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

January 26, 2017
Belmont, California

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1. **OPENING**

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A. **Call to Order:**

The regular meeting of the Mid-Peninsula Water District Board of Directors was called to order by President Stuebing at 6:31PM.

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B. **Establishment of Quorum:**

PRESENT: Directors Stuebing, Linvill, and Vella

ABSENT: Directors Warden and Zucca

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 and District Engineer Joubin Pakpour. District Treasurer Jeff Ira was absent.

C. **Pledge of Allegiance** – The Pledge of Allegiance was led by Katie Moorhead, a student at Immaculate Heart of Mary School attending the Board Meeting to participate in the MPWD 2017 Water Awareness Calendar Contest Award Ceremony.

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2. **PUBLIC COMMENTS**

None.

3. **ACKNOWLEDGEMENTS/PRESENTATIONS**

A. **Overview of 2017 MPWD Calendar Contest Program and Distribute Calendar to the Board – Tammy Rudock and Jeanette Kalabolas**

B. **Present 2017 MPWD Calendar Contest Awards – President Al Stuebing and Jeanette Kalabolas**

President Stuebing and Jeanette Kalabolas presented the awards for the 2017 annual MPWD water awareness calendar contest. Along with award certificates, the top three winners received gift certificates. The teacher with the most class participation also received a gift certificate. All who participated received a 2017 MPWD calendar.
Contest winners:

Grand Prize Winner: Luke M., 5th Grade, Immaculate Heart of Mary School
Runner-Up Winner: Gianna H., 5th Grade, Immaculate Heart of Mary School
Runner-Up Winner: Abbey L., 5th Grade, Immaculate Heart of Mary School
Award for the class with the most participation – Mrs. Douglas, 5th Grade, Immaculate Heart of Mary School. Her class submitted 30 of the 83 entries we received.

Nine other honorable mention entries chosen:

1) Emilia S., 3rd Grade, Cipriani Elementary School

- 52 2) Katherine M., 3rd Grade, Immaculate Heart of Mary School
- 53 3) Noelle M., 4th Grade, Nesbit Elementary School
- 54 4) Lucy W., 5th Grade, Immaculate Heart of Mary School
- 55 5) Ruby M., 3rd Grade, Cipriani Elementary School
- 56 6) Lochlann M., 3rd Grade, Immaculate Heart of Mary School
- 57 7) Zachary A., 5th Grade, Immaculate Heart of Mary School
- 58 8) Milan P., 5th Grade, Immaculate Heart of Mary School
- 59 9) Sara L., 5th Grade, Immaculate Heart of Mary School
- 60

61 **C. 15-Minute Refreshment Break**

62 A refreshment break immediately followed the awards presentation to congratulate all of
63 the MPWD calendar contest participants and their families.

64
65 President Stuebing reconvened the meeting at 6:52PM.

66
67 **4. AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**

68 General Manager Rudock corrected the year at the top of the agenda to reflect 2017.

69
70 **5. CONSENT AGENDA**

71 **A. Approve Minutes for the Regular Board Meeting of December 15, 2016**

72 **B. Approve Expenditures from December 10, 2016 through January 20, 2017**

73 Director Vella moved to approve the minutes for the Regular Board Meeting of
74 December 15, 2016, as well as the expenditures from December 10, 2016 through
75 January 20, 2017. Director Linvill seconded, and it was unanimously approved.

76
77 **6. HEARINGS AND APPEALS**

78 None.

79
80 **7. REGULAR BUSINESS AGENDA**

81 **A. Consider Resolution 2017-01 Authorizing a Water Service Agreement between the**
82 **Mid-Peninsula Water District and Davey Glen – Belmont, LLP for Mixed-Use**
83 **Development located at 400-490 El Camino Real in Belmont, California**

84
85 General Manager Rudock gave a brief introduction and then passed the discussion to
86 Operations Manager Ramirez. He opened by introducing Davey Glen-Belmont, LLP
87 representative, Chris DeHaan, who was present in the audience. Operations Manager
88 Ramirez briefly described the development project, which will include a complex with
89 seventy-three (73) residential units and commercial space.

90
91 Director Vella inquired how the District would handle access to the meters and
92 Operations Manager Ramirez advised that a separate room with no public access would
93 house meters and accompanying transmitters. Director Vella further commented that for
94 security purposes, access should be limited to key codes if possible, as key entry is too
95 complicated and unsecure. Operations Manager Ramirez advised that he would take
96 this direction under consideration, as talks had not yet progressed to this stage.

97
98 Director Linvill asked if meters would be automatically or manually read. Operations
99 Manager Ramirez clarified that AMI meters would be installed and transmitted
100 automatically rather than manually read.

