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REGULAR MEETING  
BOARD OF DIRECTORS  
**THURSDAY, FEBRUARY 28, 2019 – 6:30PM**  
3 DAIRY LANE, BELMONT CALIFORNIA

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**AGENDA**

**1. OPENING**

- A. Call to Order
- B. Establishment of Quorum
- C. Pledge of Allegiance

**2. PUBLIC COMMENT**

*Members of the public may address the Board on the Consent Agenda or any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Please complete a speaker's form and give it to the District Secretary. Each speaker is limited to three (3) minutes.*

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

**4. ACKNOWLEDGEMENTS/PRESENTATIONS**

- A. Michael Anderson, Operations Supervisor – 20<sup>th</sup> Service Anniversary (January 4, 2019)
- B. Misty Malczon, Administrative Specialist/Billing Lead – 15<sup>th</sup> Service Anniversary (January 26, 2019)
- C. Brent Chester, Operations Supervisor – AWWA CA-NV Backflow Prevention Assembly Proctor

**5. CONSENT AGENDA**

*All matters on the Consent Agenda are to be approved by one motion. If Directors wish to discuss a consent item other than simple clarifying questions, a request for removal may be made. Such items are pulled for separate discussion and action after the Consent Agenda as a whole is acted upon.*

- A. Approve Minutes for the Regular Board Meeting on January 24, 2019
- B. Approve Expenditures from January 16, 2019 through February 21, 2019
- C. Approve Resolution 2019-04 Establishing Surplus Items List 19-01 and Declaring Four (4) Items in District Inventory as Surplus, and Authorizing Staff to Sell the Items via GovDeals.com
- D. Ratify Two (2) Professional Services Agreements Approved by the General Manager for Temporary Staffing Services in FY 2018/2019, each Totaling an Amount in Excess of the \$25,000 Signature Authority per MPWD Procurement Policy:
  - 1. Office Team for one (1) Administrative staff member estimated not to exceed \$45,000 total; and
  - 2. waterTALENT for two (2) Water System Operators estimated not to exceed \$150,000 total.

## **6. HEARINGS AND APPEALS**

None

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

- A. Consider Resolution 2019-01 Authorizing the Sixth Amendment to the Master Professional Services Contract with Pakpour Consulting Group, Inc., referenced as Contract No. 02-1621-CP, in the amount of \$45,000, for Additional Engineering Services related to the Hillcrest Pressure Regulating Station

## **8. REGULAR BUSINESS AGENDA**

- A. Consider Approving the Two-Year MPWD Strategic Plan for 2019-2020, including Mission Statement, Vision Statement, Strategic Goals, and Director Assignments
- B. Receive Mid-Year Review of MPWD FY 2018/2019 Operating and Capital Budgets and Consider Resolution 2019-05 Approving the Amended Budgets
- C. Discuss Scheduling a Financial Planning Workshop in April

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

- A. General Manager's Report
  - 1. Supplemented by Administrative Services Manager's Report
  - 2. Supplemented by Operations Manager's Report
  - 3. Supplemented by District Engineer's Report
- B. Financial Reports
  - 1. Receive Financial Reports for Month Ended January 31, 2019
- C. Director Reports

## **10. COMMUNICATIONS**

## **11. CLOSED SESSION**

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
AND ASSOCIATED NEGOTIATIONS  
Government Code §§54957 and 54957.6  
Title: General Manager

## **12. RECONVENE TO OPEN SESSION**

## **13. 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](http://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. Please contact the District Secretary at (650) 591-8941 to request specific materials and preferred alternative format or auxiliary aid or service at least 48 hours before the meeting.*

***Next Board Meeting: Thursday, March 28, 2019, at 6:30PM***

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

January 24, 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 6:37PM.

B. **Establishment of Quorum:**

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

Director Zucca was absent.

A quorum was present.

**ALSO PRESENT:** General Manager Tammy Rudock, Operations Manager Rene Ramirez, District Secretary/Administrative Services Manager Candy Pina, District Engineer Joubin Pakpour and District Counsel Julie Sherman.

District Treasurer Jeff Ira was absent.

C. **Pledge of Allegiance** – The Pledge of Allegiance was led by the elementary students and parents in the audience.

2. **PUBLIC COMMENTS**

President Vella opened the meeting by recognizing all in attendance for the MPWD's annual calendar contest awards and the importance of water conservation.

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

Staff requested Agenda Items 4.C. and 4.D. employee service anniversary acknowledgements be postponed until next month when employees will be available to attend the meeting.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

A. **Overview of 2019 MPWD Calendar Contest Program and Distribute Calendar to the Board – Tammy Rudock and Jeanette Kalabolas**

General Manager Rudock welcomed students and parents and gave a brief summary of the program.

B. **Present 2019 MPWD Calendar Contest Awards – Louis Vella and Jeanette Kalabolas**

President Vella and Jeanette Kalabolas presented the awards for the 2019 annual MPWD water awareness calendar contest. Along with award certificates, the top three winners received gift certificates. The teachers with the most class participation were also acknowledged and all participating students received a 2019 MPWD calendar.

Contest winners:

**Grand Prize Winner:** Kaitlyn M., 3<sup>rd</sup> Grade, Belmont Oaks Academy

**Runner-Up Winner:** Audrey R., 4<sup>th</sup> Grade, Nesbit Elementary School

**Runner-Up Winner:** Mia M., 3<sup>rd</sup> Grade, Cipriani Elementary School

**Award for the class with the most participation** – Mrs. Butts and Ms. Stendal, both 3<sup>rd</sup> Grade teachers at Cipriani Elementary School, that each submitted a total of 25 of the 189 entries for a shared reward.

**Nine Honorable Mention entries recognized:**

- 1) Graceamparo T., 4<sup>th</sup> Grade, Nesbit Elementary School
- 2) Ashleigh B., 3<sup>rd</sup> Grade, Belmont Oaks Academy
- 3) Noah T., 3<sup>rd</sup> Grade, Cipriani Elementary School
- 4) Mandy Z., 3<sup>rd</sup> Grade, Belmont Oaks Academy
- 5) Ellyssa W., 3<sup>rd</sup> Grade, Immaculate Heart of Mary School
- 6) Lauren W., 2<sup>nd</sup> Grade, San Carlos Charter Learning Center
- 7) Halona N., 3<sup>rd</sup> Grade, Immaculate Heart of Mary School
- 8) Maximus K., 3<sup>rd</sup> Grade, Cipriani Elementary School
- 9) Emily M., 5<sup>th</sup> Grade, Immaculate Heart of Mary School

The Board meeting was recessed at 6:50PM immediately following the awards presentation for a refreshment break and photo opportunities with contest participants and their families.

President Vella reconvened the meeting at 7:02PM.

**C. Michael Anderson, Operations Supervisor – 20<sup>th</sup> Service Anniversary (January 4, 2019)**

**D. Misty Malczon, Administrative Specialist/Billing Lead – 15<sup>th</sup> Service Anniversary (January 26, 2019)**

Postponed until next month.

**5. CONSENT AGENDA**

**A. Approve Minutes for the Regular Board Meeting of December 20, 2018 and Special Board Meeting on January 10, 2019**

Director Schmidt asked staff to address the note on page 3 at lines 121-122 in the December 20, 2018 Regular Board Meeting minutes. Staff responded it was an editing note that should have been deleted.

**B. Approve Expenditures from December 14, 2018 through January 15, 2019**

Director Warden moved to approve the minutes for the Regular Board Meeting of December 20, 2018 as amended and Special Board Meeting on January 10, 2019, and expenditures from December 14, 2018 through January 15, 2019. Director Schmidt seconded and it was unanimously approved.

**6. HEARINGS AND APPEALS**

None.

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



- 102 **A. Receive Quarterly Reconciliation Report on 2016 COP Financing through**  
103 **December 31, 2018 and Quarterly Project Fund Report through December 31, 2018**  
104 General Manager Rudock introduced Dan Bergmann with IGService and Mr. Bergmann  
105 presented key highlights from the summary report he provided.

106  
107 District Engineer Pakpour commented on engineer cost projection variables.

108  
109 General Manager Rudock reported that staff has some concerns about the budget gap  
110 between the estimated original COP totals and actual project costs due to construction  
111 inflation. An open Board discussion followed. Staff will be bringing back a more  
112 comprehensive financial discussion at a future Board meeting.

113  
114 Director Schmidt asked staff to clarify the origins of operating capital. General Manager  
115 Rudock confirmed operating revenue is separate from COP dollars adding that financed  
116 funds only apply to COP projects.

117  
118 Director Wheeler inquired about the CIP strategic elements discussed during the Special  
119 Meeting held January 10, 2019. General Manager Rudock shared that staff will revisit  
120 during the mid-year budget review next month.

- 121  
122 **B. Consider Resolution 2019-01 Authorizing the Sixth Amendment to the Master**  
123 **Professional Services Contract with Pakpour Consulting Group, Inc. referenced as**  
124 **Contract No. 02-1621-CP in the amount of \$45,000 for Additional Engineering**  
125 **Services related to the Hillcrest Pressure Regulating Station**

126 Operation Manager Ramirez reported on the Hillcrest Pressure Reducing Station  
127 Project, SFPUC pressure fluctuation challenges and discussions the District has had  
128 with the City of Redwood City about the project.

129  
130 District Engineer Pakpour reported on the lack of a formal property easement for the  
131 District's infrastructure and the complexity of construction when dealing with the deeper  
132 and larger diameter pipe and its specific material. He further explained the extensive  
133 conversations, meetings, and related research that was unanticipated during pre-design  
134 and development of the design engineering costs.

135  
136 An open discussion followed and Board direction was to table this item until next month  
137 to allow Pakpour Consulting Group, Inc., an opportunity to provide the details for the  
138 added time spent on the project in relation to the proposed contract amendment.

- 139  
140 **C. Consider Resolution 2019-02 Authorizing Award if a Contract to Stoloski &**  
141 **Gonzalez, Inc. for Construction of the Hillcrest Pressure Regulating Station in the**  
142 **amount of \$649,620 and Provide a 20% Project Contingency in the amount of**  
143 **\$129,924 for a Total Project Budget of \$779,544**

144 Operations Manager Ramirez and District Engineer Pakpour reported on the bid process  
145 and the recommendation before the Board. Director Wheeler commented on the 20%  
146 contingency and District Engineer Pakpour responded that given the nature of the  
147 project that amount of contingency seemed appropriate.

148  
149 Director Wheeler moved to approve Resolution 2019-02 Authorizing Award of a Contract  
150 to Stoloski & Gonzalez, Inc. for Construction of the Hillcrest Pressure Regulating Station.  
151 Director Warden seconded and it was unanimously approved.

153 8. **REGULAR BUSINESS AGENDA**

154 A. **Consider Resolution 2019-03 Approving 2018 Amendments to the Water Supply**  
155 **Agreement between the City and County of San Francisco and Wholesale**  
156 **Customers in Alameda County, San Mateo County and Santa Clara County**

157 General Manager Rudock reported on the proposed seven (7) Water Supply Agreement  
158 amendments and related background information. She explained staff's reasoning for  
159 extracting the proposed language in the resolution regarding negotiations for the  
160 minimum purchase requirements of BAWSCA member agencies Alameda County Water  
161 District, City of Milpitas, City of Mountain View, and City of Sunnyvale. The subject  
162 matter of those negotiations were not part of the authority scope granted by the MPWD  
163 to BAWSCA for negotiating the Water Supply Agreement amendments with the SFPUC.  
164

165 General Manager Rudock further recommended extraction of the first four (4) provisions  
166 in the resolution (page 47 of the agenda packet) dealing with the WSIP Alameda Creek  
167 Recapture Project, because they, too, were not part of the negotiations authority scope  
168 granted by the MPWD to BAWSCA.  
169

170 An open Board discussion followed. The Board agreed with staff on the extracted  
171 provisions within the proposed resolution regarding the minimum purchase requirements  
172 and the WSIP Alameda Creek Recapture Project.  
173

174 Director Schmidt moved to approve Resolution 2019-03 as amended Authorizing 2018  
175 Amendments to the Water Supply Agreement between the City and County of San  
176 Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa  
177 Clara County. Director Warden seconded and it was unanimously approved.  
178

179 B. **Receive Status Report on Surplus Items Sold and Not Sold during Calendar Year**  
180 **2018 and Consider Approval of Destruction-Disposal of Items Not Sold and Valued**  
181 **at Approximately \$300 Total**

182 Operations Manager Ramirez delivered his report on District surplus items sold and not  
183 sold during calendar year 2018.  
184

185 President Vella commented on public disclosure with respect to the items sold and how  
186 the bidding process was handled  
187

188 General Manager Rudock requested Board approval for disposal or destruction of the  
189 items not sold that are valued at approximately \$300. Director Warden moved to  
190 approve. Director Wheeler seconded and it was unanimously approved.  
191

192 C. **Consider Potential Nominations in Response to Three (3) Notices Seeking Local**  
193 **Candidates from:**

- 194 1. San Mateo Local Agency Formation Commission (Special District Member  
195 Vacancy);

196 No one expressed interest in serving at this time.  
197

- 198 2. ACWA Region 5 (Board Member Vacancy); and  
199 Director Wheeler expressed an interest in serving on the ACWA Region 5 Board.  
200 General Manager Rudock suggested that the Board consider a recommendation  
201 letter similar to the one the Board did for Director Zucca last year.  
202

Director Warden nominated Director Wheeler as a candidate for the ACWA Region 5 Board and Director Wheeler accepted. Director Warden moved to approve. President Vella seconded and it was unanimously approved.

3. ACWA JPIA Executive Committee (Member Vacancy):  
General Manager Rudock reported that in order to serve on the Executive Committee, candidates must represent a District that participates in all four of JPIA's Programs: Liability, Property, Worker's Compensation, and Employee Benefits, as does the MPWD.

An open Board discussion followed and direction was given that staff table the conversation and return this item to the agenda next month for further discussion.

## **9. MANAGER AND BOARD REPORTS**

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

General Manager Rudock reported that the MPWD is celebrating its 90<sup>th</sup> anniversary this year and presented options for the Board's input and vote on a 90-year logos. She also reported on the SFPUC's upcoming annual Wholesale Customer Meeting and Emergency Planning Exercise.

Under the General Manager's report, President Vella reported on BAWSCA's recent decision to issue a uniform report to all member agencies on a monthly basis. He highlighted several items from the recent BAWSCA Board meeting: Water supply is good and customers within the region are still conserving water; the BAWSCA Board adopted FY 2019/2010 bond surcharges for member agencies to make debt service payments on BAWSCA's revenue bonds issued to prepay capital debt owed the SFPUC, resulting in cost savings to BAWSCA member agencies; and an update on the State Water Resources Control Board's proposed Bay-Delta Plan as adopted on December 12, 2018, including requirements for significant rationing within the San Francisco Regional Water System during droughts for unimpaired stream flow on the Tuolumne River, and the SFPUC's efforts toward a watershed-wide Voluntary Settlement Agreement that would include the Tuolumne River. General Manager Rudock reported that the Water Supply Agreement amendments have been a priority and that BAWSCA staff did a good job working diligently with the SFPUC to get them finalized. Staff is working on agency water demand projections to submit to BAWSCA.

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

General Manager Rudock mentioned a cash reserve surplus of \$1.4 million, which would be discussed next month during the mid-year budget review.

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

Operations Manager Ramirez gave an AMI meter installation update and General Manager Rudock reported on staff's decision to pursue temporary employees in lieu of permanent hires.

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

District Engineer Pakpour reported that the District's Construction Standards and Specifications has been updated and will be posted on the District website and available for developers and contractors. Mr. Pakpour had a copy for the Board Members to Review.

254 **B. Financial Reports**

255 **Receive Financial Reports for Month Ended December 31, 2018**

256 General Manager Rudock reported that revenues are up, but that winter consumption is  
257 typically lower so they should balance out over the next few months and expenses are  
258 on target

259  
260 Director Warden asked that staff provide separate accounting for the new \$3.00 Credit  
261 Card Fee effective January 1, 2019. General Manager Rudock replied that all fees  
262 would be broken out during the mid-year budget review next month.  
263

264 **10. COMMUNICATIONS**

265 President Vella complimented staff and Board members who presented at the January HIA  
266 meeting.  
267

268 **11. ADJOURNMENT**

269 The meeting was adjourned at 9:16PM.  
270  
271

272 \_\_\_\_\_  
273 DISTRICT SECRETARY

274  
275 APPROVED:  
276  
277

278 \_\_\_\_\_  
279 BOARD PRESIDENT

# Accounts Payable

## Checks by Date - Summary by Check Date

User: candyp  
Printed: 2/21/2019 9:39 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
1081	HYDROSCI	HYDROSCIENCE ENGINEERS INC.	01/18/2019	13,875.00
1082	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	01/18/2019	40,238.00
1083	TANNERPA	TANNER PACIFIC	01/18/2019	1,865.00
100080	CALPERS	CALPERS	01/18/2019	3,316.90
100081	ICMACONT	ICMA contributions	01/18/2019	1,742.70
100082	HEALTHAQ	Health Equity	01/18/2019	300.00
100083	ADPPAYRL	adp	01/18/2019	12,880.92
100084	ADPPAYRL	adp	01/18/2019	5,846.24
Total for 1/18/2019:				80,064.76
34415	ATT60197	AT&T 60197	01/22/2019	81.87
34416	BAWSCA	BAY AREA WATER SUPPLY & CONSER	01/22/2019	477.40
34417	CALSYST	CALCON SYSTEMS	01/22/2019	2,470.00
34418	CINTS	CINTAS CORPORATION	01/22/2019	538.26
34419	COMCAST	COMCAST	01/22/2019	325.08
34420	GRAINGER	GRAINGER	01/22/2019	38.48
34421	GRANITE	GRANITE ROCK, INC.	01/22/2019	785.60
34422	HANSONBR	HANSON, BRIDGETT	01/22/2019	3,240.00
34423	HOMEDPC	HOME DEPOT	01/22/2019	272.80
34424	OFFICEDE	OFFICE DEPOT, INC.	01/22/2019	92.75
34425	PACOFFIC	PACIFIC OFFICE AUTOMATION	01/22/2019	218.21
34426	PINA	CANDY PINA	01/22/2019	50.00
34427	SCOTSMAN	WILLIAMS SCOTSMAN	01/22/2019	537.91
34428	STANDINS	STANDARD INSURANCE COMPANY	01/22/2019	1,313.76
34429	THOMPRED	THOMPSON REUTERS - WEST PMT CE	01/22/2019	137.66
Total for 1/22/2019:				10,579.78
34430	ATT60197	AT&T 60197	01/30/2019	1,217.96
34431	BAWSCA	BAY AREA WATER SUPPLY & CONSER	01/30/2019	522.00
34432	COMCAST	COMCAST	01/30/2019	265.15
34433	COMCASTB	COMCAST BUSINESS	01/30/2019	628.97
34434	GRANITE	GRANITE ROCK, INC.	01/30/2019	309.34
34435	LINCOLNL	LINCOLN LIFE	01/30/2019	200.00
34436	OFFICTEM	OFFICE TEAM	01/30/2019	2,820.09
34437	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	01/30/2019	500.00
34438	PG&E	PG&E CFM/PPC DEPT	01/30/2019	19,718.26
34439	PINA	CANDY PINA	01/30/2019	140.00
34440	SFWATER	SAN FRANCISCO WATER DEPT	01/30/2019	379,758.50
34441	STEPFORD	STEPFORD BUSINESS, INC.	01/30/2019	3,893.89
34442	TIMBERLI	TIMBERLINE TREE SERVICE, INC.	01/30/2019	5,500.00
34443	UPS	UPS	01/30/2019	124.52
34444	WOLFGEAR	WOLFPACK GEAR, INC.	01/30/2019	67.88
34445	YOUNG	HENRY YOUNG	01/30/2019	80.63
Total for 1/30/2019:				415,747.19

Check No	Vendor No	Vendor Name	Check Date	Check Amount
100090	CALPERS	CALPERS	01/31/2019	7,755.32
100091	HEALTH EQ	Health Equity	01/31/2019	1,280.00
100092	ICMA CONT	ICMA contributions	01/31/2019	699.64
100093	ADPPAYRL	adp	01/31/2019	33,390.34
100094	ADPPAYRL	adp	01/31/2019	12,556.69
Total for 1/31/2019:				55,681.99
100085	CALPERS	CALPERS	02/01/2019	4,370.45
100086	HEALTH EQ	Health Equity	02/01/2019	3,019.10
100087	ICMA CONT	ICMA contributions	02/01/2019	1,742.70
100088	ADPPAYRL	adp	02/01/2019	15,995.16
100089	ADPPAYRL	adp	02/01/2019	6,445.73
Total for 2/1/2019:				31,573.14
34446	ACWA5661	ACWA JPIA	02/06/2019	41,686.34
34447	CINTS	CINTAS CORPORATION	02/06/2019	538.26
34448	GSFLOWM	GOLDEN STATE FLOW MEASUREMENT	02/06/2019	145.07
34449	GFOA	GOVERNMENT FINANCE OFFICERS ASSOCIATION	02/06/2019	160.00
34450	MHN	MHN	02/06/2019	45.54
34451	OFFICE DE	OFFICE DEPOT, INC.	02/06/2019	758.36
34452	OFFICTEM	OFFICE TEAM	02/06/2019	1,745.90
34453	UB*00283	JENNIFER PANOS	02/06/2019	256.56
34454	PIT71896	PITNEY BOWES 371896	02/06/2019	79.39
34455	PRECISE	PRECISE, INC.	02/06/2019	664.40
34456	OKADA	RON	02/06/2019	31.85
34457	SCCHAMBE	SAN CARLOS CHAMBER OF COMMERCE	02/06/2019	173.00
34458	SMELECTR	SAN MATEO ELECTRIC SUPPLY	02/06/2019	39.20
34459	STANDINS	STANDARD INSURANCE COMPANY	02/06/2019	1,150.17
34460	VANGUARE	VANGUARD CLEANING SYSTEMS, INC.	02/06/2019	385.00
34461	VERIZON	VERIZON WIRELESS	02/06/2019	903.83
34462	YATESGEA	YATES GEAR INC.	02/06/2019	6,221.69
100111	DAVIDSON	JOHN T. DAVIDSON OR DBA JRocket77	02/06/2019	3,572.13
Total for 2/6/2019:				58,556.69
34463	ABALANZA	ELITO ABALANZAR	02/13/2019	195.50
34464	ANDERSON	COLTON ANDERSON	02/13/2019	195.50
34465	ATT60197	AT&T 60197	02/13/2019	40.94
34466	CGUHLENB	C G UHLENBERG LLP	02/13/2019	1,600.00
34467	CHUIDAVI	DAVID CHUI	02/13/2019	119.37
34468	CITYBELM	CITY OF BELMONT	02/13/2019	209,980.02
34469	CONTROL F	CONTROL FIRE INC.	02/13/2019	195.50
34470	DALTONTD	RICHARD T. DALTON	02/13/2019	2,209.45
34471	DFS	DOCUMENT FULFILLMENT SERVICES	02/13/2019	5,000.00
34472	EEAPSAFE	EEAP THE SAFETY PEOPLE, INC.	02/13/2019	555.00
34473	GRANITE	GRANITE ROCK, INC.	02/13/2019	241.75
34474	HOMEDPC	HOME DEPOT	02/13/2019	97.88
34475	INTERGAS	Interstate Gas Services, Inc.	02/13/2019	1,800.00
34476	JULBROWN	JULIE M BROWN & ASSOC	02/13/2019	3,006.38
34477	LINCOLNL	LINCOLN LIFE	02/13/2019	200.00
34478	REDDYDEE	DEEPA REDDY	02/13/2019	195.50
34479	RUEPACAR	CARLOS RUEPA	02/13/2019	195.50
34480	SAFETYCE	SAFETY CENTER, INC.	02/13/2019	100.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
34481	SIEGENTH	RAND SIEGENTHALER	02/13/2019	271.62
34482	SPECIALD	SPECIAL DISTRICT LEADERSHIP FOU	02/13/2019	450.00
34483	TETRATEC	TETRA TECH, INC.	02/13/2019	12,334.00
34484	ULINECOM	ULINE	02/13/2019	660.39
34485	WONGMAT	MATTHEW WONG	02/13/2019	195.50
100112	HANSONBR	HANSON, BRIDGETT	02/13/2019	7,352.00
100113	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	02/13/2019	10,401.58
Total for 2/13/2019:				257,593.38
100116	HEALTH EQ	Health Equity	02/15/2019	1,280.00
100117	ICMACONT	ICMA contributions	02/15/2019	699.64
100118	ADPPAYRL	adp	02/15/2019	31,686.12
100119	ADPPAYRL	adp	02/15/2019	12,353.87
100120	ADPPAYRL	adp	02/15/2019	80.63
100202	CALPERS	CALPERS	02/15/2019	3,335.32
100203	ICMACONT	ICMA contributions	02/15/2019	1,742.70
100204	HEALTH EQ	Health Equity	02/15/2019	200.00
100205	ADPPAYRL	adp	02/15/2019	13,033.41
100206	ADPPAYRL	adp	02/15/2019	5,901.85
Total for 2/15/2019:				70,313.54
100114	CALPERS	CALPERS	02/19/2019	7,737.77
100115	CALPERS	CALPERS	02/19/2019	348.04
100121	CALPERS	CALPERS	02/19/2019	6.61
Total for 2/19/2019:				8,092.42
34486	BPLANDSC	BAY POINTE LANDSCAPE	02/21/2019	1,690.00
34487	CINTS	CINTAS CORPORATION	02/21/2019	538.26
34488	OFFICEDE	OFFICE DEPOT, INC.	02/21/2019	207.50
34489	OFFICTEM	OFFICE TEAM	02/21/2019	1,678.75
34490	PACOFFIC	PACIFIC OFFICE AUTOMATION	02/21/2019	25.07
34491	PG&E	PG&E CFM/PPC DEPT	02/21/2019	121.89
34492	PINA	CANDY PINA	02/21/2019	54.00
34493	SCOTSMAN	WILLIAMS SCOTSMAN	02/21/2019	537.91
34494	THOMPRED	THOMPSON REUTERS - WEST PMT CE	02/21/2019	98.87
34495	UB*00284	KRISTI BALACY	02/21/2019	12.38
34496	CITYBELM	CITY OF BELMONT	02/21/2019	921.00
34497	CTYBLMTP	CITY OF BELMONT PUBLIC WORKS	02/21/2019	57,104.70
34498	UB*00268	JANICE COSGRAVE	02/21/2019	11.02
34499	UB*00272	JOSEPH CRISTANDO	02/21/2019	88.80
34500	UB*00290	STUART FLOOR COMPANY	02/21/2019	11.36
34501	UB*00286	JOANIE KAY	02/21/2019	53.22
34502	UB*00278	STEVE LEFCZIK	02/21/2019	38.27
34503	UB*00115	NANDITA MANTENA	02/21/2019	150.00
34504	UB*00291	PATRICIA MARCHAND	02/21/2019	40.24
34505	UB*00287	ROBERT PASCO	02/21/2019	4.95
34506	UB*00289	FRANCIS TANZELLA	02/21/2019	51.00
34507	UB*00285	WALTERMIRE STREET PARTNERS	02/21/2019	25.00
34508	UB*00288	ROBERT ZUNIGA	02/21/2019	71.14
100127	ACCELA	ACCELA, INC. #774375	02/21/2019	3,189.00
100128	WFBUSCAR	WELLS FARGO BUSINESS CARD	02/21/2019	287.33
100129	WFBUSCAR	WELLS FARGO BUSINESS CARD	02/21/2019	3,460.53

Check No	Vendor No	Vendor Name	Check Date	Check Amount
Total for 2/21/2019:				70,472.19
Report Total (131 checks):				1,058,675.08





## ***AGENDA ITEM NO. 5.C.***

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager

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**SUBJECT: APPROVE RESOLUTION 2019-04 ESTABLISHING SURPLUS ITEMS LIST 19-01 AND DECLARING FOUR ITEMS IN DISTRICT INVENTORY AS SURPLUS, AND AUTHORIZING STAFF TO SELL THE ITEMS VIA GOVDEALS.COM**

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### **RECOMMENDATION**

Approve Resolution No. 2019-04 establishing a list known as "Surplus Items List 19-01" and declaring four (4) items in District inventory surplus (see attached Exhibit A for description), and authorizing staff to place the items for sale on a public auction bid site known as GovDeals.com. The Board has previously approved similar resolutions regarding surplus assets on September 28, 2017, March 22, 2018 and May 24, 2018.

