



BOARD MEETING PACKET

JUNE 25, 2015

3 Dairy Lane, Belmont, CA 94002
tel: 650.591.8941 • fax: 650.591.4998
www.MidPeninsulaWater.org

DIRECTORS: BETTY L. LINVILL *President* • MATTHEW P. ZUCCA *Vice-President* • DAVE WARDEN • AL STUEBING • LOUIS J. VELLA

OFFICERS: TAMMY RUDOCK *General Manager* • CANDY PIÑA *District Secretary* • JOAN L. CASSMAN *District Counsel* • JOUBIN PAKPOUR *District Engineer* • JEFF IRA *Treasurer*



REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, JUNE 25, 2015 – 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 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. Tammy Rudock, General Manager – Class of 2015, 27th Graduating Class: LEADERSHIP – Redwood City/Belmont/Menlo Park/San Carlos, Chamber Redwood City/San Mateo County

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 of May 28, 2015
- B. Approve Expenditures from May 21, 2015, through June 17, 2015

6. HEARINGS AND APPEALS

- A. Proposition 218 Protest Hearing:
 - 1. Open Hearing
 - 2. Summary Presentation on MPWD Water Financial Plan & Rate Study
 - 3. Consider Oral Testimony
 - 4. Review Written Protests
 - 5. Close Hearing
 - 6. Consider Ordinance No. 114 Amending Attachment A Regarding Rates and Charges to the Water Service Ordinance No. 103 for the MPWD

7. DROUGHT AND WATER CONSERVATION

- A. Water Conservation Progress Report

8. REGULAR BUSINESS AGENDA

- A. Consider Resolution 2015-07 Approving the Fiscal Year 2015/2016 MPWD Operating Budget
- B. Consider Resolution 2015-08 Approving the Fiscal Year 2015/2016 MPWD Capital Budget
- C. Consider Approving Operations Manager Position and MPWD Reorganization
- D. Consider Approving the Contract for Professional Services between Pakpour Consulting Group, District Engineer, and the MPWD
- E. Consider Resolution 2015-09 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies/Joint Powers Insurance Authority
- F. Consider Resolution 2015-10 Authorizing Application to the Director of Industrial Relations, State of California, for the Certificate of Consent to Self-Insure Workers' Compensation Liabilities
- G. Consider Resolution 2015-11 Approving Revised MPWD Employee Safety Incentive and Loss Prevention Program
- H. Consider Resolution 2015-12 Approving Environmental Policy & Purchasing Proclamation for San Mateo County Green Business Re-Certification
- I. Consider Resolution 2015-13 Directing the San Mateo County Chief Elections Officer to Conduct the November 3, 2015 Election for the Mid-Peninsula Water District Wholly by Mail Pursuant to the Pilot Program Authorized by Assembly Bill 2028 if All Other Affected Jurisdictions also Request Participation in the Pilot Program at that Election

9. MANAGER'S AND BOARD REPORTS

- A. General Manager's Report
 - 1. Supplemented by Administrative Services Manager's Report
 - 2. Supplemented by District Engineer's Report
- B. Financial Reports
- C. Director Reports

10. FUTURE AGENDA ITEMS

Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda. No formal action can be taken.

11.COMMUNICATIONS

12.ADJOURNMENT

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

ACCESSIBLE PUBLIC MEETINGS

Upon request, the Mid-Peninsula Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation (including auxiliary aids or services), to enable individuals with disabilities to participate in public meetings. 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: July 23, 2015, at 6:30PM

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

May 28, 2015
Belmont, California

1. **OPENING**

A. **Call to Order:**

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

B. **Pledge of Allegiance** – The Pledge of Allegiance was led by visiting ACWA/JPIA representative, and former MPWD Director, Charles (Chuck) Wagenseller.

C. **Establishment of Quorum:**

PRESENT: Directors Linvill, Stuebing, Vella, and Warden. Director Zucca arrived at 6:50PM.

ABSENT:

A quorum was present.

ALSO PRESENT: General Manager Rudock, Administrative Services Manager/District Secretary Pina, District Counsel Julie Sherman, District Engineer Brandon Laurie, Operations Superintendent Young, and District Treasurer Ira.

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 April 23, 2015.**

B. **Approve Expenditures from April 16, 2015, through May 20, 2015.**

Director Vella abstained from voting on the minutes. Director Warden moved to approve the consent agenda, Vice President Vella seconded, and it was unanimously approved.

6. **HEARINGS AND APPEALS**

None.

7. **REGULAR BUSINESS**

A. **Review Final DRAFT MPWD 2015 FINANCIAL PLAN AND RATES STUDY**

Alex Handlers from Bartle Wells Associates (BWA) distributed an updated version dated May 26, 2015, of the MPWD Financial Plan and Rate Study Tables & Charts and the Water Shortage Emergency Rates. Administrative Services Manager Pina submitted a report showing the variances between the originally submitted document and the

51 updated document. Alex Handlers discussed California constitutional elements about
52 best and beneficial use for water and noted that water rates could not exceed the cost of
53 service. He presented a summary of his report. At the next board meeting on June 25,
54 2015, the Board would conduct its public hearing and the new rates would be increased
55 by 18% and made effective on July 1, 2015. Director Warden stated the report was very
56 good, and he is comfortable with the structure. Director Stuebing stated he liked the
57 table which showed the water impact over a five- year span.
58

59 **B. Consider Resolution 2015-06 Accepting as Complete the Notre Dame Avenue &**
60 **Folger Drive Tie-In Capital Project and Authorizing the Recordation of a Notice of**
61 **Completion for the Project**

62 Operations Superintendent Young summarized the Notre Dame Avenue & Folger Tie-In
63 capital project. There were negative change orders and it was completed within a
64 couple of weeks so as to avoid any interference with the City of Belmont's storm drain
65 and sewer project along Notre Dame Avenue.
66

67 Director Vella moved to approve Resolution 2015-06 Accepting as Complete the Notre
68 Dame Avenue and Folger Drive Tie-In Project and Authorizing the Recordation of a
69 Notice of Completion for this project, Director Warden seconded. It was unanimously
70 approved with Vice-President Zucca absent.
71

72 **C. Review DRAFT MPWD FY 2015/2016 Operating and Capital Budgets**

73 General Manager Rudock summarized the changes made, which included reducing the
74 4% cost of living increase to 3% as directed by the Board of Directors, increasing the
75 water conservation efforts and rebate program budget line items, and an increase in the
76 cost of the new Financial Management System implementation. Director Warden
77 appreciated how many times the budget was submitted to the Board for their comments
78 over several months.
79

80 **D. Consider San Mateo County Candidate Policy Form for Special Districts**
81 **Consolidated Election on November 3, 2015**

82 General Manager Rudock discussed the two items needing clarification to submit the
83 form for the election. Those items were: a) The word limit for a candidate statement;
84 and b) The cost of the candidate's statement. After discussion, the Board agreed on
85 400-word candidate statement paid for by the candidate. The Administrative Services
86 Manager/District Secretary was directed to submit the form by July 1, 2015.
87

88 **E. BAWSCA Update**

89 Director Vella commented on the following items which were discussed at the recent
90 BAWSCA Board meeting.
91

92 The drought took center stage, including discussion about alternative water sources,
93 desalination plants, and recycled water. Water storage in the regional water system is
94 decent. There was concern over the lack of revenues due to conservation efforts, and
95 how to balance the lack of revenues with the costs of providing water. BAWSCA asked
96 that good ideas be sent to them. They commented the drought is expected to continue
97 into its fourth year.
98

99 The incident with untreated water getting into water systems was discussed. The San
100 Francisco Public Utilities Commission (SFPUC) noticed all who were impacted. Much
101 was learned from this incident.

102 General Manager Rudock mentioned that Alameda County Water District has submitted
103 a proposal to BAWSCA member agencies offering up its excess stored water to be
104 available within the Regional Water System as long as it can avoid paying the balance
105 due for its minimum water supply from the SFPUC (about \$1.2 million). She will bring
106 back more details next month.
107

108 **8. DROUGHT AND WATER CONSERVATION**

109 **A. Water Conservation Progress Report**

110 General Manager Rudock highlighted April's reduction of 23.9% which was the highest
111 monthly effort since tracking started in February 2014. There are new tracking
112 requirements effective for the period of June 1, 2015 through February 29, 2016. She
113 mentioned that there was discussion among water suppliers within the Regional Water
114 System to implement similar minimum standards for outdoor irrigation restrictions,
115 including an odd/even watering schedule to promote consistency within the system.
116

117 Lastly, staff will be presenting water conservation information together with BAWSCA at
118 a meeting hosted by the Belmont Library on May 27th.
119

120 **B. Consider Ordinance 113 Implementing 2015 Statewide Mandatory Water** 121 **Conservation Regulations and Amending Ordinance 111 Implementing Stage 2** 122 **Water Shortage Response of Water Shortage Contingency Plan Regarding** 123 **Mandatory Restrictions on Outdoor Water Use** 124

125 General Manager Rudock and District Counsel Sherman presented Ordinance 113 and
126 discussed staff's approach to monitor consumption before implementing enforcement
127 actions. She was directed to add language about the MPWD's 20% reduction goal, and
128 to add the mandatory requirement for hotels to launder linens upon request from
129 customers. It was recommended to remove point "J" in the ordinance, which states 'The
130 use of potable water for outdoor irrigation in an amount that exceeds 80% of the
131 customer's use of water for that purpose in calendar year 2014', because it is too vague.
132 Lastly, it was recommended that language be added limiting external water usage to two
133 days per week without a specific watering schedule at this time.
134

135 Director Vella asked that the language be easily understood, and that what is being
136 asked is easy to manage. Vice President Zucca suggested since the District has an
137 80% reduction requirement, there be a suggestion of how many minutes to water for the
138 two days per week requirement. Director Stuebing added that most customers will not
139 read this ordinance; therefore, communication from MPWD staff will be important to
140 customers. District Counsel Sherman will incorporate the changes and submit it to the
141 District Secretary for signatures.
142

143 MPWD ratepayer Phil Kaster addressed the Board during public comment regarding
144 irrigation water use. He asked for clarification about the word "irrigation" and did it
145 include anybody watering their yard with sprinkler systems or hand watering.
146 Director Stuebing clarified that the ordinance did not affect either hand watering,
147 sprinkler systems, or drip systems. Mr. Kaster commented that during his
148 experience in twenty years in writing regulations for the federal government is if it
149 is not enforceable or enforced, it is worse than nothing at all. He recommended
150 leaving it as a goal rather than using enforcement.
151

152 Director Stuebing moved to approve Ordinance 113 Implementing 2015 Mandatory
153 Water Conservation Regulations and Amending Ordinance 111 Implementing Stage 2
154 Water Shortage Response of Water Shortage Contingency Plan regarding Mandatory
155 Restrictions on Outdoor Water Use incorporating the various modifications directed by
156 the Board, Director Warden seconded, and it was unanimously approved.
157

158 **8. MANAGER'S AND BOARD REPORTS**

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

160 General Manager Rudock summarized her report, commenting about the launch
161 of the new website which will go live next week.
162

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

164 Administrative Services Manager Pina added that the annual financial audit will be
165 underway starting the middle of July, with field testing starting on July 27, 2015.
166

167 **2. Supplemented by Operations Superintendent's Report**

168 Operations Superintendent Young discussed the updated map put together by Brent
169 Chester, which shows the AML meters installed. The green area on the map is what
170 is already installed, and the yellow area is what is being proposed for next year's
171 meters. This map was on display at the Public Works event. At the Public Works
172 event, staff got involved in a competition with the public works staff. It was a very
173 successful event. He discussed the leak report, noting a fire hydrant which had been
174 hit by a truck at 50 miles per hour. He will be receiving a bill for our services.
175

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

177 District Engineer Laurie discussed the Notre Dame Avenue and Folger Drive Tie-In
178 project. There was a negative change order of \$6,674.59, -8.2% of initial contract
179 price. He also stated that we recently completed the water hydraulic modeling and
180 project analysis of Zone 2 and passed around the project summaries. Zone 1
181 modeling would begin within a couple of weeks and the project is on target for
182 completion in August.
183

184 **B. Financial Reports**

185 General Manager Rudock reported that MPWD should be at 83.3% budget in both
186 revenues and expenses. However, MPWD is at 74.2% in revenue and 75.9% in
187 expenses. If depreciation was removed from the operations expenditures which was at
188 86.6%, overall expenses would be 74.8%. Even though revenues are lower than
189 budgeted by 9.1%, MPWD has reduced expenses by a similar amount so MPWD is on
190 target for the year-to-date reporting. Director Warden asked for clarification about the
191 Lawn-Be-Gone program. He was told that if your lawn is brown, they could not get the
192 rebate from BAWSCA. Water Conservation Specialist (WCS) Jeanette Kalabolas
193 explained that BAWSCA will be releasing their new applications on July 1st, and it has
194 been agreed that as a region we do not want people watering, so they are going to allow
195 the summer period of four months for people to allow their grass to turn brown. They will
196 have to go through the process of eligibility and meet the requirements, but for the
197 summer months we are going to allow that four month window for people to let their
198 lawns die out. Director Warden was pleased to hear of this change. Director Vella
199 asked for clarification about the increase in revenues, given that there is an 18% rate
200 increase, but the budget indicates shows 0.3% increase in Water Commodity Charges.
201 General Manager Rudock indicated the Fixed Service Charges will increase by the 18%;

202 however, due to mandatory conservation efforts of 20% reduction, she reduced the
203 anticipated revenues. The net effect of this reduction indicates 0.3% rate increase from
204 last year.
205

206 **C. Director Reports**

207 Director Stuebing discussed the Belmont Library Presentation, noting there is a very
208 interest group in the community and even anxious about how they are going to safe
209 water. Then there are some who are oblivious. It is our challenge to reach those
210 people, and it has to be through a positive message.
211

212 Director Vella mentioned that we should be there at meetings which are about the
213 drought as much as possible.
214

215 Director Zucca thanked again staff for helping with the presentation he gave at the
216 Belmont City Council Meeting. He would like for MPWD to present a "State of the
217 Water" address at least once a year. The City Council members asked very good
218 questions, they were engaged, and it was a good meeting.
219

220 President Linvill said she enjoyed the Association of California Water Agency
221 Conference (ACWA) conference this year. She found it to be the best one she has
222 attended. It was well attended. Governor Brown spoke at lunch. There were very
223 meaningful sessions. She found groups like "Fish and Wildlife" and the "Farmers" were
224 very emotionally involved in their functions, and there was agreement amongst these
225 groups that we are all in this together, that the environment needs to be protected. It
226 was a very powerful conference. She commented on an article written by the New
227 Yorker about the Salton Sea, and one about Lake Mead drying up.
228

229 **9. FUTURE AGENDA BUSINESS ITEMS**

- 230 1) Proposition 218 water rates public hearing is schedule for the June 25, 2015, regular
231 Board meeting.
232 2) Final FY 2015/2016 Operating and Capital Budgets for approval.
233 3) MPWD Green Certification.
234

235 **10. COMMUNICATIONS**

236 The Belmont Chamber of Commerce Belmont Street Map and Community Guide, of which
237 the MPWD is a participant, were distributed.

238 Water Conservation Specialist, Jeanette Kalabolas summarize the Belmont Library
239 presentation, which had a conservation theme. About 40 adults were in attendance, and
240 attendees picked up toilet tank dye tabs, tank banks, and moisture meters. Other
241 conservation ideas were discussed during the presentation. The attendees were very
242 interested in the subject matter and had very good questions and comments.
243

244 **11. ADJOURNMENT**

245 Director Vella moved to adjourn at 8:18PM, Director Stuebing seconded, and it was
246 unanimously approved.
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APPROVED:

DISTRICT SECRETARY

BOARD PRESIDENT

Mid-Peninsula Water District
Check Detail
May 21 through June 17, 2015

Type	Num	Date	Name	Account	Paid Amount
Check		05/22/2015	ADP Payroll Fees	1030 · Cash- Checking 7106 · Prof Serv - Acctng & Payroll	\$ (234.85)
Bill Pmt -Check		06/02/2015	CITY OF SAN CARLOS - FINANCE	1030 · Cash- Checking	\$ (234.85)
Bill		03/26/2015	CITY OF SAN CARLOS - FINANCE	2100 · Accounts Payable	\$ -
Check	EFT052715-1	05/27/2015	CALPERS	1030 · Cash- Checking 1430 · Payroll Clearing A/C 1430 · Payroll Clearing A/C	\$ (1,028.61) \$ (2,381.55) \$ (3,410.16)
Check	EFT060815-1	06/08/2015	ICMA contributions	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (550.00) \$ (550.00)
Bill Pmt -Check	EFT060915-1	06/09/2015	WELLS FARGO BUSINESS CARD	1030 · Cash- Checking	\$ (27.99)
Bill		05/21/2015		6503 · M&R - Vehicle & Large Equip 6303 · Public Outreach & Education	\$ (57.03) \$ (85.02)
Check	EFT061015-1	06/10/2015	ICMA contributions	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (666.24) \$ (666.24)
Check	EFT052715-2	05/27/2015	ICMA contributions	1030 · Cash- Checking 1430 · Payroll Clearing A/C	\$ (550.00) \$ (550.00)
				1430 · Payroll Clearing A/C	\$ (2,381.55)
					\$ (2,381.55)

Mid-Peninsula Water District
Check Detail
May 21 through June 17, 2015

Bill	Bill	06/09/2015	WELLS FARGO BUSINESS CARD	1030 · Cash-Checking	\$	(27.66)
		05/21/2015		7205 · Meeting Expenses	\$	(331.56)
				6705 · Printing/Printing Supplies	\$	(288.40)
				7204 · Employee Travel/Training	\$	(250.73)
				7201 · Director Travel	\$	(110.87)
				6303 · Public Outreach & Education	\$	(10.57)
				6501 · M&R - Buildings & Grounds	\$	(171.63)
				6707 · Computer Supplies & Upgrades	\$	(126.05)
				1440 · Auto/Transprion Clearing AC	\$	(19.83)
				7204 · Employee Travel/Training	\$	(11.78)
					\$	(1,349.08)
Check	EFT061015-2	06/10/2015	CALPERS	1030 · Cash-Checking	\$	(2,805.26)
				1430 · Payroll Clearing A/C	\$	(6,494.98)
					\$	(9,300.24)
Check	EFT060815-3	06/08/2015	Health Equity	1030 · Cash-Checking	\$	(175.00)
				1430 · Payroll Clearing A/C	\$	(53.10)
				6702 · Insurance-Liability/Vehicle	\$	(228.10)
Check	EFT061015-3	06/10/2015	Health Equity	1030 · Cash-Checking	\$	(659.58)
				1430 · Payroll Clearing A/C	\$	(659.58)
Check	EFT052715-4	05/27/2015	ICMA contributions	1030 · Cash-Checking	\$	(666.24)
				1430 · Payroll Clearing A/C	\$	(666.24)
Check	EFT061015-4	05/28/2015	Health Equity	1030 · Cash-Checking	\$	(734.58)
				1430 · Payroll Clearing A/C	\$	(734.58)
Check	EFT052715-5	05/27/2015	CALPERS	1030 · Cash-Checking	\$	(2,805.26)
				1430 · Payroll Clearing A/C	\$	(6,494.98)
					\$	(9,300.24)

Mid-Peninsula Water District Check Detail May 21 through June 17, 2015

Check	EFT061015-5	05/26/2015	ACH Returns	1030 · Cash- Checking	\$ (455.82)
				4013 · Returned Water Charges	\$ (455.82)
Check	EFT052715-6	05/27/2015	Health Equity	1030 · Cash- Checking	\$ (559.58)
				1430 · Payroll Clearing A/C	\$ (559.58)
Bill Pmt -Check	29515	05/26/2015	COMCAST	1030 · Cash- Checking	
Bill	3868MAY2015	05/09/2015		7001 · Utilities - Internet/Cable	\$ (77.51)
Bill	8600MAY2015	05/10/2015		7001 · Utilities - Internet/Cable	\$ (94.02)
Bill	6250MAY2015	05/10/2015		7001 · Utilities - Internet/Cable	\$ (94.02)
Bill	6243MAY2015	05/10/2015		7001 · Utilities - Internet/Cable	\$ (94.02)
Bill Pmt -Check	29516	05/26/2015	DERRICK HETTINGER	1030 · Cash- Checking	\$ (359.57)
Bill	DH051515	05/15/2015		6405 · Meters & Service	\$ (345.00)
Bill Pmt -Check	29517	05/26/2015	GRANITEROCK COMPANY, INC.	1030 · Cash- Checking	
Bill	890354	05/09/2015		6405 · Meters & Service	\$ (543.55)
Bill Pmt -Check	29518	05/26/2015	JON TSCHARNER	1030 · Cash- Checking	
Bill		05/20/2015		7204 · Employee Travel/Training	\$ (123.18)
Bill Pmt -Check	29519	05/26/2015	Michael J. Anderson	1030 · Cash- Checking	
Bill		05/18/2015		7204 · Employee Travel/Training	\$ (90.00)
Bill Pmt -Check	29520	05/26/2015	OFFICE DEPOT, INC.	1030 · Cash- Checking	
Bill	5659	05/15/2015		6303 · Public Outreach & Education	\$ (7.94)
Bill	6362	05/19/2015		6303 · Public Outreach & Education	\$ (4.34)
Bill	7367	05/20/2015		6701 · Office Supplies	\$ (27.24)
Bill Pmt -Check	29521	05/26/2015	PARS	1030 · Cash- Checking	
Bill	31470	05/08/2015		7110 · Prof Serv - Miscellaneous	\$ (300.00)
					\$ (300.00)

Mid-Peninsula Water District
Check Detail
May 21 through June 17, 2015

Bill	29522	05/26/2015	PG&E CFM/PPC DEPT	1030 · Cash-Checking	\$	(14,651.21)
Bill	9032-7MAY2015	05/14/2015		7003 · Utilities - Electric - Pumping	\$	(14,651.21)
Bill	29523	05/26/2015	PRECISE, INC.	1030 · Cash-Checking	\$	(1,338.35)
Bill	14206	05/12/2015		7107 · Prof Serv - Customer Billing	\$	(1,338.35)
Bill	29524	05/26/2015	PWWA	1030 · Cash-Checking	\$	(100.00)
Bill		05/20/2015		7204 · Employee Travel/Training	\$	(100.00)
Bill	29525	05/26/2015	RICOH LEASE Pasadena 100706	1030 · Cash-Checking	\$	(4,496.41)
Bill	26924528	05/17/2015		6706 · Equipment Services/Maintenance	\$	(4,496.41)
Bill	29526	05/26/2015	RICOH Philadelphia	1030 · Cash-Checking	\$	(329.64)
Bill	45557118	05/09/2015		6705 · Printing/Printing Supplies	\$	(329.64)
Bill	29527	06/02/2015	AMERIPRIDE UNIFORM SERVICES	1030 · Cash-Checking	\$	-
Bill	29528	06/02/2015	AT&T Carol Stream	1030 · Cash-Checking	\$	(17.69)
Bill	6603153	05/17/2015		7005 · Utilities - Telephones	\$	(17.00)
Bill	6603260	05/17/2015		7005 · Utilities - Telephones	\$	(34.69)
Bill	29529	06/02/2015	C G UHLENBERG LLP	1030 · Cash-Checking	\$	(1,025.00)
Bill	10289	05/01/2015		7106 · Prof Serv - Accting & Payroll	\$	(300.00)
Bill	29530	06/02/2015	CARLMONT SHOPPING CENTER.	1030 · Cash-Checking	\$	(1,325.00)
Bill		06/01/2015		6701 · Office Supplies	\$	(18.00)
Bill	29531	06/02/2015	CINTAS CORPORATION	1030 · Cash-Checking	\$	(319.12)
Bill		05/18/2015		6052 · Uniforms	\$	(319.12)

Mid-Peninsula Water District Check Detail

May 21 through June 17, 2015

Bill	29532	06/02/2015	DAVID DAVIS.	1030 · Cash- Checking	\$	
	DD052815	05/28/2015		6308 · Rain Barrels Rebate		(100.00)
					\$	(100.00)
Bill	29533	06/02/2015	E.H. WACHS	1030 · Cash- Checking	\$	
	110130	05/18/2015		6404 · Mains/Distribution		(3,843.18)
					\$	(3,843.18)
Bill	29534	06/02/2015	GRANITE ROCK, INC.	1030 · Cash- Checking	\$	
	891790	05/16/2015		6404 · Mains/Distribution		(261.33)
					\$	(261.33)
Bill	29535	06/02/2015	HALF MOON BAY GRADING & PAVING INC	1030 · Cash- Checking	\$	
	5102	05/20/2015		6406 · Fire Hydrants		(3,110.00)
					\$	(3,110.00)
Bill	29536	06/02/2015	HOME DEPOT	1030 · Cash- Checking	\$	
	7584861	05/01/2015		6405 · Meters & Service		(57.68)
	8042620	05/06/2015		6408 · Employee Safety		(33.54)
	53240	05/22/2015		6402 · Pumping		(19.58)
					\$	(110.80)
Bill	29537	06/02/2015	JOSEPH LOCOCO	1030 · Cash- Checking	\$	
Bill	29538	06/02/2015	Kalin Enterprises Inc.	1030 · Cash- Checking	\$	
	Dep23459	06/02/2015		2010 · Deferred Revenue		(2,013.00)
					\$	(2,013.00)
Bill	29539	06/02/2015	LINCOLN LIFE	1030 · Cash- Checking	\$	
		05/31/2015		1430 · Payroll Clearing A/C		(175.00)
					\$	(175.00)
Bill	29540	06/02/2015	MHN	1030 · Cash- Checking	\$	
	3200068907	05/17/2015		1410 · Prepaid Expenses		(43.01)
					\$	(43.01)

Mid-Peninsula Water District
Check Detail
May 21 through June 17, 2015

Bill Pmt -Check	29541	06/02/2015	OFFICE DEPOT, INC.	1030 - Cash- Checking	\$	(7.94)
Bill	1789802069	05/15/2015		6701 - Office Supplies	\$	(4.34)
Bill	1791235677	05/19/2015		6701 - Office Supplies	\$	(13.08)
Bill	1242	05/22/2015		6402 - Pumping	\$	(74.04)
Bill	2054	05/28/2015		6701 - Office Supplies	\$	(99.40)
Bill Pmt -Check	29542	06/02/2015	OREILLY AUTO PARTS	1030 - Cash- Checking	\$	(67.93)
Bill	3535-388462	05/07/2015		6503 - M&R - Vehicle & Large Equip	\$	(13.60)
Bill	3535-388629	05/07/2015		6701 - Office Supplies	\$	(81.53)
Bill Pmt -Check	29543	06/02/2015	P G & E (SAC)	1030 - Cash- Checking	\$	(1,740.88)
Bill	4665-4MAY2015	05/15/2015		7004 - Utilities - Electric-Bldgs&Grnd	\$	(833.79)
				7003 - Utilities - Electric - Pumping	\$	(2,574.67)
Bill Pmt -Check	29544	06/02/2015	PAKPOUR CONSULTING GROUP, INC	1030 - Cash- Checking	\$	(500.00)
Bill		05/15/2015		7102 - Prof Serv - District Engineer	\$	(500.00)
Bill Pmt -Check	29545	06/02/2015	PETTY CASH	1030 - Cash- Checking	\$	(45.85)
Bill		05/28/2015		6303 - Public Outreach & Education	\$	(25.93)
				7204 - Employee Travel/Training	\$	(43.38)
				7202 - Director Expenses	\$	(169.92)
				6501 - M&R - Buildings & Grounds	\$	(29.93)
				6404 - Mains/Distribution	\$	(45.83)
				7205 - Meeting Expenses	\$	(3.78)
				6704 - Postage	\$	(364.62)
Bill Pmt -Check	29546	06/02/2015	ROBERT TYLER	1030 - Cash- Checking	\$	(875.00)
Bill		05/28/2015		6307 - Lawn-Be-Gone Rebates	\$	(875.00)
Bill Pmt -Check	29547	06/02/2015	ROBERTS & BRUNE CO. INC.	1030 - Cash- Checking	\$	(191.36)
Bill	S1477809.001	05/01/2015		6406 - Fire Hydrants	\$	(191.36)

Mid-Peninsula Water District
Check Detail
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Bill	29548	06/02/2015	SAN FRANCISCO WATER DEPT	1030 · Cash-Checking	\$	(281,373.58)
Bill		05/18/2015		6101 · SFPUC Treated Water	\$	(41,716.00)
				6102 · BAWSCA (Debt Service Surcharge)	\$	(323,089.58)
Bill	29549	06/02/2015	STANDARD INSURANCE COMPANY	1030 · Cash-Checking	\$	(780.01)
Bill		05/22/2015		1410 · Prepaid Expenses	\$	(780.01)
Bill	29550	06/02/2015	STATE COMPENSATION INSURANCE FUND	1030 · Cash-Checking	\$	(1,430.88)
Bill		05/26/2015		1490 · Prepaid Workers Comp Insurance	\$	(1,430.88)
Bill	29551	06/02/2015	STATE WATER RESOURCES CONTROL BOARD	1030 · Cash-Checking	\$	(90.00)
Bill		05/27/2015		6802 · Gov't Fees & Licenses	\$	(90.00)
Bill	29552	06/02/2015	STEPFORD BUSINESS, INC.	1030 · Cash-Checking	\$	(230.00)
Bill	1501463	05/20/2015		6706 · Equipment Services/Maintenance	\$	(230.00)
Bill	1501496	05/20/2015		1410 · Prepaid Expenses	\$	(1,400.00)
Bill	29553	06/02/2015	STEVE HAYES	1030 · Cash-Checking	\$	(594.00)
Bill		05/28/2015		6307 · Lawn-Be-Gone Rebates	\$	(594.00)
Bill	29554	06/02/2015	TERRI COOK	1030 · Cash-Checking	\$	(3,250.00)
Bill		05/28/2015		6307 · Lawn-Be-Gone Rebates	\$	(3,250.00)
Bill	29555	06/02/2015	VALLEY OIL COMPANY	1030 · Cash-Checking	\$	(824.94)
Bill	798524	05/01/2015		6504 · M&R - Fuel	\$	(824.94)
Bill	796501	05/14/2015		6504 · M&R - Fuel	\$	(1,140.25)
Bill	29556	06/02/2015	Verizon Wireless	1030 · Cash-Checking	\$	(1,965.19)
Bill	974568882	05/15/2015		7002 · Utilities - Cell Telephone	\$	(789.38)
					\$	(789.38)

Mid-Peninsula Water District
Check Detail

May 21 through June 17, 2015

Bill	29557	06/09/2015	ACWA- GROUP INS.	1030 · Cash-Checking	\$	(35,796.55)
Bill	0355008	06/01/2015		1410 · Prepaid Expenses	\$	(35,796.55)
Bill	29558	06/09/2015	AMERIPRIDE UNIFORM SERVICES	1030 · Cash-Checking	\$	(158.18)
Bill	1101397551	05/01/2015		6052 · Uniforms	\$	(156.68)
Bill	1101401653	05/01/2015		6052 · Uniforms	\$	(156.68)
Bill	1101389213	05/17/2015		6052 · Uniforms	\$	(471.54)
Bill	29559	06/09/2015	AT&T Carol Stream	1030 · Cash-Checking	\$	(833.01)
Bill	6610857	05/20/2015		7005 · Utilities - Telephones	\$	(17.00)
Bill	6622489	05/24/2015		7005 · Utilities - Telephones	\$	(17.32)
Bill	6635499	05/28/2015		7005 · Utilities - Telephones	\$	(867.33)
Bill	29560	06/09/2015	CITY OF SAN CARLOS	1030 · Cash-Checking	\$	-
Bill	29561	06/09/2015	GRANITE ROCK, INC.	1030 · Cash-Checking	\$	(106.75)
Bill	893105	05/23/2015		6404 · Mains/Distribution	\$	(106.75)
Bill	29562	06/09/2015	HANSON, BRIDGETT	1030 · Cash-Checking	\$	(195.00)
Bill	1144309	05/28/2015		1532 · Main Replacement CY	\$	(5,985.00)
Bill	1144306	05/28/2015		7101 · Prof Serv - District Counsel	\$	(1,235.00)
Bill	1144303	05/28/2015		7101 · Prof Serv - District Counsel	\$	(860.00)
Bill	1144304	05/28/2015		7101 · Prof Serv - District Counsel	\$	(245.00)
Bill	1144305	05/28/2015		7101 · Prof Serv - District Counsel	\$	(3,005.00)
Bill	1144307	05/28/2015		7101 · Prof Serv - District Counsel	\$	(1,000.00)
Bill	1144308	05/28/2015		7101 · Prof Serv - District Counsel	\$	(12,525.00)
Bill	29563	06/09/2015	HOME DEPOT	1030 · Cash-Checking	\$	(241.06)
Bill	85978	05/29/2015		6402 · Pumping	\$	(241.06)
Bill	29564	06/09/2015	JOSEPH LOCOCO	1030 · Cash-Checking	\$	(233.60)
Bill		05/28/2015		6307 · Lawn-Be-Gone Rebates	\$	(233.60)

