



**SPECIAL MEETING
BOARD OF DIRECTORS
THURSDAY, JANUARY 13, 2022 - 6:00 PM**

AGENDA

**DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED
VIA TELECONFERENCE ONLY (NO PHYSICAL LOCATION)
PURSUANT TO ASSEMBLY BILL 361 (GOVERNMENT CODE SECTION 54953)**

MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON

Public comments may be made during the meeting, or submitted before the meeting via email to General Manager, Tammy Rudock, at tammyr@midpeninsulawater.org. Please indicate in your email the agenda item to which your comment applies. Comments submitted before the meeting will be provided to the Board before or during the meeting.

Should the teleconference platform not be operational, please check the MPWD website home page for updated information and/or further instructions at: www.midpeninsulawater.org

Board members, staff, consultants, and the public may participate remotely.

**Meeting Link: <https://global.gotomeeting.com/join/633532917>
Dial by Telephone U.S. (Toll Free): 1-866-899-4679
Access Code: 633-532-917**

1. OPENING

- A. Call to Order
- B. Establishment of Quorum

2. PUBLIC COMMENT

If you wish to address the Board, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the Board and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.

3. AGENDA REVIEW: ADDITIONS/DELETIONS

4. REGULAR BUSINESS AGENDA

- A. Receive Progress Report and 2021 Significant Accomplishments on MPWD 2021-2022 Strategic Plan
- B. Review MPWD 2021-2022 Strategic Plan
- C. Review Director Assignments for 2022
- D. Other Topics for the Good of the Order

5. ADJOURNMENT

This agenda was posted at the Mid-Peninsula Water District's office, 3 Dairy Lane, in Belmont, California, and on its website at www.midpeninsulawater.org.

ACCESSIBLE PUBLIC MEETINGS

Upon request, the Mid-Peninsula Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation (including auxiliary aids or services), to enable individuals with disabilities to participate in public meetings and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested. Requests should be sent to the General Manager, Tammy Rudock at tammyr@midpeninsulawater.org or call 650-591-8941. Requests must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.



AGENDA ITEM NO. 4.A.

DATE: January 13, 2022
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: RECEIVE PROGRESS REPORT AND 2021 SIGNIFICANT ACCOMPLISHMENTS ON MPWD 2021-2022 STRATEGIC PLAN

RECOMMENDATION

Receive progress report and summary of significant organizational accomplishments through December 31, 2021.

FISCAL IMPACT

None.

DISCUSSION

The Board approved a two-year strategic plan for 2021-2022 on February 25, 2021, which is attached for reference.

Attached is a summary report dated January 5, 2022, of the significant 2021 MPWD accomplishments. Summary updates on the Strategic Plan action items are included and highlighted in gray within the report.

“A” PRIORITIES

All but one of the Strategic Plan “A” Priorities were addressed—and that was No. A-2.2. Comply with DDW/SWRCB regulations: Long-Term Urban Water Conservation Policy – “A California Way of Life.”

Attached is the one-page summary from the 2020 UWMP brochure that staff created. It is an excellent resource in response to the legislatively driven program timeline for the DWR, in coordination with the SWRCB. It was purposefully created so that the MPWD and its customers do not lose sight of the future program legislative requirements.

For this update, the MPWD continues to report its monthly consumption to DWR compared to 2013, and track consumption compared to 2020. We are also actively engaged with the BAWSCA Water Resources Committee and other wholesale water suppliers regarding the DWR draft recommendations for outdoor residential water use standards due this year.

“B” PRIORITIES

I provided an update on most of the Strategic Plan “B” Priorities within the attached report, and they are included within the gray highlighted action items. Please note that the two “B” Priorities identified in Strategic Element #1—No. B-1.1.: Implement updated Miscellaneous Fees and B-1.2.: Develop Water Service Regulations from Water Service Ordinance No. 103 and industry best management practices—were summarized under the more appropriate Strategic Elements # 5 and #3, respectively.

There was nothing to report on the following “B” Priorities:

- No. B-2.2.: Explore Peninsula Energy (potential pipe “step down” pressure energy) and electric vehicle opportunities.
- No. B-2.3.: Explore solar opportunities.
- No. B-3.1.: Complete Dairy Lane Rehabilitation project.
- No. B-5.1.: Investigate divestments with companies that lack greenhouse compliance.
- No. B-5.5.: GASB 75 OPEB Actuarial Report

Attachments: MPWD 2021-2021 Strategic Plan
 Summary of Significant 2021 MPWD Accomplishments dated 01/05/2022
 Summary of the California Way of Life Legislation and Timeline (from the MPWD 2020 UWMP Brochure)

