



REGULAR MEETING
BOARD OF DIRECTORS
THURSDAY, DECEMBER 20, 2018 – 6:30PM
3 DAIRY LANE, BELMONT CALIFORNIA

AGENDA

1. OPENING

- A. Call to Order
- B. Establishment of Quorum
- C. Pledge of Allegiance
- D. Receive November 6, 2018 MPWD Certified Election Results from San Mateo County Chief Elections Officer
- E. Presentation of MPWD Resolution 2018-23 to Retiring Director Betty Linvill
- F. Presentation of MPWD Resolution 2018-24 to Retiring Director Al Stuebing
- G. Election of Officers for 2019 (Followed by Reception)

2. PUBLIC COMMENT

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

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

4. ACKNOWLEDGEMENTS/PRESENTATIONS

None

5. CONSENT AGENDA

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

- A. Approve Minutes for the Regular Board Meeting on November 14, 2018
- B. Approve Expenditures from November 7, 2018 through December 13, 2018

6. HEARINGS AND APPEALS

None

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

- A. Consider Resolution 2018-21 Authorizing a Professional Services Agreement with Beyaz & Patel, Inc., referenced as Contract No. 08-1621-CIP, in the amount of \$89,464 for Structural Engineering Design Services in conjunction with the Dekoven Tanks Replacement Project (CIP 15-89)
- B. Consider Resolution 2018-22 Authorizing the Fourth Amendment to the Professional Services Contract with Pakpour Consulting Group, Inc., referenced as Contract No. 08-1621-CIP-A, in the amount of

\$196,292, for Civil Engineering Design and Construction Management Services for the Dekoven Tanks Replacement Project

8. REGULAR BUSINESS AGENDA

- A. Review Investment Structure and Plan Performance for MPWD Public Agency Retirement Services (PARS) Other Post-Employment Benefits (OPEB) Pre-Funding Trust Program and Pension Rate Stabilization Program (PRSP), and Consider Resolution 2018-23 Approving Plan Investment Portfolio for 2019
- B. Consider and Confirm MPWD 2019 Regular Board Meeting Schedule
- C. Schedule MPWD Strategic Planning Special Meeting in January 2019
- D. Receive BAWSCA Report from Director Louis Vella

9. MANAGER'S AND BOARD REPORTS

- A. General Manager's Report
 - 1. Supplemented by Administrative Services Manager's Report
 - 2. Supplemented by Operations Manager's Report
 - 3. Supplemented by District Engineer's Report
- B. Financial Reports
 - 1. Receive Financial Reports for Month Ended November 30, 2018
- C. Director Reports

10. COMMUNICATIONS

11. CLOSED SESSION

REVIEW PUBLIC EMPLOYEE DISCIPLINE DETERMINATION
Government Code §54957(b)

12. RECONVENE TO OPEN SESSION

13. ADJOURNMENT

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

ACCESSIBLE PUBLIC MEETINGS

Upon request, the Mid-Peninsula Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation (including auxiliary aids or services), to enable individuals with disabilities to participate in public meetings. Please contact the District Secretary at (650) 591-8941 to request specific materials and preferred alternative format or auxiliary aid or service at least 48 hours before the meeting.

Next Board Meeting: Thursday, January 24, 2019, at 6:30PM

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

November 14, 2018
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 Warden at 6:34PM.

B. **Establishment of Quorum:**

PRESENT: Directors Warden, Stuebing and Linvill.

Directors Vella and Zucca were absent.

A quorum was present.

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

C. Pledge of Allegiance – The Pledge of Allegiance was led by Director Stuebing.

2. **PUBLIC COMMENTS**

None.

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

None.

4. **ACKNOWLEDGEMENTS/PRESENTATIONS**

A. 25-Year Service Anniversary – Chris Michaelis, Water System Operator
General Manager Rudock introduced Chris and his wife Lisa to the Board and congratulated him on his 25-years of service. She also shared that the District hosted a celebration lunch in his honor on Wednesday, November 7, 2018.

Operations Manager Ramirez commented on Chris's reliability and work ethic and presented him with a certificate of achievement award.

Attending Board members concluded the recognition ceremony by applauding Chris and acknowledging his effort, dedication and continued service to the District.

5. **CONSENT AGENDA**

A. Approve Minutes for the Regular Board Meeting on September 27, 2018

B. Approve Expenditures from September 21, 2018 through October 16, 2018

Director Stuebing moved to approve the Regular Board Meeting of September 27, 2018 Minutes and Expenditures from September 21, 2018 through October 16, 2018. Director Linvill seconded and it was unanimously approved.

6. HEARINGS AND APPEALS

None.

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

A. Receive Quarterly Reconciliation Report on 2016 COP Financing for Period July 1, 2018 through September 30, 2018 and Quarterly Project Fund Report through September 30, 2018

General Manager Rudock reported on original project cost estimates versus final cost comparisons for the first five CIP projects (Karen/Folger/Mezes/South/Arthur) adding that this item will be brought back for further discussion in 2019. She then introduced Dan Bergmann of IGService for presentation of his report.

Mr. Bergmann presented highlights from the COP Quarterly Reconciliation and Project Fund Reports.

B. Receive Cost Comparison Report for Capital Project 01-1621-CP 2017 Water Main Replacement Project

Operations Manager Ramirez reported 2017 Water Main Replacement Project Estimate Comparison to Actuals. He reminded the Board that the information furnished is not new, as staff has been diligent in its reporting throughout the length of the project. He also conveyed that staff will discuss the incorporation of post-construction reports at the conclusion of every CIP project going forward.

District Engineer Pakpour commented that construction bids received were higher than originally projected given the Bay Area's construction climate. General Manager Rudock reminded the Board that CIP dividends earned to date help to off-set costs even if only minimal.

President Warden shared that he would like to discuss an over-all financing plan to recover the deficit gap. Staff agreed.

Director Stuebing suggested that future project priorities need to be revisited as well.

8. REGULAR BUSINESS AGENDA

A. Receive and Accept the Final Audit Report for Fiscal Year Ended June 30, 2018 Presented by David Becker, CPA of James Marta and Company LLP

General Manager Rudock reported a typographical error on page 51 of the Board packet. The year under the first bullet 2108 will be corrected to read 2018. She then introduced David Becker, CPA of James Marta & Company LLP for his presentation.

Mr. Becker presented a summary of the Financial Statements and Independent Auditors Report for Fiscal Year ended June 30, 2018. He also communicated his ease in dealing with staff and noted their professionalism. He noted two errors that were discovered and were staff mistakes within the District's accounting system.

Director Linvill commented on the relationship over the years between the District and the auditors.

9. MANAGER AND BOARD REPORTS

A. General Manager's Report

General Manager Rudock provided an update on the surplus properties, including the 1510 Folger Dr. property encroachment matter, and results from a recent in-person employee satisfaction survey.

Director Stuebing inquired about the survey's response rate. General Manager Rudock confirmed there was 100% employee participation.

Director Warden had some questions about the encroachment issue and commented on the survey's accuracy, results, perception, value and ways to administer in the future.

General Manager Rudock also reported that Julie Brown is available Wednesday, January 9, 2019 or Thursday, January 10, 2019 to facilitate the Board's Strategic Planning Session, and that MPWD has been invited to present an update on capital programs at the Harbor Industrial Association meeting on Thursday, January 3, 2018. District Engineer and staff will make the presentation.

1. Supplemented by Administrative Services Manager's Report

Administrative Services Manager Pina reported that the PARS Quarterly report on page 115 of the Board packet now lists OPEB and PRSP Trust details under separate line items.

Director Warden inquired about the origin of the Schedule of Cash and Investments Report on page 113 of the Board Packet. Administrative Services Manager Pina advised that the data is exported directly from Springbrook, the District's Accounting Software and placed into an excel spreadsheet report for the Board.

Director Warden asked that staff provide the Board with a copy of the exact report built into Springbrook's software for comparison purposes. Staff agreed to work on developing this report.

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

143 Operations Manager Ramirez reported on a number of highlights from his
144 monthly staff report - AMI installs, new hires, USA locates, new development
145 and the City of Belmont joint project. Director Warden wanted to know when
146 staff expected full completion on the joint project and added that staff might
147 want to consider attending a City Council meeting post-completion to
148 reinforce the value of partner projects. Operations Manager Ramirez advised
149 that the project is in its final stages, but an estimated completion date has yet
150 to be determined.

151
152 Operations Manager Ramirez also provided the Board's Happy Hydrant
153 committee with a map of system hydrants.

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

156 District Engineer Pakpour reported on the next CIP project—Hillcrest
157 Pressure Regulating Station, which is out to bid.
158

159 **B. Financial Reports**

160 **1. Receive Financial Reports for Month Ended September 30, 2018**

161 **2. Receive Financial Reports for Month Ended October 31, 2018**

162 General Manager Rudock reported FY 2018/2019 total YTD target is 33.7%.
163

164 **C. Director Reports**

165 Director Stuebing advised that he was unable to attend the recent San Mateo
166 County Chapter of the California Special Districts Association meeting. General
167 Manager Rudock followed up with the fact that she attended in his absence and
168 there was not a quorum so the meeting was canceled.
169

170 Director Warden complimented staff on a job well done with the new billing
171 account fees postcard.
172

173 **10. COMMUNICATIONS**

174 None.
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176 **11. ADJOURNMENT**

177 The meeting was adjourned at 7:55PM.
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181 _____
182 DISTRICT SECRETARY

183 APPROVED:
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186 _____
187 BOARD PRESIDENT

Accounts Payable

Checks by Date - Summary by Check Date

User: candyp
Printed: 12/13/2018 8:53 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
34146	ACCELA	ACCELA, INC. #774375	11/07/2018	6,471.00
34147	ACWA5661	ACWA JPIA	11/07/2018	42,580.77
34148	ATT60197	AT&T 60197	11/07/2018	1,238.87
34149	CALSTEAM	CAL-STEAM	11/07/2018	123.50
34150	CHBULLTO	CHBULL TOOLS & EQUIPMENT	11/07/2018	742.49
34151	CITYBELM	CITY OF BELMONT	11/07/2018	3,372.00
34152	CASMFO	CSMFO	11/07/2018	110.00
34153	DAVIDSON	JOHN T. DAVIDSON OR DBA JRocket77	11/07/2018	5,021.02
34154	GSFLOWM	GOLDEN STATE FLOW MEASUREMEN	11/07/2018	5,000.00
34155	GRANITE	GRANITE ROCK, INC.	11/07/2018	1,732.46
34156	HMBPAVIN	HALF MOON BAY GRADING & PAVINC	11/07/2018	5,012.43
34157	HOMEDEPC	HOME DEPOT	11/07/2018	398.27
34158	INDORAIR	INDOOR AIR DESIGN, INC.	11/07/2018	175.00
34159	INTERALL	INTERSTATE ALL BATTERY CENTER	11/07/2018	248.63
34160	JAMESMAR	JAMES MARTA & COMPANY	11/07/2018	1,850.00
34161	K119OFCA	K-119 OF CALIFORNIA INC.	11/07/2018	91.35
34162	LINCOLNL	LINCOLN LIFE	11/07/2018	200.00
34163	LYNGSOMA	LYNGSO GARDEN MATERIAL INC	11/07/2018	26.10
34164	OFFICTEM	OFFICE TEAM	11/07/2018	2,688.00
34165	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	11/07/2018	5,601.76
34166	PENBLDG	PENINSULA BUILDING MATERIALS	11/07/2018	852.82
34167	PG&E	PG&E CFM/PPC DEPT	11/07/2018	9.06
34168	PRECISE	PRECISE, INC.	11/07/2018	8,068.84
34169	PROFORMA	PROFORMA GRAPHICS, INC.	11/07/2018	2,764.46
34170	ERECTION	R&S ERECTION OF SAN MATEO	11/07/2018	635.85
34171	RECOLOGY	RECOLOGY SAN MATEO	11/07/2018	1,309.56
34172	RANDB	ROBERTS & BRUNE CO. INC.	11/07/2018	4,336.35
34173	RUDOCK	TAMMY RUDOCK	11/07/2018	82.17
34174	SMELECTR	SAN MATEO ELECTRIC SUPPLY	11/07/2018	23.99
34176	STATEPLU	STATE PLUMBING AND HEATING SUP	11/07/2018	77.43
34177	STEPFORD	STEPFORD BUSINESS, INC.	11/07/2018	1,815.59
34178	VALLEYOL	VALLEY OIL COMPANY	11/07/2018	2,156.82
34179	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	11/07/2018	385.00
34180	VERIZON	VERIZON WIRELESS	11/07/2018	2,512.10
100017	ACHRETN	ACH Returns	11/07/2018	88.02
Total for 11/7/2018:				107,801.71
992	CALPERS	CALPERS	11/09/2018	3,271.99
993	HEALTHEQ	Health Equity	11/09/2018	256.05
994	ICMACONT	ICMA contributions	11/09/2018	1,742.70
995	ADPPAYRL	adp	11/09/2018	13,324.02
996	ADPPAYRL	adp	11/09/2018	5,125.63
34181	RUGGIERO	ERIL RUGGIERO	11/09/2018	7,909.86
Total for 11/9/2018:				31,630.25

Check No	Vendor No	Vendor Name	Check Date	Check Amount
100019	CLIENTSV	Client Analysis Svs Charge	11/13/2018	3,320.29
Total for 11/13/2018:				3,320.29
34182	ATT60197	AT&T 60197	11/14/2018	40.64
34183	AWWA6666	AWWA	11/14/2018	277.00
34184	BPLANDSC	BAY POINTE LANDSCAPE	11/14/2018	1,625.00
34185	EEAPSAFE	EEAP THE SAFETY PEOPLE, INC.	11/14/2018	555.00
34186	GRANITE	GRANITE ROCK, INC.	11/14/2018	302.90
34187	HACHCOMI	HACH COMPANY INC	11/14/2018	1,685.95
34188	HOMEDPC	HOME DEPOT	11/14/2018	631.18
34189	LINCOLNL	LINCOLN LIFE	11/14/2018	200.00
34190	NORTHSAF	NORTHERN SAFETY CO. INC.	11/14/2018	701.26
34191	PACOFFIC	PACIFIC OFFICE AUTOMATION	11/14/2018	45.69
34192	PRECISE	PRECISE, INC.	11/14/2018	565.17
34193	SHIELDSH	SHIELDS HARPER	11/14/2018	605.20
34194	FORDSANL	THE FORD STORE LINCOLN MERCUR	11/14/2018	34,590.86
Total for 11/14/2018:				41,825.85
997	CALPERS	CALPERS	11/15/2018	7,937.13
998	HEALTHEQ	Health Equity	11/15/2018	967.08
999	ICMACONT	ICMA contributions	11/15/2018	699.64
100000	ADPPAYRL	adp	11/15/2018	33,654.58
100001	ADPPAYRL	adp	11/15/2018	13,843.88
100012	BANKMTO1	Bankcard Mtot Disc	11/15/2018	5,658.99
100013	BANKMTO1	Bankcard Mtot Disc	11/15/2018	1,226.89
Total for 11/15/2018:				63,988.19
100020	ADPPRFEE	ADP Payroll Fees	11/16/2018	108.90
100024	ADPPRFEE	ADP Payroll Fees	11/16/2018	108.90
Total for 11/16/2018:				217.80
1077	HYDROENC	HYDROSCIENCE ENGINEERS INC.	11/19/2018	11,405.00
1078	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	11/19/2018	22,601.27
Total for 11/19/2018:				34,006.27
100002	CALPERS	CALPERS	11/23/2018	3,358.94
100003	ICMACONT	ICMA contributions	11/23/2018	1,874.93
100004	HEALTHEQ	Health Equity	11/23/2018	200.00
100005	ADPPAYRL	adp	11/23/2018	13,459.15
100006	ADPPAYRL	adp	11/23/2018	5,011.78
100022	ADPPRFEE	ADP Payroll Fees	11/23/2018	154.28
Total for 11/23/2018:				24,059.08
100021	ACHRETN	ACH Returns	11/26/2018	79.58
100023	ACHRETN	ACH Returns	11/26/2018	301.22
Total for 11/26/2018:				380.80
10007	CALPERS	CALPERS	11/30/2018	7,585.60
10008	HEALTHEQ	Health Equity	11/30/2018	967.08

Check No	Vendor No	Vendor Name	Check Date	Check Amount
10009	ICMACONT	ICMA contributions	11/30/2018	699.64
10010	ADPPAYRL	adp	11/30/2018	34,079.16
10011	ADPPAYRL	adp	11/30/2018	13,713.41
34195	UB*00258	MANOJ AGRAWAL	11/30/2018	71.42
34196	UB*00253	AMERICAN ASPHALT	11/30/2018	1,321.88
34197	UB*00252	CASCADE DRILLING	11/30/2018	1,331.17
34198	UB*00250	MICHAEL CHAN	11/30/2018	12.00
34199	UB*00267	YIN KWAN CHEN	11/30/2018	60.00
34200	UB*00256	ED CHOW	11/30/2018	65.20
34201	UB*00264	WILLARD DONNELLY	11/30/2018	26.00
34202	UB*00266	LUZ H FANDINO	11/30/2018	11.89
34203	UB*00263	DENIS GRIZELJ	11/30/2018	153.72
34204	UB*00251	HOMETOWN REALTY	11/30/2018	135.76
34205	UB*00265	BENJAMIN JACKSON	11/30/2018	11.89
34206	UB*00257	HAIFA KHOURY	11/30/2018	17.20
34207	UB*00254	KJ WOODS CONSTRUCTION	11/30/2018	1,052.28
34208	UB*00259	ELIZABETH KREBS	11/30/2018	18.44
34209	UB*00243	MOODIE FAMILY TRUST	11/30/2018	157.04
34210	UB*00260	ANGELO RIZZATO	11/30/2018	31.69
34211	UB*00261	BART SANFORD	11/30/2018	21.91
34212	UB*00255	MARTIN STRUBLE	11/30/2018	284.34
34213	UB*00262	STEPAN TORCHYAN	11/30/2018	9.78
34214	UB*00249	MIN ZHANG	11/30/2018	62.70
34215	AIRGAS	AIRGAS, LLC	11/30/2018	144.87
34216	ATT60197	AT&T 60197	11/30/2018	2,423.90
34217	BAAQMD	BAY AREA AIR QUALITY MGMT DIST.	11/30/2018	2,101.00
34218	EQUIPMEN	BUS & EQUIPMENT REPAIR	11/30/2018	907.59
34219	CINTS	CINTAS CORPORATION	11/30/2018	1,864.04
34220	REDWOODC	CITY OF REDWOOD CITY	11/30/2018	800.00
34221	COMCAST	COMCAST	11/30/2018	590.36
34222	COMCASTB	COMCAST BUSINESS	11/30/2018	629.03
34223	EUROFINS	EUROFINS EATON ANALYTICAL, LLC	11/30/2018	350.00
34224	FORDWENI	WENDY NG FORD	11/30/2018	4,167.99
34225	HACHCOMI	HACH COMPANY INC	11/30/2018	45.76
34226	HASSETTH	HASSETT HARDWARE	11/30/2018	19.65
34227	HOMEDEPC	HOME DEPOT	11/30/2018	26.91
34228	INTERALL	INTERSTATE ALL BATTERY CENTER	11/30/2018	142.49
34229	INTERGAS	Interstate Gas Services, Inc.	11/30/2018	1,800.00
34230	K119OFCA	K-119 OF CALIFORNIA INC.	11/30/2018	122.62
34231	KORALEEN	KORALEEN ENTERPRISES	11/30/2018	178.50
34232	LIMPERKL	PERK LUN LIM	11/30/2018	4,965.97
34233	M&MBACK	M&M BACKFLOW & METER MAINTEN	11/30/2018	341.42
34234	MKCONSTR	M. K. CONSTRUCTION CO.	11/30/2018	596.30
34235	MIKEFIRE	MIKE FIRE PROTECTION INC.	11/30/2018	595.58
34236	OFFICEDE	OFFICE DEPOT, INC.	11/30/2018	295.49
34237	OFFICTEM	OFFICE TEAM	11/30/2018	3,696.00
34238	OREILLYA	OREILLY AUTO PARTS, INC.	11/30/2018	144.83
34239	PACOFFIC	PACIFIC OFFICE AUTOMATION	11/30/2018	220.65
34240	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	11/30/2018	500.00
34241	PETCAT	PETERSON CAT	11/30/2018	63.87
34242	PG&E	PG&E CFM/PPC DEPT	11/30/2018	19,208.29
34243	PGENONCO	PG&E NON-ENERGY COLLECTION UN	11/30/2018	5,237.92
34244	PINA	CANDY PINA	11/30/2018	40.00
34245	PRECISE	PRECISE, INC.	11/30/2018	2,042.13
34246	RDWDTIRE	REDWOOD GENERAL TIRE CO INC	11/30/2018	2,102.11
34247	RANDB	ROBERTS & BRUNE CO. INC.	11/30/2018	1,562.84
34248	SFWATER	SAN FRANCISCO WATER DEPT	11/30/2018	1,005,645.30