Mid-Peninsula Water District
Check Detail

May 21 through June 17, 2015

Bill Pmt -Check	29565	06/09/2015	OFFICE DEPOT, INC.	1030 · Cash-Checking	\$	(27.24)
Bill	1791633433	05/20/2015		6701 · Office Supplies	\$	(60.82)
Bill	771999317001	05/21/2015		6701 · Office Supplies	\$	(13.08)
Bill	1792392423	05/22/2015		6701 · Office Supplies	\$	(101.14)
Bill Pmt -Check	29566	06/09/2015	PAKPOUR CONSULTING GROUP, INC	1030 · Cash-Checking	\$	(15,627.87)
Bill		05/31/2015		1536 · Buckland Tank Project CY	\$	(9,880.50)
				7102 · Prof Serv - District Engineer	\$	(7,182.00)
				7102 · Prof Serv - District Engineer	\$	(1,202.25)
				7102 · Prof Serv - District Engineer	\$	(635.25)
				1532 · Main Replacement CY	\$	(1,824.38)
				1928 · Notre Dame/Folger - Prof Svs CY	\$	(577.50)
				1934 · Alameda - Prof Svs CY	\$	(36,929.75)
Bill Pmt -Check	29567	06/09/2015	PITNEY BOWES 371896	1030 · Cash-Checking	\$	(876.23)
Bill	331903	06/03/2015		6706 · Equipment Services/Maintenance	\$	(876.23)
Bill Pmt -Check	29568	06/09/2015	PRECISE, INC.	1030 · Cash-Checking	\$	(386.08)
Bill	14323	05/28/2015		7107 · Prof Serv - Customer Billing	\$	(386.08)
Bill Pmt -Check	29569	06/09/2015	RECOLOGY SAN MATEO	1030 · Cash-Checking	\$	(645.24)
Bill		05/28/2015		6501 · M&R - Buildings & Grounds	\$	(645.24)
Bill Pmt -Check	29570	06/09/2015	RICOH Philadelphia	1030 · Cash-Checking	\$	(133.81)
Bill	45790830	05/23/2015		6705 · Printing/Printing Supplies	\$	(133.81)
Bill Pmt -Check	29571	06/09/2015	RICOH USA, INC. Pasadena	1030 · Cash-Checking	\$	(11.50)
Bill	1055284850	05/28/2015		6705 · Printing/Printing Supplies	\$	(11.50)
Bill Pmt -Check	29572	06/09/2015	SFPUC FINANCIAL SERVICES	1030 · Cash-Checking	\$	(1,775.00)
Bill	10000496	05/12/2015		6401 · Water Quality	\$	(1,775.00)

Mid-Peninsula Water District
Check Detail
May 21 through June 17, 2015

Bill	29573	06/09/2015	TAMMY A. RUDOCK	1030 · Cash- Checking	\$	(6.00)
Bill		05/31/2015		7204 · Employee Travel/Training	\$	(6.00)
Bill	29574	06/09/2015	UPS	1030 · Cash- Checking	\$	(0.54)
Bill	0000546F3E225	05/30/2015		6052 · Uniforms	\$	(0.54)
Bill	29575	06/09/2015	VANGUARD CLEANING SYSTEMS, INC.	1030 · Cash- Checking	\$	(385.00)
Bill	5933	06/01/2015		6501 · M&R - Buildings & Grounds	\$	(385.00)
Bill	29576	06/09/2015	VOICE MAIL 2000	1030 · Cash- Checking	\$	(43.50)
Bill		06/01/2015		7002 · Utilities - Cell Telephone	\$	(43.50)
Bill	29577	06/16/2015	AIRGAS, LLC	1030 · Cash- Checking	\$	(110.01)
Bill	9927677141	05/31/2015		6501 · M&R - Buildings & Grounds	\$	(110.01)
Bill	29578	06/16/2015	AT&T Carol Stream	1030 · Cash- Checking	\$	(33.30)
Bill	6652559	06/01/2015		7005 · Utilities - Telephones	\$	(0.63)
Bill	6642586	06/01/2015		7005 · Utilities - Telephones	\$	(33.93)
Bill	29579	06/16/2015	BAY AREA WATER SUPPLY & CONSERVATION AGEN	1030 · Cash- Checking	\$	(28.09)
Bill	2737	06/04/2015		1410 · Prepaid Expenses	\$	(1.85)
Bill	2739	06/04/2015		1410 · Prepaid Expenses	\$	(21.84)
Bill	2738	06/04/2015		1410 · Prepaid Expenses	\$	(1,400.00)
Bill	2721	06/04/2015		1410 · Prepaid Expenses	\$	(1,451.78)
Bill	29580	06/16/2015	Bay Pointe Landscape	1030 · Cash- Checking	\$	(1,175.00)
Bill	BPL-0607	06/03/2015		6501 · M&R - Buildings & Grounds	\$	(1,175.00)

Mid-Peninsula Water District
Check Detail

May 21 through June 17, 2015

Bill Pmt -Check	29581	06/16/2015	CINTAS CORPORATION	1030 · Cash-Checking	
Bill	464033094	05/01/2015		6052 · Uniforms	\$ (481.15)
Bill	464448548	05/01/2015		6052 · Uniforms	\$ (284.03)
Bill	464448549	05/01/2015		6052 · Uniforms	\$ (132.25)
Bill	464454062	05/31/2015		6052 · Uniforms	\$ (299.12)
Bill	464451314	05/31/2015		6052 · Uniforms	\$ (282.43)
					\$ (1,478.98)
Bill Pmt -Check	29582	06/16/2015	Diana Profaca.	1030 · Cash-Checking	
Bill		05/12/2015		6305 · HET (High Efficiency Toilet)	\$ (200.00)
					\$ (200.00)
Bill Pmt -Check	29583	06/16/2015	JRocket Design77	1030 · Cash-Checking	
Bill	1962	06/11/2015		6705 · Printing/Printing Supplies	\$ (654.42)
				1410 · Prepaid Expenses	\$ (1,216.74)
Bill	1963	05/31/2015		1410 · Prepaid Expenses	\$ (1,000.00)
				1410 · Prepaid Expenses	\$ (2,850.00)
					\$ (5,721.16)
Bill Pmt -Check	29584	06/16/2015	LINCOLN LIFE	1030 · Cash-Checking	
Bill		06/15/2015		1430 · Payroll Clearing A/C	\$ (175.00)
					\$ (175.00)
Bill Pmt -Check	29585	06/16/2015	MATTHEW MURPHY	1030 · Cash-Checking	
Bill	REFMM061115	06/11/2015		6404 · Mains/Distribution	\$ (62.25)
					\$ (62.25)
Bill Pmt -Check	29586	06/16/2015	OFFICE DEPOT, INC.	1030 · Cash-Checking	
Bill	773791922001	06/02/2015		6701 · Office Supplies	\$ (88.99)
					\$ (88.99)
Bill Pmt -Check	29587	06/16/2015	PACIFIC WEST SECURITY, INC.	1030 · Cash-Checking	
Bill		06/04/2015		1410 · Prepaid Expenses	\$ (1,386.00)
					\$ (1,386.00)

Mid-Peninsula Water District
Check Detail

May 21 through June 17, 2015

Bill Pmt -Check	29588	06/16/2015	PG&E CFM/PPC DEPT	1030 · Cash- Checking	\$	(8.11)
Bill	4441-OMAY2015	05/31/2015		7004 · Utilities - Electric-Bldgs&Grnd	\$	(444.26)
Bill	7816-1JUN2015	06/01/2015		7003 · Utilities - Electric - Pumping	\$	(35.83)
Bill	2454-4JUN2015	06/01/2015		7003 · Utilities - Electric - Pumping	\$	(161.02)
Bill	3667-2JUN2015	06/01/2015		7003 · Utilities - Electric - Pumping	\$	(666.71)
Bill	6556-8JUN2015	06/09/2015		7003 · Utilities - Electric - Pumping	\$	(472.12)
Bill	7951-5JUN2015	06/09/2015		7003 · Utilities - Electric - Pumping	\$	(5,928.38)
Bill	8936-0JUN2015	06/09/2015		7003 · Utilities - Electric - Pumping	\$	(7,716.43)
Bill Pmt -Check	29589	06/16/2015	PRECISE, INC.	1030 · Cash- Checking	\$	(463.31)
Bill	14423	06/03/2015		1410 · Prepaid Expenses	\$	(463.31)
Bill Pmt -Check	29590	06/16/2015	RICOH Philadelphia	1030 · Cash- Checking	\$	(329.64)
Bill	46013270	06/06/2015		6705 · Printing/Printing Supplies	\$	(329.64)
Bill Pmt -Check	29591	06/16/2015	TAP PLASTICS, INC.	1030 · Cash- Checking	\$	(64.22)
Bill	386370	05/27/2015		6302 · School Conservation Program	\$	(64.22)
Bill Pmt -Check	29592	06/16/2015	WATER QUALITY & TREATMENT SOLUTIONS	1030 · Cash- Checking	\$	(641.70)
Bill	15-2223	06/01/2015		7110 · Prof Serv - Miscellaneous	\$	(641.70)
Check	EFT052715	05/27/2015	Health Equity	1030 · Cash- Checking	\$	(175.00)
Check	55060	06/11/2015	WHITLEY PROPERTY	1430 · Payroll Clearing A/C	\$	(175.00)
Check	55061	06/11/2015	JEFF BARILE	1030 · Cash- Checking	\$	(6.06)
				4012 · Water Refunds	\$	(6.06)
				1030 · Cash- Checking	\$	(217.82)
				4012 · Water Refunds	\$	(217.82)

Mid-Peninsula Water District
Check Detail

May 21 through June 17, 2015

Check	55062	06/11/2015	KELLY PETRICH	1030 · Cash-Checking 4012 · Water Refunds	\$ (13.47)
Check	55063	06/11/2015	HAIFA KHOURY	1030 · Cash-Checking 4012 · Water Refunds	\$ (1.86)
Check	55064	06/11/2015	JASON MERESMAN	1030 · Cash-Checking 4012 · Water Refunds	\$ (25.00)
Check	55065	06/11/2015	MATT LECKEY	1030 · Cash-Checking 4012 · Water Refunds	\$ (4.00)
Check	55066	06/11/2015	LINDA FEE YUE	1030 · Cash-Checking 4012 · Water Refunds	\$ (9.00)
Check	55067	06/11/2015	DUKE'S ROOT CONTROL	1030 · Cash-Checking 4012 · Water Refunds	\$ (623.24)
Check	EFT060815	06/08/2015	CALPERS	1030 · Cash-Checking 6045 · CALPERS Retirement - ER 2%@55	\$ (850.00)
TOTAL:					\$ 519,159.43



AGENDA ITEM NO. 6.A.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER ORDINANCE NO. 114 AMENDING ATTACHMENT A REGARDING RATES AND CHARGES TO THE WATER SERVICE ORDINANCE NO. 103 FOR THE MPWD

RECOMMENDATION

Adopt Ordinance No. 114 amending Attachment A regarding rates and charges to the Water Service Ordinance 103 for the MPWD.

FISCAL IMPACT

A comprehensive financial plan and rate study was prepared for the MPWD by Bartle Wells Associates, including projections on water conservation impacts and the development of Water Shortage Emergency Rates intended to support financial stability during periods of reduced water sales. The financial plan and development of proposed water rates have been discussed during MPWD Board meetings for the past three (3) months.

The Proposition 218 rates notice was mailed on May 6, 2015, to all customers reflecting the proposed water rates and water shortage emergency rates. (For reference, the Proposition 218 notice is included within the FY 2015/2016 MPWD Operating and Capital Budgets report.)

New rates are needed to incur the increased costs of wholesale purchased water from the SFPUC and to ensure the MPWD's fixed system costs are covered while water sales decline.

DISCUSSION

A summary presentation of the MPWD Financial Plan & Rate Study will be made by Bartle Wells Associates.

Six (6) written protests have been received and verified at publication of this report. One (1) written protest was received with no reference to a customer name or service address. Staff will present them to the Board during the public hearing for the record.

Attachment: Ordinance No. 114

BOARD ACTION: APPROVED: _____ DENIED: _____ POSTPONED: _____ STAFF DIRECTION: _____
UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

ORDINANCE NO. 114

**AN ORDINANCE AMENDING ATTACHMENT A REGARDING RATES AND CHARGES
TO THE WATER SERVICE ORDINANCE
FOR THE MID-PENINSULA WATER DISTRICT**

MID-PENINSULA WATER DISTRICT

WHEREAS, the Board of Directors of the Mid-Peninsula Water District is authorized to establish and modify, as necessary, the rates and charges imposed for the provision of water service to its customers; and

WHEREAS, these rates and charges are set forth in Attachment A to the Water Service Ordinance, which was most recently updated and adopted as Ordinance No. 108 on May 27, 2010; and

WHEREAS, since the last adjustment in the rates and charges for water service to District customers as set forth in Attachment A, the District continues to experience and anticipates further increases in operating and capital improvement costs, including the need to replace aging and substandard water distribution pipelines and projections that the wholesale water rate charged by the San Francisco Public Utilities Commission will increase by an additional 61% over the next five years; and

WHEREAS, in order for the District to maintain its operations, address existing system deficiencies, improve fire flow and service reliability, and adequately fund a long-term capital improvement program in light of these substantial increases in the costs of doing business, and upon the recommendation of the District Treasurer, staff has proposed an increase in the monthly water service charges and commodity charges over the next five years, based on the assumptions set forth in the Proposition 218 notice and the record, including the comprehensive analysis of the District's financial plan and rate structure performed by Bartle Wells Associates, applicable to its residential and non-residential (apartment/commercial) customers; and

WHEREAS, California is experiencing one of the most serious droughts on record and on April 1, 2015 the Governor issued an Executive Order directing the State Water Resources Control Board (SWRCB) to implement mandatory water conservation regulations to reduce water usage by 25% statewide; and

WHEREAS, in order to achieve these savings, the SWRCB has adopted emergency regulations to set water conservation targets for communities around the State, and the District is required to reduce water demand by 20% from demand in calendar year 2013; and

WHEREAS, in order to help the District recover its costs of service and remain financially stable during periods of emergency water shortages and reduced water sales, the District is proposing the implementation of water shortage emergency rates, as set forth in the Proposition 218 notice and the record, including the comprehensive analysis of the District's financial plan and rate structure performed by Bartle Wells Associates, applicable to its residential and non-residential customers, which would be implemented in response to escalating drought conditions and water supply shortages, or in response to additional State-mandated cutbacks in water use in excess of 20%, and would replace MPWD's regular water consumption charges; and

WHEREAS, the proposed water shortage emergency rates may be implemented upon declaration of a water shortage emergency pursuant to Water Code Section 350 and/or Water Code Section 31026, with the understanding that prior to initiating water shortage emergency rates, the District will send notification to all customers at least 30 days prior to implementation; and

WHEREAS, the District mailed to each of its rate payers a Proposition 218 notice of the proposed rate increases and water shortage emergency rates advising of a public hearing to be held at its Board meeting on June 25, 2015, for the purpose of offering the public an opportunity to provide comments regarding the proposed adjustments in the District's rate and fee schedule; and

WHEREAS, having considered the entire record, including all the financial analyses and budget projections, the Board of Directors has determined that the proposed changes in the District's monthly water service charges and commodity charges, and the proposed maximum water shortage emergency rates, for its residential and non-residential customers are necessary and appropriate so as to allow the District to continue its operations and service at the same level and quality, to continue its critical capital improvement program, and to respond to the California drought and the State-mandated water use reductions.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Mid-Peninsula Water District as follows:

Section 1: Attachment A to the Water Service Ordinance of the Mid-Peninsula Water District is amended and restated in its entirety as set forth on Attachment A attached hereto.

Section 2 – Effective Date: This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2015. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 114 hereby are repealed.

REGULARLY PASSED AND ADOPTED at a meeting of the Board of Directors of the Mid-Peninsula Water District duly held on the June 25, 2015, by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary of the Board



WATER SERVICE ORDINANCE 103

ATTACHMENT A

SCHEDULE OF RATES AND FEES

I. ACCOUNT OPENING CHARGES

- A. Application for Regular or Temporary Water Service \$10

II. SERVICE CONNECTION CHARGES

Service connections to the Mid-Peninsula Water District (MPWD) system require payment of a Meter Charge, Service Line and Installation Charge, Water Capacity Charge, and Water Demand Offset Charge. Charges are based upon the size of the service connection.

- A. Meter Charge – CURRENT ACTUAL COST

- B. Service Line and Installation Charge – CURRENT ACTUAL COST

An advance deposit will be required for service connections in the amount of the MPWD’s estimate of the total cost to install. Any excess of actual installed costs shall be refunded to applicant. Any shortfall between the MPWD’s estimate and actual installed costs shall be paid by the applicant prior to water service being activated.

C. Water System Capacity Charge

WATER SYSTEM CAPACITY CHARGES				
RESIDENTIAL		<u>Water Demand^{1,2}</u>		<u>Capacity Charge</u>
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit		200	gpd	\$9,375
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>				
Multi-Family Dwelling Unit		120	gpd	\$5,625
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge applies based on meter size</i>				
<u>Meter Size</u>	<u>Meter Capacity Ratio³</u>	<u>Water Demand⁴</u>		<u>Capacity Charge</u>
Up to 3/4"	1.00	200	gpd	\$9,375
1"	1.67	333	gpd	15,625
1-1/2"	3.33	667	gpd	31,250
2"	5.33	1,067	gpd	50,000
3"	10.00	2,000	gpd	93,750
4"	16.67	3,333	gpd	156,250
6"	33.33	6,667	gpd	312,500
8"	53.33	10,667	gpd	500,000
<p>1 Single family residential demand based on average water use in 2013/14 reduced to account for 10% additional conservation.</p> <p>2 Multi-family demand estimated at 60% of single family detached water demand accounting for minimal to no outdoor irrigation and reduced average occupancy per dwelling unit.</p> <p>3 Based on standard American Water Works Association meter capacities.</p> <p>4 Demand conservatively estimated based on 200 gpd multiplied by meter capacity ratio.</p>				

Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.

D. Water Demand Offset Charge

WATER DEMAND OFFSET CHARGES				
	UWMP Water Shortage Response Stages			
	Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction	Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset	25%	50%	75%	100%
RESIDENTIAL				
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit				
	\$633	\$1,217	\$1,800	\$2,383
<i>Applies to residential dwelling units served by meters up to 1-inch.</i>				
Multi-Family Dwelling Unit				
	\$380	\$730	\$1,080	\$1,430
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge based on meter size</i>				
<u>Meter Size</u>				
Up to 3/4"	\$633	\$1,217	\$1,800	\$2,383
1"	1,055	2,028	3,000	3,972
1-1/2"	2,110	4,057	6,000	7,943
2"	3,376	6,491	9,600	12,709
3"	6,330	12,170	18,000	23,830
4"	10,550	20,283	30,000	39,717
6"	21,100	40,567	60,000	79,433
8"	33,760	64,907	96,000	127,093

E. Temporary Water Service Connection for Construction **\$1,610**

III. MONTHLY SERVICE AND COMMODITY CHARGES

MPWD Water Rates							
	Current Rates	Effective on water bills sent on or after:					
		July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019	
FIXED MONTHLY CHARGES							
<i>Fixed monthly charge based on meter size</i>							
Meter Size							
5/8-inch	\$18.43	\$22.00	\$24.00	\$26.00	\$28.00	\$30.00	
1-inch	27.65	33.00	36.00	39.00	42.00	45.00	
1 1/2-inch	46.08	55.00	60.00	65.00	70.00	75.00	
2-inch	73.73	88.00	96.00	104.00	112.00	120.00	
3-inch	110.59	132.00	144.00	156.00	168.00	180.00	
4-inch	184.31	220.00	240.00	260.00	280.00	300.00	
6-inch	460.79	550.00	600.00	650.00	700.00	750.00	
WATER CONSUMPTION CHARGES							
<i>Billed based on monthly metered water use (\$/hcf)*</i>							
Single Family Residential Customers							
Water Usage Billed in Tier							
Tier 1	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	
Tier 2	3 - 10 hcf	3 - 9 hcf	3 - 8 hcf	3 - 8 hcf	3 - 8 hcf	3 - 8 hcf	
Tier 3	11 - 25 hcf	10 - 22 hcf	9 - 20 hcf	9 - 20 hcf	9 - 20 hcf	9 - 20 hcf	
Tier 4	Over 25 hcf	Over 22 hcf	Over 20 hcf	Over 20 hcf	Over 20 hcf	Over 20 hcf	
Water Consumption Charge per Tier							
Tier 1	\$4.20	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25	
Tier 2	6.46	7.50	7.90	8.30	8.65	9.00	
Tier 3	7.75	9.00	9.50	10.00	10.50	11.00	
Tier 4	9.04	10.50	11.10	11.70	12.35	13.00	
All Other Customers							
Tier 1	0 - 5 hcf	\$5.81	\$7.00	\$7.25	\$7.50	\$7.75	\$8.00
Tier 2	Over 5 hcf	6.78	8.00	8.35	8.70	9.10	9.50

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Pursuant to the Government Code, the MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

IV. WATER SHORTAGE EMERGENCY RATES

Water Shortage Emergency Rates may be implemented by authorization of MPWD’s Board of Directors up to the maximum levels shown on the table below, which correspond with a 50% cutback in water demand from usage in 2013.

Maximum Water Shortage Emergency Rates					
Maximum rates effective on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019
WATER SHORTAGE EMERGENCY RATES (CONSUMPTION CHARGES)					
<i>Billed based on monthly metered water use (\$/hcf)*</i>					
<u>Single Family Residential Rate Tiers</u>					
Tier 1	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	9.90	10.57	11.15	11.72	12.14
Tier 3	11.88	12.71	13.43	14.23	14.83
Tier 4	13.86	14.85	15.72	16.74	17.53
<u>All Other Rate Tiers</u>					
Tier 1	\$9.24	\$9.70	\$10.07	\$10.50	\$10.79
Tier 2	10.56	11.17	11.69	12.33	12.81

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Based on same levels of water use per tier as shown in MPWD Water Rates table.

V. PRIVATE FIRE PROTECTION SERVICE CHARGES

- A. Residential \$1.25/Month
- B. Non-Residential \$6.25/Month

VI. MISCELLANEOUS CHARGES

- A. Returned Check \$25 per returned check
- B. Reconnection/Reinstatement of Service \$40 per reconnection
- C. Unauthorized Connection to Fire Hydrant \$1,000 per connection
- D. Unauthorized Hydrant Valve Operation \$500 per operation
- E. Meter Test Deposit \$200 per test
- F. Copy Fee \$0.10 per page
- G. After-Hours Service Call \$40 per service call



AGENDA ITEM NO. 7.A.

DATE: June 25, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: DROUGHT AND WATER CONSERVATION PROGRESS REPORT

RECOMMENDATION

Receive update on drought and water conservation activities.

FISCAL IMPACT

As a result of water conservation efforts, MPWD water commodity revenues received to date are lower than projected. Monthly fixed system charges (monthly service charges) are on target. Fortunately, operating expenses are lower than projected as well, including SFPUC PURCHASED WATER. That is the risk when so little of the system's fixed costs are recovered within the rates structure, which has historically been the practice in most water agencies (to rely on the variable water commodity charges).

DISCUSSION

Activities completed since the May 28th Board meeting:

1. The report due June 15th to the SWRCB was submitted. May's **reduction** (compared with 2013) measured a **record-breaking 37.2%**--the highest monthly effort since tracking started in February 2014! Last year's May PERCENT CHANGE was -18.5%, compared to -37.2% this year.)

UPDATE→As a result of recently approved SWRCB 2015 emergency drought regulations, including a 20% conservation goal for the MPWD, and new tracking requirements effective for the period June 1, 2015, through February 29, 2016, a new table will be developed and presented in July.

The following Calendar Year 2014 and 2015 tables reflect MPWD's water system purchases in units (1 unit = 748 gallons), percentage change comparison, and cumulative average savings (highlighted in blue).

CALENDAR YEAR 2015 - JANUARY THROUGH MAY

2015 MONTH	2015 UNITS	2014 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2015 R-GPCD	2014 R-GPCD	2013 R-GPCD
January	82,360	102,910	84,202	-2.2%	-2.2% / -15.1%**	64.9	81.1	66.3
February	79,782	73,221	86,478	-7.7%	-5.0% / -14.5%	69.6	63.9	75.4
March	102,964	89,152	106,663	-3.5%	-4.5% / -13.7%	81.1	70.2	84.0
April	91,491	96,019	120,265	-23.9%	-9.3% / -14.4%	74.5	78.2	97.9
May	97,806	126,934	155,736	-37.2%	-14.9% / -15.8%	77.1	100.0	122.7

*Compared to 2013. **Cumulative total since February 2014.

CALENDAR YEAR 2014 - FEBRUARY THROUGH DECEMBER

2014 MONTH	2014 UNITS	2013 UNITS	PERCENT CHANGE*	CUMULATIVE WATER SAVINGS*	2014 R-GPCD	2013 R-GPCD
February	73,221	86,478	-15.3%	-15.3%	64	75
March	89,152	106,663	-16.4%	-15.9%	70	84
April	96,019	120,265	-20.2%	-17.3%	78	98
May	126,934	155,736	-18.5%	-17.6%	100	123
June	139,729	150,614	-7.2%	-15.5%	114	123
July	134,669	156,081	-13.7%	-15.2%	106	123
August	128,924	155,788	-17.2%	-15.5%	102	123
September	118,284	145,551	-18.7%	-15.9%	96	119
October	109,652	122,117	-10.2%	-15.3%	92	96
November	86,670	106,535	-18.6%	-15.6%	71	87
December	72,835	94,062	-22.6%	-16.2%	57	74

The R-GPCD (Residential-Gallons Per Capita Day) calculations are highlighted in yellow. The SWRCB performance standard for indoor use is 55GPCD. (Note: For Calendar Years 2014 and 2015 tracking, the SWRCB formula for calculating the R-GPCD included MPWD factors: 85% residential use of total production, and population from 2010 Urban Water Management Plan—26,030. **REVISED**→Effective June 1, 2015, the SWRCB approved an updated formula for urban water suppliers utilizing the 2014 population projection—26,730—from the 2010 Urban Water Management Plan.)

- MPWD started tracking water waste complaints in July 2014. All were investigated and resolved through communications and education.

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2015	2	0	5	12	6								25
2014	-	-	-	-	-	-	3	6	3	4	7	0	23

- MPWD Ordinance No. 113 finalized by District Counsel as approved by the Board last month is attached for reference.

4. Attached is the SWRCB Media Release dated June 2, 2015, entitled "*Urban Water Conservation Improves in April Ahead of June 25% Conservation Mandate.*" The SWRCB statewide Emergency Conservation Regulation Update dated June 2, 2015, is attached for information.

Attachments: MPWD Ordinance No. 113
SWRCB Media Release dated June 2, 2015
SWRCB statewide Emergency Conservation Regulation Update dated June 2, 2015

BOARD ACTION: APPROVED:____ DENIED:____ POSTPONED:____ STAFF DIRECTION:____
UNANIMOUS____ LINVILL____ ZUCCA____ WARDEN____ STUEBING____ VELLA____

ORDINANCE NO. 113

**AMENDING ORDINANCE NO. 111 IMPLEMENTING STAGE 2 WATER SHORTAGE
RESPONSE OF WATER SHORTAGE CONTINGENCY PLAN REGARDING
MANDATORY RESTRICTIONS ON OUTDOOR WATER USE**

MID-PENINSULA WATER DISTRICT

WHEREAS, California is experiencing one of the most severe droughts on record; and

WHEREAS, on January 17, 2014, Governor Brown declared a drought state of emergency and called on all Californians to do their part to reduce their water use; and

WHEREAS, on April 25, 2014, Governor Brown issued a proclamation of a continued state of emergency to mitigate the effects of drought conditions upon the people and property of California, and called on residents to refrain from wasting water; and

WHEREAS, on July 15, 2014, the State Water Resources Control Board (SWRCB) adopted drought emergency regulations (Resolution No. 2014-0038) that impose mandatory actions by urban water suppliers, which became effective July 28, 2014; and

WHEREAS, the Mid-Peninsula Water District (District) is required to comply with the SWRCB drought emergency regulations that apply to an urban water supplier; and

WHEREAS, in response to the SWRCB emergency regulations, the District adopted Ordinance No. 111, which implemented Stage 2 of the District's Water Shortage Contingency Plan, which provides for water rationing programs that may include prohibitions on the wasteful use of water including any use that results in run off to gutters or streets, the use of water to clean hard surfaces such as sidewalks and streets, and restrictions on certain outdoor irrigation; and

WHEREAS, on April 1, 2015, Governor Brown issued an Executive Order that, in part, directs the SWRCB to impose restrictions on water suppliers to achieve a statewide 25 percent reduction in urban potable water usage through February , 2016; requires commercial, industrial, and institutional users to implement water efficiency measures; prohibits irrigation with potable water of ornamental turf in public street medians; and prohibits irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems; and

WHEREAS, on May 15, 2015, the SWRCB adopted drought emergency regulations (Resolution No. 2015-0032) that impose mandatory actions and reporting requirements by urban water suppliers, which became effective May 18, 2015; and

WHEREAS, in order to comply with the SWRCB requirements, including a 20% conservation standard for the District, the District needs to amend Ordinance No. 111 to incorporate additional mandatory conservation measures applicable to the District's customers; and

WHEREAS, the actions taken hereinafter are exempt from the provisions of Section 21000 *et seq.* of the Public Resources Code as they constitute a project undertaken as immediate action necessary to prevent or mitigate an emergency pursuant to Title 14, California Code of Regulations Section 15269 and a project undertaken to assure the maintenance, restoration or enhancement of a natural resource pursuant to Title 14, California Code of Regulations Section 15307.

NOW, THEREFORE, BE IT ORDAINED that the Board of Directors of the Mid-Peninsula Water District hereby takes the following actions:

1. Section 2 of Ordinance No. 111 is hereby deleted in its entirety and replaced with the following:

The District, to promote water conservation, prohibits each of the following actions except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency:

- A. The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.
- B. The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.
- C. The application of potable water to driveways and sidewalks.

- D. The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.
- E. The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall.
- F. The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased.
- G. The irrigation with potable water of ornamental turf on public street medians.
- H. The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.
- I. The irrigation of outdoor ornamental landscapes or turf with potable water between the hours of 10 a.m. and 6 p.m.
- J. Irrigation of outdoor ornamental landscapes or turf more than two days per week with the purpose of not exceeding 80% of the customer's use of water for that purpose in calendar year 2014.

In addition, to promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily.

2. All other provisions of Ordinance No. 111 remain in full force and effect.
3. Effective Date. All provisions of this Ordinance shall become effective after the publication of this Ordinance and remain in effect until the District takes action to cancel the implementation of Stage 2 of the District's Water Shortage Contingency Plan.

4. Publication. The District shall publish this Ordinance within 15 days of enactment in a newspaper of general circulation in the District and shall post it on the District's website.

PASSED AND ADOPTED this 28th day of May, 2015, by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary of the Board



Media Release

Urban Water Conservation Improves in April Ahead of June 25 Percent Conservation Mandate

WATER DISTRICTS REPORT FIRST FULL MONTH OF STATEWIDE ENFORCEMENT EFFORTS

FOR IMMEDIATE RELEASE
June 2, 2015

Contact: George Kostyrko
gkostyrko@waterboards.ca.gov

SACRAMENTO – With a mandatory average conservation rate of 25 percent beginning this month for all state residents, the State Water Resources Control Board (State Water Board) announced that Californians in cities and towns increased their water conservation to 13.5 percent in April. In addition, nearly 400 water suppliers responded to a first-ever enforcement report, indicating a high level of local activity to respond to reports of leaks and suspected water wasting.

“We hope the improved conservation rate for April shows that residents and businesses stepped up to begin to meet the call for greater conservation in the face of this historic and ongoing drought,” said State Water Board Chair Felicia Marcus. “While these results are a step in the right direction, there are still too many lush landscapes where irrigation must be reduced to meet the 25 percent statewide reduction mandate. We see conservation gains in all regions of the state, but we don’t know whether it was because of cooler weather or concerted action. In particular, the South Coast demonstrated significant improvement, but the real test will be what happens as we move into the hot and dry summer months, when we need to keep the sprinklers off as much as possible.”

In May, the State Water Board adopted an [emergency regulation](#) requiring an immediate 25 percent reduction in overall potable urban water use statewide beginning in June, in accordance with Governor Edmund G. Brown Jr.’s April 1 [Executive Order](#). The Executive Order required, for the first time in the state’s history, mandatory conservation for all residents and directed several state agencies, including the State Water Board, to take immediate action to safeguard the state’s remaining potable urban water supplies in preparation for a possible fifth year of drought.

In the most recent survey of nearly 400 urban water suppliers, the amount of water saved by the state’s large urban water agency customers statewide increased from 3.9 percent in March



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

STATE WATER RESOURCES CONTROL BOARD

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to approximately 13.5 percent in April, in same month water use comparisons of 2015 to 2013. The year 2013 serves as a baseline to determine water savings statewide since the 2014 emergency water conservation regulations have been in effect. The cumulative statewide percent reduction for June 2014-April 2015 (11 months) is 9 percent.

The regulation adopted by the State Water Board on May 5 uses a sliding scale, so that communities that have been conserving water will have lower mandates than those that have not conserved this past year and/or over the last decades since the last major drought. The regulation places each urban water supplier into one of eight tiers which are assigned a conservation standard, ranging between 8 percent and 36 percent.

The State Water Board is currently reviewing new data submitted by over 200 urban water suppliers. The revised data, if accepted, will change the conservation standard for some water suppliers. The Board expects to publish the final conservation standards for all 411 urban water suppliers by the end of the week.

Each month, the State Water Board will compare every urban water suppliers' water use with their use for the same month in 2013 to determine if they are on track for meeting their conservation standard. Local water agencies will determine the most cost effective and locally appropriate way to achieve their standard. The State Water Board will be working closely with water suppliers to implement the regulations and improve local efforts that are falling short.

"Whether 12, 24, or 36 percent, these reductions are achievable if we reduce our outdoor irrigation, fix our leaks, and think about our water use every day," said Marcus. "We know that when people pay attention to their water use they can make significant reductions, so we need everyone to make conservation a part of their summer routine. A quarter of water suppliers statewide still allow 7 days a week watering, which is not sending the right message when on average 50 percent and in some cases 80 percent of urban water use is on outdoor landscapes. This summer, watering lawns should be the exception rather than the rule, while we reserve our precious landscape water for trees."

