



---

REGULAR MEETING  
BOARD OF DIRECTORS  
**THURSDAY, MAY 23, 2019 – 6:30PM**  
3 DAIRY LANE, BELMONT CALIFORNIA

---

**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. Brent Chester, Operations Supervisor – 25-Year Service Anniversary
- B. MPWD – Achieved Special District Leadership Foundation's District Transparency Certificate of Excellence
- C. City of Belmont and MPWD – Honor Award presented by the American Public Works Association/Silicon Valley Chapter for 2017 Joint Sewer Rehabilitation and Water Main Replacement Capital Project

**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 April 25, 2019
- B. Approve Expenditures from April 20, 2019 through May 13, 2019
- C. Approve Contract for Professional Services in the total amount of \$35,000 with Urban Futures, Inc., for Comprehensive Financial Modeling (10-Year), including Analysis of MPWD PARS OPEB/PRSP Plan

**6. HEARINGS AND APPEALS**

None

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

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

**8. REGULAR BUSINESS AGENDA**

- A. Review and Discuss Final DRAFT MPWD Operating and Capital Budgets for Fiscal Year 2019/2020
- B. Consider Resolution 2019-10 Approving an Adjustment to the Compensation of the General Manager of the MPWD effective January 1, 2019, Corresponding Fifth Amendment to the General Manager's Employment Agreement, and Updated General Manager Salary Schedule
- C. Approve Revised Annual Planning Schedule for Board of Directors
- D. Receive BAWSCA Report

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

- A. General Manager's Report, supplemented by:
1. Administrative Services Manager's Report
  2. Operations Manager's Report
  3. District Engineer's Report
- B. Financial Reports
1. Receive Financial Reports for Month Ended April 30, 2019
- C. Director Reports

**10. COMMUNICATIONS**

**11. 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, June 27, 2019, at 6:30PM***

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50

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

April 25, 2019  
Belmont, California

1. **OPENING**

A. **Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Vella at 6:30PM.

B. **Establishment of Quorum:**

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

A quorum was present.

**ALSO PRESENT:** General Manager Tammy Rudock, Operations Manager Rene Ramirez, Administrative Services Manager and Board Secretary Candy Pina, District Engineer Brandon Laurie, District Treasurer Jeff Ira, and District Counsel Julie Sherman.

**C. Pledge of Allegiance** – The Pledge of Allegiance was led by President Vella.

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

None.

5. **CONSENT AGENDA**

A. **Approve Minutes for the Regular Board Meeting of March 28, 2019**

A typographical error on page 3, line 12 was corrected.

B. **Approve Expenditures from March 21, 2019 through April 19, 2019**

Director Schmidt asked staff to again clarify further the CalPERS sick leave policy. General Manager Rudock provided an additional explanation. He also inquired about the XiO, Inc. expense on page 2 of the expenditures report. Staff shared that the payment was related to monthly SCADA equipment rental charges and purchases.

Director Schmidt moved to approve the Consent Agenda. Director Wheeler seconded and it was unanimously approved.

6. **HEARINGS AND APPEALS**

None.

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

53 **A. Receive Quarterly Reports on 2016 COP Financing through March 31, 2019:**

54 1. Financial Reconciliation Report; and

55 2. Capital Project Fund Report

56 Administrative Services Manager Pina provided highlights from the reconciliation report.

57  
58 General Manager Rudock provided a brief overview of the Cost of Issuance section and  
59 defined some of the Table Chart categories.

60  
61 Director Schmidt inquired about interest payment costs and inquired if they could be  
62 included in the report. District Treasurer Ira replied that staff was trying to keep the  
63 report about quarterly COP project costs versus total COP expenditures. Staff  
64 responded that it could work on a section that reflected total expenditures.

65  
66 Dan Bergmann reported on the tracking of current and overall COP spending for the  
67 quarter ending March 31, 2019, and further shared the required Annual Disclosure  
68 Report for the COP financing that was filed on behalf of the MPWD by him as agent.

69  
70 8. **REGULAR BUSINESS AGENDA**

71 **A. Discuss Operation Revenue Requirements for Fiscal Year FY2019/2020 and**  
72 **Consider Ordinance No. 120 Amending Attachment “A” to the MPWD Water**  
73 **Service Ordinance regarding Rates and Charges effective July 1, 2019**

74 General Manager Rudock provided an overview of the Attachment “A” Schedule of  
75 Rates and Charges.

76  
77 Director Schmidt inquired about the BAWSCA surcharge expense listed under the Bartle  
78 Wells Associates Water Rate Update Report and General Manager Rudock explained  
79 BAWSCA's debt service repayment plan for SFPUC system financing that was  
80 attributable to the wholesale customers and MPWD's share.

81  
82 Director Schmidt had questions about contributions and accruals related to the OPEB  
83 and PARS Trust fund. Director Wheeler added that he would like to revisit future funding  
84 options and scenarios with staff. General Manager Rudock provided background on the  
85 District's liabilities and obligations to retirees and an open Board discussion followed.  
86 She further reported that a long-term financial management plan is under development  
87 with a consulting team, and will include the Board's Finance Committee before  
88 presenting it to the Board for consideration. It will include a proposed plan for use of the  
89 PARS OPEB and PRSP combined trust for expenses related to those programs.

90  
91 President Vella shared that he was in favor of the rate increase and commented on  
92 customer response and staff handling of the process. General Manager Rudock  
93 reminded the Board that a 30-day notice was required, which needed to be received by  
94 customers on or before June 1, 2019.

95  
96 Director Wheeler moved to approve Ordinance No. 120 Amending Attachment “A” to the  
97 MPWD Water Service Ordinance regarding Rates and Charges effective July 1, 2019.  
98 Director Schmidt seconded and it was unanimously approved.

99  
100 **B. Review and Discuss DRAFT Operating Capital Budgets for Fiscal Year 2019/2020**



General Manager Rudock highlighted the CalPERS UAL Fresh Start Program 7/1/18 and the PARS OPEB expense.

Director Schmidt inquired about water conservation funding and the level of rebate customer participation. Staff explained rebate numbers are low for various reasons - market saturation, plumbing code efficiencies and the fact that customers are conserving when compared to 2013 water consumption levels. The potential redirection of BAWSCA'S rebate programs was also discussed.

Director Schmidt inquired about the \$15,000 proposed elections expense, and staff recognized that it should be deleted since there will not be an election next fiscal year. He also asked how the 3.0% change in value under field operations and maintenance compared to the CPI 2019 index of 3.9%. General Manager Rudock explained that staff reviewed their budget line items and felt the 3.0% adjustment was adequate but would review the CPI chart for the next Board meeting and confirm in the next draft budget.

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

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

General Manager Rudock reviewed water conservation report highlights.

Director Schmidt inquired about AMI and available water savings data. Staff reported to date that this type of analysis has not been accomplished and would be difficult to analyze. Once the meter change out and Sensus Home Water Use Portal launch are complete, data reporting options will be explored.

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

Administrative Services Manager Pina reported on credit card fees collected January 2019 to March 2019. She added that the customer fees collected were significantly less than the credit card merchant processing charges. General Manager Rudock suggested the Board may want to revisit the District's fee schedule down the line since the Board had initially determined to charge less than the actual cost of service.

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

Operations Manager Ramirez reported on a number of highlights from his monthly staff report – number of AMI meters left to install, USA calls were up 37% and that there was a slight drop in new development.

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

Brandon Laurie reported that work on the Hillcrest pressure regulating station started April 1<sup>st</sup>. The Notre Dame project will go out for bid on May 9, 2019, and design research on the Dekoven tank replacement continues.

### **B. Financial Reports**

#### **1. Receive Financial Reports for Month Ended March 31, 2019**

#### **2. Follow-Up review of New Monthly Financial Reports**

General Manager Rudock reported on FY 2018-2019 revenues, expenditures and the total YTD budget target of 75.1%. Budgets are on target.

151 **3. Receive Report on Development Revenues compared to MPWD CIP and Water**  
152 **Conservation Program Expenditures through Fiscal Year End June 30, 2018**

153 General Manager Rudock explained that this report was created last year in order to  
154 reflect recognized Water Capacity Charges and Water Demand Offset Fees and their  
155 comparison with capital program expenditures, water conservation and related public  
156 outreach and education program expenses. It is a fiscal year-end report and will be  
157 presented in September/October each year.  
158

159 **C. Director Reports**

160 Director Wheeler reported he attended the HIA meeting on Thursday, April 4, 2019 along  
161 with General Manager Rudock. He also provided an update on Assembly Bill 50,  
162 Housing Legislation.  
163

164 Director Vella commented on the 90<sup>th</sup> anniversary banner and it's placement on  
165 Belmont's poles.  
166

167 **10. COMMUNICATIONS**

168 General Manager Rudock distributed copies of the SFPUC's proposed FY 2019-2020 rates  
169 notice and accounting enclosures to the Board and provided comments for informational  
170 purposes.  
171

172 **11. CLOSED SESSION**

173 **A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**  
174 **AND ASSOCIATED NEGOTIATIONS**

175 Government Code §§54957 and 54957.6  
176 Title: General Manager  
177

178 The Board convened to Closed Session at 8:08PM to discuss one item.  
179

180 **12. RECONVENE TO OPEN SESSION**

181 The Board reconvened to open session at 8:25PM. District Counsel reported that no  
182 reportable action had been taken.  
183

184 **13. ADJOURNMENT**

185 The meeting was adjourned at 8:26PM.  
186  
187  
188

189 \_\_\_\_\_  
DISTRICT SECRETARY

190  
191 APPROVED:

192  
193  
194 \_\_\_\_\_  
195 BOARD PRESIDENT

# Accounts Payable

## Checks by Date - Summary by Check Date

User: candyp  
Printed: 5/13/2019 3:45 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
34711	COMCAST	COMCAST	04/24/2019	325.17
34712	FARALLON	FARALLON HOA	04/24/2019	3,508.00
34713	GRANITE	GRANITE ROCK, INC.	04/24/2019	926.90
34714	HOMEDPC	HOME DEPOT	04/24/2019	27.82
34715	OFFICEDE	OFFICE DEPOT, INC.	04/24/2019	271.04
34716	OFFICTEM	OFFICE TEAM	04/24/2019	5,100.00
34717	PACOFFIC	PACIFIC OFFICE AUTOMATION	04/24/2019	212.44
34718	PACWEST	PACIFIC WEST SECURITY, INC.	04/24/2019	1,174.44
34719	PG&E	PG&E CFM/PPC DEPT	04/24/2019	2,270.74
34720	PINA	CANDY PINA	04/24/2019	157.00
34721	RANDB	ROBERTS & BRUNE CO. INC.	04/24/2019	982.54
34722	SCOTSMAN	WILLIAMS SCOTSMAN	04/24/2019	537.91
34723	STANDINS	STANDARD INSURANCE COMPANY	04/24/2019	1,087.86
100235	SFPUCWAT	SFPUC WATER QUALITY	04/24/2019	2,680.00
100236	WATERTAL	WATERTALENT	04/24/2019	9,276.48
100237	SFWATER	SAN FRANCISCO WATER DEPT	04/24/2019	368,275.00
100256	ACHRETN	ACH Returns	04/24/2019	718.38
Total for 4/24/2019:				397,531.72
100257	ACHRETN	ACH Returns	04/25/2019	144.89
100258	ACHRETN	ACH Returns	04/25/2019	88.02
Total for 4/25/2019:				232.91
100230	CALPERS	CALPERS	04/26/2019	3,539.93
100231	ICMACONT	ICMA contributions	04/26/2019	1,742.70
100232	HEALTHEQ	Health Equity	04/26/2019	211.54
100233	ADPPAYRL	adp	04/26/2019	13,911.78
100234	ADPPAYRL	adp	04/26/2019	6,306.86
100247	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	04/26/2019	26,775.01
100248	BEYAZ&PA	BEYAZ & PATEL, INC.	04/26/2019	2,266.00
Total for 4/26/2019:				54,753.82
100238	CALPERS	CALPERS	04/30/2019	7,457.07
100239	CALPERS	CALPERS	04/30/2019	256.39
100240	HEALTHEQ	Health Equity	04/30/2019	780.00
100241	ICMACONT	ICMA contributions	04/30/2019	699.64
100243	ADPPAYRL	adp	04/30/2019	47,401.68
100266	merchant	MERCHANT	04/30/2019	79.58
Total for 4/30/2019:				56,674.36
34724	AIRGAS	AIRGAS, LLC	05/01/2019	147.80
34725	ATT60197	AT&T 60197	05/01/2019	41.42

Check No	Vendor No	Vendor Name	Check Date	Check Amount
34726	BAWSCA	BAY AREA WATER SUPPLY & CONSER	05/01/2019	1,113.90
34727	CARQUEST	CARQUEST AUTO PARTS	05/01/2019	10.15
34728	CINTS	CINTAS CORPORATION	05/01/2019	505.82
34729	COMCAST	COMCAST	05/01/2019	290.05
34730	COMCASTB	COMCAST BUSINESS	05/01/2019	628.58
34731	NOLANGEE	NOLAN GEE	05/01/2019	50.00
34732	GRANICUS	GRANICUS	05/01/2019	6,450.00
34733	HOMEDPC	HOME DEPOT	05/01/2019	532.56
34734	STEPHANK	STEPHEN KELLY	05/01/2019	200.00
34735	LINCOLNL	LINCOLN LIFE	05/01/2019	200.00
34736	MATCOTLS	MATCO TOOLS	05/01/2019	1,041.26
34737	MHN	MHN	05/01/2019	45.54
34738	NORCALWI	NORCAL WILDLIFE REMOVAL	05/01/2019	280.00
34739	NORTHSAF	NORTHERN SAFETY CO. INC.	05/01/2019	1,443.38
34740	PG&E	PG&E CFM/PPC DEPT	05/01/2019	2,430.72
34741	RAVELLA	LAURA RAVELLA	05/01/2019	90.11
34742	RANDB	ROBERTS & BRUNE CO. INC.	05/01/2019	10,625.16
34743	SFPUCWAT	SFPUC WATER QUALITY	05/01/2019	1,875.00
34744	TOOLAND	TOOLAND, INC.	05/01/2019	130.46
34745	VALLEYOL	VALLEY OIL COMPANY	05/01/2019	898.71
34746	VERIZON	VERIZON WIRELESS	05/01/2019	1,430.42
100259	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	05/01/2019	500.00
100260	WATERTAL	WATERTALENT	05/01/2019	9,200.00
Total for 5/1/2019:				40,161.04
34747	ACWA5661	ACWA JPIA	05/08/2019	39,945.97
34748	ATT60197	AT&T 60197	05/08/2019	1,237.84
34749	BPLANDSC	BAY POINTE LANDSCAPE	05/08/2019	7,190.00
34750	CGUHLENB	C G UHLENBERG LLP	05/08/2019	1,600.00
34751	CULVERCO	CULVER COMPANY	05/08/2019	863.92
34752	E&MELECT	E&M ELECTRIC & MACHINERY, INC.	05/08/2019	4,606.80
34753	EEAPSAFE	EEAP THE SAFETY PEOPLE, INC.	05/08/2019	555.00
34754	GSFLOWM	GOLDEN STATE FLOW MEASUREMEN	05/08/2019	12,293.18
34755	HASSETTH	HASSETT HARDWARE	05/08/2019	17.44
34756	HOMEDPC	HOME DEPOT	05/08/2019	155.35
34757	INTERGAS	Interstate Gas Services, Inc.	05/08/2019	1,400.00
34758	M&MBACK	M&M BACKFLOW & METER MAINTEN	05/08/2019	12,450.00
34759	OFFICEDE	OFFICE DEPOT, INC.	05/08/2019	71.96
34760	PACOFFIC	PACIFIC OFFICE AUTOMATION	05/08/2019	63.24
34761	PACWEST	PACIFIC WEST SECURITY, INC.	05/08/2019	278.59
34762	PG&E	PG&E CFM/PPC DEPT	05/08/2019	9,860.88
34763	PINA	CANDY PINA	05/08/2019	50.00
34764	PROFORMA	PROFORMA GRAPHICS, INC.	05/08/2019	1,077.99
34765	STEPFORD	STEPFORD BUSINESS, INC.	05/08/2019	1,600.00
34766	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	05/08/2019	385.00
34767	UB*00308	EUGENE VIGNANKER	05/08/2019	7,000.00
100267	ACCELA	ACCELA, INC. #774375	05/08/2019	2,860.00
100268	HANSONBR	HANSON, BRIDGETT	05/08/2019	9,217.50
100269	WATERTAL	WATERTALENT	05/08/2019	6,440.00
100270	WFBUSCAR	WELLS FARGO BUSINESS CARD	05/08/2019	4,100.91
100271	WFBUSCAR	WELLS FARGO BUSINESS CARD	05/08/2019	16,544.14
Total for 5/8/2019:				141,865.71

Check No	Vendor No	Vendor Name	Check Date	Check Amount
Report Total (83 checks):				691,219.56



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

DATE: May 23, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

---

**SUBJECT: APPROVE CONTRACT FOR PROFESSIONAL SERVICES IN THE TOTAL AMOUNT OF \$35,000 WITH URBAN FUTURES, INC., FOR COMPREHENSIVE FINANCIAL MODELING (10-YEAR), INCLUDING ANALYSIS OF MPWD PARS OPEB/PRSP PLAN**

---

**RECOMMENDATION**

Approve the Contract for Professional Services in the total amount of \$35,000 with Urban Futures, Inc. (UFI) for comprehensive financial modeling (10-year), including analysis of MPWD PARS OPEB/PRSP Plan (Public Agency Retirement System Other Post-Employment Benefits/Pension Rate Stabilization Program).

**FISCAL IMPACT**

\$35,000 (not-to-exceed), which is included within the approved FY 2018/2019 Operating Budget. It is estimated that \$7,500-\$10,000 will be expended in FY 2018/2019 and the balance carried over as a projected expense in FY 2019/2020.

**DISCUSSION**

The attached contract is a template form developed by District Counsel for the services to be provided by UFI.

Attachments: Contract for Professional Services  
UFI proposal dated February 4, 2019

---

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

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

## CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made as of the 23<sup>rd</sup> day of May 2019, by and between the MID-PENINSULA WATER DISTRICT ("DISTRICT") and URBAN FUTURES, INC., ("CONSULTANT").

WHEREAS, the DISTRICT desires to obtain professional consulting services for the following project: Comprehensive Financial Modeling (10-year), including Analysis of MPWD PARS OPEB/Pension Plan.

for the DISTRICT which CONSULTANT is qualified to provide; and

WHEREAS, CONSULTANT has experience and familiarity with providing such services to the DISTRICT and desires to do same.

NOW, THEREFORE, the parties agree as follows:

1. RENDITION OF SERVICES. The CONSULTANT agrees to provide professional services to the DISTRICT in accordance with the terms and conditions of this Agreement ("Services"). In the performance of its Services, CONSULTANT represents that it has and will exercise that degree of professional care, skill, efficiency and judgment ordinarily employed by consultants providing similar services. CONSULTANT further represents and warrants that it holds currently in effect all licenses, registrations, and certifications in good standing that may be required under applicable law or regulations to perform these services and agrees to retain such licenses, registrations, and certifications in active status throughout the duration of this engagement.

2. SCOPE OF SERVICES. The scope of the CONSULTANT's services will consist of the services set forth in the proposals attached as Exhibit "A".

3. TERM. This Agreement will commence upon its Effective Date and shall continue until the services set forth in Section 2 are successfully completed, as determined by the DISTRICT.

It is understood that the term of this Agreement is subject to the DISTRICT's right to terminate the Agreement in accordance with Section 13 of this Agreement.

4. COMPENSATION. The CONSULTANT agrees to perform all of the services included in Section 2, for the not-to-exceed amount of THIRTY-FIVE THOUSAND AND NO/100 DOLLARS (\$35,000.00).

5. MANNER OF PAYMENT. CONSULTANT shall submit invoices to DISTRICT on a monthly basis. Invoices shall itemize the work performed by CONSULTANT work under this Agreement, and those out-of-pocket expenses incurred in the performance of work hereunder. The DISTRICT's General Manager will review and approve invoices prior to submission for payment. DISTRICT shall render payment within thirty (30) days of receipt of approved invoices.

All invoices should be sent to:

Mid-Peninsula Water District  
3 Dairy Lane  
Post Office Box 129

Belmont, CA 94002  
Attn: General Manager

The DISTRICT reserves the right to withhold payment to the CONSULTANT if the DISTRICT determines that the quantity or quality of the work performed is unacceptable. The DISTRICT shall provide written notice to the CONSULTANT within ten (10) business days of the DISTRICT's decision not to pay and the reasons for non-payment.

6. CONSULTANT'S KEY PERSONNEL. It is understood and agreed by the parties that at all times during the term of this Agreement that Michael P. Busch, Chief Executive Officer, shall serve as the primary CONSULTANT to undertake, render and oversee all of the services under this Agreement, and that CONSULTANT will be utilizing James P. Morris, Managing Director, and Julio F. Morales, Director to render the Services.