Check No	Vendor No	Vendor Name	Check Date	Check Amount
34249	SCOTSMAN	WILLIAMS SCOTSMAN	11/30/2018	537.91
34250	STANDINS	STANDARD INSURANCE COMPANY	11/30/2018	1,145.26
34251	STATION1	STATION 1 FIRE PROTECTION	11/30/2018	596.30
34252	STEPFORD	STEPFORD BUSINESS, INC.	11/30/2018	1,939.98
34253	TOWNEFOR	TOWNE FORD SALES	11/30/2018	311.47
34254	VERIZON	VERIZON WIRELESS	11/30/2018	157.36
Total for 11/30/2018:				1,130,162.89
34255	ACWA5661	ACWA JPIA	12/12/2018	44,685.54
34256	ATT60197	AT&T 60197	12/12/2018	41.21
34257	BPLANDSC	BAY POINTE LANDSCAPE	12/12/2018	1,625.00
34258	EQUIPMEN	BUS & EQUIPMENT REPAIR	12/12/2018	954.63
34259	CGUHLENB	C G UHLENBERG LLP	12/12/2018	3,200.00
34260	CARQUEST	CARQUEST AUTO PARTS	12/12/2018	96.95
34261	COASTCOU	COAST COAST COUNTIES TRUCK & E	12/12/2018	184.62
34262	DAVIDSON	JOHN T. DAVIDSON OR DBA JRocket77	12/12/2018	8,425.51
34263	EUROFINS	EUROFINS EATON ANALYTICAL, LLC	12/12/2018	350.00
34264	GRANITE	GRANITE ROCK, INC.	12/12/2018	616.41
34265	HACHCOMI	HACH COMPANY INC	12/12/2018	110.10
34266	HMBPAVIN	HALF MOON BAY GRADING & PAVINC	12/12/2018	4,636.49
34267	HASSETTH	HASSETT HARDWARE	12/12/2018	87.97
34268	HOMEDEPC	HOME DEPOT	12/12/2018	136.26
34269	K119OFCA	K-119 OF CALIFORNIA INC.	12/12/2018	38.93
34270	LINCOLNL	LINCOLN LIFE	12/12/2018	400.00
34271	MATCOTLS	MATCO TOOLS	12/12/2018	2,481.32
34272	MOSSRUBB	MOSS RUBBER & EQUIPMENT CORP	12/12/2018	27.01
34273	OFFICTEM	OFFICE TEAM	12/12/2018	1,344.00
34274	OREILLYA	OREILLY AUTO PARTS, INC.	12/12/2018	60.29
34275	PACESUPL	PACE SUPPLY CORP	12/12/2018	527.59
34276	PACWEST	PACIFIC WEST SECURITY, INC.	12/12/2018	2,157.00
34277	PAKPOUR	PAKPOUR CONSULTING GROUP, INC	12/12/2018	11,332.09
34278	PALOMENT	PALOMINO ENTERPRISES INC.	12/12/2018	10,306.62
34279	PETCAT	PETERSON CAT	12/12/2018	228.17
34280	PG&E	PG&E CFM/PPC DEPT	12/12/2018	2,903.26
34281	RANDB	ROBERTS & BRUNE CO. INC.	12/12/2018	1,440.20
34282	SMENVIRN	SAN MATEO CO. ENVIRO. HEALTH	12/12/2018	283.00
34283	SMELECTR	SAN MATEO ELECTRIC SUPPLY	12/12/2018	7.81
34284	SFPUCWAT	SFPUC WATER QUALITY	12/12/2018	5,915.00
34285	SBRECYCL	SOUTH BAY RECYCLING	12/12/2018	3,000.00
34286	SWRCBACC	SWRCB ACCOUNTING OFFICE	12/12/2018	550.00
34287	VALLEYOL	VALLEY OIL COMPANY	12/12/2018	1,990.13
34288	VANGUARE	VANGUARD CLEANING SYSTEMS, INC	12/12/2018	385.00
34289	VERIZON	VERIZON WIRELESS	12/12/2018	831.40
34290	VINCCHIN	VINCENT CHIN	12/12/2018	50.00
34291	DROGENES	DELIA ROGENES	12/12/2018	100.00
34292	TSCATENA	TIFFANY SCATENA	12/12/2018	50.00
34293	LETHRUSH	LEAH THRUSH	12/12/2018	150.00
34294	BTRAVLOS	BEVERLY TRAVLOS	12/12/2018	50.00
34295	CHZACKOR	CHUNG AH ZACKOR	12/12/2018	100.00
34296	ZARKILYA	ILYA ZARKHIN	12/12/2018	50.00
100026	WFBUSCAR	WELLS FARGO BUSINESS CARD	12/12/2018	2,065.72
Total for 12/12/2018:				113,975.23

Check No	Vendor No	Vendor Name	Check Date	Check Amount
Report Total (182 checks):				1,551,368.36



AGENDA ITEM NO. 7.A.

DATE: December 20, 2018

TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

SUBJECT: CONSIDER RESOLUTION NO. 2018-21 AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH BEYAZ & PATEL, INC., REFERENCED AS CONTRACT NO. 08-1621-CIP, IN THE AMOUNT OF \$89,464.20, FOR STRUCUTURAL ENGINEERING DESIGN SERVICES IN CONJUNCTION WITH THE DEKOVEN TANKS REPLACEMENT PROJECT (CIP 15-89)

RECOMMENDATION:

Adopt Resolution 2018-21, which authorizes a professional services agreement totaling \$89,464.20 with Beyaz & Patel Inc., for professional structural engineering design services in conjunction with the Dekoven Tanks Replacement Project (CIP 15-89), which is programmed within the MPWD 5-Year CIP FY 2016/2017 through FY 2020/2021, and to be referred to as Contract No. 08-1621-CIP.

FISCAL IMPACT:

The attached proposal from Beyaz & Patel, Inc., dated September 25, 2018, proposes to design two new welded steel tanks to replace the two tanks from 1952 at the Dekoven site. The cost for their structural design services is \$89,464.20. Funding for the professional services will come from the MPWD 2016 Certificates of Participation (COP) Project Fund.

BACKGROUND:

The Board adopted a five-year Capital Improvement Plan (CIP) at their June 2016 meeting and also directed staff to develop a “game plan” to execute the improvements. During the same period of time, staff had engaged the Cornerstone Structural Engineering Group (CSEG) to conduct seismic evaluations for both the Dekoven and Hallmark Tank Sites. The CSEG seismic evaluation showed that the Dekoven tanks were constructed to tank standards relevant in 1952. The CSEG analysis included other alternatives such as recoating the tanks, reducing tank capacity (water height) to reduce seismic risk from water sloshing, and retrofitting the tanks. Structural engineers

have learned much over the past 60 years with regard to tank failures during seismic events and how to mitigate such tank failure through design and construction. The Dekoven Tank Replacement Project (CIP 15-89) ranked higher than other infrastructure projects, in part, due to the age of the Dekoven tanks (constructed in 1952 and the oldest tanks in the system), current condition of the interior and exterior coatings, seismic resistivity, and the cost and benefit of full tank capacity.

Staff's plan was to retain a structural engineer to design replacement tanks for Dekoven making use of current criteria and construction techniques in their design so new tanks will last at least 50 years, and to have the District Engineer take the lead to design the civil work on the site and integrate the proposed tank's structural design. In early July 2018 staff and District Engineer issued a request for qualifications for Structural Engineering services. Four professional firms attended a pre-proposal meeting on July 17, 2018. Staff and District Engineer interviewed all four firms on August 21, 2018, with Beyaz & Patel rising to the top.

DISCUSSION:

Staff and District Engineer worked with the Walnut Creek office of Beyaz & Patel, Inc. to develop a scope of work, attached, detailed in their proposal dated September 25, 2018. Their proposal includes geotechnical work, developing a work plan, delivery of a preliminary design report, preparation of construction documents, which are to be integrated into a bid set of documents prepared by the District Engineer. Beyaz & Patel will provide bid support services, and while their scope does not include construction services, they could provide construction services too. The District Engineer has managed construction of several tanks for the MPWD and other clients and will take the lead for this project.

The attached professional services agreement is the MPWD template form prepared and reviewed by District Counsel. The Board's approval will authorize the General Manager to execute the agreement.

Attachments: Resolution No. 2018-21
 Professional Services Agreement
 Beyaz & Patel Scope of Work dated September 25, 2018
 Project Description

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____

RESOLUTION NO. 2018-21

**AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT
WITH BEYAZ & PATEL, INC.,
REFERENCED AS CONTRACT NO. 08-1621-CIP,
IN THE AMOUNT OF \$89,464.20,
FOR STRUCTURAL ENGINEERING SERVICES IN CONJUNCTION
WITH THE DEKOVEN TANKS REPLACEMENT PROJECT (CIP 15-89)**

* * *

MID-PENINSULA WATER DISTRICT

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

WHEREAS, the Dekoven Tanks Replacement Project (CIP 15-89) was derived from the MPWD's 5-Year CIP for Fiscal Years 2016/2017 through 2020/2021; and

WHEREAS, the District proposed a professional services agreement with Beyaz & Patel, Inc., for the purpose of engaging Beyaz & Patel, Inc., to prepare structural plans, specifications, and cost estimates for the Dekoven Tanks Replacement Project (CIP 15-89); and

WHEREAS, the professional services agreement with Beyaz & Patel, Inc., referenced as Contract No. 08-1621-CIP, in the amount of \$89,464.20, will be funded by MPWD 2016 COP (Certificates of Participation) proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby authorizes a professional services agreement with Beyaz & Patel, Inc., referenced as Contract No. 08-1621-CIP, in the amount of \$89,464.20, for the purpose of engaging Beyaz & Patel, Inc. to prepare structural plans, specifications, and cost estimates for

the Dekoven Tanks Replacement Project (CIP 15-89), and authorizes the General Manager to execute it on behalf of the District.

REGULARLY PASSED AND ADOPTED this 20th day of December 2018.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

PRESIDENT

ATTEST:

SECRETARY OF THE BOARD

PROFESSIONAL SERVICES AGREEMENT

08-1621-CP

THIS AGREEMENT is made as of this 20th day of December, 2018, by and between MID-PENINSULA WATER DISTRICT, a public agency ("DISTRICT") and Beyaz & Patel, Inc., a California corporation ("CONSULTANT").

WHEREAS, the DISTRICT desires to obtain professional services in conjunction with the Dekoven Tank Replacement Project (CIP: 15-89); and

WHEREAS, the CONSULTANT is ready, willing and able to furnish such services and has submitted a Proposal dated September 25, 2018, which is attached hereto and incorporated herein as Exhibit A.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **PROVISION OF SERVICES**

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

2. **SCOPE OF WORK**

The scope of CONSULTANT's work shall be as set forth in Exhibit A. Otherwise, the terms of this Agreement shall control over any contrary provisions of Exhibit A.

3. **TERM**

This Agreement will commence upon its Effective Date and shall continue until the services set forth in Section 2 are successfully completed, as determined by the DISTRICT. It is understood that the term of this Agreement is subject to the DISTRICT's right to terminate the Agreement in accordance with Section 13 of this Agreement.

4. **CONTRACT AMOUNT**

The CONSULTANT shall perform all work set forth in Section 2 of this Agreement for a total sum not to exceed \$89,464.20 including all labor, materials, taxes, insurance, subcontractor / subconsultant costs, overhead, profit, and all other costs and expenses incurred by CONSULTANT.

5. **MANNER OF PAYMENT**

The CONSULTANT shall submit monthly invoices as CONSULTANT completes work, and the invoices shall describe the work completed during the billing period, who performed the services, their applicable hourly rate, and all out-of-pocket costs and subcontractor / subconsultant payments, if any. The DISTRICT shall review and approve the invoices and shall pay approved invoices within thirty (30) days of DISTRICT's approval.

All invoices should be sent to: Mid-Peninsula Water District
3 Dairy Lane
P.O. Box 129
Belmont, CA 94002
ATTENTION: Tammy Rudock, General Manager

6. CONSULTANT'S KEY PERSONNEL

It is understood and agreed by the parties that at all times during the term of this Agreement that Gary Ho, PE, SE, shall serve as the primary staff person of CONSULTANT to undertake, render and oversee all of the services under this Agreement.

7. DISTRICT REPRESENTATIVE

Except when approval of 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 the General Manager may designate in writing from time to time, shall represent and act for the DISTRICT.

8. CONSULTANT'S STATUS

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

9. OWNERSHIP OF WORK

A. All reports, designs, drawings, plans, specifications, schedules, and other materials prepared by CONSULTANT under this Agreement ("Work Product") shall be the property of DISTRICT.

B. CONSULTANT assigns to DISTRICT all right, title, and interest in and to the Work Product, including ownership of the entire copyright in the Work Product and any causes of action existing or arising in connection with the copyright to said Work Product. DISTRICT shall be entitled to access to and copies of these materials as they are being developed. Any such materials in the hands of CONSULTANT or in the hands of any subcontractor upon completion or termination of services hereunder shall be immediately delivered to DISTRICT. If any property of the DISTRICT is lost, damaged or destroyed before final delivery to the DISTRICT, the CONSULTANT shall replace it at its own expense and the CONSULTANT hereby assumes all risks of loss, damage or destruction of or to such materials.

The CONSULTANT may retain a copy of all material produced under this agreement for its use in its general business activities.

10. CHANGES

The DISTRICT may, at any time, by written order, make changes within the scope of work and Services described in this Agreement. If such changes cause an increase in the budgeted cost of or the time required for performance of the agreed upon work, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 4 or in the time of required performance as set forth in Section 3, or both. In the event that CONSULTANT encounters any unanticipated conditions or contingencies that may affect the scope of work or Services and result in an adjustment in the amount of compensation specified herein, CONSULTANT shall so advise the DISTRICT immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation. Such notice shall be given the DISTRICT prior to the time that CONSULTANT performs work or services related to the proposed adjustment in compensation. Any and all pertinent changes shall be expressed in a written supplement to this Agreement prior to implementation of such changes.

11. RESPONSIBILITY; INDEMNIFICATION

CONSULTANT 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 CONSULTANT's recklessness or willful misconduct; or by CONSULTANT'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, CONSULTANT 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 CONSULTANT, its employees, agents and subconsultants (collectively, "Defense Costs"). However, CONSULTANT shall provide its immediate cooperation, at no additional cost to the DISTRICT, to the DISTRICT in defending such claims. Moreover, CONSULTANT's responsibility for the DISTRICT's defense costs shall be limited to the proportion of CONSULTANT's responsibility for the underlying injury as determined in any judicial proceeding, litigation, arbitration, mediation, or other negotiated settlement which addressed the CONSULTANT'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 CONSULTANT's negligence, recklessness or willful misconduct, CONSULTANT 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: CONSULTANT shall procure and maintain at all times during the performance of such work Worker's Compensation Insurance in conformance with the laws of the State of California and Federal laws where applicable. Employers' Liability Insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease. Prior to commencement of work hereunder, CONSULTANT shall deliver to DISTRICT a Certificate of Insurance which shall stipulate that 30 days advance written notice of cancellation, shall be given to DISTRICT.

B. Bodily Injury, Death and Property Damage Liability Insurance: CONSULTANT shall also procure and maintain at all times during the performance of this Agreement General Liability Insurance (including automobile operation) covering CONSULTANT and DISTRICT for liability arising out of the operations of CONSULTANT and any subcontractors. The policy(ies) shall include coverage for all vehicles, licensed or unlicensed, on or off DISTRICT's premises, used by or on behalf of CONSULTANT in the performance of work under this Agreement. The policy(ies) shall be subject to a limit for each occurrence of One Million Dollars (\$1,000,000) naming as an additional insured, in connection with CONSULTANT's activities, the DISTRICT, and its directors, officers, employees and agents. The Insurer(s) 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 additional insured shall not in any way affect its rights as respects to any claim, demand, suit or judgment made, brought or recovered against CONSULTANT. Said policy shall protect CONSULTANT and 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.

Prior to commencement of work hereunder, CONSULTANT shall deliver to DISTRICT a Certificate of Insurance which shall indicate compliance with the insurance requirements of this paragraph and shall stipulate that 30 days advance written notice of cancellation, shall be given to DISTRICT.

C. Professional Liability Insurance: CONSULTANT shall also maintain Professional Liability Insurance covering CONSULTANT's performance under this Agreement with a limit of liability of One Million Dollars (\$1,000,000) per claim and in annual aggregate. Such Insurance shall be renewed annually. Prior to commencing work under this Agreement, CONSULTANT shall furnish to 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, shall be given to DISTRICT.

13. TERMINATION

DISTRICT shall have the right to terminate this Agreement upon thirty (30) days written notice to the CONSULTANT. Upon receipt of such notice, the CONSULTANT shall not commit itself to any further expenditure of time or resources.

If the Agreement is terminated for any reason other than breach of a material term by CONSULTANT, the DISTRICT shall pay to CONSULTANT all sums actually due and owing from DISTRICT for all services performed and all expenses incurred up to the day written notice of termination is given, plus any costs reasonably and necessarily incurred by CONSULTANT to effect such suspension or termination.

If CONSULTANT breaches a material term of this Agreement and fails to remedy the breach within ten (10) days after the DISTRICT notifies the CONSULTANT of the breach, the Agreement may be terminated immediately and the DISTRICT shall in such event not thereafter pay or allow to the CONSULTANT any compensation for any labor, supplies or materials furnished under this Agreement; and the DISTRICT may proceed to complete this Agreement by other means, and the CONSULTANT shall be liable to the DISTRICT for all loss or damage which it may suffer on account of the CONSULTANT's breach of this Agreement.

14. NOTICES

All communications relating to the day to day activities of the project shall be exchanged between the DISTRICT'S General Manager, or his designee, and the CONSULTANT's Project Manager.

All other notices and communications deemed by either party to be necessary or desirable to be given to the other party, except for confidential reports described in Section 6 of this Agreement, may be given by personal delivery to the 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 P.O. Box 129 Belmont, CA 94002 ATTENTION: Tammy Rudock, General Manager
If to the CONSULTANT:	Beyaz & Patel, Inc. 1280 Civic Drive, Suite 204 Walnut Creek, CA 94596 ATTENTION: Gary Ho, Branch Manager

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

15. EQUAL EMPLOYMENT OPPORTUNITY

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

16. RECORDS

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

17. DISTRICT WARRANTIES

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

18. RELEASE OF INFORMATION

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

19. USE OF SUBCONTRACTORS

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

20. ASSIGNMENT

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

21. ATTORNEY'S COSTS

If any legal proceeding should be instituted by either of the parties hereto to enforce the terms of this Agreement or to determine the rights of the parties thereunder, the prevailing party in said proceeding shall recover, in addition to all court costs, reasonable attorney's fees.

22. APPLICABLE LAW

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

23. 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. CONSULTANT shall not assign this Agreement without the prior express written approval of the DISTRICT.

24. 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.

25. 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.

26. COMPLIANCE WITH LAWS AND REGULATIONS

During the progress of the work, CONSULTANT shall fully adhere to all applicable State and Federal laws and county, municipal or DISTRICT ordinances and regulations which in any manner affect those engaged or employed in the work, or the materials and equipment used in the work, or which in any way affect the conduct of the work. CONSULTANT, and any subcontractors performing any work under this Agreement, shall hold such licenses as may be required by the State of California for the performance of the work specified in this Agreement.

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

DISTRICT:

MID-PENINSULA WATER DISTRICT

By: _____

Name: _____

Title: _____

CONSULTANT:

BEYAZ & PATEL, INC.

By: Gary Ho

Name: Gary Ho

Title: Branch Manager/Senior PM

By: Subhash Patel

Name: Subhash Patel

Title: President

*NOTE: This Agreement must be executed by two corporate officers, consisting of: (1) the President, Vice President or Chair of the Board, and (2) the Secretary, Assistant Secretary, Chief Financial Officer, Assistant Chief Financial Officer, or by any person authorized by the corporation to execute written contracts.

BEYAZ & PATEL, INC.

MPWD Dekoven Tanks Replacement Work Plan

Job W18010.00

Updated: 9/25/18

WORK PLAN

BACKGROUND

The project consists of the structural design and preparation of contract plans and specifications for the replacement of the two Dekoven Tanks. The work will include the removal of the two existing steel tanks, the development of geotechnical report (work to be performed by Cal Engineering & Geology), and the design of two new welded steel tanks. The site/civil design work will be performed by Pakpour Consulting Group.

PROJECT SCOPE OF WORK

To achieve the project objectives defined above, we plan to implement the following tasks:

A. TASK 1 – PROJECT MANAGEMENT

- Provide overall project management and maintain effective communications with the MPWD's project administration staff.
- Prepare detailed Work Plan. The work plan serves as both a project procedures manual to govern day to day direction, and as a detailed guidebook for completion including schedules, budgets, resource utilization, and information management systems.
- Track and monitor project budget and schedules.
- Prepare monthly invoices and progress reports. The monthly progress reports will summarize the work performed during the month, work to be completed in the next month, and statements regarding schedule and budget status.
- Attend kickoff meeting, including site visit. Topics of discussion will include communications, schedule of meetings, project schedule, reliability requirements, and coordination between all parties.

Deliverables: detailed Work Plan, project team directory, meeting minutes summarizing decisions and follow-up actions, monthly invoices, monthly progress reports, and kickoff meeting.

B. TASK 2 – PRELIMINARY DESIGN SUBMITTAL

- Review all available background information, including drawings and reports
- Attend project kick-off meeting and perform site visit
- Perform site evaluation and investigation, including two geotechnical borings
- Prepare a geotechnical report for the tank design. This task will be performed by CE&G.
- Perform seismic evaluation of the Pump Station and Pressure Tank. Pump Station will be evaluated to the ASCE 41-13, Seismic Evaluation and Retrofit of Existing Building, standard
- Develop and evaluate alternative analysis for the Dekoven tanks
- Develop preliminary tank construction methods, construction sequencing/phasing, and tank footprint, including alternative solution
- Prepare the Preliminary Design Report, including design criteria, basis of design, preliminary plans and engineer estimate of construction cost. The geotechnical report will be included as an attachment.

- Review District's CADD standards
- Review District's structural specification
- Conduct one project design review meeting with the District staff after their review of the report
- Prepare meeting minutes

Deliverables: Preliminary Design Report (three hard copies and a PDF)

C. TASK 3 – CONSTRUCTION DOCUMENTS

C.1 Tasks 3A – Prepare 60% Design Submittal

Upon District's approval of the Preliminary Design Report, B&P will proceed with 60% Design and the preparation of the improvement plans and specifications. Specific tasks shall consist of the following.

- Prepare 60% construction drawings consisting of plan views, profiles, cross-sections, general construction notes, and details of major components
- Develop construction specifications (CSI format)
- Develop 60% engineer estimate of construction cost
- Perform QA/QC review
- Conduct one project design review meeting with the District staff after their review of the 60% Design documents
- Prepare meeting minutes

Deliverables: 60% Design Submittal (three sets)

C.2 Task 3B – Prepare 90% Design Submittal

Upon District's approval of the 60% Design documents, B&P will proceed with 90% Design and the preparation of the final plans and specifications. Specific tasks shall consist of the following.

