



# MONTARA WATER & SANITARY DISTRICT

Serving the Communities of Montara and Moss Beach

P.O. Box 370131  
8888 Cabrillo Highway

Tel: (650) 728-3545  
Fax: (650) 728-8556

Mission Statement: This District will manage and care for the resources with which it is entrusted in an open and ethical manner with active public involvement; provide through local control, reliable, high-quality water, wastewater and solid waste services for the people of Montara and Moss Beach at an equitable price; and ensure the fiscal and environmental vitality of the district for current and future generations.

**NOTICE OF SPECIAL MEETING**  
**(Special Meeting begins at 6:30 p.m.; see Agenda for Special Meeting below)**

## AGENDA

Regular Meeting

**District Board of Directors**

8888 Cabrillo Highway  
Montara, California 94037

**February 6, 2014 at 7:30 p.m.**  
**(Regular Meeting)**

**CALL TO ORDER**

**ROLL CALL**

**PRESIDENT'S STATEMENT**

**ORAL COMMENTS** (Items other than those on the agenda)

**PUBLIC HEARING**

**CONSENT AGENDA**

1. Approve Minutes for January 16, 2014.
2. Approve Financial Statements for December 2013.
3. Approve Warrants for February 1, 2014.
4. SAM Flow Report for November and December 2013.
5. Monthly Review of Current Investment Portfolio.
6. Connection Permit Applications Received.
7. Monthly Water Production Report for December 2013.
8. Rain Report.
9. Solar Energy Report.

## **OLD BUSINESS**

1. Review and Possible Action Concerning District Strategic Plan.

## **NEW BUSINESS**

1. Review and Possible Action Concerning Receipt of Fiscal Year 2012-13 Audit.
2. Review and Possible Action Concerning Resolution of Commendation for Bob Ptacek.
3. Review and Possible Action Concerning Authorization to Bid the 2014 Sewer Improvement Project and Spot Repairs.
4. Review and Possible Action Concerning Authorization to Bid the Pump Station Control Panel Upgrades – Phase 1 Project.
5. Review and Possible Action Concerning Schoolhouse Tank II Ribbon Cutting Ceremony.
6. Review and Possible Action Concerning Authorization to Bid the Alta Vista Tank II Construction Project.
7. Review and Possible Action Concerning Replacement of Real Time Water Quality Monitoring Equipment for North Airport Water Treatment Plant.
8. Review and Possible Action Concerning Update of the District's Emergency Response and Recovery Plan.
9. Review and Possible Action Concerning Update of the District's Emergency Preparedness Policy.
10. Review and Possible Action Concerning Designation of District Representative to the Local Agency Formation Commission Special District Selection Committee.
11. Review and Possible Action Concerning Cost of Living Increase for Non-Exempt Employees.
12. Review and Possible Action Concerning Cancellation of Next Regular Scheduled Meeting February 20, 2014.

## **REPORTS**

1. Sewer Authority Mid-Coastside Meetings (Harvey)
2. MidCoast Community Council Meeting (Slater-Carter)
3. CSDA Report (Slater-Carter)
4. CCWD Committee Report (Harvey, Huber)
5. Attorney's Report (Schricker)
6. Directors' Reports
7. General Manager's Report (Heldmaier)

## **FUTURE AGENDAS**

## **ADJOURN**

**AGENDA – SPECIAL MEETING**  
**(6:30 p.m.)**

**CALL TO ORDER**

**ROLL CALL**

**ORAL COMMENTS** (Items other than those on the agenda)

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Gov't. C. §54956.9(d)(1))

Names of cases:

- (i) Montara Water and Sanitary District v. County of San Mateo, etc. et al., Resp.; Big Wave LLC, Real Party in Interest, San Mateo Cnty. Super. Ct. No. CIV 505205

**PUBLIC EMPLOYEE EVALUATION** (Gov't. Code §54957)

**RECONVENE IN OPEN SESSION AND ADJOURN TO  
CONVENE FOR REGULAR MEETING**

The District has a curfew of 11:00 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.

NOTE: In accordance with the Government Code, members of the public may address the Board on specific agenda items when that matter is discussed by the Board. Any other items of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. Upon request, this agenda will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or an accommodation in order to participate in the public meeting should be made at (650) 728-3545. Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available in the District Clerk's office during normal business hours. Such documents may also be available on the District's web site ([www.mwsd.montara.org](http://www.mwsd.montara.org)) subject to staff's ability to post the documents before the meeting.



**MONTARA WATER & SANITARY**  
**DISTRICT**

**BOARD OF DIRECTORS SPECIAL MEETING**  
**January 16, 2014**

**MINUTES**

**REGULAR SESSION BEGAN AT 7:30 P.M.**

**CALL TO ORDER**

**ROLL CALL**

Directors Present: Slater-Carter, Harvey, Boyd, Wilson and Huber

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier,  
District Clerk, Judy Gromm

Others Present: None

**PRESIDENT'S STATEMENT** – Director Boyd noted there had been mention of the incredible drought we are facing in the news and wanted to report to our community this District is blessed with its local sources of water we have managed well and developed further over the past few years. While we are in good shape, it is still a good time to continue to conserve water. President Boyd thanks the community for its past and present efforts of conserving water.

**ORAL COMMENTS -**

Director Slater-Carter reported well owners in the District should periodically have their well water tested. If there is less new water flowing through the aquifers that the wells are in, then you may be seeing different levels of certain pollutants that you may have not seen before. Director Slater-Carter has heard of a number of wells in town that have natural sources of petroleum or unnatural sources of nitrates. It may be a good plan as the drought progresses to have your well water tested. If you do not like the results, you now have the option to have a water connection with the district.

Sabrina Brennan, a Moss Beach resident, has been asked by a neighbor to ask about his following concern: The resident and his family are on a well and



understood the moratorium had been lifted. His concern is in the current drought situation, if a well were to run dry, would he be considered a priority hook-up? How are connections being prioritized? Director Boyd stated that there are no waiting lists and well owners should not be concerned. We have plenty of water and any resident concerned about their well should come into the office and bring their concerns to the District staff who will be happy to assist you.

General Heldmaier reported we are on a first come first serve basis. There is a specific process for wells with difficulty, but there is no need for a special process at this time because we have plenty of water. It is as simple as coming into the office and picking up an application and we can proceed from there.

## **PUBLIC HEARING – None**

## **CONSENT AGENDA –**

1. Approve Minutes for Meeting of October 17, December 5, 19, 2013
2. Approve Financial Statements for November 2013.
3. Approve Warrants for January 1, 2014.
4. SAM Flow Report for November 2013.
5. Monthly Review of Current Investment Portfolio.
6. Connection Permit Applications Received.
7. Monthly Water Production Report for November 2013.
8. Rain Report
9. Solar Energy Report.

Director Harvey motioned to approve the Minutes of October 17<sup>th</sup> and December 5<sup>th</sup>. Director Slater-Carter seconded the motion.

Directors Harvey, Slater-Carter and Boyd were in favor.  
Directors Wilson and Huber abstained.

Director Harvey motioned to approve the Minutes of December 19<sup>th</sup> and items 2 through 9 of the Consent Agenda. Director Slater-Carter seconded the motion.

All Directors were in favor and the motion passed unanimously.

## **OLD BUSINESS –**

### **1. Review and Possible Action Concerning District Strategic Plan**

General Manager Heldmaier reported at the December 19 meeting the Board agreed to engage with Rauch Communications for the implementation of the Strategic Planning Process. The Board asked to receive a revised proposal from Martin Rauch that presents a variety of

options for board selection focused on community outreach and further agencies and stakeholder interviews.

The Original proposal was received at \$15,740 which included two public meetings for the process. The attached revised proposal shows the basic cost for the strategic planning at \$13,870. The basic cost for the strategic planning decreased by 10 hours since the first public workshop is now listed as an option. The Options as outlined in the proposal are:

1. Additional 8 hours of interviews for \$1,870. This option is recommended by the consultant as a very effective information tool.
2. Public workshop early in the process for \$1,870.
3. Public Outreach for draft plan with 4 sub-selections at varying cost of strategic plan mailer, web based information, press release and associated additional Board review of material.
4. Under General Outreach the consultant listed further recommendations related and unrelated to the Strategic Plan to increase public information access and visibility for the District.

The Board agrees to Option 1 and 2 and would like to discuss items 3 and 4 at later date.

Director Slater-Carter noted that casting a wide net for the rate payers for their opinions and concerns would be appropriate.

Director Huber suggested to include CCWD and Lou Wall in the Interview process.

Suggestions regarding how to include the general public will be asked of the Consultant.

Director Huber wants a clear sense of what our rate payers say by augmenting a customer survey. Questions regarding this and how it could be done will be asked of the Consultant at the next meeting.

Director Wilson noted at the next meeting the Board will ask the Consultant the following:

1. How to populate the 2<sup>nd</sup> day
2. Ask about the survey (pros and cons of it and how to go about it)
3. Request the Consultant at the next meeting for further discussion of the above items and initiate the strategic planning process.

## **NEW BUSINESS –**

### **1. Review and Possible Action Concerning Drought Preparation.**

General Manager Heldmaier reported MWSD's sources depend entirely on the local precipitation at the slopes of Montara Mountain. The water operations team and our hydrologist are continually monitoring the water levels in our wells and local streams, and the overall production rates. Observing precipitation and well water levels helps us to determine the availability of water for the near term future. Although we are currently in a Stage 1 – Normal Water Supply, where the District's supply and distribution system is able to meet all the water demands of its customers, there is a possibility that the current extreme weather conditions will affect the District sources in the future. At that point the board will be asked to implement State 2 – Water Alert.

All Board members agreed to have the flyer staff prepared regarding conserving water placed in all upcoming bills for Montara and Moss Beach.

Director Wilson questioned our leak policy and noted its importance now we are facing a drought. As a courtesy to Director Wilson, General Manager Heldmaier did a brief review of the District leak policy and explained how staff receives the data and reports the actual leak to the resident.

### **2. Review and Possible Action Concerning Reorganization of Granada Sanitary District into Community Services District Adding the Service of Park and Recreation.**

General Manager Heldmaier reported the Granada Sanitary District filed an application with the San Mateo County Local Agency Formation Commission to reorganize into a community services district in order to provide park and recreation services within GSD's boundaries. At the December 12, 2013 LAFCO meeting the proposal was tentatively approved with a list of conditions. One of the conditions calls for GSD to send a letter to the Montara Water and Sanitary District requesting establishment of a joint ad hoc consolidation committee.

The GSD satisfied the condition on January 7 by sending the requested letter asking to establish an ad hoc committee to discuss potential consolidation issues.

LAFCO will hold a hearing about GSD's reorganization on January 15 and has scheduled a protest hearing on February 19. The Board of Supervisors scheduled the item for the meeting on February 25. If approved, the reorganization of our neighboring District into a community services district will go to a vote of the people on June 3, 2014.

Sabrina Brennan, a Moss Beach resident, reported she had attended the LAFCO Meeting and supports the reorganization of Granada Sanitary District to a Parks and Recreation District. Ms. Brennan has a hard time understanding why LAFCO would want to tie a consolidation committee to this reorganization for GSD and is urging the MWSD Board not to participate in such committee. Sabrina reported she was speaking on behalf of the Seal Cove Property Owners Association and that a great deal of community members are not in support of consolidation. Ms. Brennan urges the Board to focus on things that would benefit the rate payers such as improving the web page, improving outreach, email communications, and educating rate payers with the new hook-ups to the system.

Sabrina reported she had a conversation with April Vargas this afternoon and April asked her to convey to the MWSD Board her deep concerns about this potential joint ad hoc committee and is not in support of it.

Bill Kehoe, a Moss Beach resident agrees with Ms. Brennan. He was sent a summary of the meeting he read today and it is not clear what this committee actually is. The meeting notes indicate that Supervisor Horsley and Councilmember Alifano jumped on this as a good idea. There is no clear definition of this committee. Mr. Kehoe noted he had talked to many people at the post office and many people are dead set against consolidation. This whole idea of going to a CSD was the beginning of a slippery slope. This is something the county has been trying to push at us for years. Most people he knows in Montara and Moss Beach are dead set against this. I would not want to shut down what GSD wants to do, but all this has been done outside with any input from Montara and Moss Beach. For us to be the tail pinned on the donkey is not the game I want to see us play. Mr. Kehoe urges the Board to be really careful on your decisions here because I can see right now that if it goes down that slippery slope of consolidation, there will be major reorganization.

Director Harvey noted it was a request and does not mean that we have to form an ad hoc committee. GSD satisfied the demand and it did not involve us.

Bill Huber reported in the last election, he walked the streets of Moss Beach and Montara and did not get the sense that there was a strong feeling about this one way or another. The idea of forming an ad hoc committee to talk about it does not mean we are going to do it. Director Huber is in favor of forming an ad hoc committee to meet with GSD.

Director Wilson is of the same opinion. We should not ignore this request. Director Wilson noted we have complete control over this issue and there should be no downside in engaging in a discussion.

Director Slater-Carter can't see any reason in spending any of the Districts resources and time on this issue. Director Slater-Carter suggested spending time and resources on public outreach with the strategic plan. Director Slater-Carter believes that any discussion of consolidation could uproot GSD's plans to convert to a Community Services District and add more problems to their effort.

Director Boyd received some very concerned calls about this issue. Director Boyd has walked the streets of Montara and Moss Beach many times and found this topic to be one of concern among many of the residents. There is no support in the community for this from people I have sought out and have sought me out. Director Boyd further noted LAFCO is trying to force Granada's hand on this. I fully support working closely with our allies, collaborators and friends on either side of us, and I am plenty willing to make relationship outreach to any of the agencies we get to interact with. Out of respect for our community, I must say this is the wrong way to come at this and I couldn't be more firm on this.

Lou Wall, resident of Montara finds it interesting that they have the audacity to recommend they approach us with regard to forming a consolidation committee when Granada already serves parts of HMB. That would make more sense to combine those two sewer districts than to have us in there.

Bill Huber suggests we need to find out is what the community really feels about this issue. Director Huber has no position for or against the issue of consolidation, he would like to work the problem. Director Huber would like to put the time in and form the ad hoc committee to discuss the issue.

Director Harvey would like to discuss the issue in the future, but not at Supervisor Horsleys request. This would have to be initiated by our residents first.

Director Boyd suggested that LAFCO is using leverage to gain control.

Director Wilson noted that old history keeps coming up over and over again. The problem with the coast side is we have people in various camps that are unwilling to engage in the conversation beyond their own comfort level.

Director Slater-Carter is confused why LAFCO did not approach HMB with this since Granada and HMB share a water district. I do not want to interfere with their election. There is no point in rushing into this. Let's bring this up when they are done with their election and they have become a Community Service District for a year or two to see how it's been working.

Director Huber doesn't understand how the formation of this ad hoc committee would interfere with Granada's election.



Director Slater-Carter moved to send Granada Sanitary District a letter of support for their Community Services District and congratulate them on their approval of election from LAFCO. Director Harvey seconded the motion.

Director Wilson raised the question wasn't it GSD's issue whether or not to become a Park District and why is MWSD sending a letter of support to that?

Director Boyd responded that the letter was a letter of Congratulations, Just a matter of common courtesy.

Director Wilson respectfully disagreed.

Director Boyd asked if there was anything further to discuss regarding the letter of Congratulations to be sent to Granada Sanitary District.

Ayes: Director Slater-Carter, Harvey and Boyd

Noes: Director Wilson and Huber

The motion passes 3 to 2.

Director Huber moved to form an ad hoc committee to meet with Granada Sanitary District Committee as outlined in the January 7<sup>th</sup> letter and the LAFCO ad hoc committee. Director Wilson seconded the motion.

Bill Kehoe, a Moss Beach resident reported that when Director Huber was running for office and attended the League of Women's Voters meeting, he recalled Director Huber stated that he was not for consolidation but for cooperation. Mr. Kehoe is very unhappy with Mr. Huber's position.

Director Boyd stated for the record that members of the public have the right to speak without being interrupted by any Board Member. He then asked if anyone had a response to Mr. Kehoe's comments.

Director Huber responded that he is not advocating consolidation. I am advocating having a discussion on that issue to see if it has any merits. Director Huber agrees with Director Boyd regarding respecting the public while speaking.

Director Harvey noted that we will talk about this in the future if our residents initiate it.

Director Boyd asked for those all in favor to form the ad hoc committee to meet with GSD and LAFCO ad hoc committees

Ayes: Directors Huber and Wilson

Noes: Directors Slater-Carter, Harvey and Boyd

The motion fails 2 to 3.

**3. Review and Possible Action Concerning Confirmation of Appointment of SAM Representatives, California Special District Representatives, and Association of California Water Agencies Representative.**

General Manager Heldmaier reported at the last meeting the Board appointed Board Officers and Committee Assignments for this calendar year. Director Huber alerted staff that the motion to assign the positions didn't include the SAM alternates CSDA representatives and ACWA representative. The attached chart indicates the current positions and committee assignments for each Board Member.

Director Slater-Carter moved to affirm the discussed assignments for Jim Harvey and Scott Boyd as SAM representatives, Kathryn Slater-Carter and Bill Huber as SAM alternates; Kathryn Slater Carter as CSDA representative, Scott Boyd, Jim Harvey, Bill Huber and Dwight Wilson as alternates; Dwight Wilson as ACWA Member. Director Wilson seconded the motion.

All Directors were in favor and the motion passed unanimously.

**4. Review and Possible Action Concerning Updating Emergency Response Plan and Water Quality Emergency Notification Plan.**

General Manager Heldmaier reported at Director Huber's request the Board asked staff to consider the update of the Emergency Response Plan and Water Quality Emergency Notification Plan.

The Water Quality Emergency Response Plan is a form document provided by and filed with the State Department of Public Health CDPH. It is posted on all treatment sites, in the rounds book and carried by the On-Call Person at all times. The currently filed document is attached.

Staff is currently assessing the Emergency Response Plan and will submit a recommendation to the Board at a later meeting.

**REPORTS**

1. **Sewer Authority Mid-Coastside Meetings** – Director Harvey reported there had been a closed session meeting regarding the consideration of candidates for the General Managers position.
2. **MidCoast Community Council Meeting (Slater-Carter)** – Director Slater-Carter has nothing to report. Director Slater-Carter noted Seton is for sale. Director Wilson further reported it was the entire hospital system throughout California and it seemed to be a financial problem. Depending on the buyer, there will be major changes.
3. **ACWA Report**–None

4. **CSDA Report (Slater-Carter)** –Director Slater-Carter has nothing to report.

5. **Integrated Regional Water Management Plan** – General Manager Heldmaier reported he had conversation with Dave Dixon and now that all the committees have been formed, an email will be going out to meet with CCWD.

Director Slater-Carter would like to know what the purpose of this committee is and would like to see this as an agenda item.

General Manager Heldmaier explained it was a way to cooperate on Board level. General Manager Heldmaier pointed out we are cooperating on a staff level in many ways, but Board level cooperation was part of the plan.

Director Slater-Carter would like to see more direction from the Board given to the committee.