7. DISTRICT REPRESENTATIVE. Except when approval or other action is required to be given or taken by the Board of Directors of the DISTRICT, the General Manager of the DISTRICT, shall represent and act for the DISTRICT.

8. CONSULTANT'S STATUS. Neither the CONSULTANT nor any party contracting with the CONSULTANT shall be deemed to be an agent or employee of the DISTRICT. The CONSULTANT is and shall be an independent contractor and the legal relationship of any person performing services for the CONSULTANT's shall be one solely between said parties.

9. OWNERSHIP OF WORK. All reports, designs, drawings, plans, specifications, schedules, and other materials prepared, or in the process of being prepared, for the Services to be performed by CONSULTANT shall be and are the property of the DISTRICT. The DISTRICT shall be entitled to access to and copies of these materials during the progress of the work. Any property of the DISTRICT in the hands of the CONSULTANT or in the hands of any subcontractor upon completion or termination of the work shall be immediately delivered to the DISTRICT. If any property of the DISTRICT is lost, damaged or destroyed before final delivery to the DISTRICT, the CONSULTANT shall replace it at its own expense and the CONSULTANT hereby assumes all risks of loss, damage or destruction of or to such materials. The CONSULTANT may retain a copy of all material produced under this agreement for its use in its general business activities.

Any and all rights, title, and interest (including without limitation copyright and any other intellectual-property or proprietary right) to materials prepared under this Agreement are hereby assigned to the DISTRICT. The CONSULTANT agrees to execute any additional documents, which may be necessary to evidence such assignment.

The CONSULTANT represents and warrants that all materials prepared under this Agreement are original or developed from materials in the public domain (or both) and that all materials prepared under and services provided under this Agreement do not infringe or violate any copyright, trademark, patent, trade secret, or other intellectual-property or proprietary right of any third party.

10. CHANGES. The DISTRICT may, at any time, by written order, make changes within the scope of work and Services described in this Agreement. If such changes cause an increase in the budgeted cost of or the time required for performance of the agreed upon work, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 4 or in the time of required performance as set forth in Section 3, or both. In the



event that CONSULTANT encounters any unanticipated conditions or contingencies that may affect the scope of work or Services and result in an adjustment in the amount of compensation specified herein, CONSULTANT shall so advise the DISTRICT immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation. Such notice shall be given the DISTRICT prior to the time that CONSULTANT performs work or services related to the proposed adjustment in compensation. Any and all pertinent changes shall be expressed in a written supplement to this Agreement prior to implementation of such changes.

11. RESPONSIBILITY; INDEMNIFICATION. CONSULTANT shall indemnify, keep and save harmless the DISTRICT, and the DISTRICT members, officers, agents and employees against any and all suits, claims or actions arising out of 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 the CONSULTANT caused by an act or omission of the CONSULTANT or its employees, subcontractors or agents. CONSULTANT further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other incurred costs and expenses. If any judgment be rendered against the DISTRICT or any of the other individuals enumerated above in any such action, CONSULTANT shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination of this Agreement.

12. INSURANCE.

A. Workers' Compensation. If CONSULTANT employs any person to perform work in connection with this Agreement, CONSULTANT will procure and maintain at all times during the performance of such work, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal laws when applicable. Employers' Liability Insurance will not be less than One Million Dollars (\$1,000,000) per accident or disease. Prior to commencement of work under this Agreement by any such employee, CONSULTANT will deliver to the DISTRICT a Certificate of Insurance which will stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT.

B. Commercial General and Automobile Liability Insurance. CONSULTANT will also procure and maintain at all times during the performance of this Agreement Commercial General Liability Insurance covering CONSULTANT and the DISTRICT for liability arising out of the operations and activities of CONSULTANT and any subcontractors. CONSULTANT will also procure and maintain during the entire term of this Agreement Automobile Liability Insurance which will include coverage for all vehicles, whether or not owned by CONSULTANT, on or off the DISTRICT's premises, used by or on behalf of CONSULTANT in the performance of work under this Agreement. The policies will be subject to a limit for each occurrence of One Million Dollars (\$1,000,000) naming as an additional insured, in connection with CONSULTANT's activities, the DISTRICT, and its Directors, officers, employees and agents. The Insurer(s) will stipulate that its policy(ies) is Primary Insurance and that it will be liable for the full amount of any loss up to and including the total limit of liability without right of contribution from any other insurance covering the DISTRICT.

Inclusion of the DISTRICT as an additional insured will not in any way affect its rights as respects to any claim, demand, suit or judgment made, brought or recovered against CONSULTANT. The policy will protect CONSULTANT and the DISTRICT in the same manner as though a separate policy had been issued to each, but nothing in said policy will operate to

increase the Insurer's liability as set forth in the policy beyond the amount or amounts shown or to which the Insurer would have been liable if only one interest had been named as an insured.

Prior to commencement of work hereunder, CONSULTANT will deliver to the DISTRICT a Certificate of Insurance which will indicate compliance with the insurance requirements of this paragraph and will stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT.

C. Professional Liability Insurance. CONSULTANT will also maintain Professional Liability Insurance covering CONSULTANT's performance under this Agreement with a limit of liability of One Million Dollars (\$1,000,000) for any one claim. This insurance will be applicable to claims arising out of or related to the performance of this Agreement. Prior to commencing work under this Agreement, CONSULTANT will furnish to the DISTRICT a Certificate of Insurance, or certified copy of the Insurance policy if requested, indicating compliance with requirements of this paragraph. Such certificate or policy will further stipulate that 30 days' advance written notice of cancellation, non-renewal or reduction in limits will be given to the DISTRICT.

D. Deductibles and Retentions. CONSULTANT shall be responsible for payment of any deductible or retention on CONSULTANT's policies without right of contribution from the DISTRICT. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that the policy of the CONSULTANT or any subcontractor contains a deductible or self-insured retention, and in the event that the DISTRICT seeks coverage under such policy as an additional insured, CONSULTANT shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of CONSULTANT, subcontractor, or any of their officers, directors, employees, agents, or suppliers, even if CONSULTANT or subcontractor is not a named defendant in the lawsuit.

13. TERMINATION. The DISTRICT shall have the right to terminate this Agreement at any time by giving written notice to the CONSULTANT. In the event of termination for any reason other than the fault of the CONSULTANT, the CONSULTANT shall be compensated in accordance with the provisions of Sections 4 and 5 for the services performed and expenses incurred to the date of such termination, plus any reasonable costs and expenses which are reasonably and necessarily incurred by CONSULTANT to effect such termination. For termination for default, the DISTRICT shall remit final payment to CONSULTANT in an amount to cover only those services performed and expenses incurred in accordance with the terms and conditions of this Agreement up to the effective date of termination.

14. NOTICES. All communications relating to the day-to-day activities of the project shall be exchanged between the DISTRICT's General Manager and the CONSULTANT's CEO.

All other notices and communications deemed by either party to be necessary or desirable to be given to the other party shall be in writing and may be given by personal delivery to a representative of the parties or by mailing the same postage prepaid, addressed as follows:

If to the DISTRICT:	Mid-Peninsula Water District 3 Dairy Lane
---------------------	--

Post Office Box 129  
Belmont, California 94002  
ATTENTION: Tammy Rudock

If to the CONSULTANT: Urban Futures, Inc.  
17821 17<sup>th</sup> Street, Suite 245  
Tustin, California 92780  
ATTENTION: Michael Busch

The address to which mailings may be made may be changed from time to time by notice mailed as described above. Any notice given by mail shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

15. EQUAL EMPLOYMENT OPPORTUNITY. In connection with the performance of this Agreement the CONSULTANT shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, gender identity, disability or national origin. The CONSULTANT shall take affirmative actions to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, disability or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. CONSULTANT further agrees to include a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

16. MISCELLANEOUS

A. Records. During the term of this Agreement, CONSULTANT shall permit representatives of the DISTRICT to have access to, examine and make copies, at the DISTRICT's expense, of its books, records and documents relating to this Agreement at all reasonable times.

B. District Warranties. The DISTRICT makes no warranties, representations or agreements, either express or implied, beyond such as are explicitly stated in this Agreement.

C. Release of Information. CONSULTANT shall not release any reports, information or promotional materials prepared in connection with this Agreement without the approval of the DISTRICT's General Manager.

D. Use of Subcontractors. CONSULTANT shall not subcontract any Services to be performed by it under this Agreement without the prior written approval of the DISTRICT, except for service firms engaged in drawing, reproduction, typing and printing. CONSULTANT shall be solely responsible for reimbursing any subcontractors and the DISTRICT shall have no obligation to them.

E. No Assignment. CONSULTANT shall not assign any of the rights nor transfer any of its obligations under the Agreement without the prior written consent of the District.

F. Attorney's Fees. If any legal proceeding should be instituted by either of the parties to enforce the terms of this Agreement or to determine the rights of the parties under

this Agreement, the prevailing party in said proceeding shall recover, in addition to all court costs, reasonable legal fees.

G. Applicable Law. This Agreement, its interpretation and all work performed thereunder, shall be governed by the laws of the State of California.

H. Binding on Successors. All of the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

I. Waiver. Any waiver of any breach or covenant of this Agreement must be in a writing executed by a duly authorized representative of the party waiving the breach. A waiver by any of the parties of a breach or covenant of this Agreement shall not be construed to be a waiver of any succeeding breach or any other covenant unless specifically and explicitly stated in such waiver.

J. Entire Agreement; Modification. This Agreement, including any attachments, constitutes the entire Agreement between the parties with respect to the subject matter hereof, and supersedes any prior understanding or agreement, oral or written, with respect to such subject matter. It may not be amended or modified, except by a written amendment executed by authorized representatives by both parties. In no event will the Agreement be amended or modified by oral understandings reached by the parties or by the conduct of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

MID-PENINSULA WATER DISTRICT

URBAN FUTURES, INC.

By: \_\_\_\_\_  
Tammy A. Rudock  
General Manager

By: \_\_\_\_\_  
Michael P. Busch  
Chief Executive Officer

EXHIBIT A  
MID-PENINSULA WATER DISTRICT  
CONTRACT FOR PROFESSIONAL SERVICES  
WITH: URBAN FUTURES, INC. (UFI)  
FOR: PENSION/OPEB ANALYSIS & FINANCIAL MODELING SERVICES

SCOPE OF SERVICES

**Phase 1 – Development of Pension & OPEB Model**

UFI will commence its work by gaining an understanding of the District's pension and OPEB liabilities, requiring in-depth analysis of the respective actuarial studies. The information from the analysis will be used to develop a customized model for analyzing the impact of different options for the financial management and mitigation of these liabilities.

This initial work may involve at least one in-person meeting as well as hourly work developing the Pension/OPEB Model, analysis and projections. We will incorporate the projected "pay-go" retiree medical premiums into our financial retirement costs projections and work with the District to identify potential OPEB cost-saving plan changes. Once the model is developed and data is analyzed, we will provide the findings to and discuss potential financial solutions with the General Manager and key District staff.

**Phase 2 –Financial Solutions & Recommendations**

Data outputs from the District's customized Pension/OPEB Model will be used to analyze the impact of different options that address the liabilities. UFI takes a comprehensive perspective of the District's financial position. As such, we will review the District's major financial documents, including the Financial Statements, budget, CIP, MOUs, and bond documents. In developing potential financial solutions and recommendations, we will examine and consider the District's major long-term financial obligations, including:

- UAL + Normal Costs
- OPEB plan
- Debt service on outstanding bonds
- Capital Improvement Plan (CIP)
- Projected Salary and Rate Increases
- Reserve levels and financial policies
- System growth and demand projections
- Long-term financial forecasts

After our initial work in developing a broad array of potential financial solutions, we will obtain input and feedback from staff regarding the most viable options that fit the District's objectives. UFI will refine the selected financial solutions, perform scenario analyses, and develop specific recommendations.

Once staff has provided input regarding potential financial solutions, UFI will make an in-person presentation of our recommendations in PowerPoint to the Finance Committee of the Board of Directors: 1) to explain the pension/OPEB liabilities and 2) to present potential solutions to addressing these costs as well implementation requirements. Depending on the District's needs and timing, this workshop may be combined with presentation of the 10-Year Financial Forecast (see Phase 3).

### **Phase 3 – Update 10-Year Financial Forecast**

Concurrent with the work in Phase 1 and 2, UFI will begin working on updating the District's ten-year financial forecast. UFI strongly believes in taking the most cost-effective approach to meeting our client's needs. We would begin this phase of our engagement by carefully reviewing and understanding the District's prior financial forecasting and planning work, and how it can be refined and enhanced to better meet the District's objectives.

UFI uses a budget/income statement approach to develop our model, which produces a long-term forecast of the District's baseline financial condition given its current structure, operations, and projected service demands. The forecast model will follow the major revenue and expense categories presented in the District's annual budget, disaggregating these categories where needed for forecasting purposes but capable of roll-up reporting. Examples of the major revenue and expenditure categories that will be customized, expanded and disaggregated to meet the District's financial structures and needs are as follows.

#### **Revenues**

- Water sale/commodity revenues by classification
- Standby and other monthly fixed operating charges
- Connection fees and other system capacity/expansion fees
- Property assessments or taxes
- Revenue from use of property and money
- Intergovernmental revenue
- Other operating and nonoperating income (fines, fees, miscellaneous)

#### **Expenses**

- Water purchases by source
- Maintenance & operation of water treatment and delivery system
- Utilities
- Salaries & Wages (full-time & part-time)
- Medical & Other Benefits
- Pension Costs: Normal Costs & UAL
- OPEB: Pay-Go premiums & pre-funding contributions
- Contract Services
- Supplies & Materials
- Rent & Lease expenses
- Long-Term Debt
- Insurance / Claims & Settlements

UFI's forecast model utilizes a variety of correlated variables/inflation indices and ratios that are applied to and drive the various revenue and expense drivers, including the District's historical financial data. UFI's forecast model can incorporate the impacts of projected revenue/rate

increases; however, the baseline data must be provided by either District staff and/or third-party consultants. For expenses, to the extent possible and available, UFI will work to use actual, operational, salary, benefit, OPEB and pension data and projections.

Given that UFI's forecasting model is grounded in the District's budgeting categories and process, the outputs of the model focus on cash flows, and the impacts on working capital and reserve levels. The analytical capacity of the model will include scenario evaluation capability that allows the District to assess the impact of various future financial scenarios (new capital programs and financings, potential rate or commodity increases, economic adjustments, operational changes, etc.) on the District's baseline fiscal forecast.

The end-product will be a customized Excel-based user-friendly forecast model that can be used by the District for making key strategic financial decisions, including budgeting, evaluation of rate increases, capital investments, and financing options. The model will contain a graphical and statistical "dashboard" of measurements and metrics that help tell the story of the District's current and future fiscal condition in understandable terms to policy-makers, stakeholders and the general public.

During development of the forecast model, we expect there will be a need for one or two meetings with District staff to review initial assumptions, as well as gain an understanding of one-time revenues, adjustments due to timing, and other intricacies of the District's finances. In addition, once a draft forecast model is prepared, we will present the draft model and its outputs to the General Manager and key district staff for input and direction. Upon completion of the final model, our work would include a PowerPoint presentation of the financial forecast and its analytical outputs/insights to the Finance Committee of the Board of Directors, and once to the Board at a regularly scheduled meeting.

### **Schedule**

UFI will begin its work as of the date the agreement is executed and is expected to generally complete the delivery of this scope of work by the end of September 2019.

- -

Please note, additional in-person meetings, presentations or implementation work requested by the District not referenced in the above scope of work will be provided by UFI on a time-and-materials basis pursuant to a separate amendment to this agreement.

February 4, 2019

Tammy Ruddock  
General Manager  
Mid-Peninsula Water District  
P.O. Box 129  
Belmont, CA 94002

RE: Pension/OPEB Analysis & Financial Modeling Services

Dear Ms. Ruddock,

Thank you for your interest in the Pension/OPEB Analysis and Financial Modeling Services provided by Urban Futures, Inc. (UFI). We believe our unique combination of qualifications, resources, and experience provides clients value-added financial advisory and consulting services at a reasonable cost. Since 1972, UFI has provided financial advisory and consulting services to California cities, special districts, schools and non-profits. Through our two divisions—the Public Finance Group and the Public Management Group—we offer solutions to the financial opportunities and challenges our clients encounter.

We have assigned our three most senior staff to your project. Collectively, they have 75 years of combined executive-level government and public finance experience, including financial forecast modeling, capital project financing, fiscal sustainability strategies and restructurings, pension and OPEB analytics and management, and pension obligations bonds. We have helped cities and special districts complete hundreds of capital project financings, explained complex fiscal and analytic concepts to elected officials, and gained the trust and respect of numerous councils and boards. More importantly, all our work, findings and recommendations are tailored to our client's financial needs and objectives.

In accordance with our recent discussions, UFI will make itself available as financial advisors to the Mid-Peninsula Water District (MPWD). In this capacity, we will serve on as-needed, as-requested basis to assist staff with financial issues, analysis and decision-making. The focus of our initial engagement will be comprised of two integrated and successive phases:

1. Understanding and addressing MPWD's pension and OPEB liabilities; and
2. Developing comprehensive 10-year financial planning model for MPWD.



## PENSION/OPEB ANALYSIS & MODELING

The first step will be to understand MPWD's pension and OPEB liabilities, requiring in-depth analysis of the respective actuarial studies. The information from the analysis will be used to develop a customized model for analyzing the impact of different options for the financial management and mitigation of these liabilities. This initial work may involve at least one in-person meeting as well as hourly work developing pension/OPEB model, analysis and projections.

Once the model is developed and data is analyzed, we will explain the key factors to the General Manager and key finance staff, and present potential financial solutions. Once the District staff has provided input regarding potential solutions, UFI will conduct a Board Workshop: 1) to explain the pension/OPEB liabilities and 2) to present potential solutions to addressing these costs as well implementation requirements. Depending on the District's needs and timing, this workshop may be combined with presentation of the 10-Year Financial Planning Model (next section).

UFI will subsequently assist District staff in the implementation of the selected action items, as well as provide follow-up service on an as-needed basis.

Given the District's recent "fresh start" of its pension liabilities with CalPERS and the District's well-funded OPEB Funding and Pension Stabilization Trusts with PARS, we do not anticipate this phase of our engagement to be lengthy or costly. While the work will be completed on a time and materials basis, we estimate the base modeling, analysis and scenarios will cost between \$5,000 to \$10,000 and can be accomplished over a four-week period in parallel with the financial planning model discussed below. If additional or iterative scenarios with the model are requested, those will be performed on a time and materials basis.

## 10-YEAR FINANCIAL PLANNING MODEL

The second phase of our engagement involves updating, refining and enhancing the District's long-term financial modeling and planning. At UFI, we believe a good financial forecast significantly helps public agencies achieve both fiscal stability and financial sustainability through more informed decision-making. Armed with a robust forecast, leadership (both appointed and elected) can identify critical unmet needs, develop options to close funding gaps and create plans that achieve the agency's strategic objectives because they are aligned to a solid and continuously updated financial forecast and plan. Good forecasts also help management communicate effectively with elected officials, labor groups, and the general public regarding the trade-offs and costs required to achieve the community's objectives and goals.

Over the last decade, UFI has worked with many public agencies to create user-friendly 10-year financial forecast and planning models. Our models include modules that address benefit and pension costs, OPEB liabilities, capital improvement programs, and capital financing commitments. Our models are incorporate variables and indices for each revenue and expense category that enable the model to produce a long-term forecast of the District's financial condition given its current structure, operations, service delivery methods, debt structure, future obligations and fiscal realities. Our models also typically

include a graphical and statistical “dashboard” of measurements and metrics that help to tell the story of the financial forecast in understandable terms to policy-makers, stakeholder groups and the general public.

Based on our review of the District’s 2018 Water Rate Study Update, it appears staff has recently worked with rate consultants to generate a five-year cash flow projection. Assuming this data is available, UFI would take the cost-effective approach of reviewing the data, building from it to the extent possible, and expanding its capacity to serve as the District’s 10-year financial planning tool. Whether built from the ground up and/or built from existing data, the end-product will be an Excel-based user-friendly tool for making key strategic financial decisions, include budgeting, rate increases, and capital investments. Additionally, the end-product will have the capacity to help the District assess the impact of various future financial scenarios (capital programs and financings, rate adjustments, economic adjustments, operational changes, etc.) on the District’s fiscal position.

Depending on the extent and availability of prior modeling work, we anticipate the District’s 10-year financial planning model can be developed over a six to ten-week timeframe and can be developed concurrently with the pension/OPEB projection work. Development costs for a ground-up built model typically range between \$20,000 to \$30,000, depending on the level of detail and functionality of the model, the required scenario analysis and the number of presentations to the Board. Prior work that reduces the required data gathering, processing and modeling required will commensurately reduce the project costs.