- Incorporate 60% Design Submittal review comments
- Prepare 90% Design documents, including complete construction drawings and specifications
- Develop 90% engineer estimate of the construction cost
- Prepare engineering calculations
- Perform QA/QC review
- Conduct project design review meeting with District's staff after their review of the 90% Design documents.
- Prepare meeting minutes

Deliverables: 90% design documents (three sets)

C.3 Task 3C – Prepare Final Design Submittal

Specific tasks shall consist of the following:

- Incorporate 90% Design Submittal review comments

- Prepare Final Design documents, including complete construction drawings and specifications
- Develop Final engineer estimate of the construction cost
- Prepare final engineering calculations
- Perform QA/QC review
- Perform Value Engineering/Constructability review
- Compile a list of potential steel tank manufacturers, including Spiess, Paso Robles, Crosno Construction, and others

Deliverables: Final design documents, including one set of full-size (24-inch by 36-inch) bond. Drawings and calculations shall be wet-signed, stamped and dated by a Structural Engineer

D. TASK 4 – BIDDING STAGE SERVICES

Specific tasks shall consist of the following:

- Attend pre-bid meeting
- Respond (through District's project manager) to bidder's questions and requests for clarification
- Prepare addenda to contract documents as required (one addendum included)

Deliverables: Responses to bidder's questions and requests for clarification; and submit addenda, as required

E. TASK 5 – CONSTRUCTION STAGE SERVICES

This task is **NOT** included in our scope of work. Typical tasks as part of Construction Stage Services includes attending preconstruction meeting, responding to Requests for Information (RFIs) from Contractor, reviewing submittals, preparing design changes, attending construction meetings, and performing construction field visits.

/mpwd/dekownen tanks/work plan/draft work plan2.doc

Dekoven Tank Replacement Project
Mid-Peninsula Water District
25Sep2018

Hourly Billing Rates	BEYAZ & PATEL						CE&G				Total Labor Cost	ODC 2%	TOTAL COST
	Principal in Charge \$236.00	Project Manager \$206.00	Senior Engineer \$161.00	Engineer \$134.00	CAD Designer \$127.00	Admin. Assistant \$73.00	Principal Engineer \$230.00	Senior Engineer \$190.00	Project Engineer \$150.00	SeniorGIS CADD \$130.00			
SCOPE OF WORK													
Task 1-Project Management													
1.1 Manage Project		20									\$4,120.00	\$82.40	\$4,202.40
1.2 Develop Detail Work Plan		2	8			2					\$1,846.00	\$36.92	\$1,882.92
1.3 Attend Kick-off and Other Mtgs (6 total)											\$0.00	\$0.00	\$0.00
1.4 QA/QC Review	6										\$1,416.00	\$28.32	\$1,444.32
1. Total	6	22	8	0	0	2	0	0	0	0	\$7,382.00	\$147.64	\$7,529.64
Task 2-Preliminary Design Report													
2.1 Attend Kick-off Meeting		6									\$1,236.00	\$24.72	\$1,260.72
2.2 Field Investigation								2	18		\$3,080.00	\$61.60	\$3,141.60
2.3 Prepare Geotechnical Report		2					5	15	14	4	\$7,032.00	\$140.64	\$7,172.64
2.3a Pump Stn and Pressure Tank Eval	3	21	46		4	4					\$13,240.00	\$264.80	\$13,504.80
2.3b Alternative Analysis	1	6	12		4	2					\$4,058.00	\$81.16	\$4,139.16
2.4 Prepare PDR Cost Estimate		2	16								\$2,988.00	\$59.76	\$3,047.76
2.5 Prepare PDR		2	16		6	2					\$3,896.00	\$77.92	\$3,973.92
2.6 Attend Design Review Meeting		6									\$1,236.00	\$24.72	\$1,260.72
2. Total	4	45	90	0	14	8	5	17	32	4	\$36,766.00	\$735.32	\$37,501.32
Task 3A-60% Design Submittal													
3A.1 Develop 60% Design Documents		6	46		60						\$16,262.00	\$325.24	\$16,587.24
3A.2 Prepare 60% Design Cost Estimate		2	16								\$2,988.00	\$59.76	\$3,047.76
3A.3 Attend 60% Design Review Mtg		6									\$1,236.00	\$24.72	\$1,260.72
3A. Total	0	14	62	0	60	0	0	0	0	0	\$20,486.00	\$409.72	\$20,895.72
Task 3B-90% Design Submittal													
3B.1 Develop 90% Design Documents		2	20		30						\$7,442.00	\$148.84	\$7,590.84
3B.2 Prepare 90% Design Cost Estimate		1	8								\$1,494.00	\$29.88	\$1,523.88
3B.3 Attend 90% Design Review Mtg		6									\$1,236.00	\$24.72	\$1,260.72
3B. Total	0	9	28	0	30	0	0	0	0	0	\$10,172.00	\$203.44	\$10,375.44
Task 3C-Final Design Submittal													
3C.1 Develop Final Design Documents		1	8		10						\$2,764.00	\$55.28	\$2,819.28
3C.2 Prepare Final Design Cost Estimate		1	4								\$850.00	\$17.00	\$867.00
3C. Total	0	2	12	0	10	0	0	0	0	0	\$3,614.00	\$72.28	\$3,686.28
Task 4-Bidding Stage Services													
4.1 Attend Pre-Bidding Meeting		6									\$1,236.00	\$24.72	\$1,260.72
4.2 RFIs		2	4								\$1,056.00	\$21.12	\$1,077.12
4.3 Addendum (1 assumed)		1	4		4						\$1,358.00	\$27.16	\$1,385.16
4. Total	0	9	8	0	4	0	0	0	0	0	\$3,650.00	\$73.00	\$3,723.00
Other Direct Costs¹											\$5,640.00	\$112.80	\$5,752.80
SUBTOTAL ALL TASK	10	101	208	0	118	10	5	17	32	4	\$87,710.00	\$1,754.20	\$89,464.20
¹ Direct cost include permits, utility locating, and laboratory testing.													



AGENDA ITEM NO. 7.B.

DATE: December 20, 2018

TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

SUBJECT: CONSIDER RESOLUTION 2018-22 AUTHORIZING THE FOURTH AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACT WITH PAKPOUR CONSULTING GROUP, INC., REFERENCED AS CONTRACT NO. 08-1621-CIP-A IN THE AMOUNT OF \$196,292, FOR CIVIL ENGINEERING DESIGN AND CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE DEKOVEN TANKS REPLACEMENT PROJECT

RECOMMENDATION:

Adopt Resolution 2018-22, which authorizes a fourth amendment totaling \$196,292 to the District Engineer's contract for professional engineering design services for the Dekoven Tanks Replacement Project.

FISCAL IMPACT:

The attached proposal from the District Engineer dated December 10, 2018, proposes civil engineering services, including preparation of construction plans, specifications, provisions for construction support, surveying services, and tank coating specialist services in support of the project. The total proposal cost is \$196,292. This project is within the approved MPWD 5-Year CIP FY 2016/2017 through FY 2020/2021. Funding for the engineering and sub-consultant services will come from the 2016 COP proceeds.

BACKGROUND:

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

This is the eighth improvement project from the CIP list and proposes to replace two tanks originally constructed in 1952 serving Zone 3. The two tanks are both 48-foot tall, with slightly different diameters and can hold up to 0.72 and 1.0 million gallons respectively. During 2016, staff hired a structural engineer to review the structure of both tanks for seismic resistivity. The structural engineering report found the tanks construction to fall short of current structural engineering methods for seismic resistivity. Following discussion of the report's findings, it was decided to move forward with a capital project to replace both tanks.

DISCUSSION:

For this project, staff has proposed to retain Beyaz & Patel, Inc., to provide the structural engineering design and specifications for replacement tanks, and to integrate their work with a contract with the District Engineer to integrate civil engineering and structural engineering work into one construction bid package.

The District Engineer's contract defines any engineering or construction management support greater than \$100,000 as Major Improvement Projects, and requires them to submit a proposal.

A proposal from the District Engineer dated December 10, 2018 details their efforts in support of replacement of both tanks. Their proposal goes on to describe a topographic survey, utility coordination, plan and specification preparation, process for bid documents, advertisement, construction support and record drawing, their proposed budget, and schedule. The intent is to have plans and specifications ready in the summer of 2019 with construction starting in November 2019.

Attachments: Resolution 2018-21
 Proposal from Pakpour Consulting Group dated December 10, 2018
 Contract No. 08-1621-CIP-A Fourth Amendment to Contract for Professional Services
 Project Description 15-89

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____

RESOLUTION NO. 2018-22

**AUTHORIZING THE FOURTH AMENDMENT TO THE
PROFESSIONAL SERVICES CONTRACT WITH PAKPOUR CONSULTING GROUP, INC.,
REFERENCED AS CONTRACT NO. 08-1621-CIP-A, IN THE AMOUNT OF \$196,292,
FOR ENGINEERING SERVICES RELATED TO
THE DEKOVEN TANKS REPLACEMENT PROJECT**

*** * ***

MID-PENINSULA WATER DISTRICT

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

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

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

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

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

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

WHEREAS, the Dekoven Tanks Replacement Project was derived from the MPWD's 5-Year CIP for Fiscal Years 2016/2017 through 2020/2021; and

WHEREAS, the District proposed a Fourth Amendment to the Contract for the purpose of engaging the District Engineer civil engineering services to prepare plans, specifications, cost estimates and construction support for the Dekoven Tanks Replacement Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby authorizes a Fourth Amendment to the Contract with Pakpour Consulting Group, Inc., referenced as Contract No. 08-1621-CIP-A, for professional engineering services related to the Dekoven Tanks Replacement Project totaling \$196,292.

REGULARLY passed and adopted this 20th day of December 2018.

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

SECRETARY OF THE BOARD

CONTRACT NO. 08-1621-CIP-A

FOURTH AMENDMENT TO

CONTRACT FOR PROFESSIONAL SERVICES

THIS FOURTH AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES, (HEREINAFTER REFERRED TO AS "CONTRACT NO. 08-1621-CIP-A"), is made as of the 20th day of December 2018, by and between the MID-PENINSULA WATER DISTRICT (hereinafter referred to as "DISTRICT") and PAKPOUR CONSULTING GROUP, INC. (hereinafter referred to as "ENGINEER").

- A. The Parties entered into a Contract for Professional Services ("Contract") on June 25, 2015, under which Engineer provides professional engineering services in connection with the planning, design, construction, management, and operation of the DISTRICT's water system, including optional services related to major improvement projects costing over \$100,000.
- B. The DISTRICT desires Engineer to provide support services related to the District's Dekoven Tanks Replacement Project (Project), as more particularly described in the ENGINEER's proposal dated December 10, 2018, a copy of which is attached hereto and incorporated herein as Attachment "A" to this Fourth Amendment, which services generally include the preparation of plans, specifications, cost estimates and construction support for said Project.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

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

IN WITNESS WHEREOF, this Fourth Amendment to the Contract, referenced as Contract No. 08-1621-CIP-A, is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

PAKPOUR CONSULTING GROUP, INC.

BY: _____
Tammy A. Rudock, General Manager

BY: _____
Joubin Pakpour, P.E., Principal



Pakpour Consulting Group, Inc.

December 10, 2018

10012.13

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

**Subject: Proposal to Prepare Plans, Specifications and Estimate (PS&E)
and Construction Support
Dekoven Tanks Replacement Project (CIP Project 15-89)**

Dear Tammy,

Pakpour Consulting Group (PCG) is pleased to provide the following proposal to prepare PS&E and provide construction support for the Dekoven Tanks Replacement Project.

The Dekoven Tanks were constructed in 1952 and are a primary Zone 3 distribution facility. The existing tanks are 52 and 60 feet in diameter with storage capacities of 0.72 and 1.0 million gallons (MG) respectively. Both tanks are approximately 48 feet tall and operate between 17 and 30 feet. Per the Structural Review and Retrofit Strategy Report, March 21, 2016, prepared by Cornerstone Structural Engineering Group, the maximum capacity level (MCL) should be no higher than 22 feet to withstand the maximum credible earthquake as set forth by AWWA D100-11/ASCE 7 and the failing integrity of the tank coating.

Given the seismic vulnerability of operating the tanks at more than half full and exploring the possibilities of retrofitting the tanks, the District has determined replacing the tanks was the best option. The new tanks will be identical in design to the existing tanks however meet current seismic criteria.

1.0 Utility Coordination and Topographic Survey

PCG along with our subconsultant surveyor, Triad Holmes & Associates (THA), will research District, County and State records for "As-Built" improvement plans, easements, reports, studies and other data pertinent to the project.

Project Utility Notices will be sent to all utilities operating in the area informing them of the project, requesting plans of their facilities, and their requirements for construction near them; especially the communications tower next to the tanks. PCG will coordinate with the various utility agencies to resolve potential conflicts.

Topography will be established and tied to horizontal and vertical control by THA to the City of Belmont datum. The scope of the survey work will consist of providing reference points, topographic information, establishment and listing of benchmarks and field monuments, site data control, and utility location and invert elevations of existing structures. Existing right-of-way and adjoining property information will be



obtained and shown on the project base map.

Deliverables: Topography base map of the tank site showing information obtained from the utility companies for design.

2.0 Preliminary Design Submittal - Structural Consultant, Beyaz & Patel (B&P)

PCG will conduct a kick-off meeting with District and B&P to discuss the preliminary design requirements and tank parameters. B&P will provide a preliminary schedule and coordinate a geotechnical study (CE&G) for design.

A copy of the topographic survey will be provided to B&P to help determine the location of potential bore holes and the existing utilities. PCG will investigate and contact the owner of the communication towers located on site.

Deliverables: Meeting minutes by PCG and Preliminary Design Report by B&P.

3.0 Construction Documents

3.1 60% Design Submittal (Plans and Specs)

PCG/B&P will submit 60% progress plans with the geotechnical report. The design drawings will be prepared in AutoCAD 3D 2017. PCG will coordinate a meeting with District and P&B to review the design criteria and design options.

Deliverables: Meeting minutes by PCG and 60% Design Submittal

3.2 90% Design Submittal (Plans, Specs, and Estimate)

The 60% plans will be carried to 90% completion by adding details, notes, and addressing District and other agency comments. PCG will prepare the project specifications in Microsoft Word 2007 format and will be incorporated into the District's "boilerplate" front end documents to produce a final bid package. Bid quantities will be estimated for each item of work and an overall project cost estimate. Unit prices will be determined based on recent bid tabulations from similar projects, job cost media such as Means, and discussions with local contractors. PCG will coordinate a meeting with District and B&P to go over the review comments. Provide engineering calculations and perform QA/QC review by B&P.

Deliverables: Meeting minutes by PCG and 90% Design Submittal

3.3 Final Design Documents

The submitted 90% PS&E will be carried to 100% final plans by incorporating comments from the District. Each comment will be reviewed, discussed, and addressed in writing. Appropriate modifications will be made to the plans, technical specifications, and cost estimates. PCG will prepare a preliminary schedule for bidding, advertisement, award, and construction.



4.0 Advertisement/ Award Period

PCG will administer the advertisement and award process on behalf of the District which includes written responses to bidders inquiries preparation of contract addenda, and attendance at a pre-bid conference and site visits. After bids are submitted, PCG will collect and compile the information for the District, including checking references and requirements of each bidder. PCG will determine and recommend the lowest eligible responsible bidder for the project. PCG will administer the approval of contract and issue the Notice to Proceed (NTP) after all the documents have been approved and executed.

5.0 Construction Support and Record Drawings

PCG will provide construction support to the District consisting of submittal review and shop drawings for compliance with the contract documents. PCG will also respond to Request for Information (RFI) during the construction phase, attend progress meetings, and provide on-site inspections at the District's request.

PCG will prepare and submit Record Drawings ("As Built") based upon the Contractor's marked up plans at the end of the project. The Contractor's marked up plans will be reviewed by PCG concurrently with the project inspector to ensure an accurate representation of the "As Built" water mains.

Proposed Budget

TASK	DESCRIPTION	District Engineer		Project Engineer II		Project Engineer I		TOTALS	
		HR	COST	HR	COST	HR	COST	HRS	COST
			\$190		\$145		\$130		
1.0	Utility Coordination and Topographic Survey	8	\$1,520	40	\$5,800	0	\$0	48	\$7,320
2.0	Preliminary Design Submittal - Structural Consultant	24	\$4,560	120	\$17,400	0	\$0	144	\$21,960
3.0	Construction Documents								
3.1	60% Design Submittal (Plans)	24	\$4,560	120	\$17,400	0	\$0	144	\$21,960
3.2	90% Design Submittal (Plans, Specs, and Estimate)	24	\$4,560	240	\$34,800	0	\$0	264	\$39,360
3.3	Final Design Documents	24	\$4,560	240	\$34,800	0	\$0	264	\$39,360
4.0	Advertisement / Award Period	16	\$3,040	80	\$11,600	0	\$0	96	\$14,640
5.0	Construction Support/ Record Drawing	16	\$3,040	120	\$17,400	0	\$0	136	\$20,440
Total Labor		136	\$25,840	960	\$139,200	0	\$0	1096	\$165,040
Topographic Survey - Dekoven Tank Site (Triad Holmes)									\$15,000
Coating Specialist - Provide Specifications (To Be Determined)									\$8,000
5% Direct Expense Fee (Mileage, Copies, Plots, Etc.)									\$8,252
Total Budget for CIP Planning, Design, and Construction Support Project Cost									\$196,292



Proposed Design Schedule and Estimate Completion Dates

Notice to Proceed (NTP) with Design by the Board	December 20, 2018
Task 1.0 – Utility Coordination and Topographic Survey	February 8, 2019
Task 2.0 – Preliminary Design Submittal – Structural Consultant	March 29, 2019
Task 3.0 – Construction Documents	
3.1 – 60% Design Submittal (Plans)	May 17, 2019
3.2 – 90% Design Submittal (Plans, Specs, and Estimate)	June 28, 2019
3.3 – Final Design Documents	July 26, 2019
Task 4.0 – Advertisement	August 1, 2019
Award	October 24, 2019
Task 5.0 – Start of Construction/ Support/ Record Drawing	November 2019

Assumptions

- All work will be limited to the tank site.
- A State Water Resources Control Board (SWRCP) Construction General Permit is not required for this project since the disturbance area is less than one acre.
- The Storm Water Pollution Prevention Plan (SWPPP) document or Qualified SWPPP Practitioners (QSP) project site inspections, monitoring and reporting is not required for the project.
- No arborist coordination is required.
- No landscape architect is required.
- No acquisition of easement is needed for the project.
- No temporary construction easement coordination is required.
- No soil or groundwater contamination issues.
- Utility agency agreements/ permits/ inspection services not included in the proposal.
- No construction management or inspection is required.
- No electrical design is required.
- No structural design for the communication tower. Communication tower will be an independent structure separate from the tank foundation.

The total budget for Planning, Design and Construction Support CIP 15-89 is \$400,000. The current proposal is 50.9% less than the estimated proposal with the inflation cost.

We look forward to assisting the District with this project. Please do not hesitate to contact me at (925) 224-7717 should you have any questions.

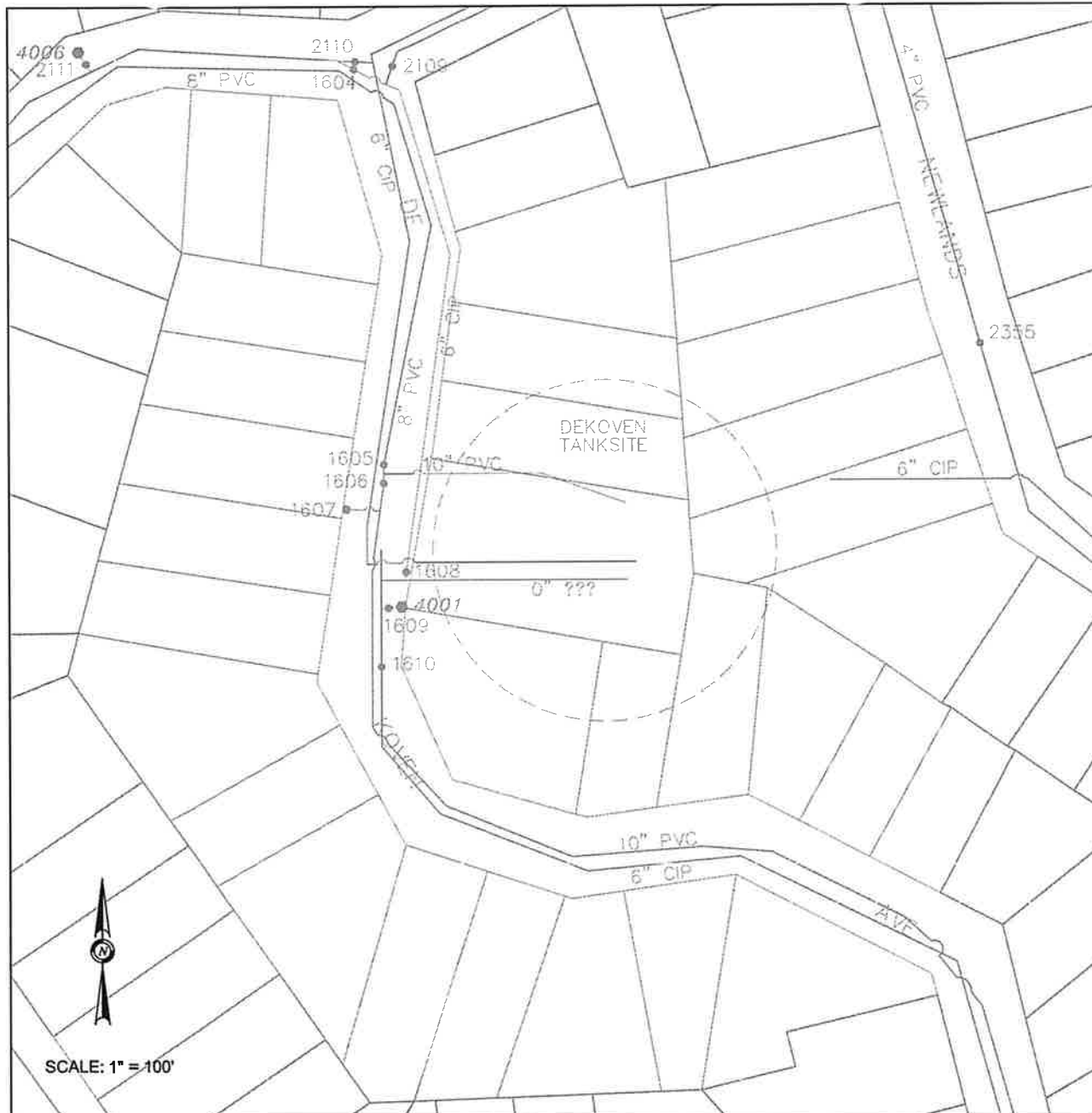
Very truly yours,

Pakpour Consulting Group, Inc.