101

102 District Engineer Pakpour commented that this new development marks a change how
103 the District works with large multi-family development. MPWD will own the service lateral
104 to the property line and the land owner will own all water related facilities within their
105 property but excluding the meters which will be owned by the District.
106

107 Director Vella replied to District Engineer Pakpour's comment that in an effort to clarify
108 who is responsible for what during a leak, that staff should consider having signage on
109 the property clarifying ownership of the lines with accompanying contact info for the
110 parties responsible in the event of an emergency.
111

112 General Manager Rudock assured the Board that Operations Manager Ramirez and
113 staff has been very communicative with the developers to date and she expects good
114 relations to continue through the remainder of the project.
115

116 Director Linvill moved to adopt Resolution 2017-01 and Director Vella seconded. Roll
117 call was taken and it was unanimously approved.
118

119 **B. Consider Resolution 2017-02 Authorizing a Professional Services Contract with**
120 **Schaaf and Wheeler Consulting Civil Engineers, in the amount of \$87,610, plus a**
121 **10% Contingency of \$8,700, for a total Budget of \$96,310, for Engineering Design**
122 **Services Related to the Water Main Replacement Capital Projects along Francis**
123 **Avenue, Davey Glen Road and Academy Avenue in Coordination with the City of**
124 **Belmont and its Sewer Replacement Program**

125 Operations Manager Ramirez reported that three previously developed capital
126 improvement projects have been identified to coincide with the sewer projects identified
127 by the City of Belmont. Those projects are on Francis Avenue (XX-XX), Davey Glen
128 (XX-XX) Road and Academy Avenue (XX-XX).
129

130 District Engineer Pakpour reported on the Scope of Work (Exhibit 1) provided during the
131 Board meeting. Staff feels the proposed specifications are reasonable. He also shared
132 that items 2A and 2B under the fee schedule chart reference survey-related tasks and
133 item 2E is a potholing place holder, as contractor survey may be required in this area.
134

135 General Manager Rudock advised that she preferred to push the discussion on financing
136 these projects until next month, as they could be paid out of the pay-go capital.
137

138 District Engineer Pakpour concluded explaining why the District opted to piggyback on
139 the City of Belmont's engineering consultant, Schaaf and Wheeler Consulting. Rather
140 than duplicating the work, it made sense and would save the District a substantial
141 amount of money to use the same consultant as the City of Belmont's Sewer projects.
142 The District is currently working with the City of Belmont to develop a master agreement
143 for these shared projects which will clarify the financial contributions of each agency.
144

145 Director Vella commented that working together makes sense. He is also open to
146 considering the pay-go option for these capital projects related to Belmont's sewer
147 projects. He asked staff why the District standards were changed from PVC to Ductile
148 Iron Pipe (DIP).
149

150 District Engineer Pakpour clarified the change was made during the development to the
151 District specifications and a white report presented to the board during the December
152 2013 meeting, which outlined the benefits of both types of pipe. He explained that the

153 current District specifications use DIP West of Caltrain tracks due to its ability to
154 withstand large forces to ground movement and seismic events. East of the tracks the
155 District uses PVC for its ability to withstand corrosion.
156

157 Director Linvill moved to adopt Resolution 2017-01 and Director Vella seconded. Roll
158 call was taken and it was unanimously approved.
159

160 C. BAWSCA Update

161 Director Vella reported on the result of the election of officers for 2017. Al Mendall from
162 the City of Hayward was elected chair and Barbara Pierce from the City of Redwood City
163 was elected vice-chair. He also advised that the Board meeting location would move
164 from the Foster City Library to the San Mateo Library. The room is smaller but the cost
165 is considerably less. In addition, the meeting start time has been moved to 6:30PM. He
166 also reported there was a large audience, due to the Bay-Delta environmental concerns.
167 Those who spoke were knowledgeable and most shared a view that more water needs
168 to remain in the rivers for flow purposes rather than be drawn by agencies with water
169 rights. Steve Ritchie with SFPUC was also present at the meeting. He reported on
170 precipitation, snowpack and current water supply projections. Director Vella closed by
171 sharing an interesting Tuolumne River unimpaired flow fact.
172

173 General Manager Rudock advised the Board that Howard Jones of the HIA approached
174 her about requesting BAWSCA's CEO Nicole Sandkulla to speak at the March HIA
175 meeting scheduled for Thursday, March 2, 2017.
176

177 8. MANAGER AND BOARD REPORTS

178 A. General Manager's Report

179 General Manager Rudock reported that staff is looking into AB 1661 Sexual Harassment
180 alternative training options for the Board of Directors. MPWD's water conservation
181 savings continues to average 24%. She also requested Board direction regarding the
182 potential for reviewing commercial rate tiers as requested last year by Vice President
183 Warden. General Manager Rudock reported on a recent rates workshop in Oakland that
184 she and Administrative Services Manager Pina attended sponsored by ACWA, Raffelis
185 Financial Consultants, Inc., and Best, Best & Krieger LLP. Good information was shared
186 and staff is exploring potential options for the MPWD's next financial plan and rates
187 study.
188