Director Wilson suggested to let the committee have one meeting then report back to the Board from that report, we can decide if more direction is needed.

Director Boyd noted the purpose of the initial meeting is to surface issues to bring back to the Board for discussion about possible direction from the Board.

6. **Attorney's Report (Schricker)** –None

7. **Directors Report** – Director Slater-Carter reported she had never seen snow conditions as low as they have been in the month of January in Lake Tahoe.

8. **General Manager's Report (Heldmaier)** – None

Director Boyd pointed out the Schoolhouse Tank is close to completion.

#### **FUTURE AGENDAS-**

Director Slater-Carter requested further discussion regarding the Integrated Regional Water Management Plan on a future agenda.

**REGULAR MEETING ENDED at 9:33 P.M.**

Respectfully Submitted,

Signed \_\_\_\_\_  
Secretary

Approved on the 7<sup>th</sup> February, 2014

Signed \_\_\_\_\_  
President

# **MONTARA WATER AND SANITARY DISTRICT**



**Unaudited Financial Statements for  
December 2013**

## Montara Water & Sanitary District

### Funds Balance Sheet

As of December 31, 2013

	Sewer	Water	TOTAL
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
<b>Sewer - Bank Accounts</b>			
Wells Fargo Operating - Sewer	2,709,014.19	0.00	2,709,014.19
<b>LAIF Investment Fund</b>			
Capital Reserve	2,712,334.05	0.00	2,712,334.05
Connection Fees Reserve	43,000.00	0.00	43,000.00
<b>Total LAIF Investment Fund</b>	<u>2,755,334.05</u>	<u>0.00</u>	<u>2,755,334.05</u>
<b>Total Sewer - Bank Accounts</b>	5,464,348.24	0.00	5,464,348.24
<b>Water - Bank Accounts</b>			
Wells Fargo Operating - Water	0.00	291,935.97	291,935.97
Capital Reserve	0.00	453,500.00	453,500.00
Operating Reserve	0.00	246,000.00	246,000.00
<b>Restricted Cash</b>			
Acq & Improv Fund	0.00	729,423.54	729,423.54
Connection Fees Reserve	0.00	46,000.00	46,000.00
Cost of Issuance	0.00	122.94	122.94
GO Bonds Fund	0.00	32,476.85	32,476.85
<b>Total Restricted Cash</b>	<u>0.00</u>	<u>808,023.33</u>	<u>808,023.33</u>
<b>Total Water - Bank Accounts</b>	<u>0.00</u>	<u>1,799,459.30</u>	<u>1,799,459.30</u>
<b>Total Checking/Savings</b>	5,464,348.24	1,799,459.30	7,263,807.54
<b>Accounts Receivable</b>			
<b>Water - Accounts Receivable</b>			
Accounts Rec. - Backflow	0.00	6,756.51	6,756.51
Accounts Rec. - Water Residents	0.00	113,462.42	113,462.42
Property Tax Receivable	0.00	568.30	568.30
<b>Total Water - Accounts Receivable</b>	<u>0.00</u>	<u>120,787.23</u>	<u>120,787.23</u>
<b>Total Accounts Receivable</b>	0.00	120,787.23	120,787.23
<b>Other Current Assets</b>			
Maint/Parts Inventory	0.00	42,656.32	42,656.32
Prepaid Refuse Charges	12,661.76	0.00	12,661.76
<b>Total Other Current Assets</b>	<u>12,661.76</u>	<u>42,656.32</u>	<u>55,318.08</u>
<b>Total Current Assets</b>	5,477,010.00	1,962,902.85	7,439,912.85
<b>Fixed Assets</b>			
<b>Sewer - Fixed Assets</b>			
General Plant	856,839.45	0.00	856,839.45
Land	5,000.00	0.00	5,000.00
<b>Other Capital Improv.</b>			
Sewer-Original Cost	685,599.18	0.00	685,599.18
Other Cap. Improv.	2,544,453.41	0.00	2,544,453.41
<b>Total Other Capital Improv.</b>	<u>3,230,052.59</u>	<u>0.00</u>	<u>3,230,052.59</u>
Seal Cove Collection System	995,505.00	0.00	995,505.00
<b>Sewage Collection Facility</b>			
Collection Facility - Org. Cost	1,349,064.00	0.00	1,349,064.00
Collection Facility - Other	3,991,243.33	0.00	3,991,243.33
<b>Total Sewage Collection Facility</b>	<u>5,340,307.33</u>	<u>0.00</u>	<u>5,340,307.33</u>
Treatment Facility	244,539.84	0.00	244,539.84
Accumulated Depreciation	-5,960,588.00	0.00	-5,960,588.00
<b>Total Sewer - Fixed Assets</b>	<u>4,711,656.21</u>	<u>0.00</u>	<u>4,711,656.21</u>



11:51 AM  
 1/29/14  
 Accrual Basis

## Montara Water & Sanitary District Funds Balance Sheet As of December 31, 2013

<b>Water - Fixed Assets</b>			
General Plant	0.00	21,100,979.83	21,100,979.83
Land & Easements	0.00	734,500.00	734,500.00
Surface Water Rights	0.00	300,000.00	300,000.00
Water Meters	0.00	1,058,985.00	1,058,985.00
Fixed Assets - Other	0.00	48,171.78	48,171.78
Accumulated Depreciation	0.00	-6,397,365.00	-6,397,365.00
<b>Total Water - Fixed Assets</b>	<b>0.00</b>	<b>16,845,271.61</b>	<b>16,845,271.61</b>
<b>Total Fixed Assets</b>	<b>4,711,656.21</b>	<b>16,845,271.61</b>	<b>21,556,927.82</b>
<b>Other Assets</b>			
<b>Sewer - Other Assets</b>			
Due from Water Fund	1,548,177.18	0.00	1,548,177.18
Employee Loan	123,340.80	0.00	123,340.80
<b>Joint Power Authority</b>			
SAM - Orig Collection Facility	981,592.00	0.00	981,592.00
SAM - Expansion	1,705,955.08	0.00	1,705,955.08
<b>Total Joint Power Authority</b>	<b>2,687,547.08</b>	<b>0.00</b>	<b>2,687,547.08</b>
<b>Total Sewer - Other Assets</b>	<b>4,359,065.06</b>	<b>0.00</b>	<b>4,359,065.06</b>
<b>Water - Other Assets</b>			
Bond Acquisition Cost OID	0.00	77,180.40	77,180.40
Bond Issue Cost	0.00	77,114.30	77,114.30
Due to Sewer Fund	0.00	-1,548,177.18	-1,548,177.18
<b>Total Water - Other Assets</b>	<b>0.00</b>	<b>-1,393,882.48</b>	<b>-1,393,882.48</b>
<b>Total Other Assets</b>	<b>4,359,065.06</b>	<b>-1,393,882.48</b>	<b>2,965,182.58</b>
<b>TOTAL ASSETS</b>	<b>14,547,731.27</b>	<b>17,414,291.98</b>	<b>31,962,023.25</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable - Water	0.00	-21,020.00	-21,020.00
<b>Total Accounts Payable</b>	<b>0.00</b>	<b>-21,020.00</b>	<b>-21,020.00</b>
<b>Other Current Liabilities</b>			
<b>Sewer - Current Liabilities</b>			
PNC Equip. Loan - S/T	15,555.16	0.00	15,555.16
<b>Total Sewer - Current Liabilities</b>	<b>15,555.16</b>	<b>0.00</b>	<b>15,555.16</b>
<b>Water - Current Liabilities</b>			
Accrued Interest	0.00	81,799.58	81,799.58
GO Bonds - S/T	0.00	398,784.32	398,784.32
PFP Water Deposits	0.00	4,302.50	4,302.50
PNC Equip. Loan - S/T	0.00	15,555.15	15,555.15
<b>Total Water - Current Liabilities</b>	<b>0.00</b>	<b>500,441.55</b>	<b>500,441.55</b>
<b>Payroll Liabilities</b>			
Employee Benefits Payable	1,833.98	2,767.88	4,601.86
Payroll Taxes Payable	1,235.21	1,992.31	3,227.52
<b>Total Payroll Liabilities</b>	<b>3,069.19</b>	<b>4,760.19</b>	<b>7,829.38</b>
<b>Total Other Current Liabilities</b>	<b>18,624.35</b>	<b>505,201.74</b>	<b>523,826.09</b>
<b>Total Current Liabilities</b>	<b>18,624.35</b>	<b>484,181.74</b>	<b>502,806.09</b>

**Montara Water & Sanitary District**  
**Funds Balance Sheet**  
 As of December 31, 2013

Long Term Liabilities

Sewer - Long Term Liabilities

Accrued Vacations	14,066.83	0.00	14,066.83
I-Bank Loan	892,219.14	0.00	892,219.14
PNC Equip. Loan - L/T	756,621.19	0.00	756,621.19
<b>Total Sewer - Long Term Liabilities</b>	<b>1,662,907.16</b>	<b>0.00</b>	<b>1,662,907.16</b>

Water - Long Term Liabilities

Accrued Vacations	0.00	16,654.90	16,654.90
Deferred on Refunding	0.00	-280,322.00	-280,322.00
GO Bonds - L/T	0.00	13,984,428.77	13,984,428.77
PNC Equip. Loan - L/T	0.00	756,621.20	756,621.20
SRF Loan Payable	0.00	409,552.51	409,552.51
<b>Total Water - Long Term Liabilities</b>	<b>0.00</b>	<b>14,886,935.38</b>	<b>14,886,935.38</b>

<b>Total Long Term Liabilities</b>	<b>1,662,907.16</b>	<b>14,886,935.38</b>	<b>16,549,842.54</b>
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<b>Total Liabilities</b>	<b>1,681,531.51</b>	<b>15,371,117.12</b>	<b>17,052,648.63</b>
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Equity

Sewer - Equity Accounts

Capital Assets Net	3,448,211.00	0.00	3,448,211.00
Fund Balance - Unrestricted	8,156,010.78	0.00	8,156,010.78
Retained Earnings	957,796.67	0.00	957,796.67
<b>Total Sewer - Equity Accounts</b>	<b>12,562,018.45</b>	<b>0.00</b>	<b>12,562,018.45</b>

Water - Equity Accounts

Capital Assets Net	0.00	-288,324.00	-288,324.00
Restricted Debt Service	0.00	2,546,106.50	2,546,106.50
Unrestricted	0.00	180,637.00	180,637.00
Retained Earnings	0.00	-233,817.87	-233,817.87
<b>Total Water - Equity Accounts</b>	<b>0.00</b>	<b>2,204,601.63</b>	<b>2,204,601.63</b>

<b>Net Income</b>	<b>304,181.31</b>	<b>-161,426.77</b>	<b>142,754.54</b>
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<b>Total Equity</b>	<b>12,866,199.76</b>	<b>2,043,174.86</b>	<b>14,909,374.62</b>
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>14,547,731.27</b>	<b>17,414,291.98</b>	<b>31,962,023.25</b>
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# Montara Water & Sanitary District

## Revenue & Expenditures Budget vs. Actual - Sewer

July through December 2013

	Jul - Dec 13	Sewer Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease			-1,249.69
4330 · Engineering Review	14,302.31	15,552.00	
4400 · Fees	2,439.00		
4410 · Administrative Fee (New Constr)	0.00	1,128.00	-1,128.00
4420 · Administrative Fee (Remodel)	450.00	450.00	0.00
4430 · Inspection Fee (New Constr)	0.00	1,050.00	-1,050.00
4440 · Inspection Fee (Remodel)	1,690.00	426.00	1,264.00
4460 · Remodel Fees	7,660.00	1,098.00	6,562.00
<b>Total 4400 · Fees</b>	<b>9,800.00</b>	<b>4,152.00</b>	<b>5,648.00</b>
4610 · Property Tax Receipts		127,500.00	-22,970.39
4710 · Sewer Service Charges	104,529.61	995,508.00	19,473.54
4720 · Sewer Service Refunds, Customer	1,014,981.54	-1,002.00	688.34
4760 · Waste Collection Revenues	-343.66	6,498.00	-1,705.89
4792.11	4,792.11		
<b>Total Income</b>	<b>1,150,500.91</b>	<b>1,148,208.00</b>	<b>2,292.91</b>
Expense			
5000 · Administrative			
5190 · Bank Fees		1,548.00	1,203.64
5200 · Board of Directors	2,751.64		
5210 · Board Meetings	3,709.50	1,002.00	2,707.50
5220 · Director Fees	0.00	1,248.00	-1,248.00
5230 · Election Expenses	0.00	4,998.00	-4,998.00
<b>Total 5200 · Board of Directors</b>	<b>3,709.50</b>	<b>7,248.00</b>	<b>-3,538.50</b>
5250 · Conference Attendance	0.00	1,002.00	-1,002.00
5270 · Information Systems	480.00	1,500.00	-1,020.00
5300 · Insurance			
5310 · Fidelity Bond	0.00	450.00	-450.00
5320 · Property & Liability Insurance	1,582.75	750.00	832.75
<b>Total 5300 · Insurance</b>	<b>1,582.75</b>	<b>1,200.00</b>	<b>382.75</b>
5350 · LAFCO Assessment		648.00	900.00
5400 · Legal			
5420 · Meeting Attendance, Legal	5,610.00	4,998.00	612.00
5430 · General Legal	11,975.00	10,002.00	1,973.00
<b>Total 5400 · Legal</b>	<b>17,585.00</b>	<b>15,000.00</b>	<b>2,585.00</b>
5510 · Maintenance, Office	1,100.00	750.00	350.00
5520 · Meetings, Local	172.65	150.00	22.65
5540 · Office Supplies	2,511.19	4,500.00	-1,988.81
5550 · Postage	611.26	1,998.00	-1,386.74
5560 · Printing & Publishing	3,297.72	1,002.00	2,295.72
5600 · Professional Services			
5610 · Accounting	14,682.25	12,498.00	2,184.25
5620 · Audit	5,500.00	6,498.00	-998.00
5630 · Consulting	0.00	5,748.00	-5,748.00
5640 · Data Services	1,812.84	2,748.00	-935.16
5660 · Payroll Services	73.95	402.00	-328.05
<b>Total 5600 · Professional Services</b>	<b>22,069.04</b>	<b>27,894.00</b>	<b>-5,824.96</b>
5710 · San Mateo Co. Tax Roll Charges	0.00	1,500.00	-1,500.00

# Montara Water & Sanitary District

## Revenue & Expenditures Budget vs. Actual - Sewer

July through December 2013

	Sewer		\$ Over Budget
	Jul - Dec 13	Budget	
5720 · Telephone & Internet, Admin	5,500.21	2,550.00	2,950.21
5730 · Travel, Local	328.19	750.00	-421.81
5740 · Reference Materials	0.00	102.00	-102.00
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	6,175.56	4,098.00	2,077.56
5820 · Employee Benefits	15,597.00	18,720.00	-3,123.00
5830 · Disability Insurance	495.30	330.00	165.30
5840 · Payroll Taxes	6,812.99	4,476.00	2,336.99
5900 · Wages			
5910 · Management	36,271.86	36,366.00	-94.14
5920 · Staff	47,941.90	47,112.00	829.90
5930 · Staff Certification	900.00		
5940 · Staff Overtime	1,433.04		
5950 · Staff Standby	502.65		
Total 5900 · Wages	87,049.45	83,478.00	3,571.45
5960 · Worker's Comp Insurance	429.01	3,636.00	-3,206.99
Total 5800 · Labor	116,559.31	114,738.00	1,821.31
Total 5000 · Administrative	179,806.46	184,080.00	-4,273.54
6000 · Operations			
6170 · Claims, Property Damage	6,440.96	4,998.00	1,442.96
6195 · Education & Training	1,050.00	498.00	552.00
6200 · Engineering			
6210 · Meeting Attendance, Engineering	0.00	2,502.00	-2,502.00
6220 · General Engineering	11,053.00	12,498.00	-1,445.00
Total 6200 · Engineering	11,053.00	15,000.00	-3,947.00
6320 · Equipment & Tools, Expensed	1,229.46		
6330 · Facilities			
6335 · Alarm Services	3,024.57	2,250.00	774.57
6337 · Landscaping	950.00	1,200.00	-250.00
Total 6330 · Facilities	3,974.57	3,450.00	524.57
6400 · Pumping			
6410 · Pumping Fuel & Electricity	15,347.77	17,502.00	-2,154.23
Total 6400 · Pumping	15,347.77	17,502.00	-2,154.23
6600 · Collection/Transmission			
6660 · Maintenance, Collection System	0.00	10,002.00	-10,002.00
Total 6600 · Collection/Transmission	0.00	10,002.00	-10,002.00
6900 · Sewer Authority Midcoastside			
6910 · SAM Collections	166,434.00	166,434.00	0.00
6920 · SAM Operations	328,596.00	328,602.00	-6.00
6930 · SAM Prior Year Adjustment	0.00	-133,392.00	133,392.00
6940 · SAM Maintenance, Collection Sys	15,550.34	19,998.00	-4,447.66
6950 · SAM Maintenance, Pumping	0.00	19,998.00	-19,998.00
Total 6900 · Sewer Authority Midcoastside	510,580.34	401,640.00	108,940.34
Total 6000 · Operations	549,676.10	453,090.00	96,586.10

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer July through December 2013

	Jul - Dec 13	Sewer Budget	\$ Over Budget
<b>Total Expense</b>	729,482.56	637,170.00	92,312.56
<b>Net Ordinary Income</b>			-90,019.65
<b>Other Income/Expense</b>	421,018.35	511,038.00	
<b>Other Income</b>			
7000 · Capital Account Revenues		55,800.00	-55,800.00
7100 · Connection Fees	23,210.00	7,002.00	16,208.00
7110 · Connection Fees (New Constr)	0.00		
7120 · Connection Fees (Remodel)	23,210.00		
<b>Total 7100 · Connection Fees</b>	23,210.00	62,802.00	-39,592.00
7200 · Interest Income - LAIF	0.00	4,002.00	-4,002.00
7700 · Interest, Employee Loans	2,506.83	2,070.00	436.83
<b>Total 7000 · Capital Account Revenues</b>	25,716.83	68,874.00	-43,157.17
<b>Total Other Income</b>	25,716.83	68,874.00	-43,157.17
<b>Other Expense</b>			
8000 · Capital Improvement Program			
8075 · Sewer	117,044.64	884,400.00	-767,355.36
<b>Total 8000 · Capital Improvement Program</b>	117,044.64	884,400.00	-767,355.36
9000 · Capital Account Expenses			
9125 · PNC Equipment Lease Interest	11,406.00		115.76
9175 · Capital Assessment - SAM	0.00	91,002.00	-91,002.00
9200 · I-Bank Loan	13,987.47	13,800.00	187.47
<b>Total 9000 · Capital Account Expenses</b>	25,509.23	116,208.00	-90,698.77
<b>Total Other Expense</b>	142,553.87	1,000,608.00	-858,054.13
<b>Net Other Income</b>	-116,837.04	-931,734.00	814,896.96
<b>Net Income</b>	304,181.31	-420,696.00	724,877.31



# Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water July through December 2013

	Water		\$ Over Budget
	Jul - Dec 13	Budget	
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease	14,302.32	15,552.00	-1,249.68
4330 · Engineering Review	2,439.00		
4400 · Fees			
4410 · Administrative Fee (New Constr)	0.00	1,128.00	-1,128.00
4420 · Administrative Fee (Remodel)	450.00	450.00	0.00
4430 · Inspection Fee (New Constr)	0.00	1,050.00	-1,050.00
4440 · Inspection Fee (Remodel)	425.00	426.00	-1.00
<b>Total 4400 · Fees</b>	<b>875.00</b>	<b>3,064.00</b>	<b>-2,179.00</b>
4610 · Property Tax Receipts	104,409.05	112,500.00	-8,090.95
4740 · Testing, Backflow	7,616.00	5,748.00	1,868.00
4810 · Water Sales, Domestic	653,653.73	802,350.00	-148,696.27
4850 · Water Sales Refunds, Customer	-7,255.49	-1,998.00	-5,257.49
4990 · Other Revenue	1,638.54		
<b>Total Income</b>	<b>777,678.15</b>	<b>937,206.00</b>	<b>-159,527.85</b>
Expense			
5000 · Administrative			
5190 · Bank Fees	3,567.66	4,500.00	-932.34
5200 · Board of Directors			
5210 · Board Meetings	1,842.83	1,002.00	840.83
5220 · Director Fees	0.00	1,248.00	-1,248.00
5230 · Election Expenses	0.00	4,998.00	-4,998.00
<b>Total 5200 · Board of Directors</b>	<b>1,842.83</b>	<b>7,248.00</b>	<b>-5,405.17</b>
5240 · CDPH Fees	5,590.94	10,002.00	-4,411.06
5250 · Conference Attendance	0.00	2,502.00	-2,502.00
5270 · Information Systems	0.00	3,000.00	-3,000.00
5300 · Insurance			
5310 · Fidelity Bond	0.00	450.00	-450.00
5320 · Property & Liability Insurance	1,582.76	750.00	832.76
<b>Total 5300 · Insurance</b>	<b>1,582.76</b>	<b>1,200.00</b>	<b>382.76</b>
5350 · LAFCO Assessment	2,026.00	852.00	1,174.00
5400 · Legal			
5420 · Meeting Attendance, Legal	4,207.50	4,998.00	-790.50
5430 · General Legal	13,527.50	34,998.00	-21,470.50
5440 · Litigation	11,662.50		
<b>Total 5400 · Legal</b>	<b>29,397.50</b>	<b>39,996.00</b>	<b>-10,598.50</b>
5510 · Maintenance, Office	1,162.99	750.00	412.99
5520 · Meetings, Local	0.00	150.00	-150.00
5530 · Memberships	17,734.94	8,748.00	8,986.94
5540 · Office Supplies	2,985.16	4,500.00	-1,514.84
5550 · Postage	2,124.45	4,002.00	-1,877.55
5560 · Printing & Publishing	2,171.02	1,002.00	1,169.02
5610 · Accounting			
5620 · Audit	14,682.25	12,488.00	2,184.25
5630 · Consulting	5,500.00	6,498.00	-998.00
5640 · Data Services	12,295.64	15,750.00	-3,454.36
5650 · Labor Representation	7,387.11		
	5,250.00	4,500.00	750.00

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water July through December 2013

	Water		\$ Over Budget
	Jul - Dec 13	Budget	
5660 · Payroll Services	73.95	402.00	-328.05
5690 · Other Professional Services	192.00		
<b>Total 5600 · Professional Services</b>	<b>45,380.95</b>	<b>39,648.00</b>	<b>5,732.95</b>
5720 · Telephone & Internet, Admin	1,363.52	2,550.00	-1,186.48
5730 · Travel, Local	1,583.26	750.00	833.26
5740 · Reference Materials	0.00	402.00	-402.00
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	14,042.04	12,444.00	1,598.04
5820 · Employee Benefits	25,914.44	29,562.00	-3,647.56
5830 · Disability Insurance	1,013.60	906.00	107.60
5840 · Payroll Taxes	15,825.18	15,630.00	195.18
5900 · Wages			
5910 · Management	38,281.88	36,366.00	1,915.88
5920 · Staff	143,776.95	142,146.00	1,630.95
5930 · Staff Certification	4,525.00	7,734.00	-3,209.00
5940 · Staff Overtime	12,607.64	30,192.00	-17,584.36
5950 · Staff Standby	5,378.26	8,358.00	-2,979.74
<b>Total 5900 · Wages</b>	<b>204,569.73</b>	<b>224,796.00</b>	<b>-20,226.27</b>
5960 · Worker's Comp Insurance	2,241.83	12,930.00	-10,688.17
<b>Total 5800 · Labor</b>	<b>263,606.82</b>	<b>296,268.00</b>	<b>-32,661.18</b>
<b>Total 5000 · Administrative</b>	<b>382,120.80</b>	<b>428,070.00</b>	<b>-45,949.20</b>
6000 · Operations			
6160 · Backflow Prevention	1,084.97	1,050.00	34.97
6170 · Claims, Property Damage	0.00	4,998.00	-4,998.00
6180 · Communications			
6185 · Communications Equip, Expensed	297.16	8,748.00	-8,450.84
6187 · Telephone & Internet, Comm.	360.00	1,602.00	-1,222.00
<b>Total 6180 · Communications</b>	<b>677.16</b>	<b>10,350.00</b>	<b>-9,672.84</b>
6195 · Education & Training			
6200 · Engineering	1,280.78		
6210 · Meeting Attendance, Engineering	1,716.25	4,998.00	-3,281.75
6220 · General Engineering	18,463.82	12,498.00	5,965.82
6230 · Water Quality Engineering	2,959.37	49,998.00	-47,038.63
<b>Total 6200 · Engineering</b>	<b>23,139.44</b>	<b>67,494.00</b>	<b>-44,354.56</b>
6320 · Equipment & Tools, Expensed		6,498.00	-6,498.00
6330 · Facilities			
6335 · Alarm Services	0.00	150.00	-150.00
6337 · Landscaping	1,500.00	1,800.00	-300.00
6330 · Facilities - Other	238.00		
<b>Total 6330 · Facilities</b>	<b>1,738.00</b>	<b>1,950.00</b>	<b>-212.00</b>
6370 · Lab Supplies & Equipment	290.25	1,002.00	-1,002.00
6380 · Meter Reading	0.00		
6400 · Pumping			
6410 · Pumping Fuel & Electricity	12,114.91	22,500.00	-10,385.09
6420 · Pumping Maintenance, Generators	7,385.29	7,500.00	-114.71
6430 · Pumping Maintenance, General	74.27		
6440 · Pumping Equipment, Expensed	3,385.83	12,498.00	-9,112.17

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water July through December 2013

	Water		\$ Over Budget
	Jul - Dec 13	Budget	
Total 6400 · Pumping	22,960.30	42,498.00	-19,537.70
6500 · Supply			
6510 · Maintenance, Supply Mains	15,246.62	2,502.00	12,744.62
6520 · Maintenance, Wells	2,883.96	498.00	2,385.96
6530 · Water Purchases	13,434.13	139,998.00	-126,563.87
Total 6500 · Supply	31,564.71	142,998.00	-111,433.29
6600 · Collection/Transmission			
6610 · Hydrants	0.00	1,002.00	-1,002.00
6620 · Maintenance, Mains	17,015.22	25,002.00	-7,986.78
6630 · Maintenance, Service Lines	2,910.62	15,000.00	-12,089.38
6640 · Maintenance, Tanks	30.54	3,252.00	-3,221.46
6650 · Maint., Transmission General	2,746.45	3,252.00	-505.55
6670 · Meters	0.00	2,502.00	-2,502.00
Total 6600 · Collection/Transmission	22,702.83	50,010.00	-27,307.17
6700 · Treatment			
6710 · Chemicals & Filtering	5,083.72	10,500.00	-5,416.28
6720 · Maintenance, Treatment Equip.	2,623.68	3,750.00	-1,126.32
6730 · Treatment Analysis	12,986.84	11,502.00	1,484.84
Total 6700 · Treatment	20,694.24	25,752.00	-5,057.76
6770 · Uniforms			
6800 · Vehicles	4,264.45	4,248.00	16.45
6810 · Fuel	3,854.43	4,998.00	-1,143.57
6820 · Vehicular Equipment, Expensed	3,032.22	498.00	2,534.22
6830 · Vehicular Repairs	5,477.13	1,002.00	4,475.13
Total 6800 · Vehicles	12,363.78	6,498.00	5,865.78
6890 · Other Operations	4,718.34		
Total 6000 · Operations	150,820.56	365,346.00	-214,525.44
Total Expense	532,941.36	793,416.00	-260,474.64
Net Ordinary Income	244,736.79	143,790.00	100,946.79
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	20,389.00	36,402.00	-16,013.00
7120 · Connection Fees (Remodel)	0.00	1,452.00	-1,452.00
7130 · Conn. Fees, PFP (New Constr)	0.00	19,050.00	-19,050.00
7140 · Conn. Fees, PFP (Remodel)	0.00	4,548.00	-4,548.00
Total 7100 · Connection Fees	20,389.00	61,452.00	-41,063.00
7600 · Bond Revenues, G.O.	10,127.68	575,220.00	-565,092.32
Total 7000 · Capital Account Revenues	30,516.68	636,672.00	-606,155.32
Total Other Income	30,516.68	636,672.00	-606,155.32
Other Expense			
8000 · Capital Improvement Program			

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water July through December 2013

	Jul - Dec 13	Water Budget	\$ Over Budget
8100 · Water			
Total 8000 · Capital Improvement Program	237,924.95	84,348.00	153,576.95
9000 · Capital Account Expenses			
9075 · PFP Connection Expenses	4,948.31		956.36
9100 · Interest Expense - GO Bonds	178,346.36	177,390.00	115.76
9125 · PNC Equipment Lease Interest	11,521.76	11,406.00	350.86
9150 · SRF Loan	3,938.86	3,588.00	
Total 9000 · Capital Account Expenses	198,755.29	192,384.00	6,371.29
Total Other Expense	436,680.24	276,732.00	159,948.24
Net Other Income	-406,163.56	359,940.00	-766,103.56
Net Income	<b>-161,426.77</b>	<b>503,730.00</b>	<b>-665,156.77</b>



# MONTARA WATER AND SANITARY DISTRICT AGENDA

**For Meeting Of: February 4, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

**SUBJECT: Unaudited Financial Statements – Executive  
Summary**

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The Executive Summary will be submitted at the meeting.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: February 6, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: SAM Flow Report for November and December  
2013**

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The Sewer Authority Mid-Coastside (SAM) has prepared the following attached reports for the SAM Board of Directors and the California Regional Water Quality Control Board:

- Flow Report for November and December 2013.
- Collection System Monthly Overflow Report – November and December 2013.

The Average Daily Flow for Montara was 0.272 MGD in November and 0.273 MGD in December 2013. There was no reportable overflow in September or October in the Montara System. SAM indicates there were 1.76 inches of rain in November and 0.3 inches of rain in December 2013.

## RECOMMENDATION:

Review and file.

Attachments

## Attachment A

### Flow Distribution Report Summary For November 2013

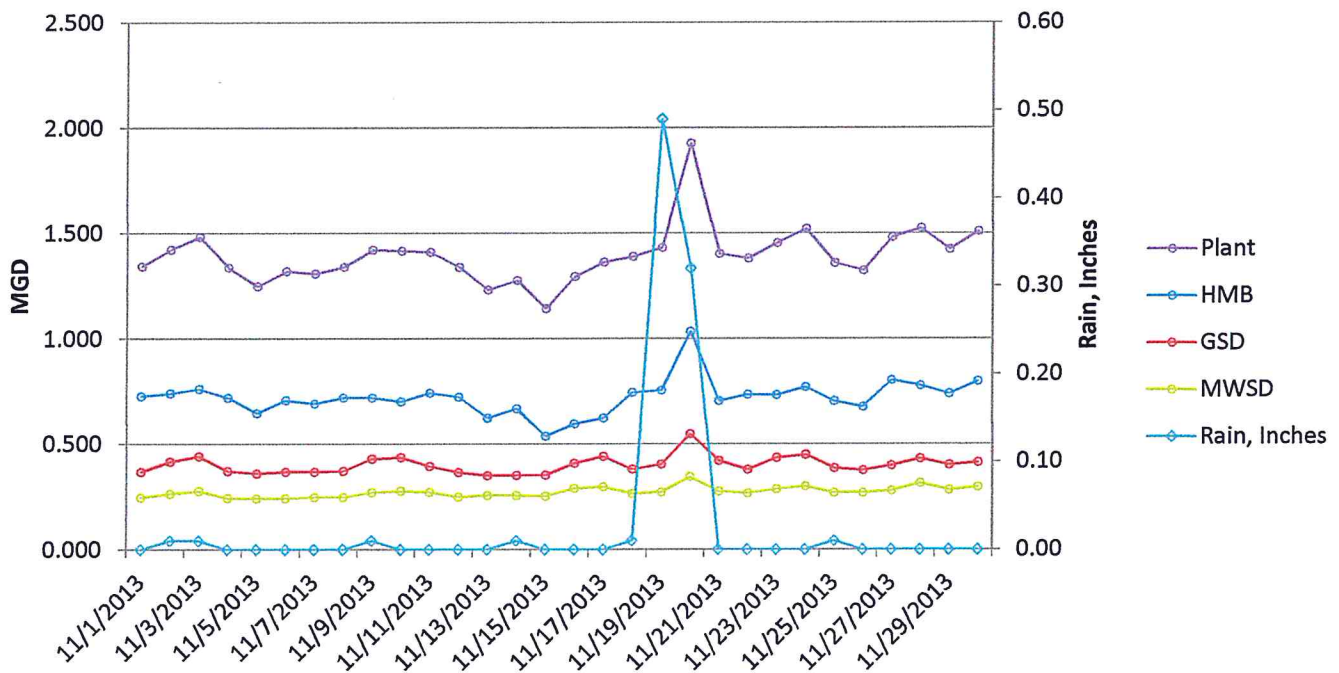
The daily flow report figures for the month of November 2013 have been converted to an Average Daily Flow (ADF) for each Member Agency. The results are attached for your review.

\*Influent flow is calculated using the mid-plant flow meter less process water and trucked in waste.

The summary of the ADF information is as follows:

	<u>MGD</u>	<u>%</u>
The City of Half Moon Bay	0.721	51.7%
Granada Sanitary District	0.401	28.8%
Montara Water and Sanitary District	<u>0.272</u>	<u>19.5%</u>
Total	1.394	100.0%

### Sewer Authority Mid-Coastside Monthly Flow Distribution Report, November 2013



# Sewer Authority Mid-Coastside

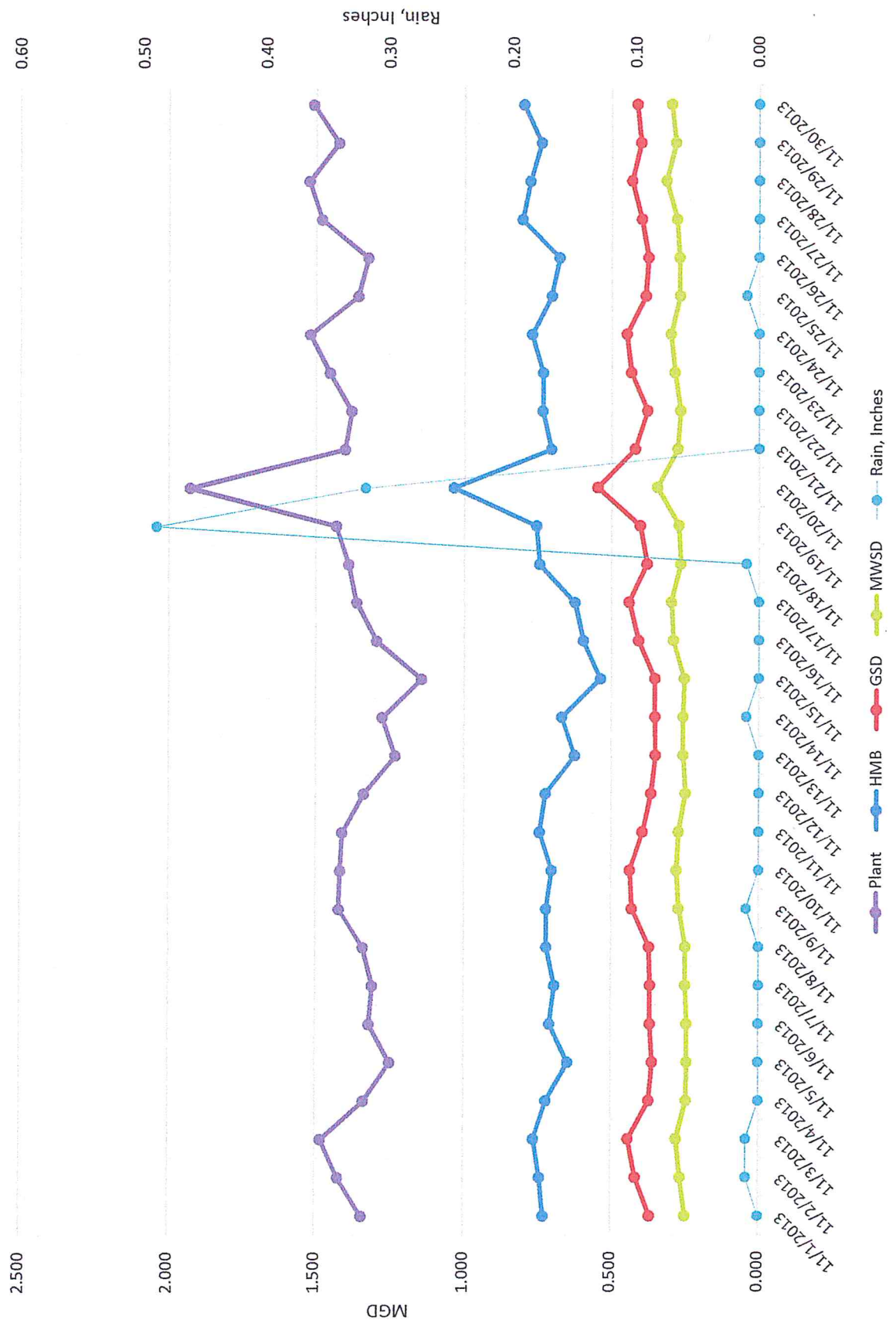
## Monthly Flow Distribution Report

<u>Date</u>	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>	<u>Rain Plant</u>	<u>Rain Portola</u>	<u>Rain Montara</u>
11/1/2013	0.728	0.368	0.247	1.343	0.00	No Data	0.00
11/2/2013	0.741	0.417	0.264	1.422	0.01	No Data	0.00
11/3/2013	0.762	0.442	0.278	1.482	0.01	No Data	0.00
11/4/2013	0.721	0.372	0.245	1.338	0.00	No Data	0.00
11/5/2013	0.647	0.360	0.242	1.249	0.00	No Data	0.00
11/6/2013	0.708	0.368	0.243	1.319	0.00	No Data	0.00
11/7/2013	0.692	0.368	0.248	1.308	0.00	No Data	0.00
11/8/2013	0.720	0.372	0.248	1.340	0.00	No Data	0.00
11/9/2013	0.720	0.430	0.271	1.421	0.01	No Data	0.00
11/10/2013	0.702	0.437	0.278	1.417	0.00	No Data	0.00
11/11/2013	0.744	0.395	0.272	1.411	0.00	No Data	0.00
11/12/2013	0.724	0.366	0.249	1.339	0.00	No Data	0.00
11/13/2013	0.625	0.351	0.256	1.232	0.00	No Data	0.00
11/14/2013	0.668	0.352	0.256	1.276	0.01	No Data	0.00
11/15/2013	0.538	0.353	0.253	1.144	0.00	No Data	0.00
11/16/2013	0.596	0.409	0.290	1.295	0.00	No Data	0.00
11/17/2013	0.625	0.441	0.297	1.363	0.00	No Data	0.00
11/18/2013	0.744	0.380	0.265	1.389	0.01	No Data	0.00
11/19/2013	0.755	0.404	0.272	1.431	0.49	No Data	0.72
11/20/2013	1.034	0.548	0.345	1.927	0.32	No Data	1.04
11/21/2013	0.706	0.421	0.276	1.403	0.00	No Data	0.00
11/22/2013	0.735	0.379	0.267	1.381	0.00	No Data	0.00
11/23/2013	0.733	0.435	0.286	1.454	0.00	No Data	0.00
11/24/2013	0.771	0.450	0.300	1.521	0.00	No Data	0.00
11/25/2013	0.704	0.386	0.269	1.359	0.01	No Data	0.00
11/26/2013	0.678	0.376	0.270	1.324	0.00	No Data	0.00
11/27/2013	0.804	0.399	0.279	1.482	0.00	No Data	0.00
11/28/2013	0.778	0.432	0.315	1.525	0.00	No Data	0.00
11/29/2013	0.739	0.402	0.283	1.424	0.00	No Data	0.00
11/30/2013	0.799	0.414	0.297	1.510	0.00	No Data	0.00
<b>Totals</b>	<b>21.642</b>	<b>12.027</b>	<b>8.161</b>	<b>41.830</b>	<b>0.87</b>	<b>No Data</b>	<b>1.76</b>