Victor Fung
Project Engineer





DEKOVEN TANKS REPLACEMENT

PROJECT BACKGROUND

The Dekoven Tanks, constructed in 1952, are a critical element of the Zone 3 water distribution system. The existing tanks are 52 and 60 feet in diameter, approximately 48 feet tall and have capacities of 720,000 gallons and 1,000,000 gallons respectively. The tanks are currently operating between 17 feet (pump on) to 30 feet (pump off) and the overflow is located at 47 feet. A recent structural analysis determined the maximum capacity level (MCL) in the tanks should be reduced to 22 feet (from the current 30 feet) to withstand seismic events. However, the District would lose more than half of the tanks capacity and operation staff indicated this may not be feasible during high summer demands. The coatings on each tank are also failing increasing the urgency to rehabilitate or replace the tanks.

Given the seismic vulnerability and the coating failures, the District explored 3 options for rehabilitation / replacement including a) only recoating the tanks and reducing the MCL to 22 feet, b) seismic retrofits to each tank, and c) demolish and rebuild two 800,000 gallon tanks. After a cost analysis of each option and viewing potential construction difficulties, the District determined replacement of the tanks was the best option.

PROPOSED IMPROVEMENTS

Replace the existing 1.0 MG and 0.7 MG tanks with two 0.8 MG tanks.

PROJECT BENEFITS

The Dekoven Tanks Replacement project replaces seismically unsound water tanks with new tanks capable of withstanding seismic events while maintaining existing operating levels.

PROJECT BUDGET

Tank Removal x2	\$ 150,000
Grading and Excavation	\$ 300,000
Foundation and Anchors	\$ 450,000
Tank Construction w/ Coating x2	\$ 1,600,000
Subtotal Construction	\$ 2,500,000
Planning, Design & Construction Support	\$ 400,000
Contingency (±10%)	\$ 600,000
Project Budget	\$ 3,500,000

SCALE: 1" = 100'



Pakpour Consulting Group, Inc.
5776 Stoneridge Mall Road, Suite 320
Pleasanton, CA 94588
925.224.7717 Fax 925.224.7726
www.pcgengr.com

JOB No.	10012.07
DATE	5/20/16
SCALE	AS NOTED
DRAWN:	BY BL
	CKD JP



MID-PENINSULA WATER DISTRICT
SAN MATEO COUNTY, CALIFORNIA
3 DAIRY LANE
BELMONT, CA 94002

CAPITAL IMPROVEMENT PROGRAM
DEKOVEN TANKS REPLACEMENT
PROJECT 15-89



AGENDA ITEM NO. 8.A.

DATE: December 20, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: REVIEW INVESTMENT STRUCTURE AND PLAN PERFORMANCE FOR MPWD PUBLIC AGENCY RETIREMENT SERVICES (PARS) OTHER POST-EMPLOYMENT BENEFITS (OPEB) PRE-FUNDING TRUST PROGRAM AND PENSION RATE STABILIZATION PROGRAM (PRSP), AND CONSIDER RESOLUTION 2018-23 APPROVING PLAN INVESTMENT PORTFOLIO FOR 2019

RECOMMENDATION

Receive program overview of the MPWD PARS OPEB and PRSP programs, and plan investment structure and performance, and approve Resolution 2018-23 approving the plan investment portfolio for 2019.

FISCAL IMPACT

Attached is the annual report prepared by PARS and HighMark Capital Investment, as well as the MPWD's PARS Combined Trust – OPEB and PRSP financial tracking report through October 31, 2018.

The MPWD OPEB plan's discount rate (return on investment) target is 5.5%, as projected in the MPWD GASB 75 actuarial report dated June 6, 2018. (The target was the same in the MPWD GASB 45 actuarial report dated July 23, 2016).

Summary of MPWD's OPEB plan as of October 31, 2018:

Initial Contribution (August 2011)	\$ 81,159
Additional Contributions	\$1,855,834
Total Contributions	\$1,940,993
Disbursements	\$ -0-
Total Investment Earnings	\$ 126,694
Account Balance	\$2,057,375

Summary of MPWD's Pension Plan as of October 31, 2018:

Initial Contribution (August 2018)	\$ 400,000
Additional Contributions	\$ 400,000
Total Contributions	\$ 800,000
Disbursements	\$ -0-
Total Investment Earnings	\$ (16,902)
Account Balance	\$ 782,948

TOTAL COMBINED PARS TRUST ACCCOUNT BALANCE → \$2,840,323

BACKGROUND

The investment strategy initially selected on May 16, 2011 for the MPWD PARS OPEB trust account was the Moderately Conservative HighMark PLUS. The investment objective was to “provide current income with moderate capital appreciation.” Approximately 15%-20% of public agencies participating in PARS OPEB plans have selected the Moderately Conservative portfolio.

The Board has reviewed the plan annually since inception, and between 2012 through 2017, it confirmed the retention of the Moderately Conservative HighMark PLUS investment strategy for the trust account.

For 2018 (via Resolution 2017-21), the Board elected to change the investment portfolio for 2018 to the PARS Moderate HighMark Plus strategy.

Moreover, on February 22 2018, after discussion and consideration of the MPWD cash reserve policy:

1. The Board approved (via Resolution 2018-03) the establishment of a PRSP at PARS in combination with its OPEB plan at a \$1.6 million funding level (from reserves). The final quarterly payment to fund the PRSP will be made by March 31, 2019; and
2. The Board further approved (via Resolution 2018-04) the transfer of \$1.5 million (in equal quarterly payments) to fund the OPEB to a total of \$2.4 million as projected in its 2015 OPEB Actuarial. The final payment to fund the OPEB will be made by December 31, 2018.

DISCUSSION

Staff met with the PARS OPEB investment team for a client review on December 11, 2018.

The MPWD’s PARS Trust team consists of:

- PARS – Trust Administrator and Consultant;
- HighMark Capital Investment – Investment Manager; and
- US Bank – Trustee.

The team administers 1,600+ plans for 850+ public agencies, including 400,000+ participants.

Jennifer Meza, Supervisor/Consulting from PARS will present a review of the MPWD OPEB and PRSP programs and progress.

Randy Yurchak, Vice President/Portfolio Manager from HighMark Capital Management will report on the MPWD’s portfolio investment performance.

The following PARS investment portfolio options are attached for the Board’s review and consideration:

- Conservative;
- Moderately Conservative;
- Moderate;
- Balanced; and
- Capital Appreciation.

MPWD OPEB SUMMARY

From the June 5, 2018 MPWD OPEB actuarial report: *“In June 2004, the Governmental Accounting Standards Board (GASB) issued its accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 required public employers such as the MPWD to perform periodic actuarial valuations to measure and disclose their healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. In June 2015, GASB released new accounting standards for post-retirement benefit programs, GASB 74 and GASB 75, which replaced GASB 43 and GASB 45, respectively.”*

On June 28, 2018, the Board received the GASB 75 Valuation as of July 1, 2017 prepared by Demsey Filliger & Associates LLC (DFA) and dated June 5, 2018. (An actuarial valuation is required every two years now.)

DFA determined the amount of actuarial liability for the MPWD-paid retiree healthcare benefits is \$3,701,360. (For reference, the actuarial liability was projected by DFA to be \$3,627,044 as of July 1, 2015.)

OPEB Actuarial Demographics Summary:

Active Participants: 18 (Average Age: 50.8 years; Average Service Years: 14.3)
 Retirees: 4 (Average Age: 77.7 years; two are 90+)
 Total Plan Members: 22

<i>OPEB ACTUARIAL RESULTS</i>	<i>07/01/17 @ 5.5% ROI</i>	<i>07/01/15 @ 5.5% ROI</i>	<i>12/26/13 @ 5.9% ROI</i>	<i>09/19/13 @ 7.0% ROI</i>
Present Value of Future Benefits	\$3,701,360	\$3,627,044	\$2,344,400	\$2,226,500
Total OPEB Liability (Actuarial Accrued Liability)	\$2,978,186	\$2,452,610	\$1,807,700	\$1,517,700
Plan Fiduciary Net Position (Plan Assets)	\$ 778,799	\$ 432,917	\$ 257,000	\$ 257,000
Net OPEB Liability (Unfunded Actuarial Liability)	\$2,199,387	\$2,019,693	\$1,550,700	\$1,260,700
Amortization of Net OPEB Liability	\$ 107,186	\$ 138,966	\$ 82,800	\$ 76,200
Service Cost at Year-End	\$ 100,557	\$ 120,462	\$ 63,800	\$ 48,200
Actuarially Determined Contribution (Annual Required Contribution)	\$ 207,743	\$ 259,429	\$ 146,600	\$ 124,400

MPWD PRSP SUMMARY

As reported last year, this program provides an opportunity to pre-fund the MPWD's unfunded pension liability in a combined trust, including the following benefits:

- Potential for greater return than LAIF;
- Lowers Net Pension Liability for GASB 68 reporting;
- Helps offset pension rate increases or possible underperformance by CalPERS;
- Access money at any time to pay down pension obligations;
- No cost to set up; and
- Assets aggregate with OPEB assets to possibly qualify for lower fees in tiered schedule.

CalPERS Annual Valuation Report Highlights FYE June 30, 2017:

Actuarial Liability: \$6.7 million
 Assets: \$5.2 million
 Unfunded Accrued Liability (UAL): \$1.5 million
 Funded Ratio: 78.1%
 Employer Contribution FY 2018/2019: \$273,000

As reported at the beginning of this fiscal year, and for the benefit of the new Board members, the MPWD decided to reduce the amortization period on its UAL to a 15-year period (from a 30-year period), which resulted in interest payment savings of just under \$1 million over the term. We also

decided to make annual lump sum UAL payments to CalPERS, rather than payroll period payments, resulting in additional savings of 3.5%.

Finally, staff is in the process of obtaining the services of a financial consultant to develop a plan for the Board's consideration to determine best when to begin using the funds from the MPWD's programs to pay for retiree healthcare benefits and the lump sum UAL payment (rather than from annual operations).

Attachments: Resolution 2018-23
MPWD PARS Combined OPEB and PRSP Plan Summary - 10/31/18
PARS OPEB Prefunding Trust Program & PRSP Client Review (12/20/18)
HighMark Capital Management PARS Investment Portfolio Options

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

UNANIMOUS____ VELLA____ ZUCCA____ WARDEN____ SCHMIDT____ WHEELER____

RESOLUTION NO. 2018-23

**APPROVING THE 2019 INVESTMENT PORTFOLIO
FOR THE MPWD PARS COMBINED OPEB AND PRSP TRUST ACCOUNT**

*** * ***

MID-PENINSULA WATER DISTRICT

WHEREAS, the Mid-Peninsula Water District (MPWD) initiated an OPEB (Other Post Employment Benefits) trust account with PARS (Public Agency Retirement Services) in August of 2011; and

WHEREAS, in 2011 the MPWD selected as its investment strategy the PARS Moderately Conservative HighMark PLUS portfolio; and

WHEREAS, between 2012-2017, after review and consideration of its investment strategy and performance, the Board approved retention of the PARS Moderately Conservative HighMark PLUS investment portfolio for the MPWD OPEB trust account; and

WHEREAS, the MPWD PARS OPEB trust account investment strategy, annual performance, and portfolio options were reviewed and discussed by the Board of Directors at its regular meeting on November 15, 2017, after a presentation by staff, and PARS administrative and HighMark Capital Management investment representatives, and the Board determined it was a good time to change to the PARS Moderate HighMark Plus investment portfolio for 2018; and

WHEREAS, on February 22, 2018, the Board approved Resolution No. 2018-03 and the establishment of a Pension Rate Stabilization Program (PRSP) in combination

with its OPEB plan; and

WHEREAS, on December 20, 2018, after review and consideration of the combined plan's (including OPEB and PRSP) investment strategy and performance in 2018, the Board approved retention of the PARS Moderate HighMark Plus investment portfolio for 2019.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves retention of the PARS Moderate HighMark PLUS investment portfolio for the MPWD combined plan for 2019.

REGULARLY PASSED AND ADOPTED this 20th day of December 2018 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

President, Board of Directors
Mid-Peninsula Water District

ATTEST:

Secretary of the Board

PARS COMBINED OPEB AND PRSP PLAN SUMMARY - October 31, 2018

ACCOUNT SUMMARY								INVESTMENT RETURN				
FISCAL YEAR	Beginning Balance	Contrib	Earnings	Expenses (Trustee/Invst Mngmt Fee)	Transfers	Ending Balance	Expenses (Admin Fee)	1-Month	3-Months	1-Year	3-Years Annualize d Return	5-Years Annualize d Return
2014-2015	\$ 368,264.01	\$ 56,925.00	\$ 8,693.45	\$ 965.18	\$ -	\$ 432,917.28	\$ 3,600.00	-0.98%	-0.68%	2.18%	6.09%	
2015-2016	\$ 432,917.28	\$ 181,575.00	\$ 13,043.87	\$ 1,179.47	\$ -	\$ 626,356.68	\$ 3,600.00	0.85%	2.09%	2.11%	4.54%	
2016-2017	\$ 626,356.68	\$ 108,702.00	\$ 45,569.47	\$ 1,829.05	\$ -	\$ 778,799.10	\$ 3,600.00	0.29%	2.33%	6.65%	3.63%	5.39%
2017-2018	\$ 778,799.10	\$ 534,109.67	\$ 39,383.38	\$ 2,693.35	\$ -	\$ 1,349,598.80	\$ 3,600.00	0.17%	1.01%	4.43%	4.38%	4.94%
2018-2019	\$ 1,349,598.80	\$ 1,550,000.00	\$ (80,247.33)	\$ 1,219.21	\$ 22,190.56	\$ 2,840,322.82	\$ 664.46	-1.36%	2.81%	5.20%	5.20%	5.13%
2014-2019	\$ 368,264.01	\$ 2,431,311.67	\$ 26,442.84	\$ 7,886.26	\$ 22,190.56	\$ 2,840,322.82	\$ 15,064.46	-0.21%	1.51%	4.11%	4.77%	5.15%
PARS OPEB	\$ 1,349,598.80	\$ 750,000.00	\$ (63,345.52)	\$ 1,069.29	\$ 22,190.56	\$ 2,057,374.55	\$ 600.00					
PARS PENS	\$ -	\$ 800,000.00	\$ (16,901.81)	\$ 149.92	\$ -	\$ 782,948.27	\$ 64.46					



MID-PENINSULA WATER DISTRICT

OPEB Pre-Funding Trust Program &
Pension Rate Stabilization Program (PRSP) Client Review
December 20, 2018

CONTACTS



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Vice President, Portfolio Manager



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(415) 705-7579

WILL ROGERS

Client Services Coordinator



wrogers@pars.org

(800) 540-6369 x161

PARS TRUST TEAM



Trust Administrator & Consultant

- Recordkeeping/account valuations
- Monitors contributions
- Processes distributions
- Handles all agency/participant inquiries
- Monitor plan compliance

Trustee

- Safeguards plan assets
- Oversight protection
- Plan fiduciary
- Custodian of assets

Investment Manager

- An investment sub-advisor to U.S. Bank
- Manages plan investments according to established policy
- Uses open architecture
- Active and passive options

Corporate Experience

34 years (1984 – 2018)

155 years (1863 – 2018)

99 years (1919 – 2018)

Plans Under Administration

1,600+ plans, 850+ public agencies, 400,000+ participants

Dollars under Administration

Over \$3.3 billion

Over \$5.0 trillion

Over \$15.5 billion
under management

OPEB/PENSION CLIENT LIST

UPDATED: DECEMBER 2018

CITIES & TOWNS

Alameda

Alhambra

Atherton

Atwater

Bakersfield

Bell Gardens

Beverly Hills

Brea*

Brisbane

Burlingame*

Camarillo

Capitola*

Chino Hills

Colma

Commerce

Corcoran*

Coronado

Covina

Crescent City

Cudahy

Cupertino

Cypress*

Daly City

Dinuba

Duarte

Dublin

El Centro*

El Segundo*

Elk Grove

Emeryville

Escondido

Fairfax

Fountain Valley

Fullerton

Galt

Glendale

Grass Valley

Half Moon Bay

Healdsburg*

Hemet

Hercules

Hermosa Beach

Huntington Beach

Indian Wells

La Habra

La Mesa*

La Verne

Lake Forest

Lakewood

Lemon Grove

Livermore

Lodi

Los Altos Hills

Los Gatos

Mammoth Lakes

Manhattan Beach

Morgan Hill

Napa

National City

Norwalk

Novato

Oakley

Oroville

Palo Alto

Palmdale

Pasadena

Perris

Pico Rivera

Piedmont

Pinole

Pleasanton

Port Hueneme

Rancho Cucamonga*

Redding

Redwood City

Rialto

Richmond

Rohnert Park

Rolling Hills

Rosemead

San Leandro

San Ramon

Santa Ana

Santa Clara

Santa Clarita

Sausalito

Solana Beach

Stanton

Stockton

Taft

Temecula

Temple City

Thousand Oaks*

Tiburon

Tustin

Union City

Upland

Vallejo

Villa Park

West Covina

West Sacramento

Westminster*

Woodland

Yountville

Yuba City

Yucca Valley

COUNTIES

Amador

Calaveras

Colusa

Contra Costa

Humboldt

Imperial

Inyo

Kern

Kings

Lake

Lassen

Merced

Mono

Napa

Nevada

Placer

Plumas

Riverside

San Benito

Shasta

Siskiyou

Solano

Sonoma

Sutter

Trinity

Tulare

Yolo

Bolded agencies have adopted PRSP

* PRSP only

OPEB/PENSION CLIENT LIST (CONT.)

UPDATED: DECEMBER 2018

SPECIAL DISTRICTS

Alameda County MAD

Beach Cities Heath District

Bodega Bay Public Utility District
Calaveras County Water District
California JPIA

California Joint Powers RMA

Central Contra Costa Sanitary District

Central Contra Costa Transit Authority
Coastside Fire Protection District
Contra Costa Employees' Retirement Association
Contra Costa MVCD
Crestline Village Water District

Delta Diablo (Sanitation District)

Desert Recreation District

East Bay Regional Park District

East Contra Costa Fire Protection District

East Orange County Water District

Eastern Sierra Community Services District

El Dorado Hills County Water District

Fallbrook Public Utility District

Fort Ord Reuse Authority

Fresno Irrigation District
Fresno Metropolitan Flood Control District
Glenn-Colusa Irrigation District

Goleta Cemetery District

Goleta West Sanitary District

Great Basin Unified APCD

Hayward Area Recreation & Park District

Hesperia Fire Protection District

Housing Authority of the County of Butte

Housing Authority of the County of Contra Costa
Housing Authority of the County of San Bernardino

Housing Authority of the County of Santa Cruz

Humboldt Bay Municipal Water District

Humboldt No. 1 Fire Protection District
Menlo Park Fire Protection District

Mesa Water District

Metropolitan Transportation Commission

Mid-Peninsula Regional Open Space District

Mid-Peninsula Water District

Mojave Desert AQMD

Montecito Fire Protection District

Monterey Bay Air Resources District

Monterey Bay UAPCD

Moraga-Orinda Fire Protection District

Municipal Water District of Orange County

Napa County Mosquito Abatement District

Nevada County Consolidated Fire District*

Novato Sanitary District

Orange County

Mosquito and Vector Control District

Orange County Water District

Pebble Beach Community Services District

Placer County Resource Conservation District

Rancho Cucamonga Fire Protection District*

Rancho Murrieta Community Services District
Rowland Water District

Sacramento Area Flood Control Agency

San Elijo Joint Powers Authority

San Mateo County MVCD

Santa Barbara County Law Library

Santa Cruz Regional 9-1-1

South Montebello Irrigation District

South Coast Water District

South Orange County Wastewater Authority

South Placer Fire Protection District

Southern Marin Fire Protection District

Superior Court of CA, County of Contra Costa

Superior Court of CA, County of Imperial

Superior Court of CA, County of Inyo

Superior Court of CA, County of Kern

Superior Court of CA, County of Marin

Superior Court of CA, County of Merced

Superior Court of CA, County of Orange

Superior Court of CA, County of San Mateo

Superior Court of CA, County of Shasta

Superior Court of CA, County of Siskiyou

Superior Court of CA, County of Sonoma

Sweetwater Springs Water District*

Three Valleys Municipal Water District

Twentynine Palms Water District*

Vallejo Flood and Wastewater District

Ventura Regional Sanitation District

Walnut Valley Water District

West Bay Sanitary District

West County Wastewater District

Western Riverside Council of Governments

Yorba Linda Water District

Bolded agencies have adopted PRSP

* PRSP only

OPEB/PENSION CLIENT LIST (CONT.)