189 President Stuebing agreed that perhaps it was time to explore other consulting firms for
190 future rate study services.
191

192 Regarding Board direction on reviewing or changing commercial rate tiers, District
193 Counsel Sherman reminded the Board that any rate increases would need to be
194 compliant with Proposition 218's proportionality requirements. Therefore, any changes
195 to commercial rates would need to be studied for any impacts on residential rates. As
196 such, it would be best to study all of the rates at the same time. General Manager
197 Rudock suggested it should be considered as part of the larger review of MPWD rates
198 during the next study. The Board agreed.
199

200 General Manager Rudock informed the Board that the mid-year budget review would be
201 on the agenda next month. She reminded them that the Employee Appreciation Dinner
202 has been scheduled for Friday, April 14, 2017 at the Iron Gate Restaurant. She

203 requested that the Board RSVP through District Secretary Pina as soon as possible. In
204 conclusion she mentioned the following:

- 205
- 206 a) The lawsuit initiated by Samir Shaikh against the MPWD and City of Belmont was
 - 207 dismissed by him.
 - 208 b) Claims and change orders initiated by R. J. Gordon Construction, Inc., the contractor
 - 209 that completed the Alameda de las Pulgas Water Main Replacement project were
 - 210 settled for \$55,000. The contractor had requested approximately \$175,000.
 - 211 c) Healthcare benefits packages for 2017 were distributed to Directors.

212

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

214 District Secretary Pina reported that \$500,000 was transferred to the District's LAIF
215 account bringing the new balance to just over \$5 million. She also shared that the
216 new Springbook billing system is expected to go live in March 2017. General
217 Manager Rudock added that the MPWD Reserves are fully funded per Board policy
218 at \$5 million.

219

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

221 District Operations Manager Ramirez reported that maintenance staff was busy over
222 the holidays due to numerous main breaks. Due to a decrease in demand, four water
223 storage tanks were taken offline to avoid potential nitrification water quality issues.
224 They will be cleaned and restored in the spring. Staff has received an official letter
225 from the state detailing the school lead test program. The District's Water Quality
226 Lead Operator Rick Bisio is currently looking into database reporting requirements.

227

228 Director Vella would like to know how much water was lost for the reported main
229 breaks. District Operations Manager Ramirez explained that there were a few
230 SFPUC technological glitches in water supply measurements that made it difficult for
231 staff to determine estimated values of the losses. Director Vella also wondered why
232 USA tag orders were so high last month. District Operations Manager Ramirez
233 stated the cause was due to both the City of Belmont and PG&E having a high
234 volume of projects in the queue.

235

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

237 District Engineer Pakpour referenced the Alameda de las Pulgas Water Main
238 Replacement project settlement of claims and change orders in order to deliver the
239 project close-out report. As stated by the General Manager, contractor R. J. Gordon
240 Construction, Inc., agreed to settle its \$175,000 in claims and change orders for
241 \$55,000. A change order summary was provided under the project update memo
242 distributed to the Board. Total change orders for the project were approximately 5%
243 well below the 10% industry underground construction average.

244

245 District Engineer Pakpour further reported that a mandatory pre-proposal meeting
246 was held for on-call engineering design services for three major water main
247 replacement capital projects on El Camino Real (XX-XX), Old County Road (XX-XX)
248 and under Highway 101 at Palo Alto Medical Foundation (XX-XX). The large scale
249 outreach campaign seemed well received, as eighteen engineering consultants
250 attended. Contractor statements of qualifications are due February 8, 2017.

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252 **B. Financial Reports**

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General Manager Rudock reported that the budget is on target with actual operating revenues coming in about 5% higher than projected, and expenses holding steady at 50% through December 31, 2016.

Director Linvill asked staff if the new financial management system offered built in standard template financial reports. Secretary Pina replied that she believes so and will report back to the Board.

C. Director Reports

President Stuebing shared that there is a San Mateo County chapter California Special District Association Meeting coming up. There were no other Director reports.

9. FUTURE AGENDA BUSINESS ITEMS

None.

10. COMMUNICATIONS

None.

11. CLOSED SESSION

The Board adjourned into Closed Session at 8:22PM to discuss one matter.

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION AND ASSOCIATED NEGOTIATIONS

Government Code §§54957 and 54957.6

Title: General Manager

The Board came out of closed session at 8:29PM. District Counsel reported that no action had been taken.

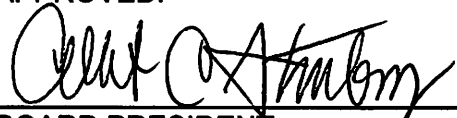
12. ADJOURNMENT

President Stuebing adjourned the meeting at 8:30PM.



DISTRICT SECRETARY

APPROVED:



BOARD PRESIDENT