### Summary

	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>
Minimum	0.538	0.351	0.242	1.144
<b>Average</b>	<b>0.721</b>	<b>0.401</b>	<b>0.272</b>	<b>1.394</b>
Maximum	1.034	0.548	0.345	1.927
<b>Distribution</b>	<b>51.7%</b>	<b>28.8%</b>	<b>19.5%</b>	<b>100.0%</b>

# Sewer Authority Mid-Coastside Monthly Flow Distribution Report, November 2013





# Sewer Authority Mid-Coastside

Monthly Collection System Activity/SSO Distribution Report, November 2013

November 2013

## 12 Month Rolling Total Sewer Cleaning Summary

	Total	HMB	GSD	MWSD	SAM
Roots	0	0	0	0	0
Grease	0	0	0	0	0
Mechanical	0	0	0	0	0
Wet Weather	0	0	0	0	0
Other	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

### 12 Month Moving Total

	Total	HMB	GSD	MWSD	SAM
Roots	4	0	3	1	0
Grease	3	2	0	1	0
Mechanical	3	0	2	0	1
Wet Weather	0	0	0	0	0
Other	2	0	1	1	0
<b>Total</b>	<b>12</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>1</b>
		<b>17%</b>	<b>50%</b>	<b>25%</b>	<b>8%</b>

### Reportable SSOs

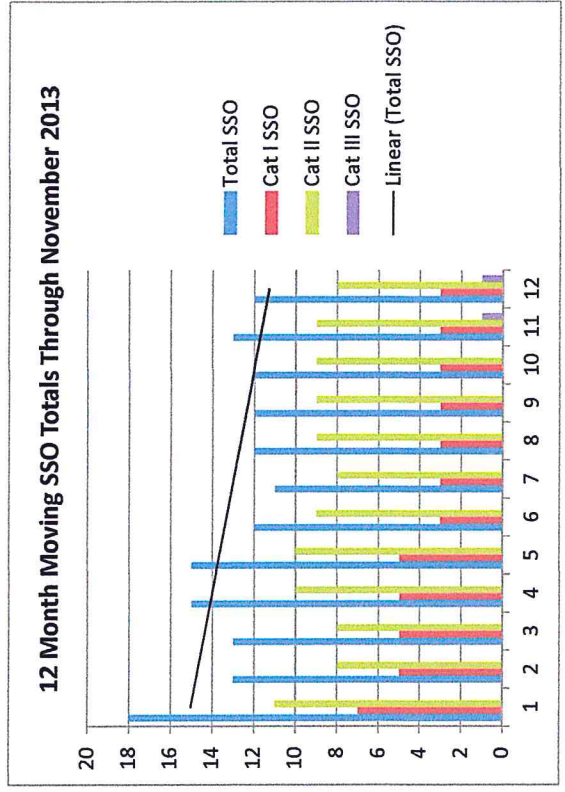
	Total	HMB	GSD	MWSD	SAM
November 2013	0	0	0	0	0
<b>12 Month Moving Total</b>	<b>12</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>1</b>

### SSOs / Year / 100 Miles

	Total	HMB	GSD	MWSD	SAM
November 2013	0.0	0.0	0.0	0.0	0.0
<b>12 Month Moving Total</b>	<b>11.5</b>	<b>5.4</b>	<b>18.1</b>	<b>11.1</b>	<b>13.7</b>
Category 1	2.9	2.7	3.0	3.7	0.0
Category 2	7.7	2.7	12.0	7.4	13.7
Category 3	1.0	0.0	3.0	0.0	0.0
<b>Miles of Sewers</b>	<b>104.5</b>	<b>37.0</b>	<b>33.2</b>	<b>27.0</b>	<b>7.3</b>
		<b>35.4%</b>	<b>31.8%</b>	<b>25.8%</b>	<b>7.0%</b>

## Attachment D

Month	HMB	GSD	MWSD	Total Feet	Total Miles
Dec-12	35,498	438	0	35,936	6.8
Jan-13	8,166	16,246	22,109	46,521	8.8
Feb-13	2,904	12,821	19,669	35,394	6.7
Mar-13	3,368	17,328	25,272	45,968	8.7
Apr-13	3,795	13,879	28,042	45,716	8.7
May-13	2,070	21,269	29,785	53,124	10.1
Jun-13	23,796	20,397	0	44,193	8.4
Jul-13	26,624	20,858	463	47,945	9.1
Aug-13	27,738	18,778	2,609	49,125	9.3
Sep-13	31,119	26,407	0	57,526	10.9
Oct-13	25,925	13,837	703	40,465	7.7
Nov-13	19,335	3,006	4,473	26,814	5.1
<b>Annual ft</b>	<b>210,338</b>	<b>185,264</b>	<b>133,125</b>	<b>528,727</b>	
<b>Annual Mi.</b>	<b>40</b>	<b>35</b>	<b>25</b>		<b>100</b>



Attachment A

Flow Distribution Report Summary For December 2013

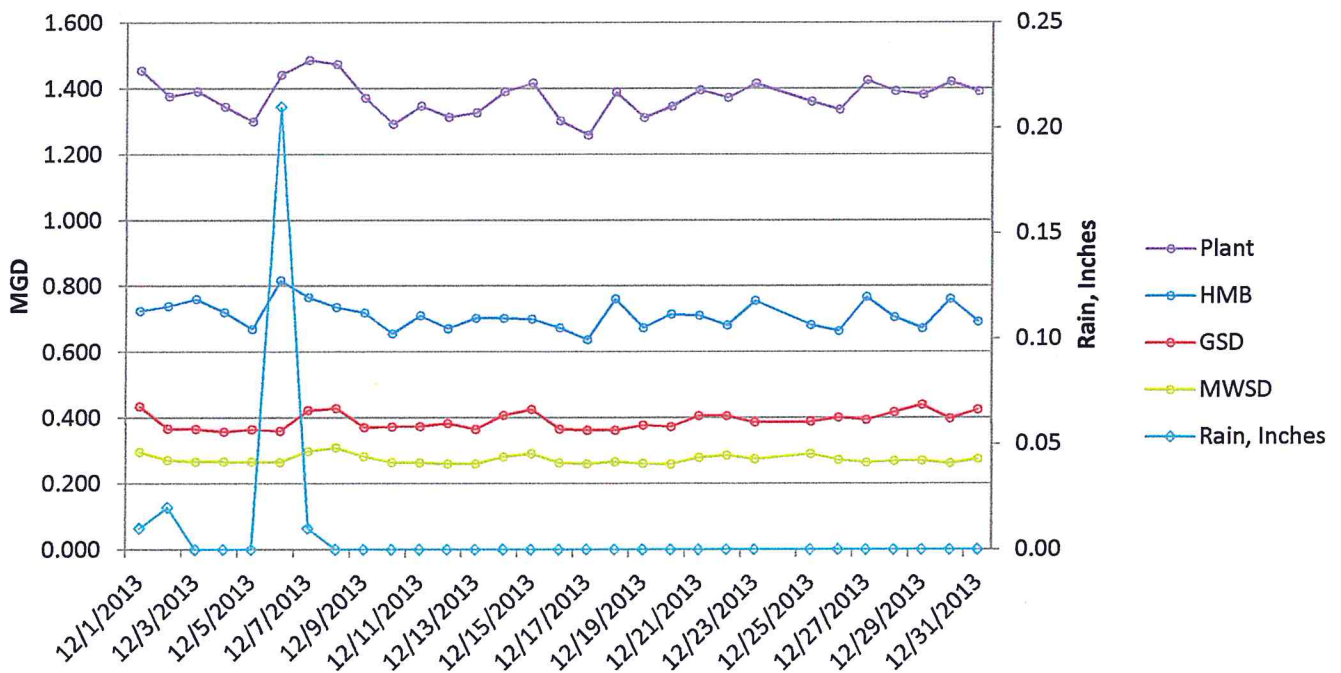
The daily flow report figures for the month of December 2013 have been converted to an Average Daily Flow (ADF) for each Member Agency. The results are attached for your review.

\*Influent flow is calculated using the mid-plant flow meter less process water and trucked in waste.

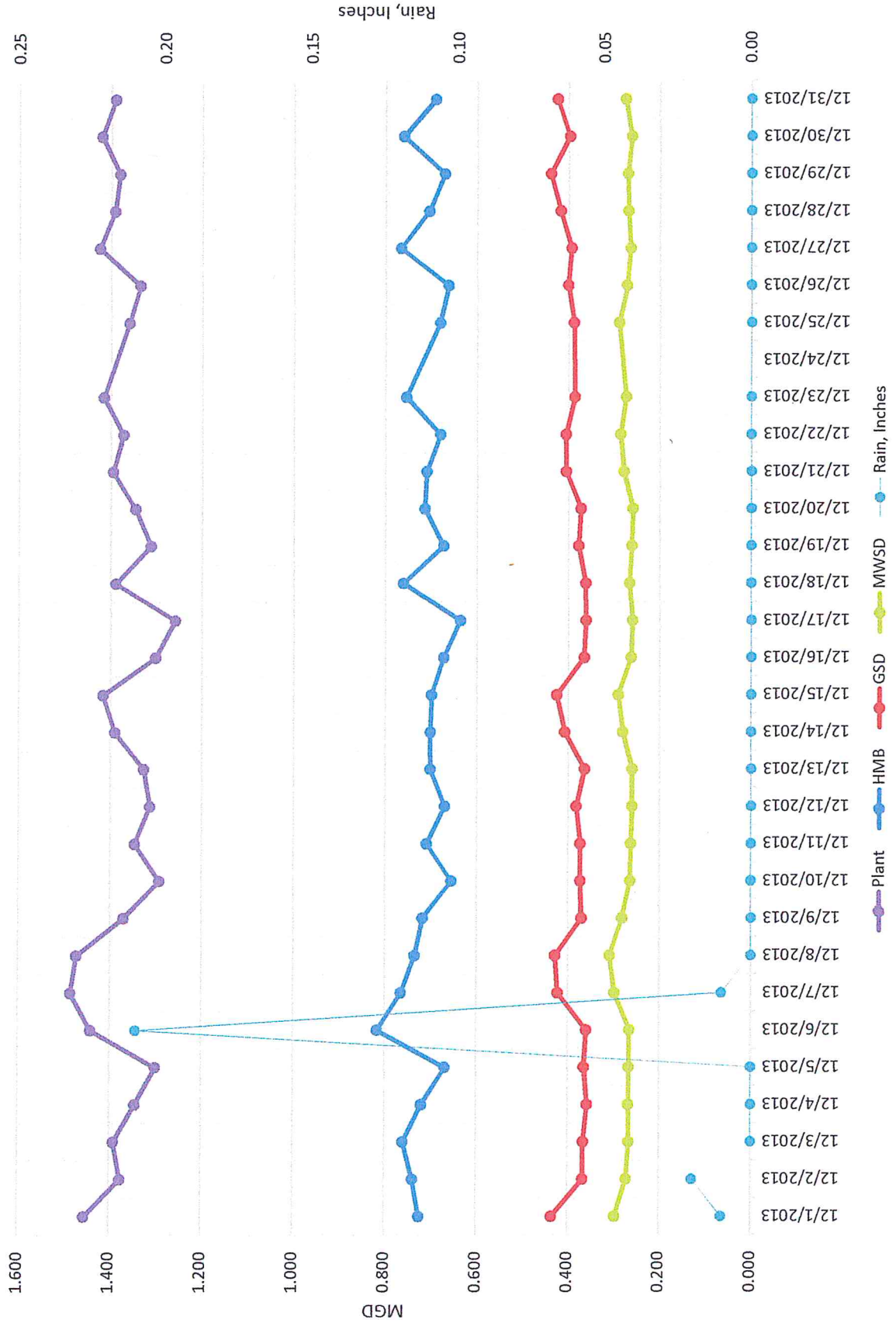
The summary of the ADF information is as follows:

	<u>MGD</u>	<u>%</u>
The City of Half Moon Bay	0.713	51.9%
Granada Sanitary District	0.389	28.3%
Montara Water and Sanitary District	<u>0.273</u>	<u>19.8%</u>
Total	1.374	100.0%

### Sewer Authority Mid-Coastside Monthly Flow Distribution Report, December 2013



# Sewer Authority Mid-Coastside Monthly Flow Distribution Report, December 2013



# Sewer Authority Mid-Coastside

## Monthly Flow Distribution Report

<u>Date</u>	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>	<u>Rain Plant</u>	<u>Rain Portola</u>	<u>Rain Montara</u>
12/1/2013	0.724	0.435	0.296	1.455	0.01	No Data	0.00
12/2/2013	0.739	0.367	0.271	1.377	0.02	No Data	0.01
12/3/2013	0.760	0.366	0.266	1.392	0.00	No Data	0.00
12/3/2013	0.760	0.366	0.266	1.392	0.00	No Data	0.00
12/4/2013	0.720	0.358	0.267	1.345	0.00	No Data	0.00
12/5/2013	0.669	0.365	0.266	1.300	0.00	No Data	0.00
12/6/2013	0.817	0.360	0.265	1.442	0.21	No Data	0.26
12/7/2013	0.765	0.423	0.298	1.486	0.01	No Data	0.03
12/8/2013	0.736	0.429	0.309	1.473	0.00	No Data	0.00
12/9/2013	0.718	0.371	0.282	1.371	0.00	No Data	0.00
12/10/2013	0.655	0.373	0.264	1.292	0.00	No Data	0.00
12/11/2013	0.710	0.374	0.263	1.347	0.00	No Data	0.00
12/12/2013	0.670	0.383	0.260	1.313	0.00	No Data	0.00
12/13/2013	0.702	0.365	0.260	1.327	0.00	No Data	0.00
12/14/2013	0.702	0.408	0.281	1.390	0.00	No Data	0.00
12/15/2013	0.700	0.426	0.291	1.416	0.00	No Data	0.00
12/16/2013	0.673	0.366	0.263	1.302	0.00	No Data	0.00
12/17/2013	0.637	0.362	0.260	1.259	0.00	No Data	0.00
12/18/2013	0.761	0.362	0.266	1.389	0.00	No Data	0.00
12/19/2013	0.673	0.378	0.261	1.312	0.00	No Data	0.00
12/20/2013	0.714	0.373	0.259	1.346	0.00	No Data	0.00
12/21/2013	0.711	0.406	0.279	1.395	0.00	No Data	0.00
12/22/2013	0.681	0.406	0.286	1.372	0.00	No Data	0.00
12/23/2013	0.755	0.387	0.274	1.416	0.00	No Data	0.00
12/25/2013	0.682	0.389	0.290	1.360	0.00	No Data	0.00
12/26/2013	0.663	0.401	0.272	1.336	0.00	No Data	0.00
12/27/2013	0.767	0.394	0.264	1.425	0.00	No Data	0.00
12/28/2013	0.705	0.418	0.269	1.392	0.00	No Data	0.00
12/29/2013	0.672	0.440	0.270	1.381	0.00	No Data	0.00
12/30/2013	0.761	0.398	0.262	1.420	0.00	No Data	0.00
12/31/2013	<u>0.691</u>	<u>0.425</u>	<u>0.275</u>	<u>1.391</u>	<u>0.00</u>	<u>No Data</u>	<u>0.00</u>
<b>Totals</b>	<b>22.094</b>	<b>12.061</b>	<b>8.455</b>	<b>42.609</b>	<b>0.25</b>	<b>No Data</b>	<b>0.30</b>

### Summary

	<u>HMB</u>	<u>GSD</u>	<u>MWSD</u>	<u>Plant</u>
Minimum	0.637	0.358	0.259	1.259
<b>Average</b>	<b>0.713</b>	<b>0.389</b>	<b>0.273</b>	<b>1.374</b>
Maximum	0.817	0.440	0.309	1.486
<b>Distribution</b>	<b>51.9%</b>	<b>28.3%</b>	<b>19.8%</b>	<b>100.0%</b>



# Sewer Authority Mid-Coastside

Monthly Collection System Activity/SSO Distribution Report, December 2013

Attachment D

## December 2013

	Total	HMB	Number		SAM
			GSD	MWSD	
Roots	0	0	0	0	0
Grease	0	0	0	0	0
Mechanical	0	0	0	0	0
Wet Weather	0	0	0	0	0
Other	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

## 12 Month Moving Total

	Total	HMB	Number		SAM
			GSD	MWSD	
Roots	3	0	3	0	0
Grease	0	0	0	0	0
Mechanical	2	0	1	0	1
Wet Weather	0	0	0	0	0
Other	2	0	1	1	0
<b>Total</b>	<b>7</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>14%</b>
		<b>0%</b>	<b>71%</b>	<b>14%</b>	<b>14%</b>