### **FISCAL IMPACT**

It is estimated that the auction of these four items could generate approximately \$24,000 in revenue. GovDeals.com fee/commission is 10% of the item's sales price and would be paid by the successful bidder. The proceeds from the sale of this equipment would be miscellaneous revenue.

### **DISCUSSION**

The equipment/items identified on Exhibit A are no longer being used by the District. Staff plans to use a public auction site known as GovDeals.com to sell the surplus items. GovDeals.com works only with public agencies for the sale of surplus assets. They are an auction site and anyone with internet capability can bid on items from their site. GovDeals.com derives their fee/commission from a 10% fee added to the successful bid, which is very similar to car auction sites and others. For a staff our size, GovDeals.com appears to be a very efficient way to deal with surplus items. The first step is to have materials declared surplus and authorize the sale.

Attachments: Resolution 2019-04  
Exhibit A – Surplus Items List 19-01

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_

**RESOLUTION NO. 2019-04**

**DECLARING DISTRICT PROPERTY SURPLUS  
IDENTIFIED IN SURPLUS ITEMS LIST 19-01 (EXHIBIT A)**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the Mid-Peninsula Water District no longer has a need or use for the vehicles and equipment listed on Exhibit A due to age, obsolescence and/or cost of maintenance; and

**WHEREAS**, it is highly desirable to sell or dispose of the surplus equipment for the highest return possible.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby declares the equipment listed on Exhibit A, which is incorporated herein by reference, is declared surplus and is to be sold by public auction, bid or sale at the least cost or greatest benefit to the District; and that staff is authorized to undertake any and all actions to transfer title to the successful bidder/purchaser or done.

**REGULARLY PASSED AND ADOPTED** this 28th day of February 2019.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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PRESIDENT

ATTEST:

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SECRETARY OF THE BOARD

## EXHIBIT A

### **SURPLUS ITEMS LIST 19-01**

1. 2015 Ford Fusion Energi SE, PHEV; 4-door sedan; 2.0L I-4 engine with 7.6 kWh/26.0 Ah battery pack; approximately 88,400 miles on odometer; automatic transmission; automatic climate control; tinted windows; exterior color - dark grey; black leather seats; navigation w/backup camera & Ford SYNC; and new tires.  
VIN: 3FA6P0PU5FR281340.
2. 2015 Ford CMax Energi; PHEV; 5-door CUV; 2.0L I-4 engine with 7.6 kWh/26.0 Ah battery pack; approximately 88,450 miles on odometer; automatic transmission; automatic climate control; tinted windows; exterior color - silver; grey leather seats; Ford SYNC, new tires; and new 12-volt battery.  
VIN: 1FADP5CU3FL103323.
3. 2000 Ziemann 1150 Tilt Trailer: Tandem-Axle, single tire; Overall length: 21 feet; Equipment Deck Area: 68.5 inches wide by 158.5 inches long; 3 of the 5 deck planks are new; Pintle type hitch; 9,999# GVWR; 7,830# payload; and 4 new tires and painted Caterpillar yellow in 2018.  
VIN: 1ZCT21S26YZP21867
4. 1991 Ziemann Trailer (model not known): Dovetail Ramp w/Gate; Tandem-Axle, single tire; Overall length: 22 feet; Equipment Deck Area: 74.0 inches wide by 154 inches long; wood deck; Pintle type hitch; GVWR estimated at least 9,990#; Payload estimated to be at least 7,200#; tires less than 50% life; and trailer color - orange.  
VIN: 1ZCE24S28MZP16769



***AGENDA ITEM NO. 5.D.***

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

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**SUBJECT: RATIFY TWO (2) PROFESSIONAL SERVICES AGREEMENTS APPROVED BY THE GENERAL MANAGER FOR TEMPORARY STAFFING SERVICES IN FY 2018/2019, EACH TOTALING AN AMOUNT IN EXCESS OF THE \$25,000 SIGNATURE AUTHORITY PER MPWD PROCUREMENT POLICY:**  
**1. OFFICE TEAM FOR ONE (1) ADMINISTRATIVE STAFF MEMBER ESTIMATED NOT TO EXCEED \$45,000 TOTAL; AND**  
**2. waterTALENT FOR TWO (2) WATER SYSTEM OPERATORS ESTIMATED NOT TO EXCEED \$150,000 TOTAL**

---

**RECOMMENDATION**

Ratify the two (2) Professional Services Agreements approved by the General Manager for temporary staffing services in FY 2018/2019:

1. Office Team for one (1) administrative staff member estimated not to exceed \$45,000 total; and
2. waterTALENT for two (2) Water System Operators estimated not to exceed \$150,000 total.

**FISCAL IMPACT**

\$195,000 total, which was budgeted during FY 2018/2019.

**DISCUSSION**

The MPWD's Procurement Policy is contained within Resolution 2005-09 dated October 27, 2005, and is attached for reference. Per Section IV.C., when staff exceeds its \$25,000 signature authority on professional services contracts, it is required to obtain approval by the Board of Directors. The temporary services were researched and candidates vetted by staff before contracting with the vendors. As reported above, funds were budgeted in FY 2018/2019.

Attached is the proposal dated July 3, 2018 from Office Team that was approved by the General Manager for the temporary administrative services staff member to get the MPWD through the final phase of the financial management and billing system transitions.

The waterTALENT contract dated February 1, 2019, was reviewed and approved by District Counsel and staff before execution. The temporary operations personnel from waterTALENT will actually replace the necessity of having to hire two (2) of the three (3) approved fulltime permanent Water System Operators.

Attachments:      MPWD Procurement Policy within Resolution 2005-09 dated October 27, 2005  
                         Office Team Temporary Staffing Proposal dated July 3, 2018  
                         waterTALENT Temporary Services Agreement dated February 1, 2019

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_

**RESOLUTION NO. 2005-9**

**ADOPTING A REVISED PROCUREMENT POLICY**

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, Section 54202 of the California Government Code requires all local agencies to adopt written policies and procedures, including bidding requirements, for the purchase of equipment, services and supplies; and

**WHEREAS**, Section 30579.5 of the California Water Code authorizes the Board of Directors of a County Water District to delegate to its General Manager authority to enter into contracts on behalf of the District; and

**WHEREAS**, the Board of Directors and staff have reviewed the District's contract policies and procedures currently in place, pursuant to Resolution No. 1998-33 enacted on April 23, 1998, and have determined that it is necessary to update these policies and procedures.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby updates, restates and adopts the policies and procedures set forth below for award of contracts and bidding requirements applicable to the types of contracts in which the District engages.

**I. Budget Appropriations**

A. Non-Budget Items. Authority from the Board of Directors shall be obtained by the General Manager prior to the expenditure of more than \$5,000 for a non-budgeted service or item, except in an emergency. Any non-budgeted expenditures shall be reported at the next meeting of the Board of Directors.

B. Budget Items in the Capital Expenditure Budget. The "capital expenditure budget" identifies expenditures for certain specified projects and equipment. Unless otherwise

instructed by the Board of Directors, the General Manager has the authority to expend funds for projects specifically designated on the approved capital expenditure budget at any time during the fiscal year up to the amounts specified and subject to the procedures set forth below.

C. Budgeted Items in the Operation and Maintenance Budget. The “operation budget” contains a schedule of anticipated revenues and expenses that are needed for daily operations of the District and identified only by account. Unless otherwise instructed by the Board of Directors, the General Manager has the authority to expend funds necessary for the ordinary, daily operation of the District as specified in the operation budget subject to the procedures set forth below.

## II. Construction Contracts and Materials

A. \$25,000 or less. When the estimated cost of the construction work or materials is equal to or less than Twenty-five Thousand Dollars (\$25,000), the General Manager is authorized to award the contract, but shall report on the award of any such contract at the next meeting of the Board of Directors. Each contract in this category over the amount of \$1,000 must be evidenced by a written purchase order or contract. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering a contract, making special efforts to involve local contractors in all such works.

B. Exceeding \$25,000. Construction contracts involving an estimated cost of work in excess of twenty-five Thousand Dollars (\$25,000) must be approved by the Board of Directors.

1. \$25,001 - \$50,000. In cases when the estimated cost of the construction work or materials is greater than Twenty-five Thousand Dollars (\$25,000) but equal to or less than Fifty Thousand Dollars (\$50,000), the award of contract may be based on informal bids

obtained by the General Manager. The General Manager shall not be required to advertise formally for the solicitation of bids for such contracts. To the extent possible, the General Manager shall obtain at least three informal, written bids before entering a contract.

2. Exceeding \$50,000. In cases when the estimated cost of the construction work or materials is greater than Fifty Thousand Dollars (\$50,000), the award of contract shall be based on a competitive bid process in which sealed bids are submitted in response to an advertisement in a newspaper of general circulation in San Mateo County and are publicly opened at the specified time. The award of contract shall then be made to the lowest responsive and responsible bidder. A "responsive bidder" has made an unequivocal offer to provide exactly the products or services sought by the District and has substantially complied with all bidding procedures. A "responsible bidder" means a bidder who demonstrates the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the work. The District may reject any or all bids if it is in its best interest.

C. Force Account Work. The foregoing policies are not intended to preclude the General Manager from utilizing District employees to carry out construction work on a force account basis.

### **III. Procurements of Equipment or Supplies**

A. \$25,000 or less. When the estimated cost of equipment or supplies, is equal to or less than Twenty Five Thousand Dollars (\$25,000), the General Manager is authorized to award the contract, but shall report on the award of any such contract at the next meeting of the Board of Directors. A contract in this category over the amount of \$1,000 must be evidenced by a written purchase order or contract. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering a contract.



B. Exceeding \$25,000. Contracts for equipment or supplies covering an estimated cost in excess of Twenty Five Thousand Dollars (\$25,000) must be approved by the Board of Directors.

1. \$25,001 - \$50,000. When the estimated cost of equipment or supplies is greater than Twenty Five Thousand Dollars (\$25,000) but equal to or less than Fifty Thousand Dollars (\$50,000), the award of contract may be based on informal bids obtained by the General Manager. The General Manager shall not be required to advertise formally for the solicitation of bids for such contracts. To the extent possible, the General Manager shall obtain at least three informal, written bids before entering a contract.

2. Exceeding \$50,000. When the estimated cost of equipment or supplies is greater than Fifty Thousand Dollars (\$50,000), the award of contract shall be based on a competitive bid process in which sealed bids are solicited through an advertisement in a newspaper of general circulation in San Mateo County and are publicly opened at the specified time. The award of contract shall be made to the lowest responsive and responsible bidder, as these terms are defined in Section II.B.2 above. The District may reject any or all bids if it is in its best interest.

#### IV. Professional Services Contracts

A. General Procedures. Advertisement and competitive bidding is not required for professional services contracts. Each contract in this category must be evidenced by a written professional services agreement.

B. \$25,000 or less. The General Manager is authorized to retain professional consultants where the cost of work is equal to or less than Twenty-Five Thousand Dollars (\$25,000), but shall report on the award of any such contract at the next meeting of the Board of

Directors. To the extent possible, the General Manager shall obtain at least three competitive quotations before entering into such a contract.

C. Exceeding \$25,000. Professional service contracts covering work the cost of which is in excess of Twenty Five Thousand Dollars (\$25,000) must be approved by the Board of Directors. The award of contract may be based on a competitive negotiation process or Request for Proposals.

**V. Emergency Contracts**

In cases of emergency, the General Manager is authorized to arrange for public works, purchase of supplies or equipment or services without competitive bidding or proposals or prior Board approval, as required by Sections II-IV, but shall report on the award of any such contract for emergency work at the next meeting of the Board of Directors. If possible, the General Manager shall attempt to seek the concurrence of the Board President prior to awarding any contract. For purposes of this paragraph, "emergency" is defined as those circumstances requiring immediate work or construction to prevent the immediate interruption or cessation of necessary District services or to safeguard life, property or the public health and welfare.

**VI. Standards of Conduct in Procurements**

A. Gratuities. District officials and employees shall not solicit or accept or agree to accept any gratuity or gift or any other thing of more than a nominal value in connection with actual or potential procurement and contracting activities. The term "nominal monetary value" is defined as a value of Fifty Dollars (\$50.00) or less for any one gift or less than Three Hundred Forty Dollars (\$340.00) for multiple gifts from a single source during a calendar year. Failure to follow this standard is cause for disciplinary action.

B. Conflicts of Interests. District staff shall not be involved in any purchasing procedures or decisions (including participation in initiation, award or administration of a contract) in which they have a real or apparent conflict of interests. Such a conflict of interest arises when a staff member is financially interested in a person or firm that participates in the District's procurement process or is awarded a contract. The standards for governing the determination as to whether such a financial interest exists are set forth in California Government Code Sections 1090 et seq. and Sections 87100 et seq. (the Political Reform Act). If there is a conflict of interest, the staff member shall disclose such interest in writing to the General Manager as soon as possible, or in the case of the General Manager, to the General Counsel, so that the appropriate precautions may be taken.

C. Segmenting. In determining the procedures that must be followed for obtaining competitive bids, the scope of the contract shall be considered in its entirety. A contract shall not be divided into smaller segments to eliminate the competitive bidding requirements set forth in this resolution.

## **VII. Leases, Licenses; Concessions**

Other than equipment operating leases that are included in the operation budget, the General Manager shall not enter into any lease, license, concession contract, lease-purchase contract, or installment contract in excess of \$25,000 without prior authorization from the Board of Directors.

## **VII. Disposal of Surplus Equipment and Scrap Items**

A. Methods of Disposition. The method of disposing of any surplus or scrap items shall depend on the nature of the item and the possibility of the most favorable return to the District. Allowable methods are:

1. Transfer or sale to another public agency,
2. Trade-in as part of a new procurement,
3. Sale by auction held by the District or other public entity or at any other public auction,
4. Sale by negotiation, or
5. Sale by public advertisement for sealed bids with an award of contract to the highest responsive bidder.

For an item with an original acquisition cost of \$25,000 or less, the General Manager shall determine the appropriate method of disposition and shall report the matter to the Board of Directors. For an item with an original acquisition cost exceeding \$25,000, the Board of Directors shall determine the appropriate method of disposition considering any staff recommendation.

## **VIII. Waiver**

The policies and procedures specified above shall not apply in cases where the Board of Directors, in its discretion, determines that it is in the best interests of the District to proceed with an alternative method of procurement and the Board waives certain requirements specified in this resolution for a particular contract, unique construction project, or purchase of equipment, and which finding shall be made on the record at a Board meeting.

**BE IT FURTHER RESOLVED** that Resolution No. 1998-33 adopted on April 23, 1998  
hereby is rescinded.

Regularly passed and adopted this 27th day of October, 2005, by the following vote:


AYES: Directors Vella, Wagenseller, President Feldman

NOES: None

ABSENT: Director Altscher

  
\_\_\_\_\_  
President, Board of Directors  
Mid-Peninsula Water District

ATTEST:

  
\_\_\_\_\_  
Secretary of the District

July 3, 2018

**Personal & Confidential**

CANDACE PINA  
MID-PENINSULA WATER DISTRICT  
3 DAIRY LANE  
BELMONT, CA 94002



Job Order Number: 00430-0010517823

Dear Candace,

Thank you for selecting OfficeTeam to meet your staffing needs. Ron Okada is scheduled to start with Mid-Peninsula Water District as an Office Assistant on 07-02-2018. As agreed, we will invoice your firm at the rate of \$33.00 per hour. If applicable, overtime will be billed at 1.50 times such rate. Please find the enclosed General Conditions of Assignment and Terms of Payment for your review.

Our professional will submit either an electronic time record or a time sheet for verification and approval at the end of each week. Your approval thereby will indicate you have read and agree to the enclosed General Conditions of Assignment and Terms of Payment.

OfficeTeam specializes in the placement of highly skilled office and administrative support professionals on a temporary and temp-to-full-time basis. We are a division of Robert Half International Inc., the world's leader in specialized consulting and staffing services since 1948.

Please do not hesitate to contact us if you have any questions or we can be of additional service. We look forward to working with you.

Sincerely,

OfficeTeam  
1850 Gateway Drive  
Suite 200  
San Mateo, CA 94404  
(800) 804-8367

## GENERAL CONDITIONS OF ASSIGNMENT

Thank you for your confidence in *OfficeTeam*. Our professional is assigned to you under the following General Conditions of Assignment and the enclosed Terms of Payment.

<b>Scope of Assignment</b>	<p>Supervision of our professional's work is your responsibility. Our professional is only authorized to perform work within the scope of the assignment. You shall not permit our professional to perform services remotely (e.g., on premises other than your or your customer's premises), or using computers or other electronic devices, software or network equipment owned or licensed by our professional.</p> <p>It is expressly understood that our professionals are not authorized to sign contracts, statements, or binding agreements on your behalf or on behalf of <i>OfficeTeam</i>.</p>
<b>Client's Responsibility</b>	<p><b>It is understood that you are responsible for implementing and maintaining usual, customary and appropriate internal accounting procedures and controls, internal controls and other appropriate procedures and controls (including information technology, proprietary information, creative designs and trade secret safeguards) for your company and we shall not be responsible for any losses, liabilities or claims arising from the lack of such controls or procedures. Please notify us immediately if you require <i>OfficeTeam</i> to perform background checks or other placement screenings of our professional. We will conduct such checks or screenings only if they are described in a signed, written amendment to these General Conditions of Assignment.</b></p> <p>Under no circumstances will you permit our professional to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables. It is understood that you have full responsibility for providing safe working conditions, as required by law, including ensuring that safety plans exist for and safety related training is provided to our professional working on your premises. Under no circumstances will you permit our professional to have contact with minors or with adults with reduced mental capacity. If this assignment is for work to be performed under a government contract or subcontract, you will notify us immediately (1) of any obligations in the government contract or subcontract relating to wages, and (2) if we are legally required to initiate E-Verify verification procedures for our professional assigned to you.</p> <p>It is understood that we will not authorize our professional to operate machinery (other than office machines) or automotive equipment. It is agreed that you accept full responsibility for, and that we do not maintain insurance to cover any injury, damage, or loss that may result from your failure to comply with the foregoing.</p> <p>It is understood that you are responsible for reporting any claim to us in writing during or within ninety (90) days after the assignment. Under no circumstance will <i>OfficeTeam</i> be responsible for any claim related to the assignment, including but not limited to work performed by our professional, unless you have reported such claim in writing to us within ninety (90) days after termination of the assignment.</p>
<b>Confidentiality</b>	<p>Our professional will agree to execute any confidentiality agreement you may require. You are responsible for obtaining our professional's signature.</p> <p>You agree to hold in confidence the social security number and other legally protected personal information of our professional and to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use, modification or disclosure.</p>
<b>Limitation on Liability</b>	<p>We make no express or implied warranty, including, but not limited to, any warranty of quality, performance, merchantability or fitness for any purpose with respect to any services performed or any goods provided, including, but not limited to, financial or accounting services performed, or software developed, for you. Under no circumstances are we liable for any special, incidental, exemplary, indirect damages, lost profits or consequential damages (including, but not limited to, lost business, revenue, goodwill, or anticipated savings), even if informed of the possibility. Our liability, if any, will (in the aggregate for all claims, causes of action or damages) be limited to any actual direct damages up to an amount equal to the fees actually paid by you to us for the services that are the subject of the claim, regardless of the basis on which you are entitled to claim damages from us (including, but not limited to, fundamental breach, negligence, misrepresentation, or other contract or tort claim).</p>
<b>Insurance</b>	<p>In addition to workers' compensation insurance, we also maintain commercial liability insurance.</p>
<b>No Contrary Agreements</b>	<p>These General Conditions of Assignment contain the complete and final agreement on the topics they address, and they supersede any prior agreements or understandings on these topics. Our professionals do not have authority either to verbally modify these General Conditions of Assignment or to assume additional responsibilities other than those set forth in these General Conditions of Assignment.</p>

Job Order: 00430-0010517823

Date: 07-02-2018

## TERMS OF PAYMENT

Thank you for your confidence in *OfficeTeam*. Our professional for the assignment of an Office Assistant is Ron Okada. The assignment will start on 07-02-2018. As agreed or otherwise communicated, we will invoice your firm at the rate of \$33.00 per hour. Should you wish to use our professional for other assignments, please let us know. The hourly billing rate may then change to reflect the experience necessary to complete the assignment. Call *OfficeTeam* for any changes in the assignment.

Our professional is assigned to you under the following Terms of Payment:

<b>Guarantee</b>	<i>OfficeTeam</i> guarantees your satisfaction with our professional's services by extending to you a one-day (8 hours) guarantee period. If, for any reason, you are dissatisfied with the professional assigned to you, <i>OfficeTeam</i> will not charge for the first eight hours worked, provided that <i>OfficeTeam</i> replaces the individual assigned. Unless you contact us before the end of the first eight hours guarantee period, you agree that our professional assigned is satisfactory.
<b>Time Sheet</b>	Our professional will submit either an electronic time record or a time sheet for verification and approval at the end of each week. Your approval thereby indicates your acknowledgement of the General Conditions of Assignment and these Terms of Payment. Our compensation to our assigned professional is on a weekly basis, and you will be billed weekly for the total hours worked, including time spent completing, revising, and/or resubmitting a time sheet or electronic time record during business hours, and we ask that you respect those guidelines. Because <i>OfficeTeam</i> invoices reflect payroll we have already paid, our invoices are due upon receipt. Applicable sales and service taxes shall be added to these invoices. In the event that you fail to pay the invoice when due, you agree to pay all of our costs of collection, including reasonable attorneys' fees, whether or not legal action is initiated. Additionally, we may, at our option, charge interest on any overdue amounts at a rate of the lesser of 1 1/2% per month or the highest rate allowed by applicable law from the date the amount first became due.
<b>Overtime</b>	If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate.
<b>Hiring the Person Referred to You</b>	<p>After you evaluate the performance and potential of our professional on the job, you may wish to employ this person directly. Our professionals represent our inventory of skilled employees and in the event you wish them converted to your employ or another employer to whom you refer them, you agree to pay a conversion fee. The conversion fee is payable if you hire our professional assigned to you, regardless of the employment classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. You also agree to pay a conversion fee if our professional assigned to you is hired by (i) a subsidiary or other related company or business as a result of your referral of our professional to that company or (ii) one of your customers as a result of our professional providing services to that customer.</p> <p>The conversion fee calculation is one percent (1%) for each thousand dollars of the aggregate annual compensation (e.g., 20% for \$20,000) multiplied by the aggregate annual compensation, to a maximum of thirty percent (30%). Aggregate annual compensation includes bonuses.</p> <p>The conversion fee will be owed and invoiced upon your hiring of our professional, and payment is due upon receipt of this invoice. The same calculation will be used if you convert our professional on a part-time basis using the full-time equivalent salary.</p>
<b>Employment Taxes and Withholdings</b>	<i>OfficeTeam</i> will handle, to the extent applicable, any workers' compensation insurance, federal, state and local withholding taxes and unemployment taxes, as well as social security, state disability insurance or other payroll charges.
<b>General Conditions</b>	<p><i>OfficeTeam</i> may increase our rates provided under the Terms of Payment to reflect increases in our own costs of doing business, including costs associated with higher wages for workers and/or related tax, benefit and other costs. We will provide written or verbal notice of the increase in our rates. Any increase in our rates will be prospective, starting as of the effective date <i>OfficeTeam</i> specifies.</p> <p>Our professional is also assigned to you under the General Conditions of Assignment, a copy of which has been provided. We reserve the right to re-assign our professional.</p>

Job Order: 00430-0010517823

Date: 07-02-2018



**waterTALENT**  
**Temporary Services Agreement**

This Temporary Services Agreement ("Agreement") is entered into on this 1<sup>st</sup> day of Feb, 2019 (the "Effective Date"), by and between waterTALENT, LLC, a California limited liability company ("waterTALENT"), with offices at 10877 Wilshire Blvd, Suite 1650, Los Angeles, CA 90024 and Mid-Peninsula Water District, a California based special district ("Client"), with offices at 3 Dairy Lane, Belmont CA 90024.

**RECITALS**

WHEREAS, waterTALENT is in the business of providing specialty technical staffing services to accommodate utilities and industries with temporary and temporary-to-hire operators who are experienced in waste water treatment, water treatment, and water distribution.

WHEREAS, Client desires to retain waterTALENT to utilize the specialty technical staffing services provided by waterTALENT and Temporary Employees, as defined below.

NOW, THEREFORE, in consideration of the parties' mutual covenants, conditions and promises contained herein, the parties hereto agree as follows:

**1. DESCRIPTION OF SERVICES**

- 1.1. waterTALENT agrees to provide Client with specialty technical staffing services as may be assigned from time to time, in writing by the Client. Personnel provided by waterTALENT shall be referenced in this Agreement in the singular as "Temporary Employee" or in the plural as "Temporary Employees." Each such assignment shall be made in the form of a written Task Order. Each such Task Order shall include, but not be limited to, a description of the nature and scope of services to be performed by waterTALENT Temporary Employee, the services fee schedule, the location of Premises where services will be performed, the name and title of direct supervisor provided by Client responsible for supervising the waterTALENT Temporary Employee, and the expected duration of the services.
- 1.2. Unless otherwise agreed, all services performed by a Temporary Employee shall be performed at Client's business Premises, as set forth in a future Task Order. Client will not change the scope of services in the Task Order without prior written approval of waterTALENT. Client will not reassign or relocate a Temporary Employee without prior approval of waterTALENT.

**2. COMPENSATION**

- 2.1. In consideration for the services to be performed by waterTALENT, Client agrees to pay waterTALENT as provided for in each Task Order. Each Task Order shall specify a Fee, Schedule for the hourly rate of waterTALENT services performed by Temporary Employee, which is set forth on an exhibit to be attached to each Task Order issued to Client. The hourly rate shall be based upon, but be not limited to, the nature of work to be performed, the risk level of such work, the technical skill level required of Temporary Employee, the level of responsibility of such work, and the duration of the Task Order.
- 2.2. waterTALENT shall not be compensated for any services rendered nor reimbursed for any expenses incurred in excess of those authorized in any Task Order unless approved in advance by Client in writing.

**3. TERM AND TERMINATION**

- 3.1. This Agreement shall commence as of the date set forth above, and shall continue in full force and effect for two (2) years following the Effective Date (the "Initial Term") unless earlier terminated as provided herein.
- 3.2. Either party may terminate this Agreement at any time for any reason or no reason, by giving thirty (30) days' notice in writing to the other party.
- 3.3. In the event that this Agreement is terminated prior to conclusion of the Initial Term, all fees, costs and reimbursements owed, due, accrued, or earned as provided in this Agreement remain owed, due, accrued, or earned and shall be paid within ten days after termination. Further, any and all provisions in the Agreement regarding Proprietary Software, Non-Solicitation, Confidentiality, Work Product and Indemnification shall continue in full force and effect through the period of the Initial Term.
- 3.4. In the event of a declared Federal or State emergency, where the waterTALENT Temporary Employee on assignment with Client is determined to possess skills critical to the response to said disaster response, either natural or manmade, waterTALENT reserves the right to remove Temporary Employee from Client site to redeploy to the emergency scenario.

#### **4. PREQUALIFICATION OF TEMPORARY EMPLOYEES**

- 4.1. waterTALENT will complete the following verifications for all Temporary Employees: I-9 verification; Confirmation of specified professional certifications; Confirmation of professional references
- 4.2. waterTALENT may also complete any other screening as it deems necessary to determine the qualifications and suitability of the Temporary Employees. Professional reference checks for Temporary Employees shall be based solely upon application information provided by the Temporary Employees. waterTALENT shall be entitled to rely upon any and all information received from Temporary Employees and their references with respect to such Temporary Employees.
- 4.3. waterTALENT will arrange for third party verifications which will include a criminal background check from all counties, states and federal territories where the applicant has lived in the past 7 years. These third party verifications also search all names the applicant has identified to waterTALENT as having been used in the past. waterTALENT will also request and review a driving record in the states where the applicant has indicated a license has been issued for the 7 years prior to application. Each potential Temporary Employee must submit to a full 10 panel drug test which includes Amphetamines, Cocaine, Marijuana, Opiate, Phencyclidine PCP, Barbiturates, Benzodiazepine, Methadone, Propoxyphene, and Methaqualone. waterTALENT may revise its verification and testing procedures as it determines appropriate.
- 4.4. Except as specifically provided herein or mutually agreed upon between Client and waterTALENT, waterTALENT shall not provide or conduct any other background, reference or qualification checks or testing.