## PROJECT TEAM

Below are the biographies and relevant experience of the proposed members of the consulting team for this project. The team will be available to serve MPWD and meet with agency staff and board as requested.

**Michael P. Busch, *Chief Executive Officer***  
**17821 East 17th Street, Suite 245, Tustin, CA 92780**  
**(714) 316-6150; [michaelb@urbanfuturesinc.com](mailto:michaelb@urbanfuturesinc.com)**



Michael will have overall responsibility for delivery of all our services to MPWD, including project oversight and coordination. Michael is the firm owner and serves as the Chief Executive Officer managing day-to-day operations. His background consists primarily of Assistant and Deputy City Manager, Chief Financial Officer and Project Manager positions with various cities throughout California. He is a registered financial advisor with over \$1 billion in tax-exempt debt transactions for municipalities and local governments. Michael utilizes his experience in the areas of municipal finance and management to assist client agencies with the successful development and implementation of fiscal restructuring, forecasting, capital planning and debt management. Michael earned a Bachelor of Arts Degree from California State Polytechnic University Pomona in Urban and Regional Planning. In addition, he holds a Master of Arts Degree in Public Administration from California State University Long Beach with an emphasis in public finance and public works.

**James P. Morris, Managing Director**  
**17821 East 17<sup>th</sup> Street, Suite 245, Tustin, CA 92780**  
**(909) 648-3176; [jamesm@urbanfuturesinc.com](mailto:jamesm@urbanfuturesinc.com)**



Jim will have primary responsibility for the performance of our Public Management Group team, ensuring comprehensive data collection, thorough analytics, and actionable recommendations. He has over twenty years of experience working in the fields of financial analysis, municipal law and public agency governance. Jim utilizes his diverse background and expertise in local government to assist cities and special districts in the areas of long-term forecasting, fiscal stabilization and financial sustainability planning. His recent engagements include preparing fiscal forecasts for Pomona, Beaumont and various municipal utilities, conducting program evaluation services in Pasadena, and developing specialized fiscal models for utilities in Azusa, Needles and Pomona. Jim began his professional career as a public law attorney with Best Best & Krieger LLP, where he served as General Counsel for Western Municipal Water District and Victor Valley Wastewater Reclamation Authority. Jim is a graduate of Dartmouth College, and received both his Juris Doctorate and Master's in Urban Planning from UCLA.

**Julio F. Morales, Director**  
**17821 East 17<sup>th</sup> Street, Suite 245, Tustin, CA 92780**  
**(714) 283-9334; [juliom@urbanfuturesinc.com](mailto:juliom@urbanfuturesinc.com)**



Julio has over twenty-five years of working in the areas of public and corporate finance, city management, municipal budgeting and financial leadership. He served as the City Manager for the City of Huntington Park; having also served at its Finance Director and Treasurer. In both roles Julio helped implement changes and improvements that led to the elimination of a \$4.0 million (15%) structural deficit. He also served as the Finance Director and Treasurer for the City of El Monte. Most recently, Julio worked for the Department of the Treasury's Office of Technical Assistance (OTA), providing financial advice to the Treasurer of Paraguay and helping to streamline and automate their operations. Julio began his career in public and corporate finance as a financial advisor at PFM, an investment banker with Bank of America, derivative/ investment provider for Transamerica, and debt manager for the City of Oakland. Julio earned his undergraduate degree from the University of Michigan, a Master of Public Policy (MPP) from the Harvard Kennedy School of Government, and an MBA from UCLA, where he was a Dean's Fellowship Recipient.

## REFERENCES

We encourage you to contact any of our recent clients listed below to discuss their experience and satisfaction with UFI. Below are references for three cities where UFI recently completed financial modeling and forecast services that involved substantial analysis, evaluation and recommendations regarding the city's pension liabilities. Additionally, we have included references for an agency where UFI is completing an engagement involving the presentation of strategic alternatives for management of the agency's pension liabilities in alignment with the its financial objectives.

<b>City of Pomona</b>
<b>Onyx Jones, Finance Director</b>
<b>909-620-2353, <a href="mailto:Onyx_Jones@ci.pomona.ca.us">Onyx_Jones@ci.pomona.ca.us</a></b>
<b>505 South Garey Avenue, Pomona, CA 91766</b>

Precipitated by a quickly growing pension liability and the need for fiscal restructuring of interfund transfers and reimbursements, UFI was engaged by the City of Pomona to prepare a ten-year financial forecast for its general fund and review the structure of its reimbursements between the City's enterprise funds and general fund. The engagement involved a two-step process of an initial baseline ten-year forecast, including the City's pension liabilities and future costs. Based on the financial forecast, UFI provided the City a comprehensive fiscal health analysis, recommendations for immediately addressing the City's growing insolvency and pension costs, and long-term recommendations for cost-containment and financial sustainability.

<b>City of San Bernardino</b>
<b>Brent Mason, Finance Director</b>
<b>909-384-5242, <a href="mailto:Mason_Br@sbcity.org">Mason_Br@sbcity.org</a></b>
<b>290 N. D Street, San Bernardino, CA 92401</b>

Just months prior to San Bernardino's declaration of municipal bankruptcy in 2012, UFI was engaged to provide a comprehensive assessment of the City's financial condition and make recommendations for immediate action to avoid insolvency. While insolvency was avoided, the City still required municipal reorganization under the protection of the bankruptcy court. UFI was asked to take a leadership role with the City's bankruptcy team, during which it worked with special counsel and other advisors to negotiate with creditors and develop the fiscal restructuring plan approved by the court in 2017 when the City successfully exited bankruptcy. This work included extensive and protracted discussions and negotiations with CalPERS concerning the City's pension liabilities and rising costs, including evaluation of CalPERS alternatives.

<b>City of Desert Hot Springs</b>
<b>Linda Kelly, Finance Manager</b>
<b>760-329-6411, <a href="mailto:lkelly@cityofdhs.org">lkelly@cityofdhs.org</a></b>
<b>65950 Pierson Blvd., Desert Hot Springs, CA 92240</b>

UFI prepared a long-term financial forecast for the City in 2017, which included an analysis of the City's pensions liabilities and costs. The City also requested UFI present to the City a special report explaining the CalPERS retirement system to the City Council and the impacts associated with the City's current and projected pension costs.

<b>San Gabriel Valley Council of Governments</b>
<b>Marisa Creter, Executive Director</b>
<b>(626) 457-1800, mcreter@sgvcog.org</b>
<b>1000 S. Fremont Ave., Suite 10-210, Alhambra, CA 91803</b>

UFI has been engaged by the San Gabriel Valley Council of Governments (SGVCOG) to help them model their future retirement costs, including potential alternatives to CalPERS such as 401(a), PARS, and exiting the CalPERS system. We developed a customized model, driven by individual employee data (salaries), to estimate termination payments to CalPERS using different discount rates.

## RATES AND FEE ESTIMATES

Due to variables in every engagement and to ensure MPWD maintains flexibility to tailor the work to fit within the District's time and fiscal constraints, UFI proposes to carry out its work on an actual time and materials basis with the overall costs being governed by the financial limits defined by the District, utilizing the following professional service rate schedule:

<b><u>UFI Professional Staff</u></b>	<b><u>Hourly Rates</u></b>
Chief Executive Officer	\$325
Managing Director	\$300
Director	\$275

These rates will remain constant through June 30, 2019 and are subject to change thereafter. Costs for telephone, e-mail and facsimile expenses, postage and incidental photocopying are included within the above noted rate schedule. The rate schedule does not include out-of-pocket expenses that may be incurred during the work. Out-of-pocket expenses include inter-regional travel, project specific services or data from third-party vendors (prior approval required), or extraordinary or specifically requested materials, supplies, printing, or electronic data storage. All out-of-pocket expenses will be charged on an actual cost basis, plus 10%.

UFI is willing and prepared to refine, modify and tailor our tasks and work product to meet the District's needs and financial parameters. For purposes of generally estimating costs associated with the work described herein, the following are rough not-to-exceed estimates based on work completed in recent engagements:

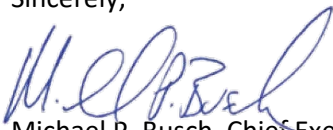
- Base modeling, analysis and scenarios for MPWD's pension & OPEB liabilities \$10,000
- Base modeling, analysis and scenarios for a 10-year financial planning model \$25,000

## CONCLUSION

UFI is well-equipped to provide MPWD with the highest level of service at the lowest possible cost. Two of our firm's most important values are: a COMMITMENT to serving our clients with integrity, honesty, and mindfulness of the public interest; and a dedication to RESULTS – delivery of service that is on time, within budget, and at a level that exceeds the expectations of the client.

We are enthusiastic about the opportunity to work with you and the district staff. If you have any questions, please do not hesitate to contact me at (909) 648-3176 or [jamesm@urbanfuturesinc.com](mailto:jamesm@urbanfuturesinc.com).

Sincerely,



Michael P. Busch, Chief Executive Officer  
Urban Futures, Inc. (UFI)



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

DATE: May 23, 2019

TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager  
Joubin Pakpour, P.E., District Engineer

---

**SUBJECT: CONSIDER RESOLUTION 2019-09 AUTHORIZING AWARD OF CONTRACT TO STOLOSKI & GONZALEZ, INC., FOR CONSTRUCTION OF THE NOTRE DAME AVENUE, CLIFFSIDE COURT, TAHOE DRIVE AREA WATER MAIN REPLACEMENT PROJECT, AND ZONE 5 FIRE HYDRANT UPGRADES (CIP 07-1621-CP) IN THE AMOUNT OF \$1,949,385, AND PROVIDING A 10% PROJECT CONTINGENCY IN THE AMOUNT OF \$195,000, FOR A TOTAL PROJECT BUDGET OF \$2,144,385**

---

#### **RECOMMENDATION**

Approve Resolution 2019-09 authorizing award of a contract to Stoloski & Gonzalez, Inc., from Half Moon Bay, CA for the construction of the Notre Dame Avenue, Cliffside Court and Tahoe Drive Area Water Main Replacement Project, and Zone 5 Fire Hydrant Upgrades (Project), also known as CIP 07-1621-CP, in the amount of \$1,949,385 and a 10% project contingency in the amount of \$195,000 for a total project budget of \$2,144,385.

#### **FISCAL IMPACT**

Original Estimate FY 2015/2016	\$1,428,000
2019 Construction Estimate with four years of Construction inflation 4% per year compounded (17%)	\$1,670,760
2019 Engineer's Estimate	\$2,203,495
Lowest Responsible Bid	\$1,949,385
Plus 10% Contingency	\$ 195,000
Total Project Budget	\$2,144,385

Pakpour Consulting Group will provide construction management and District staff will provide inspection services for the construction project. Funding for the entire cost of the Project will come from the 2016 Certificates of Participation (COP).

## **DISCUSSION**

The work on Notre Dame is two-fold: it will eliminate a very long dead-end and abandon an unnecessary parallel pipe. The dead-end is proposed to be remedied by reconnecting Terrace Drive to Notre Dame with 1,030 lf of 8-inch ductile iron pipe (DIP), and replace aging 4-inch cast iron pipe (CIP) and 4-inch and 6-inch PVC pipe with 8-inch DIP improving fire flows in the neighborhood. The abandonment seeks to remove from service one of two parallel water mains in the Zone 2 service territory under Notre Dame. Six-hundred and fifty feet of 6-inch CIP constructed in 1935 will be taken out of service and all service connections will be made to a "newer" 1953 8-inch CIP.

The Cliffside Court improvements replaces 330 lf of 4-inch PVC with 8-inch DIP, replacing 14 services and two fire hydrants in the two dead ends off of Cliffside Court.

The Tahoe Drive improvements will occur around the Tahoe Drive loop including Yosemite Drive, Tioga Way and Muir Way. Approximately 900 lf of 4-inch CIP will be replaced with 8-inch DIP improving fire flows, replacing 28 services and upgrading four fire hydrants.

The Zone 5 fire hydrant upgrades will take place on Desvio Way, Solana Drive and Altura Way. Desvio Way and Solana Drive currently do not have any hydrants on these cul-de-sacs. This part of the project will install four new hydrants and replace three hydrants with current standard hydrant assemblies thereby improving fire protection in the area.

District Engineer, Joubin Pakpour, P.E., will lead the discussion for this project. His detailed report of the bids is attached. Joubin will also explain to the Board why the apparent low bidder, Mellon Engineering, Inc. requested to have their bid withdrawn.

Attachments: Resolution 2019-09  
Contract for Construction for CIP 07-1621-CP  
Pakpour Consulting Group, Inc., Recommendation of Award dated May 17, 2019

---

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

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



**RESOLUTION NO. 2019-09**

**AUTHORIZING AWARD OF CONTRACT TO STOLOSKI & GONZALEZ, INC.,  
FOR CONSTRUCTION OF THE  
NOTRE DAME AVENUE, CLIFFSIDE COURT, TAHOE DRIVE AREA WATER  
MAIN REPLACEMENT PROJECT, AND ZONE 5 HYDRANT UPGRADES  
IN THE AMOUNT OF \$1,949,385, AND  
PROVIDE A 10% PROJECT CONTINGENCY IN THE AMOUNT OF \$195,000,  
FOR A TOTAL PROJECT BUDGET OF \$2,144,385.**

**\* \* \***

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, the District solicited competitive bids for the Notre Dame Avenue, Cliffside Court, Tahoe Drive Area Water Main Replacement Project, and Zone 5 Fire Hydrant Upgrades, 07-1621-CP; and

**WHEREAS**, in response to the District's solicitation, eight (8) firms submitted bids; and

**WHEREAS**, based on review of these bids by the District Engineer, District staff, and District Counsel, staff recommends that the contract be awarded to STOLOSKI & GONZALEZ, INC., whose bid meets all the requirements of the specification documents and has been determined to be the lowest responsive and responsible bidder.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby:

1. Awards a contract for construction for the Notre Dame Avenue, Cliffside Court, Tahoe Drive Area Water Main Replacement Project, and Zone 5 Fire Hydrant Upgrades, CIP 07-1621-CP to STOLOSKI & GONZALEZ, INC., in the amount of \$1,949,385; and

2. Authorizes a 10% project contingency in the amount of \$195,000 for a total project budget of \$2,144,385; and

3. Authorizes the President of the Board to execute a contract on behalf of the District with STOLOSKI & GONZALEZ, INC., in full conformity with the terms and conditions of this Resolution, the bid and the specification documents.

REGULARLY passed and adopted this 23rd day of May 2019, by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

---

President, Board of Directors

ATTEST:

---

Secretary

## CONTRACT

THIS CONTRACT is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between the **MID-PENINSULA WATER DISTRICT**, hereinafter called the "Owner" or "District" and \_\_\_\_\_, hereinafter collectively called the "Contractor."

THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The Contractor shall perform all the work and furnish all the labor, materials, tools, equipment, machinery, services, transportation, incidentals and appurtenances required to complete the construction and installation of the work in accordance with the plans and specifications approved by the District entitled: **Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project, dated March 2019**, and which are appended hereto and made part of this agreement.

2. **BEGINNING OF WORK AND CONTRACT TIME OF COMPLETION.** After the Contract has been executed by the Owner, the Contractor shall begin work within five (5) working days from the effective date of the Notice to Proceed, issued by Owner, and shall complete all items required under this Contract within **one-hundred-eighty (180) working days from the effective date of the Notice to Proceed.**

3. **CONTRACT PRICE.** In consideration of the performance of the work as set forth in the Contract Documents, the Owner agrees to pay to the Contractor the amounts set forth in the Contractor's Proposal dated \_\_\_\_\_ 2019, as it may be hereafter adjusted in accordance with the Contract Documents, and to make such payments in the manner and at the times provided in the Contract Documents. The Contractor agrees to complete the work within the time specified herein and to accept as full payment the amounts provided for herein.

4. **COMPONENTS OF CONTRACT.** This Contract shall consist of the following documents each of which is on file in the Owner's office and all of which are hereby referred to and by this reference made a part hereof as fully and completely as if they were fully set forth herein:

- a) This Contract
- b) Notice Inviting Sealed Bids
- c) The Contractor's signed Proposal
- d) General Provisions
- e) Special Provisions (including permits)
- f) Technical Specifications
- g) Contract Drawings
- h) Addenda (if any)
- i) Contract Bonds
- j) Standard Specifications

The Contract will also include Contract Change Orders, if any, issued by the Owner as provided in the Contract Documents. The Contract represents the entire integrated agreement between the parties hereto and supersedes prior negotiations, agreements or representations, whether written or oral, except representations contained in the Contractor's Qualifications Statement submitted prior to the award of Contract, if one was required. In the event of a conflict or inconsistency between Contractor's Proposal and this Contract, this Contract shall prevail.

5. **WORKERS' COMPENSATION CERTIFICATION.** By its signature hereunder, the Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the work of this Contract.

6. **NOTICES.** Any notices required or permitted under this Contract may be given by personal delivery to an authorized representative of the recipient or by certified or registered United States mail. In the case of the Contractor, notices shall be addressed to the business address specified in its Proposal. In the case of the Owner, notices shall be addressed to:

**Mid-Peninsula Water District  
3 Dairy Lane  
Belmont, CA 94002  
Attn: Tammy Rudock**

A copy of any notices to the Owner shall also be concurrently mailed or delivered personally to the District Engineer.

Notice shall be presumed to be received three (3) business days after deposit in the mail, postage prepaid, or upon the date of delivery, if personally given.

7. **GOVERNING LAW.** This Contract is executed and shall be performed in San Mateo County, California. It shall be governed by and construed in accordance with the laws of the State of California.

8. **RECORDS.** Owner representatives shall have the right to review and inspect any records of the Contractor related to this Contract during normal business hours at the location where such records are maintained.

9. **LEGAL ACTIONS; AGENT FOR SERVICE OF PROCESS.** Any action relating to this Contract, including all disputes between the parties, shall be instituted and prosecuted in a court of competent jurisdiction in San Mateo County in the State of California.

Each party hereby appoints the individual listed opposite its name to act as its initial agent for service of process relating to any such action.

**Mid-Peninsula Water District**

3 Dairy Lane  
Belmont CA, 94002  
(650) 591-8941

\_\_\_\_\_  
Name of Individual Agent for  
Service of Process

CONTRACTOR:

\_\_\_\_\_  
Name of Individual Agent for  
Service of Process

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Telephone

IN WITNESS WHEREOF, the parties hereto have signed this Contract as of the day and year first above written.

**MID-PENINSULA WATER DISTRICT:**

**CONTRACTOR:**

BY: \_\_\_\_\_  
President, Board of Directors

\_\_\_\_\_  
Name Under Which Business is Conducted

ATTEST: \_\_\_\_\_  
District Secretary

BY: Name: \_\_\_\_\_

Title: \_\_\_\_\_  
(President or Vice President)

APPROVED AS TO FORM:

California Contractor License No.:

\_\_\_\_\_  
District Attorney

\_\_\_\_\_  
Expiration Date: \_\_\_\_\_

Business Address:

**Note:** Format for Contract execution by Contractor will be adapted for a sole owner, partnership, corporation or joint venture, as appropriate.



Pakpour Consulting Group, Inc.

May 17, 2019

10012.24

Board of Directors  
Mid-Peninsula Water District  
3 Dairy Lane  
Belmont, CA 94002

**Subject: Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project  
Bid Results and Award Recommendation  
Mid-Peninsula Water District (MPWD)**

Dear Board Members,

The Mid-Peninsula Water District (District) held a bid opening on May 9, 2019 at 2:00 pm for the Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project (Capitol Improvement Project Numbers 15-10, 15-06, 15-28, 15-38, 15-38 and 15-49). The District received eight bids out of twelve prospective eligible bidders. They are listed in ascending order based on the lowest total bid price:

<u>Bidders</u>	<u>Total Bid Price</u>
1 Mellon Engineering Inc	\$ 1,661,019.00
2 Stoloski & Gonzalez Inc	\$ 1,949,385.00
3 West Valley Construction Inc	\$ 2,141,007.00
4 Pacific Underground Construction	\$ 2,168,910.00
5 Mitchell Engineering	\$ 2,272,913.50
6 Cratus Inc	\$ 2,330,787.50
7 Express Plumbing	\$ 2,630,575.00
8 Preston Pipelines	\$ 4,425,135.00
Engineer's Estimate	\$ 2,203,495.00

The apparent low bidder for the project is Mellon Engineering (MEI) with a bid of \$1,661,019.00, which is \$542,476.00 (24.6%) lower than the Engineer's Estimate. We reviewed MEI's bid documents and found them in conformance with the project's minimum qualifications. We contacted several listed references at the City and County of San Francisco and received positive feedback.