## Reportable SSOs

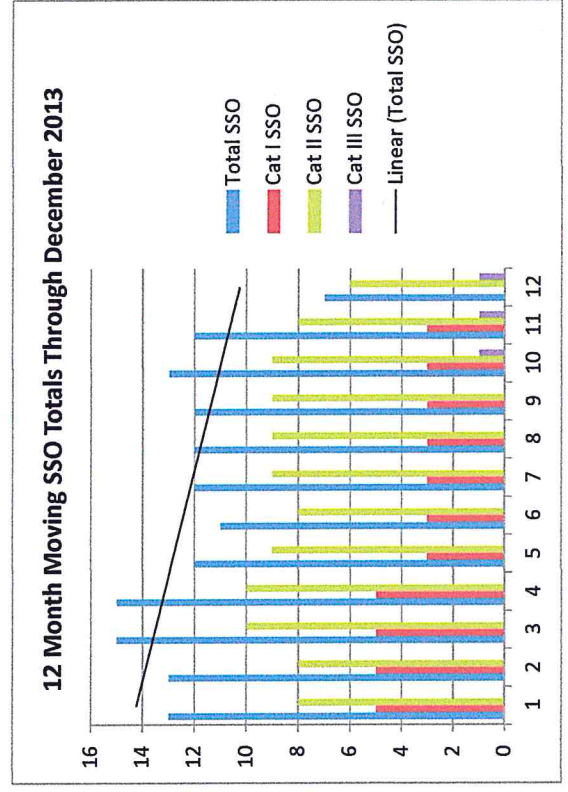
	Total	HMB	Number		SAM
			GSD	MWSD	
December 2013	0	0	0	0	0
12 Month Moving Total	7	0	5	1	1

## SSOs / Year / 100 Miles

	Total	HMB	Number		SAM
			GSD	MWSD	
December 2013	0.0	0.0	0.0	0.0	0.0
12 Month Moving Total	6.7	0.0	15.1	3.7	13.7
Category 1	0.0	0.0	0.0	0.0	0.0
Category 2	5.7	0.0	12.0	3.7	13.7
Category 3	1.0	0.0	3.0	0.0	0.0
Miles of Sewers	104.5	37.0	33.2	27.0	7.3
		35.4%	31.8%	25.8%	7.0%

## 12 Month Rolling Total Sewer Cleaning Summary

Month	HMB	GSD	MWSD	Total Feet	Total Miles
Jan-13	8,166	16,246	22,109	46,521	8.8
Feb-13	2,904	12,821	19,669	35,394	6.7
Mar-13	3,368	17,328	25,272	45,968	8.7
Apr-13	3,795	13,879	28,042	45,716	8.7
May-13	2,070	21,269	29,785	53,124	10.1
Jun-13	23,796	20,397	0	44,193	8.4
Jul-13	26,624	20,858	463	47,945	9.1
Aug-13	27,738	18,778	2,609	49,125	9.3
Sep-13	31,119	26,407	0	57,526	10.9
Oct-13	25,925	13,837	703	40,465	7.7
Nov-13	19,335	3,006	4,473	26,814	5.1
Dec-13	36,715	282	0	36,997	7.0
<b>Annual ft</b>	<b>211,555</b>	<b>185,108</b>	<b>133,125</b>	<b>529,788</b>	
<b>Annual Mi.</b>	<b>40</b>	<b>35</b>	<b>25</b>		<b>100</b>





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens H. Heldmaier', written in a cursive style.

**SUBJECT: Review of Current Investment Portfolio**

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The District's Investment Policy and Guidelines requires that the Board review the status of the current investment portfolio. The following summarizes the status of these accounts:

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for December 2013 was 0.264%.
- The District has set up two checking accounts that are largely backed by Federal securities: Water General Account and the Sewer General Account with Wells Fargo Bank.

## RECOMMENDATION:

District staff attempts to cash manage idle funds in LAIF as long as possible before transferring to the Wells Fargo checking accounts for disbursements.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

## **SUBJECT: Connection Permit Applications Received**

As of February 6, 2014 the following new Sewer Connection Permit applications were received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of February 6, 2014 the following new Water (Private Fire Sprinkler) Connection Permit applications were received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of February 6, 2014 the following new Water Connection Permit applications were received since the last report:

Date of App.	Property Owner	Site Address	Home Size	Type of Connection

### RECOMMENDATION:

No action is required. This is for Board information only.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6<sup>th</sup>, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier', written over the 'FROM:' line.

**SUBJECT: Monthly Water Production Report**

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The attached two charts summarize the monthly water production for the District. The first shows a consolidated report from all sources by month. The second shows each water source the District uses, both wells and surface water. The production is shown in gallons of water produced.

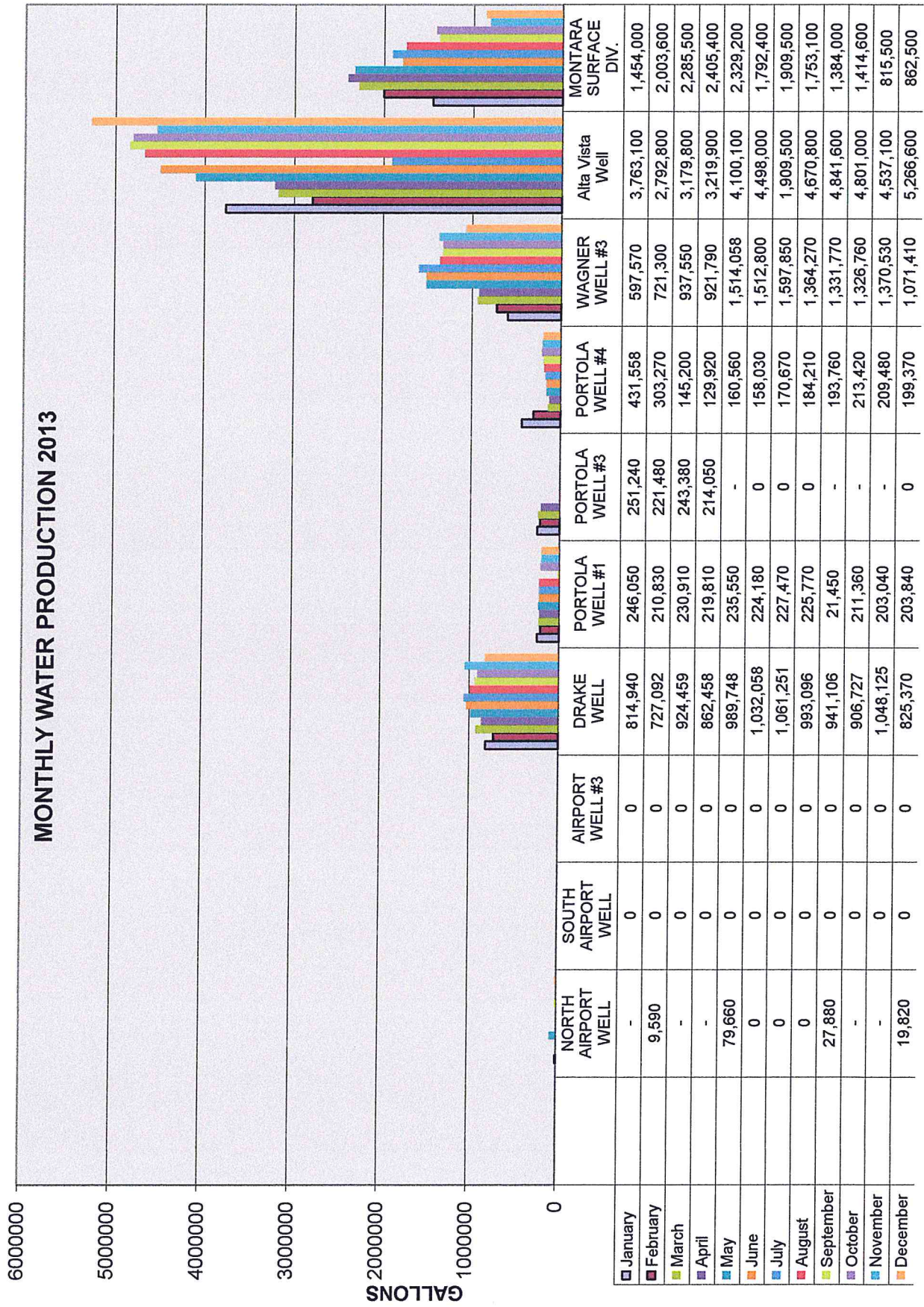
#### RECOMMENDATION:

No action is required. This information is presented for the Board's information only.

Attachments

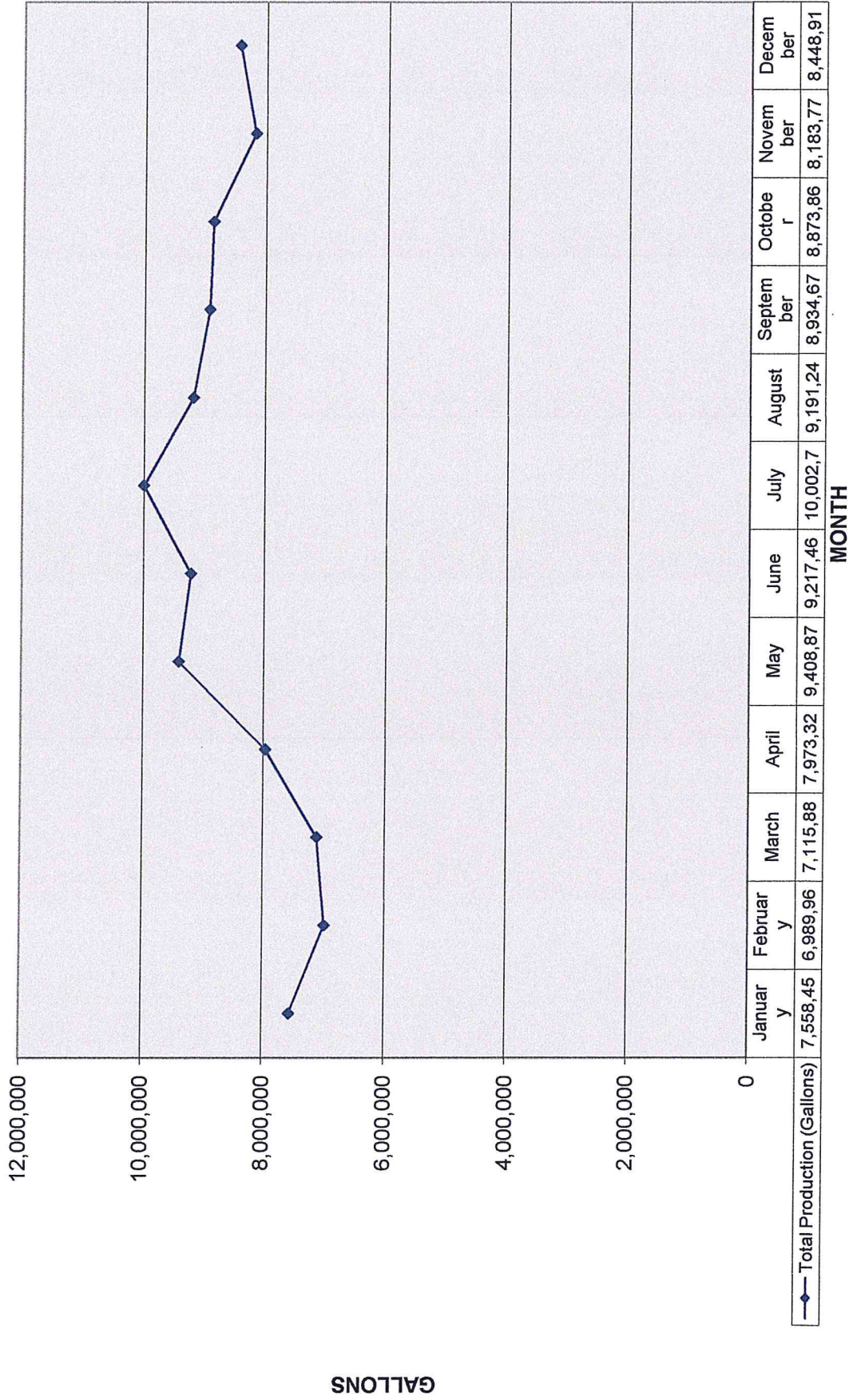


# MONTHLY WATER PRODUCTION 2013





Total Production 2013(Gallons)



GALLONS



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6<sup>th</sup>, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier', written in a cursive style.

**SUBJECT: Rain Report**

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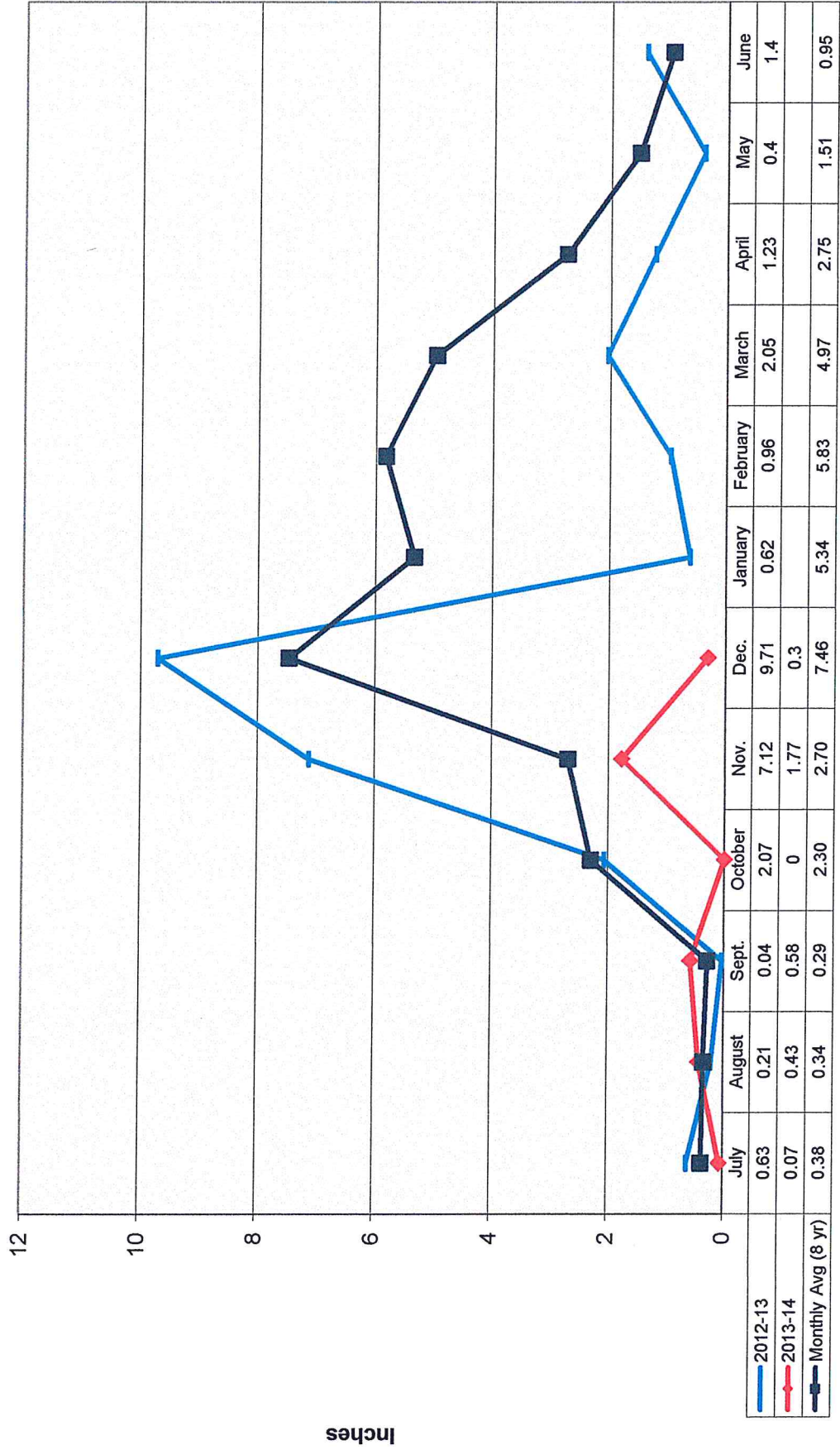
The attached chart shows the monthly rainfall at the Alta Vista Treatment Plant for the current and prior fiscal years along with the seven year average of rainfall.

## RECOMMENDATION:

No action is required. This is presented for the Board's information only.

Attachment

# RAIN REPORT



Inches

Month





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6<sup>th</sup>, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier', written in a cursive style.

**SUBJECT: Monthly Solar Energy Report**

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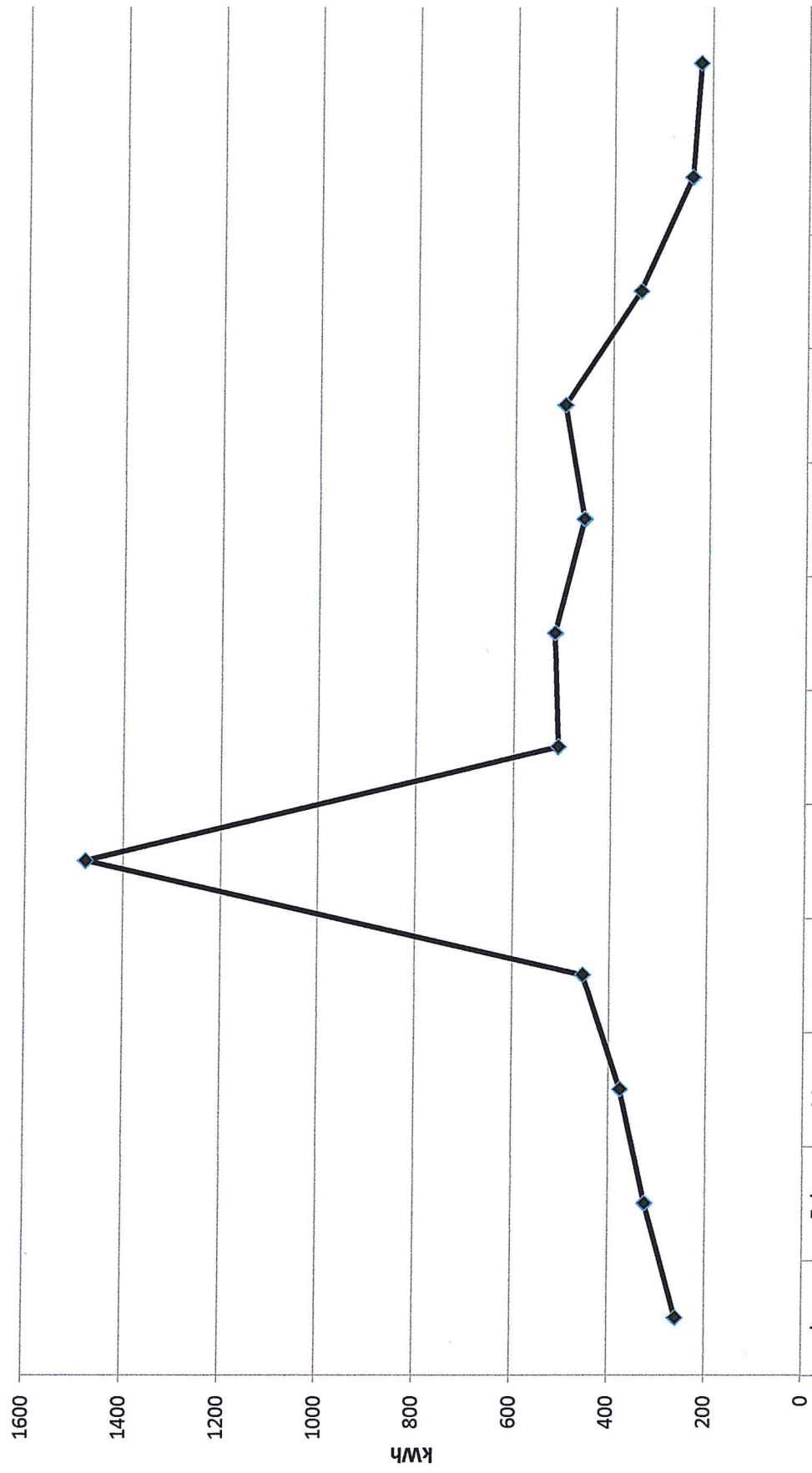
The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 31014 kWh and saved 52723 lbs of CO<sub>2</sub>.