BOARD ACTION: APPROVED:_____ DENIED:_____ POSTPONED:_____ STAFF DIRECTION:_____

UNANIMOUS_____ SCHMIDT_____ WHEELER_____ VELLA_____ ZUCCA_____ MOSTASISA_____



DATE: January 5, 2022

TO: MPWD Board of Directors

FROM: Tammy Rudock
General Manager

RE: Summary of Significant 2021 MPWD Accomplishments

SIGNIFICANT MPWD ACCOMPLISHMENTS IN 2021

1. EXTERNAL RELATIONSHIPS AND CUSTOMER SERVICE

- A. The MPWD customer billing account arrearages totaled around \$34,000 at its high point during the COVID-19 pandemic, which was negligible compared to the \$10 million projected revenues from water rates and fixed system charges. During the declared COVID-19 pandemic emergency, water service shut-offs due to non-payment were not allowed by order of the Governor. One of the reasons the MPWD's arrearages were low in comparison to other water suppliers is because staff proactively created a unique "bill collection" door hanger (an idea taken from collaborating with North Coast County Water District), which proved to be successful in getting customers to pay past-due amounts, especially after reminder mailings seemed to be ignored. The Governor extended his order through December 31, 2021, preventing service shut-offs due to non-payment, and staff continues with its collection efforts. The MPWD also extended waiver of customer account fees. The Board approved resumption of account late fees, effective January 1, 2022.
- B. The MPWD website continued to be proactively managed and utilized for customer engagement and as a public resource. Consultant John Davidson provided an annual report to the Board on website traffic and public outreach activities to the Board on November 17, 2021. Staff is on target to re-certify the MPWD's website for the SDLF Transparency certification, which expires in June 2022.

C. ***STRATEGIC PLAN PRIORITY NO. A-1.1.: COORDINATE WITH CITY OF BELMONT ON ALL CAPITAL PROJECTS***

MPWD continued its quarterly (virtual) coordination meetings with Belmont Public Works and Community Development staff, including MPWD CIP re-prioritization in coordination with the city's street pavement program. Furthermore, on August 24, 2021, I met with Belmont City Manager Afshin Oskoui and discussed priority issues within our organizations and agreed to meet every few months to continue focused discussions on potential

collaborative opportunities between our agencies.

D. ***STRATEGIC PLAN PRIORITY NO. A-1.2.: IMPLEMENT ZONE-BASED ELECTION PROCESS***

Initiated the process for transitioning from at-large to division-based elections for the MPWD Board of Directors in November 2022. A preliminary report and draft maps were reviewed by the Board at its regular meeting on November 17, 2021. Monthly project updates were provided by staff.

E. MPWD staff participated in Belmont's National Night Out in-person event on August 3, 2021.

2. RESOURCE MANAGEMENT

A. **STRATEGIC PLAN PRIORITY NO. A-2.1.: COMPLETE 2020 URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE CONTINGENCY PLAN**

Completed and submitted to DWR the MPWD's 2020 Urban Water Management Plan and Water Shortage Contingency Plan. Staff included the services of external legal counsel that specialized in development of UWMPs and WSCPs, and particularly regarding the serious impacts within the MPWD system because of the potential significant RWS supply cutback if the Bay-Delta Plan is implemented in 2022. Staff created a comprehensive public information and educational brochure and distributed it to customers regarding the MPWD 2020 UWMP & WSCP process, California Conservation Way of Life regulatory timeline, and public hearing and plan adoption schedule.

- B. The MPWD proactively launched its voluntary SAVE 10% water campaign in January 2021 to get out ahead of what was looking like another drought year. And, indeed, it turned out to be a very dry water year! The Governor called for a voluntary 15% in mid-July 2021, so staff promptly converted its messaging to SAVE 15% with a focus on outdoor irrigation as agreed to among the BAWSCA wholesale customers. The website was updated, messaging was included on billing statements, within brochures, service truck decals, and in banners hung in Belmont and at the MPWD Operations Center on Dairy Lane.

C. **STRATEGIC PLAN PRIORITY NO. B-2.1.: INVESTIGATE POTENTIAL GROUND WATER SUPPLY OPTIONS AND PARTNERSHIPS (E.G., SHALLOW WATER AQUIFERS, RECYCLED WATER, DIRECT/INDIRECT POTABLE REUSE)**

A report on the preliminary assessment of potential ground water supply options was completed on October 6, 2021, by consultant EKI Environment & Water, Inc., including review of shallow water aquifers and the well drilling process on private property, which is permitted and managed by San Mateo County. A presentation to the Board was made at its November 17, 2021, regular meeting.