UPDATED: DECEMBER 2018

SCHOOL DISTRICTS

Auburn Union School District
Alta Loma School District
Bass Lake Joint Union Elementary School District
Bellflower Unified School District
Beverly Hills Unified School District
Calistoga Joint Unified School District
Campbell Union High School District
Compton Unified School District
Corning Union Elementary School District
Coronado Unified School District
Cotati-Rohnert Park Unified School District
El Dorado Union High School District
El Monte Union High School District
Fontana Unified School District

Fowler Unified School District
Hermosa Beach City School District*
Hesperia Unified School District
John Swett Unified School District
Lakeside Union School District
Lemon Grove School District
Madera Unified School District
Manteca Unified School District
Moreno Valley Unified School District
Natomas Unified School District
Ocean View School District
Ontario-Montclair School District
Placer Union High School District
Red Bluff Joint Union High School District

Red Bluff Union Elementary School District
River Delta Unified School District
Riverdale Joint Union School District
San Bruno Park School District
San Marino Unified School District
Santa Barbara Unified School District
Santa Rita Union School District
Trona Joint Unified School District
Twin Rivers Unified School District
Visalia Unified School District
Westside Union School District
Whittier City School District
Wilsona School District

COMMUNITY COLLEGE DISTRICTS

Citrus CCD*
Coast CCD*
Grossmont-Cuyamaca CCD
Hartnell CCD*
Imperial CCD
Marin CCD
Pasadena CCD
San Bernardino CCD
San Luis Obispo CCD (Cuesta College)*
State Center CCD
Victor Valley CCD*
West-Valley Mission CCD*
Yosemite CCD

SPECIAL EDUCATION DISTRICTS

Sonoma County Office of Education
Intelcom

Bolded agencies have adopted PRSP

* PRSP only

SUMMARY OF AGENCY'S OPEB PLAN

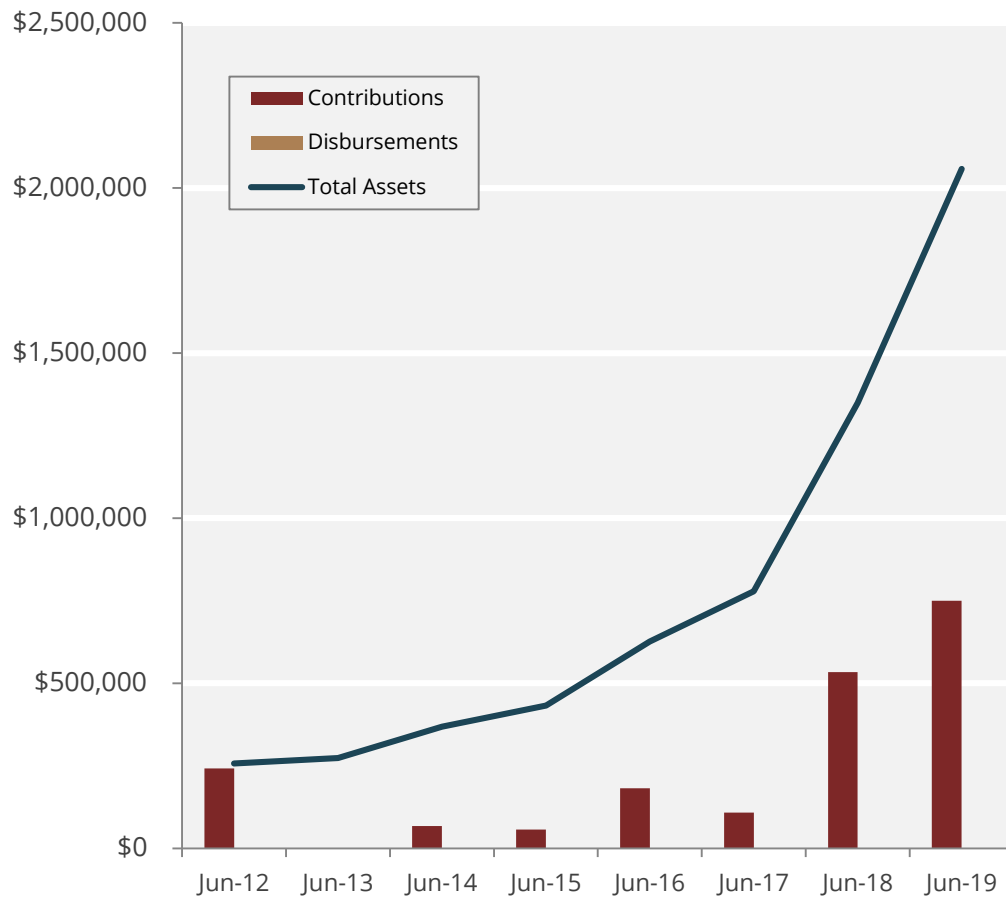
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	April 28, 2011
Plan Administrators:	General Manager
Current Investment Strategy:	Moderate HighMark Plus (Active) Strategy; Pooled Account

AS OF OCTOBER 31, 2018:

Initial Contribution:	August 2011: \$81,159
Additional Contributions:	\$1,855,834
Total Contributions:	\$1,940,993
Disbursements:	\$0.00
Total Investment Earnings:	\$126,694
Account Balance:	\$2,057,375

SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF OCTOBER 31, 2018:



Plan Year Ending

*Plan Year Ending June 2012 is based on 11 months of activity.

**Plan Year Ending June 2019 is based on 4 months of activity.

OPEB ACTUARIAL RESULTS

- We have received the actuarial report by Demsey Filliger & Associates, LLC dated June 5, 2018 with a valuation date as of July 1, 2017. In the table below, we have summarized the results.

Demographic Study Valuation Date: July 1, 2017	
Actives	18
Retirees	4
Total	22
Average Active Age	50.8
Average Active Agency Service	14.34

OPEB ACTUARIAL RESULTS

	July 1, 2017 Valuation 5.50% Discount Rate
Total OPEB Liability	\$2,978,186
Plan Fiduciary Net Position	\$778,799
Net OPEB Liability	\$2,199,387
Amortization of Net OPEB Liability	\$107,186
Service Cost	\$100,557
Actuarially Determined Contribution	\$207,743
Annual Benefit Payments (Pay-as-you-Go) for FY 2018-19	\$71,770

Rule of thumb: For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

SUMMARY OF AGENCY'S PENSION PLAN

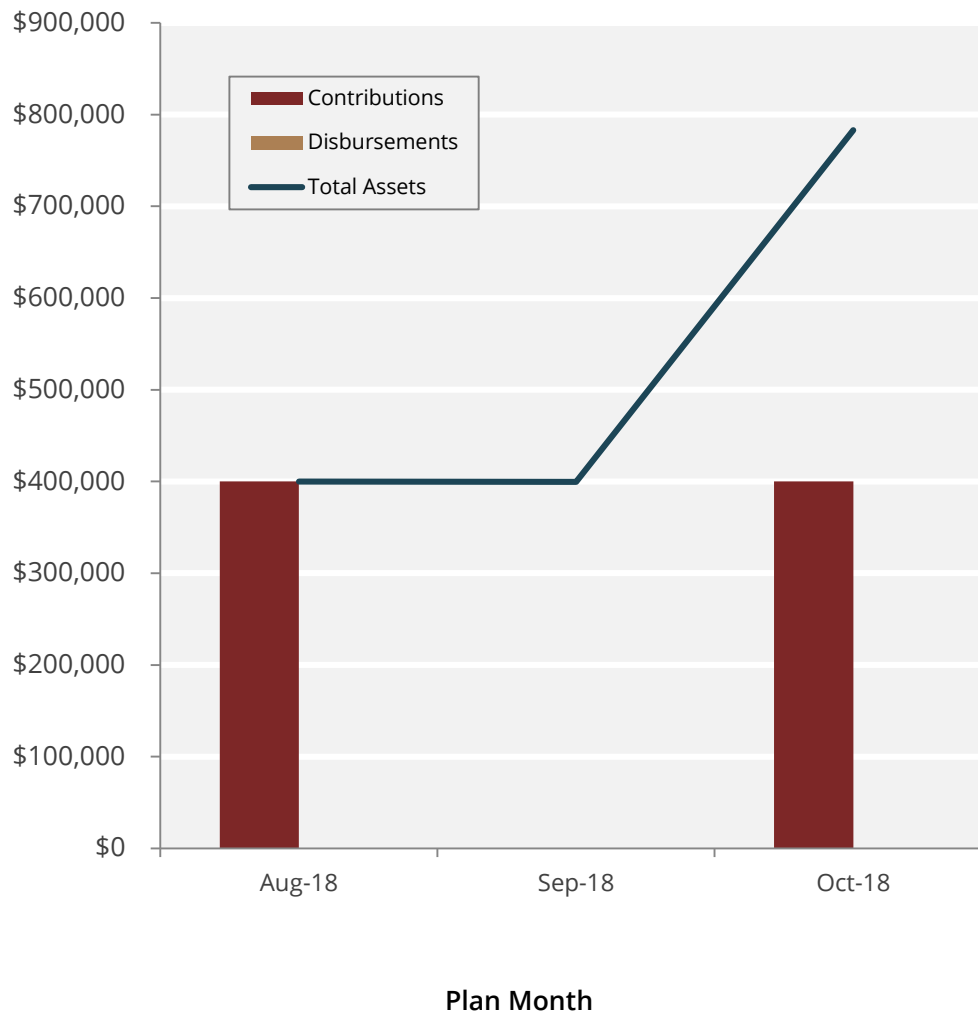
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	February 22, 2018
Plan Administrator:	General Manager
Current Investment Strategy:	Moderate HighMark Plus (Active) Strategy; Pooled Account

AS OF OCTOBER 31, 2018:

Initial Contribution:	August 2018: \$400,000
Additional Contributions:	\$400,000
Total Contributions:	\$800,000
Disbursements:	\$0.00
Total Investment Earnings:	(\$16,902)
Account Balance:	\$782,948

SUMMARY OF AGENCY'S PENSION PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF OCTOBER 31, 2018:



Month	Contributions	Disbursements	Total Assets
Aug-18	\$400,000	\$0	\$400,017
Sep-18	\$0	\$0	\$399,564
Oct-18	\$400,000	\$0	\$782,948



PENSION FUNDING STATUS

As of June 30, 2017, Mid-Peninsula Water District's CalPERS pension plan is funded as follows*:

Actuarial Liability	\$6.7 M
Assets	\$5.2 M
Unfunded Liability	\$1.5 M
Funded Ratio	78.1%
Employer Contribution Amount (FY 18-19)	\$274 K
Projected Employer Contribution Amount (FY 24-25)	\$349 K (27.1% ↑)

PARS: Mid Peninsula Water District

October 31, 2018

**Presented by
Randall Yurchak, CFA**

DISCUSSION HIGHLIGHTS – Mid Peninsula Water District

Investment objective – Moderate Highmark Plus

Asset Allocation:

- Allocation: 47.9% Stocks (40-60% range), 46.5% Bonds (40-60% range), 5.6% Cash (0-20% range)
- Breakdown: Large cap 25.2%, Mid-cap 3.8%, Small cap 8.1%, International 9.4%, REITs 1.4%

Performance *(as of 10-31-2018) Net of fund fees, gross of investment management fees*:

- 3-month: -3.00%
- 1-year: -.01%
- 3-year: 3.87%
- Inception to date: (09/2011) 4.99%
- Bonds: Fixed income impacted by rising rates and yields; active managers outperformed
- Stocks: Equity market weakness due to trade, tightening monetary policy, and geopolitical uncertainty
 - Domestic markets: Large Cap modestly trailed benchmarks, Small Cap outperformed
 - International: Lagged the US markets given higher sensitivity to trade issues and tightening liquidity

Changes

- Sold Nationwide Bailard International (NWHMX); Purchased DFA Large Cap International Fund (DFALX)
- Reduced intermediate-term fixed income holdings; increased Vanguard Short-term Investment Grade Bond Fund (VFSUX)

Outlook

- 2019 US earnings to continue to benefit from the 2018 tax plan
- Fed chair Powell moderated interest rate expectations and trade truce between US and China positive for sentiment and growth
- Trade and tariffs will likely keep markets volatile
- International should improve on trade softening and China stimulus
- Political uncertainty: North Korea, Russia, China, and Trump

Selected Period Performance Mid Peninsula Water District

Period Ending: 10/31/2018

Sector	1 Month	3 Months	Year to Date (10 Months)	1 Year	3 Years	5 Years	Since Inception (86 Months)
Cash Equivalents	.18	.47	1.33	1.50	.78	.48	.34
<i>Lipper Money Market Funds Index</i>	.16	.45	1.27	1.42	.69	.41	.29
Total Fixed Income	-.44	-.46	-1.82	-1.53	1.59	1.86	2.42
<i>BBG Barclays US Aggregate Bd Index (USD)</i>	-.79	-.79	-2.38	-2.05	1.04	1.83	1.97
Total Equities	-7.73	-5.69	-1.12	2.50	9.19	7.98	11.02
Large Cap Funds	-7.29	-4.04	2.47	6.75	10.97	10.61	13.76
<i>S&P 500 Composite Index</i>	-6.84	-3.25	3.01	7.35	11.52	11.34	14.17
Mid Cap Funds	-8.24	-6.01	-1.57	2.72	9.00	7.19	10.85
<i>Russell Midcap Index</i>	-8.31	-6.07	-1.47	2.80	9.04	8.97	12.69
Small Cap Funds	-8.97	-5.69	4.28	8.37	12.62	10.72	14.86
<i>Russell 2000 Index (USD)</i>	-10.86	-9.26	-.60	1.85	10.68	8.01	12.29
International Equities	-8.27	-10.33	-12.62	-10.38	4.02	1.73	3.26
<i>MSCI EAFE Index (Net)</i>	-7.96	-8.95	-9.28	-6.85	3.62	2.02	5.37
<i>MSCI EM Free Index (Net USD)</i>	-8.71	-11.65	-15.72	-12.52	6.52	.78	1.33
REIT Funds	-2.91	-3.07	-2.52	-.09	3.74		
<i>Wilshire REIT Index</i>	-2.98	-2.86	-.80	1.80	4.03		
Total Managed Portfolio	-4.10	-3.00	-1.30	-.01	3.87	3.72	4.99

Account Funded Date: 8/18/2011. Performance Inception Date: 9/01/2011

Plan performance is indicative of plan being invested in account 6746019203, PARS Moderately Conservative HM Plus, from 9/01/2011 until December 31, 2017 and then subsequently being invested in account 6746019205, PARS HighMark Plus Moderate from January 1, 2018 to August 31, 2018, and then in account 6746050106 from September 1, 2018 and onwards. Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value.

Asset Allocation – Mid Peninsula Water District

As of October 31, 2018

Current Asset Allocation		Investment Vehicle	
Equity		Range: 40%-60%	47.86%
Large Cap Core	COFYX	Columbia Contrarian Core Inst3	3.95%
	VGIAX	Vanguard Growth & Income Adm	10.11%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	6.43%
Large Cap Growth	HNACX	Harbor Capital Appreciation Retirement	2.36%
	PRUFX	T. Rowe Price Growth Stock Fund I	2.38%
Mid Cap Core	IWR	iShares Russell MidCap Index Fund	3.77%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Val R6	4.50%
Small Cap Growth	PRJIX	T. Rowe Price New Horizons Fund I	3.57%
International Core	NWHMX	Nationwide Baidard Intl Equities Fund	2.53%
International Value	DODFX	Dodge & Cox International Stock Fund	1.87%
International Growth	MGRDX	MFS® International Growth R6	1.85%
Emerging Markets	HHHYX	Hartford Schrodgers Emerging Mkts Eq Y	3.16%
Real Estate	VNQ	Vanguard REIT ETF	1.37%
Fixed Income		Range: 40%-60%	46.51%
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	7.91%
Intermediate-Term	DBLFX	DoubleLine Core Fixed Income I	12.83%
	PTTRX	PIMCO Total Return Instl Fund	12.93%
	PTRQX	Prudential Total Return Bond Q	12.86%
Cash		Range: 0%-20%	5.62%
	FGZXX	First American Government Oblig Z	5.62%
TOTAL			100.00%

Mid Peninsula Water District

For Period Ending October 31, 2018

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to- Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	-7.04	-3.97	-0.53	3.75	9.54	10.36	13.81
Dodge & Cox Stock	-5.86	-4.15	1.22	6.37	12.06	10.42	13.40
Harbor Capital Appreciation Retirement	-10.02	-5.01	6.58	9.50	12.78	13.48	15.43
Vanguard Growth & Income Adm	-7.29	-3.34	3.09	7.47	11.28	11.52	13.11
T. Rowe Price Growth Stock I	-8.74	-5.78	5.30	7.04	12.53	13.00	16.11
S&P 500 TR USD	-6.84	-3.25	3.01	7.35	11.52	11.34	13.24
MID CAP EQUITY FUNDS							
Russell Mid Cap Value TR USD	-7.20	-6.68	-4.30	0.16	8.15	8.11	13.35
iShares Russell Mid-Cap ETF	-8.33	-6.11	-1.61	2.62	8.85	8.79	14.01
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	-9.14	-8.53	-3.18	1.86	9.22	9.02	16.30
T. Rowe Price New Horizons I	-8.80	-1.89	14.48	17.32	17.25	14.13	19.82
Russell 2000 TR USD	-10.86	-9.26	-0.60	1.85	10.68	8.01	12.44
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock	-6.11	-9.69	-12.11	-10.80	3.34	1.54	8.24
Nationwide Baidard Intl Eqs R6	-8.73	-9.63	-13.99	-12.05	1.01	1.70	6.65
MFS® International Growth R6	-8.94	-9.48	-5.89	-3.07	7.53	4.41	9.06
MSCI EAFE NR USD	-7.96	-8.95	-9.28	-6.85	3.62	2.02	6.89
Hartford Schrodgers Emerging Mkts Eq Y	-8.80	-11.83	-15.38	-12.48	7.87	1.44	8.19
MSCI EM Free Index	-8.71	-11.65	-15.72	-12.52	6.52	0.78	7.84

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

Mid Peninsula Water District

For Period Ending October 31, 2018

REAL ESTATE FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to- Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Vanguard Real Estate ETF	-2.96	-3.14	-2.43	-0.08	3.98	7.09	11.27
BOND FUNDS							
DoubleLine Core Fixed Income I	-0.65	-0.53	-1.26	-0.94	2.09	2.83	--
PIMCO Total Return Instl	-0.27	-0.41	-1.89	-1.59	1.81	2.02	5.14
PGIM Total Return Bond R6	-0.60	-0.89	-2.56	-1.72	2.55	3.02	6.50
Vanguard Short-Term Investment-Grade Adm	-0.13	0.34	0.16	0.05	1.57	1.63	3.55
BBgBarc US Agg Bond TR USD	-0.79	-0.79	-2.38	-2.05	1.04	1.83	3.94

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

PARS DIVERSIFIED PORTFOLIOS CONSERVATIVE

Q3 2018

WHY THE PARS DIVERSIFIED CONSERVATIVE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

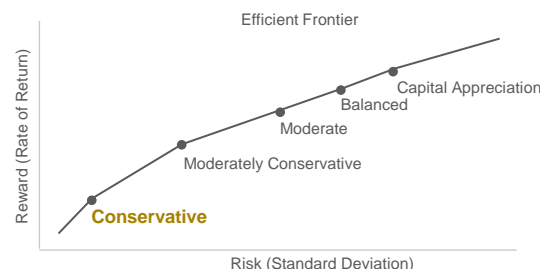
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide a consistent level of inflation-protected income over the long-term. The major portion of the assets will be fixed income related. Equity securities are utilized to provide inflation protection.



ASSET ALLOCATION — CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	5 – 20%	15%	16%
Fixed Income	60 – 95%	80%	78%
Cash	0 – 20%	5%	6%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	0.98%
Blended Benchmark*, **	0.93%
Year To Date*	0.08%
Blended Benchmark*	0.50%
1 Year	1.25%
Blended Benchmark	1.50%
3 Year	3.76%
Blended Benchmark	3.33%
5 Year	3.35%
Blended Benchmark	3.19%
10 Year	4.89%
Blended Benchmark	3.99%

Index Plus Composite (Passive)

Current Quarter*	0.85%
Blended Benchmark*, **	0.93%
Year To Date*	-0.02%
Blended Benchmark*	0.50%
1 Year	1.06%
Blended Benchmark	1.50%
3 Year	3.17%
Blended Benchmark	3.33%
5 Year	3.02%
Blended Benchmark	3.19%
10 Year	4.22%
Blended Benchmark	3.99%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 7.5% S&P500, 1.5% Russell Mid Cap, 2.5% Russell 2000, 1% MSCI EM (net), 2% MSCI EAFE (net), 52.25% BBG Barclays US Agg, 25.75% ICE BofAML 1-3 Yr US Corp/Gov't, 2% ICE BofAML US High Yield Master II, 0.5% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 12% S&P 500; 1% Russell 2000, 2% MSCI EAFE (net), 40% ICE BofAML 1-3 Year Corp./Gov't, 40% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 15% S&P 500, 40% ICE BofAML 1-3Yr Corp/Gov, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus Composite (Active)

2008	-9.04%
2009	15.59%
2010	8.68%
2011	2.19%
2012	8.45%
2013	3.69%
2014	3.88%
2015	0.29%
2016	4.18%
2017	6.73%

Index Plus Composite (Passive)

2008	-6.70%
2009	10.49%
2010	7.67%
2011	3.70%
2012	6.22%
2013	3.40%
2014	4.32%
2015	0.06%
2016	3.75%
2017	5.52%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	07/2004
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	07/2004
No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

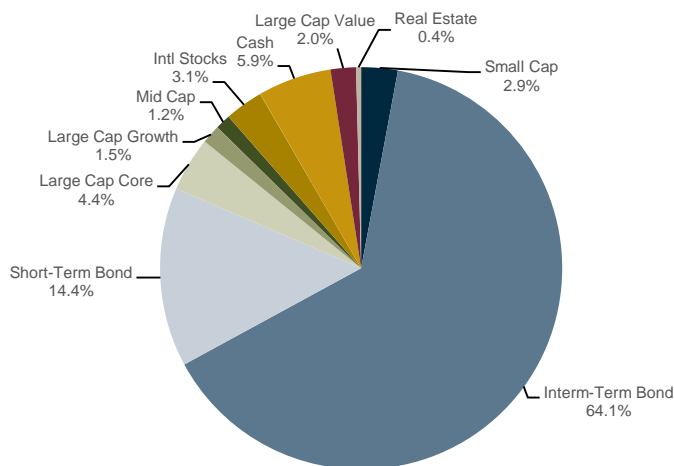
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons - I
Nationwide Baidard International Equities
Dodge & Cox International Stock
MFS International Growth – R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond – R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value
iShares S&P 500 Growth
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Composites are managed by HighMark's HighMark Capital Advisors (HCA) with full investment authority according to the PARS Conservative active and passive objectives and do not have equity concentration of 25% or more in one common stock security.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. As of September 30, 2018, the blended rate is 0.58%. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 36 basis points paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a 10 million initial value would grow to \$12.54 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. Client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. In Q1 2010, the PARS Composite definition was changed from \$750,000 minimum to no minimum. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Free Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays Capital (BC) U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The Merrill Lynch (ML) 1-3 Year U.S. Corporate & Government Index tracks the bond performance of The ML U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

HIGHMARK CAPITAL MANAGEMENT

350 California Street
Suite 1600
San Francisco, CA 94104
800-582-4734

ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has nearly 100 years (including predecessor organizations) of institutional money management experience with \$7.9 billion in assets under management and \$7.6 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager
Investment Experience: since 1994
HighMark Tenure: since 1997
Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager
Investment Experience: since 2004
HighMark Tenure: since 2014
Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager
Investment Experience: since 1985
HighMark Tenure: since 1995
Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2010
Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2007
Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®

Senior Portfolio Manager
Investment Experience: since 2002
HighMark Tenure: since 2017
Education: MBA, Arizona State University; BS, University of Washington

Asset Allocation Committee

Number of Members: 16
Average Years of Experience: 27
Average Tenure (Years): 14

Manager Review Group

Number of Members: 7
Average Years of Experience: 18
Average Tenure (Years): 6

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

PARS DIVERSIFIED PORTFOLIOS MODERATELY CONSERVATIVE

Q3 2018

WHY THE PARS DIVERSIFIED MODERATELY CONSERVATIVE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

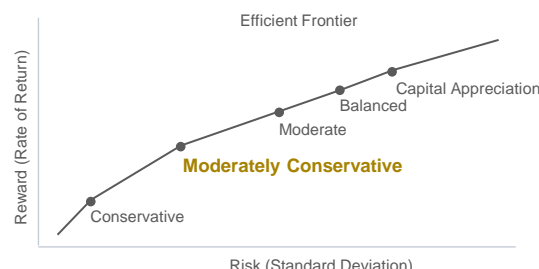
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.