On May 13, 2019 MEI contacted the District to let us know they had found an error in their bid proposal. The paving restoration trench width quantities for the 6" and 8" water main was not accounted for. The same error was applied for the water service trench. MEI submitted a letter on May 14, 2019 formally requesting to be relieved of their bid. We reviewed the letter with the General Manager and District Council and decided to grant MEI their request to be relieved of their bid.

The second low bidder is Stoloski & Gonzalez (S&G) with a bid of **\$1,949,385.00**, which is \$254,110.00 (11.5%) lower than the Engineer's Estimate. We reviewed S&G's bid documents and found them in conformance with the project's minimum qualifications.

#### **Comparison of 2015 CIP Budget vs Bids Received (Actual - 2019)**

Original 2015 CIP Construction Estimate: (15-10, 15-06, 15-28, 15-38, 15-38 and 15-49)	\$1,428,000.00
Adjusted CIP Construction Estimate for 2019 (includes 17% inflation factor*):	\$1,670,760.00
2018 Engineers Estimate	\$2,203,495.00
S&G's Total Bid Price	\$1,949,385.00

\*4% per year compounded cost inflation factor

S&G's total bid is \$278,625.00 (16.7%) higher than the original (adjusted) CIP budget. Construction costs have risen dramatically over the past four years, greatly outpacing the anticipated 4% yearly increase when the Capital Improvement Program was completed in 2015.

Over the recent years, we have observed yearly increases close to 20% with one or two bidding contractors and in some cases no bidders at all. The timing and the interest of this project is a drastic change from the previous years. The District got a wide selection of contractors around the Bay Area from San Francisco to San Jose, and from Half Moon Bay to Richmond. This could be a sign of change in the current economic climate and possibly a downward turn of available private development projects leading to lower bid prices on future projects.

#### **Bid Analysis**

Enclosed please find the Bid Analysis and Bid Checklist for bids received on May 9, 2019 with the cost breakdown for each contractor's bid items and a checklist of the bid documents.

S&G has been in business for over 30 years with experience in construction work similar to this project. S&G has successfully completed water main related projects with Montara Water & Sanitary District, Coastside County Water District, City of San Jose, San Jose Water Company, East Bay MUD, City of Daly City, Purissima Hills Water District in Los Altos Hills, and with Mid-Peninsula Water District. *Pakpour Consulting Group* has worked with S&G during the last decade on multiple projects and is currently working for the District on the Hillcrest Pressure Regulating Station – Sequoia Tanks Site – in Redwood City.



Based on our analysis, we recommend the Board of Directors authorize contract award to Stoloski & Gonzalez, Inc. in the amount of **\$1,949,385.00** as the lowest responsive and responsible bidder.

Very truly yours,

**Pakpour Consulting Group, Inc.**



Joubin Pakpour, P.E.  
District Engineer

Enclosures: Mellon Engineering Inc Request to be Relieved of Bid due Mathematical Errors dated May 14, 2019 (2 pages)  
Bid Checklist May 9, 2019 Bid Opening (1 page)  
Bid Analysis May 9, 2019 Bid Opening (1 page)

**Note to Contractors:**

*This staff recommendation will be presented to the Board of Directors at the MPWD Board Meeting to be held on Thursday, May 23, 2019.*

*Pursuant to General Provision G3.08, any protest of the staff recommendation for award of contract must be submitted within 48 hours of your receipt of this letter (i.e. by Wednesday, May 22, 2019 at 10:00 AM).*

cc: Tammy Rudock, Mid-Peninsula Water District, via email [tammyr@midpeninsulawater.org](mailto:tammyr@midpeninsulawater.org)  
Rene Ramirez, Mid-Peninsula Water District, via email [RRamirez@midpeninsulawater.org](mailto:RRamirez@midpeninsulawater.org)  
Michael Anderson, Mid-Peninsula Water District, via email [MikeA@midpeninsulawater.org](mailto:MikeA@midpeninsulawater.org)  
Andrew Mellon, Mellon Engineering Inc, via email [mellonengineeringinc@gmail.com](mailto:mellonengineeringinc@gmail.com)  
Mark Stoloski, Stoloski and Gonzalez, Inc., via email [mstoloski@stoloskiqgonzalez.com](mailto:mstoloski@stoloskiqgonzalez.com)  
Mahlon Rice, West Valley Construction, via email [mrice@wvcc.com](mailto:mrice@wvcc.com)  
Thad Corbett, Pacific Underground Construction, via email [tcorbett@pacificunderground.com](mailto:tcorbett@pacificunderground.com)  
Robert Walsh, Mitchell Engineering, via email [rwalsh@mittchell-engineering.com](mailto:rwalsh@mittchell-engineering.com)  
Jose Reyes, Cratus Inc., via email [admin@cratusinc.com](mailto:admin@cratusinc.com)  
Mark Martinez, Express Plumbing and Services, via email [mark@expressplumbing.com](mailto:mark@expressplumbing.com)  
Suchaya Rojanasuwon, Express Plumbing and Services, via email [suchaya@expressplumbing.com](mailto:suchaya@expressplumbing.com)  
Philip Toelkes, Preston Pipelines, via email [ptaelkes@prestonpipelines.com](mailto:ptaelkes@prestonpipelines.com)

J:\Projects\MPWD - 10012.00\24 - Notre Dame, Cliffside, Tahoe Area\Correspondence\Letter\24-MPWD-Board-19.05.17-Bid Results-Award Recommendation.docx







Attn. Victor Fung  
Pakpour Consulting Group  
5776 Stoneridge Mall Road, Suite 320  
Pleasanton, CA 94588

May 14th, 2019

**RE: Mid Peninsula Water District  
"Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project"  
Request to be Relieved of Bid Due to Mathematical Errors**

Dear Mr. Fung,

On May 9, 2019, Mellon Engineering Inc. ("MEI") submitted its bid for the above-referenced project. Regrettably, MEI made mathematical errors in its bid calculations that resulted in approximately \$214,000 being omitted from bid items for the 8" main (item #1), 6" main (item #2) and services (item #s 4, 6 and 7) that are described in detail below.

- The spreadsheet used for pricing the 6" and 8" mainlines neglected to multiply the combined quantity of 3,465 LF of trench by the 4' width, when calculating the quantity of paving to be built into these items. This resulted in only 3,465 SF being included instead of 13,860 SF, and therefore 10,395 SF of paving was missed.
- The same error carried through to the spreadsheet for pricing for services, meaning the combined quantity of 84 EA was not multiplied by the assumed average length of 22 LF, nor by the width of 4', when calculating the quantity of paving to be built into these items. This resulted in only 84 SF being built into these items instead of 7,392 SF, and therefore 7,308 SF of paving was missed.
- For the services this also affected the saw cutting quantity associated with these items as it was mistakenly calculated as a quantity of 84 EA x 2 cuts, instead of 84 EA x 22 LF long x 2 cuts. This meant that only 168 LF of saw cutting was built into these items instead of 3,696 LF, and therefore 3,528 LF of saw cutting was missed.
- MEI was using a cost of \$8.50 per SF for the minimum 6" deep paving (including markup), and then allowing for a 33% overrun to cover an average of up to 8" deep existing pavement. The omitted paving quantity of 17,703 SF has a value of \$200,132.
- MEI was using a cost of \$3.90 per LF for saw cutting (including markup), so the omitted saw cutting quantity of 3,528 LF has a value of \$13,759.

**4455 California Street, San Francisco, CA 94118**  
**Email: [admin@mellonengineering.com](mailto:admin@mellonengineering.com) Phone: (415) 845 4137**  
**CA License # 1030495 Federal ID# 82-4959355**

These inadvertent miscalculations make MEI's proposal materially different than what it intended it to be, and for that reason MEI is requesting to be relieved of its bid.

Per the project specification section G2.17 "Relief of Bidders" and pursuant to California Public Contract Code section 5103, MEI hereby requests relief from its bid and that the District deem MEI's bid withdrawn and requests the return of its bid bond at your earliest convenience.

We apologize for any inconvenience that this may cause. Thank you for your careful review of this matter, and please feel to contact me if you have any questions or need any further information.

Sincerely,



---

Andrew Mellon  
President



**BID-CHECKLIST**  
**Mid-Peninsula Water District**  
**Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project**  
**May 9, 2019 at 2:00 PM Bid Opening**



Ascending Order #		1	2	3	4	5	6	7	8
Prospective Eligible Bidders		Mellon Engineering Inc	Stoloski & Gonzalez Inc	West Valley Construction Inc	Pacific Underground Construction	Mitchell Engineering	Cratus Inc	Express Plumbing	Preston Pipelines
No.	Item								
1	Proposal Execution (B-9 thru B-14)	√	√	√	√	√	√	√	√
2	Revised April 2019 Bid Schedule Form (B15) Per Addendum No. 1	√	√	√	Used the Wrong Form	√	√	√	√
3	Addendum No. 1 dated May 2, 2019 Acknowledged on page B-10 Copy Attached with Proposals	√	√	√	√	√	√	√	√
4	List of Subcontractors (B-19)	√	√	√	√	√	√	√	√
5	Non-Collusion Declaration (B-21)	√	√	√	√	√	√	√	√
6	Bidders Bond (B-23) or Bid Security Form (B-25)	Bidder's Bond The Guarantee Company of North America USA	Bidder's Bond Merchants Bonding Company	Bidder's Bond Liberty Mutual Insurance Company	Bidder's Bond The Ohio Casualty Insurance Company	Bidder's Bond Fidelity and Deposit Company of Maryland	Bidder's Bond Developers Surety and Indemnity Company	Bidder's Bond Developers Surety and Indemnity Company	Bidder's Bond Liberty Mutual Insurance Company
7	Statement of Qualifications (B-27 thru B-35)	√	√	√	√	√	√	√	√

<b>Total Bid Price</b>	<b>\$1,661,019.00</b>	<b>\$1,949,385.00</b>	<b>\$2,141,007.00</b>	<b>\$2,168,910.00</b>	<b>\$2,272,913.50</b>	<b>\$2,330,787.50</b>	<b>\$2,630,575.00</b>	<b>\$4,425,135.00</b>
------------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

<b>Engineer's Opinion of Probable Cost</b>	<b>\$2,203,495.00</b>							
--	-----------------------	--	--	--	--	--	--	--



BID ANALYSIS  
Mid-Peninsula Water District  
Notre Dame Ave, Cliffside Ct, Tahoe Dr Area Water Main Project  
May 9, 2019 2:00 PM Bid Opening



Bid Item No.	Item	UNIT	QTY.	Engineer's Estimate		Mellon Engineering		Stoloski & Gonzalez Inc		West Valley Construction Inc		Pacific Underground Construction		Mitchell Engineering		Cratus Inc		Express Plumbing		Preston Pipelines Inc		All Bidders Average		All Bidders Average Less Engineers Estimate	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	8-in Class 350 DIP	LF	3,300	\$345.00	\$ 1,138,500.00	\$ 265.00	\$ 874,500.00	\$ 354.00	\$ 1,168,200.00	\$ 307.00	\$ 1,013,100.00	\$ 330.00	\$ 1,089,000.00	\$ 333.00	\$ 1,098,900.00	\$ 400.00	\$ 1,320,000.00	\$ 380.00	\$ 1,254,000.00	\$ 598.00	\$ 1,973,400.00	\$ 370.88	\$ 1,223,887.50	\$ 85,387.50	8%
2	6-in Class 350 DIP	LF	165	\$260.00	\$ 42,900.00	\$ 325.00	\$ 53,625.00	\$ 351.00	\$ 57,915.00	\$ 546.00	\$ 90,090.00	\$ 320.00	\$ 52,800.00	\$ 500.00	\$ 82,500.00	\$ 1,000.00	\$ 165,000.00	\$ 350.00	\$ 57,750.00	\$ 707.00	\$ 116,655.00	\$ 512.38	\$ 84,541.88	\$ 41,641.88	97%
3	10-in Class 350 DIP (Folger Ave)	LS	1	\$14,750.00	\$ 14,750.00	\$ 21,000.00	\$ 21,000.00	\$ 7,900.00	\$ 7,900.00	\$ 25,440.00	\$ 25,440.00	\$ 30,000.00	\$ 30,000.00	\$ 35,522.00	\$ 35,522.00	\$ 50,000.00	\$ 50,000.00	\$ 37,500.00	\$ 37,500.00	\$ 48,600.00	\$ 48,600.00	\$ 31,995.25	\$ 31,995.25	\$ 17,245.25	117%
4	1-inch Water Service Connections - Cliffside Ct and Notre Dame Ave Z2	EA	25	\$3,500.00	\$ 87,500.00	\$ 4,500.00	\$ 112,500.00	\$ 3,500.00	\$ 87,500.00	\$ 4,750.00	\$ 118,750.00	\$ 5,665.00	\$ 141,625.00	\$ 5,568.00	\$ 139,200.00	\$ 5,000.00	\$ 125,000.00	\$ 3,500.00	\$ 87,500.00	\$ 9,800.00	\$ 245,000.00	\$ 5,285.38	\$ 132,134.38	\$ 44,634.38	51%
5	Water Service Connections Removal - Cliffside Ct	EA	7	\$750.00	\$ 5,250.00	\$ 1,350.00	\$ 9,450.00	\$ 4,400.00	\$ 30,800.00	\$ 1,460.00	\$ 10,220.00	\$ 7,000.00	\$ 49,000.00	\$ 4,853.00	\$ 33,971.00	\$ 2,500.00	\$ 17,500.00	\$ 1,400.00	\$ 9,800.00	\$ 1,400.00	\$ 9,800.00	\$ 3,045.38	\$ 21,317.63	\$ 16,067.63	306%
6	1-inch Water Service Connections - Tahoe Dr Area and Notre Dame Ave Z3	EA	58	\$3,500.00	\$ 203,000.00	\$ 3,600.00	\$ 208,800.00	\$ 3,500.00	\$ 203,000.00	\$ 4,810.00	\$ 278,980.00	\$ 5,025.00	\$ 291,450.00	\$ 4,343.00	\$ 251,894.00	\$ 3,500.00	\$ 203,000.00	\$ 3,500.00	\$ 203,000.00	\$ 12,300.00	\$ 713,400.00	\$ 5,072.25	\$ 294,190.50	\$ 91,190.50	45%
7	1½-inch Water Service Connections - Notre Dame Ave	EA	1	\$4,500.00	\$ 4,500.00	\$ 4,600.00	\$ 4,600.00	\$ 4,200.00	\$ 4,200.00	\$ 5,680.00	\$ 5,680.00	\$ 7,500.00	\$ 7,500.00	\$ 7,495.00	\$ 7,495.00	\$ 4,500.00	\$ 4,500.00	\$ 7,800.00	\$ 7,800.00	\$ 17,100.00	\$ 17,100.00	\$ 7,359.38	\$ 7,359.38	\$ 2,859.38	64%
8	6-inch Gate Valves	EA	4	\$2,800.00	\$ 11,200.00	\$ 1,800.00	\$ 7,200.00	\$ 2,000.00	\$ 8,000.00	\$ 3,490.00	\$ 13,960.00	\$ 3,000.00	\$ 12,000.00	\$ 3,784.00	\$ 15,136.00	\$ 3,000.00	\$ 12,000.00	\$ 12,800.00	\$ 51,200.00	\$ 2,900.00	\$ 11,600.00	\$ 4,096.75	\$ 16,387.00	\$ 5,187.00	46%
9	8-inch Gate Valves	EA	26	\$3,500.00	\$ 91,000.00	\$ 2,200.00	\$ 57,200.00	\$ 2,600.00	\$ 67,600.00	\$ 4,030.00	\$ 104,780.00	\$ 3,769.23	\$ 98,000.00	\$ 2,652.00	\$ 68,952.00	\$ 4,500.00	\$ 117,000.00	\$ 13,800.00	\$ 358,800.00	\$ 3,520.00	\$ 91,520.00	\$ 4,633.90	\$ 120,481.50	\$ 29,481.50	32%
10	10-inch Gate Valves	EA	1	\$4,500.00	\$ 4,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,600.00	\$ 3,600.00	\$ 5,110.00	\$ 5,110.00	\$ 5,500.00	\$ 5,500.00	\$ 3,283.00	\$ 3,283.00	\$ 6,500.00	\$ 6,500.00	\$ 15,900.00	\$ 15,900.00	\$ 4,850.00	\$ 4,850.00	\$ 5,967.88	\$ 5,967.88	\$ 1,467.88	33%
11	1-inch Air Combination Valve Assembly	EA	1	\$4,000.00	\$ 4,000.00	\$ 4,600.00	\$ 4,600.00	\$ 3,300.00	\$ 3,300.00	\$ 7,940.00	\$ 7,940.00	\$ 5,500.00	\$ 5,500.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 6,990.00	\$ 6,990.00	\$ 15,400.00	\$ 15,400.00	\$ 6,716.25	\$ 6,716.25	\$ 2,716.25	68%
12	2-inch Blow-Off Assembly	EA	2	\$5,800.00	\$ 11,600.00	\$ 4,500.00	\$ 9,000.00	\$ 4,300.00	\$ 8,600.00	\$ 5,950.00	\$ 11,900.00	\$ 6,500.00	\$ 13,000.00	\$ 5,000.00	\$ 10,000.00	\$ 4,000.00	\$ 8,000.00	\$ 7,800.00	\$ 15,600.00	\$ 8,260.00	\$ 16,520.00	\$ 5,788.75	\$ 11,577.50	\$ (22.50)	0%
13	4-inch Blow-Off Assembly	EA	1	\$6,250.00	\$ 6,250.00	\$ 6,500.00	\$ 6,500.00	\$ 5,800.00	\$ 5,800.00	\$ 699.00	\$ 11,184.00	\$ 8,100.00	\$ 8,100.00	\$ 10,000.00	\$ 10,000.00	\$ 8,000.00	\$ 8,000.00	\$ 12,800.00	\$ 12,800.00	\$ 13,600.00	\$ 13,600.00	\$ 8,187.38	\$ 8,187.38	\$ 1,937.38	31%
14	6-inch Fire Hydrant Assembly on New Water Main	EA	3	\$15,100.00	\$ 45,300.00	\$ 14,000.00	\$ 42,000.00	\$ 12,900.00	\$ 38,700.00	\$ 15,200.00	\$ 45,600.00	\$ 15,500.00	\$ 46,500.00	\$ 10,000.00	\$ 30,000.00	\$ 15,000.00	\$ 45,000.00	\$ 15,800.00	\$ 47,400.00	\$ 15,300.00	\$ 45,900.00	\$ 14,212.50	\$ 42,637.50	\$ (2,662.50)	-6%
15	Remove and Replace Existing Fire Hydrant Assembly	EA	2	\$16,250.00	\$ 32,500.00	\$ 16,000.00	\$ 32,000.00	\$ 13,500.00	\$ 27,000.00	\$ 15,500.00	\$ 31,000.00	\$ 18,000.00	\$ 36,000.00	\$ 8,000.00	\$ 16,000.00	\$ 20,000.00	\$ 40,000.00	\$ 15,800.00	\$ 31,600.00	\$ 17,000.00	\$ 34,000.00	\$ 15,475.00	\$ 30,950.00	\$ (1,550.00)	-5%
16	6-inch Fire Hydrant Assembly on Existing Water Main	EA	3	\$15,750.00	\$ 47,250.00	\$ 19,000.00	\$ 57,000.00	\$ 13,800.00	\$ 41,400.00	\$ 22,100.00	\$ 66,300.00	\$ 18,000.00	\$ 54,000.00	\$ 5,000.00	\$ 15,000.00	\$ 17,500.00	\$ 52,500.00	\$ 25,800.00	\$ 77,400.00	\$ 22,500.00	\$ 67,500.00	\$ 17,962.50	\$ 53,887.50	\$ 6,637.50	14%
17	Water Main Abandonment on Tioga Way and Bryce Court	LS	1	\$4,550.00	\$ 4,550.00	\$ 4,000.00	\$ 4,000.00	\$ 7,000.00	\$ 7,000.00	\$ 1,400.00	\$ 1,400.00	\$ 7,500.00	\$ 7,500.00	\$ 7,235.00	\$ 7,235.00	\$ 2,000.00	\$ 2,000.00	\$ 5,800.00	\$ 5,800.00	\$ 14,000.00	\$ 14,000.00	\$ 6,116.88	\$ 6,116.88	\$ 1,566.88	34%
18	Water Main Abandonment on Muir Way	LS	1	\$7,500.00	\$ 7,500.00	\$ 4,000.00	\$ 4,000.00	\$ 26,000.00	\$ 26,000.00	\$ 9,040.00	\$ 9,040.00	\$ 7,500.00	\$ 7,500.00	\$ 7,210.00	\$ 7,210.00	\$ 2,000.00	\$ 2,000.00	\$ 5,800.00	\$ 5,800.00	\$ 27,900.00	\$ 27,900.00	\$ 11,181.25	\$ 11,181.25	\$ 3,681.25	49%
19	Water Main Abandonment on Terrace Drive	LS	1	\$9,250.00	\$ 9,250.00	\$ 4,000.00	\$ 4,000.00	\$ 7,000.00	\$ 7,000.00	\$ 12,700.00	\$ 12,700.00	\$ 7,500.00	\$ 7,500.00	\$ 7,210.00	\$ 7,210.00	\$ 2,000.00	\$ 2,000.00	\$ 5,800.00	\$ 5,800.00	\$ 14,000.00	\$ 14,000.00	\$ 7,526.25	\$ 7,526.25	\$ (1,723.75)	-19%
20	Cross Country Water Main Abandonment on Valley View Avenue	LS	1	\$9,750.00	\$ 9,750.00	\$ 10,000.00	\$ 10,000.00	\$ 7,000.00	\$ 7,000.00	\$ 27,600.00	\$ 27,600.00	\$ 9,000.00	\$ 9,000.00	\$ 6,375.00	\$ 6,375.00	\$ 2,000.00	\$ 2,000.00	\$ 5,800.00	\$ 5,800.00	\$ 14,000.00	\$ 14,000.00	\$ 10,221.88	\$ 10,221.88	\$ 471.88	5%
21	Water Main Abandonment on Notre Dame Avenue - Zone 2	LS	1	\$10,000.00	\$ 10,000.00	\$ 4,000.00	\$ 4,000.00	\$ 9,000.00	\$ 9,000.00	\$ 10,500.00	\$ 10,500.00	\$ 10,000.00	\$ 10,000.0												



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

DATE: May 23, 2019

TO: Board of Directors

FROM: Tammy Rudock, General Manager  
Candy Pina, Administrative Services Manager  
Rene Ramirez, Operations Manager

---

**SUBJECT: REVIEW AND DISCUSS FINAL DRAFT MPWD OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2019/2020**

---

### **RECOMMENDATION:**

Review and discuss final draft MPWD Operating and Capital Budgets for Fiscal Year 2019/2020.

