the Board and staff that he would not be at the June 27, 2019 Board Meeting.

President Vella reported he attended the CSDA Special District Legislative Days in Sacramento, CA May 21-22, 2019 and the various meetings scheduled with local legislators. He further commented on California Senate Bill 13 regarding Accessory Dwelling Units and fees. General Manager Rudock shared some additional information on the intended law as well.

**10. COMMUNICATIONS**


None.

**11. ADJOURNMENT**

The meeting was adjourned at 8:30PM.

  
DISTRICT SECRETARY

APPROVED:

  
BOARD PRESIDENT

