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

December 16, 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 6:30 PM.

B. Pledge of Allegiance – The Pledge of Allegiance was led by retired former MPWD Director David Altscher.

C. Receive Certificate from San Mateo County Chief Elections Officer dated November 24, 2015

General Manager Rudock summarized the certified results.

D. Administer Oath of Office: Louis J. Vella and Matthew P. Zucca

Board Secretary Pina administered the Oath of Office for Directors Vella and Zucca.

E. Establishment of Quorum:

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

ABSENT: None

A quorum was present.

ALSO PRESENT: General Manager Tammy Rudock, Administrative Services Manager Candy Pina, Operations Manager Rene Ramirez, District Counsel Julie Sherman, and District Engineer Joubin Pakpour. District Treasurer Jeff Ira arrived at 7:45pm.

F. Election of Officers (Followed by a Reception)

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

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

President Zucca then presented the outgoing President Linvill with a gift, and thanked her for her service in leading the District in 2015.

2. PUBLIC COMMENTS

None.

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

52 None.

53
54 **4. ACKNOWLEDGEMENTS/PRESENTATIONS**

55 Jon Tscharner, Maintenance Technician: Service Anniversary – 25 Years
56 Henry Young, Field Operations Supervisor: Service Anniversary – 15 Years
57 President Zucca presented Jon Tscharner with a 25-Year Service Award plaque and
58 thanked him for his loyalty and service to MPWD. Henry Young was working a water main
59 break and was unable to attend the meeting. The Board thanked him for his continued
60 service to the MPWD.

61
62 **5. CONSENT AGENDA**

- 63 **A. Approve Minutes for the Regular Board Meeting of November 16, 2015.**
64 **B. Approve Expenditures from November 5, 2015, through December 2, 2015.**
65 **C. Approve Professional Services Agreement in the amount of \$38,860 with**
66 **Managewater Consulting, Inc., for the 2015 Urban Water Management Plan**
67 **with an Option Not to Exceed \$10,000 to Revise MPWD's Water Shortage**
68 **Contingency Plan**

69
70 Vice President Warden was concerned with having only one Board meeting to review and
71 approve the Urban Water Management Plan before it was due. This was based on the
72 timeline included in the proposal presented by Managewater Consulting, Inc., which he
73 noted on page 47 of the agenda packet. He requested that staff work with the consulting
74 firm to push that timeline back one month to allow for additional District review time. Staff
75 will discuss this issue with the consulting firm. Vice President Warden moved to approve the
76 consent agenda, Director Stuebing seconded, and it was unanimously approved.

77
78 **6. HEARINGS AND APPEALS**

79 None.

80
81 **7. DROUGHT AND WATER CONSERVATION**

82 **A. Water Conservation Progress Report**

83 General Manager Rudock summarized her report, stating that MPWD is meeting its
84 required water conservation target. MPWD's GPCD is at 61.6%, the lowest it has been
85 since 1964. There was one customer complaint in November, which was addressed by
86 staff.

87
88 **B. Discuss Ordinance No. 115 Regarding the BAWSCA Regional Water Efficient**
89 **Landscaping Ordinance, effective February 1, 2016**

90 Following last month's introductory report on this item, General Manager Rudock
91 conducted background research and discovered that in December 2010, no action had
92 been taken by the Board to adopt the former BAWSCA ordinance. As a result, by
93 default, the State's Model Ordinance became the operational ordinance in the District's
94 service area. Nevertheless, staff actually followed the BAWSCA standards and
95 checklists, because they were much easier to administer in comparison to the state
96 standards.

97
98 General Manager Rudock reported that staff worked the past couple of months with the
99 BAWSCA agency team to develop the proposed BAWSCA WELO, proposed as MPWD
100 Ordinance 115, which implements local standards that are actually more effective than

101 the State Model Ordinance. Ordinance 115 provides for a continuance of existing
102 MPWD practices.

103 Vice President Warden asked about the landscape plan check review. General
104 Manager Rudock explained that Jeanette Kalabolas reviews the landscape plans in
105 coordination with MPWD project plan reviews.
106

107 A public hearing will be scheduled and properly noticed for next month in order for the
108 Board to timely consider for approval Ordinance 115 by February 1, 2016.
109

110 **8. REGULAR BUSINESS AGENDA**

111 **A. Consider Resolution 2015-21 Authorizing MPWD 5-Year Capital**
112 **Improvement Program for Fiscal Years 2016/2017 through FY 2020/2021**

113 General Manager Rudock summarized the previous Board discussion items regarding
114 the proposed Capital Improvement Program (CIP) during the past two months. The
115 subject resolution provided for the authorization of a 5-year CIP valued at an estimated
116 \$25 million. District Engineer Pakpour added that MPWD is working with the City of
117 Belmont to coordinate projects to minimize duplication of efforts and costs. Vice
118 President Warden mentioned the City of Belmont has a 5-year Capital Improvement
119 Plan for sewers/streets/storm drains in place, which should assist staff in its coordination
120 planning efforts with the City.
121

122 Rather than approve the proposed Resolution 2015-21, the Board provided preliminary
123 agreement that the proposed CIP appears appropriate, and further provided direction to
124 staff that it bring back a resolution for formal approval after the associated financing
125 options are developed and brought to the Board for discussion and approval.
126