### **FISCAL IMPACT:**

BUDGET CATEGORY	PROPOSED FY 2019/2020	PROJECTED FY 2018/2019	ACTUAL ** FY 2017/2018	ACTUAL ** FY 2016/2017	ACTUAL ** FY 2015/2016	ACTUAL ** FY 2014/2015
Total Revenues	\$13,721,000	\$13,577,800	\$14,189,781	\$12,212,952	\$10,582,034	\$9,866,874
Total Expenditures*	\$13,437,523	\$13,132,176	\$11,577,153	\$11,280,481	\$ 9,677,627	\$9,293,119
Net Transfer to Capital	\$ 283,477	\$ 445,625	\$ 2,612,628	\$ 1,026,191	\$ 905,638	\$ 573,755

\* Total Expenditures include Depreciation Expense.

\*\* Audited financials.

### **DISCUSSION:**

Staff presented a preliminary budget summary in March, and last month draft detailed budgets were reviewed with the Board.

The following assumptions were presented last month and carried over this month in preparation of the attached detailed final draft FY 2019/2020 MPWD Operating and Capital Budgets:

### **OPERATIONS**

- Projected Water Commodity Charges at \$9.8 million (includes 3.0% commodity adjustment effective July 1, 2019).

- Projected Fixed System Charges at \$3.0 million (includes 7.7% fixed system adjustment effective July 1, 2019).
- Projected capacity revenues based upon known “pipeline” Belmont projects.
- Projected 3.75% inflationary index on operational line items staff believed might be impacted by pricing increases. The annual average CPI for All Urban Consumers in 2018 was 3.9% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first four (4) months of 2019, it averaged 3.75%. As discussed last month, staff updated the CPI adjustments in the Operating budget.
- Projected two (2) Water System Operator new hires to replace one (1) Operations Supervisor that resigned and one (1) Water System Operator that is retiring this summer, and one (1) part-time Accountant, including budgeted mid-range salaries, applicable benefits, and related personnel expenses.
- Reduced but retained some funding for temporary employment services within Miscellaneous Professional Services to accommodate increased administrative, finance, and customer services until a reorganization is finalized.
- Maintained Purchased Water expenditure based upon FY 2018/2019 projections (and FY 2017/2018 actuals), since there will be no wholesale customer rate adjustments in FY 2019/2020 by the SFPUC.
- Projected a full year of Debt Service expense totaling \$1,069,200 from the MPWD 2016 COP Official Statement.
- Increased Depreciation per GAAP (Generally Accepted Accounting Principles).
- The MPWD’s debt service coverage requirement for the 2016 COP financing is 1.3, and it is projected to be 1.93 for FY 2019/2020.

Based upon these assumptions, after projected expenditures are deducted from projected operating revenues, a \$283,477 Operating balance would be projected for transfer to Capital, together with the \$970,000 Depreciation projection.

### CAPITAL

- Miscellaneous Capital Outlay/Projects for \$50,000 (from Operating Surplus).

The FY 2019/2020 Capital Budget will be a “work-in-progress” and staff will be recommending that it be finalized after the MPWD’s long-term financial planning is finalized and forecast model developed and presented to the Board of Directors for consideration and approval. For now, \$50,000 will be budgeted in case something comes up between now and the mid-year budget review in February 2020.

Attachments: Final Draft MPWD Operating and Capital Budgets for FY 2019/2020

BOARD ACTION: A PPROVED:\_\_\_\_\_ DENIED:\_\_\_\_\_ POSTPONED:\_\_\_\_\_ STAFF DIRECTION:\_\_\_\_\_

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

**MID-PENINSULA WATER DISTRICT**  
**FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020**  
**SUMMARY**

5/16/2019 10:53

DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGET	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
<b>OPERATING REVENUE</b>				
WATER COMMODITY CHARGES	9,611,800	9,800,000	188,200	2.0%
FIXED SYSTEM CHARGES	2,880,000	3,000,000	120,000	4.2%
FIRE SERVICE CHARGES	14,000	14,000	-	0.0%
MISC CUSTOMER ACCOUNT FEES	43,000	43,000	-	0.0%
SERVICE LINE & INSTALLATION CHARGES	10,000	10,000	-	0.0%
MISCELLANEOUS OPERATING	25,000	25,000	-	0.0%
PROPERTY TAX REVENUE	268,000	268,000	-	0.0%
<b>TOTAL OPERATING REVENUE *</b>	<b>12,851,800</b>	<b>13,160,000</b>	<b>308,200</b>	<b>2.4%</b>
WATER SYSTEM CAPACITY CHARGES	250,000	100,000	(150,000)	-60.0%
WATER DEMAND OFFSET CHARGES	20,000	10,000	(10,000)	-50.0%
MISCELLANEOUS NON-OPERATING *	55,000	50,000	(5,000)	-9.1%
INTEREST REVENUE - LAIF *	75,000	75,000	-	0.0%
INTEREST REVENUE - COP	150,000	150,000	-	0.0%
LEASE OF PHYSICAL PROPERTY *	175,000	175,000	-	0.0%
LANDSCAPE PERMIT REVENUE	1,000	1,000	-	0.0%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>726,000</b>	<b>561,000</b>	<b>(165,000)</b>	<b>-22.7%</b>
<b>TOTAL REVENUE</b>	<b>13,577,800</b>	<b>13,721,000</b>	<b>143,200</b>	<b>1.1%</b>
<b>OPERATING EXPENDITURES (OP EXP)</b>				
SALARIES & WAGES	1,821,385	2,069,385	248,000	13.6%
PAYROLL TAXES & BENEFITS	1,280,803	1,414,092	133,289	10.4%
PURCHASED WATER	5,654,624	5,654,624	-	0.0%
OUTREACH & EDUCATION	60,000	60,000	-	0.0%
M&R - OPS SYSTEM	350,000	387,750	37,750	10.8%
M&R - FACILITIES & EQUIPMENT	150,000	162,625	12,625	8.4%
SYSTEM SURVEYS	31,050	35,000	3,950	12.7%
ADMINISTRATION & EQUIPMENT	313,483	306,375	(7,108)	-2.3%
MEMBERSHIP & GOV FEES	215,915	228,585	12,670	5.9%
BAD DEBT & CLAIMS	30,000	30,000	-	0.0%
UTILITIES	316,917	326,813	9,896	3.1%
PROFESSIONAL SERVICES	650,000	460,575	(189,425)	-29.1%
TRAINING/TRAVEL & RECRUITMENT	50,000	37,500	(12,500)	-25.0%
RESTRICTED EARNINGS	225,000	225,000	-	0.0%
DEPRECIATION	931,500	970,000	38,500	4.1%
DEBT SERVICE	1,051,500	1,069,200	17,700	1.7%
<b>TOTAL OP EXP</b>	<b>13,132,176</b>	<b>13,437,523</b>	<b>305,347</b>	<b>2.3%</b>
<b>NET RESULTS OF OPERATIONS</b>	<b>445,625</b>	<b>283,477</b>	<b>(162,147)</b>	<b>-36.4%</b>
<b>NET TRANSFERS TO CAPITAL</b>	<b>445,625</b>	<b>283,477</b>	<b>(162,147)</b>	<b>-36.4%</b>
<b>DEBT SERVICE COVERAGE</b>	<b>1.91</b>	<b>1.93</b>		

\* Revenues included in Debt Service Coverage Ratio



# DRAFT

## MID-PENINSULA WATER DISTRICT

### FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020

#### DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGETED	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
1-400-4010-40-00	Water Commodity Charges	9,611,800	9,800,000	188,200	2.0%
1-400-4020-00-00	Fixed System Charges	2,880,000	3,000,000	120,000	4.2%
1-400-4030-00-00	Fire Service Charges	14,000	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	10,000	10,000	-	0.0%
1-400-4080-00-00	Miscellaneous -Operating	25,000	25,000	-	0.0%
1-400-4000-00-00	<b>TOTAL WATER CHARGES</b>	<b>12,583,800</b>	<b>12,892,000</b>	<b>308,200</b>	<b>2.4%</b>
1-420-4202-45-00	Property Tax Revenue	268,000	268,000	-	0.0%
1-420-4200-00-00	<b>OTHER OPERATING REVENUE</b>	<b>268,000</b>	<b>268,000</b>	<b>-</b>	<b>0.0%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>12,851,800</b>	<b>13,160,000</b>	<b>308,200</b>	<b>2.4%</b>
1-400-4060-00-00	Water System Capacity Charges	250,000	100,000	(150,000)	-60.0%
1-400-4070-00-00	Water Demand Offset Charges	20,000	10,000	(10,000)	-50.0%
1-400-4080-00-00	Miscellaneous - Non Operating	55,000	50,000	(5,000)	-9.1%
1-400-4090-00-00	Interest Revenue- LAIF	75,000	75,000	-	0.0%
1-410-4103-00-00	Interest Revenue - COP Funds	150,000	150,000	-	0.0%
1-400-4100-00-00	<b>INTEREST REVENUE</b>	<b>225,000</b>	<b>225,000</b>	<b>-</b>	<b>0.0%</b>
1-420-4201-44-00	Lease of Physical Property	175,000	175,000	-	0.0%
1-420-4208-46-00	Landscape Plan Permit Review	1,000	1,000	-	0.0%
1-420-4200-00-00	<b>OTHER NON-OPERATING REVENUE</b>	<b>176,000</b>	<b>176,000</b>	<b>-</b>	<b>0.0%</b>
	<b>TOTAL NON-OPERATING REVENUE</b>	<b>726,000</b>	<b>561,000</b>	<b>(165,000)</b>	<b>-22.7%</b>
	<b>TOTAL OPERATING &amp; NON-OP REVENUE</b>	<b>13,577,800</b>	<b>13,721,000</b>	<b>143,200</b>	
1-601-6010-50-00	Salaries & Wages	1,725,000	1,968,750	243,750	14.1%
1-601-6010-51-00	Director Compensation	11,385	11,385	-	0.0%
1-601-6010-00-00	<b>GROSS REGULAR WAGES</b>	<b>1,736,385</b>	<b>1,980,135</b>	<b>243,750</b>	<b>14.0%</b>
1-602-6020-56-00	Overtime Labor	45,000	47,250	2,250	5.0%
1-602-6020-57-00	Standby Labor	40,000	42,000	2,000	5.0%
1-602-6020-00-00	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>1,821,385</b>	<b>2,069,385</b>	<b>248,000</b>	<b>13.6%</b>



# DRAFT

## MID-PENINSULA WATER DISTRICT

### FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020

#### DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGETED	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
1-603-6030-58-00	FICA/Medicare PR Tax	131,963	158,308	26,345	20.0%
1-603-6030-59-00	ACWA Health Care	400,000	420,000	20,000	5.0%
1-603-6030-60-00	ACWA Dental	30,000	31,500	1,500	5.0%
1-603-6030-61-00	ACWA Vision	4,250	4,463	213	5.0%
1-603-6030-62-00	ACWA Life/AD&D	4,200	4,410	210	5.0%
1-603-6030-63-00	Standard LDL/SDL Disability	17,500	18,375	875	5.0%
1-603-6030-64-00	Workers' Comp Insurance	32,500	55,000	22,500	69.2%
1-603-6030-65-00	Unemployment	1,066	1,066	-	0.0%
1-603-6030-66-00	CALPERS Retirement - ER 2%@55	140,000	190,575	50,575	36.1%
	<b>CALPERS UAL Fresh Start 7/1/18</b>	136,604	137,087	483	0.4%
1-603-6030-67-00	Retirees' ACWA Health Care	71,770	75,359	76,059	na
1-603-6030-68-00	Directors' ACWA Health Care	115,000	120,750	5,750	5.0%
1-603-6030-70-00	Medical Reimbursement	600	600	-	0.0%
1-603-6030-71-00	Employee Service Recognition	10,350	10,350	-	0.0%
1-603-6030-72-00	Safety Incentive Program	15,000	15,000	-	0.0%
1-603-6030-73-00	Uniforms	25,000	26,250	1,250	5.0%
1-603-6030-74-00	PARS OPEB Expense	145,000	145,000	140,411	na
1-603-6030-00-00	<b>SUB-TOTAL PAYROLL TAXES &amp; BENEFITS</b>	1,280,803	1,414,092	346,171	10.4%
	<b>CAPITAL PAYROLL, TAXES &amp; BENEFITS</b>				
	<b>PERSONNEL COSTS</b>	3,102,188	3,483,477	594,171	12.3%
1-610-6100-76-00	SFPUC Treated Water	5,100,000	5,100,000	-	0.0%
1-610-6100-77-00	BAWSCA (Debt Service Surcharges)	476,000	476,000	-	0.0%
1-610-6100-78-00	Rates Stabilization	-	-	-	na
1-610-6100-79-00	SFPUC Water Service Charge	78,624	78,624	-	0.0%
6-610-6100-00-00	<b>PURCHASED WATER</b>	5,654,624	5,654,624	-	0.0%
1-630-6301-00-00	Water Conservation Program	7,452	7,452	-	0.0%
1-630-6302-00-00	School Conservation Program	7,452	7,452	-	0.0%
1-630-6303-00-00	Public Outreach & Education	15,525	15,525	-	0.0%
1-634-6304-80-00	HET (High Efficiency Toilet) Rebates	9,221	9,221	-	0.0%
1-634-6304-81-00	Washing Machine Rebates	-	-	-	na
1-634-6304-82-00	Lawn-Be-Gone Rebates	17,685	17,685	-	0.0%
1-634-6304-83-00	Rain Barrels Rebates	2,665	2,665	-	0.0%
1-630-6300-00-00	<b>WATER CONSERVATION REBATES</b>	29,571	29,571	-	0.0%
	<b>OUTREACH/EDUCATION</b>	60,000	60,000	-	0.0%
1-640-6401-00-00	Water Quality	60,000	62,250	2,250	3.8%
1-640-6402-00-00	Pumping	50,000	51,875	1,875	3.8%

# DRAFT

## MID-PENINSULA WATER DISTRICT

### FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020

#### DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGETED	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
1-640-6403-00-00	Storage Tanks	10,000	10,375	375	3.8%
1-640-6404-00-00	Mains/Distribution	100,000	103,750	3,750	3.8%
1-640-6405-00-00	Meters & Service	10,000	35,000	25,000	250.0%
1-640-6406-00-00	Fire Hydrants	33,000	34,238	1,238	3.8%
1-640-6407-00-00	Regulator Stations	10,000	10,375	375	3.8%
1-640-6408-00-00	Safety	37,000	38,388	1,388	3.8%
1-640-6409-00-00	SCADA maintenance	14,415	14,956	541	3.8%
1-640-6410-00-00	Generator Maintenance	25,585	26,544	959	3.8%
1-640-6400-00-00	<b>FIELD OPERATIONS &amp; MAINTENANCE</b>	<b>350,000</b>	<b>387,750</b>	<b>37,750</b>	<b>10.8%</b>
1-650-6501-00-00	Buildings&Grounds	80,000	90,000	10,000	12.5%
1-650-6502-00-00	Equipment&Tools	20,000	20,750	750	3.8%
1-650-6503-00-00	Vehicles & Large Equipment	20,000	20,750	750	3.8%
1-650-6504-00-00	Fuel	30,000	31,125	1,125	3.8%
1-650-6500-00-00	<b>FACILITIES &amp; EQUIPMENT</b>	<b>150,000</b>	<b>162,625</b>	<b>12,625</b>	<b>8.4%</b>
1-660-6601-00-00	Cathodic Protection Survey	-	35,000	35,000	na
1-660-6602-00-00	Leak Detection Survey/Large Meter Testing	31,050	-	(31,050)	-100.0%
1-660-6600-00-00	<b>SYSTEM SURVEYS</b>	<b>31,050</b>	<b>35,000</b>	<b>3,950</b>	<b>12.7%</b>
1-670-6701-00-00	Office Supplies	15,991	15,563	(428)	-2.7%
1-670-6702-00-00	Insurance- Liability/Vehicles/Excess	82,800	83,000	200	0.2%
1-670-6703-00-00	Postage	8,528	5,188	(3,341)	-39.2%
1-670-6704-00-00	Printing/Print Supplies	10,350	17,638	7,288	70.4%
1-670-6705-00-00	Equipment Services/Maintenance	20,700	16,600	(4,100)	-19.8%
1-670-6706-00-00	Computer Supplies & Upgrades	33,120	25,938	(7,183)	-21.7%
1-670-6707-00-00	Security & Safety	11,461	11,931	470	4.1%
1-670-6708-00-00	Miscellaneous Fees	533	519	(14)	-2.7%
1-670-6709-00-00	Customer Credit Card Service Fees	130,000	130,000	-	0.0%
1-670-6700-00-00	<b>ADMINISTRATION &amp; EQUIP</b>	<b>313,483</b>	<b>306,375</b>	<b>(7,108)</b>	<b>-2.3%</b>
1-680-6801-00-00	Dues & Publications	31,759	34,186	2,427	7.6%
1-680-6802-00-00	Gov't Fees & Licenses	30,893	32,051	1,158	3.8%
1-680-6803-00-00	BAWSCA Membership Assessments	78,660	78,660	-	0.0%
1-680-6804-00-00	Env Health - Cross Connection Inspection	33,048	33,048	-	0.0%
1-680-6805-00-00	Software Licenses	41,555	50,640	9,085	21.9%
1-680-6800-00-00	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>215,915</b>	<b>228,585</b>	<b>12,670</b>	<b>5.9%</b>
1-690-6901-00-00	Bad Debt	24,000	24,000	-	0.0%
1-690-6902-00-00	Claims	6,000	6,000	-	0.0%
1-690-6900-00-00	<b>BAD DEBT &amp; CLAIMS</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>0.0%</b>