#### **5. COMPENSATION OF TEMPORARY EMPLOYEES**

- 5.1. waterTALENT will be responsible for the compensation of its Temporary Employees, including payment of wages, applicable federal, state and local taxes, and the payment of any required insurance (FUTA, SDI, Unemployment Insurance). waterTALENT shall be solely responsible



for any insurance premium payments for Workers' Compensation, disability, or other insurance, which is imposed upon waterTALENT and required as a consequence of waterTALENT's employment of Temporary Employees under this Agreement. waterTALENT agrees to hold Client harmless from all applicable federal, state and local taxes relating to income tax withholding, unemployment taxes, FUTA, SDI, and state unemployment insurance imposed upon waterTALENT for wages paid by waterTALENT to Temporary Employees.

## **6. RULES APPLICABLE TO TEMPORARY EMPLOYEES**

- 6.1. Client agrees that Temporary Employees shall not be permitted, without express advance written approval by an officer of waterTALENT, while on Client's business Premises or providing services to Client, to (a) knowingly (to Client) engage in travel or otherwise operate a motor vehicle or any motorized equipment on behalf of Client, (b) knowingly (to Client) handle cash or negotiable instruments, (c) knowingly (to Client) be permitted unsupervised or uncontrolled access to confidential or proprietary information, (d) knowingly (to Client) be permitted unsupervised access to or control of the Client's Premises, (e) knowingly (to Client) remove any property of Client from Client's business Premises, (f) knowingly (to Client) consume any alcohol, or (g) knowingly (to Client) consume drugs, unless advance written authorization is provided by a physician, while the Temporary Employees are on assignment to Client.
- 6.2. In the event written approval is granted by waterTALENT for item (a) the operation of a Client motor vehicle or motorized equipment in support of the execution of the scope of services, Client shall provide copies of current motor vehicle or motorized equipment maintenance logs, registration, and proof of insurance for any motor vehicle or motorized equipment that Temporary Employee is charged with operating in the execution of the scope of the services. Client shall provide written authority to Temporary Employee certifying that Temporary Employee is authorized by Client to operate any motor vehicle or motorized equipment for the duration of the assignment.
- 6.3. Client shall not pay Temporary Employees other than through its payments to waterTALENT under this Agreement, or advance any funds to them.

## **7. WORK ENVIRONMENT FOR TEMPORARY EMPLOYEES; EQUAL OPPORTUNITY**

- 7.1. Client agrees to comply with all applicable laws and ordinances relating to work site health and safety, and agrees to provide Temporary Employees a safe and healthful workplace, notices and training required by the Hazardous Communications Standard established by the Occupational Safety and Health Administration ("OSHA"), California Fair Employment and Housing Act, Title VII, and any other law applicable to employees. Client agrees that it shall have in place at all times during the term of this Agreement an ongoing safety program in compliance with all applicable state and federal laws. In particular, California employers with any outdoor places of employment must comply with the Heat Illness Prevention Standard - Title 8 California Code of Regulations (T8 CCR) Section 3395.
- 7.2. In the event of an accident, medical treatment, serious illness or injury, or death involving a waterTALENT employee assigned to Client, Client shall notify waterTALENT immediately. For any serious injury, illness or death, of a waterTALENT employee occurring in a place of employment or in connection with a Temporary Employee. Client shall provide to OSHA all information required by applicable law. Client shall notify waterTALENT concurrently with or, if that is not possible, immediately after the report has been made.
- 7.3. waterTALENT is an equal opportunity employer and actively supports federal, state and local laws prohibiting discrimination in employment practices because of race, color, religion, sex,

age, handicap, marital status, Vietnam Era and/or special disabled veteran status, national origin, sexual orientation, or any other classification protected by law, and waterTALENT further complies with any and all other federal, state and local employment laws and regulations (including those pertaining to family and medical leave and other fair employment practices), including but not limited to the Equal Opportunity Clause in 41 C.F.R. Section 60-1.4 (all of the foregoing being collectively referred to as the "Employment Obligations"). Client hereby agrees to comply with all of the Employment Obligations.

## **8. TERMINATION OF TEMPORARY EMPLOYEE JOB ASSIGNMENT OR REASSIGNMENT OF TEMPORARY EMPLOYEE BY WATERTALENT**

8.1. Client acknowledges that waterTALENT has the sole and exclusive right to terminate the assignment of any Temporary Employee, or to reassign any Temporary Employee to other positions including positions with other clients of waterTALENT. Client may notify waterTALENT at any time of Client's request that any Temporary Employee with whom Client is not satisfied be removed from a particular assignment or from performing services at Client altogether.

## **9. WATERTALENT AS INDEPENDENT CONTRACTOR**

9.1. Neither waterTALENT nor any party contracting with waterTALENT shall be deemed to be an agent or employee of Client. waterTALENT is and shall be an independent contractor and the legal relationship of any person performing services for waterTALENT shall be one solely between that person and waterTALENT.

9.2. All Temporary Employees supplied under this Agreement are and shall remain employees waterTALENT for the period during which they render services under this Agreement.

9.3. All Temporary Employees referred to Client as candidates for work under this Agreement shall be waterTALENT's employees or be legally bound to become waterTALENT's employees immediately upon being found qualified to perform the required work.

9.4. waterTALENT shall provide, be responsible for and pay to all Temporary Employees performing services under this Agreement, or on their behalf, all compensation and applicable fringe benefits.

9.5. waterTALENT shall accept exclusive liability for payment of any contributions, measured by the wages of its employees and agents, assessed by the Federal Unemployment Tax Act, the Federal Insurance Contributions Act, and any other applicable laws or statutes. waterTALENT shall indemnify and hold harmless Client on account of all such compensation and fringe benefit payments and such contributions. This indemnification shall survive termination or expiration of the Agreement.

9.6. It is understood that all Temporary Employees utilized in connection with work performed under this Agreement shall be waterTALENT's employees, subject to waterTALENT's supervision and control and not subject to supervision or control by Client's employees or agents.

## **10. PROPRIETARY SOFTWARE**

10.1. To satisfy Client's Temporary Employee requirements, data and invoices may be generated using waterTALENT's proprietary or licensed software to which Client and Temporary Employees may have access. Client agrees that waterTALENT software, including its data formats and any other related information pertaining to the software and its functions, shall



remain the exclusive property of waterTALENT or licensor, and shall not be duplicated, copied or disclosed, or utilized for any other purpose.

## **11. PRICING, INVOICING AND PAYMENT**

11.1. waterTALENT shall invoice Client weekly following the Client approval of Temporary Employee's approved hours and charges of work completed and agreed upon other direct charges. Client agrees to pay such invoices net thirty (30) days of receipt of invoice. Any invoice that is not paid in full within thirty (30) days after the invoice due date will bear default interest of the lesser of one and one-half percent (1.5%) per month or the highest amount allowed by law. Client shall pay any such default charges and any costs incurred by waterTALENT in collecting its fees and costs.

11.2. Rates and fees under this Agreement may be increased upon written notice to include any increase or addition of any government imposed taxes, fees or costs, including costs incurred in complying with applicable laws, rules and regulations, imposed after the Effective Date.

11.3. Client's payment method (Check box). If Payment Cards is selected, Client will be responsible for the transaction fee associated with the transaction for a fee of no greater than three percent (3%) of the invoiced amount:

- ☒ Check
- ☐ ACH Wires
- ☐ Payment Cards

## **12. COMPLIANCE WITH LAW**

12.1. The parties agree to comply with all applicable local, state and federal laws, rules, regulations and orders.

## **13. UNAUTHORIZED CONVERSION OF TEMPORARY EMPLOYEE BY CLIENT; NON-SOLICITATION**

13.1. Client understands that Temporary Employees are assigned to Client to render temporary services, and absent agreement to the contrary, are not assigned to become employees of Client. Client acknowledges that considerable expense is incurred by waterTALENT to advertise, recruit, evaluate, train, screen, and provide appropriate quality controls relative to Temporary Employees.

13.2. Accordingly, Client will not, without the prior written consent of waterTALENT, which may be granted or withheld in waterTALENT's sole discretion, solicit a Temporary Employee for employment other than through waterTALENT, interfere with the employment relationship between waterTALENT and Temporary Employees, or directly or indirectly cause a Temporary Employee to transfer to another temporary staffing service.

13.3. If Client, either directly or indirectly, including through any company or entity within Client's control or a company affiliated with Client, hires a Temporary Employee of waterTALENT as an employee, consultant, independent contractor of Client, or utilizes the Temporary Employee's services through another temporary or outsourcing service during such Temporary Employee's employment by waterTALENT or an affiliate of waterTALENT, or within twelve (12) months after termination of this person's temporary assignment by waterTALENT at Client, Client agrees to pay waterTALENT a direct hire fee stipulated by the parties to be set forth in an Fee

Schedule to be amended to this agreement or, in the case of a direct placement of a full-time hire, a fee equal to twenty-five percent (25%) of the employee's annualized wage or salary.

#### **14. INSURANCE**

14.1. waterTALENT shall provide all pertinent and necessary insurance at its own cost and expense, which shall include:

14.1.1. Workers' Compensation insurance as prescribed by the law of the state(s) in which the work is performed;

14.1.2. Employer's Liability insurance with limits of at least \$1,000,000 for each occurrence, \$1,000,000 Disease – Policy limit, and \$1,000,000 Disease - Each employee; and

14.1.3. Commercial General Liability insurance with limits of at least \$5,000,000 Per Occurrence / \$5,000,000 Aggregate.

14.2. waterTALENT shall agree to list Client under their General Liability Policy as an additional named insured prior to any Temporary Employee working at a Client site.

#### **15. CONFIDENTIALITY**

15.1. During the performance of this Agreement, it may be necessary for the parties to provide confidential or proprietary information to one another. The parties agree that such information will be held in strict confidence by the receiving party and will not be disclosed by the receiving party to any third party, or used by the receiving party for its own purposes, except to the extent that such disclosure or use is necessary in the performance by the receiving party of its obligations under this Agreement. No information shall be subject to protection of this section if such information is:

15.1.1. or becomes publicly available other than through a breach of this Agreement by the party seeking to disclose the information;

15.1.2. proven to be already known to or rightfully in the possession of a party or its personnel at the time of disclosure;

15.1.3. or becomes known or developed by the receiving party independently of the confidential and/or proprietary information of the other party; or

15.1.4. released in response to a California Public Records Act request, subpoena, court order or other legal process, provided that the party receiving the request, subpoena or subject to court order or other legal process shall notify the other party and provide such party with an opportunity to seek a protective order preventing disclosure of such information, and in any event, the party subject to such subpoena, court order or other legal process shall disclose only such information as is necessary to comply therewith.

15.2. Neither party shall be liable, however, for inadvertent or accidental disclosure of such information if such disclosure occurs despite the exercise of the same degree of care as such party normally takes to preserve and safeguard its own proprietary information. The receiving party upon the request of the disclosing party will return all writings or documents that contain information subject to the protections of this subsection.

## 16. WORK PRODUCT

- 16.1. waterTALENT agrees that all inventions, innovations or improvements, including copyright in any product, software, reports, surveys, marketing, promotional and collateral material prepared by the Temporary Employee assigned to the Client pursuant to the terms of this Agreement shall be the exclusive property of the Client. waterTALENT acknowledges and agrees that the work product shall be considered a work made for hire within the meaning of the patent and copyright laws of the United States and that Client is entitled, as author thereof, to the copyright and all rights therein, including, but not limited to the right to make such changes therein and such uses thereof, as it may determine in its sole and absolute discretion; provided, that under no circumstances shall a Temporary Employee be considered an employee of Client.

## 17. PERSONAL INFORMATION

- 17.1. This Agreement is made on the basis that each party is entitled to assume that the other has complied and will continue to comply with its obligations arising from data protection and privacy laws in force from time to time to the extent applicable to this Agreement and the scope of services detailed in the Task Order. The parties acknowledge that any use or processing by waterTALENT of Personal Information, which is defined as "any information relating to an identified or identifiable individual that is subject to applicable data protection, privacy or other similar laws, including but not limited to the Health Insurance Portability and Accountability Act of 1996" shall be done solely on behalf of Client and for Client's purposes and waterTALENT shall deal with such Personal Information only in accordance with such reasonable instructions as Client may from time to time provide or as reasonably necessary for the purpose of providing the services contemplated hereby. waterTALENT shall take such technical and organizational measures as it has determined appropriate to guard against unauthorized or unlawful processing of Personal Information and against accidental loss or destruction of, or damage to, Personal Information in accordance with applicable law.

## 18. INDEMNIFICATION

- 18.1. waterTALENT shall indemnify and hold harmless Client and its subsidiaries and related entities, and all of their respective officers, directors, employees, agents and representatives (collectively, "**Client Parties**") from and against any and all liabilities, losses, claims, injuries, suits, judgments, expenses, fines, interest or penalties (collectively, "**Losses**") arising out of any of the following:
- 18.1.1. Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of this Agreement by waterTALENT caused by a negligent act or omission or willful misconduct of waterTALENT or its employees, subcontractors, subcontractors or agents; or
  - 18.1.2. Any claims, demands, causes of action or suits that may be alleged, made, instituted or maintained against Client, by or on behalf of any Temporary Employees provided to Client by waterTALENT or by any administrative agency, arising out of the work performed under this Agreement except for those that arise as a result of the Client's negligence or willful misconduct.
- 18.2. waterTALENT shall not be obligated to indemnify and hold harmless Client for any Losses arising out of Client's negligence or willful misconduct.

waterTALENT further agrees to defend any and all such actions, suits or claims to the extent such action, suits or claims arise out of waterTALENT's negligent acts or willful misconduct and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If



any judgment is rendered against Client or any of the other individuals enumerated above in any such action, waterTALENT shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of the Agreement.

- 18.3. To the maximum extent permitted by applicable law, no member of Client Parties or waterTALENT Parties shall have any liability for any indirect, consequential, special or incidental damages, damages for loss of profits or revenues, whether in an action in contract or tort, even if such party has been advised of the possibility of such damages, unless such party has engaged in willful misconduct or the damages arise from a third party claim for which a party is entitled to indemnification in this Agreement.

## **19. AUDIT RIGHTS**

- 19.1. Client shall have the right to audit timekeeping and billing records maintained by waterTALENT for services provided to Client, upon reasonable notice to waterTALENT. Such audit shall be performed at the corporate headquarters of waterTALENT located in Los Angeles, California.

## **20. OTHER TERMS**

- 20.1. This Agreement, its interpretation and all work performed under this Agreement, shall be governed by the laws of the State of California.
- 20.2. waterTALENT reserves the right to enter into one or more contracts with one or more third party providers to provide Temporary Employees at any time.
- 20.3. This Agreement may not be assigned by either party without the express written consent of the other party.
- 20.4. Neither party will be responsible for any failure or delay in performing any of its obligations under this Agreement or any Task Order due to causes beyond its reasonable control, and such obligations will be suspended for the period during which a fire, flood, war, natural disaster, earthquake, other acts of God, riots, new laws which prevent the carrying out of the Services, or the results of terrorist activity prevent the affected party from performing its obligations under this Agreement or any Task Order. A party affected by a force majeure event shall promptly notify the other party by the quickest means available, explaining the nature and expected duration thereof, and shall act diligently to remedy the interruption or delay if it is reasonably capable of being remedied.
- 20.5. Neither this Agreement nor any Task Order is intended to confer any rights or benefit on any third party.
- 20.6. Each party represents and warrants that the individual executing this Agreement on its behalf is duly authorized to so execute this Agreement, and this Agreement, when executed and delivered by such party, shall constitute the valid and binding agreement of such party, enforceable in accordance with its terms. In the event that any provision of this Agreement shall be unenforceable or inoperative as a matter of law, the remaining provisions shall remain in full force and effect.
- 20.7. This Agreement is subject to amendment only by the written agreement of all of the parties hereto. Any amendment or modification of this Agreement shall be dated, and where any conflict arises between the provisions incorporated in earlier documents, the most recent provisions shall be controlling.



- 20.8. Multiple copies of this Agreement may be executed, each of which shall be deemed to be an original. An electronic copy of this entire Agreement, including the signature page(s), shall be deemed an original.
- 20.9. This Agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the subject matter hereof. It contains all of the covenants, conditions and agreements between the parties with respect to the subject matter. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promises not contained herein shall be valid or binding. Any oral representations or modifications concerning this Agreement shall be of no force or effect, excepting a subsequent modification in writing signed by the parties to the Agreement.
- 20.10. The captions of paragraphs of this Agreement are for reference only and are not to be construed in any way as part of this Agreement.
- 20.11. A waiver of the breach of any covenant, condition, or promise of this Agreement shall not be deemed a waiver of any succeeding breach of the same or any other covenant, condition, or promise of this Agreement. No waiver shall be deemed to have been given, unless given in writing and in compliance with the "Notices" paragraph herein below recited.
- 20.12. In the event that any party herein commences any legal or equitable action or other proceeding, including without limitation, arbitration, an action for declaratory relief or any other form of relief, or to enforce, interpret, reform, rescind, or in any other manner affect the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees which may be set by the arbitrator or in a separate action brought for that purpose, in addition to any other relief to which the party may be entitled.
- 20.13. All representations and warranties made herein shall survive the execution of this Agreement.
- 20.14. All notices under this Agreement shall be in writing and shall be delivered personally, or by registered or certified mail, return receipt requested, postage prepaid, or sent by Federal Express or other recognized overnight courier service, and addressed to the party to be notified at their address set forth below. All notices and other communications required or permitted under this Agreement shall be deemed given when delivered personally, or one (1) day after being deposited with Federal Express or other recognized overnight courier service, or five (5) days after being deposited in the United States mail, postage prepaid and addressed as follows, or to such other address as each party may designate in writing:

<u>For waterTALENT:</u>		<u>For Client:</u>	
Name:	Peter Brooks	Name:	Tammy Rudock
Title:	Vice President	Title:	General Manager
Address:	10877 Wilshire Blvd., Suite 1650  Los Angeles, CA 90024	Address:	3 Dairy Lane, Belmont, CA 90024
Email:	pbrooks@watertalent.net	Email:	TammyR@midpeninsulawater.org
Phone:	(424) 832-7217	Phone:	650-591-8941
Fax:	(424) 832-7018	Fax:	650-591-4998

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

**waterTALENT, LLC**

**Mid-Peninsula Water District**

**For waterTALENT:**

**For Client:**

Peter Brooks

Tammy Rudock

Printed Name

Printed Name

Vice President

General Manager

Title

Title

DocuSigned by:

Peter Brooks

Tammy Rudock

Signature

Signature

1/28/2019

2/1/19

Date

Date

## **TASK ORDER**

**TASK ORDER NO. # 001**

**JOB NAME: Temporary Water  
Systems Operators**

### **waterTALENT INFORMATION**

NAME: waterTALENT LLC  
ADDRESS: 10877 Wilshire Blvd  
Suite 1650  
Los Angeles, CA 90024

CONTACT: Peter Brooks, Vice President  
PHONE: (424)-832-7217  
EMAIL: pbrooks@watertalent.net

THIS TASK ORDER is issued pursuant to that certain Agreement for Temporary Services by Independent On-Call Contract between Mid-Peninsula Water District ("Client") and waterTALENT, LLC ("waterTALENT") dated DATE Feb 1, 2019.

1. Project Name or Description: Temporary Water Systems Operators
2. Premises: The Client's business premises is located at 3 Dairy Lane, Belmont, CA 94002 and shall be defined as the "Premises"
3. Reporting Supervisor Name/Role: Michael Anderson or Brent Chester/Operations Supervisors
4. Duration of Services:  
Start Date/Time: ASAP  
End Date: TBD, ~3-6 months  
Work Schedule: M-F, 7:00am – 3:30pm with a ½ hr lunch break
5. Scope of Services:

Client seeks to obtain the services of waterTALENT's Water Systems Operators. With 8,200 service connections, the District has indicated they are currently more than half way finished with the AMI installations (all in-house) and need the addition of a couple more Water Systems Operators to assist in the completion of the project. These Operators would be expected to perform the following scope of services:

- Performs construction, maintenance, and repair activities of District water utilities systems and infrastructure, including fire hydrants, pipelines, water production facilities and related pumping equipment, residential and commercial water meters, valve cans, meter boxes, water distribution valves, wells, and related facilities.
- Performs water meter maintenance, including installing new meters, testing and repairing meters of various sizes, locating and repairing leaks, and replacing meters as necessary; installs service lines and accounts for the installation of new or replacement meters.



- Flushes water mains to ensure water quality meets California State Water Resources Control Board standards.
- Repairs concrete after water distribution system maintenance, including sidewalk panels, structural foundations, and temporary and final street patches.
- Uses valve-turning equipment to isolate and shut down pre-designated water lines for routine maintenance and in emergency situations; ensures proper shut-down of services by utilizing sounding equipment and flow rates; provides explanations to the public during shut-downs.
- Installs, maintains, flushes, and repairs fire hydrants.
- Utilizes Supervisory Control and Data Acquisition System to ensure efficient operation of the water treatment and distribution systems including wells, water storage tanks, pump stations, and hydrants. Observes variations in operating conditions by interpreting meter, gauge, graph readings, and tests results to determine pressure and flow requirements to meet demand.
- Prepares and maintains detailed logs, records, and reports on a variety of water production system operations, tests, system maintenance performed, operating conditions, and inspection results.
- Performs maintenance and repair of treatment water system facilities and equipment such as pumps, motors, valves, storage tanks, cathodic protection test stations, anodes, rectifiers, backup generators, and related equipment.
- Takes samples from sampling stations located throughout the District's service area to measure system performance and to ensure compliance with water quality standards; delivers samples for further testing and analysis; maintains records.
- Receives and responds to service calls and customer complaints regarding issues such as leaks, high or low pressure, consumption levels, and water quality; turns water service on and off; resolves or refers issues to supervisor.
- Monitors contractors working with and around underground services to ensure the work is appropriately performed to District standards and meet regulatory requirements; coordinates work with other utilities service providers; addresses discrepancies as necessary.
- Performs grounds maintenance such as mowing, weed abatement, and picking up trash and debris in and around pump stations, wells, tanks, and other District facilities.
- Reads and interprets maps and diagrams in the performance of the work.
- Observes safe work methods and makes appropriate use of related safety equipment as required. Operates and maintains light, medium, and heavy-duty equipment such as backhoes, skip loaders, dump trucks, forklifts, and other equipment appropriate to the functional area of assignment.
- Operates a variety of hand and power tools and equipment related to work assignment as instructed. Maintains work areas in a clean and orderly condition, including securing equipment at the close of the workday.
- Installs street barricades and cones, and controls traffic around work sites to ensure safe conditions for the general public and District staff.
- Inspects assigned District infrastructure for safety issues, structural integrity, and possible future work projects and programs; appropriately marks areas that need to be repaired.
- Notifies assigned supervisor of the need for repair or additional maintenance as found during routine inspection and cleaning activities; prepares work orders or notes service requirements.

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- Provides needed information and demonstrations concerning how to perform certain work tasks to new employees in the same or similar class of positions.
- May provide technical and functional direction to staff in the absence of a Lead Operator and Operations Supervisor.
- Maintains accurate logs and records of work performed and materials and equipment used. Attends training, meetings, workshops, etc., as required to enhance job knowledge and skills.
- Responds to after-hours emergencies and assists other staff as needed in emergency or relief situations.
- Performs on-call, stand by duty on a regular basis.

6. Break Requirement:

California law requires that within an 8 hour shift the Operator is entitled to a 30 minute break. This lunch break may be waived by mutual consent of both the Client and the Operator. If the Operator works over 10 hours in one day they are entitled to a second lunch break of 30 min. The second meal period may not be waived if the first period is waived, however either meal period can be counted as work hours and compensated for at the normal hourly rate.

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**EXHIBIT A**  
**FEE SCHEDULE**

<b>Included Insurance</b>	<b>Included Services</b>
<ul style="list-style-type: none"> <li>• \$5M Minimum Unencumbered General Liability</li> <li>• \$2M Commercial Auto Insurance; Non-Owner Vehicle</li> <li>• \$5M Professional Liability</li> <li>• \$1M Employment Practice Liability</li> <li>• \$1M Worker's Compensation</li> <li>• \$5M Pollution Liability</li> </ul>	<ul style="list-style-type: none"> <li>• Payroll and compliance services</li> <li>• Cell phone for real-time tracking and payroll</li> <li>• Meals (per diem)</li> <li>• Travel</li> <li>• Housing</li> </ul>

**Table 1 – waterTALENT Fee Schedule**

<b>Operator</b>	<b>Regular Rate</b>
waterTALENT Water Systems Operator Candidates 1 & 2	\$115/hour

**Overtime:**

Workweeks are defined as 5 days @ 8 hours per day. Overtime hours, according to the State of California, are defined as any work in excess of eight (8) hours in one normal workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek. These overtime hours shall be compensated at the rate of no less than one and one-third (1.33) times the regular rate of pay. If Operator works more than 12 hours in any workday, or works any time in excess of eight hours on the seventh consecutive day of work in a workweek, Operator must be compensated at one and one-half (1.5) times the regular rate.

**On-Call Support:** If an Operator is expected to provide On-Call support they shall be compensated in the following manner:

- **Standby On-Call:** if waterTALENT Operator is expected to remain in the vicinity of the Client system and in a ready-to-respond status during off hours on a day where they have already worked a shift, this time will be compensated as one (1) regular hour of time. On days where they have not worked a shift and are expected to remain in a ready-to-respond status (off days), time will be compensated as two (2) regular hours of time.
- **Activated On-Call:** if waterTALENT Operator is called to respond to a system alarm or emergency after hours to Client system, then this time will be charged at a minimum of two (2) hours or for the total duration of time from departure from domicile to return to domicile, whichever is greater. Standard labor laws shall apply if Operator happens to have accrued the appropriate amount of hours to constitute overtime.

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424.832.7217 • [info@watertalent.net](mailto:info@watertalent.net) • [watertalent.net](http://watertalent.net) • 10877 Wilshire Blvd, Suite 1650, Los Angeles, CA 90024

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

**waterTALENT, LLC**

**Mid-Peninsula Water District**

**For waterTALENT:**

**For Client:**

Peter Brooks

Tammy Rudock

Printed Name

Printed Name

Vice President

General Manager

Title

Title

DocuSigned by:

Peter Brooks

Tammy Rudock

Signature

Signature

1/28/2019

2/1/19

Date

Date

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### ***AGENDA ITEM NO. 7.A.***

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Rene A. Ramirez, Operations Manager

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**SUBJECT: CONSIDER RESOLUTION 2019-01 AUTHORIZING THE SIXTH AMENDMENT TO THE MASTER PROFESSIONAL SERVICES CONTRACT WITH PAKPOUR CONSULTING GROUP, INC., REFERENCED AS CONTRACT NO. 02-1621-CP IN THE AMOUNT OF \$45,000, FOR ADDITIONAL ENGINEERING DESIGN SERVICES RELATED TO THE HILLCREST PRESSURE REGULATING STATION**

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**RECOMMENDATION:**

Adopt Resolution 2019-01 which authorizes a sixth amendment totaling \$45,000 to the District Engineer's Master Contract for professional engineering design services. The amendment is related to engineering services to complete the Hillcrest Pressure Regulating Station project 02-1621-CP (Project No. 15-87).

**FISCAL IMPACT:**

Exhibit A, attached, is the time and material description from the District Engineer dated January 30, 2019, addressing additional work required to complete the design for the Hillcrest Pressure Reducing Station, which totals \$45,000, and brings the total design costs for this project to \$196,850. Funding for the engineering comes from the 2016 COP proceeds.

This capital project started with \$7,800 of preliminary design work. The Board approved an engineering design services contract for \$89,250 on February 23, 2017 for the Hillcrest Pressure Regulating Station. At the Board's January 25, 2018 regular meeting, the first additional budget request, which is explained below, was approved for \$54,800 bringing the project's design budget up to \$151,850 at that time. Staff is recommending this amendment in the amount of \$45,000 to address some staff concerns and modifications of construction to minimize the potential length of shutdown, for time spent locating and identifying existing Redwood City infrastructure near the proposed construction site, actual costs for designing the concrete cylinder pipe tie-in solution, and time spent coordinating with Redwood City staff in order to obtain an encroachment permit.

**BACKGROUND:**

The Hillcrest Pressure Regulating Station (HPRS) project proposes to construct a pressure regulating station near the Hillcrest meters operated by the SFPUC in a location where Redwood City operates a tank site. The purpose of the pressure regulating station is to regulate, or even out, pressure fluctuations in Zone 1 from the SFPUC, which have caused system leaks over the years. This is a project that has been desired by Operations staff for many years.