127 **B. Consider Resolution 2015-22 Authorizing the Commencement of**
128 **Proceedings in Connection with the Financing of Water System**
129 **Improvements and Designating Wulff Hansen & Company as Municipal**
130 **Financial Advisor, and Quint & Thimmig, LLP as Bond Counsel and**
131 **Disclosure Counsel**

132 General Manager Rudock summarized the resolution. As part of the discussion
133 regarding the consideration of District assets in development of the financing options,
134 President Zucca inquired about the \$1.5 million estimated cost for the 3 Dairy Lane
135 property rehabilitation and upgrade and requested more details. Director Linvill
136 expressed her concern that the MPWD will no longer be able to fund the existing CIP on
137 a pay-go basis. She further stated that with \$42 million in capital projects identified, and
138 very old pipes in the ground, it would not be in the best interest of the rate-payers or the
139 District to spend \$1.5 to \$2 million yearly to accomplish those projects, especially since
140 more projects will be added as the MPWD works through the CIP. President Zucca
141 suggested an oversight/steering committee to manage the CIP projects. He also added
142 that when there is infrastructure work related to pipe, there needs to be borrowed money
143 used to get this work done. Director Stuebing agreed and stated the CIP needs to get
144 done, and that the MPWD should strive to get back to pay-go when possible. District
145 Treasurer Ira stated that all these years of pay-go have caused the District to be grossly
146 underfunding the CIP; so now is the time to rectify that issue.
147

148 General Manager Rudock discussed how Wulff Hansen & Company was selected by
149 former experience working with staff and their qualifications in working in communities
150 that are new to debt financing. They met with the Directors assigned to the annual

151 financial audit and both Vice President Warden and Director Linvill were satisfied that
152 the representatives were qualified as municipal financial advisors.

153
154 Director Stuebing moved to approve Resolution 2015-22 Authorizing the
155 Commencement of Proceedings in Connection with the Financing of Water System
156 Improvements and Designating Wulff Hansen & Company as Municipal Financial
157 Advisor, and Quint & Thimmig, LLP as Bond Counsel and Disclosure Counsel, Vice
158 President Warden seconded. Roll call was taken and it was unanimously approved.
159

160 **C. Schedule MPWD Strategic Planning Special Meeting in January 2016**

161 The date of Thursday, January 21st, at 5:00PM was agreed upon for the Strategic
162 Planning Special Meeting.
163

164 **D. BAWSCA Update**

165 Director Vella provided a brief BAWSCA updated, mentioning that the Restore Hetch
166 Hetchy litigation is moving along.
167

168 **9. MANAGER'S AND BOARD REPORTS**

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

170 General Manager Rudock highlighted that the personnel manual is scheduled to be
171 completed by Friday, going to ACWA/JPIA and District Counsel for their review.
172

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

174 Administrative Services Manager Pina updated the PARS/OPEB results for October
175 as follows: Beginning balance of \$440,908.02; contributions of \$40,050.00; earnings
176 of \$11,181.61; ending balance of \$492,139.63.
177

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

179 Operations Manager Ramirez highlighted the fact that staff is working in the early
180 morning hours in some cases to replace meters, which would impact businesses.
181 General Manager Rudock acknowledged that staff is dedicated to maintaining
182 minimal interruption to service levels in order to achieve AMI installation. Staff goes
183 above board to provide that high level of service. She added that Operations staff,
184 including the Operations Manager, walked the Tunnels water main last month, which
185 enabled the District to physically inspect the 2+ mile site and clear hazards or
186 obstructions and install new signage accordingly. Operations Manager Ramirez said
187 it was a very good exercise for staff, and some clean-up work was accomplished
188 during that trip.
189

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

191 District Engineer Pakpour discussed the Folger property and the survey in process of
192 reconciling the property boundaries. He also discussed the Dekoven tank seismic
193 evaluation.
194

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196 **B. Financial Reports**

197 General Manager Rudock noted that total revenues and expenses are on target.
198 Director Linvill asked that the MPWD Reserve Funds report on the Administrative
199 Services Manager report be moved to the financial reporting.
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C. Director Reports

Director Linvill reported on the HIA meeting that she attended with General Manager Rudock and Operations Manager Ramirez. Brent Chester made a joint presentation with San Mateo County on cross-connection, which was well received. In 2015, she will be working on the Board By-Laws project.

Director Vella asked that the Strategic Planning meeting be moved to 5:00PM on the 21st because he has a BAWSCA meeting that evening. He also requested that staff make presentations to the neighborhood associations along with the fire department as a way to have more of a presence in the community.

Vice President Warden would like to see a venue given by staff to disseminate information about the District. He also would like to see the annual employee appreciation dinner put back into the budget.

10. FUTURE AGENDA BUSINESS ITEMS

None.

11. COMMUNICATIONS

There was a communication about the HIA Cross-Connection presentation given by Brent Chester, Field Operations Supervisor.

President Zucca took a 5-minute recess at 9:05PM and adjourned into closed session.

**12. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
AND ASSOCIATED NEGOTIATIONS**

Government Code §§54957 and 54957.6
Title: General Manager

Reconvened into closed session at 9:25 PM.
District Counsel Julie Sherman reported that no action was taken.

Adjourned at 9:30PM.



DISTRICT SECRETARY

APPROVED:


BOARD PRESIDENT