# DRAFT

## MID-PENINSULA WATER DISTRICT

### FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020

#### DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGETED	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
1-700-7001-00-00	Utilities-Internet/Cable	10,350	8,300	(2,050)	-19.8%
1-700-7002-00-00	Utilities-Cellular Telephones	12,633	13,488	855	6.8%
1-700-7003-00-00	Utilities-Electric-Pumping Costs	234,531	243,813	9,282	4.0%
1-700-7004-00-00	Utilities-Electric-Bldgs&Grounds	25,585	26,975	1,390	5.4%
1-700-7005-00-00	Utilities-Telephones	25,875	26,975	1,100	4.3%
1-700-7006-00-00	Utilities-Sewer - NPDES	7,943	7,263	(680)	-8.6%
1-700-7000-00-00	<b>UTILITIES</b>	<b>316,917</b>	<b>326,813</b>	<b>9,896</b>	<b>3.1%</b>
1-710-7101-00-00	Prof Serv - District Counsel	65,000	75,000	10,000	15.4%
1-710-7102-00-00	Prof Serv - District Engineer	100,000	100,000	-	0.0%
1-710-7103-00-00	Prof Serv - IT	22,000	22,000	-	0.0%
1-710-7104-00-00	Prof Serv- Annual Finance Audit	18,850	19,425	575	3.1%
1-710-7105-00-00	Mnmgt Consult	-	-	-	na
1-710-7106-00-00	Prof Serv- Accounting & Payroll	24,000	24,000	-	0.0%
1-710-7107-00-00	Prof Serv- Customer Billing	60,000	60,000	-	0.0%
1-710-7109-00-00	Prof Serv - Answering Svs	4,000	4,000	-	0.0%
1-710-7110-00-00	Prof Serv - Miscellaneous	352,550	152,550	(200,000)	-56.7%
1-710-7111-00-00	Prof Serv - District Treasurer	3,600	3,600	-	0.0%
1-710-7100-00-00	<b>PROFESSIONAL SERVICES</b>	<b>650,000</b>	<b>460,575</b>	<b>(189,425)</b>	<b>-29.1%</b>
1-720-7201-00-00	Director Travel	4,000	4,000	-	0.0%
1-720-7202-00-00	Director Expense	1,600	1,600	-	0.0%
1-720-7203-00-00	Elections	15,000	-	(15,000)	-100.0%
1-720-7204-00-00	Employee Travel/Training	24,400	24,400	-	0.0%
1-720-7205-00-00	Meetings Expense	5,000	7,500	2,500	50.0%
1-720-7200-00-00	<b>TRAINING &amp; TRAVEL</b>	<b>50,000</b>	<b>37,500</b>	<b>(12,500)</b>	<b>-25.0%</b>
1-730-7302-00-00	Restricted Earnings Expense - Interest LAIF	225,000	225,000	-	0.0%
1-730-7300-00-00	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>225,000</b>	<b>225,000</b>	<b>-</b>	<b>0.0%</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>na</b>
	<b>FINANCING COSTS - COP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1-900-9010-00-00	<b>DEPRECIATION</b>	931,500	970,000	38,500	4.1%
1-740-7405-00-00	<b>DEBT SERVICE 2016 COPs</b>	1,051,500	1,069,200	17,700	1.7%
<b>SUB-TOTAL - OPERATIONAL EXPENSES</b>		<b>10,029,989</b>	<b>9,954,046</b>	<b>(75,942)</b>	<b>-0.8%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>13,132,176</b>	<b>13,437,523</b>	<b>518,229</b>	<b>2.3%</b>
<b>NET OPERATING SURPLUS/(LOSS)</b>					
<b>TRANSFER TO CAPITAL</b>					
		45			
		445,625	283,477	(375,029)	na

# DRAFT

## MID-PENINSULA WATER DISTRICT

### FINAL DRAFT OPERATIONS BUDGET FOR FY 2019-2020

#### DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGETED	FINAL DRAFT OPERATIONS FY 2019-2020 BUDGET	Increase (Decrease)	% Change
	DEBT SERVICE COVERAGE	1.91	1.93		

**MID-PENINSULA WATER DISTRICT**  
**FINAL DRAFT CAPITAL BUDGET FOR FY 2019-2020**  
**CAPITAL OUTLAY/CAPITAL PROJECTS**

5/16/2019 10:53

DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGET \$	FINAL DRAFT CAPITAL FY 2019-2020 BUDGET \$
<b>CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)</b>		
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	750,000	-
2017 Water Main Replacement CIP (Pay-Go Portion)	5,000	-
AMI Meter Change Out Program	678,500	-
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,433,500</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>		
Replacement Mini-Excavator for Operations	45,998	-
Replacement Service Truck for Operations	90,000	-
Replace Hybrid Vehicles	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	50,000
<b>CAPITAL OUTLAY TOTAL</b>	<b>331,781</b>	<b>50,000</b>
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,765,281</b>	<b>50,000</b>
DEPRECIATION	931,500	970,000
TRANSFER FROM OPS	445,625	283,477
TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) *	595,000	-
TRANSFER (TO)/FROM CAPITAL RESERVES	(206,844)	(1,203,477)
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,765,281)	(50,000)
<b>NET RESULTS OF CAPITAL</b>	<b>(0)</b>	<b>(0)</b>
<b>* COMMITTED FROM PRIOR YEAR:</b>		
Joint CIP with City of Belmont	\$ 500,000	
Proceeds from sale of Surplus Items	\$ 95,000	
	<b>\$ 595,000</b>	



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

DATE: May 23, 2019  
TO: Board of Directors  
FROM: Julie Sherman, District Counsel

---

**SUBJECT: ENACT RESOLUTION 2019-10 APPROVING AN ADJUSTMENT TO THE COMPENSATION OF THE GENERAL MANAGER OF THE MPWD EFFECTIVE JANUARY 1, 2019, CORRESPONDING FIFTH AMENDMENT TO THE GENERAL MANAGER'S EMPLOYMENT AGREEMENT, AND UPDATED GENERAL MANAGER SALARY SCHEDULE**

---

### **RECOMMENDATION**

Enact Resolution 2019-10 approving an adjustment to the compensation of the General Manager effective as of January 1, 2019, and the Fifth Amendment to the General Manager's Employment Agreement.

### **FISCAL IMPACT**

The General Manager's current base salary is \$185,410. Sufficient funds are available in the District's Operating Budget to cover a compensation increase.

### **DISCUSSION**

The District Board of Directors hired Tammy Rudock as the District's General Manager and entered into an Employment Agreement with her dated December 21, 2012. That Agreement calls for an annual review of her performance and salary at or near the anniversary of her employment.

In accordance with the Agreement, the MPWD Board commenced the performance evaluation of the General Manager at the regular Board meeting of February 28, 2019. The Board completed this evaluation at its regular Board meeting of May 23, 2019, determining that her excellent performance warranted a compensation adjustment. The Board's recommendation is to approve a 3% increase in the General Manager's salary as of January 1, 2019, a \$1,000 monthly San Francisco Bay Area cost of living stipend, with the understanding that that the stipend is not intended to meet the definition of "payrate" or "special compensation" for purposes of reporting the General Manager's compensation to CalPERS, and a Fifth Amendment to her Employment Agreement, reflecting the recommended compensation adjustment.

Attachment: Resolution 2019-10  
Fifth Amendment to General Manager's Employment Agreement  
Updated General Manager Salary Schedule

---

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

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

**RESOLUTION NO. 2019-10**

**ENACTING AN ADJUSTMENT TO THE COMPENSATION OF THE GENERAL MANAGER  
OF THE MID-PENINSULA WATER DISTRICT EFFECTIVE JANUARY 1, 2019,  
CORRESPONDING FIFTH AMENDMENT TO THE GENERAL MANAGER'S  
EMPLOYMENT AGREEMENT, AND UPDATED GENERAL MANAGER SALARY SCHEDULE**

\* \* \*

**MID-PENINSULA WATER DISTRICT**

**WHEREAS**, by Resolution No. 2012-13, the Mid-Peninsula Water District Board of Directors appointed Tammy Rudock as the new General Manager and approved the execution of an Employment Agreement with her that was dated December 21, 2012; and

**WHEREAS**, the Employment Agreement calls for an annual performance evaluation and salary review around the anniversary date of the General Manager's employment; and

**WHEREAS**, the District Board commenced this annual review on February 28, 2019; and

**WHEREAS**, at the regular Board meeting on May 23, 2019, the Board completed the evaluation and proposed a 3% increase to the base salary of the General Manager, along with a monthly San Francisco Bay Area cost of living stipend, commencing as of January 1, 2019.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mid-Peninsula Water District hereby approves an increase in the salary of the General Manager bringing her total base salary to \$190,972, and approves a \$1,000 monthly San Francisco Bay Area cost of living stipend, effective January 1, 2019, with the understanding that that the stipend is not intended to meet the definition of "payrate" or "special compensation" for purposes of reporting the General Manager's compensation to CalPERS; and

**BE IT FURTHER RESOLVED** that the Board approves the Fifth Amendment to the General Manager's Employment Agreement that reflects the aforementioned increase and current salary level, and monthly stipend.

REGULARLY passed and adopted this 23<sup>rd</sup> day of May 2019.

AYES:

NOES:

ABSENCES:

ABSTENTIONS:

---

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

---

DISTRICT SECRETARY

**FIFTH AMENDMENT TO  
EMPLOYMENT AGREEMENT**

THIS FIFTH AMENDMENT TO EMPLOYMENT AGREEMENT is made as of the 1st day of January 2019, by and between the Mid-Peninsula Water District (hereinafter referred to as "DISTRICT") and Tammy A. Rudock (hereinafter referred to as "EMPLOYEE").

A. The Parties entered into an EMPLOYMENT AGREEMENT ("Agreement") under which EMPLOYEE is employed in the position of General Manager of the DISTRICT;

B. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in October of 2014 and took action to increase EMPLOYEE's salary to \$162,500 pursuant to Resolution No. 2015-01; and

C. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in December of 2015 and took action to increase EMPLOYEE's salary to \$172,250 pursuant to Resolution No. 2016-01; and

D. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in December of 2016 and took action to increase EMPLOYEE's salary to \$178,279 pursuant to Resolution No. 2017-06; and

E. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in January of 2018 and took action to increase EMPLOYEE's salary to \$185,410 pursuant to Resolution No. 2018-09; and

F. Following an annual performance evaluation, which commenced in February of 2019, the Board of Directors took action to increase EMPLOYEE's salary to \$190,972 and to include a \$1,000 monthly San Francisco Bay Area cost of living stipend pursuant to Resolution No. 2019-10; and

F. The Board of Directors desires to amend the Employment Agreement with the General Manager to reflect the adjustment in EMPLOYEE's compensation.

NOW THEREFORE, the Parties agree to amend the Agreement as follows:

1. Section 3.1, Salary, is hereby amended by deleting the first sentence in its entirety and replacing it with the following:

Effective as of January 1, 2019, the District agrees to pay Employee a salary at the annualized rate of \$190,972 for Employee's faithful and diligent performance of the duties and obligations of General Manager, payable in installments in accordance with the District's customary payroll practices. In addition, the District agrees to pay Employee a \$1,000 monthly San Francisco Bay Area cost of living stipend, with the understanding that that the stipend is not intended to meet the definition of "payrate" or "special compensation" for purposes of reporting the General Manager's compensation to CalPERS.

2. Except for those changes expressly specified in this Fifth Amendment, all other provisions, requirements, conditions, and sections of the Agreement, as previously amended, remain in full force and effect.



IN WITNESS WHEREOF, this Fifth Amendment to the Agreement is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

TAMMY A. RUDOCK

By: \_\_\_\_\_  
Louis Vella, President  
Board of Directors

\_\_\_\_\_



**GENERAL MANAGER**

SALARY SCHEDULE – Effective January 1, 2019

<b><i>Effective Date</i></b>	<b><i>Annual</i></b>
January 1, 2019	\$190,972
January 1, 2018	\$185,410
January 1, 2017	\$178,279
January 1, 2016	\$172,250
January 1, 2015	\$162,500
January 1, 2014	\$148,625
December 21, 2012	\$145,000



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

DATE: May 23, 2019  
TO: Board of Directors  
FROM: Tammy Rudock, General Manager

---

**SUBJECT: APPROVE REVISED ANNUAL PLANNING SCHEDULE FOR BOARD OF DIRECTORS**

---

### **RECOMMENDATION**

Approve revised Annual Planning Schedule for Board of Directors.

### **FISCAL IMPACT**

None.

### **BACKGROUND**

The Annual Planning Schedule for the Board of Directors was created in 2016 and approved by the Board on April 28, 2016. A revised version was approved on December 15, 2016, which is currently in use.

### **DISCUSSION**

For the most part, wordsmithing edits are being proposed as revisions to the schedule, which are self-explanatory. Notably, the proposed edits include:

1. JANUARY: The two-year Strategic Plan (rather than annual); and commencement of GM performance evaluation process (rather than in December).
2. FEBRUARY: Addition of the annual Form 700 reporting requirement; and added all employees to biennial harassment prevention training requirement per new legislation.
3. JULY: Moved up the Conflict of Interest Biennial report and policy review/update (from August) to ensure the MPWD's timely compliance.
4. SEPTEMBER: Added odd-numbered year, or as necessary, review of MPWD Personnel Manual.

Attachment: Annual Planning Schedule for Board of Directors – Revised May 23, 2019

---

BOARD ACTION: APPROVED:\_\_\_\_ DENIED:\_\_\_\_ POSTPONED:\_\_\_\_ STAFF DIRECTION:\_\_\_\_  
UNANIMOUS\_\_\_\_ VELLA\_\_\_\_ ZUCCA\_\_\_\_ WARDEN\_\_\_\_ SCHMIDT\_\_\_\_ WHEELER\_\_\_\_

## ANNUAL PLANNING SCHEDULE FOR BOARD OF DIRECTORS

MONTH	ACTIVITIES
JANUARY	<ol style="list-style-type: none"> <li><u>In odd-numbered years, hold a Special Board meeting to <del>consider and</del> develop a two-year annual Strategic Plan, including review of Mission/Vision/Strategic Goal Statements and Director Assignments/Committees.</u></li> <li>Annual water awareness calendar contest award presentations.</li> <li>Receive BAWSCA report.</li> <li>Closed Session: <u>Complete Conference with</u> General Manager <u>regarding</u> annual performance evaluation.</li> <li>Required Statement of Facts, Roster of Public Agencies Filing, to be completed and transmitted to the Secretary of State and County of San Mateo regarding verification of the governing body and its members and officers (CA Government Code § 53051). Post to website.</li> </ol>
FEBRUARY	<ol style="list-style-type: none"> <li><u>In odd-numbered years, consider Approve approval of annual two-year Strategic Plan. Post to website.</u></li> <li><u>Receive mid-year review of current fiscal year Operating and Capital Budgets and consider/approve the Amended Budgets. Post to website.</u></li> <li><u>Closed Session: Complete General Manager performance evaluation.</u></li> <li><u>Form 700s due by April 1<sup>st</sup> to San Mateo County.</u></li> <li><u>Required Harassment Prevention training for all employees, supervisors and elected officials to be completed every two years (AB 1825, and AB 1661, and SB 1343).</u></li> </ol>
MARCH	<ol style="list-style-type: none"> <li>Consider preliminary revenue requirements and proposed water rate adjustments.</li> <li>Discuss preliminary DRAFT Operating Budget for next fiscal year.</li> <li>Discuss preliminary DRAFT Capital Budget for next fiscal year.</li> <li>Receive BAWSCA report.</li> </ol>
APRIL	<ol style="list-style-type: none"> <li><u>If needed, schedule a Special Board meeting for water rates workshop.</u></li> <li>Approve water rate adjustments effective July 1<sup>st</sup>. (Required 30-day notice to ratepayers.)</li> <li>Review working DRAFT Operating Budget for next fiscal year.</li> </ol>

	<ol style="list-style-type: none"> <li>Review working DRAFT Capital Budget for next fiscal year.</li> <li>Approve General Manager annual performance assessment process and tool.</li> </ol>
MAY	<ol style="list-style-type: none"> <li>Consider final DRAFT Operating Budget for next fiscal year.</li> <li>Consider final DRAFT Capital Budget for next fiscal year.</li> <li>Receive BAWSCA report.</li> </ol>
JUNE	<ol style="list-style-type: none"> <li>Adopt fiscal year Operating Budget. Post to website.</li> <li>Adopt fiscal year Capital Budget. Post to website.</li> </ol>
JULY	<ol style="list-style-type: none"> <li>Establish Appropriations Limit applicable to the MPWD during fiscal year.</li> <li>Consider/Approve budgeted annual professional services agreements.</li> <li>Consider/Approve living wage adjustment for MPWD Employees Association (through September 2018).</li> <li>Receive BAWSCA report.</li> <li><u>In even-numbered years, review Conflict of Interest Code; and if updated, remit to San Mateo County by September 1<sup>st</sup>. Or, if there are no changes, remit Biennial Report to San Mateo County by September 1<sup>st</sup>.</u></li> </ol>
AUGUST	<ol style="list-style-type: none"> <li>Receive progress report on annual Strategic Plan.</li> <li><del>California law requires that the MPWD review and update its Conflict of Interest Code every even-numbered year.</del></li> <li><del>2.</del> <u>Required Annual Report on Fiscal Year Reimbursements over \$100 to Employees. Post to website (CA Government Code § 53065.5).</u></li> <li><del>3.</del> <u>Required Catalog of Enterprise Systems annual review and update as necessary. Post to website (SB 272).</u></li> </ol>
SEPTEMBER	<ol style="list-style-type: none"> <li>Receive General Manager's MPWD annual progress report for fiscal year end.</li> <li>Receive BAWSCA report.</li> <li><u>In odd-numbered years, or as necessary, Rreview and update MPWD Personnel Manual (including meet and confer with MPWD Employees Association)-and update as necessary.</u> Post to website.</li> </ol>
OCTOBER	<ol style="list-style-type: none"> <li>Receive annual financial audit report for fiscal year end. Post to website.</li> <li>Required Ethics training for Form 700 officers and elected officials to be completed <u>per MPWD schedule</u>. (AB 1234).</li> </ol>
NOVEMBER	<ol style="list-style-type: none"> <li>Consider/Approve annual Board meeting schedule. Post to website.</li> <li>Receive annual PARS OPEB trust account performance review and confirm investment strategy.</li> </ol>



DECEMBER	<ol style="list-style-type: none"> <li>1. Election of officers (followed by reception).</li> <li>2. <u>In even-numbered years, S</u>chedule <del>annual</del> January strategic planning <del>s</del>Special <u>Board</u> meeting.</li> <li>3. Receive BAWSCA report <u>(carry over from November)</u>.</li> <li>4. <del>Closed Session: Conference with General Manager regarding annual performance evaluation.</del></li> </ol>



TO: Board of Directors

FROM: Tammy A. Rudock  
General Manager

DATE: May 23, 2019

---

## MANAGER'S REPORT

---

### **FOLLOW-UP FROM 04/25/19 REGULAR BOARD MEETING**

- Quarterly Reports on 2016 COP Financing through March 31, 2019 posted to the website.
- Ordinance No. 120 Amending Attachment "A" to the MPWD Water Service Ordinance, regarding Rates and Charges, effective July 1, 2019 posted to the website.
- Rates notice developed for mailing to customers no later than May 31, 2019, and posted to the website.

### **ACWA REGION 5 BOARD OF DIRECTORS**

The Region 5 Nominating Committee is seeking ACWA members interested in leading the direction of the ACWA Region 5 for the FY 2020/2021 term. The Region 5 Board is comprised of a Chair, Vice Chair, and up to five (5) Board Member positions. The filing deadline is Friday, June 28, 2019. For any MPWD Director interested, the Board could consider approving the required resolution at next month's regularly scheduled meeting.

### **HIGHLIGHTS FROM ACWA JPIA & ACWA ANNUAL SPRING CONFERENCE – May 6-10, 2019**

#### **ACWA JPIA Conference – May 6-7, 2019**

##### **Property Program**

Seven (7) agencies joined the Property Program during the 2018-2019 coverage year:

1. Fresno Slough Water District
2. South Tahoe Public Utility District
3. Chino Basin Desalter Authority
4. Monte Vista Water District
5. Sites Project Authority
6. Sierra County Waterworks
7. El Dorado Irrigation District

Total number of program members: 275

Alameda County Water District will be joining on July 1, 2019.

An exclusion was added to the MPOC (Memorandum of Property Coverage) that all properties not scheduled prior to a loss will not be covered.

A tiered deductible system was approved for Cyber Liability losses based on agency revenues (scale of operations measurement). The MPWD's deductible will be \$25,000. JPIA's pooled exposure will be no more than \$40,000 per occurrence.

The JPIA continues to negotiate renewal terms and pricing for the Property Program. The JPIA experienced significant catastrophic losses over the past year (wildland fires).

#### Workers' Compensation Program

Six (6) agencies joined the Workers' Compensation Program during the 2018-2019 coverage year:

1. South Tahoe Public Utility District
2. Chino Basin Desalter Authority
3. Monte Vista Water District
4. Tri-County Water Authority
5. South Bay Irrigation District
6. Ramirez Water District

Total number of program members: 193

Alameda County Water District will be joining on July 1, 2019.

An extension of benefits was approved for member agencies utilizing work release participants for a quarterly fee assessment of \$1,000 per capita.

Rates were reduced by 10% for policy period 2016-2017 and remain unchanged for the current year (2018-2019). It was approved that there would be no changes to the pricing for the program's policy year 2019-2020.

#### Executive Committee Election

Elections are held in odd-numbered years and require that all members of the Executive Committee, except the Vice President of ACWA, be representatives of JPIA members that participate in all four of the Programs: Liability, Property, Workers' Compensation, and at least one of the Employee Benefits programs.

The election for four (4) Executive Committee member positions for terms of four (4) years each produced the following results:

- Fred Bockmiller – Mesa Water District
- E. G. "Jerry" Gladbach – Santa Clarita Valley Water Agency (incumbent)
- Brent Hastey – Yuba County Water Agency
- J. Bruce Rupp – Humboldt Bay Municipal Water District (incumbent)

#### California Water Insurance Fund Election

The newly formed California Water Insurance Fund (CWIF - an ACWA JPIA Captive Insurance Company) is comprised of seven (7) members and made up of four (4) current Executive Committee members, a resident of Utah (a Utah state requirement), and two (2) members that are elected from the JPIA's Board of Directors at large.