Design work on the HPRS had reached the 70% design stage by the end of 2017 when two complications arose, which necessitated additional budget request No. 1 (amendment no. 4 to the master professional services agreement with the District Engineer), provided a budget augmentation of \$54,800, and provided the following:

- creation of easement document of District site on Redwood City site (\$17,490); &
- a specialized construction detail and specifications for 50 year old 20-inch concrete cylinder pipe (\$33,060).
- detail for an emergency inter-connection request by Redwood City for our project on their tank site (\$4,250).

**DISCUSSION:**

The Board adopted a five-year Capital Improvement Plan (CIP) at its May 26, 2016 meeting and directed staff to develop a “game plan” to execute the improvements. Staff and the District Engineer have developed such a plan that entails developing plans and specifications in one fiscal year or two, depending on the size of the project, and construction in the following year or two, again depending on the size of the project. Part of the plan also included combining some projects to be efficient and provide an economy of scale for bidding and construction purposes as just discussed.

The District Engineer’s contract defines any engineering or construction management support greater than \$100,000 as Major Improvement Projects, and requires them to submit a proposal. In this case, even though the proposed work does not exceed \$100,000, transparency throughout the capital improvement program is desired.

***Amendment #6 to Master Professional Services agreement with District Engineer***

A time and material description of additional work from the District Engineer dated January 30, 2019 goes into more detail regarding their request for additional budget to complete the design of the HPRS. Generally speaking, this request addresses the following:

- In order to potentially minimize the length of the shutdown, staff and the District Engineer spent time to investigate whether one of the existing tie-in points, a flange connection, could be used instead of welding on a new flange connection. It was determined that it was possible and plans and specifications had to be modified for this change.

- Coordinating with the City of Redwood City with regard to existing infrastructure on and near the proposed construction required more time than budgeted and required more field meetings to ascertain conditions. Here too, in the end, the plans had to be modified to reflect actual infrastructure conditions.
- The design for the concrete cylinder pipe required more effort and time than estimated, and required the talents from a retired engineer who was familiar with connection solutions for this type of pipe.

This project's design has not been as normal/typical or as straight forward as the usual pipeline replacement project, and staff has made an effort to keep the Board apprised of the challenges.

Attachments:                      Resolution 2019-01  
    Exhibit A - Proposal from Pakpour Consulting Group dated January 30, 2019  
    Contract No. 02-1621-CP Sixth Amendment to Contract for Professional Services

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_

**RESOLUTION NO. 2019-01**

**AUTHORIZING THE SIXTH AMENDMENT TO THE MASTER  
PROFESSIONAL SERVICES CONTRACT WITH PAKPOUR CONSULTING GROUP, INC.,  
REFERENCED AS CONTRACT NO. 02-1621-CP, IN THE AMOUNT OF \$45,000,  
FOR ADDITIONAL ENGINEERING SERVICES RELATED TO  
THE HILLCREST PRESSURE REGULATING STATION**

**\* \* \***

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the Mid-Peninsula Water District (District) entered into a master professional services contract with Pakpour Consulting Group on June 25, 2015 to provide District Engineer services for the planning, design, construction, management and operation of the District water system (Contract); and

**WHEREAS**, a First Amendment to the Contract (referenced as Contract No. 01-1621-CP) with the District Engineer for the 2017 Water Main Improvements Project totaling \$292,155 was approved by the Board of Directors on September 22, 2016; and

**WHEREAS**, a Second Amendment to the Contract (referenced as Contract No. 02-1621-CP) with the District Engineer for the Hillcrest Pressure Regulating Station Project totaling \$89,250 was approved by the Board of Directors on February 23, 2017; and

**WHEREAS**, a Third Amendment to the Contract (referenced as Contract No. 07-1621-CP) with the District Engineer for design services for the 2018 Water Main Replacement Project totaling \$325,244 was approved by the Board of Directors on September 28, 2017; and

**WHEREAS**, a Fourth Amendment to the Contract (referenced as Contract No. 02-1621-CP) with the District Engineer provides an augmentation to design service costs in the amount of \$54,800 to address creation of an easement on City of Redwood City property, specialized construction details and specifications for the 20-inch concrete cylinder pipe, and detail for an emergency interconnection with Redwood City related to the Hillcrest Pressure Regulating Station approved by the Board of Directors on January 25, 2018; and

**WHEREAS**, a Fifth Amendment to the Contract (referenced as Contract No. 08-1621-CP) with the District Engineer for design services for the Dekoven Tanks Replacement Project totaling \$192,292 was approved by the Board of Directors on December 19, 2018; and

**WHEREAS**, Section 2.C. of the Contract includes optional services for Major Improvement Projects, defined as improvement projects or construction management services costing over \$100,000; and

**WHEREAS**, the Board of Directors (Board) adopted the MPWD Comprehensive System Analysis and Capital Improvement Program (CIP), FY 2016/2017 Update, and authorized the MPWD 5-Year CIP for Fiscal Years 2016/2017 through 2020/2021 at its May 26, 2016, regular meeting; and

**WHEREAS**, the District now proposes a Sixth Amendment to the Contract for the purpose of engaging the District Engineer for additional design work and time related to the Hillcrest Pressure Regulating Station to make District staff changes that will potentially shorten the shutdown period of time, address additional time spent with Redwood City staff to locate existing utilities on the construction site and amend plans, and to account for actual time spent engineering a solution for the concrete cylinder pipe.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby authorizes a Sixth Amendment to the Contract with Pakpour Consulting Group, Inc., referenced as Contract No. 02-1621-CP, for additional professional engineering services related to the Hillcrest Pressure Regulating Station Project totaling \$45,000.

**REGULARLY PASSED AND ADOPTED** this 28th day of February 2019.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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PRESIDENT, BOARD OF DIRECTORS

ATTEST:

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SECRETARY OF THE BOARD

**CONTRACT NO. 02-1621-CP**

**SIXTH AMENDMENT TO**

**CONTRACT FOR PROFESSIONAL SERVICES**

THIS SIXTH AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES, (HEREINAFTER REFERRED TO AS "CONTRACT NO. 02-1621-CP"), is made as of the 28th day of February 2019, by and between the MID-PENINSULA WATER DISTRICT (hereinafter referred to as "DISTRICT") and PAKPOUR CONSULTING GROUP, INC. (hereinafter referred to as "ENGINEER").

- A. The Parties entered into a Contract for Professional Services ("Contract") on June 25, 2015, under which Engineer provides professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system, including optional services related to major improvement projects costing over \$100,000.
- B. The DISTRICT desires Engineer to provide additional design work related to the Hillcrest Pressure Reducing Station to address staff requested changes in order to potentially minimize shutdown, existing Redwood City utility location, coordination and re-drawing of plans, and the actual costs to design a solution for the concrete cylinder pipe, as more particularly described in the ENGINEER's proposal dated January 30, 2019, a copy of which is attached hereto and incorporated herein as Exhibit "A" to this Sixth Amendment.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. Under Section 2 of the Contract, the Scope of Services is amended to add the ENGINEER's services described in Attachment "A" to this Sixth Amendment.
- 2. Under Section 4.3 of the Contract, the Compensation to be paid the ENGINEER for the specified services to be provided pursuant to this Sixth Amendment is set forth in Attachment "A" to this Sixth Amendment.
- 3. Except for those changes expressly specified in this Sixth Amendment, all other provisions, requirements, conditions and sections of the Contract remain in full force and effect.

IN WITNESS WHEREOF, this Sixth Amendment to the Contract, referenced as Contract No. 02-1621-CP, is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

PAKPOUR CONSULTING GROUP, INC.

BY: \_\_\_\_\_  
Tammy A. Rudock, General Manager

BY: \_\_\_\_\_  
Joubin Pakpour, P.E., Principal



Pakpour Consulting Group, Inc.

January 30, 2019

10012.19

Tammy Rudock  
General Manager  
Mid-Peninsula Water District  
3 Dairy Lane  
Belmont, CA 94002

**Subject: Additional Budget Request No. 2  
Hillcrest Pressure Regulating Station Project  
Mid-Peninsula Water District**

Dear Tammy,

The Hillcrest Pressure Regulating Station (HPRS) Project is out for bid and we anticipate awarding the project during the January Board of Directors meeting and begin construction in February 2019. The project turned out to be much more complex than originally thought along with the added right-of-way complications with City of Redwood City which all required additional effort during the design phase. Our budget is summarized below:

September 8, 2016	Preliminary Design	\$7,800.00
February 9, 2017	Preparation of Plans, Specifications and Construction Support	\$89,250.00
November 16, 2017	Additional Budget Request No. 1 <i>Right of way research, easement preparation and hiring a concrete pipe expert</i>	\$54,800.00
January 25, 2019	<b>Additional Budget Request No. 2 (detailed below)</b>	<b>\$45,000.00</b>
	<b>Revised Contract Amount</b>	<b>\$191,850.00</b>
	Spent to Date (as of December 31, 2018)	\$172,863.26
	Amount Remaining (Construction Support)	\$23,986.74



## Additional Budget Request No. 2

- The estimates provided in Additional Budget Request No. 1 for design and detailing of the concrete pipe connections was under estimated. It took much longer to detail the connections and design the overall project. After completion of the connection details they were sent to various contractor to insure constructability. Since each connection will be custom built the details were also sent to various manufactures to ensure they can be fabricated. Comments received from contractors and manufactures were incorporated into the plans and specifications. We circled back with the concrete pipe subconsultant to review the details. Several iterations took place to ensure we had a constructible set of details that can be fabricated. These details can now be used for future work on this concrete pipe, including the Old County Road project. Approximate cost is detailed below.

Project Engineer	Victor Fung	210 hours @ \$145/hr	\$30,450.00
	Direct Cost Multiplier 5%		<u>\$1,522.50</u>
	<b>Total:</b>		<b>\$31,972.50</b>

- During the final review meeting with the District's staff on September 24, 2018, the District asked PCG to verify if the existing flange connection inside the vault can be used as a tie-in connection point for the new water main instead of having two new tie-in connections as originally design. This change was initiated by the District with the concern of the shutdown duration to the main feed to Zone 1. After reducing the size of the vault and re-aligning the water main, the plans were changed to use the existing flange as the new tie-in point. The change delayed the submission of the encroachment permit to the City and also revised and minimized the shutdown plan duration. Approximate cost is detailed below.

District Engineer	Joubin Pakpour	2 hours @ \$190/hr	\$380.00
Project Engineer	Victor Fung	48 hours @ \$145/hr	\$6,960.00
	Direct Cost Multiplier 5%		<u>\$367.00</u>
	<b>Total:</b>		<b>\$7,707.00</b>

- During the coordinating with the City to identifying a source of water for construction, Javier Sierra provided a copy of their utility map showing a 6" fire hydrant outside the tank site on October 2, 2018. The 6" PVC line continues inside the tank side and around the existing MPWD vault to the building structure. Unfortunately, the water main was not located by the City when USA was called and the City did not make any comments during the review. On October 24 we met with the City's Utility Locator to locate the 6" PVC line in the field. The line was shown schematically on the plans and noted on the construction documents as a utility crossing. Identifying a utility crossing during the design stage allows the contractor to factor into their bids for existing marked utilities and help protect the District from a change order due to unforeseen utilities not shown on the plans. Approximate cost is detailed below.

Project Engineer	Victor Fung	24 hours @ \$145/hr	\$3,480.00
	Direct Cost Multiplier 5%		<u>\$174.00</u>
	<b>Total:</b>		<b>\$3,654.00</b>





- The estimates provided in Additional Budget Request No. 1 for coordination with the City of Redwood City was under estimated. Approximate cost is detailed below.

Project Engineer	Victor Fung	8 hours @ \$145/hr	\$1,160.00
	Direct Cost Multiplier 5%		<u>\$58.00</u>
	<b>Total:</b>		<b>\$1,218.00</b>

<b>Total Additional Budget Request No. 2:</b>	<b>\$44,551.50</b>
<b>Rounded Total:</b>	<b>\$45,000.00</b>

Should you have any questions, please do not hesitate to contact me at (925) 224-7717.

Very truly yours,

***Pakpour Consulting Group, Inc.***



Joubin Pakpour, P.E.  
District Engineer

J:\Projects\MPWD - 10012.00\19 - Hillcrest Pressure Regulating Station\Contract\Agency\19-MPWD-Rudock-19.01.30-Additional Budget Request No. 2.docx



## ***AGENDA ITEM NO. 8.A.***

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

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**SUBJECT: CONSIDER APPROVING THE TWO-YEAR MPWD STRATEGIC PLAN FOR 2019-2020, INCLUDING MISSION STATEMENT, VISION STATEMENT, STRATEGIC GOALS, AND DIRECTOR ASSIGNMENTS**

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**RECOMMENDATION:**

Approve the MPWD 2019-2020 Strategic Plan, including the Mission Statement, Vision Statement, Strategic Goals, and Director Assignments.

**FISCAL IMPACT:**

None.

**DISCUSSION:**

A Special Meeting of the Board of Directors was held on January 10, 2019, as a strategic planning workshop. Julie Brown facilitated the planning session and the chart-pad notes from that meeting are attached for information.

Based upon the discussion during the January 10<sup>th</sup> workshop and staff's recommended strategic plan action items, staff drafted the attached MPWD Strategic Plan for 2019-2020 for review and consideration.

Attachment: Chart-pad Notes from January 10, 2019 Strategic Planning Special Meeting  
MPWD 2019-2020 Strategic Plan, including:

- o Mission Statement, Vision Statement, and Strategic Goals; and
- o Roster of Director Assignments

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_



## **Board of Director Strategic Planning Special Session January 10, 2019 Chartpad Notes**

### **Our 2017-18 Accomplishments**

- The cost of service
- Financial management system
- Pre-funding liability
- Delivering on our capital program commitments
- Working safe
- Labor negotiations
- Completing position description
- Total compensation study
- Staff leadership development
- City of Belmont project
- Board bylaws completed
- Financial management
- Taking longer, broader view of our work (rates, connection fees, water offset, drought rates, etc.)
- Master plan
- Health care contract
- Continuing to “run the business” with our small group

### **Our 2019-2020 Challenges**

- State Water 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 – unknown impact
- Potential drought
- Major – failure of SFPUC Project
- Water conservation
- Substitute environmental document (SED) – impact if drought occurs

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## **Strategic Rocks for 2019-20 Plan**

*Staff overview with Board Member comments*

### **External Relationships and Customer Service**

1. External relationships / customer service, and the corresponding support systems (e.g. billing)
2. Census customer service portal
3. Website maintenance
4. State of district address
5. Coordination agreement with Belmont for long term planning agreement

### **Resources Management**

1. Review, revision, update water service 103
2. Consider the sale of district properties
3. Conservation  
*From Board Directors, explore best practice opportunities such as shallow aquifer reuse, (Australian) gray water program as part of action plan*
4. Records retention and email policy

### **Infrastructure**

1. Continued CIP
2. Complete update emergency response plan
3. Update comprehensive system analysis
4. 1510 Folger pump station demolition
5. Rehab Dairy Lane operations center
6. Complete O & M manual

### **Human Resources**

1. Reorganization / succession planning for General Manager  
*From Board Directors, focus on timing, incentives, continuity and overall transition plan for staff as part of action plan*
2. Revise & review personnel manual
3. Update performance evaluation tool

### **Finance**

1. Discuss gap in COP / CIP (\$8M)
2. Create financial plan policy for pension funds
3. RFQ for next 5 years rate plan / 10 year financial plan
4. Complete financial control policy manual

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### **Additional Rocks from Board**

- Increase standing / status with Belmont with end goal of leveraging, influencing activities (building on existing efforts)
- 3.6 Standard Operating Procedure Development for operations (SOP) / risk mitigation procedures / O&M (with eye to continuity, risk mitigation, consistency, safety)



# MID-PENINSULA WATER DISTRICT

## **2019-2020 STRATEGIC PLAN**

*February 28, 2019*

Board of Directors:

Louis Vella, President  
Matt Zucca, Vice President  
Dave Warden, Director  
Brian Schmidt, Director  
Kirk Wheeler, Director

Appointed Officials:

Julie Sherman, District Counsel  
Joubin Pakpour, District Engineer  
Jeff Ira, District Treasurer

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 holds its special strategic planning session in January of each year, and this year it was on January 10, 2019. The planning session was facilitated by consultant, Julie Brown, and she started with identification by Directors and staff of the most notable MPWD accomplishments from the 2017-2018 plan period:

- Cost of service updates.
- Implementation of financial management system, including billing system improvements.
- Pre-funding OPEB and Pension liabilities.
- Delivering on MPWD capital program commitments.
- Working safe.
- Successful completion of labor negotiations.
- Completion of new employee performance descriptions.
- Completion of total compensation study and development of new Compensation Plan.
- Staff leadership development.
- Completion of joint capital project with City of Belmont.
- Rules of the Board approved.
- Financial management continued to be sound.
- Took longer, broader views of work (rates and charges, finances, capital program).
- Continued to “run the business” with a small group of individuals.

Priority items were identified and discussed by Directors and staff for the 2019-2020 Strategic Plan and are included in the attached plan documents. Basic measures for success are identified in Attachment 1.

For 2019, there were no changes for the MPWD Vision and Mission Statements, and Strategic Goals. Director Assignments were updated and that roster is also attached.

Staff's reports dated December 29, 2017, and January 10, 2019, on MPWD 2017 and 2018 Accomplishments, respectively, are attached for information at the end of the plan documents.



## **2019-2020 STRATEGIC PLAN**

February 28, 2019

### **STRATEGIC ELEMENT #1 – External Relationships and Customer Service**

<b>Core Goals/Objectives</b>	<b>2019 Measures of Success*</b>	<b>2020 Measures of Success</b>
<p><b>Goal:</b> Maintain effective working relationships with external agencies</p> <p><b>Objectives:</b> <i>Maintain appropriate agency presence in local, regional and state industry organizations and activities</i></p> <p><i>Maintain outreach and project coordination with City of Belmont, City of San Carlos, and the County of San Mateo</i></p>	<p><b>Priority No. 1-1/19:</b> Coordinate with Belmont Chamber of Commerce for presentation of 2019 “State of the District – <i>Celebrating 90 Years of Service</i>” address.</p> <p><b>Priority No. 1-2/19:</b> Coordinate meeting between Belmont city officials and MPWD officials for continued project coordination and efficiencies.</p>	<p><b>Priority No. 1-1/20:</b> Coordinate with Belmont Chamber of Commerce for presentation of 2020 “State of the District” address.</p> <p><b>Priority No. 1-2/20:</b> Develop coordination agreement between MPWD and City of Belmont for long-term strategy.</p>
<p><b>Goal:</b> Maintain organizational standards that ensure a high level of service orientation for our ratepayers</p> <p><b>Objective:</b> <i>Provide ratepayers with prompt, professional and courteous service</i></p>	<p><b>Priority No. 1-3/19:</b> Implement new customer account/service fees.</p> <p><b>Priority No. 1-4/19:</b> Continue website maintenance and data updates and apply for SDLF District Transparency Certificate of Excellence.</p>	<p><b>Priority No. 1-3/20:</b> Upgrade website for increased transparency and user-friendly resources.</p>



## STRATEGIC ELEMENT #2 – Resource Management

Core Goals/Objectives	2019 Measures of Success*	2020 Measures of Success
<p><b>Goal:</b> Ensure water quality meets desired quality standards</p> <p><b>Objective:</b> <i>Water quality standards for SWRCB/Division of Drinking Water are met</i></p>	<p><b>Priority No. 2-1/19:</b> Annual CCR by July 1<sup>st</sup>.</p> <p><b>Priority No. 2-2/19:</b> Continue distribution system unidirectional flushing program.</p>	<p><b>Priority No. 2-1/20:</b> Annual CCR by July 1<sup>st</sup>.</p> <p><b>Priority No. 2-2/20:</b> Continue distribution system unidirectional flushing program.</p>
<p><b>Goal:</b> Develop long-term resource sustainability through energy and water conservation measures</p> <p><b>Objectives:</b> <i>Participate in BAWSCA water supply reliability and water conservation projects</i></p> <p><i>Develop plan for meeting SB7X per capita water demand goals (20% reduction by 2020)</i></p> <p><i>Monitor fuel and energy use to identify opportunities for improvement efficiencies</i></p>	<p><b>Priority No. 2-3/19:</b> Promote online Sensus Customer Portal with public outreach.</p> <p><b>Priority No. 2-4/19:</b> Annual MPWD Conservation Report to customers by September 30<sup>th</sup>.</p> <p><b>Priority No. 2-5/19:</b> Comply with DDW/SWRCB regulations: Long-Term Urban Water Conservation Policy – “A California Way of Life”:</p> <ul style="list-style-type: none"> <li>A. Prepare for regulatory leak detection monitoring/reporting.</li> <li>B. Prepare for new service shut-off regulations.</li> <li>C. Prepare for implementation of Low Income Water Rate Assistance Program.</li> </ul>	<p><b>Priority No. 2-3/20:</b> Continue compliance with DDW/SWRCB regulations: Long-Term Urban Water Conservation Policy – “A California Way of Life”.</p> <p><b>Priority No. 2-4/20:</b> Annual MPWD Water Conservation Report to customers by September 30<sup>th</sup>.</p>

**STRATEGIC ELEMENT #3 – Infrastructure Management and Operations**

Core Goals/Objectives	2019 Measures of Success*	2020 Measures of Success
<p><b>Goal:</b> Maintain operations and maintenance procedures</p> <p><b>Objective:</b> <i>Develop standard operating procedures in accordance with best management practices as an organized manual</i></p>	<p><b>Priority No. 3-1/19:</b> Complete updated Emergency Response Plan.</p> <p><b>Priority No. 3-2/19:</b> Review/revise/update Water Service Ordinance No. 103.</p> <p><b>Priority No. 3-3/19:</b> Continue development of O&amp;M Manual.</p>	<p><b>Priority No. 3-1/20:</b> Finalize development of O&amp;M manual.</p> <p><b>Priority No. 3-2/20:</b> Develop records/email retention policy.</p> <p><b>Priority No. 3-3/20:</b> Develop business interruption/resumption procedures.</p>
<p><b>Goal:</b> Maintain long-term capital improvement plan</p> <p><b>Objective:</b> <i>Review MPWD infrastructure modeling for assessment of capital improvement priorities, and assess other fixed assets in accordance with best management practices</i></p>	<p><b>Priority No. 3-4/19:</b> Continued CIP:</p> <ul style="list-style-type: none"> <li>A. Construct Hillcrest Pressure Regulating Station.</li> <li>B. Construct FY 2018/2019 water main replacements: <ul style="list-style-type: none"> <li>1. Notre Dame Avenue Loop Closure;</li> <li>2. Zone 5 Fire Hydrant Upgrades;</li> <li>3. Civic Lane Improvements; and</li> <li>4. Tahoe Drive Area Improvements.</li> </ul> </li> <li>C. Complete engineering design and construct El Camino Real WMR.</li> <li>D. Complete engineering design: <ul style="list-style-type: none"> <li>1. Phase 1 – SR 101 Crossing at PAMF Medical Center;</li> <li>2. Old County Road WMR;</li> <li>3. Dekoven Tanks Replacement;</li> <li>4. Dekoven Tank Utilization Project; and</li> <li>5. Belmont Canyon Road Improvements.</li> </ul> </li> <li>E. Complete AMI meter change-out project.</li> <li>F. Continue coordination of capital improvement projects with surrounding local agencies (Belmont, San Carlos, San Mateo City/County).</li> </ul> <p><b>Priority No. 3-5/19:</b> Review and update Comprehensive System Analysis and CIP (dated August 19, 2016), including cost estimates, and plan for execution.</p>	<p><b>Priority No. 3-4/20: Pending Board approval of UPDATED Comprehensive System Analysis and CIP</b> - Continued CIP:</p> <ul style="list-style-type: none"> <li>A. Construct: <ul style="list-style-type: none"> <li>1. Phase 1 – SR 101 Crossing at PAMF Medical Center;</li> <li>2. Old County Road WMR;</li> <li>3. Dekoven Tanks Replacement;</li> <li>4. Dekoven Tank Utilization Project; and</li> <li>5. Belmont Canyon Road Improvements.</li> </ul> </li> <li>B. Complete engineering design: <ul style="list-style-type: none"> <li>1. Williams Avenue, Ridge Road, Hillman Avenue Improvements; and</li> <li>2. Monte Cresta Drive/Alhambra Drive Improvements.</li> </ul> </li> </ul> <p><b>Priority No. 3-5/20:</b> Demolish abandoned pump station at 1510 Folger.</p> <p><b>Priority No. 3-6/20:</b> Develop capital project to rehabilitate MPWD Operations Center at 3 Dairy Lane.</p>

**STRATEGIC ELEMENT #4 – Human Resources Management**

Core Goals/Objectives	2019 Measures of Success*	2020 Measures of Success
<p><u>Goal:</u> Develop and maintain systems and processes for effective workforce management</p> <p><u>Objectives:</u> <i>Develop/maintain effective workforce to meet organizational needs</i></p> <p><u>Maintain:</u></p> <ul style="list-style-type: none"> <li>▪ <i>Appropriate communication channels with employees</i></li> <li>▪ <i>Positive work environment and employee satisfaction</i></li> <li>▪ <i>Organizational human resources policy manual</i></li> </ul>	<p><b>Priority No. 4-1/19:</b> Review and update MPWD Personnel Manual.</p> <p><b>Priority No. 4-2/19:</b> With employee involvement, create updated performance evaluation tool and update annual review process.</p>	<p><b>Priority No. 4-1/20:</b> Implement updated employee performance review tool and process.</p> <p><b>Priority No. 4-2/20:</b> Reorganization for 2021 employee succession planning, including General Manager position.</p>
<p><u>Goal:</u> Develop and maintain Board of Directors procedures for effective and transparent governance</p> <p><u>Objective:</u> <i>Develop and maintain Board of Directors policies and procedures</i></p>	<p><b>Priority No. 4-3/19:</b> Review/update Rules of the Board for SDLF District Transparency Certificate of Excellence.</p>	<p><b>Priority No. 4-3/20:</b> Create a development program that will support Board functioning and expertise.</p>

## STRATEGIC ELEMENT #5 – Financial Management

Core Goals/Objectives	2019 Measures of Success*	2020 Measures of Success
<p><u>Goal:</u> Establish and achieve annual budget trends</p> <p><u>Objectives:</u> <i>Complete annual budget process on a timely basis</i></p> <p><i>Monitor financial projections for accurate forecasting</i></p> <p><i>Maintain/monitor schedules of water rates, water capacity charges, and miscellaneous fees</i></p> <p><i>Update, monitor and implement capital plan</i></p>	<p><b>Priority No. 5-1/19:</b> Complete transition to full AMI system billing, including one billing cycle for all customers.</p> <p><b>Priority No. 5-2/19:</b> Continue quarterly reporting on 2016 COP financial status.</p> <p><b>Priority No. 5-3/19:</b> Discuss potential \$8 million funding gap in 2016 COP CIP and plan alternatives.</p> <p><b>Priority No. 5-4/19:</b> Develop long-term financial forecast model and 10-year financial plan.</p> <p><b>Priority No. 5-5/19:</b> Create financial plan policy for PARS OPEB and PRSP liabilities.</p> <p><b>Priority No. 5-6/19:</b> Determine whether water rate study will be needed for next 5-year plan for Proposition 218 hearing process.</p> <p><b>Priority No. 5-7/19:</b> Continue development of MPWD Financial Control Policy Manual, including the review/update and/or development of the following policies: A. Procurement policy (2005); B. Accounts payable/receivable policy; C. Billing/Invoicing policy; D. Cash disbursement (check-writing) policy; E. Customer Billing policy; and F. Credit card management policy.</p>	<p><b>Priority No. 5-1/20:</b> Complete 5- year water rate plan noticing to customers, conduct Proposition 218 hearing, and adopt rate plan effective July 1, 2020.</p> <p><b>Priority No. 5-2/20:</b> Continue quarterly reporting on 2016 COP financial status.</p> <p><b>Priority No. 5-3/20:</b> Continued review/update and development of MPWD financial control policies: A. Investment policy (2007); B. Compensation and Expense Reimbursement for Board Members (2007); and C. Capitalization policy (2013).</p> <p><b>Priority No. 5-4/20:</b> Update Conflict of Interest Code as needed.</p> <p><b>Priority No. 5-5/20:</b> Cost-of-service fees review and update.</p> <p><b>Priority No. 5-6/20:</b> Review capacity charges and water demand offset fees and consider CPI adjustments.</p>