Enforcement Data Now Reported Every Month

In March, the State Water Board [renewed an emergency regulation](#), first adopted in July 2014, which require water districts to report water use every month to the State Water Board. The renewed emergency regulations monthly reporting requirements were expanded to include the limit on days for outdoor irrigation and a description of compliance and enforcement efforts. Based on the first full month of enforcement and compliance, in April (395 urban water suppliers reporting):











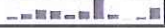
- 22,674 water waste complaints were submitted to 325 suppliers statewide;

- 22,173 formal warnings were issued for water waste by 260 suppliers statewide;
- 838 penalties were issued by 43 suppliers statewide;
- 12 (3%) suppliers reported that mandatory restrictions are not in place;
- 97 (25%) suppliers reported no restrictions on the number of days per week outdoor irrigation is allowed.

Water Conservation Efforts Improve

Monthly residential water savings statewide were 13.5 percent in April compared with April 2013. That is up from the 3.9 percent water savings in March compared with March 2013. Broken down by hydrologic region, the results show that all parts of the state showed savings improvements compared to March.

Water Savings by Hydrologic Region June 2014 to April 2015










Hydrologic Region	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	Trend
Central Coast	9.5%	13.5%	15.2%	15.9%	14.4%	21.3%	29.2%	9.4%	9.0%	9.3%	17.6%	
Colorado River	6.6%	3.1%	7.0%	5.9%	5.4%	6.7%	6.3%	12.3%	-0.9%	7.3%	12.8%	
North Coast	3.9%	10.2%	13.2%	9.5%	21.9%	19.4%	15.9%	16.1%	7.3%	-4.3%	23.4%	
North Lahontan	3.6%	4.3%	13.3%	-0.7%	-6.9%	-2.6%	14.2%	9.6%	14.2%	12.1%	37.5%	
Sacramento River	11.8%	19.8%	22.0%	16.4%	18.6%	25.7%	21.5%	6.0%	14.2%	11.7%	23.7%	
San Francisco Bay	10.2%	13.0%	15.1%	15.4%	14.9%	17.7%	21.0%	2.4%	8.2%	6.4%	19.9%	
San Joaquin River	6.6%	12.3%	13.2%	10.0%	10.0%	20.9%	18.3%	12.6%	13.6%	11.5%	19.9%	
South Coast	-0.1%	1.9%	8.1%	7.7%	1.6%	3.4%	23.7%	6.5%	-2.6%	0.6%	8.7%	
South Lahontan	5.2%	3.9%	9.8%	7.7%	0.2%	0.6%	8.9%	9.8%	5.8%	10.4%	10.5%	
Tulare Lake	5.7%	8.3%	13.6%	11.5%	6.5%	16.5%	26.4%	9.1%	9.7%	4.9%	17.3%	
Statewide	4.3%	7.3%	11.7%	10.3%	6.7%	10.0%	22.3%	6.8%	2.6%	3.9%	13.5%	

From June 2014 through April 2015, more than 175.6 billion gallons have been saved compared with the same period in 2013 – enough to supply 2.35 million California residents for a year.

Per Capita Daily Water Use Rises Slightly

In addition to the conservation data, the State Water Board also discussed the reported residential gallons per-capita per day (R-GPCD) for April. The discussion focused on estimated daily water use by residential customers for more than 400 urban water suppliers statewide.

R-GPCD by Hydrologic Region June 2014 to April 2015

Hydrologic Region	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	Trend
Central Coast	98.9	94.1	90.1	88.0	82.6	67.5	54.0	60.2	61.7	64.0	70.0	
Colorado River	243.7	244.0	223.1	186.1	171.1	167.4	118.5	116.6	134.2	125.9	161.2	
North Coast	89.9	98.7	84.9	86.6	68.8	56.5	58.1	55.9	56.4	62.6	60.6	
North Lahontan	174.7	166.0	165.4	144.4	111.3	74.5	69.2	69.9	62.5	58.2	63.8	
Sacramento River	194.2	200.4	179.9	165.4	131.1	89.3	70.8	73.9	74.4	97.0	103.4	
San Francisco Bay	99.1	98.5	90.9	84.2	76.8	63.0	53.2	56.9	57.8	63.5	65.8	
San Joaquin River	202.3	202.0	178.6	160.7	132.2	91.7	72.7	70.2	73.4	95.2	106.4	
South Coast	122.1	120.4	113.0	113.4	104.3	88.7	65.2	73.6	79.8	83.8	90.7	
South Lahontan	192.9	195.0	184.1	162.9	136.3	109.4	75.6	76.0	80.4	97.4	117.2	
Tulare Lake	201.4	213.3	191.8	180.7	149.7	107.0	80.7	75.2	78.7	100.7	128.5	
Statewide	134.2	133.9	123.9	119.0	106.0	86.3	65.6	71.0	75.5	82.8	91.0	

Statewide average R-GPCD for April 2015 was 91 gallons, an increase compared to the March statewide average R-GPCD of 82.8. With the exception of the North Coast Hydrologic Region, hydrologic region R-GPCDs were higher in April than they were in March for all hydrologic regions. To see the full report, click [here](#).

Examples of some communities with the respective R-GPCD averages for April 2015 in various hydrologic areas (in parenthesis) include: San Francisco Public Utilities Commission (San Francisco Bay) with 44 R-GPCD; City of Santa Cruz (Central Coast) with 40 R-GPCD; California-American Water Company Monterey District (Central Coast) 56 R-GPCD; City of Santa Rosa (North Coast) with 56 R-GPCD; City of Stockton (San Joaquin River) with 92 R-GPCD; City of San Diego (South Coast), with 66 R-GPCD; San Jose Water Company (San Francisco Bay), with 68 R-GPCD; City of Fresno (Tulare Lake), with 108 R-GPCD; City of Sacramento (Sacramento River) with 86 R-GPCD; Los Angeles Department of Water and Power (South Coast), with 75 R-GPCD; City of Riverside (South Coast), with 92 R-GPCD; Sacramento County Water Agency (Sacramento River), with 118 R-GPCD, and California Water Service Company, Bakersfield (Tulare Lake) with 152 R-GPCD.

For additional information on water use, please visit the following resources:

- The Pacific Institute has an R-GPCD mapping tool [here](#).
- The State Drinking Water Program has an urban water R-GPCD Calculator [here](#).

Background

In his April 1 Executive Order, Governor Brown mandated a 25 percent water use reduction for cities and towns across California.

During 2014, the State Water Board took action to increase access to recycled water in an effort to augment scarce water supplies. Water recycling is the use of treated municipal wastewater for beneficial purposes, such as agricultural and landscape irrigation, industrial processes, and replenishing ground water basins. In March, the Board approved new low-interest financing terms for water recycling projects to help California produce an additional 150,000 acre-feet of recycled water annually. The effort makes available \$800 million in loans for projects such as recycled water treatment and distribution and storage facilities that can be completed by 2017. In June, the Board adopted a general order that makes it easier for communities to use non-potable recycled water for agriculture, landscape and golf course irrigation, and other uses. During the year, various regional boards took action to approve the use of recycled water for local projects under their jurisdiction.

For more than two years, California has been dealing with the effects of drought. To learn about all the actions the state has taken to manage our water system and cope with the impacts of the drought, visit Drought.CA.Gov.

Every Californian should take steps to conserve water. Find out how at SaveOurWater.com.

###

Emergency Conservation Regulation Update

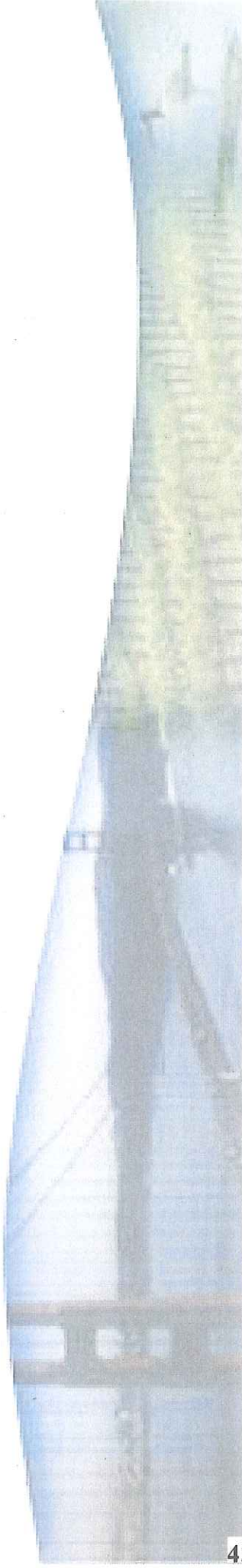
Office of Research, Planning, and Performance

June 2, 2015



Status of Implementation

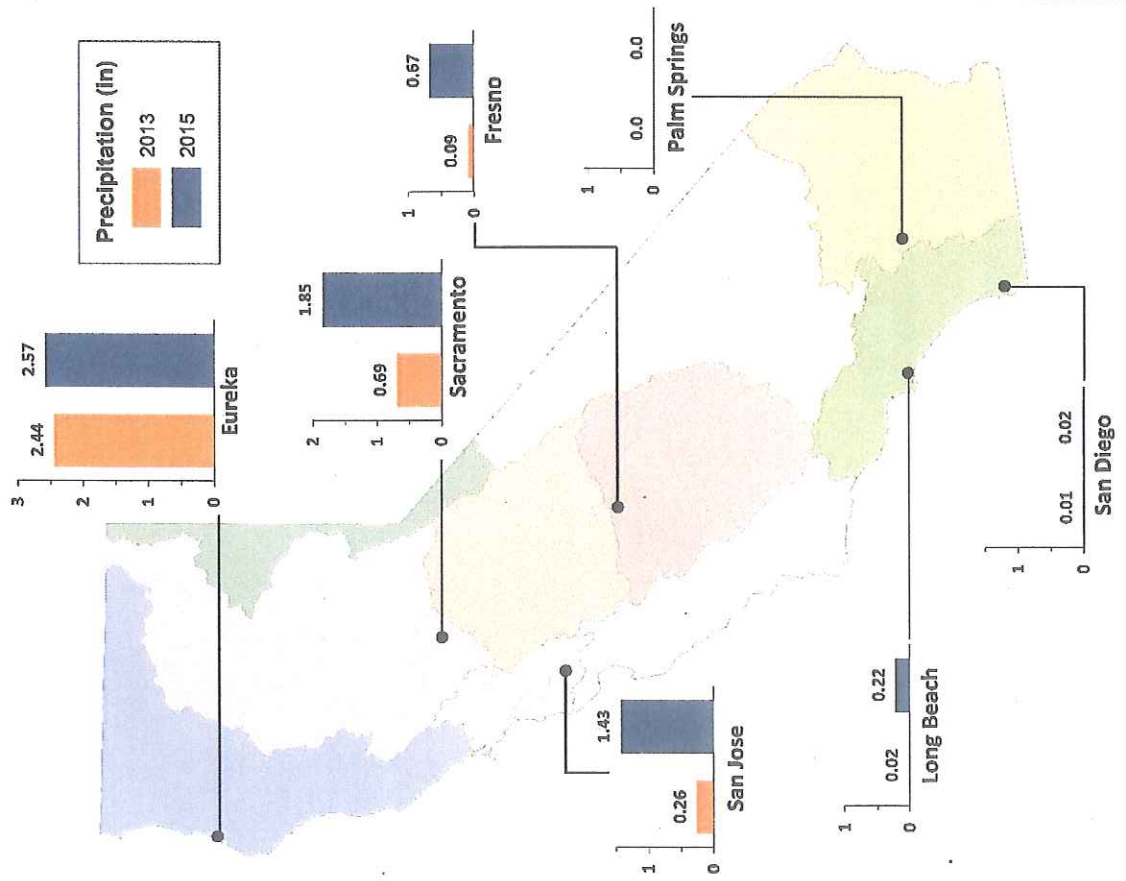
- Water production data collected from June 2014 through April 2015 (11 months)
- 395 (of 411) urban water suppliers submitted April production numbers
- Updated emergency regulation effective May 18, 2015



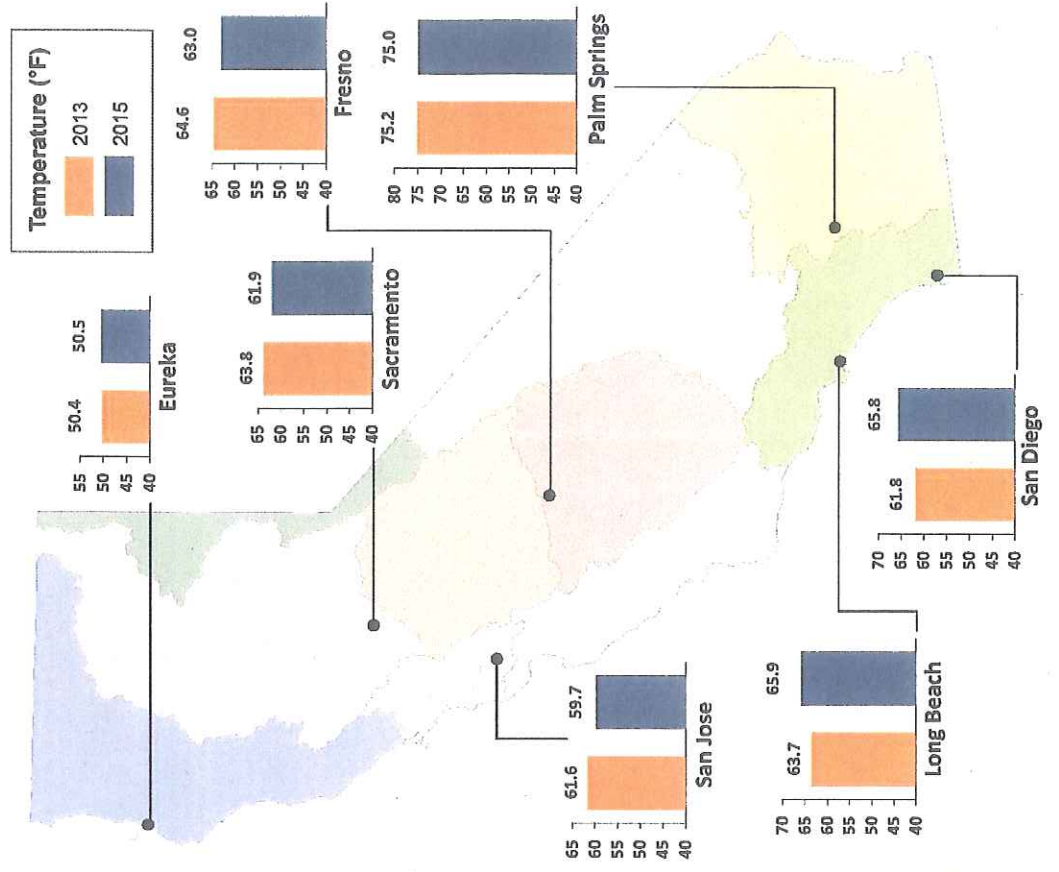
April Weather Conditions

(Select Cities)

Precipitation

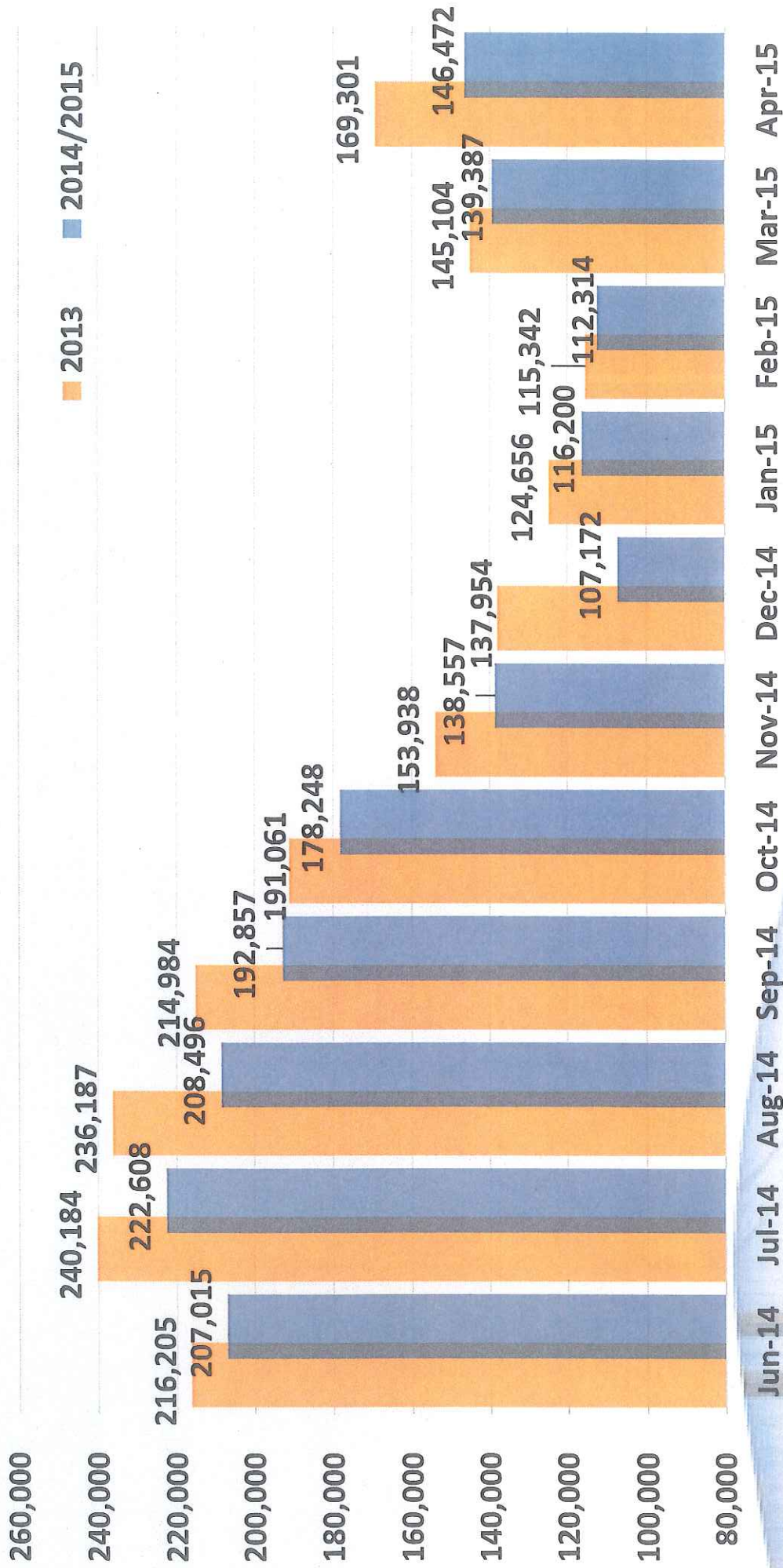


Temperature



Statewide Water Conservation Results

Water Production June 2014 - April 2015 (Million Gallons)



**Over 175 Billion Gallons Saved June 2014 – April 2015,
enough to provide 2.35 million Californians with water for 1 year**

Statewide Water Conservation Results

Water Production Percentage Reduction

(Compared to 2013)

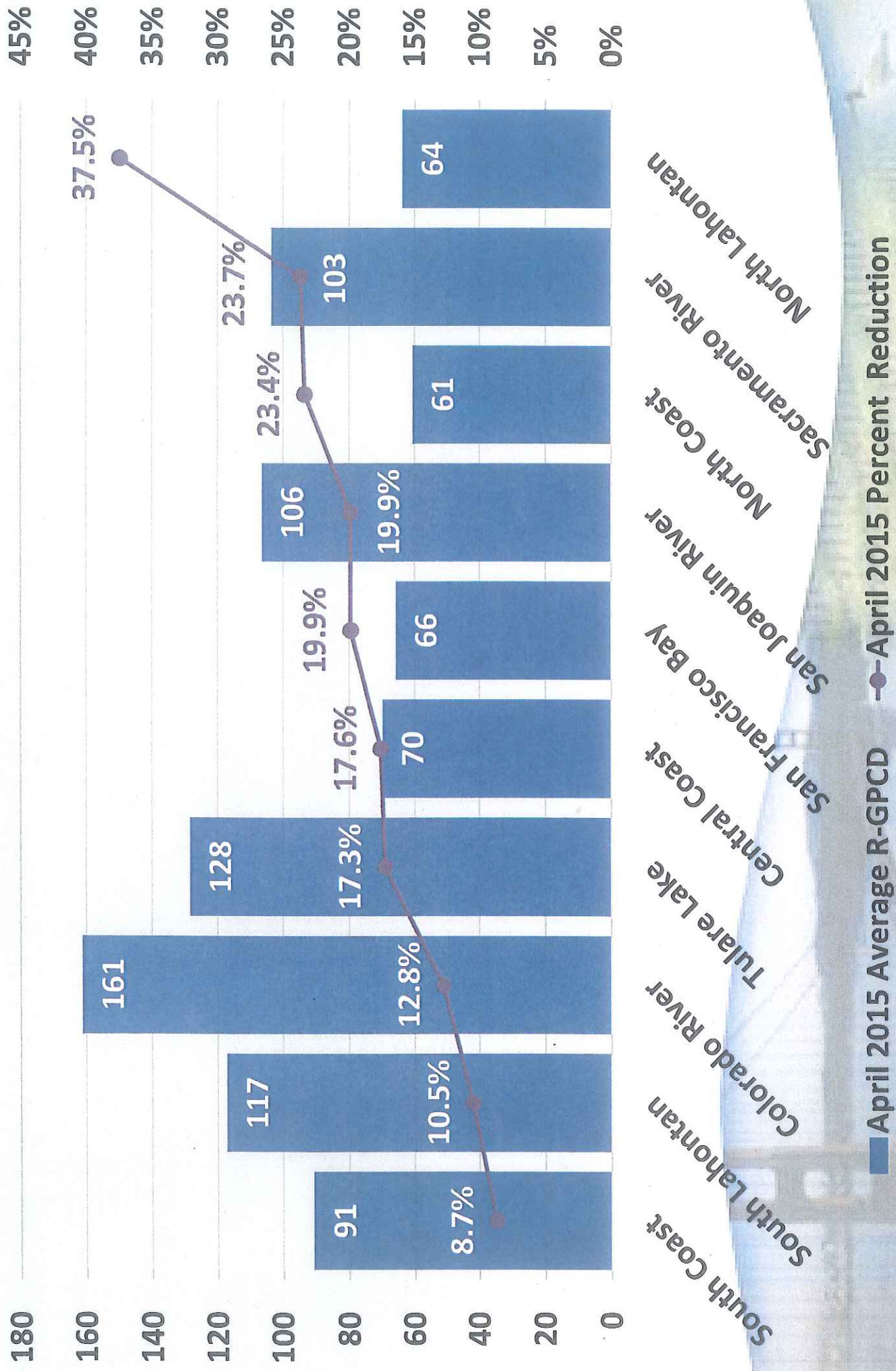


April 2015 Residential Gallons per Capita per Day

- Highest R-GPCD figures = 427
- Lowest R-GPCD figures = 32
- Average April 2015 R-GPCD = 91, up from 83 in March
- 55 GPCD is the performance standard for **indoor** use
 - 26 suppliers representing about 1.9 million people report April total (indoor and outdoor) GPCD less than 55

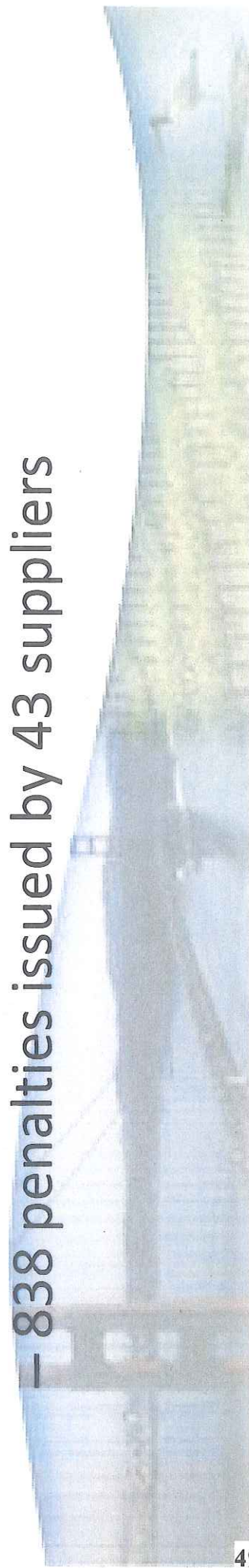


April 2015 Water Conservation Results



April 2015 Water Supplier Irrigation Restrictions and Enforcement Actions

- 97 suppliers reported no restrictions on the number of days per week outdoor irrigation is allowed
- Water Supplier Enforcement Actions
 - 22,674 water waste complaints submitted to 325 suppliers
 - 22,173 formal warnings for water waste issued by 260 suppliers
 - 838 penalties issued by 43 suppliers



Emergency Regulation Implementation

- The website now has the following forms available:
 - Application for 4% tier
 - Request for alternate compliance assessment
 - Instructions and certification for water used for commercial agriculture
- http://www.waterboards.ca.gov/water_issues/programs/conservation_portal/emergency_regulation.shtml
- Water waste reporting portal launch
- Final conservation standards based on revised data
- Workgroup formation



Water-Energy Technology Program & Water Technology Summit

- California Energy Commission workshop
June 2nd in Fresno

Water Technology Summit

- Showcase innovative technologies
- Presentations from water and energy leaders
- International collaboration
- July 10th





AGENDA ITEM NO. 8.A.

DATE: June 25, 2015

TO: Board of Directors

FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: CONSIDER RESOLUTION 2015-07 APPROVING THE FISCAL YEAR 2015/2016 MPWD OPERATING BUDGET

RECOMMENDATION

Adopt Resolution 2015-07 approving the Fiscal Year (FY) 2015/2016 MPWD Operating Budget.

FISCAL IMPACT

BUDGET CATEGORY	PROPOSED FY 2015/2016 BUDGET	PROJECTED FY 2014/2015 BUDGET	ACTUAL FY 2013/2014
Total Operating Revenues	\$11,623,320	\$11,334,400	\$10,360,026
Total Operating Expenditures	\$10,923,320	\$ 10,171,700	\$ 8,981,349
Net Transfer To Capital	\$ 700,000	\$ 1,162,700	\$ 1,378,677

Significant FY 2015/2015 fiscal impacts:

- FY 2015/2016 Water Commodity Charges reflect a 2.5% decrease because of the comparison to the FY 2014/2015 projection of \$8.4 million, which is not a realistic target for end of fiscal year as a result of reduced water sales due to conservation. That revised projection is more like \$7.3 million. After applying the net effect of the MPWD's 20% conservation goal and 18% water rate increase effective July 1, 2015, \$8.4 million is more conservative for planning purposes.
- Relatedly, the Purchased Water expense is projected to increase by 5.5% even though the SFPUC imposed a 28% increase to wholesale water rates effective July 1, 2015. Again, because of the expected conservation, less water will be purchased. That likely means that next year, the SFPUC will be seeking a greater increase in its wholesale water rates than presently projected.

- Total Operating Expenditures are projected to increase by 7.4%, largely due to the increased cost of purchased water.
- The Net Transfer to Capital is projected to decrease by almost 40%, mostly due to the 20% water conservation goal mandated upon the MPWD and projected reduced water sales as a result.

DISCUSSION

The following are explanations for significant variances when the PROPOSED FY 2015/2016 MPWD Operating Budget is compared with the PROJECTED FY 2014/2015 MPWD Operating Budget:

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PROPOSED BUDGET	EXPLANATION
4010	Water Commodity Charges	\$8.4 million	Explained above in the Fiscal Impact Section (first bullet point).
4020	Fixed System Charges	\$2.4 million	Increased by \$372,780. Included 18% rate adjustment, effective 7/1/15.
4040/4050/ 4060/4070	Development Charges	\$245,000 total	Projected development expected. *4203 - New Construction Revenue eliminated in FY 15/16.
6011	Salaries & Wages	\$1.5 million	Increased by \$181,900. Included 6% increase living wage adjustments and merit increases, and addition of Operations Manager position.
6050	Employee Service Recognition	\$3,000	Reduced by \$2,000 in recognition of labor negotiations.
6051	Safety Incentive Program	\$7,200	Increased by \$2,000 for new maximum program.
6053	PARS OPEB Expense	\$160,200	Increased to fully fund the ARC.
6101	SFPUC Treated Water & Service Charges	\$4.6 million	Explained above in the Fiscal Impact Section (second bullet point).
6102	BAWSCA Debt Service Surcharges	\$500,000	No change from FY 2013/2014. Debt service payment for MPWD's share of refinancing SFPUC infrastructure improvements.
6300	Outreach & Education	\$130,000	Increased by \$60,000. Drought outreach and messaging, and increased community conservation

			outreach and participation to achieve 20% mandated goal.
6602	Leak Detection Survey	\$32,000	Survey conducted every two years. Last completed in FY 2013/2014.
7104	Prof Serv – Annual Financial Audit	\$20,000	Increased by 3,500 to accommodate added GASB 68 requirements.
7110	Prof Serv – Miscellaneous	\$222,000	Increased by \$44,000. Projected professional services expenditures for the 2016 UWMP (\$60,000); increased public relations/outreach services, and continued website services (\$65,000); temporary administrative staffing during FMS transition and increased water conservation outreach (\$62,000); 2016 strategic planning facilitation w/Julie Brown (\$5,000); and Miscellaneous (\$30,000).
7203	Elections	\$15,000	November 3, 2015, election for two MPWD Directors. Mail ballot election expected to cost less than traditional election.
8001	NEW - Working Operating or Capital Reserves	\$61,123	Operating surplus. Will determine which category after Board reviews its Reserve Policy.

Attachments: Resolution 2015-07
FY 2015/2016 MPWD Operating Budget

BOARD ACTION: APPROVED: _____ DENIED: _____ POSTPONED: _____ STAFF DIRECTION: _____
UNANIMOUS _____ VELLA _____ LINVILL _____ ZUCCA _____ STUEBING _____ WARDEN _____

RESOLUTION NO. 2015-07

APPROVING THE
OPERATING BUDGET FOR FISCAL YEAR 2015/2016

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, staff developed and presented to the Board of Directors a proposed Operating Budget for Fiscal Year 2015/2016 and recommended it for approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves a total operating budget for the Fiscal Year 2015/2016:

<i>TOTAL OPERATING REVENUES</i>	<i>\$11,623,320</i>
<i>TOTAL OPERATING EXPENDITURES</i>	<i>\$10,923,320</i>
<i>NET TRANSFER TO CAPITAL</i>	<i>\$ 700,000</i>

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

REGULARLY PASSED AND ADOPTED this 25th day of June 2015, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



AGENDA ITEM NO. 8.B.

DATE: June 25, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: CONSIDER RESOLUTION 2015-08 APPROVING THE FISCAL YEAR 2015/2016 MPWD CAPITAL BUDGET

RECOMMENDATION

Adopt Resolution 2015-08 approving the Fiscal Year (FY) 2015/2016 MPWD Capital Budget.

FISCAL IMPACT

The total proposed Capital Budget is \$1,570,000, and continues on a "pay as you go" financing program. Projected available funds total \$1,570,000 (Depreciation \$870,000 plus Transfer from Operations \$700,000). No transfer from Capital Reserves is projected.

\$200,000 of the \$700,000 Transfer from Operations is projected to be from anticipated Water System Capacity Charges.

DISCUSSION

Attached is the FY 2015/2016 Capital Budget, which includes.

- Alameda de las Pulgas Water Main Replacement Project (CIP) - \$800,000
- Dekoven Tanks Structural and Seismic Evaluation (CIP) - \$55,000
- Continued AMI Meter Change-Out Program - \$400,000.
- SCADA Replacement Project - \$150,000
- Replacement Printer/Copier/Scanner - \$25,000
- Comprehensive Financial Management System - \$140,000

Attachment: Resolution 2015-08
FY 2015/2016 MPWD Capital Budget

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

UNANIMOUS _____ VELLA _____ LINVILL _____ ZUCCA _____ STUEBING _____ WARDEN _____

RESOLUTION NO. 2015-08

**APPROVING THE
CAPITAL BUDGET FOR FISCAL YEAR 2015/2016**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, staff developed and presented to the Board of Directors a proposed Capital Budget for Fiscal Year 2015/2016 and recommended it for approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves a total capital budget for the Fiscal Year 2015/2016 in the amount of \$1,570,000.

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

REGULARLY PASSED AND ADOPTED this 25th day of June 2015, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:

District Secretary



MID-PENINSULA WATER DISTRICT

OPERATING AND CAPITAL BUDGETS FISCAL YEAR 2015-2016





MID-PENINSULA WATER DISTRICT

OPERATING AND CAPITAL BUDGETS
FISCAL YEAR 2015-2016



Board of Directors

Betty L. Linvill – President
Matthew P. Zucca – Vice President
Al Stuebing – Director
Louis J. Vella – Director
Dave Warden – Director

Officers

Tammy Rudock – General Manager
Candy Pina – Administrative Services Manager/District Secretary
Joan L. Cassman, Hanson Bridgett LLP, District Counsel
Joubin Pakpour, Pakpour Consulting Group, District Engineer
Jeff Ira, District Treasurer



ABOUT MID-PENINSULA WATER DISTRICT

The Mid-Peninsula Water District (MPWD), formerly Belmont County Water District, was formed as a California special district in 1929 from seven (7) independent water distribution systems (including the Spring Valley Water Company), which were united and began functioning as a public utility in 1930. Since its inception, the MPWD has been served by the San Francisco Regional Water System and purchased its entire water supply from San Francisco Water, a service of the San Francisco Public Utilities Commission (SFPUC). Reference www.sfwater.org.

The MPWD now supplies water to consumers in an area slightly larger than the city limits of Belmont. Small portions of the service area are within the city limits of San Carlos, Redwood City, and parts of the unincorporated County of San Mateo. The MPWD's service territory covers approximately five (5) square miles and serves approximately 30,000 people. In the event of an emergency the MPWD can serve or be served with inter-ties between neighboring utilities. Presently, the MPWD has one (1) inter-tie with Foster City, two (2) with San Carlos, one (1) with Redwood City and three (3) with San Mateo.