ASSET ALLOCATION — MODERATELY CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	20 - 40%	30%	31%
Fixed Income	50 - 80%	65%	66%
Cash	0 - 20%	5%	3%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	1.69%
Blended Benchmark*, **	1.66%
Year To Date*	1.22%
Blended Benchmark*	1.57%
1 Year	3.18%
Blended Benchmark	3.47%
3 Year	5.64%
Blended Benchmark	5.45%
5 Year	4.62%
Blended Benchmark	4.71%
10 Year	6.03%
Blended Benchmark	5.37%

Index Plus Composite (Passive)

Current Quarter*	1.53%
Blended Benchmark*, **	1.66%
Year To Date*	1.01%
Blended Benchmark*	1.57%
1 Year	2.85%
Blended Benchmark	3.47%
3 Year	5.18%
Blended Benchmark	5.45%
5 Year	4.45%
Blended Benchmark	4.71%
10 Year	5.34%
Blended Benchmark	5.37%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 15.5% S&P500, 3% Russell Mid Cap, 4.5% Russell 2000, 2% MSCI EM (net), 4% MSCI EAFE (net), 49.25% BBG Barclays US Agg, 14% ICE BofAML 1-3 Yr US Corp/Gov't, 1.75% ICE BofAML US High Yield Master II, 1% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 25% S&P 500; 1.5% Russell 2000, 3.5% MSCI EAFE (net), 25% ICE BofAML 1-3 Year Corp./Gov't, 40% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 30% S&P 500, 25% ICE BofAML 1-3Yr Corp/Gov, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus Composite (Active)

2008	-15.37%
2009	18.71%
2010	10.46%
2011	1.75%
2012	10.88%
2013	7.30%
2014	4.41%
2015	0.32%
2016	4.94%
2017	9.56%

Index Plus Composite (Passive)

2008	-12.40%
2009	11.92%
2010	9.72%
2011	3.24%
2012	8.24%
2013	6.78%
2014	5.40%
2015	-0.18%
2016	5.42%
2017	8.08%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	08/2004
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	05/2005
No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

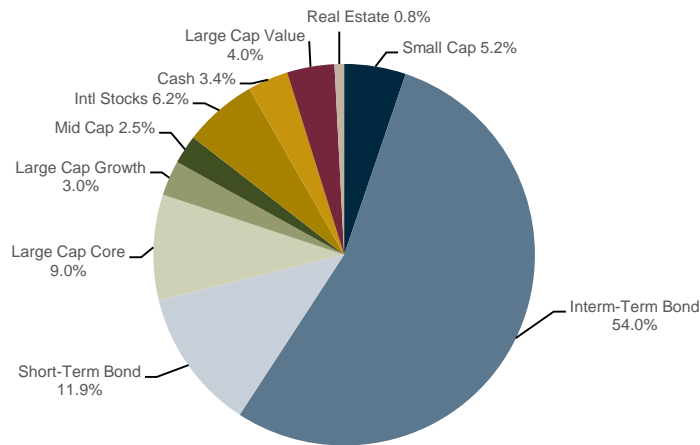
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons - I
Nationwide Baidard International Equities
Dodge & Cox International Stock
MFS International Growth – R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond – R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value
iShares S&P 500 Growth
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Composites are managed by HighMark's HighMark Capital Advisors (HCA) with full investment authority according to the PARS Moderately Conservative active and passive objectives and do not have equity concentration of 25% or more in one common stock security.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. As of September 30, 2018, the blended rate is 0.58%. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 36 basis points paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a 10 million initial value would grow to \$12.54 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. Client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. In Q1 2010, the PARS Composite definition was changed from \$750,000 minimum to no minimum. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

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HIGHMARK CAPITAL MANAGEMENT

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ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has nearly 100 years (including predecessor organizations) of institutional money management experience with \$7.9 billion in assets under management and \$7.6 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager

Investment Experience: since 1994

HighMark Tenure: since 1997

Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager

Investment Experience: since 2004

HighMark Tenure: since 2014

Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager

Investment Experience: since 1985

HighMark Tenure: since 1995

Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager

Investment Experience: since 1987

HighMark Tenure: since 2010

Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager

Investment Experience: since 1987

HighMark Tenure: since 2007

Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®

Senior Portfolio Manager

Investment Experience: since 2002

HighMark Tenure: since 2017

Education: MBA, Arizona State University;

BS, University of Washington

Asset Allocation Committee

Number of Members: 16

Average Years of Experience: 27

Average Tenure (Years): 14

Manager Review Group

Number of Members: 7

Average Years of Experience: 18

Average Tenure (Years): 6

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

PARS DIVERSIFIED PORTFOLIOS MODERATE

Q3 2018

WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

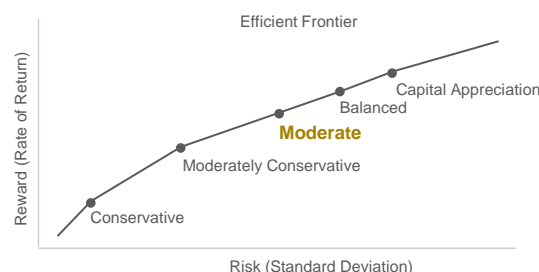
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	51%
Fixed Income	40 - 60%	45%	46%
Cash	0 - 20%	5%	3%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	2.59%
Blended Benchmark*, **	2.70%
Year To Date*	2.87%
Blended Benchmark*	3.32%
1 Year	5.93%
Blended Benchmark	6.37%
3 Year	8.21%
Blended Benchmark	8.30%
5 Year	6.30%
Blended Benchmark	6.64%
10 Year	7.15%
Blended Benchmark	6.99%

Index Plus Composite (Passive)

Current Quarter*	2.50%
Blended Benchmark*, **	2.70%
Year To Date*	2.59%
Blended Benchmark*	3.32%
1 Year	5.53%
Blended Benchmark	6.37%
3 Year	7.82%
Blended Benchmark	8.30%
5 Year	6.16%
Blended Benchmark	6.64%
10 Year	6.81%
Blended Benchmark	6.99%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% BBG Barclays US Agg, 10% ICE BofAML 1-3 Yr US Corp/Govt, 1.50% ICE BofAML US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 43% S&P 500, 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofAML 1-3 Year Corp./Govt, 30% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 50% S&P 500, 15% ICE BofAML 1-3Yr Corp/Govt, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus Composite (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%
2016	6.45%
2017	13.19%

Index Plus Composite (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%
2016	7.23%
2017	11.59%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	10/2004
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	05/2006
No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

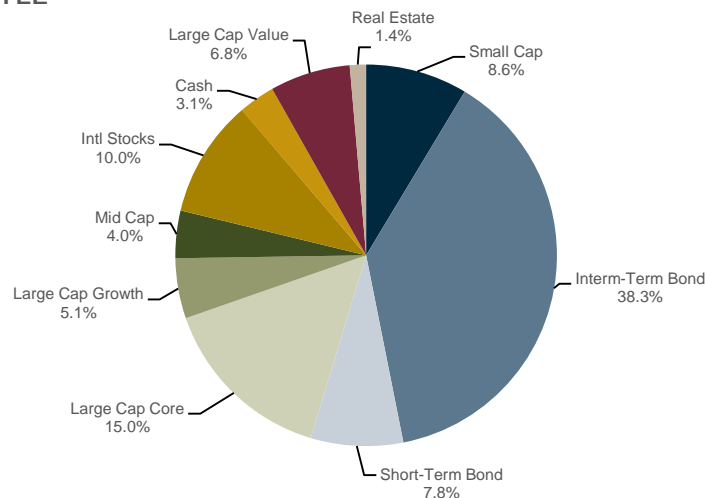
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons - I
Nationwide Baidard International Equities
Dodge & Cox International Stock
MFS International Growth – R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond – R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value
iShares S&P 500 Growth
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



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The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. As of September 30, 2018, the blended rate is 0.58%. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 36 basis points paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a 10 million initial value would grow to \$12.54 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. Client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. In Q1 2010, the PARS Composite definition was changed from \$750,000 minimum to no minimum. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

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Average Years of Experience: 27

Average Tenure (Years): 14

Manager Review Group

Number of Members: 7

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PARS DIVERSIFIED PORTFOLIOS BALANCED

Q3 2018

WHY THE PARS DIVERSIFIED BALANCED PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

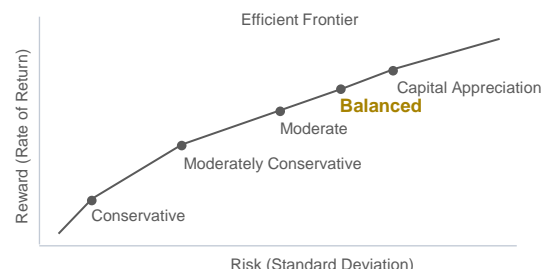
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return.



ASSET ALLOCATION — BALANCED PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	50 – 70%	60%	61%
Fixed Income	30 – 50%	35%	36%
Cash	0 – 20%	5%	3%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	3.14%
Blended Benchmark*, **	3.22%
Year To Date*	3.82%
Blended Benchmark*	4.17%
1 Year	7.44%
Blended Benchmark	7.83%
3 Year	9.53%
Blended Benchmark	9.75%
5 Year	7.14%
Blended Benchmark	7.62%
10 Year	7.72%
Blended Benchmark	7.85%

Index Plus Composite (Passive)

Current Quarter*	2.99%
Blended Benchmark*, **	3.22%
Year To Date*	3.27%
Blended Benchmark*	4.17%
1 Year	6.75%
Blended Benchmark	7.83%
3 Year	9.18%
Blended Benchmark	9.75%
5 Year	7.03%
Blended Benchmark	7.62%
10 Year	7.37%
Blended Benchmark	7.85%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 32% S&P500, 6% Russell Mid Cap, 9% Russell 2000, 4% MSCI EM (net), 7% MSCI EAFE (net), 27% BBG Barclays US Agg, 6.75% ICE BofAML 1-3 Yr US Corp/Gov't, 1.25% ICE BofAML US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 51% S&P 500; 3% Russell 2000, 6% MSCI EAFE (net), 5% ICE BofAML 1-3 Year Corp./Gov't, 30% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 60% S&P 500, 5% ICE BofAML 1-3Yr Corp/Gov't, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus Composite (Active)

2008	-25.72%
2009	21.36%
2010	14.11%
2011	-0.46%
2012	13.25%
2013	16.61%
2014	4.70%
2015	0.04%
2016	6.81%
2017	15.46%

Index Plus Composite (Passive)

2008	-23.22%
2009	17.62%
2010	12.76%
2011	1.60%
2012	11.93%
2013	15.63%
2014	6.08%
2015	-0.81%
2016	8.25%
2017	13.39%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	10/2006
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	10/2007
No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

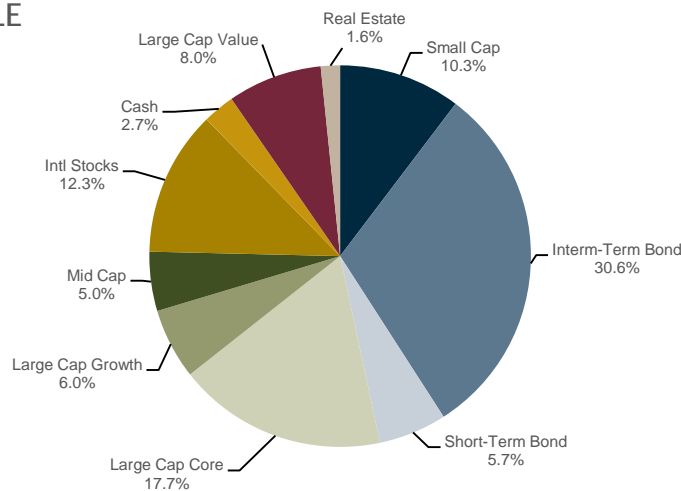
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons - I
Nationwide Baidard International Equities
Dodge & Cox International Stock
MFS International Growth – R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond – R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value
iShares S&P 500 Growth
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
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PARS DIVERSIFIED PORTFOLIOS CAPITAL APPRECIATION

Q3 2018

WHY THE PARS DIVERSIFIED CAPITAL APPRECIATION PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

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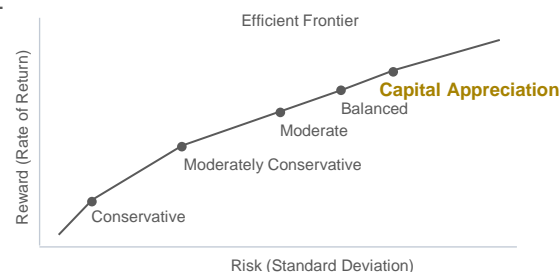
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INVESTMENT OBJECTIVE

The primary goal of the Capital Appreciation objective is growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.



ASSET ALLOCATION — CAPITAL APPRECIATION PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	65 - 85%	75%	76%
Fixed Income	10 - 30%	20%	22%
Cash	0 - 20%	5%	2%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	3.80%
Blended Benchmark*, **	3.93%
Year To Date*	5.04%
Blended Benchmark*	5.24%
1 Year	9.41%
Blended Benchmark	9.81%
3 Year	11.35%
Blended Benchmark	11.81%
5 Year	8.47%
Blended Benchmark	8.91%
Inception to Date (117-Mos.)	10.58%
Blended Benchmark	11.28%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 39.5% S&P500, 7.5% Russell Mid Cap, 10.5% Russell 2000, 5.25% MSCI EM (net), 10.25% MSCI EAFE (net), 16% BBG Barclays US Agg, 3% ICE BofAML 1-3 Yr US Corp/Gov't, 1% ICE BofAML US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus Composite (Active)

2008	N/A%
2009	23.77%
2010	12.95%
2011	-1.35%
2012	13.87%
2013	20.33%
2014	6.05%
2015	-0.27%
2016	8.81%
2017	16.72%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	01/2009
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	N/A
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HOLDINGS

HighMark Plus (Active)

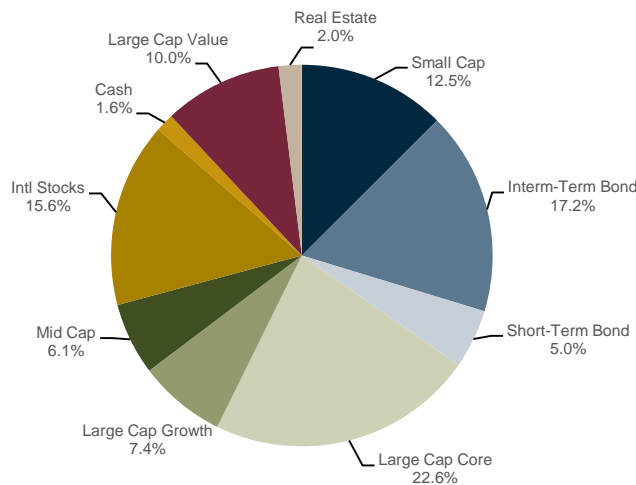
Columbia Contrarian Core I3
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Harbor Capital Appreciation - Retirement
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iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons - I
Nationwide Baidard International Equities
Dodge & Cox International Stock
MFS International Growth – R6
Hartford Schroders Emerging Markets Eq
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AGENDA ITEM NO. 8.B.

DATE: December 20, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: CONSIDER AND CONFIRM MPWD 2019 REGULAR BOARD MEETING SCHEDULE

RECOMMENDATION

Consider and confirm the MPWD 2019 Regular Board Meeting schedule.

FISCAL IMPACT

None.

DISCUSSION

Attached is the proposed schedule for MPWD 2019 regular Board Meetings. Except for November and December, all meetings are scheduled for the 4th Thursday of each month.

November 20, 2019 (3rd Wednesday) is proposed in lieu of the 4th Thursday, which is Thanksgiving, and to work around BAWSCA's November regular 3rd Thursday of the month meeting.

For the December meeting staff is recommending December 19, 2019 (3rd Thursday) in order to work around the Christmas holidays.

Attachments: Proposed 2019 MPWD Regular Board Meeting Schedule

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

UNANIMOUS____ VELLA____ ZUCCA____ WARDEN____ SCHMIDT____ WHEELER____



PROPOSED SCHEDULE

2019 REGULAR BOARD MEETINGS

JANUARY 24, 2019

FEBRUARY 28, 2019

MARCH 28, 2019

APRIL 25, 2019

MAY 23, 2019

JUNE 27, 2019

JULY 25, 2019

AUGUST 22, 2019

SEPTEMBER 26, 2019

OCTOBER 24, 2019

NOVEMBER 20, 2019 (3rd Wednesday)

DECEMBER 19, 2019 (3rd Thursday)

Location: 3 Dairy Lane, Belmont, CA 94002
Time: 6:30PM



AGENDA ITEM NO. 8.C.

DATE: December 20, 2018
TO: Board of Directors
FROM: Tammy Rudock, General Manager

SUBJECT: SCHEDULE MPWD STRATEGIC PLANNING SPECIAL MEETING IN JANUARY 2019

RECOMMENDATION

Schedule the MPWD Strategic Planning Special Meeting in January 2019.

FISCAL IMPACT

None.

BACKGROUND

The MPWD Board of Directors traditionally schedules a Special Meeting in January for its annual strategic planning. The meeting begins at 6:00PM and dinner is served. The last strategic planning session was on January 21, 2016, and action items for a 2-year plan were developed.

DISCUSSION

In the coming year, the MPWD regular Board meeting is scheduled for Thursday, January 24, 2019. Consultant Julie Brown will facilitate the strategic planning meeting and process. Staff has confirmed that she is best available on either Wednesday, January 9, 2019, or Thursday, January 10, 2019. Staff is also available on either of those dates.

For advance preparation, the MPWD's 2017-2018 Strategic Plan is available at:

https://storage.googleapis.com/midpeninsulawater-org/uploads/MPWD_StrategicPlan_201720182.pdf

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

UNANIMOUS_____ VELLA_____ ZUCCA_____ WARDEN_____ SCHMIDT_____ WHEELER_____



TO: Board of Directors

FROM: Tammy A. Rudock
General Manager

DATE: December 20, 2018

MANAGER'S REPORT

FOLLOW-UP FROM 11/21/18 REGULAR BOARD MEETING

- Posted to MPWD website:
 - Quarterly Reconciliation Report on 2016 COP Financing for Period July 1, 2018 through September 30, 2018, and Quarterly Project Fund Report through September 30, 2018.
 - Cost Comparison report for Capital Project 01-1621-CP 2017 Water Main Replacement Project.
 - Financial Audit Report for FYE June 30, 2018.

UPDATE ON SURPLUS REAL PROPERTY

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

A letter was also transmitted to the neighboring property owner to pay the market value of \$35,000 for the encroached property or remove the fencing that is encroaching on MPWD property at 1510 Folger. A response was received on December 14, 2018 from the property owner's attorney and staff will coordinate with District Counsel a Closed Session item on this potential litigation.

MPWD 2019-2010 STRATEGIC PLAN SPECIAL MEETING

Staff contacted Julie Brown who has facilitated the Board's strategic planning process for the past several years, and coordinated her availability with staff on the following two dates in January 2019:

- Wednesday, January 9, 2019
- Thursday, January 10, 2019.

The strategic planning session will start at 6:00PM with dinner and be conducted in a workshop fashion.

HIA MEETING ON JANUARY 3, 2019 WILL FEATURE MPWD PRESENTATION

The Harbor Industrial Association invited the MPWD to present an update on its capital program during its January 3, 2019 business meeting at The Van's Restaurant in Belmont. The District Engineer and staff will be making the presentation.

CONFLICT OF INTEREST CODE

By law, every even-numbered year, local agencies are required to report on its compliance with the requirement to review and/or update their Conflict of Interest Code. There was no change from the report filed by the MPWD in 2016, and staff has contacted San Mateo County representatives for the 2018 report notice and will complete that task upon receipt.

ACWA/JPIA ANNUAL 2018 FALL CONFERENCE

I will provide a summary report at the Board meeting.

WATER CONSERVATION SUMMARY

Water consumption for November was down 5.7% when compared to 2013. (For trend comparison, last year for November was down 20.2% when compared to 2013.)

The R-GPCD (Residential-Gallons per Capita per Day) for November was 83.7 (compared to 86.7 in 2013).

Cumulative water savings from July 1, 2018 through November 30, 2018 (compared to 2013) was -12.1%.