- D. Annual Water Conservation report was distributed to customers in early 2021.
- E. Continued detailed quarterly MPWD Water Conservation reporting (now included within the monthly Drought Conditions & Water Conservation updates).
- F. Staff increased the MPWD Lawn-Be-Gone Program rebate from \$2/SF to \$4/SF and is currently working on launching a formal campaign to encourage customer participation. Staff is also working with BAWSCA and the County of San Mateo on a potential \$1/SF supplement to the MPWD's LBG Program.
- G. Operations Manager Rene Ramirez and I have delivered presentations on the Drought Conditions and MPWD's Water Supply and Conservation Programs to the following:
- Belmont Heights Civic Improvement Association on July 21, 2021
 - Belmont Redwood Shores Rotary on August 16, 2021
 - Belmont City Council on September 28, 2021

One more presentation is scheduled on January 6, 2022, before the Harbor Industrial Association at its monthly meeting. Finally, we are in contact with the City of San Carlos for a presentation to its Economic Development Commission.

- H. MPWD conservation achievements:

- Compared to 2013: At FYE June 30, 2021, cumulative water savings were 14.2%, compared to FYE June 20, 2020, at 12.7%.
 - Compared to 2020, in compliance with Governor's call for voluntary 15% reduction: July 1, 2021 – December 31, 2021, cumulative water savings were 9.7%.
- I. Unfortunately, there were no community education events hosted by the MPWD in 2021 due to the COVID-19 pandemic. Staff is working with BAWSCA on a potential virtual format.

3. INFRASTRUCTURE MANAGEMENT AND OPERATIONS

A. *STRATEGIC PLAN PRIORITY NO. A-3.1.: CONTINUED IMPLEMENTATION OF CAPITAL IMPROVEMENT PROGRAM*

Continued 2016 COP Capital Improvement Program (CIP), including semi-annual project and financial reporting, and website updates:

- Completed construction of Phase 1 of the SR 101 Crossing @ PAMF (Water Main Construction @ PAMF).
- Completed construction of the El Camino Real Water Main Replacement Project and provided monthly progress reports.
- Completed engineering design, neighborhood virtual meeting and public outreach, and let the bid for construction of the Dekoven Tanks Replacement Project. Two bids were received and the lowest was \$1 million over the engineer's estimate. Staff recommended rejection of all bids and the Board approved that action. Staff and the District Engineer will update the MPWD's water storage requirements and will consider alternative tank construction options to report back to the Board. Staff applied for a DWR grant in the amount of \$4 million for this project.
- Completed the demolition of the abandoned pump station @ 1510 Folger and fencing replacement capital project.
- Phase 1 of the Transmission Water Main Assessment project (from the Tunnels intake to the Hallmark water storage tank site) was coordinated during the week of October 4, 2021, but will not be completed until early February 2022 . Pure Technologies will analyze the data gathered and a summary report will be presented to the Board.
- Completed engineering design of the Hasting, Vine, and Belmont Canyon Water Mains Replacement Project and let the bid for construction. Contract award to C2R Engineering for construction was approved by the Board on November 17, 2021.
- Completed engineering design of the Old County Road water main replacement capital project. Bidding is projected for February 2022.
- Engineering design for the next capital project was approved by the Board on December 16, 2021, and included the Dekoven Tank Utilization Project and Oak Knolls Improvements.

B. *STRATEGIC PLAN PRIORITY NO. A-3.2.: COMPLETE RISK AND RESILIENCY ASSESSMENT AND EMERGENCY OPERATIONS PLAN*

Completed in-house and certified with the EPA the MPWD Risk & Resiliency Assessment. The MPWD Emergency Response Plan was certified with the EPA by the deadline of December 31, 2021.

C. *STRATEGIC PLAN PRIORITY NO. B-1.2.: DEVELOP WATER SERVICE REGULATIONS FROM WATER SERVICE ORDINANCE NO. 103 AND INDUSTRY BEST MANAGEMENT PRACTICES*

A working draft of the new MPWD Water Service Regulations (to replace Water Service Ordinance No. 103) has been developed and is currently under review with District Counsel

before one more pass with staff. It is anticipated to be introduced to the Board before FYE June 30, 2022.

D. *STRATEGIC PLAN PRIORITY NO. B-3.2.: DEVELOP RECORDS RETENTION POLICY*

A working draft policy for MPWD Records Retention—Phase 1 was completed, which covers paper documents. All boxed files (280+) were reviewed by staff and most records within those boxes will be recommended for destruction. Phase 2 for the electronic files will be a legacy project for the next General Manager.

- E. The RFP for architectural and engineering design, planning, and construction management is drafted for the Dairy Lane Rehabilitation capital project. It is anticipated to be released to prospective bidders by FYE June 30, 2022.
- F. Continued management of a large volume of planning and development activities (mostly within Belmont), including developer meetings, plan reviews, development of Water Service Agreements, USA locates, service upgrades, and new service installations.
- G. Created an on-call contract with DACO Construction for repair augmentation during emergency water main breaks and operational services and received Board approval.
- H. Provided comprehensive monthly reporting on Operations activities.