## RECOMMENDATION:

No action is required. This information is presented for the Board's information only.

Attachments

# SOLAR ENERGY PRODUCED IN 2013 (kWh)



Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	260	325	377	455	1478	509	517	458	499	345	240	224



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS  
FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning District Strategic Plan.**

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At the December 19 meeting the Board agreed to engage with Rauch Communications for the implementation of the Strategic Planning Process. The Board asked to receive a revised proposal from Martin Rauch that presents a variety of options for board selection focused on community outreach and further agencies and stakeholder interviews.

The original proposal was received at \$15,740 which included two public meetings for the process. The attached revised proposal shows the basic cost for the strategic planning at \$13,870. The basic cost for the strategic planning decreased by 10 hours since the first public workshop is now listed as an option. The Options as outlined in the proposal are:

1. Additional 8 hrs. of interviews for \$1,870. This option is recommended by the consultant as a very effective information tool.
2. Public workshop early in the process. For \$1,870.
3. Public Outreach for draft plan with 4 sub-selections at varying cost of strategic plan mailer, web based information, press release and associated additional Board review of material.
4. Under General Outreach the consultant listed further recommendations related and unrelated to the Strategic Plan to increase public information access and visibility for the District.

At the January 16 meeting the Board decided to add option 1 and 2 and asked to add an additional day of interviews to complete the list of interviewees. CCWD, the Coastside Fire District, and the Montara & Moss Beach Water Improvement Association were on the originally submitted list and should be included. The Board also suggested to add Lou Wall.

Options 3 and 4 were both considered options that the District could decide to engage in at a later time.

A further suggestions how to include the rate payers was to augment the process with a customer survey. Martin Rauch will be available at the meeting to discuss how to implement effective tools for the strategic planning process and discuss pros and cons of customer surveys.

**RECOMMENDATION:**

Decide on further options for the strategic planning process in discussion with the consultant and direct the General Manager to initiate the strategic planning process for the District.

Attachments





**Rauch Communication Consultants Inc.**

936 Old Orchard Rd – Campbell, CA 95008

PH 408-374-0977

FX 408-374-2197

E info@rauchcc.com

**DATE:** January 10, 2014

**NO OF PAGES:** 16

**TO:** Clemens Heldmaier, Montara Water and Sanitary District

**FROM:** Martin Rauch

Thank you for the opportunity of offering this proposal to assist the Board and staff of Montara Water and Sanitary District in the development of its Strategic Plan.

**Characteristics of the Proposed Program**

Strategic planning is an extraordinarily effective tool in the governance of a public agency such as MWSD. The Board and management have done a remarkable job in restoring and improving the District's infrastructure and providing quality services over the years. The Strategic Plan goes further:

- It evaluates where the District stands today, where it is going in the future, and how it will get there, in practical terms.
- It provides the management staff with a clear understanding of the Board's direction and goals.
- It provides continuity of direction from the current Board to future boards.
- And it takes into full account the public's interest in the District's current and future services to the community.

In short, the Strategic Plan provides needed guidance for the District to effectively address challenges such as water supply, sanitary service, regulation, possible future functions (such as park services), financial, staff and other critical issues.

**What We Are Proposing to Do**

Rauch Communications will use the experience derived from three decades of service to special districts to prepare the District's Strategic Plan. We will utilize a proven, step-by-step process that will take into account and integrates views of individual Board members, the Board as a whole, the knowledge of senior management and the interests of the public.

- We will conduct five carefully planned workshops: two for the Board, two for the public, and one for the staff.

- We will assist the Board in developing the District’s Mission and Vision as well as priority Goals and Objectives
- We will assist the management staff in preparing a practical, doable Work Plan laid out in a multi-year timeline.
- Finally, we will provide a written report that describes the process, the findings and the recommendations of the Plan itself.

### Why Rauch Communications?

Our firm has been serving special districts throughout the state for more than 30 years. During that time, we have served more than 175 districts, the vast majority of which are water and sanitary agencies. Our specialties are strategic planning and public outreach. Our credentials are presented later in this proposal.

We are prepared to work with MWSD’s Board, staff and public in a process that is proven, yet adapted directly to the needs of your district. We look forward to having the opportunity of working with you on this important project.

Sincerely,

Sincerely,

A handwritten signature in black ink, appearing to read "Martin Rauch". The signature is fluid and cursive, with the first name "Martin" being more legible than the last name "Rauch".

Martin Rauch



## PART I. INTRODUCTION TO THE STRATEGIC PLAN

### PROJECT UNDERSTANDING

Montara Water and Sanitary District provides water, sanitary and solid waste services to about 2000 properties in its service area.

**Water Service.** In the 1980s, the company that owned the water system was ordered to establish a moratorium on new water connections due to its substandard condition and lack of water resources. Upon purchasing the system with funds from a bond issue approved by over 80% of the voters within MWSD's territory, the system came under MWSD's control, but the moratorium was necessarily continued by MWSD due to the condition of the system.

MWSD has made substantial infrastructure improvements, implemented operational efficiencies and initiated conservation measures, all of which have contributed to the increased availability of water, allowing the Board to repeal the moratorium.

**Sanitary and Solid Waste Services.** Sanitary treatment is provided through a JPA and the collection system is operated by the District. The solid waste services are about to be renewed. The quality is good and the costs to customers are the lowest in the area.

**Given Recent Accomplishments, What Next?** With this substantial body of goals and objectives completed it makes sense to ask what upcoming priorities are for the future.

### OTHER ISSUES

**New and Existing Directors.** The Strategic planning process is an excellent tool to bring any new directors up to speed in a way that simply cannot be achieved in normal board meetings. It will help to more rapidly integrate the new and existing board members to provide policy level direction to staff early in the Board's tenure.

**Recycled Water.** Wastewater treatment for the District is obtained through a regional treatment JPA, Sewer Authority Mid-Coastside (SAM). There is interest in MWSD developing recycled water locally for potential revenue, water supply benefits and environmental benefits since this hasn't been achieved with the SAM partners.

**Public Process.** There is a history of seeking public involvement in key district decisions and, as a result, we recommend a public input process which is described later in the proposal.

**Park and Other Services.** Many local citizens turn to Montara Water and Sanitary District for help on a variety of local issues. For example, there is a property that had served as a public park under the care of a local non-profit and was recently sold for development. There have been requests that the District seek to operate it as a park on behalf of the community.

### APPROACH TO DEVELOPING THE STRATEGIC PLAN

The following describes a step-by-step, proven approach to strategic planning that has been designed expressly to meet the needs of Montara Water and Sanitary District

#### Step 1. Conduct Confidential Interviews and Review Key Documents



The process starts with the consultant reviewing key planning and background documents selected by the General Manager: agendas and minutes, studies, public outreach documents, etc. Following that, experience has shown that one of the best tools for gaining insight into key issues facing an organization at the start of a strategic planning process is one-on-one confidential interviews with key individuals.

We recommend that the interviews include the Directors, the general manger, Gary Warhaftig of the Montara Moss Beach Water Improvement Association and the Superintendent of water Operations Julian Martinez. The confidential interview process gives the people who have the greatest influence on the organization a chance to candidly express their interests, concerns and perspectives. Out of these interviews arises a composite picture of the important issues that will help inform the Board strategic planning workshop that follows.

**NOTE ON OPTIONAL STRATEGIC PLANNING ACTIVITIES:** *The core purpose of the strategic planning process is to give the Board and Management team an opportunity to develop consensus on key strategic goals and priorities. The entire process is geared around this opportunity that comes primarily through the shared Board/management workshops. However, experience has demonstrated that there are benefits to providing input into the planning process from others: staff, customers, peer agencies and others. The options here and below are designed to provide that additional input without compromising the central role of the Board in developing the plan*

#### **Option 1. Additional interviews**

In the consultant's experience, additional interviews are the single most effective way to gain wide ranging and beneficial feedback is from additional interviews. We recommend a single day of additional interviews (about 8 or 9). More or fewer interviews can be accomplished depending on whether the Consultant has to travel to them, whether they are by phone, in a central location or some combination.

The manager suggested the following possible interviewees; others are possible: a representative of San Mateo County; Pillar Point Mobile Home Community, JPA Sewer Authority Midcoast; Granada Sanitary District; Northcoast County Water District; and San Mateo County Harbor District. We recommend including a couple of customers of different types: maybe a business person, a homeowner with large water use, a homeowner with small water use, etc.

### **Step 2. Board Workshop #1 Evaluate the District and Identify Strategic Issue Areas**

The strategic planning workshops are the heart of the process. Our workshops are designed to obtain consensus on key issues rapidly and effectively. Participants in this case would include Directors, General Manger and Operations Superintendent. The workshop takes inputs from the interviews and research phase and uses a set of facilitated exercises designed to develop clear policy-level direction. Some of the topics covered include:

- **Self-Assessment: Rating the District Today.** In order to chart a path to the future, the District will need to identify where it stands today: what is working what is not working, and how it is viewed by each participant.
- **Identifying Strengths and Weaknesses.** Identifying the significant current and future issues that can impact the organization and the most promising opportunities to deal with those threats.
- **Identifying the Highest Priority Issues.** The group chooses the most critical challenges or opportunities that the District must tackle if it is going to accomplish its mission.
- **Developing Strategic Issues Areas.** With the facilitator’s assistance, the group will take all the information above and organize it into an initial set of strategic issue areas and their priorities. Later in the process we will address more general direction by reviewing and developing Mission, Vision and Values. These strategic issues will later be translated into goals and objectives.

Rauch Communication Consultants’ twin areas of expertise are strategic planning and public involvement and outreach programs. We have facilitated hundreds of successful public meetings and processes to engage citizens and obtain input and support. If the Board decides to include a public meeting, we believe it is important to give interested members of the community an opportunity early in the process to provide input, and then again before the process is finalized. This public meeting is proposed to be timed soon after the first board workshop, which will provide an opportunity for the public to comment on the first output of the Board.

#### Option 2. Public Workshop Early in the Process

We propose a two to three hour public workshop to obtain this input. It would be designed to provide input for the Board. The workshop will be specifically designed to meet the needs of the expected participants and would likely include presentations, as well as group discussions and exercises, along with opportunities to provide open questions and input.

### Step 3. Board Workshop #2 to Complete the Board Policy Direction

In this step, the consultant will take the detailed inputs from the first workshop and public workshop and develop an initial list of goals and objectives. At this workshop, the participants will undertake the following:

- **Review and edit as desired the Board-level policy direction in their Goals and Objectives.** This is the core policy-level direction that will be acted upon by staff and is a critical step in the strategic planning process.
- **Develop Mission, Vision and Values.** Through a series of exercises, the consultant will work with the participants to review and consider updating the current Mission Statement and develop content for the Vision and Values statements.



#### Step 4. Staff Workshop to Develop Prioritized Work Plan and Timeline

The consultant will also work with staff to develop a Work Plan showing priorities, what the staff will do to accomplish each action; who is responsible; and when it will be done. Each action would also be prioritized.

To ensure a complete and well-rounded Work Plan, the consultant and management team will reference their personal experience as well as the *Effective Utility Management System's Ten Attributes and Keys to Management Success*.

The onsite planning session is planned for the morning immediately after the Board workshop #2 to use time more efficiently and reduce costs of the planning process. Following the onsite work planning session, the consultant is available as needed to assist staff by phone, online meeting tools, and e-mail to finalize the Work Plan.

Once the Work Plan has been completed, the consultant will draw all these outputs together, working with the manager to create a preliminary strategic plan draft containing the goals, objectives and work plan. The Work Plan will be reviewed with the following criteria to assure that it will be practical, doable and that there are adequate resources to accomplish it:

- **Key activities and Initiatives are prioritized appropriately.**
- **Resources, Timing and Do-Ability.** Check to assure that the work plan doable in terms of monetary resources, staff time and expertise, as well as proper sequence.
- **Completeness.** Assure that the Work Plan is complete and well rounded.

#### Step 5. Prepare Final Report and Present Strategic Plan to Board and Public in a Special Board Meeting and Workshop.

The consultant will gather all the above material into a complete strategic plan: mission, vision, values, goals, objectives and a realistic work plan with priorities and timelines. The final Strategic Plan and Work Plan will be delivered to the staff for review and editing. It will then be presented in its final draft form at a special meeting of the Board.

### Option 3 and 3.1. a, b, c. Options to Provide Public Involvement in the Final Steps of the Strategic Planning Process

**OPTION 3. PUBLIC INVOLVEMENT IN REVIEW OF DRAFT STRATEGIC PLAN.** This would involve incorporating a formal public involvement period following presentation of the draft strategic plan before the Board deliberates and comments on the document.

**OPTION 3.1. PUBLIC OUTREACH FOR DRAFT PLAN.** This option involves development of information outreach and advertising designed to inform the public about the draft strategic plan and draw them to the final review. It is proposed to include the following actions:

3.1.a. STRATEGIC PLAN SUMMARY MAILER. Develop a one-page simple summary of the strategic plan and mail it to the public in advance of the final review. This would involve an additional (4<sup>th</sup>) meeting of the Board to review to approve the draft strategic plan.

3.1.b. STRATEGIC PLAN INFORMATION ON THE WEB. Develop a brief web summary of the strategic plan and a blog tool to allow online comments.

3.1.c. STRATEGIC PLAN PRESS RELEASE. Develop a press release to provide a summary of the strategic plan.

NOTE: Options a, b, c could come after the final strategic plan is approved or before the final approval meeting and also serve as an invitation to the final review meeting. If you save the mailer until after the strategic plan is approved, the District can eliminate one review meeting.

3.1.d. ADDITIONAL BOARD REVIEW OF THE STRATEGIC PLAN IF MAILER IS SENT BEFORE THE STRATEGIC PLAN DOCUMENT IS APPROVED.

**Implementation and Oversight of the Strategic Plan.** The final plan will include a clear and understandable summary of the key actions and timeline in a matrix format that can be readily understood and monitored (See examples at the end of this proposal).

The consultant will recommend a process for implementing and monitoring progress of the Strategic Plan and Work Plan. The work plan should be utilized as a living document that is updated as needed on a regular basis.

### TIMING

We can be available to start whenever appropriate. A two-to-three month timeframe is typical. However we can be flexible on timing.

#### OPTION 4. POST STRATEGIC PLAN OUTREACH

##### Option 4.1 STRATEGIC INTERNAL OUTREACH.

Present a summary of the strategic plan and work plan to staff. Develop posters with key strategic planning elements: mission, vision, goals and objectives.

Ensure that each employee knows his or her role in the strategic plan through their role in the work plan

Option 4.2. GENERAL OUTREACH. We recommend that the District consider developing a general, ongoing outreach program to follow the strategic plan. Our minimum recommendation would be for the District to:

- 4.2.a. Update the website and maintain it regularly,
- 4.2.b. Develop and send a direct mail newsletter at least twice but preferably three times each year;
- 4.2.c. Prepare and submit regular press releases,
- 4.2.d. Initiate a Facebook and Twitter page and
- 4.2.e. Schedule ongoing interaction with neighboring agencies and groups by visiting their meetings.
- 4.2.f Develop identity: logo, colors, letterhead, card, signs, etc.

These items would be budgeted later after more detailed discussion.



## PART II. SELECTED EXAMPLES OF EXPERIENCE

*In our experience, Boards that identify concrete goals, priorities and timelines are more successful in addressing issues. Here are some examples of our experience helping organizations carry out their mission.*

**California Special Districts Association, Strategic Plan.** Rauch Communications was called in to assist this major statewide organization to prepare a Strategic Plan. The plan was developed in the manner described in this proposal, and was received enthusiastically by both Board and Staff. It has been implemented in the current year, and is considered a successful model for future strategic plans.

**Association of California Water Agencies, Strategic Plan.** ACWA is the oldest and largest statewide organization of water agencies in California, with a membership consisting of public agencies along with numerous engineering, legal and financial organizations. Rauch Communication Consultants planned and conducted its Vision 2000 strategic planning process, which resulted in a significant alteration of the organization's structure and direction. The new plan was developed with a comprehensive outreach program involving numerous coordination meetings, and is today considered a complete success.

**National Water Resources Association, Strategic Plan.** This Washington-based national organization brings information about federal policy to its membership and provides lobbying before Congress on their behalf. Rauch Communication Consultants planned and conducted the process leading to the development of their strategic plan.

**Golden Empire Transit District.** Rauch Communication Consultants worked closely with the Board and management staff of this Bakersfield agency to analyze district issues and concerns, and then prepare a set of findings and recommendations to revitalize the agency, restore management credibility and rebuild staff morale and effectiveness.

**Las Virgenes Municipal Water District.** Worked with the Board and staff to annually update and incrementally restructure the existing strategic plan as well as facilitate the annual development of updated action plans. Las Virgenes Municipal Water District provides both water and wastewater services, with wastewater issues predominating in the planning process: expanding recycled water use, maintaining a strong environmental focus, meeting NPDES and discharge challenges, and more.

**Costa Mesa Sanitary District.** Worked closely with the Board of Directors and staff to create an initial strategic plan and annual updates. The most recent strategic plan led to a series of dramatic changes in direction that have taken several years to complete.

**Rancho Murieta Community Services District.** Worked closely with the Board of Directors and staff to create a new mission statement, vision, objectives, goals and set of action items as part of the complete Strategic Plan for this Community Services District that provides sanitary, water, security, roads and other services.

**Goleta Sanitary District Strategic Planning Services.** Facilitated an initial strategic plan and many annual updates for this sanitary district along the coast of Goleta, California. Also provides ongoing support and facilitation to Staff and the Board of Directors in developing plans and responses to important events.