PUBLIC SERVICE ETHICS EDUCATION (AB 1234)

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

- | | |
|------------------|-------------------|
| • Joan Cassman | March 9, 2019 |
| • Jeff Ira | November 23, 2020 |
| • Joubin Pakpour | November 19, 2020 |
| • Candy Pina | December 13, 2020 |
| • Rene Ramirez | December 7, 2020 |
| • Tammy Rudock | November 29, 2020 |
| • Brian Schmidt | _____ |
| • Julie Sherman | March 10, 2019 |
| • Louis Vella | December 4, 2020 |
| • Dave Warden | January 12, 2019 |
| • Kirk Wheeler | _____ |
| • Matt Zucca | April 16, 2019 |

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

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

3-MONTH “LOOK AHEAD” FOR BOARD MEETINGS

JANUARY 24, 2019

- Receive Quarterly Reconciliation Report on 2016 COP Financing for period October 1, 2018 through December 31, 2018, and Quarterly Project Fund Report through December 31, 2018.
- Annual water awareness calendar contest award presentations.
- Closed Session: Complete General Manager annual performance evaluation.
- Required Statement of Facts, Roster of Public Agencies Filing, to be completed and transmitted to the Secretary of State and County of San Mateo regarding verification of the governing body and its members and officers (CA Government Code § 53051).
- Receive BAWSCA report.

FEBRUARY 28, 2019

- Review and approve MPWD 2019-2021 Strategic Plan.
- Receive mid-year review of current fiscal year Operating and Capital Budgets and consider/approve Amended Budgets (as needed).
- Schedule required bi-annual Harassment Prevention training expanded by January 1, 2020 for all employees (SB 1343) and for elected officials (AB 1661).

MARCH 28, 2019

- Consider preliminary revenue requirements and proposed water rate adjustments.
- Discuss preliminary DRAFT Operating Budget for FY 2019/2020.
- Discuss preliminary DRAFT Capital Budget for FY 2019/2010.
- Discuss 2016 COP CIP funding gap options.
- Receive BAWSCA report.

UPCOMING MEETINGS/EVENTS

BAWSCA Water Management Meeting (Foster City): January 3, 2019

HIA Meeting (Belmont): January 3, 2019

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



TO: Board of Directors

FROM: Candy Pina

DATE: December 20, 2018

ADMINISTRATIVE SERVICES MANAGER'S REPORT

FINANCIAL REPORTING:

1) Schedule of Cash and Investments:

SCHEDULE OF CASH AND INVESTMENTS		
CASH ACCOUNT	BALANCE @ 11/30/18	BALANCE @ 12/13/18
PETTY CASH	\$400	\$400
CASH DRAWER	\$200	\$200
WELLS FARGO CHECKING*	\$168,812	\$189,098
LAIF	\$4,961,766	\$5,061,766
BNY INSTALLMENT ACCOUNT	\$143,557	\$143,557
TOTAL	\$5,274,734	\$5,395,021

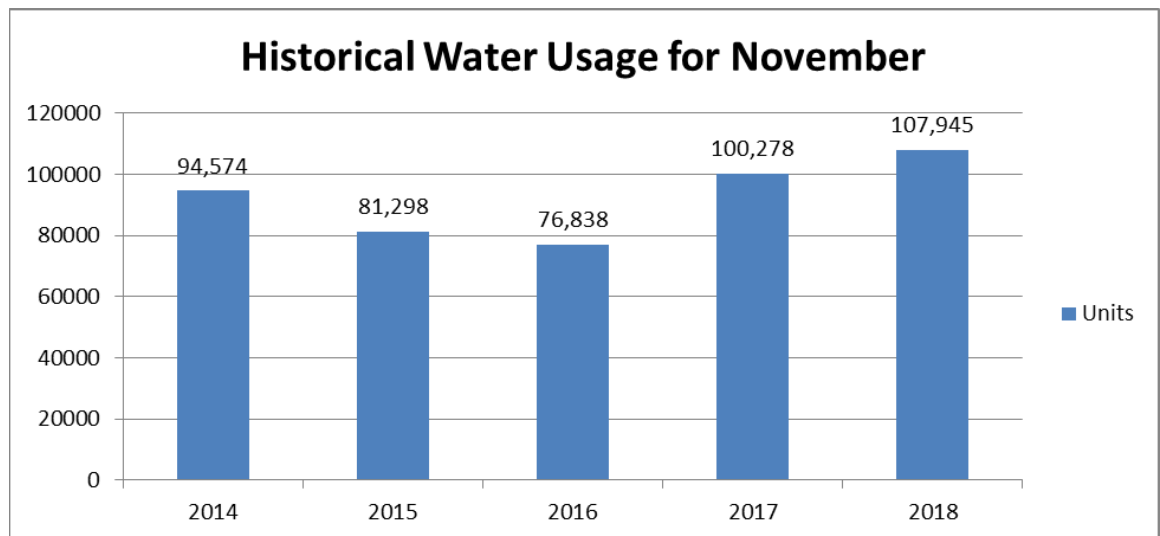
Reserve Account	Balance @ 11/30/2016	Balance @ 11/30/2017	Balance @ 11/30/2018	Budget for Reserve Policy
Capital Reserves			\$ 1,786,766	\$ 1,500,000
Working Capital Reserves			\$ 1,500,000	\$ 1,500,000
TOTAL RESERVE FUNDS	\$ 4,061,323	\$ 5,704,854	\$ 3,286,766	\$ 3,000,000
Committed Capital Pay-Go			\$ 500,000	\$ 500,000
PARS OPEB Liability*			\$ 375,000	\$ 1,500,000
PARS PRSP Pension Liability			\$ 800,000	\$ 1,600,000
APPROVED RESERVE EXP			\$ 1,675,000	\$ 3,600,000
TOTAL RESERVE FUNDS	\$ 4,061,323	\$ 5,704,854	\$ 4,961,766	\$ 6,600,000

* Paid \$375,000 in May 2018, June 2018, and Sept 2018 so reduced liability by that amount.

** Paid \$400,000 in Aug 2018 and Oct 2018 so reduced liability by that amount.

2) Water Revenue Report:

WATER REVENUES for FISCAL YEAR 2018/2019					
Month	Total Units	Water Commodity Charges	Fixed System Charges	Total Water Revenues	Misc Rev
JUL	122,334	1,020,243	221,322	1,241,565	1,309
AUG	122,489	1,064,995	240,529	1,305,524	1,302
SEP	123,229	1,094,168	240,313	1,334,481	1,315
OCT	108,426	922,019	240,702	1,162,721	1,303
NOV	107,945	926,926	239,712	1,166,638	1,319
TOTAL	584,423	5,028,351	1,182,578	6,210,929	6,548



CONFERENCES, TRAINING, & MEETINGS:

- 1) Jeanette Kalabolas: 11/29/18 – BAWSCA Quarterly WRC Meeting
- 2) Laura Ravella: 12/05/18 – Webinar on “From Chaos to Collaboration How Houston Community College Digitized Records Management”
- 3) Candy Pina: 12/05-07/18 – CALPERA Conference
- 4) Candy Pina: 12/14/18 – Financial Review with Vincent Li from C.G. Uhlenburg
- 5) Candy Pina: 11/27-28/18 – ACWA Conference

TEAM BUILDING ACTIVITIES:

General Manager Tammy Rudock provided the GM’s Annual Employee Luncheon and “white elephant” gift exchange on Wednesday, December 12, 2018.

We continued to celebrate birthdays and participated in Trivia and Wellness Program activities.

ADDITIONAL COMMENTS:

1. Newly elected board member, Brian Schmidt, was sworn in on December 13, 2018 at the MPWD offices.
2. Attached is the MPWD 2019 Holiday Schedule per the personnel policy.
3. On the cash disbursement report, a check was written on 11/30/18 to vendor SFWATER in the amount of \$1,005,645.30. This is for our water bill to San Francisco Water. This amount is for two months. A check was written last month, but was coded to the wrong vendor. When this error was discovered, the check was voided in our financial system as well as at the bank, and subsequently reissued. Going forward, we will be making this monthly payment electronically.



2019 HOLIDAY SCHEDULE

January 1, 2019 (Tues) – New Year's

January 21, 2019 (Mon) – Martin Luther King Day

February 18, 2019 (Mon) – President's Day

May 27, 2019 (Mon) – Memorial Day

July 4, 2019 (Thurs) – Independence Day

September 2, 2019 (Mon) – Labor Day

October 14, 2019 (Mon) – Columbus Day

November 11, 2019 (Mon) – Veteran's Day

November 28, 2019 (Thurs) – Thanksgiving

November 29, 2019 (Fri) – Day-After Thanksgiving

December 24, 2019 (Tues) – Christmas Eve Day

December 25, 2019 (Wed) – Christmas Day

December 31, 2019 (Tues) – New Year's Eve



TO: Board of Directors

FROM: Rene A. Ramirez, Operations Manager

DATE: December 20, 2018

OPERATIONS REPORT – November

Projects:

- No change in Zone 2 meter installations from October. Overall, the District-wide AMI installation remains at 63%;
- Met with representatives from the Silicon Valley Clean Water facility to discuss their capital plans affecting a 54-inch sewer force main on Shoreway Road and the District's capital project to cross State Route 101;
- Staff was at a City sewer job site while contractor crossed our water infrastructure on Shoreway;
- Start construction of new service at 1888 Ralston;
- Complete construction of new 1-inch service at 2856 San Juan;
- Met with District Engineer and Beyaz & Patel to discuss a structural engineering scope of work for the Dekoven Tank Replacement Capital project; and
- Staff spent time with HydroScience engineers walking up and down El Camino Real to see where water services are located and may need to be moved.

Maintenance:

- Responded to and completed 267 USA (underground service alerts) requests in November. This was almost a 10% drop when compared to October where we responded to 293 requests;
- Read meters in zones without AMI;
- Spent a good part of a week making some user modifications to the existing service truck to provide a second air hose for tools, auxiliary electrical power, and a tool box rack to hold items used in the field – these were operator ideas put into place to make their jobs easier and more efficient;
- Collected a requisite 44 water samples for bacteriological testing – all samples were absent of coliform bacteria contamination;
- Continue to routinely monitor water system dead-ends continued for disinfectant residual; and
- Monitored for signs of nitrification within our tanks, sample stations and dead ends continues as a part of regular water quality monitoring. One of two tanks at the following tank sites was removed from service for maintenance work and to maintain water quality: Buckland, West Belmont, Exbourne and Dekoven.

System Repairs:

Date	Location	Event	Material	Installation Date	Estimated Water Loss (Gals.)
11/1	50 Notre Dame Place	Main Break	CIP	1977	<50,000

Development:

Staff is currently working with developers on 65 development projects:

Mixed Use Commercial/Multi-Family Residential:

- 576-600 El Camino Real – Fire and domestic backflows installed, installing meter manifold;
- 400-490 El Camino Real – 75 meters installed at manifold. Awaiting completion of punch list items prior to wiring remotes;
- 1325 Old County Rd. – Project re-submitted larger project of 250 units; letter of intent provided;
- 800 Belmont Ave. – Contacted by developer, tentative plans;
- 815 Old County Rd. – Contacted by developer regarding fire flow;
- 1300 El Camino Real - Currently reviewing plans, letter of intent provided; and
- 803-815 Belmont Ave – Contacted by developer regarding existing facilities and available fire flows. Additional information requested on adjacent parking lot parcels.

Commercial:

- 539 Harbor Blvd. – Updated installation quote;
- 1201 Shoreway Road – Installation complete;
- 554 El Camino – Installation complete;
- 1477 El Camino Real – Currently reviewing their plans;
- Belmont Ave Parcel APNs – (2) awaiting plans;
- 1500 Ralston Ave. – Currently reviewing plans;
- 2200 Carlmont Dr. – Installation in progress;
- 1400 Alameda de las Pulgas – Submittals approved;
- 1306-1308 Old County Rd. – Submittals approved;
- 1888 Ralston – Awaiting scheduling;
- 612 Mountain View - Awaiting plans
- 800 Old County Rd. - Awaiting plans;
- 1110 Old County Rd. – Currently reviewing plans;
- 360 A Industrial – Installation complete; and
- 2710 Ralston Ave. – Awaiting plans.

Residential:

- 1829 Oak Knoll – Installation complete;
- 2828 Monroe - Currently reviewing their plans;
- 410 Oxford way – Installation complete;
- 3828 Naughton Ave – Installation complete;
- 1919 Oak Knoll Dr. – Installation scheduled;
- 1630 Robin Whipple – Currently reviewing their plans;
- 2515 Carlmont Dr. – Installation complete;
- 1105 Tahoe – Installation complete;
- 2856 San Juan – Installation complete;
- 2009 Mezes – Provided installation quote;
- 2723 Monserat – Currently reviewing their plans;
- 796 Miramar Terrace - Currently reviewing their plans;
- 2114 Cipriani – Provided updated quote;
- Bishop Road development – Installed 1 of 3, Awaiting plans on 2 remaining lots;
- 4 Tioga Way – Plans approved;
- Talbryn Dr. parcel - Developer requesting system information;
- Ralston parcel - Developer requesting system information;
- 2620 Ponce – Currently reviewing their plans;
- 1320 Talbryn Lane development- Awaiting payment of connection fees;
- 3918 Christian Dr. – Installation scheduled;
- 517 Middlesex Road - Currently reviewing their plans;
- 665 South - Currently reviewing plans;
- 713 Alameda – Awaiting payment;
- 853 Alameda – Plans approved;
- 857 Alameda – Plans approved;
- 861 Alameda – Currently reviewing their plans;
- 2723 Wemberly - Currently reviewing their plans;
- 3900 Marsten – Currently reviewing their plans;
- 3405 Hillcrest – Installation scheduled;
- 3900 Christian – Installation complete;
- 1136 North Ct. – Installation completed;
- 1424 Sunny Slope - Currently reviewing their plans;
- 1503 Folger - Currently reviewing their plans;
- 1651 Francis - Currently reviewing their plans;
- 1961 Bishop Rd. - Currently reviewing their plans;
- 2021 Lyon Ave. - Currently reviewing their plans;
- 526 Cambridge – Installation scheduled;
- 1651 Francis - Currently reviewing their plans;
- 2019 Belle Monti - Currently reviewing their plans;
- 300-400 Davey Glen – Installation scheduled
- Monte Cresta Drive Extension – Reviewing plans, WSA required;
- 1234 North Rd. – Installation completed; and
- 3105 Marburger – Awaiting plans.

Administration:

- Received the cross-connection delinquent report from the County of San Mateo, for the last quarter of 2018. Contacted 59 property owners regarding the testing and certification of backflow prevention assemblies to receive 100% compliance with state mandate by December 2018;
- Had a conference call with District Engineer's office to finalize construction standards for the update to the District's construction standards and details. This item will be a future Board consideration item;
- Celebrated 25 years of District service for employee Chris Michaelis;
- Met with a potential developer for Fire House Square;
- Attended the District Engineer's 4th quarter manager luncheon within the Westborough Water District;
- Met with several employees to discuss their annual evaluation and establish objectives for next review period;
- Purchased a 2019 Ford Fusion Energi, clean air vehicle to replace a 2015 Ford Fusion Energi. To internally discuss next steps with District vehicles;
- Continued to actively managing five (5) engineering design contracts related to the CIP; and
- Continued to actively manage power use for pumping operations.

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

DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUALS 7/1/2018 11/30/18	REMAINING BALANCE/ (OVER BUDGET)	Target YTD % 41.9%
				Y-T-D % OF BUDGET
OPERATING REVENUE				
WATER COMMODITY CHARGES	9,200,000	5,028,351	4,171,649	54.7%
FIXED SYSTEM CHARGES	2,880,000	1,182,578	1,697,422	41.1%
FIRE SERVICE CHARGES	14,000	6,548	7,452	46.8%
SERVICE LINE & INSTALLATION CHARGES	10,000	-	10,000	NA
MISCELLANEOUS OPERATING	10,000	24,363	(14,363)	243.6%
PROPERTY TAX REVENUE	268,000	24,027	243,973	9.0%
TOTAL OPERATING REVENUE	12,382,000	6,265,867	6,116,133	50.6%
WATER SYSTEM CAPACITY CHARGES	250,000	25,000	225,000	10.0%
WATER DEMAND OFFSET CHARGES	65,000	1,688	63,312	2.6%
MISCELLANEOUS NON-OPERATING	10,000	38,572	(28,572)	385.7%
INTEREST REVENUE - LAIF	25,000	54,612	(29,612)	218.4%
INTEREST REVENUE - COP	150,000	124,040	25,960	82.7%
LEASE OF PHYSICAL PROPERTY	155,000	68,295	86,705	44.1%
LANDSCAPE PERMIT REVENUE	11,200	400	10,800	3.6%
TOTAL NON-OPERATING REVENUE	666,200	312,607	353,593	46.9%
TOTAL REVENUE	13,048,200	6,578,474	6,469,726	50.4%
OPERATING EXPENDITURES (OP EXP)				
SALARIES & WAGES	2,096,385	703,641	1,392,744	33.6%
PAYROLL TAXES & BENEFITS	1,034,131	347,408	686,723	33.6%
PURCHASED WATER	5,654,624	2,774,338	2,880,286	49.1%
OUTREACH & EDUCATION	95,634	21,186	74,448	22.2%
M&R - OPS SYSTEM	474,777	70,027	404,750	14.7%
M&R - FACILITIES & EQUIPMENT	172,700	69,622	103,078	40.3%
MAJOR MAINTENANCE	31,050	-	31,050	NA
OFFICE SUPPLIES & EQUIPMENT	292,022	122,426	169,596	41.9%
MEMBERSHIP & GOV FEES	215,915	99,106	116,809	45.9%
BAD DEBT & CLAIMS	17,595	25,777	(8,182)	146.5%
UTILITIES	316,917	136,670	180,247	43.1%
PROFESSIONAL SERVICES	420,676	204,528	216,148	48.6%
TRAINING/TRAVEL & RECRUITMENT	61,575	11,501	50,074	18.7%
RESTRICTED EARNINGS	125,000	178,652	(53,652)	142.9%
DEBT SERVICE TRUSTEE FEES & EXPENSES	-	-	-	N/A
DEBT SERVICE 2016 COPs	1,051,500	(53,784)	1,105,284	-5.1%
TOTAL OP EXP LESS DEPRECIATION (DEPREC)	12,060,501	4,711,098	7,349,403	39.1%
TOTAL OP REVENUE LESS OP EXP & DEPREC	987,699	1,867,376	(879,677)	189.1%
DEPRECIATION	931,500	373,753	557,747	40.1%
TOTAL OP REVENUE LESS OP EXP	56,199	1,493,624	(1,437,425)	2657.7%
NET TRANSFERS TO CAPITAL	(56,199)	(1,493,624)	1,437,425	2657.7%
NET RESULTS OF OPERATIONS	88	-	-	

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

Target YTD % 41.9%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 11/30/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
4010	Water Commodity Charges (A)	9,200,000	5,028,351	4,171,649	54.7%
4020	Fixed System Charges	2,880,000	1,182,578	1,697,422	41.1%
4030	Fire Service Charges	14,000	6,548	7,452	46.8%
4050	Service Line & Installation Charges	10,000	-	10,000	NA
4080	Miscellaneous Operating (B)	10,000	24,363	(14,363)	243.6%
4000	TOTAL WATER CHARGES	12,114,000	6,241,840	5,872,160	51.5%
4202	Property Tax Revenue	268,000	24,027	243,973	9.0%
4200	OTHER OPERATING REVENUE	268,000	24,027	243,973	9.0%
	TOTAL OPERATING REVENUE	12,382,000	6,265,867	6,116,133	50.6%
4060	Water System Capacity Charges	250,000	25,000	225,000	10.0%
4070	Water Demand Offset Charges	65,000	1,688	63,312	2.6%
4090	Miscellaneous - Non Operating (C)	10,000	38,572	(28,572)	385.7%
4102	Interest Revenue- LAIF (D)	25,000	54,612	(29,612)	218.4%
4103	Interest Revenue-COP Funds (D)	100,000	124,040	(24,040)	124.0%
4100	INTEREST REVENUE	125,000	178,652	(53,652)	142.9%
4201	Lease of Physical Property	155,000	68,295	86,705	44.1%
4208	Landscape Plan Permit Review	5,000	400	4,600	8.0%
4200	OTHER NON-OPERATING REVENUE	160,000	68,695	91,305	42.9%
4000	TOTAL NON-OPERATING REVENUE	610,000	312,607	297,393	51.2%
	TOTAL OPERATING & NON-OP REVENUE	12,992,000	6,578,474	6,413,526	50.6%
6011	Salaries & Wages	2,000,000	675,685	1,324,315	33.8%
6012	Director Compensation	11,385	2,100	9,285	18.4%
6010	GROSS REGULAR WAGES	2,011,385	677,785	1,333,600	33.7%
6017	CAPITAL SALARY & WAGES reversed	-	-	-	
6021	Overtime Labor	45,000	10,104	34,896	22.5%
6022	Standby Labor	40,000	15,752	24,248	39.4%
6020	SUB-TOTAL SALARY & WAGES	2,096,385	703,641	1,392,744	33.6%
6031	FICA/Medicare PR Tax	159,849	49,970	109,879	31.3%
6038	ACWA Health Care	430,723	164,914	265,809	38.3%
6039	ACWA Dental	32,179	11,912	20,267	37.0%
6040	ACWA Vision	4,638	2,071	2,567	44.7%
6041	ACWA Life/AD&D	4,577	2,094	2,483	45.7%
6042	Standard LDL/SDL Disability	18,000	6,948	11,052	38.6%
6043	Workers' Comp Insurance	41,400	13,379	28,021	32.3%
6044	Unemployment	89 1,066	-	1,066	NA
6045	CALPERS Retirement - ER 2%@55 (E)	164,625	110,389	54,236	67.1%