4. HUMAN RESOURCES MANAGEMENT

A. Initiated RFP for executive search firm for GM recruitment. Scheduled review meeting with Board Executive Committee on October 15, 2021, on staff recommendation. Contract awarded to Executive Search Firm CPS HR Consulting on October 28, 2021. A proposed recruitment project schedule was discussed and approved by the Board on December 16, 2021. A Board Ad Hoc Committee was also discussed, and President Kirk Wheeler appointed Director Matt Zucca to serve with him on the committee.

B. *STRATEGIC PLAN PRIORITY NO. A-4.1.: CREATE ORGANIZATIONAL SUCCESSION PLAN, INCLUDING STAGES OF IMPACT*

Employee retirements are on target as previously reported to the Board. Three (3) long-time employees retired last year in 2020. The Administrative Services Manager retired, effective December 6, 2021. Five (5) more tenured employees are planning to retire between May 1, 2022, and April 30, 2023—yours truly, as General Manager, a Management Analyst, an Administrative Assistant, a Lead Operator, and a Water System Operator. A progress report on organizational succession plan and staffing levels was presented to the Board at its December 16, 2021, regular meeting.

C. *STRATEGIC PLAN PRIORITY NO. A-4.2.: DEVELOP AND IMPLEMENT COVID-19 PREVENTION PLAN*

Continued proactive leadership and management during the ongoing COVID-19 pandemic declared emergency to safely maintain operations while protecting employees. Developed, implemented, and revised the MPWD COVID-19 Prevention Plan and trained employees on workplace safety procedures. Implemented protocols for visitors. Purchased hand touchless and automatic hand sanitizers, touchless thermometer, and air purifiers for continued safety. Reopened the MPWD offices with reduced hours and there has been very little traffic. During the height of the pandemic, I provided monthly reporting to the Board of all General Manager emergency actions taken for continued operations. Due to recent staff absences and illness from the virus, the MPWD offices were closed on January 5, 2022, and protective workplace restrictions were resumed to protect staff and keep them safe.

D. Complied with 2021 equity salary and living wage adjustments for employee salary ranges per the letter agreement between the MPWD and MPWD Employee Association signed on September 25, 2018 (and ratified by the Board of Directors on September 27, 2018). Also acknowledged dedicated service by staff during the ongoing COVID-19 pandemic and applied 2.3% to employee salaries. Posted updated salary schedules to MPWD website as required by CalPERS policy.

E. Recruited and hired four (4) new Operations personnel to fill vacancies—utilizing a combination of recruitment options, including contract temporary-to-hire candidates. All are new to the public water supply industry. The MPWD’s objective is that each of them will be trained in competencies to become certified Water System Operators. Two (2) of them have since resigned to take other jobs.

F. *STRATEGIC PLAN PRIORITY NO. B-4.1.: IMPLEMENT UPDATED EMPLOYEE PERFORMANCE REVIEW TOOL AND PROCESS*

Completed and implemented the new Employee Performance Evaluation tool and trained Supervisors how to use it. Training for employees is ongoing. It will be evaluated by Management with staff regarding its ease of use.

- G. Reported to Board in Closed Session on MPWD system cybersecurity protections and recommendations by IT consultant Stepford in response to San Mateo Grand Jury report.
- H. Completed recruitment for new Board member, Cathy Mostasisa, orientation, and Operations visit and overview.
- I. Converted to NovusAgenda for the Board meeting agenda preparation, posting, and management, including minutes.
- J. Continued coordination and management of virtual Agenda Review meetings with Board Executive Committee and monthly Board meetings.
- K. ***STRATEGIC PLAN PRIORITY NO. B-4.2.: REVIEW/UPDATE POLICIES***
Developed draft schedule for MPWD policy reviews/updates. Staff will present for the Board's consideration in the second quarter of 2022.
- L. Continued communication sessions and safety meetings (mostly virtual), and a few in-person "lunch and learn" sessions with staff. Continued acknowledging employee service anniversaries. Employee Appreciation Luncheon at the MPWD was enjoyed by all on June 22, 2021.

5. FINANCIAL MANAGEMENT

A. ***STRATEGIC PLAN PRIORITY NO. A-5.1.: COMPLETE AND IMPLEMENT FINANCIAL MANAGEMENT POLICY***

Completed working draft of the new MPWD Financial Management Policy and discussed with the Board Finance Committee a summary of the policy contents and targeted discussions concerning the proposed increased purchasing policy and credit card policy limits. Collaborated with the MPWD's financial auditor and finance management peers. Anticipated to be presented to the Board for consideration during the second quarter of 2022.

B. ***STRATEGIC PLAN PRIORITY NO. A-5.2.: DO A BETTER JOB AT BRINGING DOWN THE PER CAPITA WATER COST***

Another ZERO RATE ADJUSTMENT for customers in FY 2021/2022. Transmitted notices to customers in June 2021.

C. Operated FY 2020/2021 within projected budget. Staff presented its annual review for FY 2020/2021 at the Board's regular meeting on October 28, 2021.