## 2019-2020 STRATEGIC PLAN

### ATTACHMENT #1 BASIC MEASURES OF SUCCESS

STRATEGIC ELEMENTS	CORE GOALS	BASIC MEASURES OF SUCCESS
#1 – External Relationships and Customer Service	<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>	<p>External relationships:</p> <ul style="list-style-type: none"> <li>Attend HIA meetings</li> <li>Attend neighborhood meetings as appropriate</li> <li>Maintain presence at LAFCO meetings</li> <li>Attend local community City Council meetings</li> <li>Attend ACWA JPIA and Region 5 meetings</li> <li>Attend San Mateo CSDA meetings</li> <li>Attend SFPUC meetings</li> <li>Attend BAWSCA meetings</li> <li>Attend Belmont Operational coordination meetings</li> </ul> <p>Conduct at least one community education event with BAWSCA</p> <p>Provide timely and useful customer communications</p> <p>Monitor customer satisfaction via a measurable survey</p> <p>Proactive MPWD advocacy focusing on common constituent message development and community promotion</p>
#2 – Resource Management	<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"> <li>Routine water testing and monitoring should meet SWRCB/Department of Drinking Water standards</li> <li>Prepare and transmit timely CCR</li> <li>Implement feasible water quality inspection recommendations</li> <li>Maintain active involvement in BAWSCA water supply reliability and water conservation project activity</li> <li>Continue water use efficiency messaging to meet regional and statewide water conservation goals</li> <li>Support continued off-peak hour pumping</li> <li>Explore use of solar power as market costs drop</li> </ul>

STRATEGIC ELEMENTS	CORE GOALS	BASIC MEASURES OF SUCCESS
#3 – Infrastructure Management and Operations	<p>Maintain operations and maintenance procedures</p> <p>Maintain long-term capital improvement plan</p>	<p>Monitor O&amp;M procedures and revise as appropriate</p> <p>Continue coordination of CIP with City of Belmont and City of San Carlos</p>
#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"> <li>▪ Monitor recruitment/retention levers for funding/implementation action</li> <li>▪ Review recruitment /hiring process plans</li> <li>▪ Meet and confer with MPWD Employee Association as applicable</li> <li>▪ Maintain organization chart</li> <li>▪ Create organizational succession plan</li> <li>▪ Plan annual training plan/calendar around available budget funds</li> <li>▪ Regular GM/staff meetings and communications</li> <li>▪ Develop/update and maintain administrative procedures</li> <li>▪ Recognize employee service milestones</li> <li>▪ Celebrate employee accomplishments</li> <li>▪ Monitor staff job satisfaction</li> <li>▪ Review Employee Safety and Loss Prevention Program</li> <li>▪ Fiscal Year safety incident and loss prevention report to Board</li> </ul> <p>Create/maintain/update Board of Directors policies</p> <p>Review Annual Planning Schedule for Board of Directors for updates</p>
#5 – Financial Management	<p>Establish and achieve annual budget trends</p>	<p>Review proposed fiscal year SFPUC water rate charges and consider MPWD water rate adjustment</p> <p>Budget process addressing District priorities completed by June 30</p> <p>Review performance on a monthly basis so that targeted allocation is achieved</p> <p>Comprehensive budget document, including charts/graphs</p> <p>Apply for budget and/or financial transparency certification</p> <p>Incorporate capital plan priorities in annual budget</p> <p>Incorporate modeling into annual budgeting process; use tools to develop scenario that can be used as operating circumstances change</p>



February 28, 2019

### **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.





February 28, 2019

## DIRECTOR ASSIGNMENTS

ASSIGNMENT	2019-2020
ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)/REGION 5	All
ACWA/JOINT POWERS INSURANCE AUTHORITY (JPIA)	Kirk Wheeler Dave Warden
BAY AREA WATER SUPPLY & CONSERVATION AGENCY (BAWSCA)	Louis Vella
SAN MATEO CHAPTER -CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)	<i>General Manager, Tammy Rudock</i>
GENERAL MANAGER PERFORMANCE EVALUATION	Louis Vella Matt Zucca
HARBOR INDUSTRIAL ASSOCIATION (HIA)	Louis Vella Kirk Wheeler
FINANCIAL AUDIT COMMITTEE	Dave Warden Brian Schmidt
BELMONT "HAPPY HYDRANT" PRESERVATION COMMITTEE	Dave Warden
BELMONT CHAMBER OF COMMERCE	All



DATE: December 29, 2017

TO: MPWD Board of Directors

FROM: Tammy Rudock  
General Manager

RE: Summary of Significant 2017 MPWD Accomplishments

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## **SIGNIFICANT MPWD ACCOMPLISHMENTS IN 2017**

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### **1. FINANCE**

- A. Quarterly reporting initiated for 2016 COP CIP, including reconciliation report and project fund report and tracking graph. Reports presented to Board at regular meetings in April, July, and October 2017.
- B. Increased cash reserves--\$6.5 million to date—and MPWD options, including pre-funding CalPERS UAL (Unfunded Accrued Liability)--\$1.8 million via PARS PRSP (Pension Rate Stabilization Program), and potential to fund remaining balance of the PARS OPEB (Other Post-Employment Benefits)--\$2.4 million liability less \$900,000 OPEB balance = \$1.5 million.
- C. Completed FMS transition and utility billing system, including public outreach and implementation of new bill pay online at MPWD website.
- D. Settled claims/change orders with R. J. Gordon Construction, Inc., regarding Alameda de las Pulgas Water Main Replacement project. \$55K compared to almost \$200K demanded in claims/change orders.
- E. Effective 01/01/17, lowest cost healthcare plan coverage, or CDHP, implemented at MPWD. This has far reaching impacts for cost savings because employee continues to have a choice in coverage, but will be responsible for the difference in cost, and employees will pay a percentage of the annual increase in premiums.
- F. Initiated policy development beginning with Debt Management Policy and Cash Reserve Policy.

### **2. CAPITAL**

- A. 2016 COP CIP initiated:
  - i. Construction of 2017 Water Main Replacement Project;
  - ii. Engineering design commenced on 2018 Water Main Replacement Project;
  - iii. Engineering design commenced on SR 101 Crossing @ PAMF;

- iv. Engineering design commenced on El Camino Real WMR; and
- v. Engineering design commenced on Old County Road WMR.
- B. Joint Agreement between MPWD and City of Belmont finalized and engineering design completed on water mains (Davey Glen, Belburn/Academy, and Francis) that will be replaced in coordination with Belmont's sewer system upgrades.

### **3. ORGANIZATION/OPERATIONS**

- A. Adopted revised MPWD Personnel Manual effective October 26, 2017. All employee acknowledgments were signed.
- B. Implemented redesigned MPWD website, including expanded CIP webpage and much more data and information. Working with SDLF on transparency certification.
- C. Continued communication sessions and safety meetings, and included several "lunch and learn" sessions with staff. Participated in Operations team meetings as well.
- D. No new litigation initiated in 2017. Managed litigation filed against the MPWD along with liability carriers and defense teams. Dismissed by plaintiff: *Samir Shaikh, et ux. v. MPWD*, San Mateo County Case No. 538041, and Judgment awarded in favor of MPWD: *Maskay, Inc., d/b/a Eurotech, et al. v. MPWD*, San Mateo County Case No. 536467.
- E. Managed several liability and property claims (resulting from water main breaks) with the ACWA JPIA, including a large cross-country water main and numerous claims.

### **4. WATER CONSERVATION/EFFICIENCY**

- A. There was no mandatory or voluntary conservation target this year as a result of the abundance of precipitation, but the MPWD continued monthly reporting to SWRCB, public education, local student field trips, annual water use awareness calendar contest, and customer messaging.
- B. Participated in numerous community events, including Belmont National Night Out, Belmont Earth Day, and Belmont Public Works Day.
- C. Co-sponsored three community education events with BAWSCA at MPWD:
  - i. *Parent/Child Workshop: Basic Horticulture 101* (May 11, 2017); and
  - ii. *Parent/Child Workshop: Edible Gardening* (November 14, 2017).



DATE: January 10, 2019

TO: MPWD Board of Directors

FROM: Tammy Rudock  
General Manager

RE: Summary of Significant 2018 MPWD Accomplishments

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## **SIGNIFICANT MPWD ACCOMPLISHMENTS IN 2018**

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### **1. FINANCE**

- A. Quarterly reporting refined for 2016 COP CIP, including reconciliation report and project fund report and tracking graph. Reports presented to Board at regular meetings in April, July, and October 2018.
- B. Developed and implemented new cash reserve and debt management policies.
- C. Pre-funded remaining balance of the PARS OPEB (Other Post-Employment Benefits)--\$2.4 million liability less \$900,000 OPEB account balance = \$1.5 million.
- D. Pre-funded CalPERS Pension Liability (UAL—Unfunded Accrued Liability portion)--\$1.6 million via PARS PRSP (Pension Rate Stabilization Program).
- E. FYE June 30, 2018 financial audit completed with unqualified opinion.
- F. Completed GASB 75 OPEB for FYE June 30, 2017 actuarial analysis and report and presented to Board (now required every two years).
- G. Continued FMS (Financial Management System) transition and utility billing system improvements, including public outreach for online bill pay.
- H. Updated Water Capacity Charges and Water Demand Offset Fees effective 10/01/18.
- I. Updated Miscellaneous Fees Schedule for implementation effective 01/01/19. Public outreach included all customers and more with targeted accounts.
- J. Effective 01/01/17, the CDHP (Consumer Driven Health Plan) was implemented as the standard plan cost at MPWD. This has far reaching impacts for cost savings because employee continues to have a choice in coverage, but will be responsible for the difference in cost, and employees will pay a percentage of the annual increase in premiums.

### **2. CAPITAL**

- A. Continued 2016 COP CIP:
  - i. Completed construction of 2017 Water Main Replacement Project;
  - ii. Hillcrest Pressure Regulating Station project out to bid.

- iii. Engineering design completed for 2018 Water Main Replacement Project;
- iv. Engineering design at 90% for SR 101 Crossing @ PAMF;
- v. Engineering design at 60% for El Camino Real WMR;
- vi. Engineering design at 30% for Old County Road WMR;
- vii. Engineering design initiated for Dekoven Tanks Replacement project.
- B. Completed construction of water main replacements (Davey Glen, Belburn/Academy, and Francis) joint project with City of Belmont's sewer system upgrades.
- C. AMI change-out program continued. Anticipated completion by FYE 2019.

### **3. ORGANIZATION/OPERATIONS**

- A. Managed a large volume of planning and development activities, including developer meetings, USA locates, service upgrades, and new service installations.
- B. Maintained updated MPWD website, including expanded CIP webpage. Application for CSDA (California Special District Association) SDLF (Special District Leadership Foundation) transparency certification to be filed by 02/28/19.
- C. Continued communication sessions and safety meetings, and included several "lunch and learn" sessions with staff. Participated in Operations team meetings as well.
- D. Worked with ACWA (Association of California Water Agencies) JPIA (Joint Powers Insurance Authority) and settled litigation—*Felactu, et ux. v MPWD*.
- E. Managed several liability and property claims (resulting from water main breaks) with the ACWA JPIA.
- F. Reorganization (for succession planning) completed for recruitment of up to three (3) Water System Operator positions in anticipation of upcoming employee retirements. One (1) part-time Accountant (no benefits) also added.
- G. Successfully bargained and executed a 5-year labor agreement with the MPWD Employee Association.

### **4. WATER CONSERVATION/EFFICIENCY**

- A. Published annual Water Conservation report and distributed to customers.
- B. Continued detailed quarterly water conservation activity updates (attached to GM report).
- C. There was no mandatory or voluntary conservation target this year, but the MPWD continued monthly reporting to SWRCB (State Water Resources Control Board), public outreach/education on water conservation, local student field trips, annual water use awareness calendar contest, and customer messaging.
- D. Participated in numerous community events, including Belmont National Night Out, Belmont Earth Day, and Belmont Public Works Day. Jonathan Anderson, Water System Operator, placed second in the first annual San Mateo County Rodeo event. The San Jose Chapter of the APWA (American Public Works Association) funded travel and hotel expenses for Jonathan to participate in the nation event in Kansas City, and the MPWD paid for meals and incidental expenses.
- E. Co-sponsored two community education events with BAWSCA at MPWD:
  - i. *Parent/Child Workshop: Attracting Good Bugs to Your Garden* (June 2, 2018); and
  - ii. *DIY Workshop: Design Your Own Native Garden* (October 16, 2018).



**AGENDA ITEM NO. 8.B.**

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager  
Candy Pina, Administrative Services Manager  
Rene Ramirez, Operations Manager

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**SUBJECT: RECEIVE MID-YEAR REVIEW OF FY 2018/2019 OPERATING AND CAPITAL BUDGETS AND CONSIDER RESOLUTION 2019-05 APPROVING THE AMENDED BUDGETS**

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**RECOMMENDATION**

Receive Mid-Year Review of FY 2018/2019 Operating and Capital Budgets and adopt Resolution 2019-04 approving the amended budgets.

**FISCAL IMPACT**

	<i>APPROVED FY 2018/19 BUDGET</i>	<i>PROPOSED MID-YEAR FY 2018/19 BUDGET</i>
TOTAL REVENUES	\$12,992,000	\$13,577,800
TOTAL EXPENDITURES	\$12,992,000	\$13,132,176
NET RESULT OF OPERATIONS - SURPLUS AND TRANSFER TO CAPITAL	\$-0-	\$445,625
NET RESULT OF CAPITAL PROGRAM – SURPLUS AND TRANSFER TO CAPITAL RESERVES	\$-0-	\$206,844

**DISCUSSION**

**OPERATING BUDGET**

- ✓ Increase in projected TOTAL OPERATING REVENUES of \$469,800 (from \$12,382,000 to \$12,851,800) to account for:
  - Water rate adjustments effective July 1, 2018, based upon monitoring actual customer consumption trends that closely mirror last fiscal year's use (added \$411,800);
  - The addition of \$43,000 in projected itemized Miscellaneous Customer Account Fees that went into effect January 1, 2019; and
  - Miscellaneous Operating revenues (\$15,000 based on actuals).
- ✓ TOTAL NON-OPERATING REVENUES were projected higher (from \$610,000 to \$726,000) to account for increased Miscellaneous Non-Operating revenues (\$45,000), LAIF and COP Interest earnings (\$100,000 total), and Property Lease revenues (\$20,000).

***TOTAL OPERATING REVENUES projected to be \$585,800 higher  
for a total of \$13,577,800 (from \$12,992,000).***

- ✓ Increase in projected TOTAL OPERATING EXPENDITURES of \$140,175 (from \$12,992,000 to \$13,132,176) after accounting for proposed reductions in:
  - Salaries & Wages (\$275,000 reduction in proposed succession planning staffing by two of the three Water System Operator positions);
  - Outreach & Education (\$35,635 based on actuals);
  - M&R – Ops System (\$124,777 based on actuals);
  - M&R - Facilities & Equipment (\$22,700 based on actuals); and
  - Travel/Training (\$11,575 based on actuals),

and proposed increases in:

- Payroll Taxes & Benefits (largely due to Retiree Health Care Benefits—GASB 75 actuarial amount \$71,700—that were not initially budgeted because it was thought they could be paid from the MPWD PARS OPEB (Other Post-Employment Benefits) Trust but will now become part of the financial planning and forecasting proposed for FY 2019/2020;
- Accounting for CalPERS Pension Liability (UAL – Unfunded Accrued Liability) \$136,604 “Fresh-Start” change (effective July 1, 2018) in the payment amortization schedule from 30 years to 15 years (resulting in total interest savings to the MPWD of approximately \$419,736). It was not initially budgeted because early thoughts were to fund it from the MPWD PARS PRSP but will also become part of the financial planning and forecasting proposed for FY 2019/2010;
- Administration & Equipment (\$21,461 based on actuals);
- Bad Debt & Claims (\$12,405 based on actuals);
- Professional Services (\$229,324 for temporary staffing in Operations for AMI meter change-out, and in Administration for customer service through Financial Management System transition); and
- Restricted Earnings (\$100,000 to accommodate for and offset projected increases in interest earnings).

***TOTAL OPERATING EXPENDITURES projected to be \$140,175 higher  
for a total of \$13,132,176 (from \$12,992,000).***

**NET RESULT – OPERATING SURPLUS AND TRANSFER TO CAPITAL  
projected in the amount of \$445,625 (from \$-0-).**

### CAPITAL BUDGET

Staff has proposed an AMENDED CAPITAL BUDGET FOR FY 2018/2019 as attached, including:

- The addition of \$250,000 for the final tally on the Joint WMR and Sewer Rehabilitation Project with Belmont, which is summarized by the Operations Manager as follows:
  - Of the 3 streets designated for system improvements: Davey Glen, Francis and Academy, only Davey Glen were in the 5-Year CIP;
  - On June 22, 2017, the Board added Francis and Academy as Pay-Go funded to line up with City's sewer work, and identified \$702,000 as the Pay-Go fund place holder until bids come in. The 3 sites estimated construction cost in June 2017 was \$1,370,640;
  - City of Belmont, the lead for the joint project, opened bids on January 10, 2018 about one month after District and City enter into agreement for joint sewer and



water project. Bids came in less than Engineer's Estimate and totaled \$2,638,000 but did not include Construction Management and Administration and Testing;

- Based on joint agreement bid results, District's share of construction includes: direct construction costs for water improvements (\$1,362,165), about 64% of mobilization, traffic control and the SWPP (\$167,680), negotiated portion of road repairs (\$41,000), and share of construction management and administration costs (\$128,820) or a total of \$1,699,665;
  - At the February 22, 2018 Board meeting following Cash Reserve policy discussion, the Board committed \$500,000 in cash reserves for the Joint Project as Pay-Go as a placeholder; and
  - Using a ratio of the pipe replaced on the three streets, with Davey Glen having the longest length of pipe replaced, it is reasonable to have the Francis and Academy, the Pay-Go, portion of construction contribute \$750,000, or an additional \$250,000 above the \$500,000 placeholder appropriated in February 2018.
- A reduction by \$100,000 for purchasing the remaining water meters and related hardware for completion of the AMI Meter Change-Out Program;
  - Reduction by \$58,000 in the price for a Replacement Service Truck in Operations;
  - Actual cost for Replacement Hybrid Vehicles assigned to the General Manager and Operations Manager totaling \$65,783;
  - The addition of a Replacement Fuel Station Controller at the Dairy Lane Operations Center for \$30,000 as a result of repeated failure due to its age (20 years old) and difficulty in locating or unavailability of parts for repair, and further, to avoid the potential for fuel spills/cleanup; and
  - Continued SCADA System Replacement with Phase II in the amount of \$50,000.

The total proposed amended Capital Budget for FY 2018/2019 is \$1,765,281—up \$238,781 from \$1,526,500.

**NET RESULT – CAPITAL PROGRAM SURPLUS  
AND TRANSFER TO CAPITAL RESERVES  
projected in the amount of \$206,844 (previously \$-0-).**

Attachments: Resolution 2019-05  
Proposed Amended FY 2018/2019 Operating and Capital Budgets

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_

**RESOLUTION NO. 2019-05**

**APPROVING THE  
AMENDED OPERATING AND CAPITAL BUDGETS  
FOR FISCAL YEAR 2018/2019**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, staff developed a mid-year review of the Operating and Capital Budgets for Fiscal Year 2018/2019 and presented a detailed review on February 28, 2019, to the Board of Directors; and

**WHEREAS**, staff proposed amendments to the Operating and Capital Budgets for Fiscal Year 2018/2019, which involved adjustments among account line items, and recommended them for approval.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby approves an Amended Operating Budget for the Fiscal Year 2018/2019 as follows:

	<i><b>APPROVED FY 2018/19 BUDGET</b></i>	<i><b>AMENDED MID-YEAR FY 2018/19 BUDGET</b></i>
TOTAL REVENUES	\$12,992,000	\$13,577,800
TOTAL EXPENDITURES	\$12,992,000	\$13,132,176
NET RESULT OF OPERATIONS - SURPLUS AND TRANSFER TO CAPITAL	\$-0-	\$445,625
NET RESULT OF CAPITAL PROGRAM – SURPLUS AND TRANSFER TO CAPITAL RESERVES	\$-0-	\$206,844

**BE IT FURTHER RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby approves an Amended Capital Budget for the Fiscal Year 2018/2019 in the amount of \$1,765,281 (from \$1,526,500).

**BE IT FURTHER RESOLVED** that as a result of the Amended Capital Budget there will be a projected transfer to Capital Reserves in the amount of \$206,844 (from \$-0-).

**BE IT FURTHER RESOLVED** that the Secretary of the District is hereby directed to forward certified copies of this Resolution and the amended budget documents to the County Clerk, the County Controller, and the County Treasurer of the County of San Mateo, and post them to the MPWD website.

**REGULARLY PASSED AND ADOPTED** this 28<sup>th</sup> day of February 2019 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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President, Board of Directors

ATTEST:

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District Secretary

**MID-PENINSULA WATER DISTRICT**  
**PROPOSED MID-YEAR BUDGET FOR FY 2018-2019**  
**SUMMARY**

2/22/2019 8:22

DESCRIPTION	FY 2017-2018 ACTUAL	APPROVED FY 2018-2019 BUDGET	ACTUALS 7/1/18-12/31/18	PROPOSED MID-YEAR FY 2018-2019 BUDGET	Increase (Decrease)	% Change
<b>OPERATING REVENUE</b>						
WATER COMMODITY CHARGES	9,580,149	9,200,000	5,684,327	9,611,800	411,800	4.5%
FIXED SYSTEM CHARGES	2,656,717	2,880,000	1,422,740	2,880,000	-	0.0%
FIRE SERVICE CHARGES	15,249	14,000	7,876	14,000	-	0.0%
MISC CUSTOMER ACCOUNT FEES	-	-	-	43,000	43,000	NA
SERVICE LINE & INSTALLATION CHARGES	76,762	10,000	-	10,000	-	0.0%
MISCELLANEOUS OPERATING	63,164	10,000	24,363	25,000	15,000	150.0%
PROPERTY TAX REVENUE	327,313	268,000	112,463	268,000	-	0.0%
<b>TOTAL OPERATING REVENUE *</b>	<b>12,719,355</b>	<b>12,382,000</b>	<b>7,251,769</b>	<b>12,851,800</b>	<b>469,800</b>	<b>3.8%</b>
WATER SYSTEM CAPACITY CHARGES	283,109	250,000	128,125	250,000	-	0.0%
WATER DEMAND OFFSET CHARGES	33,899	65,000	8,651	20,000	(45,000)	-69.2%
MISCELLANEOUS NON-OPERATING *	127,648	10,000	53,225	55,000	45,000	450.0%
INTEREST REVENUE - LAIF *	90,825	25,000	65,534	75,000	50,000	200.0%
INTEREST REVENUE - COP	200,261	100,000	151,308	150,000	50,000	50.0%
LEASE OF PHYSICAL PROPERTY *	151,714	155,000	92,276	175,000	20,000	12.9%
LANDSCAPE PERMIT REVENUE	17,000	5,000	400	1,000	(4,000)	-80.0%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>904,455</b>	<b>610,000</b>	<b>499,519</b>	<b>726,000</b>	<b>116,000</b>	<b>19.0%</b>
<b>TOTAL REVENUE</b>	<b>13,623,810</b>	<b>12,992,000</b>	<b>7,751,288</b>	<b>13,577,800</b>	<b>585,800</b>	<b>4.5%</b>
<b>OPERATING EXPENDITURES</b>						
SALARIES & WAGES	1,436,266	2,096,385	841,864	1,821,385	(275,000)	-13.1%
PAYROLL TAXES & BENEFITS	1,009,693	1,034,131	410,265	1,280,803	246,672	23.9%
PURCHASED WATER	5,579,589	5,654,624	3,149,403	5,654,624	-	0.0%
OUTREACH & EDUCATION	56,602	95,634	22,156	60,000	(35,635)	-37.3%
M&R - OPS SYSTEM	562,164	474,777	77,527	350,000	(124,777)	-26.3%
M&R - FACILITIES & EQUIPMENT	135,707	172,700	78,882	150,000	(22,700)	-13.1%
SYSTEM SURVEYS	12,376	31,050	-	31,050	-	0.0%
ADMINISTRATION & EQUIPMENT	257,173	292,022	160,483	313,483	21,461	7.3%
MEMBERSHIP & GOV FEES	242,978	215,915	118,407	215,915	-	0.0%
BAD DEBT & CLAIMS	(373)	17,595	25,523	30,000	12,405	70.5%
UTILITIES	252,123	316,917	158,100	316,917	-	0.0%
PROFESSIONAL SERVICES	416,561	420,676	246,531	650,000	229,324	54.5%
TRAINING/TRAVEL & RECRUITMENT	40,140	61,575	14,698	50,000	(11,575)	-18.8%
RESTRICTED EARNINGS	291,085	125,000	216,842	225,000	100,000	80.0%
DEPRECIATION	875,033	931,500	452,343	931,500	-	0.0%
DEBT SERVICE	706,253	1,051,500	693,309	1,051,500	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>11,873,369</b>	<b>12,992,000</b>	<b>6,666,334</b>	<b>13,132,176</b>	<b>140,175</b>	<b>1.1%</b>
<b>NET RESULTS OF OPERATIONS</b>	<b>1,750,441</b>	<b>-</b>	<b>1,084,955</b>	<b>445,625</b>	<b>445,625</b>	<b>NA</b>
<b>NET TRANSFERS TO CAPITAL</b>	<b>1,750,441</b>	<b>-</b>	<b>1,084,955</b>	<b>445,625</b>	<b>445,625</b>	<b>NA</b>
<b>DEBT SERVICE COVERAGE</b>	<b>3.96</b>	<b>1.49</b>		<b>1.91</b>		

\* Revenues included in Debt Service Coverage Ratio

**MIDPENINSULA WATER DISTRICT**  
**PROPOSED MID-YEAR BUDGET FOR FY 2018/2019**

**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2017-2018 ACTUAL	APPROVED FY 2018-2019 BUDGETED	ACTUALS 7/1/18-12/31/18	PROPOSED MIDYEAR FY 2018-2019 BUDGET	Increase (Decrease)	% Change
1-400-4010-40-00	Water Commodity Charges	9,580,149	9,200,000	5,684,327	9,350,000	150,000	1.6%
	Cnsumption Charge Adjustment 7/1/18				261,800	261,800	na
1-400-4020-00-00	Fixed System Charges	2,656,717	2,880,000	1,422,740	2,659,469	(220,531)	-7.7%
	Fixed Charge Adjustment 7/1/18				220,531	220,531	na
1-400-4030-00-00	Fire Service Charges	15,249	14,000	7,876	14,000	-	0.0%
1-400-4040-00-00	Credit/Debit Card Fees				25,000	25,000	na
1-400-4041-00-00	Late Fees				10,000	10,000	na
1-400-4042-00-00	48-Hour Notice Fees				5,000	5,000	na
1-400-4043-00-00	Shut Off Fees				2,000	2,000	na
1-400-4044-00-00	After Hour Fees				1,000	1,000	na
1-400-4050-00-00	Service Line & Installation Charges	76,762	10,000	-	10,000	-	0.0%
1-400-4080-00-00	Miscellaneous -Operating	63,164	10,000	24,363	25,000	15,000	150.0%
1-400-4000-00-00	<b>TOTAL WATER CHARGES</b>	<b>12,392,042</b>	<b>12,114,000</b>	<b>7,139,306</b>	<b>12,583,800</b>	<b>469,800</b>	<b>3.9%</b>
1-420-4202-45-00	Property Tax Revenue	327,313	268,000	112,463	268,000	-	0.0%
1-420-4200-00-00	<b>OTHER OPERATING REVENUE</b>	<b>327,313</b>	<b>268,000</b>	<b>112,463</b>	<b>268,000</b>	<b>-</b>	<b>0.0%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>12,719,355</b>	<b>12,382,000</b>	<b>7,251,769</b>	<b>12,851,800</b>	<b>469,800</b>	<b>3.8%</b>
1-400-4060-00-00	Water System Capacity Charges	283,109	250,000	128,125	250,000	-	0.0%
1-400-4070-00-00	Water Demand Offset Charges	33,899	65,000	8,651	20,000	(45,000)	-69.2%
1-400-4080-00-00	Miscellaneous - Non Operating	127,648	10,000	52,825	55,000	45,000	450.0%
1-400-4090-00-00	Interest Revenue- LAIF	90,825	25,000	65,534	75,000	50,000	200.0%
1-410-4103-00-00	Interest Revenue - COP Funds	200,261	100,000	151,308	150,000	50,000	50.0%
1-400-4100-00-00	<b>INTEREST REVENUE</b>	<b>291,085</b>	<b>125,000</b>	<b>216,842</b>	<b>225,000</b>	<b>100,000</b>	<b>80.0%</b>
1-420-4201-44-00	Lease of Physical Property	151,714	155,000	92,276	175,000	20,000	12.9%
1-420-4208-46-00	Landscape Plan Permit Review	17,000	5,000	400	1,000	(4,000)	-80.0%
1-420-4200-00-00	<b>OTHER NON-OPERATING REVENUE</b>	<b>168,714</b>	<b>160,000</b>	<b>92,676</b>	<b>176,000</b>	<b>16,000</b>	<b>10.0%</b>
	<b>TOTAL NON-OPERATING REVENUE</b>	<b>904,455</b>	<b>610,000</b>	<b>499,119</b>	<b>726,000</b>	<b>116,000</b>	<b>19.0%</b>
	<b>TOTAL OPERATING &amp; NON-OP REVE</b>	<b>13,623,810</b>	<b>12,992,000</b>	<b>7,750,888</b>	<b>13,577,800</b>	<b>585,800</b>	
1-601-6010-50-00	Salaries & Wages	1,359,072	2,000,000	807,992	1,725,000	(275,000)	-13.8%
1-601-6010-51-00	Director Compensation	8,300	11,385	2,800	11,385	-	0.0%
1-601-6010-00-00	<b>GROSS REGULAR WAGES</b>	<b>1,367,372</b>	<b>2,011,385</b>	<b>810,792</b>	<b>1,736,385</b>	<b>(275,000)</b>	<b>-13.7%</b>
1-602-6020-56-00	Overtime Labor	32,187	45,000	11,640	45,000	-	0.0%