The MPWD is a member of the Bay Area Water Supply and Conservation Agency (BAWSCA), which represents the interests of 26 cities and water districts, and two private utilities that purchase water wholesale from the SFPUC. For complete information about BAWSCA: www.bawasca.org.

GOVERNANCE

Policy development and rates for service are established by five (5) Directors, elected by MPWD ratepayers to serve staggered four-year terms on its governing board.

Officers of the MPWD include the General Manager, District Secretary, District Counsel, District Engineer and District Treasurer.

ORGANIZATIONAL STRUCTURE

The General Manager is appointed by and reports directly to the Board of Directors. Along with the General Manger, the Administrative Services Manager and the new Operations Manager oversee the day-to-day operations of the MPWD.

The Administrative Services Manager serves as the District Secretary and leads the following operations: Administration, Finance and Accounting, Human Resources, and Customer Services. The Operations Manager leads the water system operations, maintenance, and capital project management.

There are a total of 18 employees within the MPWD.

The Operations staff totals thirteen (13) employees, including the Manager, Field Operations Supervisors, Lead Operators, Water Treatment Operators, and Maintenance Technicians.

The Administrative and Customer Services staff totals four (4) employees, including the Administrative Services Manager, Administrative Specialists, and an Administrative Assistant.

The MPWD Mission Statement, Vision Statement, and Strategic Goals are reviewed annually in January by the Board of Directors, together with the development of annual Strategic Plan and Board assignments.

MPWD MISSION STATEMENT

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

MPWD VISION STATEMENT

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

MPWD STRATEGIC GOALS

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

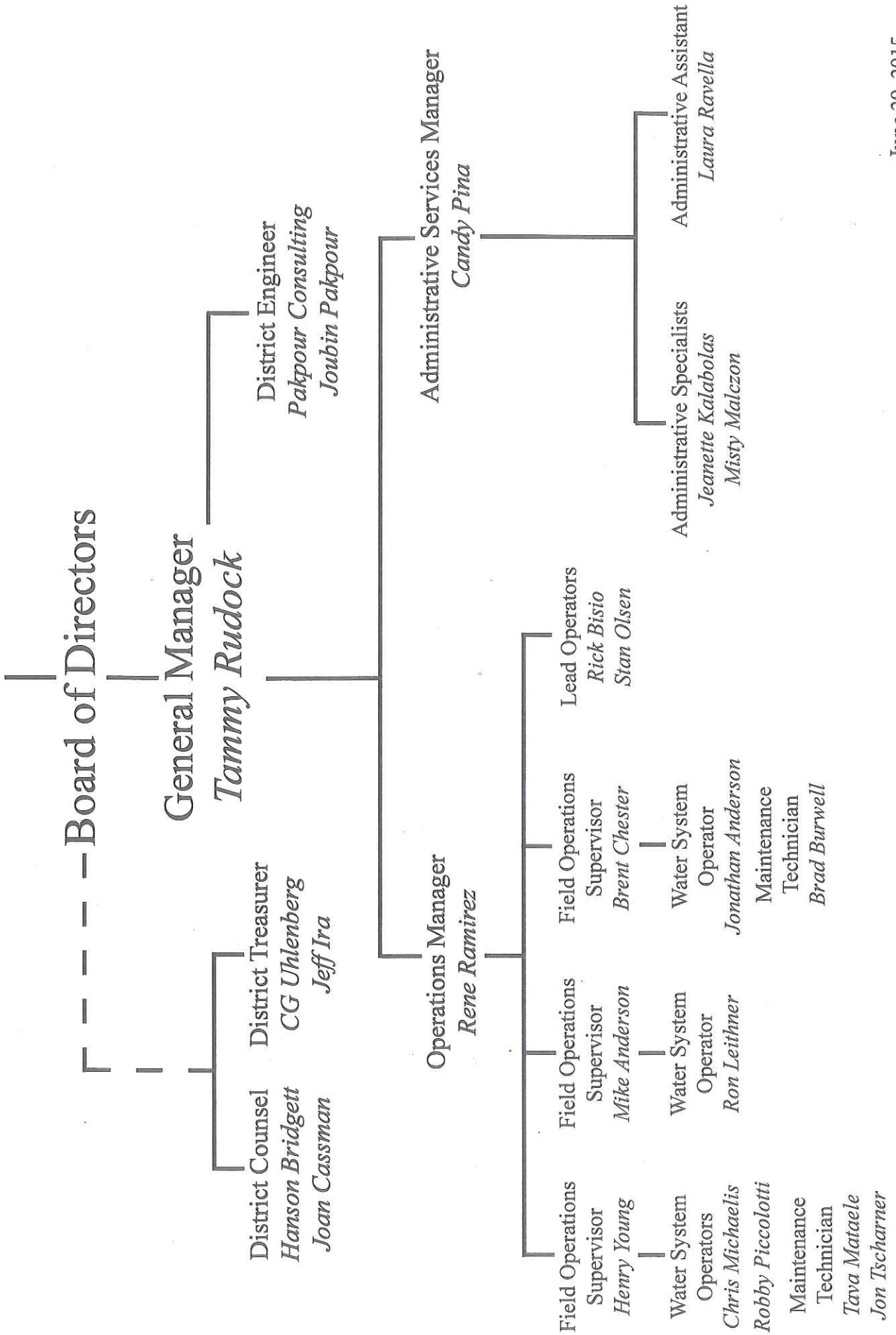
For further information about the MPWD: www.midpeninsulawater.org.

The MPWD Service Map and Organizational Chart to follow:



MPWD Organizational Chart

CUSTOMERS



MPWD BUDGET PROCESS

BUDGET ADMINISTRATION

The MPWD operates on a July 1st to June 30th fiscal year. Each fiscal year, two (2) budgets are developed, an Operating Budget and a Capital Budget.

The Board of Directors begins the budget development process in February or March of each year for a June adoption. The budget documents are discussed during regular Board meetings each month from February through June. Public comment is welcome.

The Operating Budget includes the revenues and expenditures for the day-to-day operations of the MPWD. The Capital Budget includes the capital infrastructure and system projects and outlays.

A mid-year budget review is typically scheduled each year. This process allows for an updated report on the previous 6-month operational and capital activities, and revenue collections and expenditures. Any proposed budgetary adjustments for the remainder of the fiscal year are also considered at this time.

The MPWD's budget format was significantly improved in Fiscal Year (FY) 2012/2013. The Board of Directors and staff wanted a high level of transparency and more user friendly budget documents. A line-by-line operating budget accounting for MPWD revenue and expenditure account items was developed. A capital budget was enhanced to present not only the proposed projects and outlay items but also the revenue sources for them.

Budget documents are posted at the MPWD's website: www.midpeninsulawater.org.

"PAY AS YOU GO" CAPITAL IMPROVEMENTS

The MPWD operates on a "pay as you go" basis and thereby avoids incurring debt for capital improvements or drastic rate increases to fund capital improvements. Because the MPWD has established rates to include capital improvement expenditures, the MPWD has no outstanding debt.

MPWD TIERED RATE STRUCTURE

In June 2015, following completion of a comprehensive water rate study, the MPWD approved new water rates for FYs 2015 through 2019 that provide for a phased approach to raising rates to keep pace with increasing wholesale water and operational costs. The tiered rate model also encourages conservation by increasing unit rates for higher consumption.

The MPWD relies solely on water from the SFPUC, which is in process of completing a \$4.8 billion seismic Water System Improvement Program in 2019 on the Hetch Hetchy regional distribution system. Costs for the capital improvements are passed on through wholesale water prices and the MPWD water rates must be adjusted accordingly. Other

factors affecting water rates include conservation impacts and cost of MPWD operations.

A Water Sales Analysis is attached to the end of this budget document for information, as is the current year MPWD Rates Notice.

The MPWD engages in an array of water conservation programs including Lawn-Be-Gone, HET (High Energy Toilet), Rain Barrel, and High Efficiency Clothes Washing Machine rebate programs, school conservation programs, and landscape audit programs. More information is available about these programs at the MPWD's website: www.midpeninsulawater.org.

REVIEW OF FY 2015/2016 OPERATING BUDGET

BUDGET CATEGORY	PROPOSED FY 2015/2016 BUDGET	PROJECTED FY 2014/2015 BUDGET	ACTUAL FY 2013/2014
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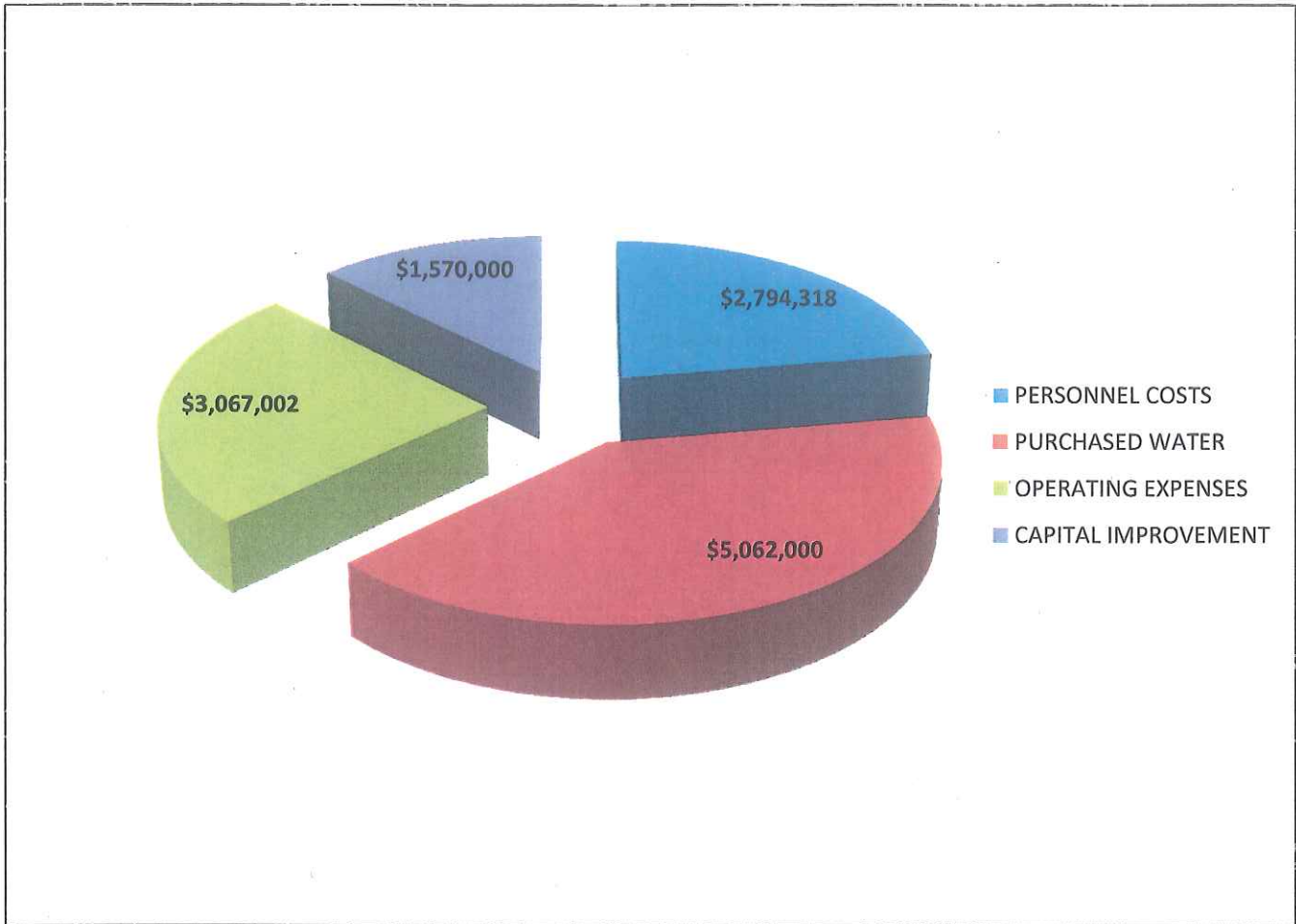
REVIEW OF FY 2015/2016 CAPITAL BUDGET

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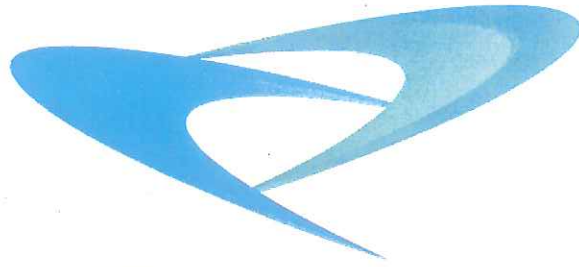
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- Continued AMI Meter Change Out Program - \$400,000
- SCADA Replacement Project - \$150,000
- Replacement Printer/Copier/Scanner - \$25,000
- Financial Management System – Comprehensive - \$140,000

PROPOSED FY 2015-2016 BUDGET EXPENDITURES



	PROPOSED FY 15/16 BUDGETED	% OF TOTAL	PROJECTED FY 14/15	% OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,794,318	22%	\$ 2,438,800	19%
PURCHASED WATER	\$ 5,062,000	41%	\$ 4,800,000	37%
OPERATING EXPENSES	\$ 3,067,002	25%	\$ 3,684,520	28%
CAPITAL IMPROVEMENT	\$ 1,570,000	13%	\$ 2,191,750	17%
TOTAL OPERATING EXPENDITURES	\$ 12,493,320	100%	\$ 13,115,070	100%



MID-PENINSULA WATER DISTRICT

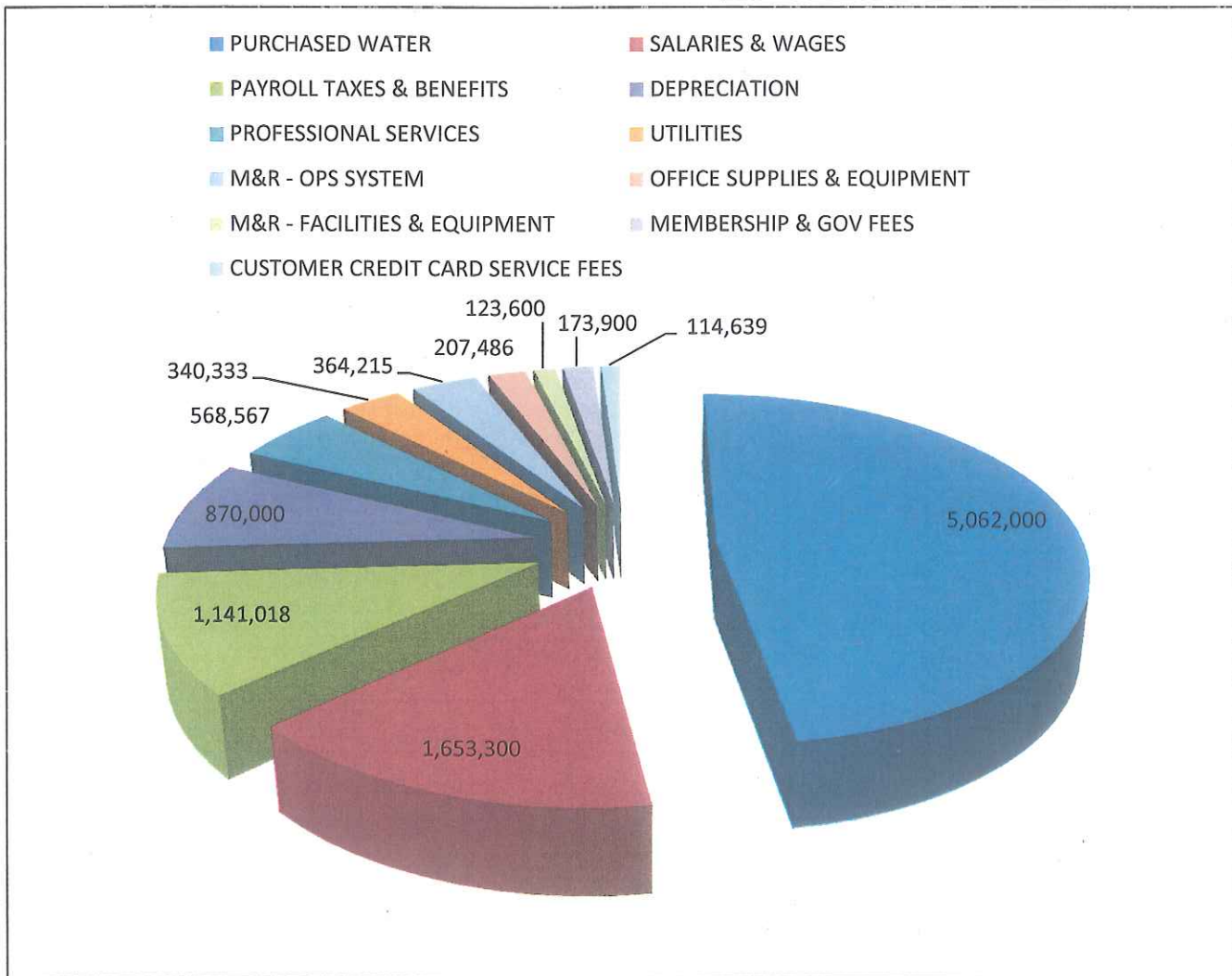
**OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2015-2016**

MID-PENINSULA WATER DISTRICT
 BUDGET FOR YEAR 2015-2106
 SUMMARY

DESCRIPTION	A	B	C	D	E
	FY 2013-2014 ACTUAL \$	APPROVED AMENDED BUDGETED FY 2014-2015	PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	% Change B vs C
OPERATING REVENUE					
WATER COMMODITY CHARGES	7,855,408	8,611,000	8,400,000	(211,000)	-2.5%
SERVICE FEES	1,892,939	2,071,000	2,443,780	372,780	18.0%
FIRE SERVICE CHARGES	14,439	14,400	14,400	-	0.0%
METER CHARGES	-	-	10,000	10,000	NA
SERVICE LINE & INSTALLATION CHARGES	-	-	25,000	25,000	NA
WATER SYSTEM CAPACITY CHARGES	-	-	200,000	200,000	NA
WATER DEMAND OFFSET CHARGES	-	-	10,000	10,000	NA
TEMPORARY CONSTRUCTION CONNECTION CHARGES	-	-	10,000	10,000	NA
MISCELLANEOUS CHARGES	-	-	10,000	10,000	NA
INTEREST REVENUE - LAIF	11,662	10,000	10,000	-	0.0%
LEASE OF PHYSICAL PROPERTY	209,518	238,000	245,140	7,140	3.0%
PROPERTY TAX REVENUE	242,407	245,000	245,000	-	0.0%
NEW CONSTRUCTION REVENUE	117,653	145,000	-	(145,000)	-100.0%
MISCELLANEOUS REVENUE	16,000	-	-	-	NA
TOTAL OPERATING REVENUE	10,360,026	11,334,400	11,623,320	288,920	2.5%
OPERATING EXPENDITURES					
SALARIES & WAGES	1,333,514	1,466,000	1,653,300	187,300	12.8%
PAYROLL TAXES & BENEFITS	926,690	972,800	1,141,018	168,218	17.3%
PURCHASED WATER	4,102,227	4,800,000	5,062,000	262,000	5.5%
CUSTOMER CREDIT CARD SERVICE FEES	105,605	111,300	114,639	3,339	3.0%
OUTREACH & EDUCATION	52,366	70,000	130,000	60,000	85.7%
M&R - OPS SYSTEM	291,282	385,500	364,215	(21,285)	-5.5%
M&R - FACILITIES & EQUIPMENT	146,922	120,000	123,600	3,600	3.0%
MAJOR MAINTENANCE	49,256	25,000	32,000	7,000	28.0%
OFFICE SUPPLIES & EQUIPMENT	219,668	253,520	207,486	(46,034)	-18.2%
MEMBERSHIP & GOV FEES	149,328	165,000	173,900	8,900	5.4%
BAD DEBT & CLAIMS	25,880	46,500	37,000	(9,500)	-20.4%
UTILITIES	303,834	330,420	340,333	9,913	3.0%
PROFESSIONAL SERVICES	386,495	527,660	568,567	40,907	7.8%
TRAINING/TRAVEL & RECRUITMENT	62,895	38,000	54,140	16,140	42.5%
RESTRICTED EARNINGS	(11,662)	(10,000)	(10,000)	-	0.0%
RESERVES	-	-	61,123	61,123	NA
DEPRECIATION	837,048	870,000	870,000	-	0.0%
TOTAL OPERATING EXPENDITURES	8,981,349	10,171,700	10,923,320	751,620	7.4%
OPERATING REVENUE LESS EXPENDITURES	1,378,677	1,162,700	700,000	(462,700)	-39.8%
NET TRANSFERS TO CAPITAL	(1,378,677)	(1,162,700)	(700,000)	462,700	-39.8%
NET RESULTS OF OPERATIONS	-	-	-	-	-

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2015-2016
SUMMARY**

OPERATING EXPENDITURES	BUDGET \$	% OF TOTAL
PURCHASED WATER	5,062,000	46.3%
SALARIES & WAGES	1,653,300	15.1%
PAYROLL TAXES & BENEFITS	1,141,018	10.4%
DEPRECIATION	870,000	8.0%
PROFESSIONAL SERVICES	568,567	5.2%
UTILITIES	340,333	3.1%
M&R - OPS SYSTEM	364,215	3.3%
OFFICE SUPPLIES & EQUIPMENT	207,486	1.9%
M&R - FACILITIES & EQUIPMENT	123,600	1.1%
MEMBERSHIP & GOV FEES	173,900	1.6%
CUSTOMER CREDIT CARD SERVICE FEES	114,639	1.0%
OUTREACH & EDUCATION	130,000	1.2%
BAD DEBT & CLAIMS	37,000	0.3%
TRAINING/TRAVEL & RECRUITMENT	54,140	0.5%
MAJOR MAINTENANCE	32,000	0.3%
OPERATING RESERVES	61,123	0.6%
RESTRICTED EARNINGS	(10,000)	-0.1%
TOTAL OPERATING EXPENDITURES	10,923,320	100%



NOTE: Operating Expenditures under \$100k are not reflected in the above chart.

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016**

DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	A	B	C	D	E	Assumptions
		FY 2013-2014 ACTUAL \$	APPROVED AMENDED BUDGETED FY 2014-2015	PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	% Change B vs C	
4010	WATER COMMODITY CHARGES	7,855,408	8,611,000	8,400,000	(211,000)	-2.5%	Net effect of 20% conservation and 18% rate increase.
4020	FIXED SYSTEM CHARGES	1,892,939	2,071,000	2,443,780	372,780	18.0%	Water Rates Study 18% increase
4030	FIRE SERVICE CHARGES	14,439	14,400	14,400	-	0.0%	
4040	METER CHARGES			10,000	10,000	NA	Anticipated development; Previously New Construction Revenue
4050	SERVICE LINE & INSTALLATION CHARGES			25,000	25,000	NA	Anticipated development; Previously New Construction Revenue
4060	WATER SYSTEM CAPACITY CHARGES			200,000	200,000	NA	Anticipated development; Previously New Construction Revenue
4070	WATER DEMAND OFFSET CHARGES			10,000	10,000	NA	Anticipated development; Previously New Construction Revenue
4080	TEMPORARY CONSTRUCTION CONNECTION CHARGES			10,000	10,000	NA	Previously New Construction Revenue
4090	MISCELLANEOUS CHARGES			10,000	10,000	NA	
4102	Interest Revenue- LAIF	11,662	10,000	10,000	-	0.0%	
4100	INTEREST REVENUE	11,662	10,000	10,000	-	0.0%	
4201	Lease of Physical Property	209,518	238,000	245,140	7,140	3.0%	3% CPI
4202	Property Tax Revenue	242,407	245,000	245,000	-	0.0%	
4203	New Construction Revenue (ELIMINATE IN 15/16)	117,653	145,000	-	(145,000)	-100.0%	
4206	Miscellaneous Revenue	44,841	-	-	-	NA	
4207	Gain on Sale of Asset	16,000	-	-	-	NA	
4200	OTHER REVENUE	630,420	628,000	490,140	(137,860)	-22.0%	
4000	TOTAL OPERATING REVENUE	10,404,868	11,334,400	11,623,320	288,920	2.5%	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED					Increase (Decrease) B vs C	% Change B vs C	Assumptions
		A FY 2013-2014 ACTUAL \$	B AMENDED BUDGETED FY 2014-2015	C PROPOSED FY 2015-2016 BUDGET \$	D	E			
6011	Salaries & Wages	1,244,677	1,365,000	1,546,900	181,900	13.3%	3% CPI plus 3% merit; New Ops Manager		
6012	Director Compensation	8,700	11,000	-	-	0.0%			
6010	GROSS REGULAR WAGES	1,253,377	1,376,000	1,557,900	181,900	13.2%			
6021	Overtime Labor	48,770	55,000	58,300	3,300	6.0%	3% CPI plus 3% merit		
6022	Standby Labor	31,368	35,000	37,100	2,100	6.0%	3% CPI plus 3% merit		
6020	SUB-TOTAL SALARY & WAGES	1,333,514	1,466,000	1,653,300	187,300	12.8%			
6031	FICA/Medicare PR Tax	96,949	106,000	126,477	20,477	19.3%	FICA rates .0765 of salary		
6038	ACWA Health Care	288,329	284,500	310,272	25,772	9.1%	6% increase for 1/2 a year		
6039	ACWA Dental	27,740	27,500	29,991	2,491	9.1%	6% increase for 1/2 a year		
6040	ACWA Vision	4,010	4,100	4,223	123	3.0%	6% increase for 1/2 a year		
6041	ACWA Life/AD&D	3,569	3,700	4,035	335	9.1%	6% increase for 1/2 a year		
6042	Standard LDL/SDL Disability	7,305	7,200	9,953	2,753	38.2%	Updated rates		
6043	Workers' Comp Insurance	44,635	60,000	48,000	(12,000)	-20.0%	6% salary increase		
6044	Unemployment	(282)	1,000	1,000	-	0.0%			
6045	CALPERS Retirement - ER 2%@55.	178,450	189,000	250,706	61,706	32.6%	6% increase in salaries: ER portion is 16.207% of base salaries		
6046	Retirees' ACWA Health Care	79,290	71,100	54,400	(16,700)	-23.5%	6% increase for 1/2 a year, retiree changes		
6047	Directors' ACWA Health Care	97,314	102,000	105,060	3,060	3.0%	6% increase for 1/2 a year		
6049	Medical Reimbursement	1,929	2,500	2,500	-	0.0%			
6050	Employee Service Recognition	5,558	5,100	3,000	(2,100)	-41.2%	Max incentive \$500/EE		
6051	Safety Incentive Program	5,100	5,100	7,200	2,100	41.2%			
6052	Uniforms	15,051	24,000	24,000	-	0.0%			
6053	PARS OPEB Expense	71,743	80,000	160,200	80,200	100.3%			
6030	SUB-TOTAL PAYROLL TAXES & BENEFITS	926,690	972,800	1,141,018	168,218	17.3%			
6000	PERSONNEL COSTS	2,260,204	2,438,800	2,794,318	355,518	14.6%			

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016**

DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED			PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	%	Assumptions
		FY 2013-2014 ACTUAL \$	FY 2014-2015 BUDGET \$	FY 2015-2016 BUDGET \$				
6101	SFPUC Treated Water	3,602,139	4,300,000	4,600,000	300,000	7.0%	1,105,437 Actual July 14-May15. 116,874 units estimated for June: 1,222,311 units @ \$3.75/unit	
6102	BAWSCA (Debt Service Surcharges)	500,088	500,000	462,000	(38,000)	-7.6%		
6103	Rates Stabilization	-	-	-	-	NA		
6100	PURCHASED WATER	4,102,227	4,800,000	5,062,000	262,000	5.5%		
6201	Customer Credit Card Service Fees	105,605	111,300	114,639	3,339	3.0%	3% CPI	
6200	CUSTOMER CREDIT CARD SVS FEES	105,605	111,300	114,639	3,339	3.0%		
6301	Water Conservation Program	14,513	17,500	25,000	7,500	42.9%	Increased Water Conservation	
6302	School Conservation Program	14,263	10,000	15,000	5,000	50.0%	Increased Water Conservation	
6303	Public Outreach & Education	23,590	20,000	40,000	20,000	100.0%	Increased Water Conservation	
6305	HET (High Efficiency Toilet) Rebates	-	2,500	10,000	7,500	300.0%	Increased rebates	
6306	Washing Machine Rebates	-	5,000	15,000	10,000	200.0%	Increased rebates	
6307	Lawn-Be-Gone Rebates	-	13,000	20,000	7,000	53.8%	Increased rebates	
6308	Rain Barrels Rebates	-	2,000	5,000	3,000	150.0%	Increased rebates	
6304	WATER CONSERVATION REBATES	-	22,500	50,000	27,500	122.2%		
6300	OUTREACH/EDUCATION	52,366	70,000	130,000	60,000	85.7%		
6401	Water Quality	38,583	95,000	65,000	(30,000)	-31.6%	Nitrification Plan Complete	
6402	Pumping	6,986	25,000	25,750	750	3.0%	3% CPI	
6403	Storage Tanks	17,004	5,000	5,150	150	3.0%	3% CPI	
6404	Mains/Distribution	112,971	150,000	154,500	4,500	3.0%	3% CPI	
6405	Meters & Service	92,666	75,000	77,250	2,250	3.0%	3% CPI	
6406	Fire Hydrants	9,254	15,500	15,965	465	3.0%	3% CPI	
6407	Regulator Stations	5,489	10,000	10,300	300	3.0%	3% CPI	
6408	Safety	8,330	10,000	10,300	300	3.0%	3% CPI	
6400	M&R - OPS SYSTEMS	291,282	385,500	364,215	(21,285)	-5.5%		
6501	M&R-Buildings&Grounds	43,799	60,000	61,800	1,800	3.0%	3% CPI	
6502	M&R- Equipment&Tools	28,622	20,000	20,600	600	3.0%	3% CPI	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016**

DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	A		B		C		D		E	
		FY 2013-2014 ACTUAL \$	FY 2014-2015 BUDGETED	AMENDED BUDGETED FY 2014-2015	PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	% Change B vs C	Assumptions			
6503	M&R- Vehicles & Large Equipment	32,277	10,000	10,000	10,300	300	3.0%	3% CPI			
6504	M&R - Fuel	42,224	30,000	30,000	30,900	900	3.0%	Reduced by Plug-In/Hybrid vehicles			
6500	M&R - FACILITIES & EQUIPMENT	146,922	120,000	120,000	123,600	3,600	3.0%				
6601	Cathodic Protection Survey	18,411	25,000	25,000	-	(25,000)	-100.0%	Every two years			
6602	Leak Detection Survey	30,845	-	-	32,000	32,000	NA				
6600	MAIOR MAINTENANCE	49,256	25,000	25,000	32,000	7,000	28.0%				
6701	Office Supplies	16,012	10,000	10,000	10,300	300	3.0%	3% CPI			
6702	Insurance- Liability/Vehicles/Excess	99,054	103,000	103,000	85,000	(18,000)	-17.5%	3% CPI			
6703	Bank Service Fees	343	530	530	546	16	3.0%	3% CPI			
6704	Postage	5,682	5,000	5,000	5,150	150	3.0%	3% CPI			
6705	Printing/Print Supplies	32,693	23,990	23,990	24,710	720	3.0%	3% CPI			
6706	Equipment Services/Maintenance	60,076	85,000	85,000	55,000	(30,000)	-35.3%	Ricoh copier lease ends Oct 2015			
6707	Computer Supplies & Upgrades	1,601	11,000	11,000	11,330	330	3.0%	3% CPI			
6708	Security & Safety	4,206	15,000	15,000	15,450	450	3.0%	3% CPI			
6709	Other Fees	-	-	-	-	-					
6700	OFFICE SUPPLIES & EQUIP	219,668	253,520	253,520	207,486	(46,034)	-18.2%				
6801	Dues & Publications	36,557	40,000	40,000	41,200	1,200	3.0%	3% CPI			
6802	Gov't Fees & Licenses	25,058	35,000	35,000	30,000	(5,000)	-14.3%				
6803	BAWSCA Membership Assessments	62,213	60,000	60,000	61,800	1,800	3.0%	3% CPI			
6804	Env Health - Cross Connection Inspection	25,500	30,000	30,000	30,900	900	3.0%	3% CPI			
6805	Software Licenses	-	-	-	10,000	10,000		New Financial Management System			
6800	MEMBERSHIP & GOV FEES	149,328	165,000	165,000	173,900	8,900	5.4%				
6901	Bad Debt	4,799	9,500	9,500	7,000	(2,500)	-26.3%				
6902	Claims	21,081	37,000	37,000	30,000	(7,000)	-18.9%				
6900	BAD DEBT & CLAIMS	25,880	46,500	46,500	37,000	(9,500)	-20.4%				
7001	Utilities-Internet/Cable	3,990	4,120	4,120	4,244	124	3.0%	3% CPI			
7002	Utilities-Cellular Telephones	13,233	14,420	14,420	14,853	433	3.0%	3% CPI			
7003	Utilities-Electric-Pumping	244,200	267,800	267,800	275,834	8,034	3.0%	3% CPI			