D. Draft financial audit for FYE June 30, 2021, completed on October 7, 2021, with unqualified opinion. An audit exit meeting with the Board Finance Committee was held on November 4, 2021, and the audit and MD&A was presented to the Board on November 17, 2021.

E. Completed sale of the F Street parcel in San Carlos for \$720,000 on October 22, 2021.

F. Provided regular reporting on OPEB and PRSP PARS Combined Trust Plan, including annual presentation on the plan's progress and investment strategy at the December 16, 2021, regular Board meeting.

G. ***STRATEGIC PLAN PRIORITY NO. A-5.3.: FINALIZE WATER RATE STUDY AND DETERMINE SCHEDULE FOR PROPOSITION 218 PROCESS***

Preliminary results of the MPWD 2020 Water Rate Study were presented to the Board by the HF&H consulting team. The project was put on hold until after adoption of the 2020 UWMP and WSCP. A contract budget amendment was approved by the Board and a regroup meeting with staff was accomplished.

H. ***STRATEGIC PLAN PRIORITY NO. A-5.4.: DECIDE WHETHER TO PURSUE BOND REFINANCING OR BOND REISSUANCE FOR CAPITAL PROGRAM***

Continued discussions with the MPWD's Municipal Finance Advisor and team regarding the potential for refunding (refinancing) the 2016 COPs (Certificates of Participation) and options for new debt financing for funding more capital improvements. Arbitrage was also explained. A progress report was developed and presented to the Board on October 28, 2021.

I. ***STRATEGIC PLAN PRIORITY NO. B-1.1.: IMPLEMENT UPDATED MISCELLANEOUS FEES***

Cost-of-Service Fees study is in progress among staff and consultant Dan Bergmann of IGService. The big issue remains—finding options/solutions regarding the MPWD's monthly "fire protection fees," which are centered around the MPWD's backflow and cross-connection prevention program. This project remains within budget and is projected for presentation to the Board by FYE June 30, 2022.

J. ***STRATEGIC PLAN PRIORITY NO. B-5.2.: IMPLEMENT UPDATED WATER CAPACITY CHARGES***

Preliminary results of the MPWD 2020 Capacity Charges and Water Demand Offset Fees Study were presented to the Board by the RDN consulting team. This project was also put on hold until after adoption of the 2020 UWMP and WSCP. A contract budget amendment was approved by the Board and a regroup meeting with staff was accomplished.

K. ***STRATEGIC PLAN PRIORITIES NO. B-5.3. AND B-5.4.: APPOINT DISTRICT TREASURER AND PROFESSIONAL ACCOUNTING SERVICES CONTRACT***

District Treasurer and professional accounting services RFP and notice of vacancy finalized but delayed because of other MPWD priorities. The RFP was reviewed and approved by the Board on October 28, 2021, and the RFP was posted and transmitted to four (4) potential candidates. The MPWD received responses from all four (4) candidates and those will be scheduled for review by the Board's Finance Committee in late January/early February 2022. The Board will consider the recommendation by the Finance Committee on February 24, 2022.

- L. Initiated employee cross-training for billing, accounts payable, and payroll and is ongoing.

CALIFORNIA WAY OF LIFE LEGISLATION



BACKGROUND: In 2018, the California State Legislature enacted two policy bills, Senate Bill (SB) 606 and Assembly Bill (AB) 1668 to establish a new foundation for long-term improvements in water conservation and drought planning to adapt to climate change and the resulting, longer and more intense droughts in California. These two bills amended existing law to provide expanded and new authorities and requirements to enable permanent changes and actions for the purposes of improving the state's water future for generations to come. SB 606 and AB 1668 were direct outcomes of Governor Brown's Executive Order B-37-16 issued in May 2016, and they will continue to evolve.

DISCUSSION: DWR, in coordination with the SWRCB, shall partner in conducting the necessary studies and investigations to develop recommendations and report back to the Legislature on the all standards, variances, objectives, etc. as outlined under the timeframe model provided below:

JANUARY 2021 – PRESENT

- Report on standards for indoor residential use that include benefit and impact assessment.
- Provide retail suppliers with data regarding the area of residential irrigable lands for implementation of outdoor standards.

OCTOBER 2021

- Develop recommendations for standards for outdoor residential water use that incorporate the Model Water Efficiency Landscape Ordinance.
- Study and investigate performance measures on Commercial/Industrial/Institutional (CII) water use and recommend measures that include: a CII water use classification system for significant uses, thresholds for the requirement of a dedicated irrigation meter(s), and best management practices (stakeholder participation must be sought).
- Develop appropriate variances for unique uses that can have a material effect on an retail water suppliers urban water use objective and the corresponding thresholds of significance for each recommended variance, as well as guidelines / methods that identify how a retail supplier calculates its urban retail water use objective.