**MIDPENINSULA WATER DISTRICT**

**PROPOSED MID-YEAR BUDGET FOR FY 2018/2019**

**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2017-2018 ACTUAL	APPROVED FY 2018-2019 BUDGETED	ACTUALS 7/1/18-12/31/18	PROPOSED MIDYEAR FY 2018-2019 BUDGET	Increase (Decrease)	% Change
1-602-6020-57-00	Standby Labor	36,707	40,000	19,433	40,000	-	0.0%
1-602-6020-00-00	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>1,436,266</b>	<b>2,096,385</b>	<b>841,864</b>	<b>1,821,385</b>	<b>(275,000)</b>	-13.1%
1-603-6030-58-00	FICA/Medicare PR Tax	115,037	159,849	59,494	131,963	(27,887)	-17.4%
1-603-6030-59-00	ACWA Health Care	324,696	430,723	198,746	400,000	(30,723)	-7.1%
1-603-6030-60-00	ACWA Dental	25,060	32,179	14,369	30,000	(2,179)	-6.8%
1-603-6030-61-00	ACWA Vision	4,382	4,638	2,517	4,250	(388)	-8.4%
1-603-6030-62-00	ACWA Life/AD&D	4,229	4,577	2,565	4,200	(377)	-8.2%
1-603-6030-63-00	Standard LDL/SDL Disability	10,080	18,000	8,301	17,500	(500)	-2.8%
1-603-6030-64-00	Workers' Comp Insurance	33,318	41,400	14,824	32,500	(8,900)	-21.5%
1-603-6030-65-00	Unemployment	-	1,066	-	1,066	-	0.0%
1-603-6030-66-00	CALPERS Retirement - ERC 2%@55	235,757	164,625	64,359	140,000	(24,625)	-15.0%
	CALPERS UAL Fresh Start 7/1/18		-	68,302	136,604	136,604	na
1-603-6030-67-00	Retirees' ACWA Health Care	60,788	-	21,983	71,770	71,770	na
1-603-6030-68-00	Directors' ACWA Health Care	118,425	115,133	60,276	115,000	(133)	-0.1%
1-603-6030-70-00	Medical Reimbursement	546	1,066	273	600	(466)	-43.7%
1-603-6030-71-00	Employee Service Recognition	13,729	10,350	2,467	10,350	-	0.0%
1-603-6030-72-00	Safety Incentive Program	7,577	15,525	3,480	15,000	(525)	-3.4%
1-603-6030-73-00	Uniforms	26,150	35,000	11,005	25,000	(10,000)	-28.6%
1-603-6030-74-00	PARS OPEB Expense	83,094	-	-	145,000	145,000	na
1-603-6030-00-00	<b>SUB-TOTAL PR TAXES &amp; BEN CAPITAL PAYROLL, TAXES &amp; BENEFITS</b>	<b>1,009,693</b>	<b>1,034,131</b>	<b>532,962</b>	<b>1,280,803</b>	<b>246,672</b>	23.9%
				(122,697)			
	<b>PERSONNEL COSTS</b>	<b>2,445,958</b>	<b>3,130,516</b>	<b>1,252,129</b>	<b>3,102,188</b>	<b>(28,329)</b>	-0.9%
1-610-6100-76-00	SFPUC Treated Water	5,012,205	5,100,000	2,856,831	5,100,000	-	0.0%
1-610-6100-77-00	BAWSCA (Debt Service Surcharges)	489,120	476,000	253,440	476,000	-	0.0%
1-610-6100-78-00	Rates Stabilization	-	-	-	-	-	na
1-610-6100-79-00	SFPUC Water Service Charge	78,264	78,624	39,132	78,624	-	0.0%
6-610-6100-00-00	<b>PURCHASED WATER</b>	<b>5,579,589</b>	<b>5,654,624</b>	<b>3,149,403</b>	<b>5,654,624</b>	<b>-</b>	0.0%
1-630-6301-00-00	Water Conservation Program	5,474	7,452	3,222	7,452	-	0.0%
1-630-6302-00-00	School Conservation Program	24,347	7,452	386	7,452	-	0.0%
1-630-6303-00-00	Public Outreach & Education	8,922	15,525	17,274	15,525	-	0.0%
1-634-6304-80-00	HET (High Efficiency Toilet) Rebates	8,922	20,441	1,130	9,221	(11,221)	-54.9%
1-634-6304-81-00	Washing Machine Rebates	-	-	-	-	-	na
1-634-6304-82-00	Lawn-Be-Gone Rebates	8,717	39,434	112	17,685	(21,749)	-55.2%
1-634-6304-83-00	Rain Barrels Rebates	220	5,330	30	2,665	(2,665)	-50.0%
1-630-6300-00-00	<b>WATER CONSERVATION REBATES</b>	<b>17,859</b>	<b>65,205</b>	<b>1,273</b>	<b>29,571</b>	<b>(35,635)</b>	-54.6%

**MIDPENINSULA WATER DISTRICT**  
**PROPOSED MID-YEAR BUDGET FOR FY 2018/2019**

**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION OUTREACH/EDUCATION	FY 2017-2018 ACTUAL 56,602	APPROVED FY 2018-2019 BUDGETED 95,634	ACTUALS 7/1/18-12/31/18 22,156	PROPOSED MIDYEAR FY 2018-2019 BUDGET 60,000	Increase (Decrease) (35,635)	% Change -37.3%
1-640-6401-00-00	Water Quality	31,196	60,000	28,960	60,000	-	0.0%
1-640-6402-00-00	Pumping	21,117	50,000	3,644	50,000	-	0.0%
1-640-6403-00-00	Storage Tanks	940	10,661	2,463	10,000	(661)	-6.2%
1-640-6404-00-00	Mains/Distribution	416,851	207,000	37,526	100,000	(107,000)	-51.7%
1-640-6405-00-00	Meters & Service	15,480	31,982	(17,792)	10,000	(21,982)	-68.7%
1-640-6406-00-00	Fire Hydrants	30,531	33,048	13,284	33,000	(48)	-0.1%
1-640-6407-00-00	Regulator Stations	5,862	6,396	55	10,000	3,604	56.3%
1-640-6408-00-00	Safety	26,713	34,114	8,612	37,000	2,886	8.5%
1-640-6409-00-00	SCADA maintenance	11,392	15,991	82	14,415	(1,576)	-9.9%
1-640-6410-00-00	Generator Maintenance	2,081	25,585	695	25,585	-	0.0%
1-640-6400-00-00	<b>FIELD OPERATIONS &amp; MAINTENANCE</b>	<b>562,164</b>	<b>474,777</b>	<b>77,527</b>	<b>350,000</b>	<b>(124,777)</b>	<b>-26.3%</b>
1-650-6501-00-00	Buildings&Grounds	74,160	99,143	41,115	80,000	(19,143)	-19.3%
1-650-6502-00-00	Equipment&Tools	18,083	22,387	9,042	20,000	(2,387)	-10.7%
1-650-6503-00-00	Vehicles & Large Equipment	19,950	20,255	12,588	20,000	(255)	-1.3%
1-650-6504-00-00	Fuel	23,513	30,915	16,137	30,000	(915)	-3.0%
1-650-6500-00-00	<b>FACILITIES &amp; EQUIPMENT</b>	<b>135,707</b>	<b>172,700</b>	<b>78,882</b>	<b>150,000</b>	<b>(22,700)</b>	<b>-13.1%</b>
1-660-6601-00-00	Cathodic Protection Survey	(1,424)	-	-	-	-	na
1-660-6602-00-00	Leak Detect Survey/Large Meter Testing	13,800	31,050	-	31,050	-	0.0%
1-660-6600-00-00	<b>SYSTEM SURVEYS</b>	<b>12,376</b>	<b>31,050</b>	<b>-</b>	<b>31,050</b>	<b>-</b>	<b>0.0%</b>
1-670-6701-00-00	Office Supplies	5,629	15,991	4,645	15,991	-	0.0%
1-670-6702-00-00	Insurance- Liability/Vehicles/Excess	72,691	82,800	37,756	82,800	-	0.0%
1-670-6703-00-00	Postage	2,514	8,528	1,370	8,528	-	0.0%
1-670-6704-00-00	Printing/Print Supplies	8,416	10,350	8,362	10,350	-	0.0%
1-670-6705-00-00	Equipment Services/Maintenance	13,984	20,700	7,833	20,700	-	0.0%
1-670-6706-00-00	Computer Supplies & Upgrades	16,020	33,120	11,261	33,120	-	0.0%
1-670-6707-00-00	Security & Safety	5,622	11,461	4,389	11,461	-	0.0%
1-670-6708-00-00	Miscellaneous Fees	-	533	-	533	-	0.0%
1-670-6709-00-00	Customer Credit Card Service Fees	132,297	108,539	84,867	130,000	21,461	19.8%
1-670-6700-00-00	<b>ADMINISTRATION &amp; EQUIP</b>	<b>257,173</b>	<b>292,022</b>	<b>160,483</b>	<b>313,483</b>	<b>21,461</b>	<b>7.3%</b>
1-680-6801-00-00	Dues & Publications	37,463	31,759	20,868	31,759	-	0.0%
1-680-6802-00-00	Gov't Fees & Licenses	26,557	30,893	16,028	30,893	-	0.0%
1-680-6803-00-00	BAWSCA Membership Assessments	72,604	78,660	36,664	78,660	-	0.0%
1-680-6804-00-00	Env Health - Cross Connection Insp	32,700	33,048	16,750	33,048	-	0.0%
1-680-6805-00-00	Software Licenses	73,653	41,555	28,097	41,555	-	0.0%
1-680-6800-00-00	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>242,978</b>	<b>215,915</b>	<b>118,407</b>	<b>215,915</b>	<b>-</b>	<b>0.0%</b>



**MIDPENINSULA WATER DISTRICT**

**PROPOSED MID-YEAR BUDGET FOR FY 2018/2019**

**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2017-2018 ACTUAL	APPROVED FY 2018-2019 BUDGETED	ACTUALS 7/1/18-12/31/18	PROPOSED MIDYEAR FY 2018-2019 BUDGET	Increase (Decrease)	% Change
1-690-6901-00-00	Bad Debt	-	7,245	20,235	24,000	16,755	231.3%
1-690-6902-00-00	Claims	(373)	10,350	5,288	6,000	(4,350)	-42.0%
1-690-6900-00-00	<b>BAD DEBT &amp; CLAIMS</b>	<b>(373)</b>	<b>17,595</b>	<b>25,523</b>	<b>30,000</b>	<b>12,405</b>	<b>70.5%</b>
1-700-7001-00-00	Utilities-Internet/Cable	8,261	10,350	3,336	10,350	-	0.0%
1-700-7002-00-00	Utilities-Cellular Telephones	9,962	12,633	7,020	12,633	-	0.0%
1-700-7003-00-00	Utilities-Electric-Pumping Costs	180,507	234,531	117,140	234,531	-	0.0%
1-700-7004-00-00	Utilities-Electric-Bldgs&Grounds	23,486	25,585	13,836	25,585	-	0.0%
1-700-7005-00-00	Utilities-Telephones	23,639	25,875	13,323	25,875	-	0.0%
1-700-7006-00-00	Utilities-Sewer - NPDES	6,269	7,943	3,445	7,943	-	0.0%
1-700-7000-00-00	<b>UTILITIES</b>	<b>252,123</b>	<b>316,917</b>	<b>158,100</b>	<b>316,917</b>	<b>-</b>	<b>0.0%</b>
1-710-7101-00-00	Prof Serv - District Counsel	63,165	77,625	30,060	65,000	(12,625)	-16.3%
1-710-7102-00-00	Prof Serv - District Engineer	76,369	67,275	54,212	100,000	32,725	48.6%
1-710-7103-00-00	Prof Serv - IT	19,600	20,441	10,542	22,000	1,559	7.6%
1-710-7104-00-00	Prof Serv- Annual Finance Audit	19,050	19,665	18,850	18,850	(815)	-4.1%
1-710-7105-00-00	Mnmgmt Consult	-	-	42	-	-	na
1-710-7106-00-00	Prof Serv- Accounting & Payroll	23,324	22,511	12,007	24,000	1,489	6.6%
1-710-7107-00-00	Prof Serv- Customer Billing	66,267	74,779	27,779	60,000	(14,779)	-19.8%
1-710-7109-00-00	Prof Serv - Answering Svs	3,372	5,175	1,686	4,000	(1,175)	-22.7%
1-710-7110-00-00	Prof Serv - Miscellaneous	141,815	129,375	89,553	352,550	223,175	172.5%
1-710-7111-00-00	Prof Serv - District Treasurer	3,600	3,830	1,800	3,600	(230)	-6.0%
1-710-7100-00-00	<b>PROFESSIONAL SERVICES</b>	<b>416,561</b>	<b>420,676</b>	<b>246,531</b>	<b>650,000</b>	<b>229,324</b>	<b>54.5%</b>
1-720-7201-00-00	Director Travel	5,602	5,175	-	4,000	(1,175)	-22.7%
1-720-7202-00-00	Director Expense	-	1,035	791	1,600	565	54.6%
1-720-7203-00-00	Elections	-	15,000	-	15,000	-	0.0%
1-720-7204-00-00	Employee Travel/Training	30,325	33,120	11,417	24,400	(8,720)	-26.3%
1-720-7205-00-00	Meetings Expense	4,213	7,245	2,490	5,000	(2,245)	-31.0%
1-720-7200-00-00	<b>TRAINING &amp; TRAVEL</b>	<b>40,140</b>	<b>61,575</b>	<b>14,698</b>	<b>50,000</b>	<b>(11,575)</b>	<b>-18.8%</b>
1-730-7302-00-00	Restricted Earnings Exp- Interest LAIF	291,085	125,000	216,842	225,000	100,000	80.0%
1-730-7300-00-00	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>291,085</b>	<b>125,000</b>	<b>216,842</b>	<b>225,000</b>	<b>100,000</b>	<b>80.0%</b>
1-800-8001-00-00	Working Reserves: Capital	-	-	-	-	-	na
1-800-8002-00-00	Working Reserves: Operating	-	-	-	-	-	na
1-800-8000-00-00	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>na</b>
	<b>FINANCING COSTS - COP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1-900-9010-00-00	<b>DEPRECIATION</b>	<b>875,033</b>	<b>931,500</b>	<b>452,343</b>	<b>931,500</b>	<b>-</b>	<b>0.0%</b>

**MIDPENINSULA WATER DISTRICT**  
**PROPOSED MID-YEAR BUDGET FOR FY 2018/2019**

**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2017-2018 ACTUAL	APPROVED FY 2018-2019 BUDGETED	ACTUALS 7/1/18-12/31/18	PROPOSED MIDYEAR FY 2018-2019 BUDGET	Increase (Decrease)	% Change
1-740-7405-00-00	DEBT SERVICE 2016 COPs	706,253	1,051,500	693,309	1,051,500	-	0.0%
SUB-TOTAL - OPERATIONAL EXPENSES		9,427,411	9,861,485	5,414,205	10,029,989	168,504	1.7%
TOTAL OPERATING EXPENSES		11,873,369	12,992,000	6,666,334	13,132,176	140,175	1.1%
NET OPERATING SURPLUS/(LOSS)							
TRANSFER TO CAPITAL		1,750,441	-	1,084,555	445,625	445,625	na
DEBT SERVICE COVERAGE		3.96	1.49		1.91		

**MID-PENINSULA WATER DISTRICT**  
**PROPOSED MID-YEAR BUDGET FOR FY 2018-2019**  
**CAPITAL OUTLAY/CAPITAL PROJECTS**

2/22/2019 8:22

DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 12/31/2018	PROPOSED MID-YEAR FY 2018-2019 BUDGET \$
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)			
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	500,000	404,322	750,000
2017 Water Main Replacement CIP (Pay-Go Portion)	0	2,825	5,000
AMI Meter Change Out Program	778,500	476,993	678,500
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,278,500</b>	<b>884,140</b>	<b>1,433,500</b>
<b>CAPITAL OUTLAY</b>			
Replacement Mini-Excavator for Operations	50,000	45,998	45,998
Replacement Service Truck for Operations	148,000	-	90,000
Replace Hybrid Vehicles	-	65,783	65,783
Replace Fuel Station Controller @ Dairy Lane Operations Center	-		30,000
Phase 2 SCADA System Replacement	-		50,000
Miscellaneous Capital Outlay/Projects	50,000	6,642	50,000
<b>CAPITAL OUTLAY TOTAL</b>	<b>248,000</b>	<b>118,423</b>	<b>331,781</b>
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,526,500</b>	<b>1,002,563</b>	<b>1,765,281</b>
DEPRECIATION	931,500	452,343	931,500
TRANSFER FROM OPS	-	1,084,555	445,625
TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) *	595,000	(534,334)	595,000
TRANSFER (TO)/FROM CAPITAL RESERVES	-	-	(206,844)
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,526,500)	(1,002,564)	(1,765,281)
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

**\* COMMITTED FROM PRIOR YEAR:**

Placeholder - Joint CIP with City of Belmont	\$ 500,000
Proceeds from sale of Surplus Items	\$ 95,000
	<u>\$ 595,000</u>



**AGENDA ITEM NO. 8.C.**

DATE: February 28, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

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**SUBJECT: DISCUSS SCHEDULING A FINANCIAL PLANNING WORKSHOP IN APRIL**

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**RECOMMENDATION**

Schedule a financial planning workshop in April.

**FISCAL IMPACT**

None.

**DISCUSSION**

Staff is working with a financial planning consultant, Urban Futures, Inc., and has previously reported to the Board that there are several significant financial matters worthy of a discussion that are linked to development of a forecast model and long-term (10-year) financial plan for the MPWD.

Here are suggested topics for the workshop agenda and staff welcomes additional input and ideas from the Board:

1. Introduce concept for financial forecasting and modeling for development of long-term (10-year) financial plan, including integration of payment plan of MPWD OPEB and Pension liabilities from PARS Trust.
2. Consider preliminary revenue requirements and potential water rate adjustments for FY 2019/2020.
3. Review working DRAFT Operating & Capital Budgets for FY 2019/2020.
4. Discuss Water Rate Study options for next 5-Year Proposition 218 process.
5. Consider funding gap options for COP Capital Improvement Program.

Staff would suggest Wednesday, April 10<sup>th</sup> or Thursday, April 11<sup>th</sup> and a dinner meeting that would begin at 6:00PM.

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BOARD ACTION: APPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

UNANIMOUS\_\_\_\_\_ VELLA\_\_\_\_\_ ZUCCA\_\_\_\_\_ WARDEN\_\_\_\_\_ SCHMIDT\_\_\_\_\_ WHEELER\_\_\_\_\_



TO: Board of Directors

FROM: Tammy A. Rudock  
General Manager

DATE: February 28, 2019

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## MANAGER'S REPORT

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### **FOLLOW-UP FROM 01/24/19 REGULAR BOARD MEETING**

- Quarterly Reconciliation Report on 2016 COP Financing through December 31, 2018, and Quarterly Project Fund Report through December 31, 2018 were posted to the website.
- Executed contract with Stoloski & Gonzalez, Inc., for construction of the Hillcrest Pressure Regulating Station in the amount of \$649,620 plus 20% contingency in the amount of \$129,924 for a total project budget of \$779,544.
- Resolution 2019-03 (as revised) Approving 2018 Amendments to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County was executed and transmitted to BAWSCA. It is attached for information.
- Director Wheeler's nomination and application package for the ACWA Region 5 Board were timely transmitted to ACWA.
- President Vella and I attended the San Mateo LAFCo meeting regarding the Special District Member vacancies. Ric Lohman of the Montara Water and Sanitary District was elected by a majority vote as the LAFCo Special District Member for the term ending May 2020.

### **UPDATE ON SURPLUS REAL PROPERTY**

#### ***1513-1515 Folger Drive in Belmont and F Street Parcel in San Carlos***

Letters to local public agencies (26 total) were transmitted declaring available MPWD surplus real property located at 1513-1515 Folger in Belmont and the "F" Street vacant parcel in San Carlos. The 90-day response period will end on February 28, 2019.

On January 11, 2019, the San Mateo County Department of Housing made contact with the MPWD and expressed interest in both properties for affordable housing projects. Staff followed up with them on January 14, 2019, and February 21, 2019. The County responded on February 21, 2019, that it will "likely go down to the wire on 2/28/19 to provide a written letter of interest."

### **WATER CONSERVATION SUMMARY**

Water consumption for January was down 7.1% when compared to 2013. (For trend comparison, last year for January was down 11.2% when compared to 2013.)

The R-GPCD (Residential-Gallons per Capita per Day) for December was 63.1 (compared to 66.3 in 2013).

Cumulative water savings from July 1, 2018 through January 31, 2019 (compared to 2013) was -12.5%.

### **SDLF DISTRICT TRANSPARENCY CERTIFICATE OF EXCELLENCE**

The SDLF (Special District Leadership Foundation) transparency certification was created to promote transparency in the operations and governance of special districts. There is no fee for the certification and there are three (3) subject matter areas required for transparency:

- Basic Requirements;
- Website Requirements; and
- Outreach/Best Practices Requirements.

The MPWD is very, very close to meeting the basic requirements. The MPWD is fully compliant with the website requirements and outreach/best practices requirements (except for community transparency review).

District Counsel and staff are working on a policy for handling public records requests, and a Code of Ethics (for the Board) that would likely be added to the Rules of the Board. These policies are scheduled to be presented next month for the Board's consideration and once approved, staff will obtain an overview by two community members, and submit the MPWD's application for the transparency certificate.

The SDLF application is attached for reference.

### **3-MONTH "LOOK AHEAD" FOR BOARD MEETINGS\***

#### MARCH 28, 2019

- Consider and approve Personnel Manual updates.
- Consider and approve updates to Rules of the Board.
- Consider and approve policy for Public Records Act requests.
- Receive BAWSCA update.
- Closed Session: General Manager annual performance evaluation.

#### APRIL 2019 – PROPOSED FINANCIAL PLANNING WORKSHOP

Tentative Agenda:

1. Introduce concept for financial forecasting and modeling for development of long-term (10-year) financial plan, including integration of payment plan of MPWD OPEB and Pension liabilities from PARS Trust.
2. Consider preliminary revenue requirements and water rate adjustments for FY 2019/2020.
3. Review DRAFT Operating & Capital Budgets for FY 2019/2020.
4. Discuss Water Rate Study options for next 5-Year Proposition 218 process.
5. Consider funding gap options for COP Capital Improvement Program.

#### APRIL 25, 2019

- Approve water rate adjustments effective July 1<sup>st</sup>. (Required 30-day notice to ratepayers.)
- Review working DRAFT Operating Budget for FY 2019/2020.
- Review working DRAFT Capital Budget for FY 2019/2020.

#### MAY 23, 2019

- Consider final DRAFT Operating & Capital Budgets for FY 2019/2020.
- Receive BAWSCA update.

\*In 2019: Schedule required bi-annual Harassment Prevention training by January 1, 2020 expanded for all employees (SB 1343) and for elected officials (AB 1661).

## **PUBLIC SERVICE ETHICS EDUCATION (AB 1234)**

The due dates (in alphabetical order) for certification renewal of Public Service Ethics education, required every two (2) years by AB 1234:

- |                  |                   |
|------------------|-------------------|
| • Joan Cassman   | March 9, 2019     |
| • Jeff Ira       | November 23, 2020 |
| • Joubin Pakpour | November 19, 2020 |
| • Candy Pina     | December 13, 2020 |
| • Rene Ramirez   | December 7, 2020  |
| • Tammy Rudock   | November 29, 2020 |
| • Brian Schmidt  |                   |
| • Julie Sherman  | March 10, 2019    |
| • Louis Vella    | December 4, 2020  |
| • Dave Warden    | January 26, 2021  |
| • Kirk Wheeler   | January 3, 2021   |
| • Matt Zucca     | April 16, 2019    |

For compliance, training should be completed on or before the due date, and the certificate turned in to the MPWD.

Here is the link to the FPPC free online ethics training: <http://localethics.fppc.ca.gov/login.aspx>

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## **UPCOMING MEETINGS/EVENTS**

BAWSCA Water Management Meeting (Foster City): March 7, 2019

HIA Meeting (Belmont): March 7, 2019

San Mateo County Chapter CSDA Meeting (Burlingame): March 19, 2019

ACWA JPIA 2019 Spring Conference & Exhibition (Monterey): May 6-10, 2019

CSDA Special Districts Legislative Days (Sacramento): May 21-22, 2019

CSDA Annual Conference & Exhibitor Showcase (Anaheim): September 25-28, 2019

ACWA JPIA Fall Conference & Exhibition (San Diego): December 2-6, 2019

ACWA JPIA 2020 Spring Conference & Exhibition (Monterey): May 4-8, 2020



**RESOLUTION NO. 2019-03**

**APPROVING 2018 AMENDMENTS TO THE WATER SUPPLY AGREEMENT BETWEEN  
THE CITY AND COUNTY OF SAN FRANCISCO  
AND WHOLESALE CUSTOMERS IN  
ALAMEDA COUNTY, SAN MATEO COUNTY, AND SANTA CLARA COUNTY**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, water supply agencies in Alameda, San Mateo and Santa Clara Counties have purchased water from the City and County of San Francisco (San Francisco) for many years; and

**WHEREAS**, the San Francisco Public Utilities Commission (SFPUC) operates the Regional Water System, which delivers water to communities in Alameda, San Mateo and Santa Clara Counties, as well as to customers within San Francisco (collectively, “the Parties”); and

**WHEREAS**, the Parties entered into the “Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County” in 1984; and

**WHEREAS**, in April 2003, water supply agencies in Alameda, San Mateo and Santa Clara Counties established the Bay Area Water Supply and Conservation Agency (BAWSCA), as authorized by Water Code Section 81300 *et seq.*; and

**WHEREAS**, upon expiration of the 1984 “Settlement Agreement and Master Water Sales Contract,” the Parties entered into the “Water Supply Agreement between San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” (“Water Supply Agreement”) on July 1, 2009, authorized by SFPUC Resolution No. 09-0069; and

**WHEREAS**, on August 23, 2018, the Mid-Peninsula Water District (“District”), by Resolution No. 2018-18, delegated authority to BAWSCA to act as its authorized representative in discussions and negotiations with San Francisco to amend the Water Supply Agreement; and

**WHEREAS**, each of the other 25 entities, which are members of BAWSCA, similarly delegated negotiating authority to BAWSCA; and

**WHEREAS**, BAWSCA has submitted periodic reports to the District on progress during the negotiations and has provided detailed briefings on all significant elements of the amendments; and

**WHEREAS**, the Parties now desire to adopt an amended and restated Water Supply Agreement in order to:

- (1) require the SFPUC to adhere to a formal program to engage with BAWSCA on its 10-year CIP development;
- (2) adjust the provisions of the Water Shortage Allocation Plan regarding the initial allocation of water during shortages between San Francisco Retail and Wholesale water customers;
- (3) extend the December 31, 2018 deadline for the SFPUC to complete a water supply planning process and decide whether or not to (a) grant permanent customer status to the cities of San Jose and Santa Clara, dedicating a permanent share of the SFPUC water supply to these two wholesale customers, who currently have temporary, interruptible status, and (b) increase the 184 mgd Supply Assurance created as a permanent dedication of water supply in the 1984 "Settlement Agreement and Master Water Sales Contract" and carried forward into the 2009 Water Supply Agreement (collectively "the 2018 Decisions");
- (4) change the classification of certain Hetch Hetchy Water and Power capital projects, adjusting the amount of capital funding to be provided towards these projects by the Parties and the SFPUC Power Enterprise through the term (June 30, 2034) of the Water Supply Agreement;
- (5) modify provisions related to the SFPUC's administration of the Wholesale Capital Fund to more closely align with the historic rate of capital project spending by the SFPUC and prevent volatility in the annual determination of the Wholesale Revenue Requirement;
- (6) extend the estimated timing of the completion of the WSIP to reflect the currently adopted program completion date; and
- (7) clarify the cost allocation and water accounting provisions used for the Regional Water System's Groundwater Storage and Recovery Project; and

**WHEREAS**, in addition to the substantive modifications set forth above, the amended and restated Water Supply Agreement also includes a number of non-substantive updates and revisions to incorporate previously approved modifications, such as the First Amendment to the Water Supply Agreement, adopted in 2013 as new Section 3.18, prohibiting San Francisco from draining Hetch Hetchy Reservoir or decommissioning O'Shaughnessy Dam without securing Wholesale Customer approval in the form of an amendment; and

**WHEREAS**, in 2008, through SFPUC Resolution No. 08-0200, San Francisco approved the Water System Improvement Program (WSIP) to upgrade San Francisco's regional and local water system and achieve Level of Service Goals and Objectives, which include meeting average annual water demand of 265 million gallons per day (mgd) through 2018; reevaluation of forecasted 2030 Regional Water System demand projections and water supply options by 2018, and SFPUC decision in 2018 regarding Regional Water System deliveries after 2018; and meeting dry year delivery needs while limiting rationing to a maximum of twenty percent system wide during droughts; and

**WHEREAS**, prior to approval of the WSIP, San Francisco prepared a program environmental impact report (PEIR) for the WSIP in compliance with the California Environmental Quality Act (CEQA) and the San Francisco Planning Commission certified the WSIP Final PEIR in Planning Commission Motion No. 17734; and

**WHEREAS**, the Wholesale Customers reviewed the Final PEIR and CEQA findings and, in conjunction with approval of the Water Supply Agreement in 2009, the Wholesale Customers also adopted CEQA findings that were relevant to each Wholesale Customer's decision to approve the WSA; and

**WHEREAS**, San Francisco's currently adopted WSIP program completion date is December 30, 2021; and

**WHEREAS**, BAWSCA intends to act in a manner that represents the best interests of all of its member agencies' water supply while avoiding any harm alleged by any one member agency's water supply as a result of any future action by SFPUC; and

**WHEREAS**, the Wholesale Regional Water System Security and Reliability Act (AB 1823, Water Code Section 73500 *et seq.*) continues the Legislature's oversight of SFPUC's implementation of the regional projects included in WSIP through January 1, 2022; and

**WHEREAS**, BAWSCA intends to ask the Legislature again to extend its oversight of the WSIP program in anticipation of the SFPUC's need to extend the WSIP completion date to accommodate individual project schedules with reasonable delays; and

**WHEREAS**, an amended and restated Water Supply Agreement, in the form negotiated by BAWSCA, was presented to and approved by the SFPUC on December 11, 2018.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors for the Mid-Peninsula Water District finds as follows:

1. The Board of Directors approves the modifications included in the amended and restated "Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated November 2018 (Amended and Restated Water Supply Agreement).