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016**

DETAILED

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED			PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	% Change B vs C	Assumptions
		FY 2013-2014 ACTUAL \$	FY 2014-2015 BUDGETED	FY 2015-2016 BUDGET \$				
7004	Utilities-Electric-Bldgs&Grounds	23,383	23,690	24,401	711	3.0%	3% CPI	
7005	Utilities-Telephones	12,634	13,390	13,792	402	3.0%	3% CPI	
7006	Utilities-Sewer - NPDES	6,393	7,000	7,210	210	3.0%	3% CPI	
7000	UTILITIES	303,834	330,420	340,333	9,913	3.0%		
7101	Prof Serv - District Counsel	84,472	106,000	106,000	-	0.0%		
7102	Prof Serv - District Engineer	103,819	100,000	100,000	-	0.0%		
7103	Prof Serv - IT	30,386	24,460	25,194	734	3.0%	3% CPI James Marta and Associates contract;	
7104	Prof Serv- Annual Finance Audit	15,900	16,500	20,000	3,500	21.2%	GASB68	
7105	Prof Serv - Mngmt Consult	-	10,000	-	(10,000)			
7106	Prof Serv- Accounting & Payroll	13,764	17,000	17,510	510	3.0%	3% CPI	
7107	Prof Serv- Customer Billing	63,883	68,000	70,040	2,040	3.0%	3% CPI	
7108	Prof Serv- Recruiting	-	-	-	-	NA		
7109	Prof Serv - Answering Sys	3,372	4,100	4,223	123	3.0%	3% CPI	
7110	Prof Serv - Miscellaneous	67,599	178,000	222,000	44,000	24.7%	Temp Admin Employee \$62k; UWMMP \$60k; J. Davidson \$65k, J. Brown \$5k; Misc \$30k	
7111	Prof Serv - District Treasurer	3,300	3,600	3,600	-	0.0%		
7100	PROFESSIONAL SERVICES	386,495	527,660	568,567	40,907	7.8%		
7201	Director Travel	1,196	6,000	6,180	180	3.0%	3% CPI	
7202	Director Expense	2,822	2,000	2,060	60	3.0%	3% CPI	
7203	Elections	32,082	-	15,000	15,000	NA	Election - Two Directors (Mail Ballot)	
7204	Employee Travel/Training	26,460	25,000	25,750	750	3.0%	3% CPI	
7205	Meetings Expense	336	5,000	5,150	150	3.0%	3% CPI	
7200	TRAINING & TRAVEL	62,895	38,000	54,140	16,140	42.5%		
7302	Restricted Earnings Expense - Interest LAIF	(11,662)	(10,000)	(10,000)	-	0.0%		
7300	RESTRICTED EARNINGS EXPENSE	(11,662)	(10,000)	(10,000)	-	0.0%		
8001	Working Reserves: Capital	-	-	-	-	NA		
8002	Working Reserves: Operating	-	-	61,123	61,123	NA		
8000	RESERVES	-	-	61,123	61,123	NA		

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2015-2016**

DETAILED

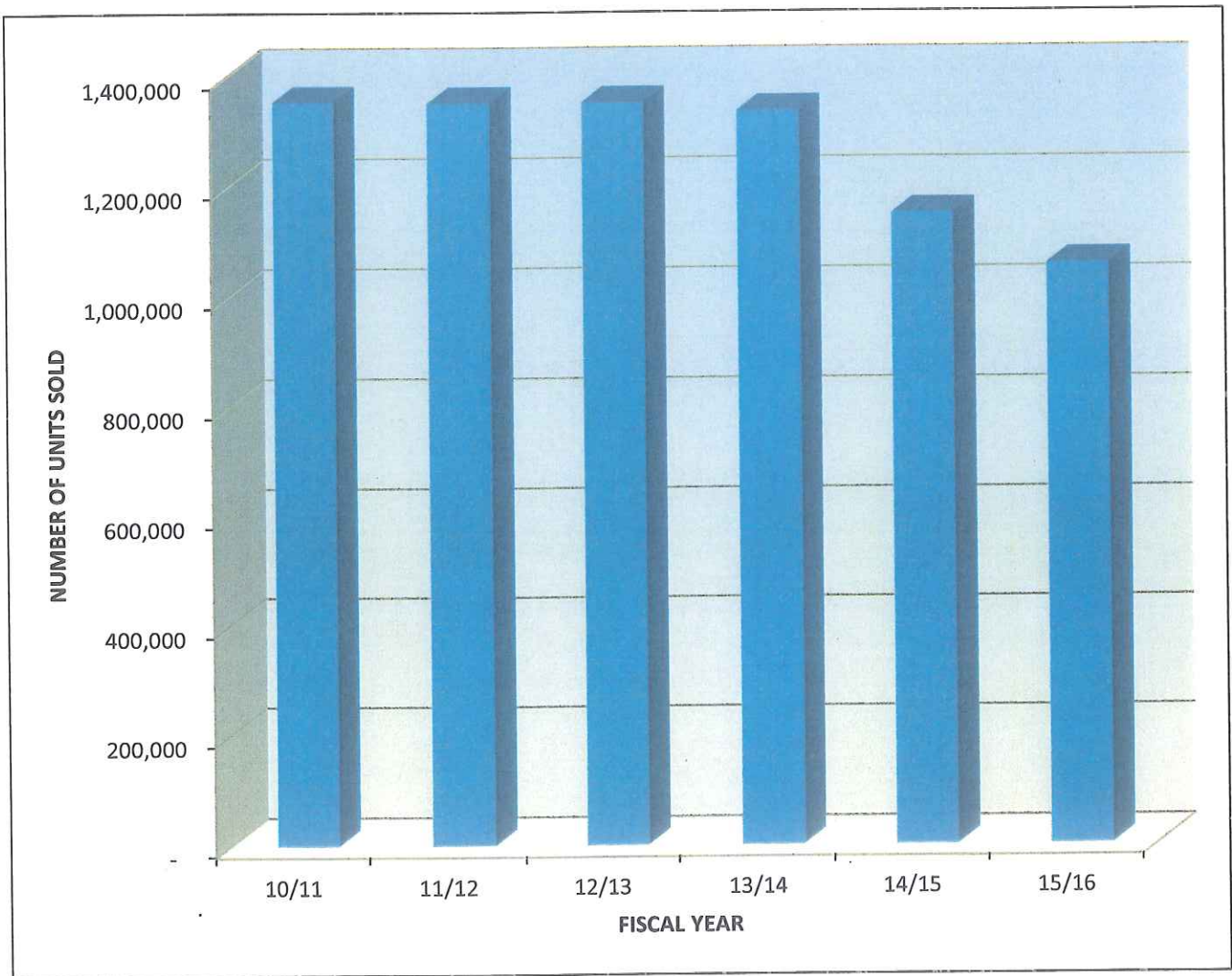
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	A	B	C	D	E
		FY 2013-2014 ACTUAL \$	APPROVED AMENDED BUDGETED FY 2014-2015	PROPOSED FY 2015-2016 BUDGET \$	Increase (Decrease) B vs C	% Change B vs C
9010	DEPRECIATION	837,048	870,000	870,000	-	0.0%
	SUB-TOTAL - OPERATING EXPENSES	6,721,145	7,732,900	8,129,002	396,102	5.1%
	TOTAL OPERATING EXPENSES	8,981,349	10,171,700	10,923,320	751,620	7.4%
	NET OPERATING SURPLUS/(LOSS)	1,423,518	1,162,700	700,000	(462,700)	-39.8%
	TRANSFER TO CAPITAL					

**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2015-2016
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	FY 2015-2016 BUDGET \$
Alameda de las Pulgas Water Main Replacement Project - CIP	800,000
Dekoven Tanks Structural and Seismic Evaluation - CIP	55,000
AMI Meter Change Out Program	400,000
SCADA Replacement Project	150,000
Replacement Printer/Copier/Scanner	25,000
Financial Management System - Comprehensive	140,000
	<hr/>
CAPITAL OUTLAY/CAPITAL PROJECTS	1,570,000
	<hr/>
DEPRECIATION	870,000
TRANSFER FROM OPS (Includes Water System Capacity Charges of \$200,000)	700,000
TRANSFER TO/FROM CAPITAL RESERVES	-
CAPITAL OUTLAY/CAPITAL PROJECTS	<u>(1,570,000)</u>
	<hr/>
NET RESULTS OF CAPITAL	<u><u>(0)</u></u>

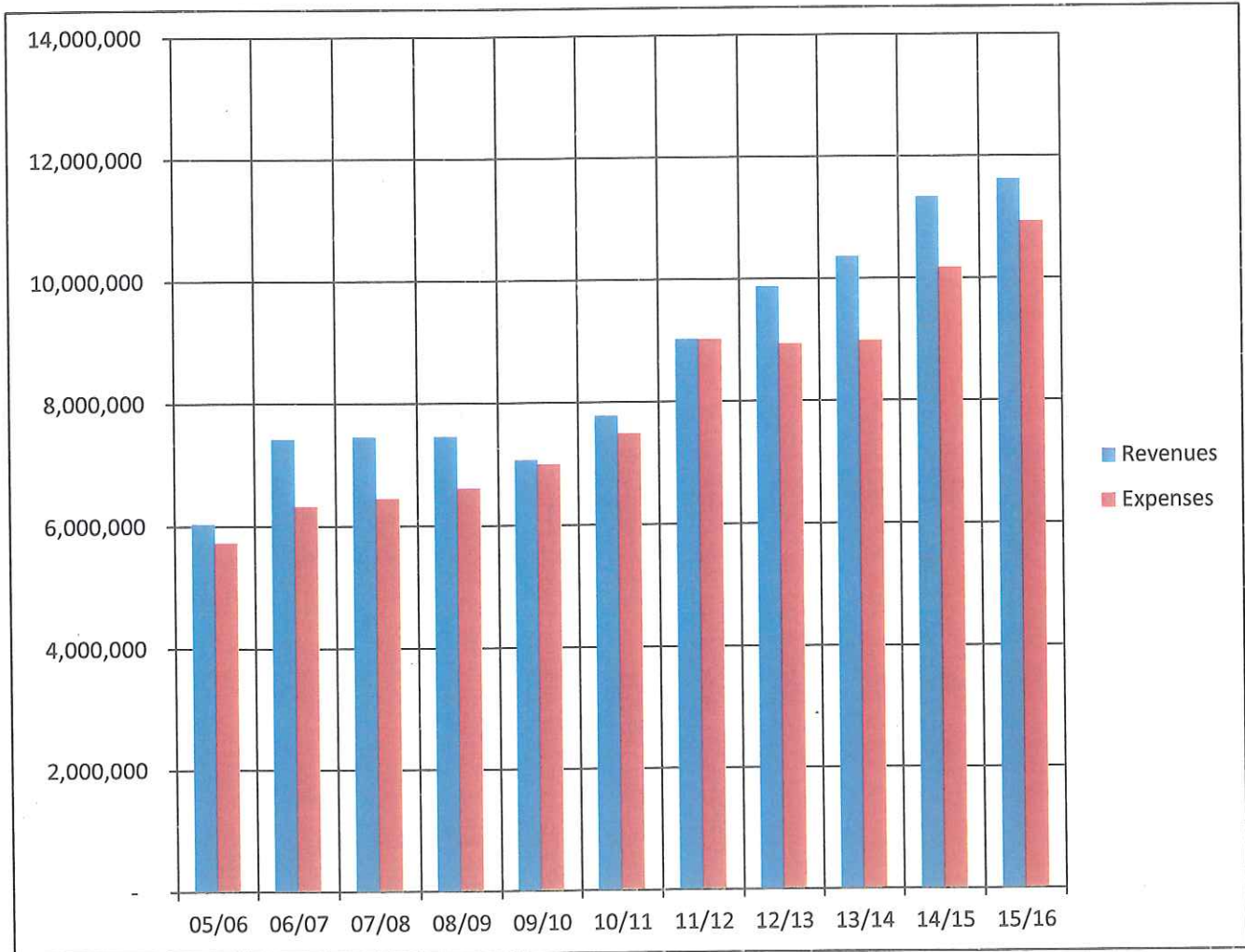
**WATER SALES ANALYSIS
MID-PENINSULA WATER DISTRICT
APPROVED BUDGET - FISCAL YEAR 2015/2016**

Fiscal Year	Actual Number of Units Sold	
10/11	1,354,105	
11/12	1,351,614	
12/13	1,352,197	
13/14	1,335,319	
14/15	1,148,813	Actual from July 2014 - May 2015 & Projected for June 2015
15/16	1,056,908	Projected decrease due to conservation efforts (additional 6% reduction)



WATER SALES ANALYSIS
MID-PENINSULA WATER DISTRICT
Operating Revenue vs Operating Expenses

Fiscal Year	Revenues	Expenses	
05/06	6,044,366	5,732,767	
06/07	7,430,071	6,323,429	
07/08	7,464,418	6,453,780	
08/09	7,469,669	6,615,611	
09/10	7,082,219	6,995,624	
10/11	7,793,618	7,487,137	
11/12	9,028,136	9,014,267	
12/13	9,875,689	8,934,651	
13/14	10,360,026	8,981,349	
14/15	11,334,400	10,171,700	2014/2015 Budget
15/16	11,623,320	10,923,320	2015/2016 Budget





Notice of Public Hearing on Proposed Water Rate Increases

Dear Property Owner or Customer,

Mid-Peninsula Water District (MPWD) is a community-owned and governed public agency that provides water service to Belmont, San Carlos, and surrounding areas in San Mateo County. This notice is being sent to inform you that MPWD is proposing to increase water rates over the next five (5) years and adopt Water Shortage Emergency Rates designed to recover costs of providing service during periods of drought and reduced water sales. MPWD will hold a public hearing on the proposed rates as follows:

Date: Thursday, June 25, 2015
Time: 6:30PM
Place: Mid-Peninsula Water District
3 Dairy Lane
Belmont, CA 94002

MPWD relies primarily on revenues from water service charges to fund its costs of providing water service. As such, water rates must be set at levels adequate to fund the costs of operating and maintaining the water system, pay for wholesale water supplied by the San Francisco Public Utilities Commission (SFPUC), and fund necessary capital investments to keep the water system in good operating condition.

WHY ARE WATER RATE INCREASES NEEDED?

The proposed rate adjustments are needed to pay for increasing costs of water supply purchased from the SFPUC, fund MPWD capital improvement needs, and keep rates aligned with the cost of providing service. Key factors driving the need for water rate increases include:

- **Pay for Wholesale Water Rates Increases** – MPWD relies on imported water from the SFPUC for 100% of its supply. The SFPUC is in the process of completing a \$4.8 billion capital program of seismic upgrades and reliability enhancements to the aging Hetch-Hetchy regional water system. To help fund these capital upgrades, the SFPUC has doubled its wholesale water rates over the past five (5) years and is planning to increase wholesale rates by an additional 61% over the next five (5) years, including a proposed 28% increase effective July 1, 2015.
- **Address MPWD Infrastructure Deficiencies and Replace Aging Water Distribution Pipelines** – Approximately 60% of the MPWD's water pipelines are over 50 years old and approaching the end of their useful lives. Some are undersized for current fire flow requirements. The majority of the water pipeline system lacks seismic restraints. Additional revenues are needed to address existing system deficiencies, improve fire flow and service reliability, and adequately fund a long-term capital improvement program to replace aging and substandard water distribution pipelines with seismically resilient facilities.

WHAT IS THE MPWD DOING TO KEEP COSTS DOWN?

MPWD has implemented a number of cost-cutting measures over the years and remains committed to providing high-quality water service as cost-efficiently as possible. Operating expenses, including personnel costs, have increased very little over the past few years as a result of continued budget reductions, cost-containment, and financial controls. It is the MPWD's policy that operating cost savings are reinvested back into the system through capital infrastructure replacement, rehabilitation, or improvement.

PROPOSED WATER RATES

MPWD is proposing to phase in a series of water rate increases over the next five (5) years as shown in the table below. A larger rate increase is needed the first year (effective July 1, 2015) due to SFPUC's proposed 28% wholesale water rate increase planned for July 1, 2015. MPWD water service charges include two components: 1) Fixed Monthly Charges based on meter size, plus 2) Water Consumption Charges based on metered water use. Water Consumption Charges for single family residences are billed according to a 4-tiered rate structure based on the MPWD's cost-of-service analysis, including water cost recovery calculations attributable to each tier, with water first billed in Tier 1 and subsequently billed in higher tiers as water use increases. Water Consumption Charges for all other customers are billed according to a 2-tiered rate structure. Water Consumption Charges are billed per hundred cubic feet (hcf), with 1 hcf equal to approximately 748 gallons of water.

Proposed Water Rates						
Current Rates	Effective on water bills sent on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019	
FIXED MONTHLY CHARGES						
<i>Fixed monthly charge based on meter size</i>						
<u>Meter Size</u>						
5/8-inch	\$18.43	\$22.00	\$24.00	\$26.00	\$28.00	\$30.00
1-inch	27.65	33.00	36.00	39.00	42.00	45.00
1 1/2-inch	46.08	55.00	60.00	65.00	70.00	75.00
2-inch	73.73	88.00	96.00	104.00	112.00	120.00
3-inch	110.59	132.00	144.00	156.00	168.00	180.00
4-inch	184.31	220.00	240.00	260.00	280.00	300.00
6-inch	460.79	550.00	600.00	650.00	700.00	750.00
WATER CONSUMPTION CHARGES						
<i>Billed based on monthly metered water use (\$/hcf)*</i>						
Single Family Residential Customers						
<u>Water Usage Billed in Tier</u>						
Tier 1	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf	0 - 2 hcf
Tier 2	3 - 10 hcf	3 - 9 hcf	3 - 8 hcf	3 - 8 hcf	3 - 8 hcf	3 - 8 hcf
Tier 3	11 - 25 hcf	10 - 22 hcf	9 - 20 hcf	9 - 20 hcf	9 - 20 hcf	9 - 20 hcf
Tier 4	Over 25 hcf	Over 22 hcf	Over 20 hcf	Over 20 hcf	Over 20 hcf	Over 20 hcf
<u>Water Consumption Charge per Tier</u>						
Tier 1	\$4.20	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	6.46	7.50	7.90	8.30	8.65	9.00
Tier 3	7.75	9.00	9.50	10.00	10.50	11.00
Tier 4	9.04	10.50	11.10	11.70	12.35	13.00
All Other Customers						
Tier 1	0 - 5 hcf	\$5.81	\$7.00	\$7.25	\$7.50	\$7.75
Tier 2	Over 5 hcf	6.78	8.00	8.35	8.70	9.10

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Sample Bill Calculation for a Typical Single Family Home

Effective July 1, 2015, the monthly bill for a typical single family home with a standard 5/8-inch water meter using 8 hcf of water per month (approximately 200 gallons per day) would be calculated as follows:

Fixed Monthly Charge	Water Consumption Charges			Total Monthly Bill
<u>5/8" Meter</u>	<u>First 2 hcf x \$5.00</u>	<u>Next 6 hcf x \$7.50</u>	<u>Subtotal</u>	<u>\$22.00 + \$55.00</u>
\$22.00	\$10.00	\$45.00	\$55.00	\$77.00

The proposed rates assume that the SFPUC will increase its wholesale water rates on July 1 each year from the current level of \$2.93 per hcf to \$3.75 per hcf in 2015, \$3.78 per hcf in 2016, \$3.79 per hcf in 2017, \$4.31 per hcf in 2018, and \$4.72 per hcf in 2019. Pursuant to California Government Code 53756, the MPWD is proposing to pass-through any additional increases in SFPUC wholesale water rates above these projected SFPUC rates. Future pass-throughs will be implemented by increasing the MPWD's proposed Water Consumption Charges by exact amount of the increase in cents per hcf in excess of the assumed SFPUC wholesale rates.

For example, if the SFPUC raises its wholesale water rate to \$4.51 per hcf on July 1, 2018, the MPWD would be authorized to increase its Water Consumption Charges by an additional \$0.20 per hcf on or after July 1, 2018. Prior to initiating a pass-through for SFPUC wholesale rates, the MPWD will send notification to all customers at least 30 days prior to implementation.

NEW STATE DROUGHT REGULATIONS AND WATER SHORTAGE EMERGENCY RATES

California is experiencing one of the most serious droughts on record. On April 1, 2015 the Governor issued an Executive Order directing the State Water Resources Control Board (SWRCB) to implement mandatory water conservation regulations to reduce water usage by 25% statewide. To achieve these savings, the SWRCB is expediting emergency regulations to set water conservation targets for communities around the State. Agencies that fail to achieve the required reductions could be subject to penalties of up to \$10,000 per day. Based on the State's draft proposal, the MPWD would be required to reduce water demand by 20% from demand in calendar year 2013. *Thanks to MPWD customer conservation efforts, the MPWD is already more than half-way toward meeting the State's proposed 20% cutback target for MPWD.*

In order to help MPWD recover its costs of service and remain financially stable during periods of emergency water shortages and reduced water sales, MPWD is proposing to authorize the implementation of Water Shortage Emergency Rates. These emergency rates would be implemented in response to escalating drought conditions and water supply shortages, or in response to additional State-mandated cutbacks in water use in excess of 20%, and would replace MPWD's regular Water Consumption Charges. Water Shortage Emergency Rates may be implemented upon declaration of a water shortage emergency pursuant to Water Code Section 350 and/or Water Code Section 31026. Prior to initiating Water Shortage Emergency Rates, MPWD will send notification to all customers at least 30 days prior to implementation.

The proposed Water Shortage Emergency Rates may be implemented by authorization of MPWD's Board of Directors up to the maximum levels shown on the table below, which correspond with a 50% cutback in water demand from usage in 2013. *No changes are proposed to Single Family Residential Tier 1 for the Water Shortage Emergency Rates.*

Proposed Maximum Water Shortage Emergency Rates					
Maximum rates effective on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019
WATER SHORTAGE EMERGENCY RATES (CONSUMPTION CHARGES)					
<i>Billed based on monthly metered water use (\$/hcf)*</i>					
<u>Single Family Residential Rate Tiers</u>					
Tier 1	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	9.90	10.57	11.15	11.72	12.14
Tier 3	11.88	12.71	13.43	14.23	14.83
Tier 4	13.86	14.85	15.72	16.74	17.53
<u>All Other Rate Tiers</u>					
Tier 1	\$9.24	\$9.70	\$10.07	\$10.50	\$10.79
Tier 2	10.56	11.17	11.69	12.33	12.81

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Based on same levels of water use per tier as shown in Proposed Water Rates table.

WHAT CAN CUSTOMERS DO TO MINIMIZE THE IMPACT OF RATE INCREASES?

To minimize the impact of the proposed rate increases, customers are encouraged to continue conserving and to further reduce indoor and outdoor water use where possible. As a member of the Bay Area Water Supply and Conservation Agency, the MPWD offers rebates for 1) high-efficiency toilets, 2) high-efficiency washing machines, 3) rain barrels, and 4) transitioning turf lawns to drought tolerant landscaping. For more information on any of these rebate programs or other water conservation opportunities, please visit the MPWD website at www.midpeninsulawater.org or contact the MPWD at (650) 591-8941.

HOW TO SUBMIT A WRITTEN PROTEST

Property owners and customers may file written protests against the proposed rate increases. Pursuant to California law, protests must be submitted in writing and must 1) identify the affected property or properties, such as by address, Assessor's Parcel Number, or customer account number, 2) include the name and signature of the customer or property owner submitting the protest, and 3) indicate opposition to the proposed water rate increases. Protests submitted by e-mail, facsimile or other electronic means will not be accepted. One written protest counted per parcel. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels. Written protests can be mailed to: Mid-Peninsula Water District, Post Office Box 129, Belmont, CA 94002, or can be submitted to the MPWD at its headquarters located at 3 Dairy Lane in Belmont. All written protests must be submitted prior to the close of the Public Hearing on June 25, 2015.



***If Everyone Saves a Little,
We All Save a Lot!***

MID-PENINSULA
WATER DISTRICT

The California drought is hard,
but using water efficiently is easy!
Discover how MPWD can help you:

- ✓ WATER SAVING TIPS
- ✓ WATER CONSERVATION KITS
- ✓ VALUABLE REBATE PROGRAMS

20 WAYS TO SAVE 20%

www.MidPeninsulaWater.org

Safe, quality water with friendly, professional service



AGENDA ITEM NO. 8.C.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

**SUBJECT: CONSIDER APPROVING OPERATIONS MANAGER POSITION AND
MPWD REORGANIZATION**

RECOMMENDATION

Approve Operations Manager position and MPWD reorganization.

FISCAL IMPACT

\$121,325 salary plus Tier 2 healthcare and prorated HSA benefits, which funding is included within the FY 2015/2016 Operating Budget.

DISCUSSION

I have served as MPWD General Manager for almost three (3) years now and have had an opportunity to fully evaluate the MPWD organizational dynamics as well as employee strengths, abilities, and limitations. Due to the extended drought and added responsibilities mandated upon our organization, the progressive and aggressive executive level tasks approved by the Board of Directors within the 2015 MPWD Strategic Plan, and what will be a crowning achievement in 2016 when the MPWD embarks on managing a multi-year and multi-million dollar CIP (Capital Improvement Program), I have determined it is necessary to reorganize. I have given a great deal of thought to the optimal organization for MPWD, considering our existing employees' strengths and our current goals, and I believe that the new structure will greatly enhance our ability to meet our goals and objectives.

Reference the attached proposed MPWD Organizational Chart. Also attached for comparison is the existing MPWD Organizational Chart.

Several reclassifications were made, the Operations Superintendent position will be eliminated, and an Operations Manager position is proposed. We met and conferred with the MPWD Employees Association members on the reorganization on June 18th.

Attached is a position description for the new Operations Manager for the MPWD. It was developed with input from the District Counsel, District Engineer, and Julie Brown.

An experienced Operations Manager has been recruited and is prepared to report for full-time duty on June 29, 2015.

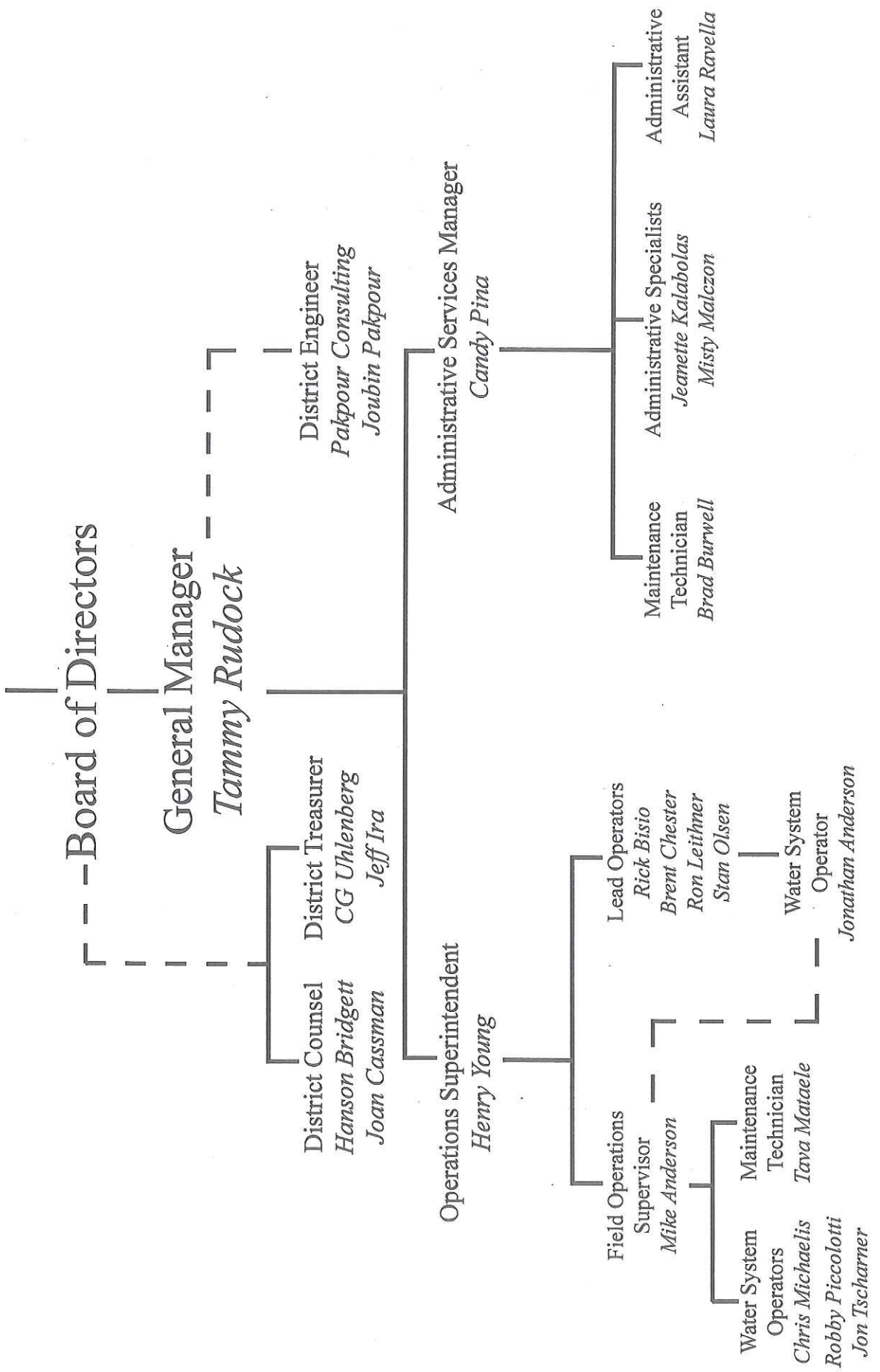
Attachments: Existing MPWD Organizational Chart (dated September 19, 2014)
New MPWD Organizational Chart (effective June 29, 2015)
Operations Manager Position Description

BOARD ACTION: APPROVED:____ DENIED:____ POSTPONED:____ STAFF DIRECTION:____
UNANIMOUS____ LINVILL____ ZUCCA____ WARDEN____ STUEBING____ VELLA____



MPWD Organizational Chart

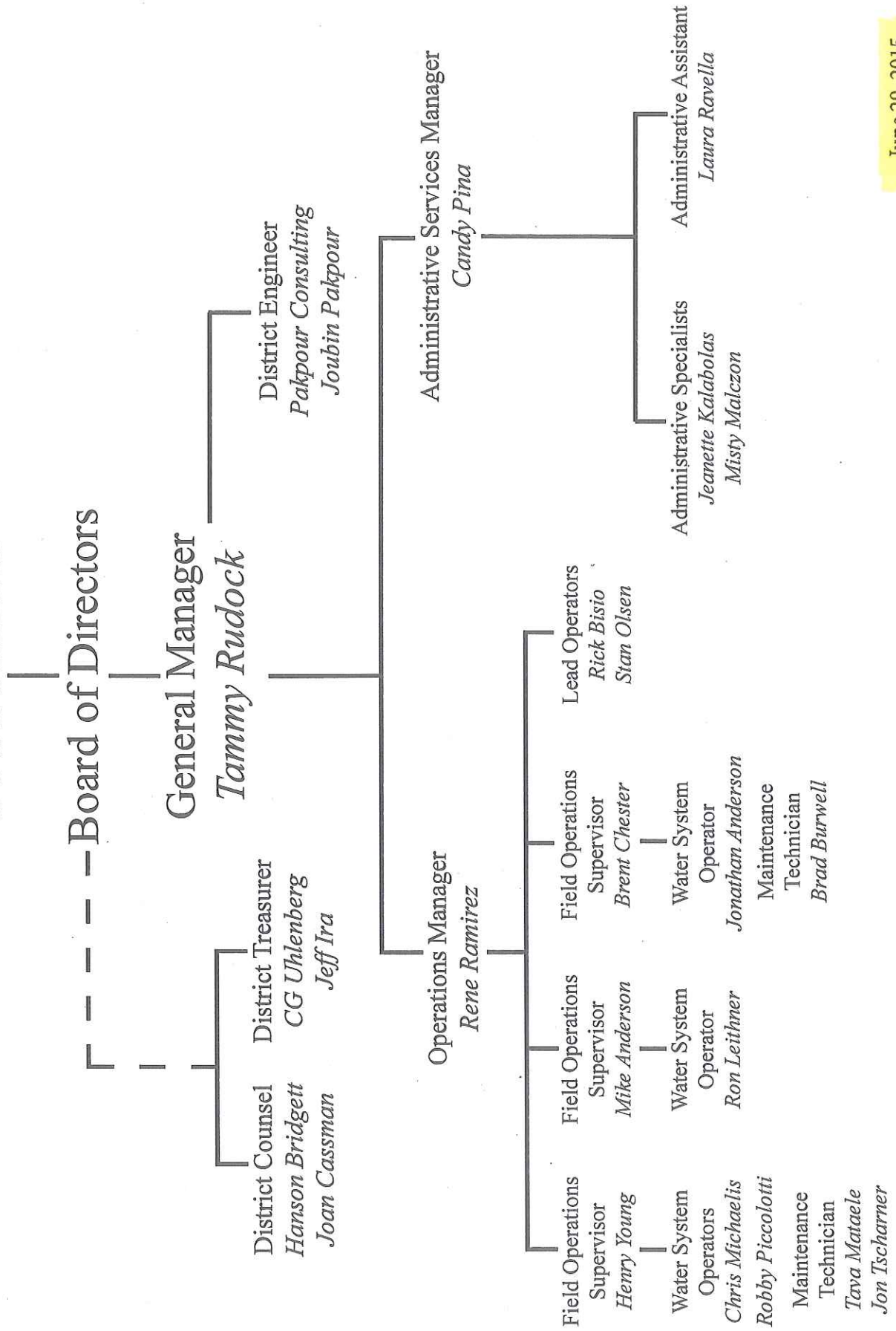
CUSTOMERS





MPWD Organizational Chart

CUSTOMERS





OPERATIONS MANAGER

FLSA: Exempt

June 3, 2015

SUMMARY

Under general direction of the General Manager, the Operations Manager directs, coordinates, and leads the potable water system operations and maintenance (O&M) services for the Mid-Peninsula Water District (MPWD), including:

- Manage multi-year Capital improvement program, including progress reporting;
- Ensure compliance with water quality standards;
- Ensure compliance with Nitrification Control and Monitoring Plan;
- SCADA and GIS systems;
- Cross-connection control program;
- Regulatory compliance and reporting;
- NPDES program development, compliance, and reporting;
- Employee safety and loss prevention program;
- Emergency response and preparedness; and
- Development review and plan check processes.