**Kern County Water Agency.** This agency supplies all the imported water in Kern County, a largely agricultural area that is now also experiencing a rapidly growing urban center. The Agency imports over one million-acre feet of water per year, making it a leader in California's water structure. Rauch Communication Consultants planned and conducted the development of its strategic plan, working closely with the Board, senior management, numerous member districts as well as a major city and the county. Over 57 different agencies and key individuals were interviewed along the way. The plan was unanimously adopted.

**Santa Clara Valley Water District.** This agency provides water supply and flood control services for a major portion of the Silicon Valley. With an annual budget running in the hundreds of millions, it impacts numerous aspects of the economic, residential and environmental aspects of life in the area. Rauch Communication Consultants conducted the initial strategic planning workshops of the Board of Directors and senior management, which defined the future direction of the district.

**Castaic Lake Water Agency.** This agency's plan, covering the whole of a rapidly developing area in Los Angeles County, involves the development of a multi-phase resources plan. The Agency is a large water importer serving the area. Rauch Communication Consultants conducts the annual strategic planning retreats of the Board of Directors, and prompted development of the Strategic Plan.

**Three Valleys Municipal Water District.** This wholesale agency provides imported water to more than a dozen member agencies. A critical need for the service area is to address the increasing cost of imported water, and to reduce its dependence on it. Rauch Communication Consultants conducted a series of strategic planning sessions with the Board, general manager and senior staff, and produced their first Strategic Plan, which is now being implemented.

**Cucamonga County Water District.** This is a retail water agency in a rapidly growing area that faces important issues concerning water supply and area leadership. Rauch Communication Consultants met with its Board of Directors, general manager and senior staff to develop a complete Strategic Plan. The Plan is being successfully carried out by the district.

**Delco Systems, General Motors Corporation FUTURES GROUP.** This aerospace electronics firm produced advanced electronics systems for space and aerospace applications. Bob Rauch served as the Director of Planning, developing the long-range and annual business plans for the company. The Futures Group was the senior management group charged with the future direction of the company, and its activities were coordinated by Mr. Rauch. He also served as Director of Communications.



## PART III. STATEMENT OF QUALIFICATIONS AND EXPERIENCE

### **RAUCH COMMUNICATION CONSULTANTS, INC.**

Rauch Communication Consultants Inc. has served the water community for more than 30 years in California. During that time, we have worked with over 170 agencies throughout the state, as well as with most of the leading organizations that deal with water resources and local agencies, such as CSDA, ACWA, CASA, and others. The great majority of our clients are water and wastewater agencies, but we have worked with individual agencies of every kind and size in most corners of the state.

Our firm offers three consulting specialties: assisting clients in the development of strategic plans, implementing strategic public outreach programs, and consulting to resolve internal management issues. These services are conducted out of our office in, Campbell (San Jose), and through our affiliates in other cities around the state.

Our expertise in public involvement and outreach lends itself to effectively gathering public input. We are expert facilitators and have planned and facilitated hundreds of successful meetings and workshops over the years.

We completed the strategic plan for the California Special District Association, as well as for several individual special districts. We led ACWA's Vision 2000 strategic plan that significantly changed the structure and direction of the organization, as well as key strategic planning sessions for CASA during a time of organizational change. A selected list of clients for whom we have provided strategic planning services is given later in this proposal, along with brief client case studies and testimonials.

We have also served as speakers for conferences and seminars on strategic planning and public outreach for ACWA, CASA, CSDA and the Special Districts Institute for whom we serve as permanent faculty members.

## PART IV. OUR CLIENTS SAY ABOUT RCC

*"This strategic plan was impressive for how efficient the process was, and how it got to the point in a practical and useful way."*

Novato Sanitary District

*"On behalf of the Board of Directors and staff of the California Special Districts Association, I wanted to take a moment to thank you for the wonderful job you did at our 2007 Board Planning Session. You did your homework; found the common denominator, and provided the Board and my executive staff with a positive outlook for the future of CSDA... We were all impressed and came away with a sense of positive change for the Association."*

California Special Districts Association

*"Our Strategic Planning Workshop, which you facilitated . . . provided the Board with a greatly improved understanding of the many issues facing the District both now and in the future—which makes it possible for the Board to provide a more focused and clear policy direction to staff . . . Perhaps more importantly, your facilitated process helped our Board and Staff develop a consensus around a much larger, but still realistic vision of what our District needs to be in order to best serve our customers."*

Cucamonga County Water District

*"Rauch Communication Consultants has been working with our board of directors and management team for the past ten years. They have facilitated annual strategic planning workshops that have helped us keep everyone focused on the critical priorities of our district. With RCC's help we have learned to address the major long-term issues, and develop effective action plans to deal with them. It has really made a difference!"*

Truckee Donner Public Utility District

*"Though your skilled mentoring and carefully executed annual planning sessions . . . this District has been able to rise from the depths of public unrest to a position of public trusts . . . So much of what we have accomplished is credited to the tools that you have given us along the way."*

San Juan Water District

*"Our board was having a tough time communicating between ourselves, and unable to communicate with staff. The workshop you put together for us has given us a clear vision and made all the difference in the world."*

Three Valleys Municipal Water District

*"Thanks for your assistance with this long overdue process. Great workshop outcome. It went a long way to provide the current Board camaraderie and trust."*

San Diego County Water District

*"I wanted to give you thanks for your guidance in helping the Board members make decisions that resulted in a healthy working, and I believe, successful atmosphere here in our District... We have a Board and Management team who get along and support each other. Again, thank you for your capable knowledge and assistance..."*

Cordova Recreation and Park



## PART V. THE CONSULTANT ASSIGNED TO THE PROJECT

### **MARTIN RAUCH, President, Rauch Communication Consultants**

Martin Rauch is President of Rauch Communications Consultants, a full service strategic planning and public outreach firm with main office near San Jose California that has served over 170 clients in California during the past 30 years.

The work will be carried out primarily by Martin Rauch. He brings to this task experience in group dynamics, developing consensus, Board and District strategic planning, and facilitation.

Martin conducts strategic planning sessions for the Boards and senior managers of client organizations. He also provides training in effective Board meetings, roles and relationships of Board members and managers and other related topics. He specializes in the preparation and facilitation of a wide variety of meetings. These complex events include focus groups, citizen's advisory committees, community presentations and public meetings.

Working out of RCC's San Jose Office, Martin also assists Board of Directors and senior managers, by tailoring public information projects that meet the special requirements of each client. For 15 years, he has provided strategic outreach support throughout the state.

Mr. Rauch has served as a speaker and seminar leader for the Association of California Water Agencies (ACWA), California Association of Sanitary Agencies (CASA), and the WaterReuse Association. He is a regular faculty member of the Special District Institute, and has been invited as a speaker to other statewide associations.

Prior to his work for public agencies, he served for several years as a community organizer and educator for nonprofit organizations, organizing community groups and producing educational and information materials. He holds a Bachelor of Arts degree with High Honors from the University of California at Santa Barbara. Martin's formal training also includes completion of Business Mediation Training at UC Berkeley, as well as courses in Facilitating and Mediating Effective Agreements.



## PART VI. LIST OF SELECTED CLIENTS

### ORGANIZATIONS

Association of California Water Agencies (ACWA)  
California Special Districts Association (CSDA)  
California Association of Sanitation Agencies (CASA)  
Special Districts Institute  
California Sanitation Risk Management Authority  
California Association of Public Cemeteries  
WaterReuse Association  
California Mosquito and Vector Control Association  
American Desalting Association  
Association of Groundwater Agencies

### LOCAL GOVERNMENT AGENCIES

#### ORANGE COUNTY

Municipal Water District of Orange County  
Mesa Consolidated Water District  
Los Alamitos County Water District  
South Coast Water District  
Serrano Irrigation District  
El Toro Water District  
Orange County Water District  
Costa Mesa Sanitary District

#### SAN DIEGO COUNTY

San Diego County Water Authority  
Padre Dam Municipal Water District  
Rincon del Diablo Municipal Water District  
Vallecitos Water District  
Helix Water District  
Leucadia Wastewater District  
North County Fire Protection District  
Olivenhain Municipal Water District  
Santa Fe Irrigation District

#### SAN BERNARDION COUNTY

Big Bear Municipal Water District  
Monte Vista Water District  
Big Bear Community Services District  
Yucaipa Valley Water District  
Joshua Basin Water District  
Inland Empire Utility Agency  
East Valley Water District  
Big Bear Area Wastewater Agency  
Victor Valley Water District  
Cucamonga County Water District  
San Antonio Water Company

#### IMPERIAL COUNTY

Imperial Irrigation District  
SAN FRANCISCO COUNTY  
Golden Gate Bridge, Highway, & Trans. District

#### BUTTE COUNTY

Oroville-Wyandotte Irrigation District

#### LOS ANGELES COUNTY

Los Angeles County Park and Recreation  
Castaic Lake Water Agency  
Central Basin Municipal Water District  
Pico Water District  
Upper San Gabriel Valley Municipal Water District  
West Basin Municipal Water District  
San Gabriel Valley Municipal Water District  
Water Replenishment District of Southern California  
San Gabriel County Water District  
San Gabriel Valley Water Association  
Main San Gabriel Basin Watermaster  
California Domestic Water Company  
Pasadena Historical Museum  
Three Valleys Municipal Water District  
Newhall County Water District  
Las Virgenes Municipal Water District  
Conjunctive Use Working Group

#### SAN MATEO COUNTY

East Palo Alto Sanitary District

#### RIVERSIDE COUNTY

Mission Springs Water District

Rancho California Water District  
South Mesa Water Company  
Elsinore Valley Municipal Water District  
Santa Rosa Community Services District  
Beaumont Cherry Valley Water District  
Santa Ana Watershed Project Authority

**SACRAMENTO COUNTY**

County of Sacramento Public Works Agency-  
Sacramento Regional County Sanitation District  
Fair Oaks Water District  
Arcade Water District  
Sacramento Metropolitan Water Authority  
Carmichael Water District  
Rio Linda Water District  
Northridge Water District  
Rancho Murrieta Community Services District  
Cordova Recreation and Park District

**SANTA BARBARA COUNTY**

City of Santa Barbara  
Goleta Sanitary District  
Montecito Sanitary District  
Carpinteria Sanitary District  
Santa Maria Public Airport District  
Goleta Water District  
Montecito Water District  
Cachuma Project Authority  
Goleta West Sanitary District  
Mosquito and Vector Management District

**VENTURA COUNTY**

Camrosa County Water District  
Rancho Simi Recreation and Park District  
Casitas Municipal Water District  
Conejo Recreation and Park District  
Ojai Valley Sanitary District  
Calleguas Municipal Water District  
Meiners Oak County Water District

**SANTA CLARA COUNTY**

Santa Clara Valley Water District

**SANTA CRUZ COUNTY**

Scotts Valley Water District  
Pajaro Valley Water Management Agency

**KERN COUNTY**

Indian Wells Valley Water District  
Kern County Water Agency  
West Kern Water District  
North of the River Municipal Water District

Oildale Mutual Water Company  
North Kern Water Storage District  
Golden Empire Transit District  
Terra Bella Irrigation District  
Friant Water Users Authority  
Cawelo Water District

**PLACER COUNTY**

San Juan Water District  
Truckee Donner Public Utility District  
Northstar Community Services District

**SAN LUIS COUNTY**

Templeton Community Services District  
Port San Luis Harbor District  
San Simeon Community Services District  
Cambria Community Services District

**MONTEREY COUNTY**

Marina Coast Water District  
Monterey Regional Water Pollution Control  
Agency  
Monterey Peninsula Water Management District

**CONTRA COSTA COUNTY**

Diablo Water District

**TULARE COUNTY**

Visalia Public Cemetery District  
Friant Water User Authority

**MARIN COUNTY**

Las Gallinas Sanitary District  
North Marin Water District  
Sausalito-Marín City Sanitary District  
Tamalpais Community Services District  
Sanitary District No. 5 of Marin County  
Novato Sanitary District  
Ross Valley Sanitary District  
San Rafael Sanitary District  
City of San Rafael

**CALAVERAS COUNTY**

Calaveras County Water District

**PLUMAS COUNTY**

Eastern Plumas Health Care District

**WASHINGTON, D.C. he**

White House, Office of Policy Development



## PART VII. EXAMPLES OF WORK PLANS

### EXAMPLE OF A WORK PLAN

Each work plan is customized to fit the needs of the client. A couple of typical examples are shown on the following pages.

No.¶	Pr	Action¶	Lead¶	Board¶	Status/Comments¶	Time¶
1.0.0¶	¶	<b>GOAL 1—WATER SUPPLY—Develop and maintain a high-quality water supply that meets the needs of our community today and in the future. ¶</b>				
1.1.0¶	¶	<b>Identify long-range water supply options. ¶</b>				
1.1.1¶	1¶	Participate in the evaluation of the proposed improvements and expansion of the water supply, treatment, distribution and storage systems to meet demands of proposed development. Verify proposed supply is adequate to meet proposed demands. ¶ Negotiate <b>Development Agreement(s)</b> to address conditions of service. ¶	Mike¶ ¶	¶	Pete & Jesse Schedule driven by developer(s)¶	June 2011— Dec. 2013+ beyond¶ ¶
1.1.2¶	1¶	Develop a <b>Feasibility Study</b> of water supply options and incorporate information on key study and implementation steps, including CEQA, funding, timelines, permits, TROA implications, costs and benefits, pros and cons, infrastructure needs, next steps and other pertinent information for all practical options. ¶ Specifically consider redundancy, maximizing water supply from within the watershed by accessing previously unavailable areas, imported options, optimizing internal resources through conservation, treatment, etc. Incorporate into an update of the Master Plan upon completion of improvements spurred by new development. ¶	Jesse¶ ¶	¶	Mike¶ Build on existing Sept. 2009 Study. ¶ (1.2.0)-(1.5.0)- (2.2.2)¶	May 2012— Nov. 2013¶
1.1.3¶	2¶	Look for <b>partnerships to enhance water supply options</b> . Continue to collaborate with other agencies. Pursue <b>funding opportunities</b> for primary and redundant water supply projects, including the Truckee River Utility Corridor & Bike Trail Project. (2.2.2)¶	Mike¶ ¶	¶	(2.2.2)¶	July 2012— Dec. 2013+ beyond¶
1.1.4¶	2¶	<b>Communicate</b> with the public effectively about the purposes, pros and cons of the various water supply options. Utilize the Communications Plan. (3.2.1)¶	Mike¶ ¶	¶	3.2.1¶	Jan. 2013— Dec. 2013+ beyond¶
1.2.0¶	¶	<b>Complete Phase II of the Creek-Aquifer Interaction Study. ¶</b>				
1.2.1¶	1¶	Procure funding and complete <b>Phase II—Creek-Aquifer Interaction Study</b> . The project will quantify the impact of groundwater pumping on flows in Squaw Creek and provide information on developing and implementing different pumping management and/or creek strategies to increase the amount of water that could be stored in local aquifers. It advances water supply reliability and promotes groundwater storage. ¶	Mike¶ ¶	¶	Jesse, Cindy¶	May 2012— Dec. 2013¶

No.¶	Pr	Action¶	Lead¶	Board¶	Status/Comments¶	Time¶
1.3.0¶	¶	<b>Apportion costs and benefits fairly among the water supply users. ¶</b>				
1.3.1¶	3¶	Perform update of <b>Capital Replacement Program</b> (4.1.0). Implement a <b>Work Order System</b> to track operating expenses by department to determine the cost of each service provided. Use data to accurately set rates and assessments that correlate to the levels of services provided. (4.2.0). <b>Update Water Plant Availability Charge (PAC) Fees and Connection Fees</b> (4.3.0). ¶	Mike¶ ¶	¶	Aleta, Jesse¶ (4.1.0)-(4.2.0)- (4.3.0)¶	See sections referenced¶
1.4.0¶	¶	<b>Monitor Status of the Truckee River Operating Agreement (TROA). ¶</b>				
1.4.1¶	3¶	Prepare a <b>Biennial TROA Status Report</b> that includes: 1) status of implementation of the Agreement; 2) relevance to District water supply planning, permitting, and operations (e.g., regulatory constraints on import project, well development, surface water diversions, and other water supply options); and 3) strategies and actions to anticipate, plan, respond, and react to implementation of TROA.	Mike¶ ¶	¶	Once per 2 years. ¶ (3.3.0)—cost share w/other agencies. ¶	¶
1.5.0¶	¶	<b>Seek funding for an Olympic Valley Watershed Study. ¶</b>				
1.5.1¶	2¶	Apply for grant funds through Integrated Regional Water Management (IRWM) and Local Groundwater Assistance Program (LGWAP) to study the entire watershed. ¶	Cindy¶ ¶	¶	(4.4.1)¶	May 2012— Dec. 2013¶
1.5.2¶	2¶	Implement the <b>Watershed Study</b> if funding can be found. Study, investigate, and evaluate expanding local water supply resources from areas in the upper watershed, beyond the basin (valley floor) considered in the Groundwater Management Plan (GMP). Consider horizontal wells, springs, variable snow accumulations, surface water flows, subsurface flows, effects of snowmaking, road construction, etc. ¶ Prepare on overall design of the study. Perform study. Incorporate into Feasibility Study, Creek-Aquifer Interaction Study, and Communications Plan. ¶	Mike¶ ¶	¶	(1.1.0)-(1.2.0)- (2.1.3)-(3.2.0)¶ ¶	May 2012— Dec. 2013+ beyond¶



## EXAMPLE OF A MORE DETAILED WORK PLAN THAT INTEGRATES OTHER PLANS AND THE BUDGET

SUPPLEMENTAL BUDGET PROJECTS					FISCAL YEAR ENDED				PROGRESS NOTES	% Compl	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	
Strategic Line #	Budget Line #	Project #	Proj. Manager	PROJECT NAME	PROJECT DESCRIPTION	2013	2014	2015							2016
<b>GOAL 1: PROTECT GROUNDWATER. Recognize groundwater as the District's most valuable asset and protect it as a top priority</b>															
<b>1.1.0 Slow and eventually reverse declining groundwater levels and protect the imported water entitlement</b>															
110	SF-12246061834	JG	JG	<b>Recharge Basin &amp; Pipeline Project</b>	Construction Phase	\$ 3,952,000	\$ 3,952,000			Final design 100% Construction contingent. Proposition 84 and other funding. Approx. Protected vegetation has been removed and relocated from the basin site. Awaiting Caltrans permits for final pot holes. Estimated time to go to bid is March or April (\$7,620,000 including a 20% contingency)	0%	12/31/2013	\$ -	\$ 7,904,000	\$ -
<b>GOAL 2: OPERATIONAL AND ASSET MANAGEMENT Design, build, operate and maintain facilities for reliability and cost efficiency</b>															
<b>2.1.0 Carry Out a Strong Maintenance Management Program that is fully proactive and documented</b>															
231	SF-1201	Z37	JG	<b>High Desert Medical Center Waste Water Package Plant</b>	To be paid by HDMC - see matching revenue at end of list.	\$ 750,000	\$ 750,000				0%	8/30/2013	\$ 30,427	\$ 1,500,000	\$ (30,427)
FPL	SF-1202		JC	<b>Large Meter Testing</b>	Currently, in order to test or remove a large meter, the service needs to be disconnected. This is a serious problem for some large meters such as the hospital and Continuing Care. The bypass will allow the meters to be removed and replaced without discontinuing service.	\$ 30,000				3/6/12: Jim studying to determine for 1 1/2" & up	0%	6/30/2012	\$ -	\$ 30,000	
232	SE-1217	831	JG	<b>System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 1</b>	Develop emergency plan for water outage at HDMC					No cost associated; basically staff & possibly a little Ouhel time.		10/30/2012	\$ 34,101	\$ -	\$ (34,101)
233	SE-1217	831	JG	<b>System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 2</b>	Have plans prepared for the redundant water service line for the hospital. Construction contingent on funding. June 2013.		\$ 129,000	\$ 129,000				7/31/2015	\$ -	\$ 129,000	\$ 129,000