2. The General Manager is authorized and directed to sign the Amended and Restated Water Supply Agreement, in the form negotiated by BAWSCA and approved by the San Francisco Public Utilities Commission on December 11, 2018.

PASSED AND ADOPTED this 24<sup>th</sup> day of January 2019 by the following vote:

AYES: Schmidt, Warden, Vella, and Wheeler

NOES: Ø

ABSTENTIONS: Ø

ABSENCES: Zucca

  
PRESIDENT

ATTEST:

  
SECRETARY OF THE BOARD



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY

## District Transparency Certificate of Excellence

### Purpose

To promote transparency in the operations and governance of special districts to the public/constituents and provide special districts with an opportunity to showcase their efforts in transparency.

### Duration

2 Years

### Application Cost

FREE

### District Receives

- Certificate for display (covering 2 years)
- Press release template
- Recognition on the SDLF website
- Letter to legislators within the district's boundaries announcing the achievement
- Recognition in social media, letter to the editor of local media outlet, and the CSDA eNews
- Window cling

### Basic Requirements

#### Current Ethics Training for All Board Members *(Government Code Section 53235)*

- ☐ Provide names of board members and copies of training certificates along with date completed

#### Compliance with the Ralph M. Brown Act *(Government Code Section 54950 et. al )*

- ☐ Provide copy of current policy related to Brown Act compliance
- ☐ Provide copy of a current meeting agenda (including opportunity for public comment)

#### Adoption of Policy Related to Handling Public Records Act Requests

- ☐ Provide copy of current policy

#### Adoption of Reimbursement Policy, If District Provides Any Reimbursement of Actual and Necessary Expenses

*(Government Code Section 53232.2 (b))*

- ☐ Provide copy of current policy

**Annual disclosure of board member or employee reimbursements for individual charges over \$100 for services or products. This information is to be made available for public inspection. "Individual charge" includes, but is not limited to: one meal, lodging for one day, or transportation. *(Government Code Section 53065.5)***

- ☐ Provide copy of the most recent document and how it is accessible.

#### Timely Filing of State Controller's Special Districts Financial Transactions Report -

**Includes Compensation Disclosure. *(Government Code Section 53891)***

- ☐ Provide copy of most recent filing.

*SDLF staff will verify that district is not listed on the State Controller's 'non-compliance list'*

#### Conduct Audits As Required By Law *(Government Code Section 26909 and 12410.6)*

- ☐ Provide copy of most recent audit, management letter, and a description of how/where documents were made available to the public

#### Other Policies – Have Current Policies Addressing the Following Areas

*Provide copies of each:*

- ☐ Conflict of Interest
- ☐ Provide copies of Form 700 cover sheet for board members and general manager
- ☐ Code of Ethics/Values/Norms or Board Conduct
- ☐ Financial Reserves Policy

## Website Requirements

**Maintain a district website with the following items Required.** (provide direct website links for each item) - Required items available to the public:

- ☐ Names of board members and their full terms of office to include start and end date
- ☐ Name of general manager and key staff along with contact information
- ☐ Election/appointment procedure and deadlines
- ☐ Board meeting schedule  
(Regular meeting agendas must be posted 72 hours in advance pursuant to *Government Code Section 54954.2 (a)(1)* and *Government Code Section 54956 (a)*)
- ☐ District's mission statement
- ☐ Description of district's services/functions and service area
- ☐ Authorizing statute/Enabling Act (Principle Act or Special Act)
- ☐ Current District budget
- ☐ Most recent financial audit
- ☐ Archive of Board meeting minutes for at least the last 6 months
- ☐ Link to State Controller's webpages for district's reported board member and staff compensation (*Government Code Section 53908*)
- ☐ Link to State Controller's webpages for district's reported Financial Transaction Report (*Government Code Section 53891 (a)*)
- ☐ Reimbursement and Compensation Policy
- ☐ Home page link to agendas/board packets (*Government Code Section 54957.5*)
- ☐ SB 272 compliance-enterprise catalogs (*Government Code Section 6270.5*)

**Additional items – website also must include at least 4 of the following items:**

- ☐ Post board member ethics training certificates
- ☐ Picture, biography and e-mail address of board members
- ☐ Last (3) years of audits
- ☐ Financial Reserves Policy
- ☐ Online/downloadable public records act request form
- ☐ Audio or video recordings of board meetings
- ☐ Map of district boundaries/service area
- ☐ Link to California Special Districts Association mapping program
- ☐ Most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) studies (full document or link to document on another site)
- ☐ Link to [www.districtsmakethedifference.org](http://www.districtsmakethedifference.org) site or a general description of what a special district is
- ☐ Link most recently filed to FPPC forms
- ☐ Machine readable/searchable agendas (*required in 2019*)

## Outreach/Best Practices Requirements - (Must complete at least 2 of the following items)

**Regular district newsletter or communication (printed and/or electronic) that keeps the public, constituents and elected officials up-to-date on district activities (at least twice annually)**

- ☐ Provide copy of most recent communication and short description on the frequency of the communication, how it's distributed and to whom.

**Community notification through press release to local media outlet announcing upcoming filing deadline for election or Appointment and process for seeking a position on the district board, prior to that election (or prior to the most recent deadline For consideration of new appointments for those districts with board members appointed to fixed-terms).**

- ☐ Provide copy of the press release (and the printed article if available)

**Complete salary comparison/benchmarking for district staff positions using a reputable salary survey (at least every 5 years)**

- ☐ Provide brief description of the survey and process used as well as the general results

### Special Community Engagement Project

Designed and completed a special project promoting community engagement with the district (potential projects may be broad in nature or focus on specific issues such as rate-setting, recycled water, identifying community needs, etc.)

- ☐ Submit an overview of the community engagement project reviewing the process undertaken and results achieved

**Hold annual informational public budget hearings that engage the public (outreach, workshops, etc.) Prior to adopting the budget**

- ☐ Provide copy of most recent public budget hearing notice and agenda.

### Community Transparency Review

The district would be required to obtain a completed overview checklist from at least 2 of the following individuals (the district may choose to conduct the overview with these individuals simultaneously or separately):

- ☐ Chair of the County Civil Grand Jury
- ☐ Editor of a reputable local print newspaper (only one may count toward requirement)
- ☐ LAFCO Executive Officer
- ☐ County Auditor-Controller
- ☐ Local Legislator (only one may count toward requirement)
- ☐ Executive Director or President of local Chamber of Commerce
- ☐ General Manager of a peer agency (special district, city, county, neighborhood association, community organization or county administrative officer)

- ☐ Provide proof of completion signed by individuals completing Community Transparency Review



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY

## District Transparency Certificate of Excellence

### Submit Application

Submit this application along with all required documentation to:

Special District Leadership Foundation  
1112 I Street, Suite 200  
Sacramento, CA 95814  
Phone: 916-231-2909 • Fax: 916-442-7889

### Electronic filing is preferable.

Contact SDLF for instructions.

District:		
Mailing Address:		
City:	State:	Zip:
Contact Name:		
Contact Title:		
Phone:	Fax:	
Email:	Website:	
Assembly Member(s)*:		
Senator*:		
Local Newspaper(s):		
I certify that the information submitted is accurate and complete to the best of my knowledge.		Signature:

*\*include all state legislators representing the district's area of operation*





TO: Board of Directors

FROM: Candy Pina

DATE: February 28, 2019

## ADMINISTRATIVE SERVICES MANAGER'S REPORT

### FINANCIAL REPORTING:

1) **Schedule of Cash and Investments:**

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 01/31/19	BALANCE @ 02/21/19
PETTY CASH	\$400	\$400
CASH DRAWER	\$200	\$200
WELLS FARGO CHECKING	\$152,912	\$194,399
LAIF	\$4,942,276	\$4,942,276
BNY INSTALLMENT ACCOUNT	\$245,163	\$345,163
<b>TOTAL</b>	<b>\$5,340,950</b>	<b>\$5,482,438</b>

Reserve Account	Balance @ 01/31/17	Balance @ 01/31/18	Balance @ 01/31/19	Budget for Reserve Policy
Capital Reserves			\$ 3,061,578	\$ 1,500,000
Working Capital Reserves			\$ 1,500,000	\$ 1,500,000
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 5,068,454</b>	<b>\$ 6,572,532</b>	<b>\$ 4,561,578</b>	<b>\$ 3,000,000</b>
Committed Capital Pay-Go*			\$ (19,302)	\$ 595,000
PARS OPEB Liability			\$ -	\$ 1,500,000
PARS PRSP Pension Liability**			\$ 400,000	\$ 1,600,000
<b>APPROVED RESERVE EXP</b>			<b>\$ 380,698</b>	<b>\$ 3,695,000</b>
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 5,068,454</b>	<b>\$ 6,572,532</b>	<b>\$ 4,942,276</b>	<b>\$ 6,695,000</b>

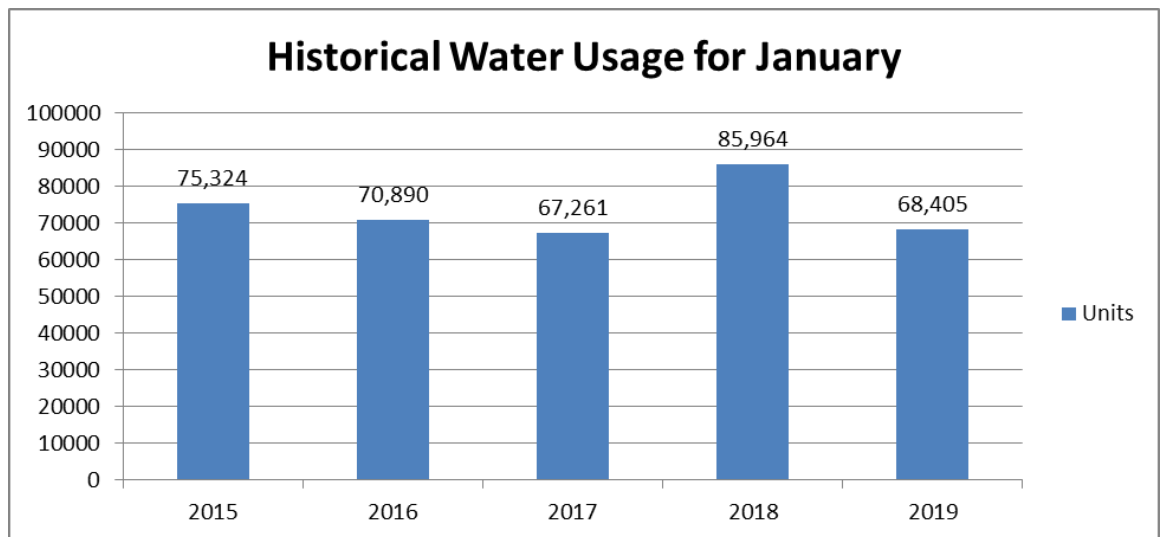
\* Committed Capital Pay-Go spent to date totals \$614,302 for Joint Capital Project with Belmont so reduced liability by that amount. Proposed Mid-Year Budget provided updated estimate for project completion. Please note the updated Committed Capital Pay-Go from \$500,000 to \$595,000 (the original placeholder amount approved during FY2018/2019 budget process (Resolutions 2018-12 & 2018-13).

\*\* Final PARS PRSP Contribution by 3/31/19.

\*\*\* Attached is the PARS OPEB & PARS PRSP Trust Program Quarterly Report.

## 2) Water Revenue Report:

<b>WATER REVENUES for FISCAL YEAR 2018/2019</b>					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	122,334	1,020,243	221,322	1,241,565	1,309
AUG	122,489	1,064,995	240,529	1,305,524	1,302
SEP	123,229	1,094,168	240,313	1,334,481	1,315
OCT	108,426	922,019	240,702	1,162,721	1,303
NOV	107,945	926,926	239,712	1,166,638	1,319
DEC	79,231	655,976	240,162	896,138	1,328
JAN	68,405	545,132	242,370	787,502	1,344
<b>TOTAL</b>	<b>732,059</b>	<b>6,229,459</b>	<b>1,665,110</b>	<b>7,894,569</b>	<b>9,220</b>



### **CONFERENCES, TRAINING, & MEETINGS:**

- 1) Misty Malczon: 01/30/19 – Webinar with Springbrook on Mail Merge
- 2) Jeanette Kalabolas: 02/05/19 – BAWSCA Water Loss (LEAK) Meeting
- 3) Jeanette Kalabolas: 02/11/19 – BAWSCA AMI Webinar
- 4) Candy Pina: 02/13/19 – Hanson Bridgett Webinar
- 5) Jeanette Kalabolas: 02/20/19 – Cross-Training with Rick Bisio
- 6) Candy Pina: 02/22/19 – Financial Review with Vincent Li from C.G. Uhlenburg
- 7) Laura Ravella/Misty Malczon/Jeanette Kalabolas/Candy Pina: 02/25/19 – Quarterly staff meeting

**TEAM BUILDING ACTIVITIES:**

We celebrated Misty Malczon's 15-year anniversary (start date of 01/26/04) with a luncheon at the District on Wednesday, February 6th.

We continue to celebrate employee birthdays and participate in trivia and Wellness Program activities.

**PARS OPEB & PRSP Trust Program - December 31, 2018**

ACCOUNT SUMMARY								INVESTMENT RETURN				
FISCAL YEAR	Beginning Balance	CONTRIBUTIONS	EARNINGS	Expenses (Trustee/Investment Management Fee)	Transfers	Ending Balance	Expenses (Administrative Fee)	1-Month	3-Months	1-Year	3-Years Annualize d Return	5-Years Annualize d Return
2014-2015	\$ 368,264.01	\$ 56,925.00	\$ 8,693.45	\$ 965.18	\$ -	\$ 432,917.28	\$ 3,600.00	-0.98%	-0.68%	2.18%	6.09%	
2015-2016	\$ 432,917.28	\$ 181,575.00	\$ 13,043.87	\$ 1,179.47	\$ -	\$ 626,356.68	\$ 3,600.00	0.85%	2.09%	2.11%	4.54%	
2016-2017	\$ 626,356.68	\$ 108,702.00	\$ 45,569.47	\$ 1,829.05	\$ -	\$ 778,799.10	\$ 3,600.00	0.29%	2.33%	6.65%	3.63%	5.39%
2017-2018	\$ 778,799.10	\$ 534,109.67	\$ 39,383.38	\$ 2,693.35	\$ -	\$ 1,349,598.80	\$ 3,600.00	0.17%	1.01%	4.43%	4.38%	4.94%
2018-2019	\$ 1,349,598.80	\$ 2,325,000.00	\$ 15,416.69	\$ 3,086.54	\$ 22,190.56	\$ 3,709,119.51	\$ 664.46	0.79%	2.81%	5.20%	5.20%	5.13%
<b>2014-2019</b>	<b>\$ 368,264.01</b>	<b>\$ 3,206,311.67</b>	<b>\$ 122,106.86</b>	<b>\$ 9,753.59</b>	<b>\$ 22,190.56</b>	<b>\$ 3,709,119.51</b>	<b>\$ 15,064.46</b>	<b>0.22%</b>	<b>1.51%</b>	<b>4.11%</b>	<b>4.77%</b>	<b>5.15%</b>
PARS OPEB	\$ 1,349,598.80	\$ 1,125,000.00	\$ (1,003.49)	\$ 2,383.13	\$ 22,190.56	\$ 2,493,402.74	\$ 600.00					
PARS PENSION	\$ -	\$ 1,200,000.00	\$ 16,420.18	\$ 703.41	\$ -	\$ 1,215,716.77	\$ 64.46					



TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: February 28, 2019

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## OPERATIONS REPORT – January

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### **Projects:**

- Concentrated focus on meter installations while construction in a somewhat hibernation. Below is current AMI status as of Feb. 20, 2019

<b>As Of 2-20-2019</b>			
<b>AMI Installation Status</b>		<b>73.23%</b>	
			<b>New Development Status</b>
			<b>100.00%</b>
<b>Total Meters</b>		<b>8130</b>	<b>Total New</b>
			<b>110</b>
<b>AMI Installations</b>		<b>5954</b>	<b>AMI Installations</b>
			<b>110</b>
<b>Remaining</b>		<b>2176</b>	<b>Remaining</b>
			<b>0</b>
<b>Installations</b>			
<b>January</b>		256	
<b>February (to date)</b>		578	

- Meter installations focused in last two zones, zones 2 and 3. In Zone 2, 87% of connections have been replaced and in Zone 3, 13% of connections have been replaced. All other Zones have had 100% of meter connections replaced;
- Held bid opening for the Hillcrest Pressure Reducing Station. Following the District Engineer's evaluation, prepared the staff report with recommendation to the Board;
- Met with recently hired structural engineering consultant, District Engineer and staff to kick-off the design for replacement tanks at the Dekoven Tank site;
- Pave the work area to complete work related to the new service at 526 Cambridge; and
- Abandon old services as a part of service upgrades at: 2417 Coronet, 2128 Pullman, 1424 Sunnyslope, 3405 Hillcrest, and 2810 Newlands.

**Maintenance:**

- Responded to and completed 184 USA (underground service alerts) requests in January. This was a 10% drop when compared to December where we responded to 201 requests. Slowdown in work due to winter and weather contributed to drop in requests;
- Read meters in zones without AMI;
- Repaired line supplying water to a hydrant near 1573 Winding Way;
- Collected a requisite 55 water samples for bacteriological testing – all samples were absent of coliform bacteria contamination;
- Continue to routinely monitor water system dead-ends continued for disinfectant residual; and
- Monitored for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring. One of two tanks at the following tank sites was removed from service for maintenance work and to maintain water quality: Buckland, West Belmont, Exbourne and Dekoven.

**System Repairs:**

Date	Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
None	To Report				

**Development:**

Staff is currently working with developers on 60 development projects:

**Mixed Use Commercial/Multi-Family Residential:**

- o 576-600 El Camino Real – 32 meters installed at manifold. Awaiting conduit installations/punch list items prior to wiring remotes;
- o 400-490 El Camino Real – 74 meters installed at manifold. Remotes are wired, and all meters are reporting!;
- o 1325 Old County Rd. – Project re-submitted larger project of 250 units; letter of intent provided;
- o 800 Belmont Ave. – Contacted by developer, tentative plans;
- o 815 Old County Rd. – Contacted by developer regarding fire flow;
- o 1300 El Camino Real - Currently reviewing plans, letter of intent provided;
- o 803-815 Belmont Ave – Contacted by developer regarding existing facilities and available fire flows. Additional information requested on adjacent parking lot parcels; and
- o 900 El Camino Real – contacted by architect, working for the City of Belmont.

**Commercial:**

- o 539 Harbor Blvd. – Updated installation quote;
- o 554 El Camino – Installation complete;
- o 1477 El Camino Real – Currently reviewing their plans;

- Belmont Ave Parcel APNs – (2) awaiting plans;
- 1500 Ralston Ave. – Currently reviewing plans;
- 2200 Carlmont Dr. – Installation complete;
- 1400 Alameda de las Pulgas – Submittals approved;
- 1306-1308 Old County Rd. – Submittals approved;
- 1888 Ralston – Awaiting contractor installation
- 612 Mountain View - Awaiting plans
- 880 Old County Rd. - Awaiting payment;
- 1110 Old County Rd. – Currently reviewing plans; and
- 2710 Ralston Ave. – Awaiting plans.

Residential:

- 1829 Oak Knoll – Installation complete;
- 2 Wakefield Ct - Currently reviewing their plans;
- 2828 Monroe - Currently reviewing their plans;
- 1926 Oak Knoll Dr. – Currently reviewing their plans;
- 1630 Robin Whipple – Currently reviewing their plans;
- 2009 Mezes – Provided installation quote;
- 2723 Monserat – Currently reviewing their plans;
- 796 Miramar Terrace - Currently reviewing their plans;
- 2114 Cipriani – Provided updated quote;
- Bishop Road development – Installed 1 of 3, Awaiting plans on 2 remaining lots;
- 4 Tioga Way – Plans through staff approval process;
- 1230 Alden Ct – Plans through staff approval process;
- Talbryn Dr. parcel – Awaiting engineering information;
- Ralston parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane development- Awaiting payment of connection fees;
- 517 Middlesex Road - Currently reviewing their plans;
- 665 South - Currently reviewing plans;
- 713 Alameda – Installation complete;
- 853 Alameda – Plans through staff approval process;
- 857 Alameda – Plans through staff approval process;
- 10 Notre Dame Place – Awaiting contractor installation schedule;
- 861 Alameda – Currently reviewing their plans;
- 2723 Wemberly - Currently reviewing their plans;
- 3900 Marsten – Currently reviewing their plans;
- 3405 Hillcrest – Installation complete;
- 1424 Sunny Slope – Installation complete;
- 1503 Folger - Currently reviewing their plans;
- 1651 Francis - Currently reviewing their plans;
- 1961 Bishop Rd. - Currently reviewing their plans;
- 2021 Lyon Ave. - Currently reviewing their plans;
- 526 Cambridge – Installation complete;
- 1651 Francis - Currently reviewing their plans;



- 2019 Belle Monti - Currently reviewing their plans;
- Monte Cresta Drive Extension – Reviewing plans, developing WSA;
- 507 Sterlingview - Currently reviewing their plans;
- 511 Sterlingview - Currently reviewing their plans;
- 1234 North Rd. – Awaiting contractor schedule; and
- 3105 Marburger – Awaiting plans.

**Administration:**

- Participated on an oral-board for Daly City for a maintenance supervisor;
- Participated in the agenda review meeting with the Board President and General Manager;
- Held phone conversations with two (2) proposed temporary employees from waterTALENT to discuss their backgrounds, experience in the field and potential compatibility with District staff before the temporary employees arrive the week of January 28;
- Had meeting with one of the CIP consulting engineering teams to discuss their work product;
- Met with an employee to discuss their annual evaluation and establish objectives for next review period;
- Held an Ops Staff Meeting with field supervisors and lead operators;
- Continued to actively managing five (5) engineering design contracts related to the CIP; and
- Continued to actively manage power use for pumping operations.