The Operations Manager is a working manager responsible for work quality and performance measures and adherence to established policies and procedures and/or programs as it relates to infrastructure and water system O&M activities. S/he will exercise direct supervision over assigned supervisory and technical personnel. S/he will collaborate with external agencies, senior management, staff, professional consultants and colleagues to meet the Agency's desired goals.

The ideal candidate will have a successful track record in water utilities, including expertise in water system hydraulics and O&M, and present strong leadership and communications skills and work ethics. S/he will be comfortable working at a strategic level or hands-on. It is critical that the Operations Manager have the ability to provide ongoing support to subordinates for their professional development in support of organizational efficiency and succession initiatives.

ESSENTIAL DUTIES AND RESPONSIBILITIES

Responsibilities and duties may include, but are not limited to, the following:

- Plans, organizes, directs and coordinates the O&M functions for the MPWD, including directing, assigning, leading, and training the work of the water system operators engaged in: water distribution; water quality; meter installation, maintenance, and repair, including AMI; pump station facilities; storage facilities; hydro-pneumatic facilities; pressure reducing stations; pressure reducing stations, regulators, valves, and fire hydrants.
- Creates and implements proactive water system O&M maintenance management programs, policies, and standard operating procedures, projects, and schedules necessary to maintain all

MPWD structures, pipelines, easements, storage facilities, plumbing systems, infrastructure, and equipment, and support facilities.

- Coordinates O&M activities with external agencies and organizations (e.g., San Francisco Water Department—SFPUC, City of Belmont, City of San Carlos, County of San Mateo, and Bay Area Water Supply & Conservation Agency—BAWSCA, State Water Resources Control Board/Division of Drinking Water—SWRCB).
- Responsible for SWRCB system sanitary survey and inspection, including response to findings/recommendations and implementation as appropriate, including follow-up to SWRCB and report to the Board of Directors.
- Reviews and analyzes consumption records, field reports for consumption, water losses, and energy consumption on a regular basis and makes recommendations to gain efficiencies accordingly.
- Ensures the highest water quality standards are being adhered to and reports are filed as required in compliances with regulatory agencies (e.g., SWRCB).
- Ensures that a cross-connection control program is maintained to protect the MPWD water supplies.
- Preserves the MPWD's water supplies through enforcement of the MPWD's conservation policies.
- Reviews proposed developments, meets with developers, supervises plan checks for adherence to MPWD codes and standards, and prepares conditions of approval.
- Manages SCADA, GIS, and 2-way radio communications equipment and programs within the MPWD, including installation and maintenance.
- Proactively communicates with the General Manager on all aspects of the MPWD's operations and ongoing work.
- Acts as a technical advisor to the General Manager and the District Engineer on system operations, as required.
- Provides staff assistance to the General Manager by preparing and presenting staff reports during Board meetings, and other meetings as required.
- Develops, plans, and implements operational goals, objectives, policies, and priorities.
- Create long-range plan for the MPWD O&M functions and implementation schedule.
- Compiles analytical reports, memoranda, written correspondence, and develops written operating procedures related to the operational needs and requirements.
- Supervises and actively participates in the development and administration of the operations budget by forecasting funds needed for O&M labor costs, equipment, materials, and supplies, and monitors expenditures.
- Represents the MPWD in dealings with the public, contractors, developers, and representatives of other government agencies in a professional and competent manner.
- Deals effectively and courteously with customer service matters.
- Manages subordinates in accordance with MPWD policies and applicable laws.
- Supports individual and team efforts by encouraging, influencing and engaging others with different backgrounds, experiences, and points of view. Establishes effective working partnerships, participates in joint decision-making (when appropriate), and works through differences to achieve shared goals. Productively manages conflict.
- Drives for results by making timely decisions and takes action. Seeks out and utilizes appropriate information and resources to achieve outcomes that best serve the organization.
- Resolves barriers and obstacles that impede progress. Monitors progress and acts to ensure success, in an ethical manner.
- Interviews, trains, and administers timely annual performance evaluations for operations employees.
- Ensures effective utilization of staff, equipment, and safety practices.
- Acts as the first level for disciplinary actions, measures, and grievances.

- Monitors operator certifications, training, and safety programs.
- Reviews and approves employee time sheets each payroll period.
- Ensures compliance with the MPWD's Injury and Illness Prevention Program.
- Acquires and maintains CPR and basic First Aid training and certification.
- Performs special projects as assigned.
- Oversees the design and construction inspection of District capital improvement projects.
- Proactively resolves problems and initiates solutions for barriers encountered in the course of daily work.
- Serve as General Manager in their absence.

QUALIFICATIONS

Formal Training and Experience: A combination of education and experience equivalent to graduation from high school or GED, and a Bachelor's degree from an accredited college or university in Organizational Management, Public Administration, Business Administration, Water Resources, Environmental Science, Civil Engineering or a closely related field, and seven (7) years of progressively responsible experience in the operations and maintenance of a water system and facilities, including five (5) years of direct supervisory experience.

Certifications/Licenses Required:

- Valid California's Driver's License with a satisfactory driving record.
- Water Distribution Operator Grade D-3 certification from the State of California, or the ability to obtain within an agreed period.
- Water Treatment T-1 certification from the State of California, or the ability to obtain within an agreed period.
- Cross-Connection Control Program Specialist certification from the California/Nevada Section of the American Water Works Association or an approved equivalent certifying entity, or the ability to obtain within an agreed period.

Special Requirement:

- Willingness and demonstrated ability to direct operations during emergency calls outside of regular schedule or as required.

Knowledge and Abilities:

Knowledge of:

- Principles and practices of water distribution system operations and maintenance, water hydraulics, water quality, metering (AMI) and cross-connection control;
- Regulations impacting water business as well as applicable requirements and trends within the water industry;
- Administrative principles and practices, including goal setting, program development, implementation, and evaluation;
- Principles and practices of budget development and administration;
- Basic engineering design principles, including general understanding of project construction design plans and specifications;
- Basic construction management principals;
- Contract administration and management;
- Project management, tracking, and reporting;
- Employee supervision, either directly or through subordinate levels of supervision, including work planning, assignment, review and evaluation, training, leadership, motivation, teambuilding, effective communications, and conflict resolution;
- Methods, materials, and techniques used in the construction of water system projects;

- Operation and use of a variety of light and heavy vehicles and power equipment utilized in maintenance and construction work in a safe and skillful manner;
- Communications control equipment, including master planning, installation, repair, and maintenance, specifically SCADA and RTU programming and troubleshooting;
- Pertinent local, State, and Federal laws, codes, rules, regulations, and reporting requirements related to water quality, including SWRCB/Division of Drinking Water;
- Buildings maintenance, grounds maintenance, and landscaping;
- Proper safety practices and PPE; and
- Microsoft Office Suite.

Ability to:

- Plan, organize, and manage the O&M functions of the MPWD;
- Ensure proactive O&M and proper repair and rehabilitation of MPWD facilities and infrastructure;
- Read construction plans and specifications;
- Develop and control budgets;
- Plan, prepare and implement long-range plans;
- Oversee the establishment and maintenance of certification, training, and work safety programs;
- Perform comprehensive administrative reviews of work activities, costs, staffing requirements, equipment usage, and time requirements;
- Observe and timely evaluate staff performance;
- Remember pertinent personnel rules, explain and interpret policy;
- Effectively represent the MPWD with the public, contractors, ratepayers, and other organizations;
- Establish and maintain cooperative working relationships;
- Use initiative, tact, and independent judgment;
- Make timely decisions;
- Use computer systems and software related to the needs of the MPWD;
- Know and understand regulations, codes, policies, and laws.
- Communicate effectively, openly, proactively, and skillfully through written and verbal means with MPWD management, Board members, co-workers, subordinate employees, and the public in face-to-face, one-on-one, and group settings;
- Prepare comprehensive and complex technical reports, and present them in an audience appropriate manner;
- Read and interpret documents;
- Apply concepts of basic algebra and geometry;
- Negotiate project change orders;
- Regularly use telephone, smart phone, and 2-way radio for communications;
- Use office equipment such as computers, printers, copiers, scanners, and FAX machines; and
- Hear and see within normal ranges. Must be able to distinguish color on computer screens for process controls.

TYPICAL PHYSICAL DEMANDS:

The physical activities described are representative of those that must be met by an employee to successfully perform the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- On a continuous basis, sit at a desk and in meetings for long periods of time.
- Use a computer for long periods of time.
- Write or use keyboard to communicate through written means.
- Perform simple grasping and fine manipulation of objects.

- Travel frequently by automobile in conducting daily MPWD business.
- Occasionally travel by airplane in conducting MPWD business.
- Work in an environment with possible exposure to dust, dirt, fumes, vapors, inclement weather, and significant temperature changes.
- Stoop, kneel, crouch, crawl, and walk while performing duties.
- Climb 25 feet or higher, and work at sustained heights for long periods of time.
- May be exposed to moving mechanical parts, toxic or caustic chemicals, and areas where there is a risk of electrical shock.
- Work in an environment containing moderate noise levels.
- Regularly lift and/or move up to 25 pounds, frequently lift and/or move up to 50 pounds, and occasionally lift and/or move up to 100 pounds.
- Interact with disgruntled or upset staff, ratepayers, members of the public, and/or private representatives in interpreting and enforcing MPWD policies and procedures.



AGENDA ITEM NO. 8.D.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER APPROVING CONTRACT FOR PROFESSIONAL SERVICES BETWEEN PAKPOUR CONSULTING GROUP, DISTRICT ENGINEER, AND THE MPWD

RECOMMENDATION

Approving the Contract for Professional Services between Pakpour Consulting Group, District Engineer, and the MPWD.

FISCAL IMPACT

The District Engineer's professional services are budgeted in FY 2015/2016 at \$100,000 for general engineering services. Services provided for CIP work, including engineering design, bidding, and project management are separately considered per project.

DISCUSSION

At the request of the District Engineer, the attached contract is presented for consideration, which is the current MPWD contract format. Besides the formatting, there is little difference between this contract and the existing contract with the District Engineer that expires on February 11, 2016. The fee schedule reflects increased fees after nearly two years.

Attachments: Contract for Professional Services

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

UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made as of the 25th day of June 2015, by and between the MID-PENINSULA WATER DISTRICT ("DISTRICT") and PAKPOUR CONSULTING GROUP ("ENGINEER").

WHEREAS, the DISTRICT desires to obtain professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system and to designate a "District Engineer;" and

WHEREAS, the ENGINEER desires to furnish such services.

NOW, THEREFORE, the parties agree as follows:

1. **RENDITION OF SERVICES.** The ENGINEER 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, ENGINEER represents that it has and will exercise that degree of professional care, skill, efficiency and judgment ordinarily employed by engineers providing similar services. ENGINEER 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 ENGINEER's Services shall consist of the services:

A. **Retainer.** The ENGINEER will be paid a monthly retainer for the following work:

- Attend one regular monthly board meeting, including the cost of travel, not to exceed three hours per month.
- Conduct routine District business in ENGINEER's office, which includes telephone calls and miscellaneous correspondence not to exceed one hour per month.
- Provide storage for maps, files and documents of DISTRICT projects.
- Availability to the DISTRICT in the event of emergencies.

B. **Special Engineering Projects.** All work requested by the DISTRICT beyond that defined in Section 2.A., Retainer, including non-routine engineering investigation, reports or projects, except major improvement projects, shall be considered special engineering assignments. Improvement projects with a construction cost under \$100,000 or as designated by District General Manager shall also be classified as special engineering assignments. At the discretion of the General Manager the ENGINEER may be asked to prepare a scope of work, budget, and schedule for a special engineering assignment.

C. **Major Improvement Projects.** All work for preparation of plans, specifications, cost estimates, engineering services during construction of improvement projects and construction management services costing over \$100,000 or as designated by General Manager, shall be classified as work on major improvement projects. A detailed scope of work, budget, and

schedule shall be prepared by the ENGINEER for each major improvement project, for review and approval by the General Manager. The scope shall also list responsibilities of the DISTRICT and shall include a schedule for completing the work.

D. Subdivision and Development Projects. This category includes all work in connection with review and processing of subdivision and other development projects in accordance with the DISTRICT's regulations concerning water service extensions and water system improvements. The work can include the initial review of subdivision and other development projects including Tentative Maps and easement processing. The final review of subdivision and other development improvement plans. The observation of the construction methods and materials used in the construction of subdivision or other development improvements.

3. TERM.

This Agreement shall be deemed effective as of the date of July 1, 2015. ENGINEER shall serve the DISTRICT at the pleasure of the Board of Directors. The DISTRICT shall have the right and power to terminate the services of the ENGINEER at any time, such termination to take effect sixty (60) days after the giving of written notice to ENGINEER. ENGINEER shall have the right to resign at any time, such resignation to take effect sixty (60) days after giving written notice to the Board of Directors.

4. COMPENSATION.

For the services performed as described in Section 2, the DISTRICT will pay the ENGINEER as follows:

1. For Retainer, the ENGINEER will be paid in accordance with Exhibit A. Such amount will be reviewed annually on the anniversary date of the Agreement and revised as mutually agreed upon by the DISTRICT and ENGINEER. The revised retainer shall thereafter be the effective RETAINER for the purpose of this Agreement.
2. For Special Engineering Assignments, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A.
3. For Major Improvement Projects, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A. The cost ceiling set forth in the ENGINEER's initial budget for the project shall not be exceeded without approval of the District.
4. For Subdivision and Development Projects, the ENGINEER will be paid at an hourly rate plus expenses in accordance with the fee schedule set forth in Exhibit A.
5. Exhibit A, which constitutes the Fee Schedule, will be reviewed annually on the anniversary date of the Agreement and revised as mutually agreed upon by the DISTRICT and ENGINEER. Upon board approval, such revised fee schedule shall thereafter be the effective FEE SCHEDULE for purposes of compensation under this Agreement and shall be attached hereto as the new exhibit.

5. MANNER OF PAYMENT. ENGINEER shall submit invoices to DISTRICT on a monthly basis for work accomplished on an hourly rate plus expenses basis in accordance with Exhibit A, ENGINEER shall receive payments based on all services actually performed. 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
P.O. Box 129
Belmont, CA 94002

6. 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, or such person or persons as they shall designate in writing from time to time, shall represent and act for the DISTRICT.

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

8. ASSIGNMENT. ENGINEER shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of DISTRICT.

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 ENGINEER 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 ENGINEER 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 ENGINEER shall replace it at its own expense and the ENGINEER hereby assumes all risks of loss, damage or destruction of or to such materials. The ENGINEER may retain a copy of all material produced under this agreement for its use in its general business activities.

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 2, or both. In the event that ENGINEER 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, ENGINEER 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 ENGINEER 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. ENGINEER agrees to indemnify, defend and hold harmless the DISTRICT, and its directors, agents, and employees from and against all claims, losses, damages and liabilities (including reasonable attorneys' fees) arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, in the course of the performance of the Agreement to the extent caused by ENGINEER's recklessness or willful misconduct; or by ENGINEER's negligent provision or omission of services contemplated by this Agreement.

Irrespective of any language to the contrary in this Agreement or under applicable law, ENGINEER shall have no duty to provide or fund up-front defense costs of DISTRICT against unproven claims or allegations, but shall reimburse those reasonable attorneys' fees, expert fees and all other costs and fees incurred in any judicial proceeding, litigation, arbitration, mediation or other negotiated settlement incurred by DISTRICT that are caused by the negligence, recklessness or willful misconduct of ENGINEER, its employees, agents and subconsultants (collectively, "Defense Costs"). However, ENGINEER shall provide its immediate cooperation, at no additional cost to the DISTRICT, to the DISTRICT in defending such claims. Moreover, ENGINEER's responsibility for the DISTRICT's defense costs shall be limited to the proportion of ENGINEER's responsibility for the underlying injury as determined in any judicial proceeding, litigation, arbitration, mediation, or other negotiated settlement which addressed the ENGINEER's responsibility for the underlying injury. In the event that it is determined that the losses, injuries or damages claimed against the DISTRICT did not arise out of, pertain to, or relate to ENGINEER's negligence, recklessness or willful misconduct, ENGINEER shall not be responsible for any portion of the DISTRICT's defense costs. This indemnity shall survive the termination of this Agreement.

12. INSURANCE.

A. Workers' Compensation. If ENGINEER employs any person to perform work in connection with this Agreement, ENGINEER shall 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 shall 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, ENGINEER shall deliver to the DISTRICT a Certificate of Insurance which shall stipulate that thirty (30) days advance written notice of cancellation, non-renewal or reduction in limits shall be given to the DISTRICT. Such insurance shall also contain a waiver of subrogation in favor of the Mid-Peninsula Water District and its Directors, officers, agents and employees while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

B. Commercial General and Automobile Liability Insurance. ENGINEER shall also procure and maintain at all times during the performance of this Agreement Commercial General Liability Insurance covering ENGINEER and the DISTRICT for liability arising out of the operations and activities of ENGINEER and any subcontractors. ENGINEER shall also procure and maintain during the entire term of this Agreement Automobile Liability Insurance which shall include coverage for all vehicles, licensed or unlicensed, on or off the DISTRICT's premises, used by or on behalf of ENGINEER in the performance of work under this Agreement. The policies shall be subject to a limit for each occurrence of One Million Dollars (\$1,000,000) naming as an additional insured, in connection with ENGINEER's activities, the Mid-Peninsula Water District, and its Directors, officers, employees and agents. The Insurer(s) shall agree that its policy (ies) is Primary Insurance and that it shall 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 shall not in any way affect its rights as respects to any claim, demand, suit or judgment made, brought or recovered against ENGINEER. The policy shall protect ENGINEER and the DISTRICT in the same manner as though a separate policy had been issued to each, but nothing in said policy shall 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. Such insurance shall also contain a waiver of subrogation in favor of the Mid-Peninsula Water District and its Directors, officers, agents and employees while acting

in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally

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

C. Professional Liability Insurance. ENGINEER shall also maintain Professional Liability Insurance covering ENGINEER's performance under this Agreement with a limit of liability of One Million Dollars (\$1,000,000) for any one claim. This insurance shall be applicable to claims arising out of or related to the performance of this Agreement. Prior to commencing work under this Agreement, ENGINEER shall 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 shall further stipulate that 30 days' advance written notice of cancellation, non-renewal or reduction in limits shall be given to the DISTRICT.

D. Deductibles and Retentions. ENGINEER shall be responsible for payment of any deductible or retention on ENGINEER'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 ENGINEER 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, ENGINEER 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 ENGINEER, subcontractor, or any of their officers, directors, employees, agents, or suppliers, even if ENGINEER or subcontractor is not a named defendant in the lawsuit.

13. NOTICES. All communications relating to the day-to-day activities of the project shall be exchanged between the DISTRICT's General Manager and ENGINEER's Principals.

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 Belmont, California 94002 ATTENTION: Tammy Rudock, General Manager
If to the ENGINEER:	Pakpour Consulting Group 5776 Stoneridge Mall Road, Suite 320 Pleasanton, CA 94588 ATTENTION: Joubin Pakpour, P.E., Principal Engineer

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.

14. EQUAL EMPLOYMENT OPPORTUNITY. In connection with the performance of this Agreement the ENGINEER shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, gender identity, disability or national origin. The ENGINEER shall take affirmative actions to insure 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. ENGINEER further agrees to include a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

15. MISCELLANEOUS

A. Records. During the term of this Agreement, ENGINEER 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. ENGINEER 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. ENGINEER 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. ENGINEER shall be solely responsible for reimbursing any subcontractors and the DISTRICT shall have no obligation to them.

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

PAKPOUR CONSULTING GROUP*

By: _____
President, Board of Directors

By _____

Title: _____

By: _____

Title: _____

ATTEST:

Secretary for DISTRICT

APPROVED AS TO FORM:

DISTRICT Counsel

* If the ENGINEER is a Corporation, two officers of the corporations consisting of one from each of the following categories must sign the agreement: 1) the President, Vice President or Board Chair and 2) the Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer. If only one officer signs or an individual not specified above, the ENGINEER will submit satisfactory evidence that the individual is authorized to sign for and bind the corporation.



AGENDA ITEM NO. 8.E.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: CONSIDER RESOLUTION 2015-09 CONSENTING TO ENTER THE JOINT PROTECTION PROGRAMS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

RECOMMENDATION

Approve Resolution 2015-09 consenting to enter the Joint Protection Programs of the ACWA/JPIA.

FISCAL IMPACT

Summary of ACWA/JPIA quoted annual premiums and coverage for FY 2015/2016:

Liability Coverage > \$41,030

- Comprehensive General Liability (per occurrence) - \$60 million
- Public Officials Liability - \$60 million
- Automobile Liability - \$60 million
- RAP—Retrospective Allocation Point (Deductible) - \$10,000

Property Coverage > \$26,612

- Buildings, Personal Property, Fixed Equipment, Value Papers, Accounts Receivable, Business Interruption, Boiler & Machinery, Mobile Equipment - \$1,000 Deductible
- Vehicles - \$500 Deductible

Excess Crime Coverage > \$800

- Public Employee Dishonesty, Forgery or Alteration, Computer Fraud – Each \$500,000 Limit (Deductible: \$100,000)

Workers' Compensation & Employer's Liability > \$40,250

- Employer's Liability - \$2 million

Staff estimated approximately \$40,000 in annual insurance cost savings with this transition to ACWA/JPIA joint protection programs.

BACKGROUND

The MPWD entered into a Joint Powers Agreement creating the ACWA/JPIA in 2012. Currently, the MPWD participates in the ACWA/JPIA healthcare benefits program.

The MPWD actively participates in ACWA/JPIA meetings, training, and conferences.

DISCUSSION

Staff requested quotes from three (3) insurance providers, including the MPWD's current insurance provider, and received only one responsive quote back from ACWA/JPIA. That proposal is attached. Premiums are discounted for participation in multiple JPIA programs. The MPWD is receiving the maximum discount for participating in three JPIA programs.

Also included within the attached proposal is background and program coverage information. Resolution 2015-09 is required for the MPWD's participation in the ACWA/JPIA joint protection programs.

Staff will provide a summary presentation at the Board meeting.

Attachments: ACWA/JPIA Coverage Proposal dated April 28, 2015
Resolution 2015-09

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

UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

COVERAGE PROPOSAL



Mid-Peninsula Water District

3 Dairy Lane
Belmont, CA 94002

Date Presented:
April 28, 2015

Important Notice

This summary of proposed coverage is intended to be a brief general review of the proposed coverage. It does not alter, change or modify any of the coverage terms or conditions as found in the proposed Memorandum of Coverage. Please read the Memorandum of Coverage for the specifics as respects your agency's coverage.

This proposal does not ensure membership eligibility. The Executive Committee makes all decisions regarding membership application.

Membership requires an initial three-year commitment per the Joint Powers Agreement Article 22. Compliance with risk assessment recommendations, if any, is required prior to effecting coverage.

Introduction

The JPIA is a public entity, formed in 1979 by 83 water agencies of the state of California. There are now nearly 370 members. Like its members, the JPIA is a special district in the state of California. Its formation and operation are subject to the provisions of the California Government Code, including the Brown Act. It provides risk-sharing pools to meet the needs of its members for property, liability, workers' compensation and employee benefits coverage.

The JPIA is a partnership of water agencies working together to share the risks associated with purveying water. The risk-sharing pools of the JPIA are a cost-effective form of risk management available only to public entities, allowing them to bypass the high cost of commercial insurance. The coverages provided by this risk-sharing arrangement are unique to water agencies. The water agencies themselves—their directors and managers—have selected and refined these coverages. Not all water agencies are accepted into the JPIA. Prospective members must demonstrate a commitment to effective risk management programs.

Becoming a member is just the beginning. Besides handling covered claims for all members, the JPIA provides risk management services and training programs. Risk management consultants who are specialists in the water industry, not generalists, perform on-site visits. Certified treatment plant operators and distribution system operators are on staff. The risk management services include assistance with Injury and Illness Prevention Programs, ergonomic evaluations, Cal/OSHA regulatory compliance, confined space entry evaluations, noise surveys, and hazard communication programs. In addition, members receive assistance with their personnel policies and procedures as well as help in developing job descriptions and employee handbooks.

The JPIA provides a wide variety of training to its members at little or no cost. An extensive safety video lending library, a risk control manual, a risk transfer manual, monthly safety bulletins, and other risk management tools are provided to members at no additional cost.

The JPIA is managed by the directors and managers of the water agencies it serves. The JPIA is constantly evolving to meet the changing needs of its members. Changes are the result of decisions of the various Committees and Board of Directors. Members have opportunities to influence and control the direction and activities of the JPIA through the democratic process.

The JPIA is not an insurance agency or company. There are no stockholders, no income taxes, no premium taxes, and no property taxes. There is no profit margin and no sales commissions. Any excess funds, as well as investment income, for a given coverage year are returned to the member agencies instead of being retained as profit. Historically, commercial insurers have entered and left the public entity insurance market like a revolving door, seeking only market share and profit. The JPIA provides a secure, stable and highly cost-effective alternative for protecting the assets, liabilities, and employees of public water agencies.

Liability Program

The JPIA's Liability Program is designed specifically for public water agencies. It provides protection to members against liability for bodily injury, property damages, errors and omissions, employment practices, fiduciary responsibilities, products, and pollution. The Program provides each member with liability limits of \$60 million per occurrence.

Commercial insurance programs typically require the issuance of multiple policies, often with conflicting coverage grants and exclusions, creating dangerous gaps in coverage. The JPIA's Memorandum of Coverage combines these needed coverages into a single form, specifically tailored to meet members' needs.

Members of the Liability Program also share in the direction of the Program, helping to craft the coverage and risk financing as well as the membership selection process.

Unlike fixed-cost commercial insurance programs, the JPIA's Liability Program affords members the opportunity to share in the benefits of effective risk management and loss prevention programs as well as thorough and knowledgeable claims handling. Since the inception of the Program in 1979, the JPIA has made retrospective premium adjustments (returns of premium to Member's Rate Stabilization Fund) of \$35.3 million, or approximately 11 percent of the deposit premiums.

Property Program

The JPIA's Property Program is a highly cost-effective method for members to protect their physical assets, such as buildings and infrastructure, vehicles, and equipment. Like the Liability Program, the Property Program's single Memorandum of Coverage eliminates the need for multiple and often conflicting or redundant commercial policies.

Some unique features of the Program include:

- Full Replacement Coverage for Buildings, Fixed Equipment, and Personal Property
- Machinery Breakdown and Electrical Injury of Fixed Equipment
- Coverage for earth movement and flood (except quake and rising bodies of water)
- Coverage for newly acquired, rented, or borrowed property, including autos
- Coverage for Business Interruption, Extra Expense, Valuable Papers, and Accounts Receivable
- Coverage for Employee Dishonesty and Forgery/Alteration
- Members also receive free replacement cost appraisals of their fixed assets

Since the Program began in 1983, the JPIA has made retrospective premium adjustments (returns of premium to Member's Rate Stabilization Fund) of \$14.9 million or approximately 24% of deposit premiums.

Workers' Compensation Program

A water agency's employees are its most valuable asset. Injuries and lost time have hidden costs, such as the loss of productivity and lowered morale. The critical components of a successful workers' compensation program include effective loss prevention programs and claims handling.

The JPIA's Risk Management staff consists of highly qualified consultants that are experienced in the water industry. Some are state-certified water treatment and distribution operators. Each member is assigned a consultant who will work to help develop effective Injury and Illness Prevention Programs, Cal/OSHA regulatory compliance, and Return-to-Work programs. Extensive training programs are provided to help reduce employee injury and illness.

Members have free access to the services of Occu-Med for evaluation of pre-employment and fit-for-duty physical examinations.

A key to effective claims handling is good communication. The JPIA's Claims staff has a case load that is less than half of the industry standard, allowing them to work closely with members, injured workers, and treating physicians. They try to ensure that the employee is treated promptly and fairly, while working to eliminate abuse of the system and reduce costs.

Through a pro-active approach to reducing employee injuries and controlling claims costs, the JPIA has succeeded in avoiding the up and down cycles of the market while consistently remaining competitive with commercial insurers.

Since the Workers' Compensation Program began in 1984, JPIA has made retrospective premium adjustments (returns of premium to Member's Rate Stabilization Fund) of \$28.1 million or 19% of deposit premium.

Additional Programs & Services

Employee Benefits Program

The JPIA now offers competitively priced employee benefits plans to its members. Although the Program has been in effect for almost 40 years, it had previously been separately administered by ACWA. The transition to the JPIA in 2012 coordinates all your "insurance" needs under one umbrella:

Medical Plans:

* Anthem HMO * Anthem PPO * Kaiser Permanente

Other Benefit Plans:

* Delta Dental * Vision Service Plan * Life Insurance * Short Term Disability * Long Term Disability * Employee Assistance Program

Other Coverage Programs (Group Purchase)

Employee Dishonesty
Underground Storage Tank Liability
Dam Failure Liability
Earthquake and Flood
Special Event Liability

Services Provided at Little or No Additional Cost to Members

- Risk Management Consultations by Specialists in the Water Industry
- Cal/OSHA Regulatory Compliance Assistance
- DOT Drug & Alcohol Testing Consortium
- Injury & Illness Prevention Programs
- ADA Compliant JOB Descriptions
- Ergonomic Evaluations
- Hazard Identification & Coverage Evaluations
- Risk Transfer Consultations
- Lending Library with over 500 Videos on Safety, Health and Water Issues

Professional Development Program – provides training opportunities to members' employees, offering more than 40 different safety, management, and human resources classes at members' sites and other locations throughout the state. Certifications are available in the areas of Human Resources, Supervision, Risk Management, and Training. Many courses are approved for meeting the continuing education requirements of the California Department of Health Services.

LIABILITY COVERAGE QUOTATION
April 28, 2015

Comprehensive General Liability Per Occurrence Form	\$ 60,000,000
Public Officials Liability	\$ 60,000,000
Automobile Liability	\$ 60,000,000

Retrospective Allocation Point (RAP) \$ 10,000

The first retrospective premium adjustment is calculated approximately 4 years after the beginning of each coverage year. The adjustment is determined by the following elements: actual payroll versus estimated payroll, losses within the member's RAP level, a share of losses above the selected RAP level, a share of general and administrative costs, and a share of interest earned on the funds held.

10/1/14 to 10/1/15 Deposit Premium:

Participation in 1 JPIA Program	\$ 43,189
Participation in 2 JPIA Programs	\$ 42,325
Participation in 3 JPIA Programs	\$ 41,030
(Subject to payroll audit)	

Excess Coverage Providers

AM Best Rating

Starr Indemnity & Liability Company	A: XIV
Evanston Insurance Company	A: XIV
Great American Assurance Company	A+: XIII
Starr Indemnity & Liability Company	A: XIV
Endurance Specialty Insurance	A: XV

EXCLUSIONS: *Including, but not limited to selenium, asbestos, punitive damages, nuclear energy, dam failure.*

PROPERTY PROGRAM QUOTATION
April 28, 2015

Deductible: \$1,000
\$ 26,800,000 Buildings, Personal
Property, Fixed Equipment

\$150,000,000 Valuable Papers
\$150,000,000 Accounts Receivable
\$ 10,000,000 Business Interruption & Extra Expense
\$ 1,000,000 Money & Securities
\$ 100,000 Employee Dishonesty

Deductible: \$1,000
\$ 109,500 Mobile Equipment
\$ 250,000 Leased, Borrowed or Rented

Deductible: \$500
2 Fleet Rated Private Passenger
9 Fleet Rated Light Trucks
0 Fleet Rated Sport Utility Vehicles
0 Fleet Rated Vans
6 Non-Fleet Rated Vehicles & Trailer Mounted Equipment

4/01/13 to 4/1/14 Deposit Premium:

Participation in 1 JPIA Program	\$ 28,013
Participation in 2 JPIA Programs	\$ 27,453
Participation in 3 JPIA Programs	\$ 26,612

Reinsurance Provider
XL Insurance America

AM Best Rating
A: XV

EXCLUSIONS: *Including, but not limited to perils of earthquake, flood, and computer virus. Limited coverage for mold or fungus, and terrorism.*

Note: Property values are estimates derived from information provide. Actual premium could vary upon appraisal by JPIA.

PROPERTY PROGRAM	SUBLIMITS
Demolition/Increased Cost of Construction	\$30,000,000
New Buildings in Course of Construction	\$10,000,000
Earthquake/Flood Aggregate—Vehicles/Mobile Equipment	\$5,000,000
Newly Acquired/Constructed Property	\$5,000,000
Dwellings—per structure	\$1,000,000
Dwellings—Per Occurrence Aggregate	\$2,500,000
Business Interruption (BI)	\$10,000,000
Rental Value	Included in BI
Extra Expense	\$10,000,000
Accounts Receivable	\$150,000,000
Valuable Papers	\$150,000,000
Pollutant Cleanup—Occurrence	\$250,000
Pollutant Cleanup—Aggregate	\$500,000
Lawns, trees, plants, shrubs	\$500,000
Signs, lightposts, paving, fencing, gates, vehicle barriers, curbs and sidewalks	\$500,000
Money & Securities	\$1,000,000
Catastrophic Coverage for Vehicles on Premises	\$100,000
Fungus Cleanup or Removal	\$100,000
Computer—Inside Attack	\$1,000,000
Computer—Outside Attack Per Occurrence	\$60,000
Computer—Outside Attack Aggregate	\$300,000
Terrorism	\$150,000,000
Earthquake Sprinkler Leakage	\$150,000,000
*Earthquake	\$2,500,000
*Flood—Rising Bodies of Water	\$5,000,000 to \$10,000,000 depending on flood zone

*Program Aggregates and special, large deductibles apply to coverage. Flood deductibles vary by flood zone.