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

Target YTD % 41.9%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 11/30/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6046	Retirees' ACWA Health Care (F)	-	18,147	(18,147)	NA
6047	Directors' ACWA Health Care	115,133	50,230	64,903	43.6%
6049	Medical Reimbursement	1,066	182	884	17.1%
6050	Employee Service Recognition	10,350	2,360	7,990	22.8%
6051	Safety Incentive Program	15,525	2,780	12,745	17.9%
6052	Uniforms	35,000	9,928	25,072	28.4%
6053	PARS OPEB Expense	-	-	-	NA
6030	TOTAL PAYROLL TAXES & BENEFITS	1,034,131	445,306	588,825	43.1%
6054	CAPITAL PAYROLL, TAXES & BENEFITS		(97,898)	97,898	N/A
6000	PERSONNEL COSTS	3,130,516	1,051,049	2,079,467	33.6%
6101	SFPUC Treated Water (A)	5,100,000	2,530,528	2,569,472	49.6%
6102	BAWSCA (Debt Service Surcharges)	476,000	211,200	264,800	44.4%
6103	Rates Stabilization	-	-	-	NA
6104	SFPUC Water Service Charge	78,624	32,610	46,014	41.5%
6100	PURCHASED WATER	5,654,624	2,774,338	2,880,286	49.1%
6301	Water Conservation Program	7,452	3,189	4,263	42.8%
6302	School Conservation Program	7,452	-	7,452	NA
6303	Public Outreach & Education (G)	15,525	17,274	(1,749)	111.3%
6305	HET Rebates	20,441	580	19,861	2.8%
6306	Washing Machine Rebates	-	-	-	NA
6307	Lawn-Be-Gone Rebates	39,434	112	39,322	0.3%
6308	Rain Barrel Rebates	5,330	30	5,300	0.6%
6304	TOTAL WATER CONSERVATION REBATES	65,205	723	64,482	1.1%
6300	OUTREACH/EDUCATION	95,634	21,186	74,448	22.2%
6401	Water Quality	60,000	19,595	40,405	32.7%
6402	Pumping	50,000	3,366	46,634	6.7%
6403	Storage Tanks	10,661	2,459	8,202	23.1%
6404	Mains/Distribution	207,000	34,683	172,317	16.8%
6405	Meters & Service	31,982	(7,410)	39,392	-23.2%
6406	Fire Hydrants	33,048	8,021	25,028	24.3%
6407	Regulator Stations	6,396	20	6,376	0.3%
6408	Safety	34,114	8,612	25,502	25.2%
6409	SCADA Maintenance	15,991	82	15,909	0.5%
6410	Generator Maintenance	25,585	601	24,984	2.3%
6400	M&R - OPS SYSTEMS	474,777	70,027	404,750	14.7%
6501	M&R-Buildings&Grounds	99,143	36,493	62,650	36.8%
6502	M&R- Equipment&Tools	22,387	9,134	13,253	40.8%
6503	M&R- Vehicles & Large Equipment	20,255	10,466	9,789	51.7%
6504	M&R - Fuel	30,915	13,530	17,385	43.8%
6500	M&R - FACILITIES & EQUIPMENT	172,700	69,622	103,078	40.3%
6601	Cathodic Protection Survey		-	-	NA

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

Target YTD % 41.9%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 11/30/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
6602	Leak Detection Survey	31,050	-	31,050	NA
6600	MAJOR MAINTENANCE	31,050	-	31,050	NA
6701	Office Supplies	15,991	3,675	12,316	23.0%
6702	Insurance- Liability/Vehicles	82,800	31,220	51,580	37.7%
6703	Postage	8,528	1,339	7,189	15.7%
6704	Printing/Printing Supplies	10,350	(305)	10,655	-2.9%
6705	Equipment Services/Maintenance	20,700	6,448	14,252	31.2%
6706	Computer Supplies & Upgrades	33,120	8,709	24,411	26.3%
6707	Security & Safety	11,461	3,786	7,675	33.0%
6708	Other Fees	533	-	533	NA
6709	Customer Credit Card Svs Fees (H)	108,539	67,554	40,985	62.2%
6700	OFFICE SUPPLIES & EQUIP	292,022	122,426	169,596	41.9%
6801	Dues & Publications (I)	31,759	17,457	14,302	55.0%
6802	Gov't Fees & Licenses	30,893	13,386	17,508	43.3%
6803	BAWSCA Membership Assessments	78,660	30,553	48,107	38.8%
6804	Env Health - Cross Connection Inspection	33,048	13,958	19,090	42.2%
6805	Software License (J)	41,555	23,752	17,803	57.2%
6800	MEMBERSHIP & GOV FEES	215,915	99,106	116,809	45.9%
6901	Bad Debt (K)	7,245	20,489	(13,244)	282.8%
6902	Claims	10,350	5,288	5,062	51.1%
6900	BAD DEBT & CLAIMS	17,595	25,777	(8,182)	146.5%
7001	Utilities-Internet/Cable	10,350	2,746	7,604	26.5%
7002	Utilities-Cellular Telephones	12,633	6,115	6,518	48.4%
7003	Utilities-Electric-Pumping	234,531	102,410	132,121	43.7%
7004	Utilities-Electric-Bldgs&Grounds	25,585	11,289	14,296	44.1%
7005	Utilities-Telephones	25,875	11,291	14,584	43.6%
7006	Utilities-Sewer - NPDES	7,943	2,819	5,124	35.5%
7000	UTILITIES	316,917	136,670	180,247	43.1%
7101	Prof Serv - District Counsel	77,625	26,871	50,754	34.6%
7102	Prof Serv - District Engineer (L)	67,275	46,202	21,073	68.7%
7103	Prof Serv - IT	20,441	8,972	11,469	43.9%
7104	Prof Serv- Annual Finance Audit (M)	19,665	16,850	2,815	85.7%
7105	Prof Serv - Mngmt Consult	-	42	(42)	NA
7106	Prof Serv- Accounting & Payroll	22,511	7,104	15,407	31.6%
7107	Prof Serv- Customer Billing	74,779	22,069	52,710	29.5%
7109	Prof Serv - Answering Svs	5,175	1,405	3,770	27.1%
7110	Prof Serv - Miscellaneous (N)	129,375	74,113	55,262	57.3%
7111	Prof Serv - District Treasurer	3,830	900	2,930	23.5%
7100	PROFESSIONAL SERVICES	420,676	204,528	216,148	48.6%
7201	Director Travel	91 5,175	-	5,175	NA
7202	Director Expense	1,035	-	1,035	NA

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

					Target YTD % 41.9%
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 11/30/2018	REMAINING BALANCE/ (OVER BUDGET)	Y-T-D % OF BUDGET
7203	Elections	15,000	-	15,000	NA
7204	Employee Travel/Training	33,120	9,126	23,994	27.6%
7205	Meetings Expense	7,245	2,375	4,870	32.8%
7200	TRAINING & TRAVEL	61,575	11,501	50,074	18.7%
7302	Restricted Earnings Expense - Interest LAIF & COP (D)	125,000	178,652	(53,652)	142.9%
7300	RESTRICTED EARNINGS EXPENSE	125,000	178,652	(53,652)	142.9%
8001	Working Reserves: Capital	-	-	-	NA
8002	Working Reserves: Operating	-	-	-	NA
8000	RESERVES	-	-	-	NA
9010	DEPRECIATION	931,500	373,753	557,747	40.1%
9011	DEBT SERVICE TRUSTEE FEES & EXPENSES	-	-	-	NA
9012	DEBT SERVICE 2017-2018 COPs	1,051,500	(53,784)	1,105,284	-5.1%
SUB-TOTAL - OPERATING EXPENSES		9,861,485	4,033,802	5,827,683	40.9%
TOTAL OPERATING EXPENSES		12,992,000	5,084,850	7,907,151	39.1%
NET OPERATING SURPLUS/(LOSS)					
TRANSFER TO CAPITAL		-	1,493,624	(1,493,624)	

- (A) Water revenues are at 54.7% and water purchases are at 49.6%. Water revenues is a preliminary number. Revenue does not include the second half of the month.
- (B) Reimbursement for damage to Fire Hydrant totaling \$8,245. Reimbursement for Property Damage on 7/10/17 at 4110 Block of Skymont Drive totaling \$15,948.
- (C) Fire Flow Revenue totaling \$4,910; PG&E Reimbursement for work not completed totaling \$6,029; Project vehicle revenue totaling \$22,903.
- (D) LAIF and COP funds generating more interest revenue than expected.
- (E) Will be adjusting this at mid-year.
- (F) Currently not paying retiree benefits out of the PARS OPEB account but will be this fiscal year.
- (G) Purchase of promotional inventory totaling \$7,871.
- (H) More customers are using credit cards to pay their monthly water bills. This will be reduced when a \$3 fee is added to the credit card fees.
- (I) CSDA membership which was not paid for 2017 totaled \$561.
- (J) Software Licenses were higher than expected to date. Will be adjusting budget at mid-year.
- (K) First month since the implementation of the new financial management system to send customers to collections.
- (L) Costs related to fire flow tests are allocated back when test completed totaling \$4,910. However, there is offsetting income for the same.
- (M) Field work for the audit completed.
- (N) Personnel Koff Study and GM Housing \$8,598; Fee & Service Study \$6,600.

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

	Jul 18 - Nov 18	Jul 17 - Nov 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
OPERATING REVENUE	6,265,867.14	6,431,990.84	-166,123.70	-2.58%
INTEREST INCOME	178,651.81	92,872.02	85,779.79	92.36%
CAPITAL CONTRIBUTION	5,591.50	0.00	5,591.50	100.0%
OTHER INCOME	133,955.32	97,902.19	36,053.13	36.83%
Total Income	6,584,065.77	6,622,765.05	-38,699.28	-0.58%
Expense				
PERSONNEL COSTS	1,051,048.85	1,025,923.55	25,125.30	2.45%
PURCHASED WATER	2,774,338.20	2,754,105.20	20,233.00	0.74%
OUTREACH/EDUCATION (A)	21,185.81	13,598.71	7,587.10	55.79%
M&4 - OPS SYSTEMS	70,026.58	120,705.55	-50,678.97	-41.99%
FACILITIES & EQUIPMENT (B)	69,622.32	49,212.22	20,410.10	41.47%
OFFICE SUPPLIES & EQUIPMENT	122,426.34	110,010.90	12,415.44	11.29%
MEMBERSHIP & GOV FEES	99,105.96	84,847.11	14,258.85	16.81%
BAD DEBT & CLAIMS (C)	25,777.04	-1,477.62	27,254.66	1,844.5%
UTILITIES	136,670.03	104,251.53	32,418.50	31.1%
PROFESSIONAL SERVICES (D)	204,527.87	140,298.59	64,229.28	45.78%
TRAINING & TRAVEL	11,501.02	13,361.10	-1,860.08	-13.92%
Total Expense	4,586,230.02	4,414,836.84	171,393.18	3.88%
Net Ordinary Income	1,997,835.75	2,207,928.21	-210,092.46	-9.52%
Other Income/Expense				
Other Expense				
DEPRECIATION	373,752.55	350,510.60	23,241.95	6.63%
COP Financing Costs	-53,784.00	296,850.47	-350,634.47	-118.12%
Total Other Expense	319,968.55	647,361.07	-327,392.52	-50.6%
Net Revenue/(Expenses)	1,677,867.20	1,560,567.14	117,300.06	7.5%

RECONCILIATION TO OPERATING BUDGET

Adjustments to Increase Net Operating Surplus

Interest Income - LAIF & COP Interest	-178,651.81
Capital Contribution	-5,591.50
Debt Service Principal Payment	
Total Adjustments to Increase Net Operating Surplus	<u>-184,243.31</u>

Net Revenue/(Expenses) 1,677,867.20

Net Operating Surplus/(Loss) Transfer to Capital 1,493,623.89

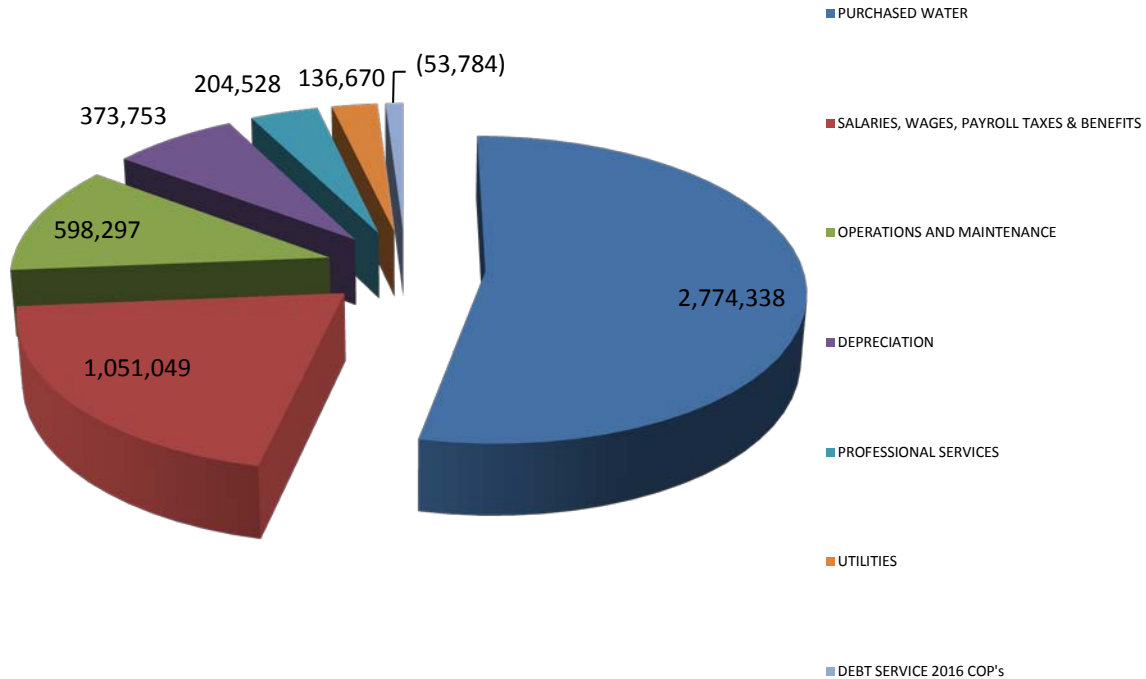
(A) Promotional items purchased in September totaling \$7,871.

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

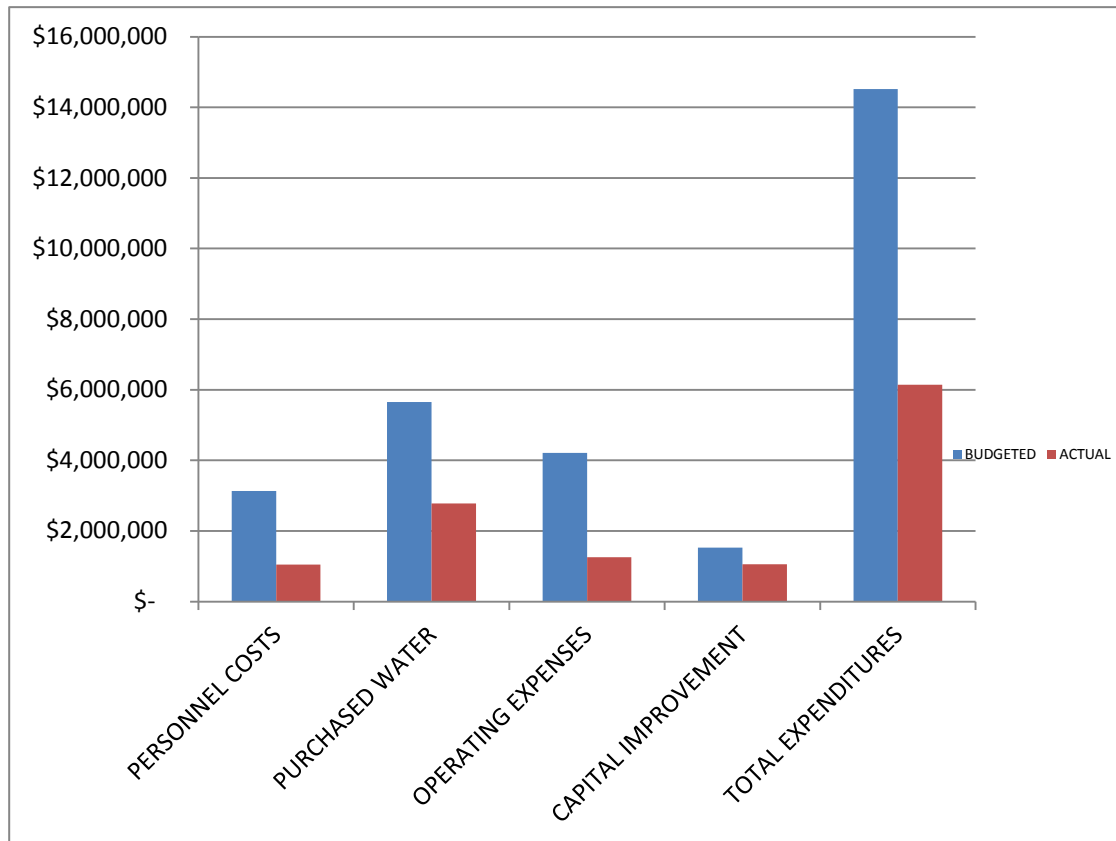
(C) Bad Debt Claims were not assessed in 2017-2018 due to new Financial Management System. So all were recognized in 2018/2019.

**MID-PENINSULA WATER DISTRICT
ACTUAL OPERATING EXPENDITURES SUMMARY
Nov-18**

OPERATING EXPENDITURES	ACTUAL \$	% OF TOTAL
PURCHASED WATER	2,774,338	54.6%
SALARIES, WAGES, PAYROLL TAXES & BENEFITS	1,051,049	20.7%
OPERATIONS AND MAINTENANCE	598,297	11.8%
DEPRECIATION	373,753	7.4%
PROFESSIONAL SERVICES	204,528	4.0%
UTILITIES	136,670	2.7%
DEBT SERVICE 2016 COP's	(53,784)	-1.1%
TOTAL OPERATING EXPENDITURES	5,084,850	100%



2018/2019 BUDGET vs ACTUAL TOTAL EXPENDITURES Nov-18



	BUDGETED	ACTUAL	BUDGETED % OF TOTAL	ACTUAL % OF TOTAL
TOTAL EXPENDITURES				
PERSONNEL COSTS	\$ 3,130,516	\$ 1,051,049	22%	17%
PURCHASED WATER	\$ 5,654,624	\$ 2,774,338	39%	45%
OPERATING EXPENSES	\$ 4,206,860	\$ 1,259,463	29%	21%
CAPITAL IMPROVEMENT	\$ 1,526,500	\$ 1,056,743	11%	17%
TOTAL EXPENDITURES	\$ 14,518,500	\$ 6,141,593	100%	100%

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

DESCRIPTION	APPROVED FY 2018-2019 BUDGET \$	ACTUAL 7/1/2018 11/30/2018	REMAINING BALANCE/ (OVER BUDGET)	Target YTD %
				41.9% Y-T-D % OF BUDGET
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)				
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	500,000	404,322	95,678	80.9%
2017 Water Main Replacement CIP (Pay-Go Portion)	-	58,195	(58,195)	N/A
AMI Meter Change Out Program	778,500	475,802	302,698	61.1%
CAPITAL IMPROVEMENTS - WIP TOTAL	1,278,500	938,319	340,181	73.4%
CAPITAL OUTLAY				
Replacement Mini-Excavator for Operations	50,000	45,998	4,002	92.0%
Replacement Service Truck for Operations	148,000	-		
Miscellaneous Capital Outlay/Projects*	50,000	72,425	(22,425)	144.9%
CAPITAL OUTLAY TOTAL	248,000	118,423	(18,423)	47.8%
CAPITAL IMPROVEMENTS & CAPITAL OUTLAY TOTAL	1,526,500	1,056,743	321,757	69.2%
DEPRECIATION	931,500	373,753	557,747	40.1%
TRANSFER FROM OPS	-	1,493,624	(1,493,624)	N/A
TRANSFER (TO)/FROM CAPITAL RESERVES	595,000	(810,634)	1,405,634	-136.2%
CAPITAL OUTLAY/CAPITAL PROJECTS	(1,526,500)	(1,056,743)	(469,757)	69.2%
NET RESULTS OF CAPITAL	-	(0)	0	N/A

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

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

	30-Nov-18	30-Nov-17	\$ Change	% Change
ASSETS				
CURRENT ASSETS				
Total Checking/Savings	6,006,679.30	25,537,128.16	-19,530,448.86	-76.48%
Total COP Funds	15,361,284.59	0.00	0.00	100.0%
Total Accounts Receivable	1,167,981.70	1,199,960.85	-31,979.15	-2.67%
Total Other Current Assets	277,863.67	297,258.66	-19,394.99	-6.53%
TOTAL CURRENT ASSETS	22,813,809.26	27,034,347.67	-4,220,538.41	-15.61%
FIXED ASSETS				
Fixed Assets	47,106,589.04	43,831,405.12	3,275,183.92	7.47%
Accumulated Depreciation	-27,640,520.93	-27,018,551.34	-621,969.59	-2.3%
Construction in Progress	3,108,880.10	1,490,362.14	1,618,517.96	108.6%
TOTAL FIXED ASSETS	22,574,948.21	18,303,215.92	4,271,732.29	23.34%
TOTAL OTHER ASSETS	1,210,079.34	803,133.00	406,946.34	50.67%
TOTAL ASSETS	46,598,836.81	46,140,696.59	458,140.22	0.99%
LIABILITIES & EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Total Accounts Payable	43,357.09	106,778.55	-63,421.46	-59.4%
Total Other Current Liabilities	2,080,153.60	2,239,696.14	-159,542.54	-7.12%
TOTAL CURRENT LIABILITIES	2,123,510.69	2,346,474.69	-222,964.00	-9.5%
LONG TERM LIABILITIES				
Total COP Financing Debt (B)	17,910,000.00	18,255,000.00	-345,000.00	-1.89%
Total COP Premium (B)	875,884.10	907,165.70	-31,281.60	-3.45%
Total Other Long Term Liabilities (B)	2,310,175.00	1,765,634.45	544,540.55	30.84%
TOTAL LONG TERM LIABILITIES	21,096,059.10	20,927,800.15	168,258.95	0.8%
TOTAL LIABILITIES	23,219,569.79	23,274,274.84	-54,705.05	-0.24%
EQUITY				
3000 - Opening Bal Equity	0.00	0.00	0.00	0.0%
3800 - RESERVES *	4,961,765.83	5,704,853.91	-743,088.08	-13.03%
3940 - Fund Bal Invest in Util Plant	22,577,783.84	18,060,447.92	4,517,335.92	25.01%
Net Assets (A)	-4,160,282.65	-898,880.08	-3,261,402.57	-362.83%
TOTAL EQUITY	23,379,267.02	22,866,421.75	512,845.27	2.24%
TOTAL LIABILITIES & EQUITY	46,598,836.81	46,140,696.59	458,140.22	0.99%

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

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