MAY 2022

- Identify proposed standards for outdoor residential water use and outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use and consider proposed standards potential effects.

JUNE 2022

- Adopt CII water use performance measures.

JULY 2022

- Retail water suppliers shall implement CII water use performance measures.
- Adopt urban water use standards, performance measures (CII only) and related methodology/guidance.

NOVEMBER 1, 2023 and ANNUALLY THEREAFTER

- Each retail supplier shall calculate its water use objective and submit annual reports to the DWR.
- SWRCB may issue an informal, written or formal notice to retail suppliers not meeting their water use objective to identify technical assistance needs.

JANUARY 2024

- Retail suppliers shall adopt and submit to DWR a supplement to their adopted 2020 UWMP on demand management measures to achieve water use objectives.
- Legislative analyst(s) shall provide a report to both houses and the public evaluating implementation of efficiency standards and water use reporting.

JANUARY 2026

- DWR director and SWRCB chairperson shall appear before the appropriate policy committees and report on implementation of water use standards and reporting requirements.

JANUARY 2027

- Retail suppliers shall achieve water use objectives.



MID-PENINSULA WATER DISTRICT

2021-2022 STRATEGIC PLAN

February 25, 2021

Board of Directors:

Brian Schmidt, President
Kirk R. Wheeler, Vice President
Dave Warden, Director
Louis J. Vella, Director
Matthew P. Zucca, Director

Appointed Officials:

Julie Sherman, District Counsel
Joubin Pakpour, District Engineer

Executive Staff:

Tammy Rudock, General Manager
Candy Pina, Board Secretary/Administrative Services Manager
Rene Ramirez, Operations Manager

INTRODUCTION

The Mid-Peninsula Water District (MPWD) Board of Directors held a special meeting on January 14, 2021 to create the MPWD 2021-2022 Strategic Plan.

The plan's strategic goals and framework were reviewed, and minor revisions were made. Strategic items were classified as either "A" (Very Important, Must Do) or "B" (Should Do) priorities and identified in the attached plan. A few operational items were added to Basic Measures for Success included in Attachment 1.

There were no changes for the MPWD Vision and Mission Statements, and Strategic Goals. Director Assignments were updated and that roster is also attached.



February 25, 2021

MISSION STATEMENT

The mission of the Mid-Peninsula Water District is to deliver a safe, high quality, reliable supply of water for current and future generations in a cost effective, environmentally sensitive and efficient manner.

VISION STATEMENT

The MPWD strives to be recognized by our ratepayers, the community we serve, and other agencies for our outstanding service and enlightened water conservation programs. We will employ innovative approaches to water and energy sustainability to achieve cutting edge environmental efficiency and a competitive rate structure. We will commit ourselves to provide community information and water education.

STRATEGIC GOALS

1. To effectively manage the water resources, demands and infrastructure for the District.
2. To operate the District at the highest level of service to ratepayers at the lowest expense.
3. To maintain an environment that fosters open and candid communication with the community, ratepayers, staff, and directors.
4. To keep current with water issues and industry best management standards.

STRATEGIC ELEMENT #1 – External Relationships and Customer Service

GOAL:

Maintain effective working relationships with external agencies.

Objectives:

- *Maintain appropriate agency presence in local, regional and state industry organizations and activities.*
- *Maintain outreach and project coordination with City of Belmont, City of San Carlos, and the County of San Mateo.*

GOAL:

Maintain organizational standards that ensure a high level of service orientation for our ratepayers.

Objective:

- *Provide ratepayers with prompt, professional and courteous service.*

"A" PRIORITIES *	"B" PRIORITIES
<p><u>No. A-1.1:</u> Coordinate with City of Belmont on all capital projects.</p> <p><u>No. A-1.2:</u> Implement zone-based election process.</p>	<p><u>No. B-1.1:</u> Implement updated Miscellaneous Fees.</p> <p><u>No. B-1.2:</u> Develop Water Service Regulations from Water Service Ordinance No. 103 and industry best management practices.</p>

STRATEGIC ELEMENT #2 – Resource Management

GOAL:

Ensure water quality meets desired quality standards.

Objective:

- Water quality standards for SWRCB/Division of Drinking Water are met.

GOAL:

Develop long-term resource sustainability through energy and water conservation measures.

Objectives:

- Participate in BAWSCA water supply reliability and water conservation projects.
- Develop plan for meeting California Conservation Way of Life per capita water demand goals.
- Monitor fuel and energy use to identify opportunities for improvement efficiencies.