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR YEAR 2018-2019  
SUMMARY**

DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUALS 7/1/2018 1/31/19	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 58.9%
				Y-T-D % OF BUDGET
<b>OPERATING REVENUE</b>				
WATER COMMODITY CHARGES	9,200,000	6,229,459	2,970,541	67.7%
FIXED SYSTEM CHARGES	2,880,000	1,665,110	1,214,890	57.8%
FIRE SERVICE CHARGES	14,000	9,220	4,780	65.9%
MISC CUSTOMER ACCOUNT FEES	-	6,576	(6,576)	NA
SERVICE LINE & INSTALLATION CHARGES	10,000	-	10,000	NA
MISCELLANEOUS OPERATING	10,000	24,363	(14,363)	243.6%
PROPERTY TAX REVENUE	268,000	271,587	(3,587)	101.3%
<b>TOTAL OPERATING REVENUE</b>	<b>12,382,000</b>	<b>8,206,314</b>	<b>4,175,686</b>	66.3%
WATER SYSTEM CAPACITY CHARGES	250,000	128,125	121,875	51.3%
WATER DEMAND OFFSET CHARGES	65,000	8,651	56,349	13.3%
MISCELLANEOUS NON-OPERATING	10,000	60,264	(50,264)	602.6%
INTEREST REVENUE - LAIF	25,000	73,447	(48,447)	293.8%
INTEREST REVENUE - COP	100,000	179,648	(79,648)	179.6%
LEASE OF PHYSICAL PROPERTY	155,000	100,914	54,086	65.1%
LANDSCAPE PERMIT REVENUE	5,000	400	4,600	8.0%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>610,000</b>	<b>551,449</b>	<b>58,551</b>	90.4%
<b>TOTAL REVENUE</b>	<b>12,992,000</b>	<b>8,757,764</b>	<b>4,234,236</b>	67.4%
	-			
<b>OPERATING EXPENDITURES (OP EXP)</b>				
SALARIES & WAGES	2,096,385	982,687	1,113,698	46.9%
PAYROLL TAXES & BENEFITS	1,034,131	480,969	553,162	46.5%
PURCHASED WATER	5,654,624	3,529,161	2,125,463	62.4%
OUTREACH & EDUCATION	95,634	23,280	72,354	24.3%
M&R - OPS SYSTEM	474,777	81,343	393,434	17.1%
M&R - FACILITIES & EQUIPMENT	172,700	88,108	84,592	51.0%
MAJOR MAINTENANCE	31,050	-	31,050	NA
OFFICE SUPPLIES & EQUIPMENT	292,022	171,769	120,253	58.8%
MEMBERSHIP & GOV FEES	215,915	137,917	77,998	63.9%
BAD DEBT & CLAIMS	17,595	25,390	(7,795)	144.3%
UTILITIES	316,917	180,994	135,923	57.1%
PROFESSIONAL SERVICES	420,676	292,983	127,693	69.6%
TRAINING/TRAVEL & RECRUITMENT	61,575	14,838	46,737	24.1%
RESTRICTED EARNINGS	125,000	253,095	(128,095)	202.5%
DEPRECIATION	931,500	531,102	400,398	57.0%
DEBT SERVICE TRUSTEE FEES & EXPENSES	-	102	(102)	N/A
DEBT SERVICE 2016 COPs	1,051,500	750,402	301,098	71.4%
<b>TOTAL OPERATING EXPENSES</b>	<b>12,992,000</b>	<b>7,544,139</b>	<b>5,447,861</b>	58.1%
<b>NET OPERATING SURPLUS/(LOSS)</b>	<b>-</b>	<b>1,213,625</b>	<b>(1,213,625)</b>	#DIV/0!
<b>TRANSFER TO CAPITAL</b>	<b>-</b>	<b>(1,213,625)</b>	<b>1,213,625</b>	

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	Water Commodity Charges (A)	9,200,000	6,229,459	2,970,541	67.7%
4020	Fixed System Charges	2,880,000	1,665,110	1,214,890	57.8%
4030	Fire Service Charges	14,000	9,220	4,780	65.9%
4040	Credit/Debit Card Fees	-	6,576	(6,576)	NA
4041	Late Fees	-	-	-	NA
4042	48-Hour Notice Fees	-	-	-	NA
4043	Shut Off Fees	-	-	-	NA
4044	After Hour Fees	-	-	-	NA
4050	Service Line & Installation Charges	10,000	-	10,000	NA
4080	Miscellaneous Operating (B)	10,000	24,363	(14,363)	243.6%
<b>4000</b>	<b>TOTAL WATER CHARGES</b>	<b>12,114,000</b>	<b>7,934,728</b>	<b>4,179,272</b>	<b>65.5%</b>
4202	Property Tax Revenue	268,000	271,587	(3,587)	101.3%
<b>4200</b>	<b>OTHER OPERATING REVENUE</b>	<b>268,000</b>	<b>271,587</b>	<b>(3,587)</b>	<b>101.3%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>12,382,000</b>	<b>8,206,314</b>	<b>4,175,686</b>	<b>66.3%</b>
4060	Water System Capacity Charges	250,000	128,125	121,875	51.3%
4070	Water Demand Offset Charges	65,000	8,651	56,349	13.3%
4090	Miscellaneous - Non Operating (C)	10,000	60,264	(50,264)	602.6%
4102	Interest Revenue- LAIF(D)	25,000	73,447	(48,447)	293.8%
4103	Interest Revenue-COP Funds (D)	100,000	179,648	(79,648)	179.6%
<b>4100</b>	<b>INTEREST REVENUE</b>	<b>125,000</b>	<b>253,095</b>	<b>(128,095)</b>	<b>202.5%</b>
4201	Lease of Physical Property	155,000	100,914	54,086	65.1%
4208	Landscape Plan Permit Review	5,000	400	4,600	8.0%
<b>4200</b>	<b>OTHER NON-OPERATING REVENUE</b>	<b>160,000</b>	<b>101,314</b>	<b>58,686</b>	<b>63.3%</b>
<b>4000</b>	<b>TOTAL NON-OPERATING REVENUE</b>	<b>610,000</b>	<b>551,449</b>	<b>58,551</b>	<b>90.4%</b>
	<b>TOTAL OPERATING &amp; NON-OP REVENUE</b>	<b>12,992,000</b>	<b>8,757,764</b>	<b>4,234,236</b>	<b>67.4%</b>
6011	Salaries & Wages	2,000,000	944,303	1,055,697	47.2%
6012	Director Compensation	11,385	3,500	7,885	30.7%
<b>6010</b>	<b>GROSS REGULAR WAGES</b>	<b>2,011,385</b>	<b>947,803</b>	<b>1,063,582</b>	<b>47.1%</b>
6017	CAPITAL SALARY & WAGES reversed	-	-	-	
6021	Overtime Labor	45,000	12,669	32,331	28.2%
6022	Standby Labor	40,000	22,215	17,785	55.5%
<b>6020</b>	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>2,096,385</b>	<b>982,687</b>	<b>1,113,698</b>	<b>46.9%</b>

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6031	FICA/Medicare PR Tax	159,849	69,560	90,289	43.5%
6038	ACWA Health Care	430,723	231,497	199,226	53.7%
6039	ACWA Dental	32,179	16,647	15,532	51.7%
6040	ACWA Vision	4,638	2,927	1,711	63.1%
6041	ACWA Life/AD&D	4,577	2,995	1,582	65.4%
6042	Standard LDL/SDL Disability	18,000	9,720	8,280	54.0%
6043	Workers' Comp Insurance	41,400	18,969	22,431	45.8%
6044	Unemployment	1,066	-	1,066	NA
6045	CALPERS Retirement - ER 2%@55 (E)	164,625	154,548	10,077	93.9%
6046	Retirees' ACWA Health Care (F)	-	25,907	(25,907)	NA
6047	Directors' ACWA Health Care	115,133	70,507	44,626	61.2%
6049	Medical Reimbursement	1,066	273	793	25.6%
6050	Employee Service Recognition	10,350	2,627	7,723	25.4%
6051	Safety Incentive Program	15,525	4,180	11,345	26.9%
6052	Uniforms	35,000	11,812	23,188	33.7%
6053	PARS OPEB Expense	-	-	-	NA
6030	<b>TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,034,131</b>	<b>622,169</b>	<b>411,962</b>	60.2%
6054	<b>CAPITAL PAYROLL, TAXES &amp; BENEFITS</b>		(141,200)	141,200	N/A
6000	<b>PERSONNEL COSTS</b>	<b>3,130,516</b>	<b>1,463,655</b>	<b>1,666,861</b>	46.8%
6101	SFPUC Treated Water (A)	5,100,000	3,187,827	1,912,173	62.5%
6102	BAWSCA (Debt Service Surcharges)	476,000	295,680	180,320	62.1%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	78,624	45,654	32,970	58.1%
6100	<b>PURCHASED WATER</b>	<b>5,654,624</b>	<b>3,529,161</b>	<b>2,125,463</b>	62.4%
6301	Water Conservation Program	7,452	4,221	3,231	56.6%
6302	School Conservation Program	7,452	511	6,941	6.9%
6303	Public Outreach & Education (G)	15,525	17,274	(1,749)	111.3%
6305	HET Rebates	20,441	1,130	19,311	5.5%
6306	Washing Machine Rebates	-	-	-	NA
6307	Lawn-Be-Gone Rebates	39,434	112	39,322	0.3%
6308	Rain Barrel Rebates	5,330	30	5,300	0.6%
6304	<b>TOTAL WATER CONSERVATION REBATES</b>	<b>65,205</b>	<b>1,273</b>	<b>63,932</b>	2.0%
6300	<b>OUTREACH/EDUCATION</b>	<b>95,634</b>	<b>23,280</b>	<b>72,354</b>	24.3%
6401	Water Quality	60,000	31,960	28,040	53.3%
6402	Pumping	50,000	6,152	43,848	12.3%
6403	Storage Tanks	10,661	2,463	8,198	23.1%
6404	Mains/Distribution	207,000	37,767	169,233	18.2%
6405	Meters & Service	31,982	(20,111)	52,093	-62.9%
6406	Fire Hydrants	33,048	13,284	19,764	40.2%
6407	Regulator Stations	6,396	87	6,309	1.4%

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6408	Safety	34,114	8,964	25,150	26.3%
6409	SCADA Maintenance	15,991	82	15,909	0.5%
6410	Generator Maintenance	25,585	695	24,890	2.7%
6400	<b>M&amp;R - OPS SYSTEMS</b>	<b>474,777</b>	<b>81,343</b>	<b>393,434</b>	<b>17.1%</b>
6501	M&R-Buildings&Grounds	99,143	50,195	48,948	50.6%
6502	M&R- Equipment&Tools	22,387	9,188	13,199	41.0%
6503	M&R- Vehicles & Large Equipment	20,255	12,588	7,667	62.1%
6504	M&R - Fuel	30,915	16,137	14,778	52.2%
6500	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	<b>172,700</b>	<b>88,108</b>	<b>84,592</b>	<b>51.0%</b>
6601	Cathodic Protection Survey		-	-	NA
6602	Leak Detection Survey	31,050	-	31,050	NA
6600	<b>MAJOR MAINTENANCE</b>	<b>31,050</b>	<b>-</b>	<b>31,050</b>	<b>NA</b>
6701	Office Supplies	15,991	4,705	11,286	29.4%
6702	Insurance- Liability/Vehicles	82,800	44,291	38,509	53.5%
6703	Postage	8,528	1,395	7,133	16.4%
6704	Printing/Printing Supplies	10,350	1,137	9,213	11.0%
6705	Equipment Services/Maintenance	20,700	8,051	12,649	38.9%
6706	Computer Supplies & Upgrades	33,120	13,842	19,278	41.8%
6707	Security & Safety	11,461	4,439	7,022	38.7%
6708	Other Fees	533	-	533	NA
6709	Customer Credit Card Svs Fees (H)	108,539	93,908	14,631	86.5%
6700	<b>OFFICE SUPPLIES &amp; EQUIP</b>	<b>292,022</b>	<b>171,769</b>	<b>120,253</b>	<b>58.8%</b>
6802	Gov't Fees & Licenses	30,893	18,975	11,918	61.4%
6803	BAWSCA Membership Assessments	78,660	42,775	35,885	54.4%
6804	Env Health - Cross Connection Inspection	33,048	19,542	13,506	59.1%
6805	Software License (J)	41,555	32,667	8,888	78.6%
6800	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>215,915</b>	<b>137,917</b>	<b>77,998</b>	<b>63.9%</b>
6901	<b>Bad Debt (K)</b>	7,245	20,102	(12,857)	277.5%
6902	Claims	10,350	5,288	5,062	51.1%
6900	<b>BAD DEBT &amp; CLAIMS</b>	<b>17,595</b>	<b>25,390</b>	<b>(7,795)</b>	<b>144.3%</b>
7001	Utilities-Internet/Cable	10,350	3,927	6,423	37.9%
7002	Utilities-Cellular Telephones	12,633	7,020	5,613	55.6%
7003	Utilities-Electric-Pumping	234,531	135,009	99,522	57.6%
7004	Utilities-Electric-Bldgs&Grounds	25,585	15,685	9,900	61.3%
7005	Utilities-Telephones	25,875	15,334	10,541	59.3%
7006	Utilities-Sewer - NPDES	7,943	4,019	3,924	50.6%

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

Target YTD % 58.9%
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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7000	UTILITIES	316,917	180,994	135,923	57.1%
7101	Prof Serv - District Counsel	77,625	40,652	36,973	52.4%
7102	Prof Serv - District Engineer (L)	67,275	63,949	3,326	95.1%
7103	Prof Serv - IT	20,441	11,942	8,499	58.4%
7104	Prof Serv- Annual Finance Audit (M)	19,665	18,850	815	95.9%
7105	Prof Serv - Mngmt Consult	-	42	(42)	NA
7106	Prof Serv- Accounting & Payroll	22,511	13,926	8,585	61.9%
7107	Prof Serv- Customer Billing	74,779	27,779	47,000	37.1%
7109	Prof Serv - Answering Svs	5,175	1,967	3,208	38.0%
7110	Prof Serv - Miscellaneous (N)	129,375	111,777	17,598	86.4%
7111	Prof Serv - District Treasurer	3,830	2,100	1,730	54.8%
7100	PROFESSIONAL SERVICES	420,676	292,983	127,693	69.6%
7201	Director Travel	5,175	-	5,175	NA
7202	Director Expense	1,035	791	244	76.4%
7203	Elections	15,000	-	15,000	NA
7204	Employee Travel/Training	33,120	11,417	21,703	34.5%
7205	Meetings Expense	7,245	2,630	4,615	36.3%
7200	TRAINING & TRAVEL	61,575	14,838	46,737	24.1%
7302	Restricted Earnings Expense - Interest LAIF & COP (D)	125,000	253,095	(128,095)	202.5%
7300	RESTRICTED EARNINGS EXPENSE	125,000	253,095	(128,095)	202.5%
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	-	-	-	NA
8000	RESERVES	-	-	-	NA
9010	DEPRECIATION	931,500	531,102	400,398	57.0%
9011	DEBT SERVICE TRUSTEE FEES & EXPENSES	-	102	(102)	NA
9012	DEBT SERVICE 2017-2018 COPs	1,051,500	750,402	301,098	71.4%
SUB-TOTAL - OPERATING EXPENSES		9,861,485	6,080,484	3,781,001	61.7%
TOTAL OPERATING EXPENSES		12,992,000	7,544,140	5,447,861	58.1%
NET OPERATING SURPLUS/(LOSS)					
TRANSFER TO CAPITAL		-	1,213,624	(1,213,624)	

(A) Water revenues are at 67.7% and water purchases are at 62.5%. Water revenues is a preliminary number. Revenue does not include the

**MID-PENINSULA WATER DISTRICT  
OPERATIONS BUDGET FOR YEAR 2018-2019  
DETAILED**

Target YTD % 58.9%
-----------------------

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
(B)	Reimbursement for damage to Fire Hydrant totaling \$8,245. Reimbursement for Property Damage on 7/10/17 at 4110 Block of Skymont Drive				
(C)	Fire Flow Revenue totaling \$4,910; PG&E Reimbursement for work not completed totaling \$6,029; Project vehicle revenue totaling \$22,903.				
(D)	LAIF and COP funds generating more interest revenue than expected.				
(E)	Will be adjusting this at mid-year.				
(F)	Currently not paying retiree benefits out of the PARS OPEB account but will be this fiscal year.				
(G)	Purchase of promotional inventory totaling \$7,871.				
(H)	More customers are using credit cards to pay their monthly water bills. This will be reduced when a \$3 fee is added to the credit card fees.				
(I)	CSDA membership which was not paid for 2017 totaled \$561.				
(J)	Software Licenses were higher than expected to date. Will be adjusting budget at mid-year.				
(K)	First month since the implementation of the new financial management system to send customers to collections.				
(L)	Costs related to fire flow tests are allocated back when test completed totaling \$4,910. However, there is offsetting income for the same				
(M)	Field work for the audit completed.				
(N)	Personnel Koff Study and GM Housing \$8,598; Fee & Service Study \$6,600.				



**MID-PENINSULA WATER DISTRICT  
STATEMENT OF REVENUES & EXPENSES  
PREVIOUS YEAR COMPARISON**

	Jul 18 - Jan 19	Jul 17 - Jan 19	\$ Change	% Change
Ordinary Income/Expense				
Income				
OPERATING REVENUE	8,206,314.39	7,954,673.93	251,640.46	3.16%
INTEREST INCOME	253,095.34	138,806.03	114,289.31	82.34%
CAPITAL CONTRIBUTION	116,069.29	0.00	116,069.29	100.0%
OTHER INCOME	298,353.99	336,920.53	-38,566.54	-11.45%
Total Income	8,873,833.01	8,430,400.49	443,432.52	5.26%
Expense				
PERSONNEL COSTS	1,463,655.49	1,438,863.07	24,792.42	1.72%
PURCHASED WATER	3,529,161.30	3,515,886.80	13,274.50	0.38%
OUTREACH/EDUCATION	23,279.53	29,295.37	-6,015.84	-20.54%
M&4 - OPS SYSTEMS	81,342.83	253,193.15	-171,850.32	-67.87%
FACILITIES & EQUIPMENT (A)	88,108.17	76,485.88	11,622.29	15.2%
OFFICE SUPPLIES & EQUIPMENT	171,769.00	150,744.68	21,024.32	13.95%
MEMBERSHIP & GOV FEES	137,917.32	129,574.31	8,343.01	6.44%
BAD DEBT & CLAIMS (B)	25,389.64	-1,752.98	27,142.62	1,548.37%
UTILITIES	180,993.76	147,279.55	33,714.21	22.89%
PROFESSIONAL SERVICES (C)	292,983.34	217,677.61	75,305.73	34.6%
TRAINING & TRAVEL	14,837.83	19,918.08	-5,080.25	-25.51%
Total Expense	6,009,438.21	5,977,165.52	32,272.69	0.54%
Net Ordinary Income	2,864,394.80	2,453,234.97	411,159.83	16.76%
Other Income/Expense				
Other Expense				
DEPRECIATION	531,101.53	500,590.33	30,511.20	6.1%
COP Financing Costs	405,402.40	413,336.87	-7,934.47	-1.92%
Total Other Expense	936,606.01	913,927.20	22,678.81	2.5%
Net Revenue/(Expenses)	1,927,788.79	1,539,307.77	388,481.02	25.2%

**RECONCILIATION TO OPERATING BUDGET**

**Adjustments to Increase Net Operating Surplus**

Interest Income - LAIF & COP Interest	-253,095.34
Capital Contribution	-116,069.29
Debt Service Principal Payment	-345,000.00
<b>Total Adjustments to Increase Net Operating Surplus</b>	<b>-714,164.63</b>

**Net Revenue/(Expenses)** 1,927,788.79

**Net Operating Surplus/(Loss) Transfer to Capital** 1,213,624.16

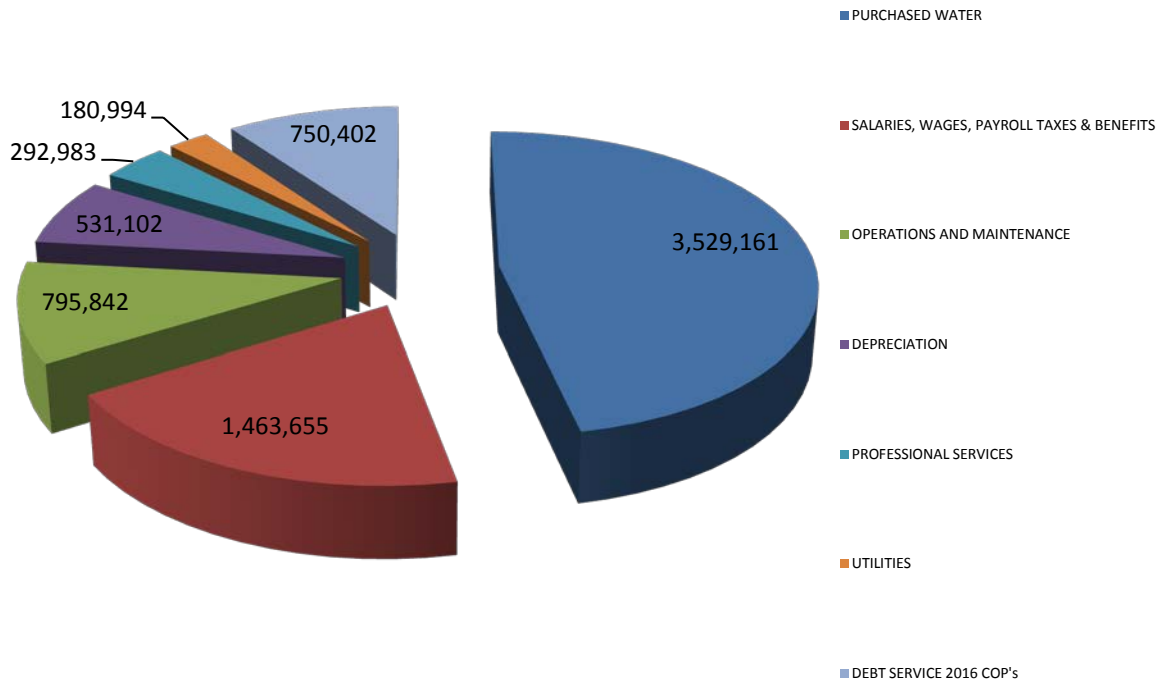
(A) Tree Trimming at Buckland Tank totaling \$5,100 in FY2018/2019; Various meter upgrade costs totaling \$3,229 pulled from Operations and put into Projects Costs for Fixed Assets in FY2017/2018.

(B) Bad Debt Claims were not assessed in 2017-2018 due to new Financial Management System. So all were recognized in 2018/2019.

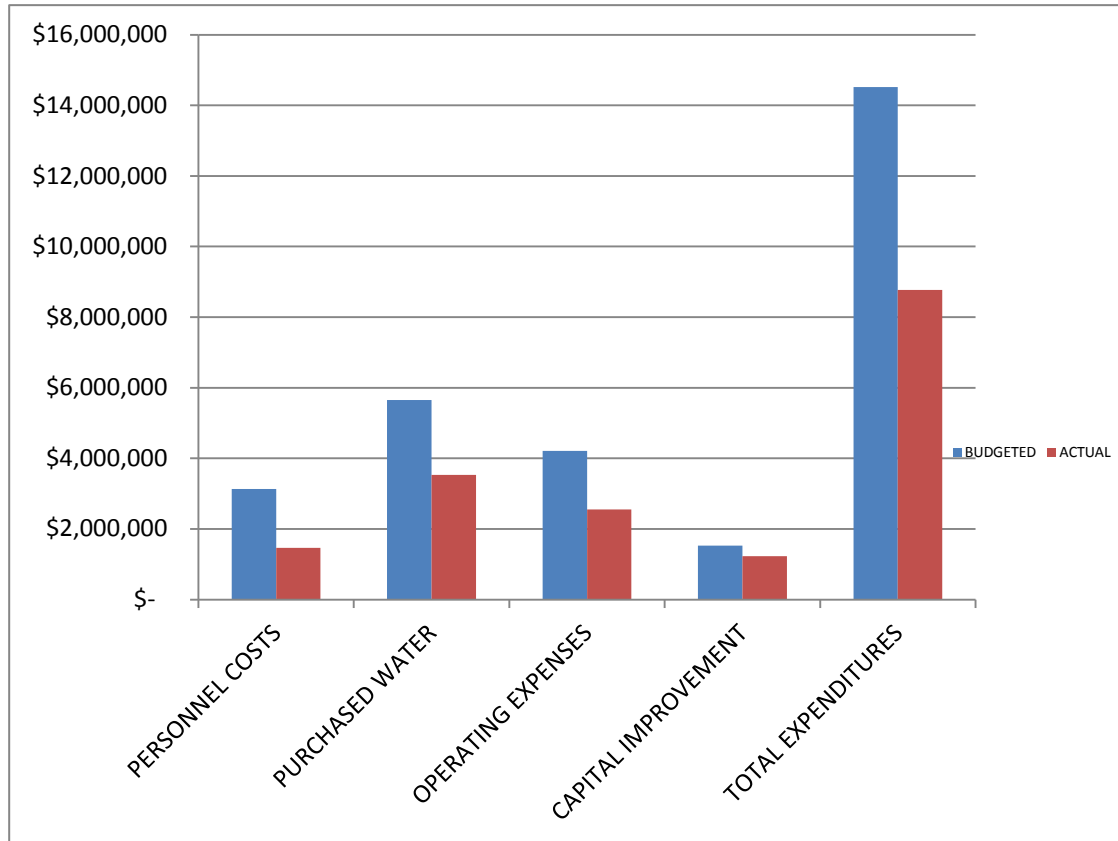
(C) Engineering Costs increased by \$10,000; IT costs increased by \$2,000; Comp Study included totaling \$4,550; Miscellaneous Fee

**MID-PENINSULA WATER DISTRICT**  
**ACTUAL OPERATING EXPENDITURES SUMMARY**  
**Jan-19**

<b>OPERATING EXPENDITURES</b>	<b>ACTUAL \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	3,529,161	46.8%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	1,463,655	19.4%
OPERATIONS AND MAINTENANCE	795,842	10.5%
DEPRECIATION	531,102	7.0%
PROFESSIONAL SERVICES	292,983	3.9%
UTILITIES	180,994	2.4%
DEBT SERVICE 2016 COP's	750,402	9.9%
<b>TOTAL OPERATING EXPENDITURES</b>	<b><u>7,544,140</u></b>	<b><u>100%</u></b>



## 2018/2019 BUDGET vs ACTUAL TOTAL EXPENDITURES Jan-19



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
<b>TOTAL EXPENDITURES</b>				
PERSONNEL COSTS	\$ 3,130,516	\$ 1,463,655	22%	17%
PURCHASED WATER	\$ 5,654,624	\$ 3,529,161	39%	40%
OPERATING EXPENSES	\$ 4,206,860	\$ 2,551,323	29%	29%
CAPITAL IMPROVEMENT	\$ 1,526,500	\$ 1,224,213	11%	14%
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,518,500</b>	<b>\$ 8,768,353</b>	<b>100%</b>	<b>100%</b>

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR FY 2018-2019  
Capital Projects**

DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 1/31/2019	REMAINING BALANCE/ (OVER BUDGET)	Target YTD %
				58.9% Y-T-D % OF BUDGET
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>				
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	500,000	614,307	(114,307)	122.9%
2017 Water Main Replacement CIP (Pay-Go Portion)	-	7,581	(7,581)	N/A
AMI Meter Change Out Program	778,500	483,902	294,598	62.2%
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,278,500</b>	<b>1,105,790</b>	<b>172,710</b>	86.5%
<b>CAPITAL OUTLAY</b>				
Replacement Mini-Excavator for Operations	50,000	45,998	4,002	92.0%
Replacement Service Truck for Operations	148,000	-		
Miscellaneous Capital Outlay/Projects*	50,000	72,425	(22,425)	144.9%
<b>CAPITAL OUTLAY TOTAL</b>	<b>248,000</b>	<b>118,423</b>	<b>(18,423)</b>	47.8%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,526,500</b>	<b>1,224,213</b>	<b>154,287</b>	80.2%
<b>DEPRECIATION</b>	931,500	531,102	400,398	57.0%
<b>TRANSFER FROM OPS</b>	-	1,213,624	(1,213,624)	N/A
<b>TRANSFER (TO)/FROM CAPITAL RESERVES**</b>	595,000	(520,512)	1,115,512	-87.5%
<b>CAPITAL OUTLAY/CAPITAL PROJECTS</b>	<b>(1,526,500)</b>	<b>(1,224,213)</b>	<b>(302,287)</b>	80.2%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	N/A

\* Purchase of two vehicles, will be adjusted at Mid-Year.

\*\* Budget amount for Joint Project with City of Belmont.

**MID-PENINSULA WATER DISTRICT  
STATEMENT OF NET POSITION  
PREVIOUS YEAR COMPARISON**

	31-Jan-19	31-Jan-18	\$ Change	% Change
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Total Checking/Savings	5,351,120.36	24,942,462.82	-19,591,342.46	-78.55%
Total COP Funds	15,325,008.87	0.00	0.00	100.0%
Total Accounts Receivable	830,404.54	763,847.24	66,557.30	8.71%
Total Other Current Assets	308,095.19	328,632.55	-20,537.36	-6.25%
<b>TOTAL CURRENT ASSETS</b>	21,814,628.96	26,034,942.61	-4,220,313.65	-16.21%
<b>FIXED ASSETS</b>				
Fixed Assets	47,265,695.29	43,847,028.11	3,418,667.18	7.8%
Accumulated Depreciation	-27,797,869.91	-27,118,443.11	-679,426.80	-2.51%
Construction in Progress	3,320,473.73	2,242,676.58	1,077,797.15	48.06%
<b>TOTAL FIXED ASSETS</b>	22,788,299.11	18,971,261.58	3,817,037.53	20.12%
<b>TOTAL OTHER ASSETS</b>	1,210,079.34	803,133.00	406,946.34	50.67%
<b>TOTAL ASSETS</b>	45,813,007.41	45,809,337.19	3,670.22	0.01%
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Total Accounts Payable	254,482.32	132,541.74	121,940.58	92.0%
Total Other Current Liabilities	2,031,688.28	2,190,033.67	-158,345.39	-7.23%
<b>TOTAL CURRENT LIABILITIES</b>	2,286,170.60	2,322,575.41	-36,404.81	-1.57%
<b>LONG TERM LIABILITIES</b>				
Total COP Financing Debt (B)	17,550,000.00	17,910,000.00	-360,000.00	-2.01%
Total COP Premium (B)	870,670.50	901,952.10	-31,281.60	-3.47%
Total Other Long Term Liabilities (B)	1,535,175.00	1,765,634.45	-230,459.45	-13.05%
<b>TOTAL LONG TERM LIABILITIES</b>	19,955,845.50	20,577,586.55	-621,741.05	-3.02%
<b>TOTAL LIABILITIES</b>	22,242,016.10	22,900,161.96	-658,145.86	-2.87%
<b>EQUITY</b>				
3000 - Opening Bal Equity	0.00	0.00	0.00	0.0%
<b>3800 - RESERVES *</b>	4,942,275.76	6,572,532.22	-1,630,256.46	-24.8%
3940 - Fund Bal Invest in Util Plant	22,788,299.11	19,049,003.91	3,739,295.20	19.63%
Net Assets (A)	-4,159,583.56	-2,712,360.90	-1,447,222.66	-53.36%
<b>TOTAL EQUITY</b>	23,570,991.31	22,909,175.23	661,816.08	2.89%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	45,813,007.41	45,809,337.19	3,670.22	0.01%

(A) CalPERS Net Pension Liability - GASB 68 requirement.

(B) COP Financing Debt and Debt Premium total \$19,185,626.90.