BOILER & MACHINERY COVERAGE

April 28, 2015

Property Damage	\$ 150,000,000
Including,	
Expediting Expenses	\$ 2,000,000
Ammonia Contamination	\$ 2,000,000
Hazardous Substance	\$ 2,000,000
Water Damage	\$ 2,000,000
Loss of Income	\$ 10,000,000
Extra Expense	\$ 10,000,000

Deductible Schedule

I. Property Damage:

- a. Turbine Units and Associated Equipment, including Electrical Generators, electrical power distribution, and turbine control - \$50,000 or \$5 per kilowatt, whichever is greater.
- b. Internal Combustion Engines and Driven Engines - \$25,000 or \$10 per horsepower, whichever is greater.
- c. Electrical Generators driven by Internal Combustion Engines - \$50,000 or \$5 per kilowatt, whichever is greater.
- d. Pumps and Pump Shafts - \$25,000 or \$10 per horsepower, whichever is greater.
- e. Electric Motors and Motor Controllers - \$25,000 or \$8 per horsepower, whichever is greater.
- f. Transformers - \$25,000 or 25 per kilovolt-ampere based upon largest voltage, whichever is greater.
- g. All other Objects - \$25,000.

II. Business Interruption and Extra Expense:

- a. Turbine Units and Associated Equipment, including Electrical Generators, Electrical Power Distribution and Turbine Controls – 30 times 100% of the Average Daily Value.
- b. All other "Covered" Objects – 1 times 100% of the Average Daily Value.

Annual Premium:

Included with Property Coverage

Reinsurance Provider
XL Insurance America

AM Best Rating
A: XV

EXCESS CRIME QUOTATION
April 28, 2015

The JPIA's Property Program automatically provides members with coverage for Employee Dishonesty including Faithful Performance, Forgery/Alteration and Computer Fraud. Coverage is extended to include Treasurers and Board Members. The limit of coverage is \$100,000 per loss with a \$1,000 deductible.

The following is a quotation for additional coverage to apply in excess of the coverage provided by the Property Program.

Form O – Public Employee Dishonesty

Limit: \$ 500,000
Deductible: \$ 100,000

Form B – Forgery or Alteration

Limit: \$ 500,000
Deductible \$ 100,000

Form F – Computer Fraud

Limit: \$ 500,000
Deductible \$ 100,000

Annual Premium: \$ 750
JPIA Administrative Fee: \$ 50
TOTAL \$ 750 *

Faithful Performance of Duty per limit of coverage Form O	Included
Chairman or Members of any Committee Welfare & Pension Plan (ERISA)	Included
Treasurer as an Employee	Included

<u>Excess Coverage Provider</u>	<u>AM Best Rating</u>
Hartford Fire Insurance Co.	A: XV

*Subject to Hartford's review of completed application.

**WORKERS' COMPENSATION & EMPLOYER'S LIABILITY
COVERAGE QUOTATION**

April 28, 2015

Workers' Compensation	Statutory Limits
Employer's Liability	
Bodily Injury by Accident	\$ 2,000,000
Bodily Injury by Disease - each employee	\$ 2,000,000
Bodily Injury by Disease - policy limit	\$ 2,000,000

Class Code	Classification	Estimated Annual Payroll	Rate 7/1/2015	Estimated Annual Deposit
7520	Waterworks Operations	\$ 972,934	.0507	\$ 49,328
8810	Clerical	\$ 482,066	.0095	\$ 4,580
8810	Clerical - Board	\$ 11,000 *	.0095	\$ 105
Total		\$ 1,466,000		\$ 54,012
Economy of Size Discount – 8%				\$ (4,321)
Discounted Premium				\$ 49,691
Experience Modification Factor				0.81
Estimated 7/1/15-16 Deposit Premium				\$ 40,250

*Minimum \$500 per quarter per Director

Deposit premium is payable on a quarterly reporting basis. No up-front deposit is required. Retrospective Allocation Point (RAP) is \$10,000 minimum. Retrospective premium adjustment is calculated approximately 4 years after the beginning of each coverage year.

Excess Coverage Provider
Arch Insurance Company

AM Best Rating
A+: XV.

RESOLUTION NO. 2015-09

**CONSENTING TO ENTER THE JOINT PROTECTION PROGRAMS
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/
JOINT POWERS INSURANCE AUTHORITY**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, pursuant to the provisions of Section 990, 990.4, 990.8, and 6500 of the Government Code, this District wishes to enter into an agreement with various other districts entitled "Joint Powers Agreement: Creating the Association of California Water Agencies/Joint Powers Insurance Authority" (the Authority), for the purpose of participating in the Joint Powers Insurance Authority created thereby, which since its formation has provided for and administered joint protection programs as more fully set forth in said agreement; and

WHEREAS, said joint protection programs offer significant advantages to this District in terms of cost, liability protection, property protection, workers' compensation protection, and services, and entering such programs, on the conditions hereinafter set forth, appears to be in the best interest of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors for the Mid-Peninsula Water District:

Section 1. That Mid-Peninsula Water District hereby consents pursuant to the above-mentioned Joint Powers Agreement, and the resolutions and policies enacted in implementation of such Agreement, to enter said joint protection programs.

Section 2. That the District hereby elects to join the Liability, Property, and Workers' Compensation Programs sponsored by the Authority.

Section 3. That the District hereby selects \$10,000 as its Retrospective Allocation Point (RAP) for the first partial year of participation under the Authority's cost allocation formula for liability exclusive of Dam Failure Liability.

Section 4. That the District hereby selects \$5,000 as its Retrospective Allocation Point (RAP) for the first partial year of participation under the Authority's cost allocation formula for workers' compensation liabilities.

Section 5. That the General Manager of this District is hereby authorized to pay to the ACWA/Joint Powers Insurance Authority its first deposit premium.

Section 6. That the Secretary of the Board of Directors of this District is directed to certify a copy of this resolution and to forward the same resolution, the signed Joint Powers Agreement, and the JPIA deposit premium payment promptly by mail to the Association of California Water Agencies/Joint Powers Insurance Authority, P.O. Box 619082, Roseville, California, 95661, at which time coverage will commence the first day of July, 2015.

REGULARLY PASSED AND ADOPTED this 25th day of June 2015.

AYES:

NOES:

ABSENT:

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

DISTRICT SECRETARY



AGENDA ITEM NO. 8.F.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Candy Pina, Administrative Services Manager

SUBJECT: CONSIDER RESOLUTION 2015-10 AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA, FOR THE CERTIFICATE OF CONSENT TO SELF-INSURE WORKERS' COMPENSATION LIABILITIES

RECOMMENDATION

Approve Resolution 2015-10 authorizing application to the Director of Industrial Relations, State of California, for the Certificate of Consent to Self-Insure Workers' Compensation Liabilities.

FISCAL IMPACT

None.

DISCUSSION

The attached application is required in order for the MPWD to participate in the ACWA/JPIA workers' compensation insurance program. Resolution 2015-13 is also required and authorizes me as General Manager to make the application and execute necessary documents to complete the process.

Attachments: CA Department of Industrial Relations Application for a Public Entity Certificate of Consent to Self-Insure Resolution 2015-10

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

UNANIMOUS LINVILL ZUCCA WARDEN STUEBING VELLA



Our File: _____

APPLICATION FOR A PUBLIC ENTITY CERTIFICATE OF CONSENT TO SELF INSURE

NOTE: All questions must be answered. If not applicable, enter "N/A".
Workers' compensation insurance must be maintained until certificate is effective.

APPLICANT INFORMATION

Legal Name of Applicant (show exactly as on Charter or other official documents):

Mid Peninsula Water District

Street Address of Main Headquarters:

3 Dairy Lane

Mailing Address (if different from above):

Belmont

CA

94002

Federal Tax ID No.:

94-6000088

City:

State:

Zip + 4:

TO WHOM DO YOU WANT CORRESPONDENCE REGARDING THIS APPLICATION ADDRESSED?

Name:

Candy Piña

Title:

Administrative Services Manager

Company Name:

Mid Peninsula Water District

Mailing Address:

3 Dairy Lane

City:

Belmont

State:

CA

Zip + 4:

94002

Type of Public Entity (check one):

City and/or County School District Police and/or Fire District Hospital District Joint Powers Authority

Other (describe):

Special District - Water District

Type of Application (check one):

New Application Reapplication due to Merger or Unification Reapplication due to Name Change Only

Other (specify): _____

Date Self Insurance Program will begin:

7/1/15

CURRENT PROGRAM FOR WORKERS' COMPENSATION LIABILITIES

 Currently Insured with State Compensation Insurance Fund, Policy Number: _____

 Policy Expiration Date: 6/30/15 Yearly Premium: \$ 59565-

 Current Yearly Incurred (paid & unpaid) Losses: \$ none (FY or CY)

 Currently Self Insured, Certificate Number: _____

Name of Current Certificate Holder: _____

 Other (describe): _____

JOINT POWERS AUTHORITY

Will the applicant be a member of a workers' compensation Joint Powers Authority for the purpose of pooling workers' compensation liabilities?

 Yes No If yes, then complete the following:

 Effective date of JPA Membership: 7/1/15 JPA Certificate No.: 5807

Name and Title of JPA Executive Officer:

Walter Sells, Chief Executive Officer

Name of Joint Powers Authority Agency:

Association of California Water Agencies Joint Powers Insurance Authority

Mailing Address of JPA:

P.O. Box 619082

City:	State:	Zip + 4:
<u>Roseville</u>	<u>CA</u>	<u>95661-9082</u>

 Telephone Number: (916) 786-5742

PROPOSED CLAIMS ADMINISTRATOR

Who will be administering your agency's workers' compensation claims? (check one)

 JPA will administer, JPA Certificate No.: 5807
 Third party agency will administer, TPA Certificate No.: _____

 Public entity will self administer Insurance carrier will administer

Name of Individual Claims Administrator:

Dianne Salvador

Name of Administrative Agency:

Association of California Water Agencies/Joint Powers Insurance Authority

Mailing Address:

P.O. Box 619082

City:	State:	Zip + 4:
<u>Roseville</u>	<u>CA</u>	<u>95661-9082</u>

 Telephone Number: (916) 786-5742 FAX Number: (916) 774-7050

Number of claims reporting locations to be used to handle the agency's claims: 1

Will all agency claims be handled by the administrator listed on previous page? Yes No

AGENCY EMPLOYMENT

Current Number of Agency Employees: 17 employees, 5 directors

Number of Public Safety Officers (law enforcement, police or fire): _____

If a school district, number of certificated employees: _____

Will all agency employees be included in this self insurance program? Yes No

If no, explain who is not included and how workers' compensation coverage is to be provided to the excluded agency employees:

INJURY AND ILLNESS PREVENTION PROGRAM

Does the agency have a written Injury and Illness Prevention Program? Yes No

Individual responsible for agency Injury and Illness Prevention Program:

Name and Title:

Rick Bisio

Company or Agency Name:

Mid Peninsula Water District

Mailing Address:

3 Dairy Lane

City:

Belmont

State:

CA

Zip + 4:

94002

Telephone Number: (659) 591-8941

SUPPLEMENTAL COVERAGE

Will your self insurance program be supplemented by any insurance or pooled coverage under a standard workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: _____

Policy Number: _____

Effective Date of Coverage: _____

Will your self insurance program be supplemented by any insurance or pooled coverage under a specific excess workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: Arch Insurance Group

Policy Number: WCX 0056735 00

Effective Date of Coverage: July 1, 2015

Retention Limits: \$2,000,000

Will your self insurance program be supplemented by any insurance or pooled coverage under an aggregate excess (stop loss) workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: _____

Policy Number: _____

Effective Date of Coverage: _____

Retention Limits: _____

RESOLUTION OF GOVERNING BOARD

See Attached Resolution—Page 5

CERTIFICATION

The undersigned on behalf of the applicant hereby applies for a Certificate of Consent to Self Insure the payment of workers' compensation liabilities pursuant to Labor Code Section 3700. The above information is submitted for the purpose of procuring said Certificate from the Director of Industrial Relations, State of California. If the Certificate is issued, the applicant agrees to comply with applicable California statutes and regulations pertaining to the payment of compensation that may become due to the applicant's employees covered by the Certificate.

Signature of Authorized Official:

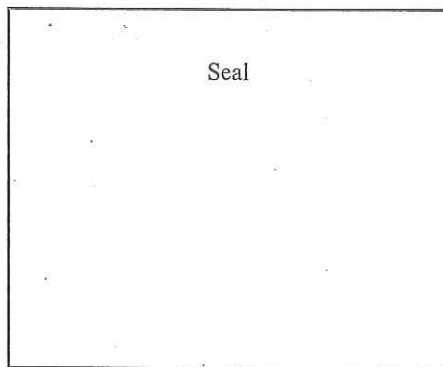
Date:

Typed Name: _____

Tammy A. Rudock

Title: General Manager

Agency Name: Mid-Peninsula Water District



(Emboss seal above or Notarize signature)

RESOLUTION NO. 2015-10

**AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS,
STATE OF CALIFORNIA, FOR THE
CERTIFICATE OF CONSENT TO SELF-INSURE
WORKERS' COMPENSATION LIABILITIES**

*** * ***

MID-PENINSULA WATER DISTRICT

WHEREAS, the ACWA/JPIA joint protection programs offer significant advantages to the Mid-Peninsula Water District in terms of cost, liability protection, property protection, workers' compensation protection, and services; and

WHEREAS, a requirement for the Mid-Peninsula Water District to participate in the ACWA/JPIA workers' compensation program, is an application that needs to be made to the Director of Industrial Relations, State of California, to self-insure workers' compensation liabilities.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized and empowered to submit the application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure workers' compensation liability on behalf of the Mid-Peninsula Water District and to execute any and all documents required for such application.

REGULARLY PASSED AND ADOPTED this 25th day of June 2015.

AYES:

NOES:

ABSENT:

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

DISTRICT SECRETARY



AGENDA ITEM NO. 8.G.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager

**SUBJECT: CONSIDER RESOLUTION 2015-11 APPROVING REVISED MPWD
EMPLOYEE SAFETY AND LOSS PREVENTION INCENTIVE
PROGRAM**

RECOMMENDATION

Consider Resolution 2015-11 approving the Employee Safety and Loss Prevention Incentive Program.

FISCAL IMPACT

Up to \$500 per fiscal year, per employee—\$500 x 18 = \$9,000.

FY 2015/2015 Operating Budget is projected at 80% of that amount based upon past program actual expenses, or \$7,200.

DISCUSSION

The existing Safety Incentive Program was approved by the MPWD Board of Directors on March 28, 2013. The program has enhanced safety awareness and the District has not suffered any workplace injuries or illnesses or lost days at work, or significant workplace losses, since the program's inception.

The objectives of the program:

- Enhance Employee safety awareness;
- Promote a safe working environment;
- Prevent lost time from work;
- Prevent loss to and/or damaged MPWD equipment and property; and
- Encourage positive employee participation.

Management and employees created the following goals for the program:

1. Attend 90% of organizational safety meetings.
2. Report a minimum of two (2) safety observations each month. Four (4) safety observations reported each month earns the maximum incentive.
3. Make one safety/loss prevention presentation or demonstration per calendar year at an organizational safety meeting. The maximum incentive is earned with a presentation originally developed or created by the employee.
4. Prevent accidents.
5. Prevent incidents of any kind (e.g., property or equipment loss/damage, environmental, etc.).

The measurement period will be the MPWD fiscal year—July 1st through June 30th.

For minimum participation: An employee will receive one-time incentive pay up to a total of \$300 (payable by July 31st) if the minimum measurable Goals 1, 2, and 3 of the program are achieved. \$100 will be earned for each measurable goal achieved.

For maximum participation: An employee will receive one-time incentive pay up to a total of \$500 (payable by July 31st) if the maximum measurable Goals 1, 2, and 3 of the program are achieved. \$100 for 90% attendance at Safety Meetings; \$200 for four (4) reported Safety Observations each month; and \$200 for a presentation originally developed or created by the employee.

There are no program penalties for accidents or incidents, unless they are intentional or determined by the General Manager to be repeated safety violations.

Attachment: Resolution 2015-11
Revised Employee Safety and Loss Prevention Incentive Program

BOARD ACTION: APPROVED: _____ DENIED: _____ POSTPONED: _____ STAFF DIRECTION: _____
 UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

RESOLUTION NO. 2015-11

**APPROVING THE REVISED
EMPLOYEE SAFETY AND LOSS PREVENTION INCENTIVE PROGRAM**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the existing Employee Safety and Loss Prevention Incentive Program was approved by the Board of Directors on March 28, 2013; and

WHEREAS, the program has enhanced safety awareness and the District has not suffered any workplace injuries or illnesses or lost days at work since the program's inception; and

WHEREAS, the District has not suffered any significant workplace losses since the program was approved; and

WHEREAS, Management and staff developed the following objectives for the Employee Safety and Loss Prevention Incentive Program:

- Enhance Employee safety awareness;
- Promote a safe working environment;
- Prevent lost time from work;
- Prevent loss to and/or damaged MPWD equipment and property; and
- Encourage positive employee participation; and

WHEREAS, Management and staff created for each Employee the following goals for the revised Employee Safety and Loss Prevention Incentive Program to distinguish between the opportunities for minimum and maximum participation based upon the Employee's initiative:

1. Attend 90% of organizational safety meetings.
2. Report a minimum of two (2) safety observations each month. Four (4) safety observations reported each month earns the maximum incentive.

3. Make one safety/loss prevention presentation or demonstration per calendar year at an organizational safety meeting. The maximum incentive is earned with a presentation originally developed or created by Employee.
4. Prevent accidents.
5. Prevent incidents of any kind (e.g., property or equipment loss/damage, environmental, etc.); and

WHEREAS, the measurement period will be the MPWD fiscal year—July 1st through June 30th; and

WHEREAS, for minimum program participation an employee will receive one-time incentive pay up to a total of \$300 (payable by July 31st) if the minimum measurable Goals 1, 2, and 3 of the program are achieved. \$100 will be earned for each measurable goal achieved; and

WHEREAS, for maximum program participation an employee will receive one-time incentive pay up to a total of \$500 (payable by July 31st) if the maximum measurable Goals 1, 2, and 3 of the program are achieved. \$100 for 90% attendance at Safety Meetings; \$200 for four (4) reported Safety Observations each month; and \$200 for a presentation originally developed or created by the employee; and

WHEREAS, there are no program penalties for accidents or incidents, unless they are intentional or determined by the General Manager to be repeated safety violations; and

WHEREAS, the Safety and Loss Prevention Incentive Program is attached as Exhibit "A," including the program elements.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves the revised Employee Safety and Loss Prevention Incentive Program.

REGULARLY PASSED AND ADOPTED this 25th day of June 2015, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary



EMPLOYEE SAFETY AND LOSS PREVENTION INCENTIVE PROGRAM

In order to:

- Enhance Employee safety awareness;
- Promote a safe working environment;
- Prevent lost time from work;
- Prevent loss to and/or damaged MPWD equipment and property; and
- Encourage positive employee participation,

Management and staff create for each Employee the following goals for its Employee Safety and Loss Prevention Incentive Program:

1. Attend 90% of organizational safety meetings.
2. Report a minimum of two (2) safety observations each month. Four (4) safety observations reported each month earns the maximum incentive.
3. Make one safety/loss prevention presentation or demonstration per calendar year at an organizational safety meeting. The maximum incentive is earned with a presentation originally developed or created by Employee.
4. Prevent accidents.
5. Prevent incidents of any kind (e.g., property or equipment loss/damage, environmental, etc.).

Safety Meeting Participation. Attend regular and special safety meetings and training. Opportunities for make-up safety meeting sessions will be determined by the General Manager. 90% attendance level is required to achieve this goal.

Safety Observations. Observe positive safety actions while working, or observe and correct unsafe conditions, potential safety violations, and potential environmental hazards. Maintain Personal Protective Equipment (PPE) in a clean, neat, and orderly manner, and ready for inspection. Fill out a safety observation card and submit to the designated Safety Specialist. An Employee can include safety observations regarding another organization's work crew or jobsite or something drawn from the current news. Reporting a minimum of two safety observations per month achieves this goal.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves the revised Employee Safety and Loss Prevention Incentive Program.

REGULARLY PASSED AND ADOPTED this 25th day of June 2015, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary



EMPLOYEE SAFETY AND LOSS PREVENTION INCENTIVE PROGRAM

In order to:

- Enhance Employee safety awareness;
- Promote a safe working environment;
- Prevent lost time from work;
- Prevent loss to and/or damaged MPWD equipment and property; and
- Encourage positive employee participation,

Management and staff create for each Employee the following goals for its Employee Safety and Loss Prevention Incentive Program:

1. Attend 90% of organizational safety meetings.
2. Report a minimum of two (2) safety observations each month. Four (4) safety observations reported each month earns the maximum incentive.
3. Make one safety/loss prevention presentation or demonstration per calendar year at an organizational safety meeting. The maximum incentive is earned with a presentation originally developed or created by Employee.
4. Prevent accidents.
5. Prevent incidents of any kind (e.g., property or equipment loss/damage, environmental, etc.).

Safety Meeting Participation. Attend regular and special safety meetings and training. Opportunities for make-up safety meeting sessions will be determined by the General Manager. 90% attendance level is required to achieve this goal.

Safety Observations. Observe positive safety actions while working, or observe and correct unsafe conditions, potential safety violations, and potential environmental hazards. Maintain Personal Protective Equipment (PPE) in a clean, neat, and orderly manner, and ready for inspection. Fill out a safety observation card and submit to the designated Safety Specialist. An Employee can include safety observations regarding another organization's work crew or jobsite or something drawn from the current news. Reporting a minimum of two safety observations per month achieves this goal.

Safety Corrections and Loss Prevention. **RECOGNIZE AND DO!** Promptly correct a potential safety hazard and prevent loss to the MPWD. Report these incidents immediately to the designated Safety Specialist and Employee's Supervisor. Reporting safety corrections and/or loss prevention actions can substitute for Safety Observations.

Safety or Loss Prevention Presentation. Choose a safety topic or loss prevention article for presentation, or demonstrate/conduct training on a safety method or loss prevention activity. One presentation/demonstration/training session per calendar year meets this objective.

Loss Prevention. Employees will proactively strive for an accident-free work environment, including incidents resulting in property or equipment loss/damage, or environmental mitigation.

The MPWD fiscal year—July 1st through June 30th—is the measurement period for the Employee Safety and Loss Prevention Incentive Program.

Minimum Program Participation

An Employee will receive one-time incentive pay up to a total \$300 (payable by July 31st) if the **minimum** measurable Goals 1, 2, and 3 of the program are achieved. \$100 will be earned for each measurable goal achieved.

Maximum Program Participation

An Employee will receive one-time incentive pay up to a total of \$500 (payable by July 31st) if the maximum measurable Goals 1, 2, and 3 of the program are achieved. \$100 for 90% attendance at Safety Meetings; \$200 for four (4) reported Safety Observations each month; and \$200 for a presentation originally developed or created by Employee.

There are no program penalties for accidents or incidents, unless they are intentional or determined by the General Manager to be repeated safety violations. Employees will immediately report all accidents and incidents. Safety violations and preventable losses could result in disciplinary action.

This policy is effective per Resolution 2015-11 dated June 25, 2015.

ACKNOWLEDGED AND UNDERSTOOD this _____ day of June 2015.

EMPLOYEE

SUPERVISOR

GENERAL MANAGER



AGENDA ITEM NO. 8.H.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager
Jeanette Kalabolas, Administrative Specialist/Water Conservation

SUBJECT: CONSIDER RESOLUTION 2015-12 APPROVING ENVIRONMENTAL POLICY & PURCHASING PROCLAMATION FOR SAN MATEO COUNTY GREEN BUSINESS RE-CERTIFICATION

RECOMMENDATION

Adopt Resolution 2015-12 approving the Environmental Policy & Purchasing Proclamation for San Mateo County Green Business re-certification.

FISCAL IMPACT

There were a few initial costs associated with the program's renewal. As part of the qualification process the MPWD was asked to replace all EXIT signs from standard lighting to LED. (They were very old and in need of replacement anyway.)

Additionally, a number of MPWD cleaning products, as well as copier paper did not meet the "new" environmental standard specifications. Therefore, staff is in the process of researching "greener" products for facilities use, which may cost a bit more than the current products in use based on the sustainability materials factor in the marketplace. In an effort to avoid waste the County is allowing us to run through the use of all non-qualifying products and supplies currently in inventory.

DISCUSSION

The Green Business program works with small to medium size businesses toward a vibrant and hearty green economy. It is led by a coalition of cities and counties who strive for healthier communities and environments, while conserving resources and saving money. Specific criteria must be met under six categories, as outlined for a total of 82 measures. Those categories include – general, waste, energy, water, pollution and wastewater. The renewal process began in April 2015. Our final inspection was complete on June 5, 2015 and approval awarded June 15, 2015. We are now recognized under the statewide "green directory" and have been given access to online

marketing tools. Display decals were provided and a certificate will be issued for display once the County Board of Supervisors signatures are obtained over the course of the next few months. Staff is in the process of working on an article for release to the press.

Attachment: Resolution 2015-12

BOARD ACTION: APPROVED: _____ DENIED: _____ POSTPONED: _____ STAFF DIRECTION: _____
UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

RESOLUTION NO. 2015-12

**APPROVING ENVIRONMENTAL POLICY & PURCHASING PROCLAMATION
FOR SAN MATEO COUNTY GREEN BUSINESS RE-CERTIFICATION**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the Mid-Peninsula Water District is committed to protecting the environment, the health, and safety of its employees, customers, and the community in which its conducts its business; and

WHEREAS, the goal of the Environmental Policy & Purchasing Proclamation attached as Exhibit A is to ensure products and services the District provides, purchases, or contract for adhere to the District's commitment to lessen the environmental impact of our business; and

WHEREAS, the District was previously certified as a San Mateo County Green Business, and has met the requirements in 2015 for re-certification.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Mid-Peninsula Water District the attached Environmental Policy & Purchasing Proclamation be approved for San Mateo County Green Business Re-Certification, and the President is authorized to sign it.

REGULARLY passed and adopted this 25th day of June 2015.

AYES:

NOES:

ABSENT:

ATTEST:

PRESIDENT, BOARD OF DIRECTORS

DISTRICT SECRETARY

ENVIRONMENTAL POLICY & PURCHASING PROCLAMATION

Mid-Peninsula Water District is committed to protecting the environment, the health and safety of our employees, customers, and the community in which we conduct our business. The goal of this statement is to ensure that products and services we provide, purchase or contract for adhere to our commitment to lessen the environmental impact of our business.

It is our policy to seek improvements throughout our operations to lessen our impact on local and global environment by conserving energy, water and other natural resources; reducing waste generation; recycling and purchasing recycled-content products; and reducing our use of toxic materials or production of toxic products and/or byproducts. We are committed to environmental excellence and pollution prevention through continual improvement and meeting or exceeding all environmental regulatory requirements.

We will strive, where feasible, to purchase environmentally preferred products and services to meet the company's office and operational needs. We will also favor suppliers who strive to improve their environmental performance, provide environmentally preferable products, and who can document the supply-chain impacts of their efforts. We pledge this policy as part of our long-term commitment to the environment by sending a clear signal to vendors!

Customer and Employee Services, Education and Support Practices

- We shall educate on resource conservation and pollutions prevention
- Provide training programs and orientations
- Offer incentives to encourage environmentally preferable practices
- Inform employees of environmental issues

Examples include, but are not limited to:

- 1) Providing well-marked and conveniently located recycling and compost bins and pick-up services
- 2) Water conservation education and sign postings – if everyone saves a little we all save a-lot!
- 3) Conserve fossil fuels by encouraging the use of public transit
- 4) Share sustainable initiatives and green practices with customers and local community

Reduce, Reuse and Recycle

- Strive to increase waste diversion by recycling all paper, cardboard, wood, metals, bottles, plastics, packaging and cans
- Composting all food and landscape waste
- Reduce the waste generated by donating reusable office items (appliances, electronic equipment, furniture) to charitable organizations
- Reuse envelopes and packaging as well as purchase reusable products
- Promote the use of natural lighting and solar energy
- Institute a policy to turn off lighting and appliances in unoccupied rooms
- Purchase low mercury fluorescent and LED lighting and energy star appliances
- Print multi-page documents on both sides

Toxins Reduction

- Choose green seal certified janitorial cleaning products
- Only use recycled content products, materials and supplies when available
- Purchase No VOC paints, markers and air fresheners
- Recycle universal wastes and prohibit purchasing hazardous wastes
- Promote storm water and source control compliance
- Use no products w/ antibacterial agents such as triclosan in hand, dish or general cleaners:

Environmentally Preferable Purchasing

- Remanufactured and refillable toner cartridges
- Office & toilet paper with 100% recycled content as well as tree free paper
- Products with the least packaging (no plastic, polystyrene, aerosol, etc)
- Recycled content office furniture and supplies
- Green Landscaping services
- Enviro-friendly construction services
- Natural pest control services
- Lighting (low mercury T-8 fluorescents, LEDs, compact fluorescent bulbs)
- Cleaning products with a 3rd party certification such as Green Seal, Design for the Environment, EcoLogo or chosen from a reliable product evaluation source
- Promote the use of refillable bottles, canvas bags and reusable to-go containers
- Energy Star rated appliances and office equipment
- Water efficient toilets, showerheads and faucet aerators
- Fleet of electric vehicles

Through the use of our work, we shall strive to abide by and promote said policies as outlined above!

Board President, Signature

Board Secretary, Signature



AGENDA ITEM NO. 8.I.

DATE: June 23, 2015
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER APPROVING RESOLUTION 2015-13 DIRECTING THE SAN MATEO COUNTY CHIEF ELECTIONS OFFICER TO CONDUCT THE NOVEMBER 3, 2015 ELECTION FOR THE MID-PENINSULA WATER DISTRICT WHOLLY BY MAIL PURSUANT TO THE PILOT PROGRAM AUTHORIZED BY ASSEMBLY BILL 2028 IF ALL OTHER AFFECTED JURISDICTIONS ALSO REQUEST PARTICIPATION IN THE PILOT PROGRAM AT THAT ELECTION

RECOMMENDATION

Approve Resolution 2015-13 directing the San Mateo County Chief Elections Officer to conduct the November 3, 2015, election for the MPWD wholly by mail pursuant to the pilot program authorized by AB 2028.

FISCAL IMPACT

The cost of conducting an election pursuant to the pilot program is expected to be significantly lower than a typical election.

DISCUSSION

Staff reported on this program in April after attending a meeting and presentation at the San Mateo County Elections office.

AB 2028 was signed into law in 2014 and it allows San Mateo County to conduct a series of local elections primarily by mail under California's Vote-by-Mail pilot project. Up to three (3) all-mailed ballot elections could be held prior to 2018 when the program expires.

The pilot project requires every registered voter to receive a mailed ballot together with a return post-paid envelope. Each city will have at least one polling place and drop off location. Ballots can be submitted in person, if preferred, at the polling place on Election Day. Belmont and San Carlos City Halls are the designated polling places and drop off locations within the MPWD service area.

Attachments: Resolution 2015-13

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

UNANIMOUS _____ LINVILL _____ ZUCCA _____ WARDEN _____ STUEBING _____ VELLA _____

RESOLUTION NO. 2015-13

**DIRECTING THE SAN MATEO COUNTY CHIEF ELECTIONS OFFICER
TO CONDUCT THE NOVEMBER 3, 2015 ELECTION FOR
THE MID-PENINSULA WATER DISTRICT WHOLLY BY MAIL
PURSUANT TO THE PILOT PROGRAM AUTHORIZED
BY ASSEMBLY BILL 2028, IF ALL OTHER AFFECTED JURISDICTIONS
ALSO REQUEST PARTICIPATION IN THE PILOT PROGRAM AT THAT ELECTION**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, in 2014 the California Legislature and Governor approved Assembly Bill 2028 (AB 2028), which is a pilot program permitting certain elections in San Mateo County to be conducted wholly by mail if specific conditions are met; and

WHEREAS, pursuant to AB 2028, each jurisdiction may determine whether to participate in this pilot program and whether to authorize its election on a given date to be conducted by mail, provided, however, that election in question shall not be conducted by mail pursuant to the pilot program unless all overlapping jurisdictions with elections on that same date so request; and

WHEREAS, if the election is authorized by all affected jurisdictions to be conducted pursuant to the AB 2028 pilot program, various actions shall be taken to ensure that voter access and turnout is protected, including but not limited to the following:

- At least one ballot drop-off location shall be provided in each city;
- A ballot drop-off location shall be open during business hours to receive ballots beginning 28 days prior to the election through 8 p.m. on the night of the election;
- At least one polling place shall be provided per city between 7 a.m. and 8 p.m. on election day for voters to request a ballot who did not receive a ballot or who need a replacement ballot for any reason;
- At the request of any city, county, or district, the Chief Elections Officer may provide additional ballot drop-off locations and polling places;
- All elections materials, including a prepaid return envelope for the ballot, shall be provided to each voter;
- A list of ballot drop-off locations and polling places shall be delivered to each voter; and

Polling places shall be located at an accessible location and equipped with voting machines that are accessible to individuals with disabilities; and

WHEREAS, in general, the cost of conducting an election pursuant to the pilot program described above is expected to be significantly less overall than a typical election, and this cost reduction should translate to lower costs to each jurisdiction that participates in the pilot program election compared to the typical election costs borne by each jurisdiction; and

WHEREAS, the San Mateo County Chief Elections Officer has reported that in San Mateo County, 59% of registered voters are permanently registered to vote by mail, in the November 2013 Consolidated Municipal, School, and Special District Election over 76% of the ballots were cast by mail, and in the June 2014 Primary Election over 77% of the ballots were cast by mail; and

WHEREAS, the Chief Elections Officer has stated an intention to have the November 3, 2015 Consolidated Municipal, School, and Special District Election be the first mail election conducted pursuant to the AB 2028 pilot program in San Mateo County; and

WHEREAS, the Mid-Peninsula Water District has considered the merits of the proposed pilot election program and desires to participate in the pilot program given the protections for voter access and participation in the election and anticipated cost savings to the Mid-Peninsula Water District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors for the Mid-Peninsula Water District authorizes the November 3, 2015 election for the Mid-Peninsula Water District to be conducted wholly by mailed ballots pursuant to AB 2028 and consolidated with all other elections occurring on that date within San Mateo County. Accordingly, the San Mateo County Chief Elections Officer is requested to conduct the November 3, 2015 election for the Mid-Peninsula Water District, including any elections for officials of the Mid-Peninsula Water District and measures relating to the Mid-Peninsula Water District, as an election conducted wholly by mail pursuant to the AB 2028 pilot program, it being understood that the election shall occur wholly by mail on that date only if all overlapping jurisdictions with elections on that date make the same request. If all overlapping jurisdictions with elections on that date do not so request, the Mid-Peninsula Water District election shall occur as normal on that date pursuant to the other provisions of the Elections Code.