"A" PRIORITIES *	"B" PRIORITIES
<p>No. A-2.1: Complete 2020 Urban Water Management Plan and Water Shortage Contingency Plan.</p> <p>No. A-2.2: Comply with DDW/SWRCB regulations: Long-Term Urban Water Conservation Policy – "A California Way of Life".</p>	<p>No. B-2.1: Investigate potential ground water supply options and partnerships (e.g., shallow water aquifers, recycled water, direct/indirect potable reuse).</p> <p>No. B-2.2: Explore Peninsula Energy (potential pipe "step down" pressure energy) and electric vehicle opportunities.</p> <p>No. B-2.3: Explore solar opportunities.</p>

STRATEGIC ELEMENT #3 – *Infrastructure Management and Operations*

GOAL:

Maintain proactive operations and maintenance programs.

Objective:

- *Develop/maintain standard operating procedures in accordance with best management practices.*

GOAL:

Maintain long-term capital improvement program.

Objective:

- *Review MPWD infrastructure modeling for assessment of capital improvement priorities and assess other fixed assets in accordance with best management practices.*

"A" PRIORITIES *	"B" PRIORITIES
<p><u>No. A-3.1:</u> Continued implementation of Capital Improvement Program.</p> <p><u>No. A-3.2:</u> Complete Risk and Resiliency Assessment and Emergency Operations Plan.</p>	<p><u>No. B-3.1:</u> Complete Dairy Lane Rehabilitation project.</p> <p><u>No. B-3.2:</u> Develop records retention policy.</p>

STRATEGIC ELEMENT #4 – Human Resources Management

GOAL:

Develop and maintain systems and processes for effective workforce management.

Objectives:

- *Develop/maintain effective workforce to meet organizational needs.*
- *Maintain:*
 - *Appropriate communication channels with employees*
 - *Positive work environment and employee satisfaction*
 - *Organizational human resources policy.*

GOAL:

Develop and maintain Board of Directors procedures for effective and transparent governance.

Objective:

- *Develop/maintain governing policies and procedures.*

“A” PRIORITIES *	“B” PRIORITIES
<p><u>No. A-4.1:</u> Create organizational succession plan, including stages of impact.</p> <p><u>No. A-4.2:</u> Develop and implement COVID-19 Prevention Plan.</p>	<p><u>No. B-4.1:</u> Implement updated employee performance review tool and process.</p> <p><u>No. B-4.2:</u> Review/update policies:</p> <ul style="list-style-type: none"> ▪ Personnel Manual ▪ Conflict of Interest Code ▪ Rules of the Board of Directors ▪ Annual Planning Schedule for Board of Directors

*Attachment #1 for Basic Measures of Success

STRATEGIC ELEMENT #5 – Financial Management

GOAL:

Establish and achieve annual budget trends.

Objectives:

- Complete annual budget process on a timely basis.
- Monitor financial projections for accurate forecasting.
- Maintain/monitor schedules of water rates, water capacity charges, and miscellaneous fees.
- Update, monitor and implement capital improvement program.

GOAL:

Develop/maintain financial management policy.

Objectives:

- Develop/maintain internal control procedures in accordance with best management practices.
- Maintain Board Finance Committee for detailed review of financial matters.

“A” PRIORITIES *	“B” PRIORITIES
<p><u>No. A-5.1:</u> Complete and implement Financial Management Policy.</p> <p><u>No. A-5.2:</u> Do a better job at bringing down the per capita water cost.</p> <p><u>No. A-5.3:</u> Finalize water rate study and determine schedule for Proposition 218 process.</p> <p><u>No. A-5.4:</u> Decide whether to pursue bond refinancing or bond reissuance for capital program.</p>	<p><u>No. B-5.1:</u> Investigate divestments with companies that lack greenhouse compliance.</p> <p><u>No. B-5.2:</u> Implement updated Water Capacity Charges.</p> <p><u>No. B-5.3:</u> Appoint District Treasurer.</p> <p><u>No. B-5.4:</u> Professional Accounting Services contract.</p> <p><u>No. B-5.5:</u> GASB 75 OPEB Actuarial Report.</p>



2021-2022 STRATEGIC PLAN

ATTACHMENT #1 BASIC MEASURES OF SUCCESS

STRATEGIC ELEMENTS	CORE GOALS	BASIC MEASURES OF SUCCESS
<p>#1 – External Relationships and Customer Service</p>	<p>Maintain effective working relationships with external agencies.</p> <p>Maintain organizational standards that ensure a high level of service orientation for our ratepayers.</p>	<ul style="list-style-type: none"> ▪ External relationships: Attend HIA meetings, neighborhood meetings as appropriate, maintain presence at LAFCO meetings, attend local community City Council meetings, ACWA JPIA and Region 5 meetings, CSDA meetings, including San Mateo chapter, attend SFPUC meetings, BAWSCA meetings, participate in San Mateo County Emergency Managers Association meetings, coordinate meetings with Belmont public officials, Public Works, and Community Development as needed. ▪ Conduct at least one community education event with BAWSCA. ▪ Provide timely and useful customer communications. ▪ Monitor customer satisfaction via a measurable survey. ▪ Proactive MPWD advocacy focusing on common constituent message development and community promotion.
<p>#2 – Resource Management</p>	<p>Ensure water quality meets desired quality standards.</p> <p>Develop long-term resource sustainability through energy and water conservation measures.</p>	<ul style="list-style-type: none"> ▪ Routine water testing and monitoring should meet SWRCB/Department of Drinking Water standards. ▪ Prepare and transmit timely CCR. ▪ Implement feasible water quality inspection recommendations. ▪ Continue distribution system unidirectional flushing program. ▪ Maintain active involvement in BAWSCA water supply reliability and water conservation programs and activities. ▪ Continue water use efficiency messaging to meet regional and statewide water conservation goals. ▪ Annual MPWD Water Conservation Report to customers by January 31st. ▪ Support continued off-peak hour pumping. ▪ Explore solar power opportunities.