The election filled two (2) CWIF board member positions for an initial term of three (3) years each. Thereafter, the terms will be two (2) years each. To qualify, the candidate's agency must participate in the Liability Program and on additional JPIA program. Elected were:

- Andrew Morris – Santa Rosa Regional Resources Authority



- Scott Quady – Calleguas Municipal Water District

#### New Member Agencies

The following agencies have joined the JPIA:

1. Bedford-Coldwater Groundwater Sustainability Agency  
Program: Liability
2. South Bay Irrigation District  
Program: Liability, Workers' Compensation
3. Santa Clarita Valley Groundwater Sustainability Agency  
Program: Liability

#### Administrative and Financial

The JPIA Bylaws were revised to allow for a 30-day nomination period (from 45 days) for Executive Committee members.

Gilbert Associates performed the annual audit for FY 2017-2018 and the JPIA received an unmodified opinion, which stated that the financial statements presented fairly, in all material respects, the financial position of the JPIA as of September 30, 2018.

The Operating Budget for FY October 1, 2019-2020 was approved. The largest increase was in salaries due to increased salaries for managers and directors in line with market based salary information. Overall, the increase in the operating budget was .1%.

#### Pooled Programs Update

The JPIA has four (4) major pooled programs:

1. Liability Program, created in 1979;
2. Property Program, created in 1982;
3. Workers' Compensation Program, created in 1984; and
4. Employee Benefits Program, created in 2012.

JPIA's stability continued with a strong financial position of \$178 million in net assets.

The Liability Program has 324 members. The renewal at October 1, 2019, will reflect a 9% reduction in rates. The program has a \$5 million retention and provides \$60 million reinsurance.

As stated above, the Property Program rates will remain flat and not increase in FY 2019-2020; and the Workers' Compensation Program is stable and rates will not increase in FY 2019-2020.

#### Membership Benefits

Safety awards were announced.

The Risk Control Grant Program was presented. It was designed to reinforce strategic risk management directions and re-energize loss reduction efforts of the member agencies, and to promote the implementation of best practices that will prevent or mitigate losses in the JPIA Workers' Compensation Program. JPIA member agencies are eligible for a grant up to \$10,000 to fund their risk management and safety program projects or equipment.

A training update was provided.

Leadership Program and Human Resources Group updates were presented.

### **ACWA Conference – May 7-9, 2019**

I attended the following sessions:

Tuesday, May 7<sup>th</sup>:

Welcome Reception in the Exhibit Hall

Wednesday, May 8<sup>th</sup>:

Opening Breakfast – A New Leader for the State Water Resources Control Board (Joaquin Esquivel, Chair)

Finance Program: *Water Rates and Regulation Trends – Where are We Now and Where are We Going?*

Lunch Keynote Presentation: California EPA

Exhibitor Case Study: *Pensions under Attack*

Local Government Committee: *Legislative Round Up*

Thursday, May 9<sup>th</sup>:

Statewide Issues Forum: *Safe and Affordable Drinking Water – Is 2019 the Year for Agreement?*

Lunch Keynote Presentation: *Building a Water Resilience Strategy for California* (Wade Crowfoot, Secretary, CA Natural Resources Agency)

### **WATER CONSERVATION SUMMARY**

Water consumption for April was down 25.0% when compared to 2013. (For trend comparison, last year for April was down 29.5% when compared to 2013.)

The R-GPCD (Residential-Gallons per Capita per Day) for April was 75.1 (compared to 87.9 in 2013).

Cumulative water savings from July 1, 2018 through April 30, 2019 (compared to 2013) was -15.9%.

### **3-MONTH “LOOK AHEAD” FOR BOARD MEETINGS\***

JUNE 27, 2019

- Adopt Operating & Capital Budgets for FY 2019/2020.

JULY 25, 2019

- Establish Appropriations Limit.
- Consider/Approve budgeted annual professional services agreements.
- Receive BAWSCA update.

AUGUST 22, 2019

**NO MEETING SCHEDULED**

*\*In 2019: Required bi-annual AB 1825 Harassment Prevention training by January 1, 2020 expanded for all employees (SB 1343) and for elected officials (AB 1661) will be scheduled.*

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

Everyone is current with their Ethics training! The due dates (in alphabetical order) for certification renewal of Public Service Ethics education, required every two (2) years by AB 1234:

- 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 March 18, 2021
- Julie Sherman February 8, 2021
- Louis Vella December 4, 2020
- Dave Warden January 26, 2021
- Kirk Wheeler January 3, 2021
- Matt Zucca March 29, 2021

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>

---

#### UPCOMING MEETINGS/EVENTS

BAWSCA Water Management Meeting (Foster City): June 6, 2019

HIA Meeting (Belmont): June 6, 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



## MEMORANDUM

Date: May 2, 2019

To: ACWA REGION 5 MEMBER AGENCY PRESIDENTS AND GENERAL MANAGERS  
(sent via e-mail)

From: ACWA REGION 5 NOMINATING COMMITTEE  
**Bette Boatmun**, Contra Costa County Water District  
**Brian Lockwood**, Pajaro Valley Water Management Agency  
**Robert McDonsals**, Carpinteria Valley Water District

The Region 5 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 5 for the 2020-2021 term. The Nominating Committee is currently seeking candidates for the Region 5 Board, which is comprised of Chair, Vice Chair and up to five Board Member positions.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 5 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 5. The members of the Region 5 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

If you, or someone within your agency, are interested in serving in a leadership role within ACWA by becoming a Region 5 Board Member, please familiarize yourself with the Role of the Regions and Responsibilities; the Election Timeline; and the [Region 5 Rules and Regulations](#) and complete the following steps:

- **Complete the attached Region Board Candidate Nomination Form [HERE](#)**
- **Obtain a Resolution of Support from your agency's Board of Directors** (Sample Resolution [HERE](#))
- **Submit the requested information to ACWA as indicated by Friday, June 28, 2019**

The Region 5 Nominating Committee will announce their recommended slate by July 31, 2019. On August 1, 2019 the election will begin with ballots sent to General Managers and Board Presidents. One ballot per agency will be counted. The election will be completed on September 30, 2019. On October 4, 2019, election results will be announced. The newly elected Region 5 Board Members will begin their two-year term of service on January 1, 2020.

If you have any questions, please contact Regional Affairs Representative Brian Sanders, at [brians@acwa.com](mailto:brians@acwa.com) or (916) 441-4545.

## 2019 ACWA Region Election Timeline 2020-2021 Term

**February 28:**

### **NOMINATING COMMITTEES APPOINTED**

- With concurrence of the region board, the region chairs appoint at least three region members to serve as the respective region's Nominating Committee
- Those serving on nominating committees are ineligible to seek region offices
- Nominating Committee members are posted online at [www.acwa.com](http://www.acwa.com)

**March 1-31:**

### **NOMINATING COMMITTEE TRAINING**

- Nominating Committee packets will be e-mailed out to each committee member
- ACWA staff will hold a training session via conference call with each nominating committee to educate them on their specific role and duties
  - Regions 1-10 Nominating Committees: via Go-to-Meeting

**May 13:**

### **CALL FOR CANDIDATES**

- The call for candidate nominations packet will be e-mailed to ACWA member agency Board Presidents and General Managers

**June 28:**

### **DEADLINE FOR COMPLETED NOMINATION FORMS**

- Deadline to submit all Nomination Forms and board resolutions of support for candidacy for region positions
- Nominating Committee members may need to solicit additional candidates in person to achieve a full complement of nominees for the slate

**July 10:**

### **CANDIDATE INFORMATION TO NOMINATING COMMITTEES**

- All information submitted by candidates will be forwarded from ACWA staff to the respective region Nominating Committee members with a cover memo explaining their task

## July 11 - 31:

### RECOMMENDED SLATES SELECTED

- Nominating Committees will meet to determine the recommended individuals for their region. The slate will be placed on the election ballot.
- Nominating Committee Chairs will inform their respective ACWA Regional Affairs Representative of their recommended slate by July 24
- Candidates will be notified of the recommended slate by August 1
- The Nominating Committee Chair will approve the official region ballot

## August 1:

### ELECTIONS BEGIN

- All 10 official electronic ballots identifying the recommended slate and any additional candidates for consideration for each region will be produced and e-mailed to ACWA member agencies only
- Only one ballot per agency will be counted

## September 30:

### ELECTION BALLOTS DUE

- ***Deadline for all region elections. All region ballots must be received by ACWA by **September 30, 2019*****

## October 4:

### ANNOUNCEMENT OF ELECTION RESULTS

- Newly-elected members of the region boards will be contacted accordingly
- An ACWA Advisory will be distributed electronically to all members reporting the statewide region election results
- Results will be posted at [acwa.com](http://acwa.com) and will be published in the October issue of ACWA News



Name of Candidate: \_\_\_\_\_

Agency: \_\_\_\_\_ Title: \_\_\_\_\_

Agency Phone: \_\_\_\_\_ Direct Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_ ACWA Region: \_\_\_\_\_ County: \_\_\_\_\_

Address: \_\_\_\_\_

**Region Board Position Preference: (If you are interested in more than one position, please indicate priority - 1st, 2nd and 3rd choice)**

☐ Chair \_\_\_\_\_

☐ Vice Chair \_\_\_\_\_

☐ Board Member \_\_\_\_\_

**In the event, you are not chosen for the recommended slate, would you like to be listed on the ballot's individual candidate section?** (If neither is selected, your name will **NOT** appear on the ballot.)

☐ Yes

☐ No

**Agency Function(s):** (check all that apply)

☐ Wholesale

☐ Sewage Treatment

☐ Flood Control

☐ Urban Water Supply

☐ Retailer

☐ Groundwater Management / Replenishment

☐ Ag Water Supply

☐ Wastewater Reclamation

☐ Other: \_\_\_\_\_

**Describe your ACWA-related activities that help qualify you for this office:**

---

---

---

**In the space provided, please write or attach a brief, half-page bio summarizing the experience and qualifications that make you a viable candidate for ACWA Region leadership. Please include the number of years you have served in your current agency position, the number of years you have been involved in water issues and in what capacity you have been involved in the water community.**

---

---

---

---

---

*I acknowledge that the role of a region board member is to actively participate on the Region Board during my term, including attending region board and membership meetings, participating on region conference calls, participating in ACWA's Outreach Program, as well as other ACWA functions to set an example of commitment to the region and the association.*

*I hereby submit my name for consideration by the Nominating Committee.*

*(Please attach a copy of your agency's resolution of support/sponsorship for your candidacy.)*

\_\_\_\_\_  
Signature Title Date

## **ACWA Region 5 Rules & Regulations**

*Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association (ACWA Bylaw V, 6.).*

### **Officers**

Region officers must be a local agency board member.

The chair shall appoint a secretary to the Board if one is deemed necessary.

### **Attendance**

If a region chair or vice chair is no longer allowed to serve on the Board of Directors due to his / her attendance, the region board shall appoint from the existing region board a new region officer. (ACWA Policy & Guideline Q, 1.)

If a region chair or vice chair misses three consecutive region board / membership meetings, the same process shall be used to backfill the region officer position. (ACWA Policy & Guideline Q, 1.)

If a region board member has three consecutive unexcused absences from a region board meeting or general membership business meeting, the region board will convene to discuss options for removal of the inactive board member. If the vacancy causes the board to fail to meet the minimum requirement of five board members, the region must fill the vacancy according to its rules and regulations. (ACWA Policy & Guideline Q, 3.)

### **Vacancy**

The vice chair position shall automatically ascend to the chair position in the event that a vacancy occurs in the chair position during the regular term cycle.

### **Elections**

All nominations received for the region chair, vice chair and board positions must be accompanied by a resolution of support from each sponsoring member agency, signed by an authorized representative of the Board of Directors. Only one individual may be nominated from a given agency to run for election to a region board. Agencies with representatives serving on the nominating committees should strive not to submit nominations for the region board from their agency. (ACWA Policy & Guideline P, 2.)  
Election ballots will be e-mailed to ACWA member agency general managers and presidents.

The nominating committee shall consist of three to five members.

In an effort to preserve objectivity during the nominating committee process, candidates other than nominating committee members shall be nominated for election.

The nominating committee should pursue qualified members within the region to run for the region board, and should consider geographic diversity, agency size and focus in selecting a slate.

*See the current region election timeline for specific dates.*



### **Endorsements**

ACWA, as a statewide organization, may endorse potential nominees and nominees for appointment to local, regional, and statewide commissions and boards. ACWA's regions may submit a recommendation for consideration and action to the ACWA Board of Directors to endorse a potential nominee or nominee for appointment to a local, regional or statewide commission or board. (ACWA Policy & Guideline P, 3.)

### **Committee Recommendations & Representation**

All regions are given equal opportunity to recommend representatives of the region for appointment to a standing or regular committee of the Association. If a region fails to provide full representation on all ACWA committees, those committee slots will be left open for the remainder of the term or until such time as the region designates a representative to complete the remainder of the term. (ACWA Policy & Guideline P, 4. A.)

At the first region board / membership meeting of the term, regions shall designate a representative serving on each of the standing and regular committees to serve as the official reporter to and from the committee on behalf of the region to facilitate input and communication. (ACWA Policy & Guideline P, 4. B.)

### **Tours**

ACWA may develop and conduct various tours for the regions. All tour attendees must sign a "release and waiver" to attend any and all region tours. Attendees agree to follow environmental guidelines and regulations in accordance with direction from ACWA staff; and will respect the rights and privacy of other attendees. (ACWA Policy & Guideline P, 6.)

### **Finances**

See "Financial Guidelines for ACWA Region Events" document.

### **Amending the Region Rules & Regulations**

ACWA policies and guidelines can be amended by approval of the ACWA Board of Directors. The Region 5 Rules & Regulations can be amended by a majority vote of those present at any Region 5 meeting as long as a quorum is present.

## THE ROLE OF THE REGIONS

### Mission:

*ACWA Regions will provide the grassroots support to advance ACWA's legislative and regulatory agenda.*

### Background:

As a result of ACWA's 1993 strategic planning process, known as Vision 2000, ACWA modified its governance structure from one that was based on sections to a regional-based configuration. Ten regions were established to provide geographic balance and to group agencies with similar interests.

### The primary charge of regions:

- To provide a structure where agencies can come together and discuss / resolve issues of mutual concern and interest and based on that interaction, provide representative input to the ACWA board.
- To assist the Outreach Task Force in building local grassroots support for the ACWA Outreach Program in order to advance ACWA's legislative and regulatory priorities as determined by the ACWA Board and the State Legislative, Federal Affairs or other policy committees.
- To provide a forum to educate region members on ACWA's priorities and issues of local and statewide concern.
- To assist staff with association membership recruitment at the regional level.
- To recommend specific actions to the ACWA Board on local, regional, state and federal issues as well as to recommend endorsement for various government offices and positions.
  - *Individual region boards CANNOT take positions, action or disseminate communication on issues and endorsements without going through the ACWA Board structure.*

Region chairs and vice chairs, with support from their region boards, provide the regional leadership to fulfill this charge.

### ***GENERAL DUTIES / RESPONSIBILITIES FOR REGION OFFICERS***

#### Region Chair:

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Chair will also call at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Is a member of ACWA's Outreach Program, and encourages region involvement.
  - Appoints Outreach Captain to help lead outreach effort within the region.

- Presides over all region activities and ensures that such activities promote and support accomplishment of ACWA's Goals.
- Makes joint recommendations to the ACWA President regarding regional appointments to all ACWA committees.
- Appoints representatives in concurrence of the region board, to serve on the region's nominating committee with the approval of the region board.
- Facilitates communication from the region board and the region membership to the ACWA board and staff.

#### Region Vice Chair:

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Vice Chair will also participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- In the absence of the chair and in partnership with the chair, exercises the powers and performs duties of the region chair.
- Is a member of ACWA's Outreach Program, and encourages region involvement.
- Makes joint recommendations to the ACWA president regarding regional appointments to all ACWA committees.

#### Region Board Member:

- May serve as alternate for the chair and/or vice chair in their absence (if appointed) to represent the region to the ACWA Board.
- Will participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Supports program planning and activities for the region.
- Actively participates and encourages region involvement in ACWA's Outreach Program.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
(DISTRICT NAME)  
PLACING IN NOMINATION (NOMINEE NAME)  
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES  
REGION \_\_\_\_ (POSITION)**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF (DISTRICT NAME) AS FOLLOWS:

A. Recitals

(i) The Board of Directors (Board) of the (District Name) does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).

(ii) (Nominee Title), (Nominee Name) is currently serving as (Position) for ACWA Region \_\_\_\_

and/or

(iii) (Nominee Name) has indicated a desire to serve as a (Position) of ACWA Region \_\_\_\_.

B. Resolves

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF (DISTRICT NAME),

(i) Does place its full and unreserved support in the nomination of (Nominee Name) for the (Position) of ACWA Region \_\_\_\_.

(ii) Does hereby determine that the expenses attendant with the service of (Nominee Name) in ACWA Region \_\_\_\_ shall be borne by the (District Name).

Adopted and approved this \_\_\_\_ day of \_\_\_\_ (month) 2019.

(SEAL)

\_\_\_\_\_  
(Nominee Name), (Title)  
(District Name)

December 11, 2018

ATTEST:

---

(Secretary Name), Secretary

I, (SECRETARY NAME), Secretary to the Board of Directors of (District Name), hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District, held on the \_\_\_\_ day of \_\_\_\_ (month) 2017, and was adopted at that meeting by the following roll call vote:

AYES:

NOES:

ABSENT:

ATTEST:

---

(Secretary Name), Secretary to the  
Board of Directors of  
(District Name)

December 11, 2018



TO: Board of Directors

FROM: Candy Pina

DATE: May 23, 2019

## ADMINISTRATIVE SERVICES MANAGER'S REPORT

### FINANCIAL REPORTING:

#### Schedule of Cash and Investments:

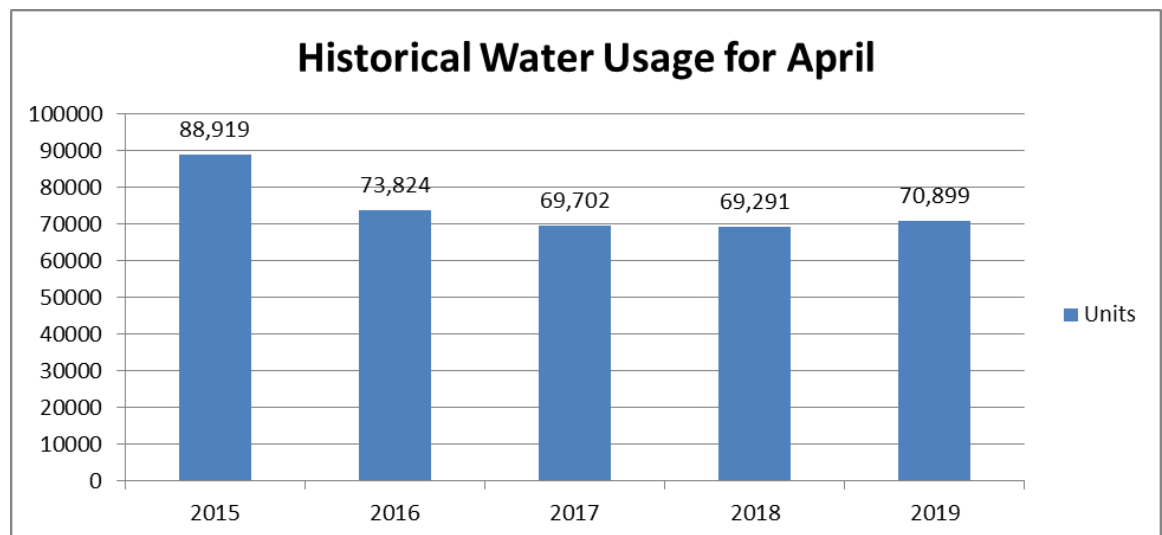
SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE 4/30/2019	BALANCE @ 05/13/19
PETTY CASH	\$400	\$400
CASH DRAWER	\$200	\$200
WELLS FARGO CHECKING	\$174,953	\$215,519
LAIF	\$4,021,896	\$4,021,896
BNY INSTALLMENT ACCOUNT	\$546,681	\$546,681
<b>TOTAL</b>	<b>\$4,744,129</b>	<b>\$4,784,695</b>

Reserve Account	Balance @ 04/30/17	Balance @ 04/30/18	Balance @ 04/30/19	Budget for Reserve Policy
Capital Reserves			\$ 2,217,697	\$ 1,500,000
Working Capital Reserves			\$ 1,500,000	\$ 1,500,000
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 5,568,454</b>	<b>\$ 6,847,072</b>	<b>\$ 3,717,697</b>	<b>\$ 3,000,000</b>
Committed Capital Pay-Go*			\$ 304,199	\$ 595,000
PARS OPEB Liability			\$ -	\$ 1,500,000
PARS PRSP Pension Liability			\$ -	\$ 1,600,000
<b>APPROVED RESERVE EXP</b>			<b>\$ 304,199</b>	<b>\$ 3,695,000</b>
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 5,568,454</b>	<b>\$ 6,847,072</b>	<b>\$ 4,021,896</b>	<b>\$ 6,695,000</b>

\* Committed Capital Pay-Go spent to date totals \$790,801 for Joint Capital Project with Belmont so reduced liability by that amount which includes both the \$595,000 and the \$500,000 identified in the Approved Mid-Year Budget.

## Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2018/2019					
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
FEB	69,797	569,182	241,945	811,127	1,335
MAR	66,999	518,060	240,416	758,476	1,340
APR	70,899	583,906	243,357	827,263	1,355
<b>TOTAL</b>	<b>939,754</b>	<b>7,900,607</b>	<b>2,390,828</b>	<b>10,291,435</b>	<b>13,250</b>



**MISC FEE REVENUES UPDATE:**

The new fees were introduced to the rate payers starting in October 2018, and implemented starting January 1, 2019. MPWD was charged \$49,186 in credit card fees during the months of January through April, recovering about 47% of the credit card costs. The other fees are significantly lower since implementation.

<b>MISCELLANEOUS FEE REVENUES COLLECTED - 2019</b>						
Month	Credit Card Fees	Late Fees	48-Hour Notice Fees	Shut Off Fees	After Hour Fees	Total Fees
JAN	6,576	-	-	-	-	6,576
FEB	5,427	-	-	-	-	5,427
MAR	5,960	7,140	8,270	2,250	300	23,920
APR	5,090	3,410	3,170	260	-	11,930
<b>TOTAL</b>	<b>23,053</b>	<b>10,550</b>	<b>11,440</b>	<b>2,510</b>	<b>300</b>	<b>47,853</b>

**CONFERENCES, TRAINING, & MEETINGS:**

- 1) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 04/29/19 – Administrative Luncheon
- 2) Jeanette Kalabolas/Misty Malczon/Laura Ravella: 05/01/19 – Meeting with Candy Pina to discuss reorganization of duties
- 3) Jeanette Kalabolas/Misty Malczon/Laura Ravella/Candy Pina: 05/03/19 – Employee Appreciation Dinner
- 4) Misty Malczon: 05/09/19 – Secrets of Civic Pay Administration Meeting
- 5) Candy Pina: 05/14/19 – Financial Review meeting with Vincent Xi from District Treasurer's office
- 6) Jeanette Kalabolas/Laura Ravella: 05/15/19 – APWA 2019 Rodeo Event (City of Belmont Public Works Yard)
- 7) Candy Pina: 05/16-05/22/19 – Government Financial Officers Association (GFOA) Conference in Los Angeles, CA
- 8) Jeanette Kalabolas: 05/22/19 – BAWSCA Spring 2019 Landscape Class
- 9) Jeanette Kalabolas/Misty Malczon/Laura Ravella: 05/22/19 – City of Belmont Public Works Open House (Twin Pines Meadow)

**TEAM BUILDING ACTIVITIES**

We had our Employee Appreciation Dinner on 5/3 which was a great success. We had record attendance at this event.





TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: May 23, 2019

---

## OPERATIONS REPORT – April

---

### Projects:

- Below is current AMI status as of May 8, 2019

<b>As Of 5-8-2019</b>			
<b>AMI Installation Status</b>		<b>93.8%</b>	
<b>New Development Status</b>		<b>100.00%</b>	
<b>Total Meters</b>		<b>8020</b>	<b>Total New</b>
			<b>110</b>
<b>AMI Installations</b>		<b>7827</b>	<b>AMI Installations</b>
			<b>110</b>
<b>Remaining</b>		<b>192</b>	<b>Remaining</b>
			<b>0</b>
<b>Installations</b>			
<b>January</b>	256	<b>Mar 21 to Apr 18</b>	770
<b>February 1-20</b>	578	<b>Apr 19 to May 8</b>	299
<b>February 21 to March 20</b>	759		

- Work on remaining AMI meters to install will include much more work on District or customer plumbing to complete, which will take longer and therefore fewer meters per day will be installed;
- Participated in a pre-bid meeting for the 2019 Water Main Replacement Project (CIP: 07-1621-CP). There were 11 contractors present for pre-bid, which allows them to bid on project as well; and
- Constructed service upgrades to: 517 Middlesex, 2021 Lyon, 1525 Vine, 1612 Clee, and 1651 Francis.

### Maintenance:

- Responded to and completed 209 USA (underground service alerts) requests in March. There was a negligible drop of 3 from last month when we responded to 212. Staff has noticed construction pick up in the community;

- Large meter testing, for accuracy, has been completed for the fiscal year;
- Read meters in zones 2 and 3 without AMI, which is shrinking with each week;
- Staff has concluded with a specific flushing program in Zone 1 and 2 in anticipation of Hillcrest site water deliveries being turned off while improvements are made;
- Completed repairs in right-of-way (customers front yard) following repair on a 4-inch water main break at 1516 Solana in March 2019;
- Replaced meter box and concrete at 1930 Hillman;
- Replaced customer water service on District's side of meter at 2804 San Juan following installation of new AMI meter;
- Repair pavement at Coronet and Arthur after water leak;
- Replace the fire hydrant near 1600 El Verano;
- Collected a requisite 44 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. All tanks are in service as we prepare for the Hillcrest Pressure Reducing Station project, which will require water for Zone 1 to come downhill from Hallmark and West Belmont tanks.

#### **System Repairs:**

<b>Date</b>	<b>Location</b>	<b>Event</b>	<b>Material</b>	<b>Installation Date</b>	<b>Estimated Water Loss (Gals.)</b>
<b>4/24/19</b>	<b>Merry Moppet @Carlmont</b>	<b>Service Leak</b>	<b>6" CIP</b>	<b>1958</b>	<b>&lt;500</b>

#### **Development:**

Staff is currently working with developers on 56 development projects:

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

- o 576-600 El Camino Real – 36 meters installed at manifold. Awaiting conduit installations/punch list items prior to wiring remotes;
- o 1325 Old County Rd. – Project re-submitted larger project of 250 units; Currently reviewing plans;
- 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 – Letter of intent provided.

##### **Commercial:**

- o 539 Harbor Blvd. – Updated installation quote;

- City of Belmont Island Park - Plans through staff approval process;
- 1477 El Camino Real – Currently reviewing their plans;
- Belmont Ave Parcel APNs – (2) awaiting plans;
- 1500 Ralston Ave. – Plans through staff approval process;;
- 1400 Alameda de las Pulgas – Plans through staff approval process;
- 1306-1308 Old County Rd. – Submittals approved;
- 1888 Ralston – Awaiting contractor installation
- 612 Mountain View - Awaiting plans
- 880 Old County Rd. – Installation complete;
- 1110 Old County Rd. – Plans through staff approval process; and
- 2710 Ralston Ave. – Currently reviewing plans.

Residential:

- 2828 Monroe - Plans through staff approval process;
- 513 Chesterton Ave. Plans through staff approval process;
- 1926 Oak Knoll Dr. – Plans through staff approval process;
- 1830 Robin Whipple – Provided installation quote;
- 2009 Mezes – Provided installation quote;
- 2723 Monserat – Plans through staff approval process;
- 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;
- Talbryn Dr. parcel – Information provided to developer;
- Ralston parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane development- Awaiting payment of connection fees;
- 517 Middlesex Road - Installation complete;
- 665 South - Currently reviewing plans;
- 1612 Clee St – 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;
- 1503 Folger - Plans through staff approval process;;
- 1961 Bishop Rd. - Currently reviewing their plans;
- 2021 Lyon Ave. - Installation complete;
- 2106 Lyon Ave. - Currently reviewing their plans;
- 1560 Escondido – Plans through staff approval process;
- 1651 Francis – Installation complete;
- 1050 Chula Vista – Plans through staff approval process;;
- 2110 Pullman Ave - Currently reviewing their plans;
- 2019 Belle Monti - Plans through staff approval process;

- Monte Cresta Drive Extension – Reviewing plans, developing WSA;
- 507 Sterlingview - Currently reviewing their plans;
- 511 Sterlingview - Currently reviewing their plans;
- 1234 North Rd. – Installation complete; and
- 3105 Marburger – Awaiting plans.

**Administration:**

- Staff met with representatives from Motorola to talk about 2-way radio systems that could be used during emergency operations;
- Re-keyed District doors and padlocks throughout system, and held organization meeting to go over changes and new District policy regarding new key. Staff also in process of replacing security badges and door fobs;
- Management staff met to review recently completed evaluations;
- Participated in a CIP Update meeting to discuss the process to review and update the District's capital program. It has been close to 5 years since work started and it is a good time for a checkup;
- Operations staff met with General Manager to discuss re-organization;
- 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 AMENDED FY 2018-2019 BUDGET \$	ACTUALS 7/1/2018 4/30/19	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 83.3%
				Y-T-D % OF BUDGET
<b>OPERATING REVENUE</b>				
WATER COMMODITY CHARGES	9,611,800	7,900,607	1,711,193	82.2%
FIXED SYSTEM CHARGES	2,880,000	2,390,828	489,172	83.0%
FIRE SERVICE CHARGES	14,000	13,250	750	94.6%
MISC CUSTOMER ACCOUNT FEES (A)	43,000	47,853	(4,853)	111.3%
SERVICE LINE & INSTALLATION CHARGES	10,000	-	10,000	NA
MISCELLANEOUS OPERATING (B)	25,000	24,363	637	97.5%
PROPERTY TAX REVENUE (C)	268,000	334,487	(66,487)	124.8%
<b>TOTAL OPERATING REVENUE</b>	<b>12,851,800</b>	<b>10,711,388</b>	<b>2,140,412</b>	83.3%
WATER SYSTEM CAPACITY CHARGES (D)	250,000	635,625	(385,625)	254.3%
WATER DEMAND OFFSET CHARGES (D)	20,000	43,776	(23,776)	218.9%
MISCELLANEOUS NON-OPERATING (E)	55,000	112,072	(57,072)	203.8%
INTEREST REVENUE - LAIF (F)	75,000	103,587	(28,587)	138.1%
INTEREST REVENUE - COP (F)	150,000	265,842	(115,842)	177.2%
LEASE OF PHYSICAL PROPERTY	175,000	140,796	34,204	80.5%
LANDSCAPE PERMIT REVENUE (G)	1,000	6,086	(5,086)	608.6%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>726,000</b>	<b>1,307,784</b>	<b>(581,784)</b>	180.1%
<b>TOTAL REVENUE</b>	<b>13,577,800</b>	<b>12,019,172</b>	<b>1,558,628</b>	88.5%
<b>OPERATING EXPENDITURES (OP EXP)</b>				
SALARIES & WAGES	1,821,385	1,439,106	382,279	79.0%
PAYROLL TAXES & BENEFITS	1,280,803	665,990	614,813	52.0%
PURCHASED WATER	5,654,624	4,600,592	1,054,032	81.4%
OUTREACH & EDUCATION	60,000	40,330	19,670	67.2%
M&R - OPS SYSTEM	350,000	207,919	142,081	59.4%
M&R - FACILITIES & EQUIPMENT	150,000	134,142	15,858	89.4%
MAJOR MAINTENANCE	31,050	-	31,050	NA
OFFICE SUPPLIES & EQUIPMENT	313,483	246,296	67,187	78.6%
MEMBERSHIP & GOV FEES (H)	215,915	201,973	13,942	93.5%
BAD DEBT & CLAIMS	30,000	24,255	5,745	80.9%
UTILITIES	316,917	237,159	79,758	74.8%
PROFESSIONAL SERVICES	650,000	499,932	150,068	76.9%
TRAINING/TRAVEL & RECRUITMENT (I)	50,000	61,636	(11,636)	123.3%
RESTRICTED EARNINGS	225,000	369,429	(144,429)	164.2%
DEPRECIATION	931,500	771,667	159,833	82.8%
DEBT SERVICE TRUSTEE FEES & EXPENSES	-	408	(408)	N/A
DEBT SERVICE 2016 COPs	1,051,500	921,682	129,818	87.7%
<b>TOTAL OPERATING EXPENSES</b>	<b>13,132,176</b>	<b>10,422,514</b>	<b>2,709,662</b>	79.4%
<b>NET OPERATING SURPLUS/(LOSS)</b>	<b>445,624</b>	<b>1,596,658</b>	<b>(1,151,034)</b>	358.3%
<b>TRANSFER TO CAPITAL</b>	<b>(445,624)</b>	<b>(1,596,658)</b>	<b>1,151,034</b>	
<b>DEBT SERVICE COVERAGE</b>	<b>1.91</b>	<b>2.54</b>		

- (A) See Administrative Services Manager's Report for details.
- (B) Reimbursement for damage to Fire Hydrant totaling \$8,245. Reimbursement for Property Damage on 7/10/17 at 4110 Block of Skymont Drive totaling \$15,948.
- (C) Property tax higher than budgeted.
- (D) Water Capacity Charges and Demand Offset Charges for completed jobs: Three residential new Services installed totaling \$34,375 & \$2,321 ; two commercial New Services Installed totaling \$541,875 and \$37,446.
- (E) Fire Flow Revenue totaling \$14,098; PG&E Reimbursement for work not completed totaling \$6,029; Project vehicle revenue totaling \$71,295, recycled Meters totaling \$12,526 and the balance of \$7,263 for miscellaneous items.
- (F) LAIF and COP funds generating more interest revenue than expected.
- (G) Landscape revenue recognized with several projects completed.
- (H) CSDA membership which was not paid for 2017 totaled \$561, ACWA Dues for 2019 increased by \$2,400 annually from PY 2018.
- (I) PG&E Emergency Repair/Gas Main Struct during Main Break totaling \$5,238.

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

	30-Apr-19	30-Apr-18	\$ Change	% Change
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Total Checking/Savings	4,754,819.58	19,644,704.74	-14,889,885.16	-75.8%
Total COP Funds	14,759,834.14	0.00	0.00	100.0%
Total Accounts Receivable	771,786.88	501,612.56	270,174.32	53.86%
Total Other Current Assets	250,386.29	290,332.26	-39,945.97	-13.76%
<b>TOTAL CURRENT ASSETS</b>	20,536,826.89	20,436,649.56	100,177.33	0.49%
<b>FIXED ASSETS</b>				
Fixed Assets	48,136,569.23	48,136,569.23	0.00	0.0%
Accumulated Depreciation	-28,038,435.42	-28,038,435.42	0.00	0.0%
Construction in Progress	3,634,240.32	3,634,240.32	0.00	0.0%
<b>TOTAL FIXED ASSETS</b>	23,732,374.13	23,732,374.13	0.00	0.0%
<b>TOTAL OTHER ASSETS</b>	1,210,079.34	1,210,079.34	0.00	0.0%
<b>TOTAL ASSETS</b>	45,479,280.36	45,379,103.03	100,177.33	0.22%
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Total Accounts Payable	139,258.52	10,121.08	129,137.44	1,275.93%
Total Other Current Liabilities	1,592,932.30	1,626,565.10	-33,632.80	-2.07%
<b>TOTAL CURRENT LIABILITIES</b>	1,732,190.82	1,636,686.18	95,504.64	5.84%
<b>LONG TERM LIABILITIES</b>				
Total COP Financing Debt (B)	17,550,000.00	17,550,000.00	0.00	0.0%
Total COP Premium (B)	862,850.10	862,850.10	0.00	0.0%
Total Other Long Term Liabilities (B)	1,135,175.00	1,135,175.00	0.00	0.0%
<b>TOTAL LONG TERM LIABILITIES</b>	19,548,025.10	19,548,025.10	0.00	0.0%
<b>TOTAL LIABILITIES</b>	21,280,215.92	21,184,711.28	95,504.64	0.45%
<b>EQUITY</b>				
3000 - Opening Bal Equity	0.00	0.00	0.00	0.0%
<b>3800 - RESERVES</b>	4,021,895.67	4,021,895.67	0.00	0.0%
3940 - Fund Bal Invest in Util Plant	23,732,374.13	23,732,374.13	0.00	0.0%
Net Assets (A)	-3,555,205.36	-3,559,878.05	4,672.69	0.13%
<b>TOTAL EQUITY</b>	24,199,064.44	24,194,391.75	4,672.69	0.02%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	45,479,280.36	45,379,103.03	100,177.33	0.22%

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

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

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

	Jul 18 - Apr 19	Jul 17 - Apr 18	\$ Change	% Change
Ordinary Income/Expense				
Income				
OPERATING REVENUE	10,711,388	10,651,765	59,623	0.56%
INTEREST INCOME	369,429	214,110	155,319	72.54%
CAPITAL CONTRIBUTION	244,776	0	244,776	100.0%
OTHER INCOME	938,355	422,019	516,336	122.35%
Total Income	12,263,948	11,287,894	976,054	8.65%
Expense				
PERSONNEL COSTS	2,105,095	2,177,240	-72,144	-3.31%
PURCHASED WATER	4,600,592	4,602,266	-1,674	-0.04%
OUTREACH/EDUCATION	40,330	44,724	-4,394	-9.83%
M&4 - OPS SYSTEMS	207,919	491,871	-283,952	-57.73%
FACILITIES & EQUIPMENT	134,142	109,647	24,494	22.34%
OFFICE SUPPLIES & EQUIPMENT	246,296	219,393	26,903	12.26%
MEMBERSHIP & GOV FEES	201,973	186,612	15,361	8.23%
BAD DEBT & CLAIMS	24,255	-4,000	28,256	706.31%
UTILITIES	237,159	206,916	30,243	14.62%
PROFESSIONAL SERVICES	499,932	330,921	169,011	51.07%
TRAINING & TRAVEL	61,636	25,377	36,259	142.88%
Total Expense	8,359,329	8,403,342	-44,014	-0.52%
Net Ordinary Income	3,904,619	2,884,552	1,020,068	35.36%
Other Income/Expense				
Other Expense				
DEPRECIATION	771,667	727,984	43,683	6.0%
COP Financing Costs	576,682	588,066	-11,384	-1.94%
Total Other Expense	1,348,757	1,316,050	32,707	2.5%
Net Revenue/(Expenses)	2,555,862	1,568,502	987,360	62.9%

**RECONCILIATION TO OPERATING BUDGET**

**Adjustments to Increase Net Operating Surplus**

Interest Income - LAIF & COP Interest	-369,428
Capital Contribution	-244,776
Debt Service Principal Payment	-345,000
<b>Total Adjustments to Increase Net Operating Surplus</b>	<b>-959,204</b>

<b>Net Operating Surplus/(Loss) Transfer to Capital</b>	<b>1,596,658</b>
---	------------------



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

DESCRIPTION	APPROVED AMENDED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 4/30/2019	REMAINING BALANCE/ (OVER BUDGET)	Target YTD %
				83.3% Y-T-D % OF BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	750,000	750,000	-	100.0%
2017 Water Main Replacement CIP (Pay-Go Portion)	5,000	2,635	2,365	52.7%
AMI Meter Change Out Program	678,500	538,536	139,964	79.4%
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>1,433,500</b>	<b>1,291,171</b>	<b>142,329</b>	90.1%
<b>CAPITAL OUTLAY</b>				
Replacement Mini-Excavator for Operations	45,998	45,998	0	100.0%
Replacement Service Truck for Operations	90,000	-	90,000	0.0%
Replace Hybrid Vehicles	65,783	65,783	0	100.0%
Replace Fuel Station Controller @ Dairy Lane Operations Center	30,000	-	30,000	0.0%
Phase 2 SCADA System Replacement	50,000	43,693	6,307	87.4%
Miscellaneous Capital Outlay/Projects	50,000	6,642	43,358	13.3%
<b>CAPITAL OUTLAY TOTAL</b>	<b>331,781</b>	<b>162,116</b>	<b>169,665</b>	48.9%
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>1,765,281</b>	<b>1,453,287</b>	<b>311,995</b>	82.3%
DEPRECIATION	931,500	771,667	159,833	82.8%
TRANSFER FROM OPS	445,625	1,596,657	(1,151,032)	358.3%
TRANSFER (TO)/FROM CAPITAL RESERVES (PRIOR YEAR) *	595,000	40,801	554,199	6.9%
TRANSFER (TO)/FROM CAPITAL RESERVES**	(206,844)	(955,839)	748,995	462.1%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,765,281)	(1,453,287)	(311,995)	82.3%
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	N/A

**\* COMMITTED FROM PRIOR YEAR:**

Placeholder - Joint CIP with City of Belmont  
Proceeds from sale of Surplus Items

\$	500,000
\$	95,000
<u>\$</u>	<u>595,000</u>