BE IT ADDITIONALLY RESOLVED that the District Secretary of the Mid-Peninsula Water District is hereby directed to notify the Secretary of State no later than August 6, 2015, of the Mid-Peninsula Water District's intent to conduct an all-mailed ballot election as outlined above.

BE IT FURTHER RESOLVED that the Mid-Peninsula Water District shall separately send information regarding the specifics of its November 3, 2015 election to the San Mateo County Chief Elections Officer.

REGULARLY PASSED AND ADOPTED this 25th day of June 2015.

AYES:

NOES:

ABSENT:

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

DISTRICT SECRETARY



TO: Board of Directors
FROM: Tammy A. Rudock
DATE: June 19, 2015

MANAGER'S REPORT

A Manager's report was not ready at the time of publication of the agenda packet. One will be presented during the Board meeting on June 25, 2015.



DATE: JUNE 25, 2015

BY: CANDY PINA
ADMINISTRATIVE SERVICES MANAGER

**ADMINISTRATIVE SERVICES MANAGER'S REPORT
SUPPLEMENT TO MANAGER'S REPORT**

CONFERENCES, TRAINING, & MEETINGS:

- 1) Jeanette Kalabolas: 06/03/15 – Belmont Chamber Breakfast
- 2) Jeanette Kalabolas: 06/03/15 – Peninsula Water Works Association meeting
- 3) Laura Ravella: 06/04/15 – “Dealing with Toxic Employees: Eliminating Bad Behavior” webinar
- 4) Jeanette Kalabolas: 06/05/15 – Green Business Re-Certification meeting
- 5) Jeanette Kalabolas: 06/08/15 – City of Belmont National Night Out Meeting
- 6) Jeanette Kalabolas: 06/11/15 – BAWSCA FreeSprinklerNozzles.com Program Webinar
- 7) Jeanette Kalabolas: 06/11/15 – CUWCC Sponsorship Program Conference Call
- 8) Jeanette Kalabolas: 06/16/15 – BAWSCA Water Resources Committee Meeting
- 9) Laura Ravella: 06/17/15 – “Handling Personality Clashes in the Workplace” Webinar
- 10) Misty Malczon & Laura Ravella: 6/18/15 - Recology Tour

FINANCIAL REPORTING:

- 1) Schedule of Cash and Investments:

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 5/31/15	BALANCE 6/18/15
PETTY CASH	400	400
CASH DRAWER	200	200
WELLS FARGO CHECKING	\$ 421,943	\$ 299,424
LAIF	\$ 3,387,031	\$ 3,387,031
TOTAL	\$ 3,809,574	\$ 3,687,055

No change from last month, month End Balance of PARS/OPEB for March 2015 (April/May 2015 report not yet received): \$436,140.77.

2) Reserve Report:

RESERVES		
RESERVE ACCOUNT	BUDGET PER RESERVE POLICY	BALANCE @ 5/31/15
CAPITAL RESERVE	\$ 2,500,000	\$ 887,031
EMERGENCY RESERVE	\$ 2,000,000	\$ 2,000,000
WORKING CAPITAL RESERVE	\$ 500,000	\$ 500,000
TOTAL RESERVE	\$ 5,000,000	\$ 3,387,031

3) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2014/2015					
Month	Total Units	Water Charges	Service Charges	Total Water Revenues	Misc Rev
JUL	127,097	765,431.41	157,614.23	923,045.64	1,203.75
AUG	129,715	854,029.13	173,166.06	1,027,195.19	1,197.50
SEP	113,584	738,713.95	171,892.22	910,606.17	1,215.00
OCT	108,621	701,121.80	172,448.84	873,570.64	1,212.50
NOV	94,577	602,450.84	172,475.11	774,925.95	1,211.25
DEC	68,647	423,344.36	172,709.37	596,053.73	1,217.50
JAN	75,324	467,947.10	172,400.21	640,347.31	1,216.25
FEB	73,123	453,490.61	172,385.56	625,876.17	1,217.50
MAR	77,709	484,743.78	172,310.97	657,054.75	1,218.75
APR	88,918	562,321.53	172,178.58	734,500.11	1,217.50
MAY	91,498	580,421.45	172,187.56	752,609.01	1,220.00
TOTAL	1,048,813	6,634,015.96	1,881,768.71	8,515,784.67	13,347.50

	May 2015 Fiscal YTD	May 2014 Previous YTD	May 2015 Current Month	May 2014 Previous YR Month
Active Accounts	7,959	7,959	7,959	7,959
Bills Issued	87,520	87,523	7,959	7,959



TO: Board of Directors
FROM: Joubin Pakpour, PE
DATE: June 19, 2015

DISTRICT ENGINEER'S REPORT

There was no written District Engineer's report for this month.

**MID-PENINSULA WATER DISTRICT
BUDGET FOR YEAR 2014-2015
SUMMARY**

DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/14 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER CHARGES	8,611,000	6,626,285	1,984,715	77.0%
SERVICE FEES	2,071,000	1,890,121	180,879	91.3%
FIRE SERVICE CHARGES	14,400	13,348	1,053	92.7%
INTEREST REVENUE - LAIF	10,000	9,051	949	90.5%
LEASE OF PHYSICAL PROPERTY	238,000	192,396	45,604	80.8%
PROPERTY TAX REVENUE	245,000	246,917	(1,917)	100.8%
NEW CONSTRUCTION REVENUE	100,000	117,058	(17,058)	117.1%
MISCELLANEOUS REVENUE	-	55,435	(55,435)	N/A
TOTAL OPERATING REVENUE	11,289,400	9,150,612	2,138,788	81.1%
OPERATING EXPENDITURES				
SALARIES & WAGES	1,466,000	1,247,911	218,090	85.1%
PAYROLL TAXES & BENEFITS	972,800	864,438	108,362	88.9%
PURCHASED WATER	4,800,000	3,812,432	987,568	79.4%
CUSTOMER CREDIT CARD SERVICE FEES	111,300	94,962	16,338	85.3%
OUTREACH & EDUCATION	70,000	72,022	(2,022)	102.9%
M&R - OPS SYSTEM	385,500	317,516	67,984	82.4%
M&R - FACILITIES & EQUIPMENT	120,000	107,212	12,788	89.3%
MAJOR MAINTENANCE	25,000	-	25,000	NA
OFFICE SUPPLIES & EQUIPMENT	253,520	214,243	39,277	84.5%
MEMBERSHIP & GOV FEES	165,000	130,403	34,597	79.0%
BAD DEBT & CLAIMS	46,500	24,786	21,714	53.3%
UTILITIES	330,420	282,626	47,794	85.5%
PROFESSIONAL SERVICES	527,660	437,453	90,207	82.9%
TRAINING/TRAVEL & RECRUITMENT	38,000	21,971	16,029	57.8%
RESTRICTED EARNINGS	(10,000)	(9,051)	(949)	90.5%
RESERVES	-	-	-	NA
DEPRECIATION	870,000	834,616	35,384	95.9%
TOTAL OPERATING EXPENDITURES	10,171,700	8,453,539	1,718,161	83.1%
OPERATING REVENUE LESS EXPENDITURES	1,117,700	697,073	420,627	62.4%
NET TRANSFERS TO CAPITAL	(1,117,700)	(697,073)	(420,627)	62.4%
NET RESULTS OF OPERATIONS	-	-	-	

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2014-2015
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/2014 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	WATER CHARGES	8,611,000	6,626,285	1,984,715	77.0%
4020	SERVICE FEES	2,071,000	1,890,121	180,879	91.3%
4030	FIRE SERVICE CHARGES	14,400	13,348	1,053	92.7%
4102	Interest Revenue- LAIF	10,000	9,051	949	90.5%
4100	INTEREST REVENUE	10,000	9,051	949	90.5%
4201	Lease of Physical Property	238,000	192,396	45,604	80.8%
4202	Property Tax Revenue	245,000	246,917	(1,917)	100.8%
4203	New Construction Revenue (A)	100,000	117,058	(17,058)	117.1%
4206	Miscellaneous Revenue (B)	45,000	49,508	(4,508)	110.0%
4207	Net Gain on Sale of Assets (C)	-	5,927	(5,927)	N/A
4200	OTHER REVENUE	628,000	611,807	16,193	97.4%
4000	TOTAL OPERATING REVENUE	11,334,400	9,150,612	2,183,788	80.7%
6011	Salaries & Wages	1,365,000	1,177,717	187,283	86.3%
6012	Director Compensation	11,000	6,500	4,500	59.1%
6017	Capital Salaries & Wages	-	64,136	(64,136)	N/A
6010	GROSS REGULAR WAGES	1,376,000	1,248,353	127,647	90.7%
6017	CAPITAL SALARY & WAGES reversed	-	(64,136)	64,136	N/A
6021	Overtime Labor	55,000	34,609	20,391	62.9%
6022	Standby Labor	35,000	29,084	5,916	83.1%
6020	SUB-TOTAL SALARY & WAGES	1,466,000	1,247,911	218,090	85.1%
6031	FICA/Medicare PR Tax	106,000	89,522	16,478	84.5%
6038	ACWA Health Care	284,500	266,347	18,153	93.6%
6039	ACWA Dental	27,500	24,221	3,279	88.1%
6040	ACWA Vision	4,100	3,784	316	92.3%
6041	ACWA Life/AD&D	3,700	3,512	188	94.9%
6042	Standard LDL/SDL Disability (D)	7,200	7,209	(9)	100.1%
6043	Workers' Comp Insurance	60,000	47,059	12,941	78.4%
6044	Unemployment	1,000	-	1,000	NA
6045	CALPERS Retirement - ER 2%@55	189,000	186,757	2,243	98.8%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	36,000	(36,000)	N/A
6046	Retirees' ACWA Health Care	71,100	50,979	20,121	71.7%
6047	Directors' ACWA Health Care	102,000	92,930	9,070	91.1%
6049	Medical Reimbursement	2,500	985	1,515	39.4%
6050	Employee Service Recognition	5,100	1,076	4,024	21.1%
6051	Safety Incentive Program	5,100	4,693	407	92.0%
6052	Uniforms	24,000	15,788	8,212	65.8%
6053	PARS OPEB Expense	80,000	69,575	10,425	87.0%

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2014-2015
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/2014 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6030	SUB-TOTAL PAYROLL TAXES & BENEFITS	972,800	900,437	72,363	92.6%
6054	CAPITAL PAYROLL TAXES & BENEFITS	-	(36,000)	36,000	N/A
6000	PERSONNEL COSTS	2,438,800	2,112,348	326,452	86.6%
6101	SFPUC Treated Water	4,300,000	3,353,556	946,444	78.0%
6102	BAWSCA (Debt Service Surcharges)	500,000	458,876	41,124	91.8%
6103	Rates Stabilization	-	-	-	NA
6100	PURCHASED WATER	4,800,000	3,812,432	987,568	79.4%
6201	Customer Credit Card Service Fees	111,300	94,962	16,338	85.3%
6200	CUSTOMER CREDIT CARD SVS FEES	111,300	94,962	16,338	85.3%
6301	Water Conservation Program	17,500	8,066	9,434	46.1%
6302	School Conservation Program	10,000	6,923	3,077	69.2%
6303	Public Outreach & Education (E)	20,000	25,499	(5,499)	127.5%
6305	HET Rebates (F)	2,500	2,573	(73)	102.9%
6306	Washing Machine Rebates (G)	5,000	8,326	(3,326)	166.5%
6307	Lawn-Be-Gone Rebates (H)	13,000	17,660	(4,660)	135.8%
6308	Rain Barrel Rebates (I)	2,000	2,975	(975)	148.8%
6304	TOTAL WATER CONSERVATION REBATES	22,500	31,535	(9,035)	140.2%
6300	OUTREACH/EDUCATION	70,000	72,022	(2,022)	102.9%
6401	Water Quality	95,000	68,059	26,941	71.6%
6402	Pumping	25,000	22,904	2,096	91.6%
6403	Storage Tanks	5,000	(2,292)	7,292	-45.8%
6404	Mains/Distribution (J)	150,000	180,128	(30,128)	120.1%
6405	Meters & Service	75,000	29,001	45,999	38.7%
6406	Fire Hydrants	15,500	11,779	3,721	76.0%
6407	Regulator Stations	10,000	1,531	8,469	15.3%
6408	Safety	10,000	6,405	3,595	64.1%
6400	M&R - OPS SYSTEMS	385,500	317,516	67,984	82.4%
6501	M&R-Buildings&Grounds	60,000	49,755	10,245	82.9%
6502	M&R- Equipment&Tools (K)	20,000	19,336	664	96.7%
6503	M&R- Vehicles & Large Equipment (L)	10,000	13,647	(3,647)	136.5%
6504	M&R - Fuel	30,000	24,473	5,527	81.6%
6500	M&R - FACILITIES & EQUIPMENT	120,000	107,212	12,788	89.3%
6601	Cathodic Protection Survey	25,000	-	25,000	NA
6602	Leak Detection Survey	-	-	-	NA
6600	MAJOR MAINTENANCE	25,000	-	25,000	NA

**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2014-2015
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/2014 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6701	Office Supplies	10,000	6,424	3,576	64.2%
6702	Insurance- Liability/Vehicles	103,000	90,245	12,755	87.6%
6703	Bank Service Fees	530	184	346	34.6%
6704	Postage	5,000	3,524	1,476	70.5%
6705	Printing/Printing Supplies	23,990	17,102	6,888	71.3%
6706	Equipment Services/Maintenance (M)	85,000	83,596	1,404	98.3%
6707	Computer Supplies & Upgrades	11,000	6,736	4,264	61.2%
6708	Security & Safety	15,000	6,432	8,568	42.9%
6709	Other Fees	-	-	-	NA
6700	OFFICE SUPPLIES & EQUIP	253,520	214,243	39,277	84.5%
6801	Dues & Publications	40,000	37,101	2,899	92.8%
6802	Gov't Fees & Licenses	35,000	18,766	16,234	53.6%
6803	BAWSCA Membership Assessments	60,000	50,428	9,572	84.0%
6804	Env Health - Cross Connection Inspection	30,000	24,108	5,892	80.4%
6800	MEMBERSHIP & GOV FEES	165,000	130,403	34,597	79.0%
6901	Bad Debt	9,500	6,265	3,235	65.9%
6902	Claims	37,000	18,521	18,479	50.1%
6900	BAD DEBT & CLAIMS	46,500	24,786	21,714	53.3%
7001	Utilities-Internet/Cable	4,120	3,835	285	93.1%
7002	Utilities-Cellular Telephones	14,420	12,501	1,919	86.7%
7003	Utilities-Electric-Pumping	267,800	232,110	35,690	86.7%
7004	Utilities-Electric-Bldgs&Grounds	23,690	16,947	6,743	71.5%
7005	Utilities-Telephones	13,390	11,290	2,100	84.3%
7006	Utilities-Sewer - NPDES	7,000	5,944	1,056	84.9%
7000	UTILITIES	330,420	282,626	47,794	85.5%
7101	Prof Serv - District Counsel (N)	106,000	111,389	(5,389)	105.1%
7102	Prof Serv - District Engineer (O)	100,000	131,015	(31,015)	131.0%
7103	Prof Serv - IT	24,460	11,161	13,299	45.6%
7104	Prof Serv- Annual Finance Audit (P)	16,500	16,500	-	100.0%
7105	Prof Serv - Mngmt Consult	10,000	-	10,000	NA
7106	Prof Serv- Accounting & Payroll	17,000	15,057	1,943	88.6%
7107	Prof Serv- Customer Billing	68,000	58,844	9,156	86.5%
7109	Prof Serv - Answering Svs	4,100	3,091	1,009	75.4%
7110	Prof Serv - Miscellaneous	178,000	87,397	90,603	49.1%
7111	Prof Serv - District Treasurer	3,600	3,000	600	83.3%
7100	PROFESSIONAL SERVICES	527,660	437,453	90,207	82.9%
7201	Director Travel	6,000	1,641	4,359	27.4%
7202	Director Expense	2,000	753	1,247	37.7%
7203	Elections	-	-	-	NA
7204	Employee Travel/Training	25,000	16,221	8,779	64.9%
7205	Meetings Expense	5,000	3,355	1,645	67.1%

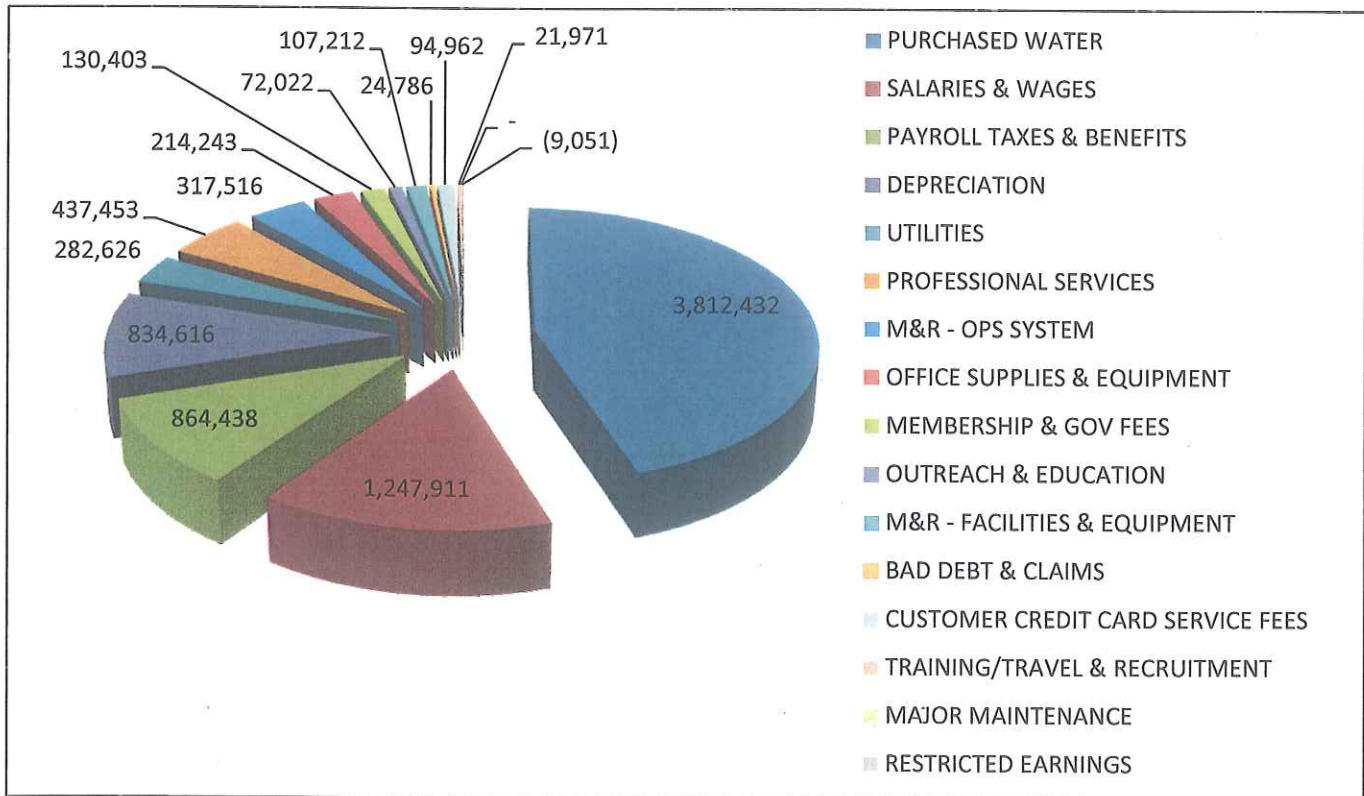
**MID-PENINSULA WATER DISTRICT
OPERATIONS BUDGET FOR YEAR 2014-2015
DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/2014 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7200	TRAINING & TRAVEL	38,000	21,971	16,029	57.8%
7302	Restricted Earnings Expense - Interest LAIF	(10,000)	(9,051)	(949)	90.5%
7300	RESTRICTED EARNINGS EXPENSE	(10,000)	(9,051)	(949)	90.5%
8001	Working Capital Reserves	-	-	-	NA
8002	Emergency Reserves	-	-	-	NA
8000	RESERVES	-	-	-	NA
9010	DEPRECIATION	870,000	834,616	35,384	95.9%
SUB-TOTAL - OPERATING EXPENSES		<u>7,732,900</u>	<u>6,341,190</u>	<u>1,391,710</u>	82.0%
TOTAL OPERATING EXPENSES		<u>10,171,700</u>	<u>8,453,539</u>	<u>1,718,161</u>	83.1%
NET OPERATING SURPLUS/(LOSS) TRANSFER TO CAPITAL		<u>1,162,700</u>	<u>697,073</u>	<u>465,627</u>	60.0%

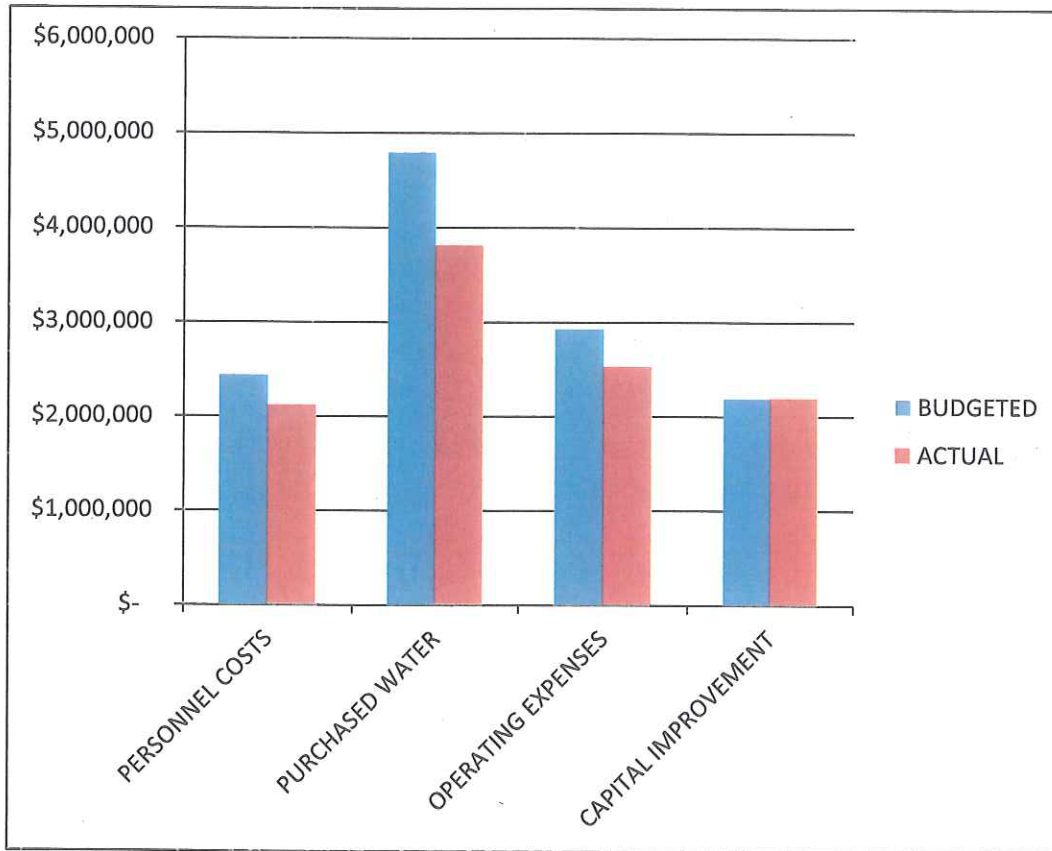
- (A) Recognized \$65k for 510 Harbor development
- (B) Foster City Intertie Water Charges \$25,584
- (C) Sold 2 vehicles and replaced with 2 new vehicles.
- (D) Standard STD/LTD costs increased 22% for 2015 from
- (E) Waterwise Education Kits purchased \$6,258
- (F) High Efficiency Toilet Rebate Program excess
- (G) Washing Machine Rebate Program excess participation
- (H) Lawn-Be-Gone Rebate Program excess participation
- (I) Rain Barrel Rebate Program excess participation
- (J) Expensing instead of capitalizing operations purchasing costs based on price point (less than \$1000).
- (K) 2 Rock Drill - Wacker Vibe Plate purchased for \$5,845; also reduced budget based on what purchases are anticipated for fiscal year.
- (L) Purchased Wacker for \$3981 in April 2015.
- (M) Ricoh lease \$4,496 ends October 2015.
- (N) Labor negotiations, financial review.
- (O) Engineer Costs to date: Misc Projects \$8,773; CIP \$13,981; Plans/Specs \$7,044; Distribution System Analysis \$59,483; Subdivision
- (P) Annual Audit 100% complete.

**MID-PENINSULA WATER DISTRICT
ACTUAL OPERATING EXPENDITURES SUMMARY
05/31/15**

OPERATING EXPENDITURES	ACTUAL \$	% OF TOTAL
PURCHASED WATER	3,812,432	45.1%
SALARIES & WAGES	1,247,911	14.8%
PAYROLL TAXES & BENEFITS	864,438	10.2%
DEPRECIATION	834,616	9.9%
UTILITIES	282,626	3.3%
PROFESSIONAL SERVICES	437,453	5.2%
M&R - OPS SYSTEM	317,516	3.8%
OFFICE SUPPLIES & EQUIPMENT	214,243	2.5%
MEMBERSHIP & GOV FEES	130,403	1.5%
OUTREACH & EDUCATION	72,022	0.9%
M&R - FACILITIES & EQUIPMENT	107,212	1.3%
BAD DEBT & CLAIMS	24,786	0.3%
CUSTOMER CREDIT CARD SERVICE FEES	94,962	1.1%
TRAINING/TRAVEL & RECRUITMENT	21,971	0.3%
MAJOR MAINTENANCE	-	0.0%
RESTRICTED EARNINGS	(9,051)	-0.1%
TOTAL OPERATING EXPENDITURES	8,453,539	100%



2014/2015 BUDGET vs ACTUAL TOTAL EXPENDITURES 05/31/15



	BUDGETED	ACTUAL	% OF TOTAL	% OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 2,438,800	\$ 2,112,348	20%	20%
PURCHASED WATER	\$ 4,800,000	\$ 3,812,432	39%	36%
OPERATING EXPENSES	\$ 2,932,900	\$ 2,528,759	24%	24%
CAPITAL IMPROVEMENT	\$ 2,191,750	\$ 2,189,288	18%	21%
TOTAL EXPENDITURES	\$ 12,363,450	\$ 10,642,827	100%	100%

**MID-PENINSULA WATER DISTRICT
BUDGET FOR FY 2014-2015
CAPITAL OUTLAY/CAPITAL PROJECTS**

DESCRIPTION	APPROVED AMENDED FY 2014-2015 BUDGET \$	ACTUAL 7/1/2014 05/31/15	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
Buckland Tank Replacement 1 Project	1,000,000	1,029,967	(29,967)	103.0%
Meter Change Out Program *	400,000	471,502	(71,502)	117.9%
Water Main Replacement **	500,000	505,593	(5,593)	101.1%
Scada Replacement Project Phase 1 (4 sites with radio)	160,000	-	160,000	0.0%
Notre Dame/Folger Tie-In Project	96,750	89,353	7,397	92.4%
Hybrid Vehicle (Fleet Replacement)***	35,000	45,769	(10,769)	130.8%
Miscellaneous Fixed Assets ****	-	47,105	(47,105)	N/A
CAPITAL OUTLAY/CAPITAL PROJECTS	<u>2,191,750</u>	<u>2,189,288</u>	<u>2,462</u>	99.9%
DEPRECIATION	870,000			
TRANSFER FROM OPS	1,117,700			
TRANSFER FROM CAPITAL RESERVES	159,050			
CAPITAL OUTLAY/CAPITAL PROJECTS	<u>(2,191,750)</u>			
NET RESULTS OF CAPITAL	(45,000)			
NET TRANSFERS FROM (TO) CAPITAL RESERVES	45,000			
NET RESULTS OF OPERATIONS	<u><u>-</u></u>			

* AMI Zone 1 - 1/2 installation for 2014-2015

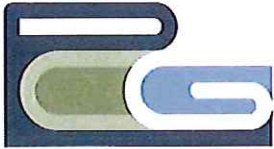
** Belburn Water Main Replacement Project

*** Net purchase price from vehicle trade-ins and replacement purchases.

**** Capitalized computer systems and pumps and valves.

**MID-PENINSULA WATER DISTRICT
PREVIOUS YEAR COMPARISON**

	Jul '14 - May 15	Jul '13 - May 14	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · OPERATING REVENUE	8,529,753.44	8,847,507.18	-317,753.74	-3.59%
4100 · INTEREST INCOME	9,051.21	10,868.13	-1,816.92	-16.72%
4200 · OTHER INCOME	611,806.92	588,032.77	23,774.15	4.04%
Total Income	9,150,611.57	9,446,408.08	-295,796.51	-3.13%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00	-624.47	624.47	100.0%
Total COGS	0.00	-624.47	624.47	100.0%
Gross Profit	9,150,611.57	9,447,032.55	-296,420.98	-3.14%
Expense				
6000 · PERSONNEL COSTS	2,112,348.32	2,050,155.38	62,192.94	3.03%
6100 · PURCHASED WATER	3,812,431.69	3,727,115.33	85,316.36	2.29%
6200 · CUSTOMER CREDIT CARD SVS FEES	94,961.69	96,475.62	-1,513.93	-1.57%
6300 · OUTREACH/EDUCATION	72,021.90	36,162.23	35,859.67	99.16%
6400 · M&R - OPS SYSTEMS	317,516.27	212,094.79	105,421.48	49.71%
6500 · M&R - FACILITIES & EQUIPMENT	107,211.63	128,165.56	-20,953.93	-16.35%
6600 · MAJOR MAINTENANCE	0.00	37,685.00	-37,685.00	-100.0%
6700 · OFFICE SUPPLIES & EQUIPMENT	214,242.95	202,482.24	11,760.71	5.81%
6800 · MEMBERSHIP & GOV FEES	130,403.02	138,879.96	-8,476.94	-6.1%
6900 · BAD DEBT & CLAIMS	24,785.75	25,879.55	-1,093.80	-4.23%
7000 · UTILITIES	282,626.38	260,684.25	21,942.13	8.42%
7100 · PROFESSIONAL SERVICES	437,453.31	341,321.79	96,131.52	28.16%
7200 · TRAINING & TRAVEL	21,970.67	59,375.65	-37,404.98	-63.0%
Total Expense	7,627,973.58	7,316,477.35	311,496.23	4.26%
Net Ordinary Income	1,522,637.99	2,130,555.20	-607,917.21	-28.53%
Other Income/Expense				
Other Expense				
9000 · OTHER EXPENSE	834,616.42	765,368.22	69,248.20	9.05%
Total Other Revenue/Expense	834,616.42	765,368.22	69,248.20	9.05%
Net Other Revenue	-834,616.42	-765,368.22	-69,248.20	-9.05%
7302 - RESTRICTED EARNINGS EXPENSE - INTEREST LAIF	-9,051.21	-10,868.13	1,816.92	17%
Total Restricted Earnings Expense	-9,051.21	-10,868.13	1,816.92	17%
Net Operating Surplus/(Loss)	697,072.78	1,376,055.11	-678,982.33	-49%



Pakpour Consulting Group, Inc.

EXHIBIT A

May 26, 2015

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

Subject: Request for Billing Rate Increase

Dear Ms. Rudock,

We last adjusted our billing rates with the Mid-Peninsula Water District over 2 ½ years ago in March of 2013. *Pakpour Consulting Group* is looking forward to continuing our relationship with the District. We respectfully requested an adjustment to our billing rates effective July 1, 2015 as listed below:

		<u>Current</u>	<u>Proposed</u>
Principal Engineer	Joubin Pakpour, P.E. or equivalent	\$140 / hour	\$155 / hour
Senior Engineer	Gary Ushiro P.E. or equivalent	\$130 / hour	\$140 / hour
Engineer II	Brandon Laurie, P.E., Victor Fung, E.I.T.	\$120 / hour	\$125 / hour
Engineer I	Feraydoon Farsi, E.I.T.	\$110 / hour	\$115 / hour
Engineering Tech		\$90 / hour	\$90 / hour
Administrative Assistant			\$60 / hour
Retainer		\$500	\$500

The average increase request is approximately 5.6% over our rates which were implemented in April 2013, on an annualized basis the increase equates to approximately 2.5%.

The District will be notified of the job titles of new *Pakpour Consulting Group* staff within 30 days of hiring. A 5% direct expense fee will be added to the above rates for mileage, telephone, plots, prints, etc. Sub-consultants will be billed at cost plus 15%. We do not bill for travel time, only time spent onsite. Should you have any questions please do not hesitate to contact me at (925) 224-7717.

Very truly yours,

Pakpour Consulting Group, Inc.

Joubin Pakpour, P.E.
President

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