STRATEGIC ELEMENTS	CORE GOALS	BASIC MEASURES OF SUCCESS
		<ul style="list-style-type: none"> ▪ Maintain SDFL District Transparency Certificate of Excellence for MPWD website and update often to keep information resourceful.
#3 – Infrastructure Management and Operations	<p>Maintain proactive operations and maintenance programs.</p> <p>Maintain long-term capital improvement program.</p>	<ul style="list-style-type: none"> ▪ Monitor O&M procedures and revise as appropriate. ▪ Continue coordination of CIP with City of Belmont and City of San Carlos. ▪ Cybersecurity vulnerability assessment. ▪ Develop business interruption/resumption procedures. ▪ Regularly review and update the long-term CIP.
#4 – Human Resources Management	<p>Develop and maintain systems and processes for effective workforce management.</p> <p>Develop and maintain Board of Directors procedures for effective and transparent governance.</p>	<ul style="list-style-type: none"> ▪ Monitor recruitment/retention levers for funding/implementation action. ▪ Review recruitment /hiring process plans. ▪ Meet and confer with MPWD Employee Association as applicable. ▪ Maintain organization chart. ▪ Create organizational succession plan. ▪ Plan annual training plan/calendar around available budget funds. ▪ Regular GM/staff meetings and communications. ▪ Develop/update and maintain administrative procedures. ▪ Recognize employee service milestones. ▪ Celebrate employee accomplishments. ▪ Monitor staff job satisfaction. ▪ Review Employee Safety and Loss Prevention Program. ▪ Fiscal Year safety incident and loss prevention report to Board. ▪ Create/maintain/update Board of Directors policies. ▪ Review Annual Planning Schedule for Board of Directors for updates.
#5 – Financial Management	<p>Establish and achieve annual budget trends.</p> <p>Develop/maintain financial management policy.</p>	<ul style="list-style-type: none"> ▪ Review proposed fiscal year SFPUC water rate charges and consider MPWD water rate adjustment. ▪ Budget process addressing District priorities completed by June 30th. ▪ Review performance monthly so that targeted allocation is achieved. ▪ Comprehensive budget document, including charts/graphs. ▪ Apply for budget and/or financial transparency certification. ▪ Incorporate capital plan priorities in annual budget. ▪ Incorporate modeling into annual budgeting process; use tools to develop scenario that can be used as operating circumstances change.

STRATEGIC ELEMENTS	CORE GOALS	BASIC MEASURES OF SUCCESS
		<ul style="list-style-type: none"> ▪ Coordinate detailed financial review matters with the Board’s Finance Committee. ▪ Regularly review fees and charges for update. ▪ Continue reporting on 2016 COP capital project expenditures. ▪ Manage investment strategy for PARS Section 115 Trust Plan for OPEB and PRSP.



December 16, 2021

DIRECTOR ASSIGNMENTS/COMMITTEES

ASSIGNMENT	2021
ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)/REGION 5	All
ACWA/JOINT POWERS INSURANCE AUTHORITY (JPIA)	Brian Schmidt Kirk Wheeler
BAY AREA WATER SUPPLY & CONSERVATION AGENCY (BAWSCA)	Louis Vella
SAN MATEO CHAPTER -CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)	Louis Vella Kirk Wheeler <i>Tammy Rudock, General Manager</i>
GENERAL MANAGER PERFORMANCE EVALUATION	Louis Vella Matt Zucca
HARBOR INDUSTRIAL ASSOCIATION (HIA)	Brian Schmidt Kirk Wheeler
BELMONT "HAPPY HYDRANT" PRESERVATION AD HOC COMMITTEE	Vacant
BELMONT CHAMBER OF COMMERCE	All

STANDING COMMITTEE	2021
FINANCE COMMITTEE	Kirk Wheeler Louis Vella <i>District Treasurer</i>
AD HOC COMMITTEE	2022
GENERAL MANAGER RECRUITMENT ADVISORY COMMITTEE	Kirk Wheeler Matt Zucca