## PARTVIII. PROJECT BUDGET

ACTIONS	HOURS	
	PLAN	OPTIONS
<b>Strategic Plan</b>		Senior
Coordination and Support	4	
Step 1. Prepare for, Conduct and Summarize Confidential Interviews	12	
Option 1. Additional Interviews (8 hours of interviews, 2 hours of analysis) hourly		10 = \$1870 depends on #/type of interviews
Step 2. Prepare for and Conduct Board Workshop #1	12	
Option 2. Public Workshop Early in the Process		10 = \$1,870 Firm
Step 3. Board Workshop #2 to Complete Board Policy Direction	12	
Step 4. Workshop and Support to Develop Prioritized Work Plan, and Timeline	14	
Step 5. Prepare Final Report for Presentation to the Board. Make Final Edits and Complete	16	
Option 3. Public involvement in Review of Draft Strategic Plan at Board Review		4 = \$748 Firm
Option 3.1. PUBLIC OUTREACH FOR DRAFT PLAN These items can vary in cost depending on how they are approached. They may also vary depending on which ones are chosen. For example, writing a newsletter may make it faster and lower cost to write the web copy and press release. ALL THE NUMBERS BELOW FOR THE OPTIONAL ITEMS ARE FOR DECISION MAKING PURPOSES UNLESS NOTED AS FIXED. A SPECIFIC ESTIMATE CAN BE PROVIDED ONCE THE SCOPE IS SET.		NA
Option 3.1.a. Strategic Plan Summary Mailer. (Depends on size, color, mail list development, printing support, graphic design support, etc.		\$1,200 to \$5,000 plus print/mail
Option 3.1.b. Strategic Plan Information On The Web.		\$450 to \$1,000
Option 5.1.c. Strategic Plan Press Release.		\$330 to \$660
Option 3.1.D. Additional Board Review of the Strategic Plan if Mailer is Sent Before the Strategic Plan Document is Approved.		\$1,200 fixed
<b>OPTION 4. POST STRATEGIC PLAN OUTREACH</b>		NA
Option 4. Post Strategic Plan Outreach Posters, staff review, etc. Depends on what is desired. This presumes developing and helping print posters/signs for office		\$575 +/-
<b>OPTION 4.2 GENERAL OUTREACH</b>		NA
Option 4.2.a. web		These items will need to be budgeted after more discussion to define their scope.
Option 4.2.b. bi- or tri-annual newsletter		
Option 4.2.c. press releases		
Option 4.2.d. Facebook/Twitter		
Option 4.2.e. Visit with neighbors		
Option 4.2.f Develop identity: logo, colors, letterhead, card, signs, etc.		
<b>2. Administrative (\$65 / Hour)</b>		
Prepare Reports, Type Notes From Interviews, Etc.	12	
<b>SUBTOTAL CONSULTING TIME 70 hours @ \$187 per</b>	<b>\$13,090</b>	
<b>ADMINISTRATIVE 12 hours @\$65 per</b>	<b>\$780</b>	
<b>TOTAL ESTIMATED CONSULTING COST</b>	<b>\$13,870</b>	

**Travel and Expenses.** Basic material expenses, including, travel expense (transportation and lodging), office printing and sales tax are additional and passed on at cost. Car mileage is at the IRS California rate of \$.60 per mile. **More Cost Estimate Details.** No out-of-scope work will be undertaken without prior written approval from the Agency. Out-of-scope work includes additional

new tasks, or extra work (hours in excess of those estimated hours that are not due to inefficiencies on our part) on existing tasks, which is requested for reasons beyond RCC's control. Rauch Communication Consultants rate for Robert Rauch is and Martin Rauch is \$187 per hour. For strategic planning and \$165 for outreach (O), Associate consultants \$115 per hour, graphic designers \$100 per hour, media and writing specialist \$85 per hour, and administrative assistance \$65 per hour. For meetings involving travel, the minimum charge is four hours.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier'. The signature is fluid and cursive, written over the printed name.

**SUBJECT: Review and Possible Action Concerning Receipt  
of the Fiscal Year 2012-13 Audit**

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Vavrinek, Trine, Day & Co recently completed the audit for the Fiscal Year ending on June 30, 2013.

The treasurer reviewed the audit and recommended the presentation of the audit at this meeting.

AJ Major with VTD and Peter Medina with Maze are available to present the audit document to the full Board.

After review of the audit, the Board should acknowledge receipt and file with County, State, Standard & Poor's, I-Bank and First Republic Bank.

## RECOMMENDATION:

Acknowledge receipt of the Annual Audit for the period ending June 30, 2013. Direct the General Manager to send a copy to the County of San Mateo, the State Controller, Standard & Poor's, post on the District webpage and to make copies on file available to the public.

Attachment



VAVRINEK, TRINE, DAY  
& COMPANY, LLP  
*Certified Public Accountants*

VALUE THE DIFFERENCE

To the Board of Directors  
Montara Water and Sanitary District

We have audited the financial statements of Montara Water and Sanitary District for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Montara Water and Sanitary District are described in Note 1 to the financial statements. As described in Note 1, Governmental Accounting Standards Board Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* and Governmental Accounting Standards Board Statement No 63 *Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* were implemented. No other new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2013. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. One of the more sensitive estimates is the depreciation calculation for which we have evaluated the useful life of various classes of depreciable assets in accordance with the District's policy and industry practice.

#### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.



***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated January 16, 2014.

***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Montara Water and Sanitary District and is not intended to be and should not be used by anyone other than these specified parties.

*Vavrinek, Trine, Day & Co., LLP.*

Pleasanton, California  
January 16, 2014

**MONTARA WATER AND  
SANITARY DISTRICT**

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**FINANCIAL STATEMENTS**

**JUNE 30, 2013**

**WITH**

**INDEPENDENT AUDITORS' REPORT**

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# MONTARA WATER AND SANITARY DISTRICT

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**MONTARA WATER AND SANITARY DISTRICT**

**ELECTED OFFICIALS AND  
ADMINISTRATIVE PERSONNEL**

**JUNE 30, 2013**

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**BOARD OF DIRECTORS**

Kathryn Slater-Carter  
Jim Harvey  
Chris Thollaug  
Bob Ptacek  
Scott Boyd

**GENERAL MANAGER**

Clemens Heldmaier





VAVRINEK, TRINE, DAY  
& COMPANY, LLP  
*Certified Public Accountants*

VALUE THE DIFFERENCE

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Montara Water and Sanitary District  
Montara, California

We have audited the accompanying financial statements of Montara Water and Sanitary District (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Montara Water and Sanitary District as of June 30, 2013, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Varrinck, Trine, Day & Co., LLP.*

Pleasanton, California  
January 16, 2014

**MONTARA WATER AND SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

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Our discussion and analysis of the Montara Water and Sanitary District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the District financial statements and accompanying notes, which follow this section.

**HIGHLIGHTS**

**District Financial Highlights**

- District-wide revenues decreased approximately \$128,000 over the prior year going from \$5,692,832 to \$5,565,159.
- District-wide expenses increased approximately \$224,000 from the prior year going from \$4,639,039 to \$4,863,089.
- The effect of the decrease in revenues coupled with the increase in expenses caused the District-wide change in net position to decrease approximately \$352,000 over the prior year. In other words, the District-wide increase in net position for the year ended June 30, 2013 was \$702,070 and for the year ended June 30, 2012 the increase in net position was \$1,053,793.

**USING THIS ANNUAL REPORT**

This annual report consists of two parts: Management's Discussion and Analysis, and Financial Statements. The Financial Statements also include notes that explain in more detail the information contained in those statements.

**Required Financial Statements**

District financial statements report information about the District using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all District assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It also provides the basis for computing rate of return; evaluating the capital structure of the District; and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about District cash receipts, cash disbursements and changes in cash resulting from operations, investing, and capital and non capital financing activities. It provides answers to such questions as, "Where did the cash come from?", "For what was the cash used?", and "What was the change in cash balance during the reporting period?"

**MONTARA WATER AND SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**FINANCIAL ANALYSIS OF THE DISTRICT**

One of the most important questions asked about District finances is whether or not the District's overall financial position has improved or deteriorated. The Statement of Net Position and the Statement of Revenues and Expenses and Changes in Net Position report information about District activities in a way that will help answer this question. These two statements report the net position of the District and changes. You can think of District net position, the difference between assets and liabilities, as one way to measure financial health or financial position. Over time, increases or decreases in District net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider include changes in economic conditions, population growth, and new or changed legislation.

**Net Position Statement and Analysis**

The District's total net position increased by \$702,070.

The following is the District's condensed statement of net position:

	Sewer		Water		Total	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 5,006,103	\$ 4,258,192	\$ 1,003,068	\$ 1,536,885	\$ 6,009,171	\$ 5,795,077
Capital assets net of accumulated depreciation	4,711,655	4,389,676	16,375,272	16,542,837	21,086,927	20,932,513
Other long term assets	4,349,399	4,014,141	2,782,575	2,945,033	7,131,974	6,959,174
Total assets	14,067,157	12,662,009	20,160,915	21,024,755	34,228,072	33,686,764
Current liabilities	347,697	129,935	1,128,885	1,160,760	1,476,582	1,290,695
Long-term liabilities	1,664,917	927,852	16,340,977	17,424,691	18,005,894	18,352,543
Total liabilities	2,012,614	1,057,787	17,469,862	18,585,451	19,482,476	19,643,238
Net position						
Net investment in capital assets	3,007,165	3,448,211	877,636	(288,324)	3,884,801	3,159,887
Restricted for debt service	-	-	2,705,461	2,546,991	2,705,461	2,546,991
Unrestricted	9,047,378	8,156,011	(892,044)	180,637	8,155,334	8,336,648
Total net position	\$ 12,054,543	\$ 11,604,222	\$ 2,691,053	\$ 2,439,304	\$ 14,745,596	\$ 14,043,526

**Revenues, Expenses and Changes in Net Position**

For the fiscal year ended June 30, 2013 the sewer system generated operating revenue of \$1,975,804 and operating expenses of \$1,868,802, while the water system generated operating revenue of \$1,566,662 and operating expenses of \$2,615,364. Total cash & cash equivalents increased from \$7,666,004 to \$8,349,044 by year-end primarily due to the loan proceeds from the State Revolving Fund of \$360,000. This is discussed in greater detail in Note 5D of the financial statements.



**MONTARA WATER AND SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

The following is the District's condensed statement of revenues, expenses, and changes in net position:

	Sewer		Water		Total	
	2013	2012	2013	2012	2013	2012
Operating revenues	\$ 1,975,804	\$ 2,021,528	\$ 1,566,662	\$ 1,686,118	\$ 3,542,466	\$ 3,707,646
Tax revenues	304,550	200,777	1,534,915	1,401,501	1,839,465	1,602,278
Interest and investment income	14,208	15,922	-	7,334	14,208	23,256
Connection fees and other non operating revenues	65,248	124,418	103,772	235,234	169,020	359,652
Total revenues	<u>2,359,810</u>	<u>2,362,645</u>	<u>3,205,349</u>	<u>3,330,187</u>	<u>5,565,159</u>	<u>5,692,832</u>
Operating expenses	1,868,802	1,752,082	2,615,364	2,331,927	4,484,166	4,084,009
Non-operating expenses	40,687	69,517	338,236	485,513	378,923	555,030
Total expenses	<u>1,909,489</u>	<u>1,821,599</u>	<u>2,953,600</u>	<u>2,817,440</u>	<u>4,863,089</u>	<u>4,639,039</u>
Change in fund net position	450,321	541,046	251,749	512,747	702,070	1,053,793
Fund net position - beginning of year	<u>11,604,222</u>	<u>11,063,176</u>	<u>2,439,304</u>	<u>1,926,557</u>	<u>14,043,526</u>	<u>12,989,733</u>
Fund net position - end of year	<u>\$ 12,054,543</u>	<u>\$ 11,604,222</u>	<u>\$ 2,691,053</u>	<u>\$ 2,439,304</u>	<u>\$ 14,745,596</u>	<u>\$ 14,043,526</u>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2013, the District had \$ 21,086,927 (net of accumulated depreciation) invested in a variety of capital assets.

The assets include: land; sanitary sewer collection system subsurface lines and pump stations; water supply wells; surface water diversion and storage tank; water treatment plant; treated water storage tanks; water distribution system subsurface lines, valves, hydrants, and pumps; administration building; and vehicles. The District's capital assets as of June 30, 2013, increased by \$154,414 or 0.7 percent over the prior year. This is due to capitalized expenses in regards to the District's Water facilities plant and other capital improvements reduced by current year accumulated depreciation.

Major capital assets events during the fiscal year included the following:

- Capital improvements to the water system
- Sewer pipeline replacement

**MONTARA WATER AND SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

The following summarizes District capital assets for fiscal year ended June 30, 2013:

Category	Audited Balance June 30, 2012	Additions	Deletions	Transfers	Audited Balance June 30, 2013
Land & easement	\$ 739,500	\$ -	\$ -	\$ -	\$ 739,500
Sewage collection facilities	5,341,536	-	-	-	5,341,536
Sewage treatment facilities	244,540	-	-	-	244,540
General plant & administration facilities	855,852	-	-	-	855,852
Seal Cove collection system	995,505	-	-	-	995,505
Other capital improvements	3,584,651	752,558	-	-	4,337,209
Water facilities plant	19,859,013	597,416	-	-	20,456,429
Water general plant	174,309	-	-	-	174,309
Surface water rights	300,000	-	-	-	300,000
<b>Total</b>	<u>32,094,906</u>	<u>1,349,974</u>	<u>-</u>	<u>-</u>	<u>33,444,880</u>
Accumulated Depreciation	<u>11,162,393</u>	<u>1,195,560</u>	<u>-</u>	<u>-</u>	<u>12,357,953</u>
Property, Plant & Equipment, net	<u>\$20,932,513</u>	<u>\$ 154,414</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$21,086,927</u>

Additional information on capital assets can be found in notes #1E and #3 to the financial statements of this report.

**Long Term Obligations**

On April 18, 2012, the District issued General Obligation Bonds Series 2012 in the amount of \$15,635,000. The bonds were issued to fully refund the General Obligation Bonds Series 2003 and to finance improvements to the District's water system.

The District entered into a capital lease for approximately \$1.8 million in October of 2006, to finance the acquisition of capital assets for the water operations. The financing was originally provided by Citibank at a rate of 4.56 percent for a 20 year term and is now held by PNC Equipment Finance (PNCEF). Effective March 15, 2013, the District refinanced the capital lease with PNCEF at a rate of 2.95 percent.

On July 10, 2012, the District entered into an agreement with the State of California Department of Health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District. The purpose of the funding is to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the District to meet safe drinking water standards. In February 2013, the District received \$360,000 in response to the first reimbursement claim filed.

**MONTARA WATER AND SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

The following is a summary of long term obligations activity for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long Term Portion
General Obligation Bonds, 2012 Series	\$15,635,000	\$ -	\$ 854,915	\$14,780,085	\$ 795,656	\$13,984,429
2012 GO Bonds Discount	(77,180)	-	(4,886)	(72,294)	(4,886)	(67,408)
PNCEF Lease Obligation	1,654,440	-	79,882	1,574,558	61,317	1,513,241
CIEDB loan	941,464	-	24,253	917,211	24,992	892,219
Deferred amount on refunding	(298,842)	-	(18,522)	(280,320)	(18,521)	(261,799)
SRF Loan	-	360,000	-	360,000	-	360,000
<b>Totals</b>	<b>\$ 17,854,882</b>	<b>\$ 360,000</b>	<b>\$ 935,642</b>	<b>\$ 17,279,240</b>	<b>\$ 858,558</b>	<b>\$ 16,420,682</b>

Additional information on the long term obligations can be found in Note #5 of the notes to the financial statements of this report.

**ECONOMIC FACTORS, RATES, AND BUDGETARY CONTROL**

The District is a California Special District maintained as an enterprise fund. As a special district, charges to customers are made only to those who receive services. The District is not typically subject to general economic conditions such as increases or declines in property tax values or other types of revenues that vary with economic conditions such as sales taxes. However, it does receive property tax which is dependent on property tax valuations. Accordingly, the District sets its rates to its users to cover the costs of operation, maintenance and recurring capital replacement and debt financed capital improvements, plus any increments for known or anticipated changes in program costs.

The District and its Board adopt an annual budget to serve as its approved financial plan. The Board sets all fees and charges required to fund the District's operations and capital programs. The budget is used as a key control device (1) to ensure Board approval for amounts set for operations and capital projects, (2) to monitor expenses and project progress and (3) as compliance that approved spending levels have not been exceeded. All operating activities and capital activities of the District are included within the approved budget. The budget and capital expenditures are within the Gann limits established by State law.

**REQUEST FOR INFORMATION**

This financial report is designed to provide our customers and creditors with a general over view of District finances, and demonstrate District accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the General Manager at 8888 Cabrillo Highway, Montara, CA 94037 or (650) 728-3545.

# MONTARA WATER AND SANITARY DISTRICT

## STATEMENT OF NET POSITION AS OF JUNE 30, 2013

	Sewer	Water	Total
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 4,986,091	\$ 657,492	\$ 5,643,583
Accounts receivable	866	302,920	303,786
Inventory	-	42,656	42,656
Employee loan receivable - current	19,146	-	19,146
<b>Total current assets</b>	<b>5,006,103</b>	<b>1,003,068</b>	<b>6,009,171</b>
<b>Non-current assets:</b>			
<b>Capital assets:</b>			
Property, plant and equipment	10,672,243	22,772,637	33,444,880
Less accumulated depreciation	5,960,588	6,397,365	12,357,953
<b>Net property, plant and equipment</b>	<b>4,711,655</b>	<b>16,375,272</b>	<b>21,086,927</b>
<b>Other assets:</b>			
Employee loan receivable - non current	113,675	-	113,675
Unamortized bond issuance costs	-	77,114	77,114
Restricted cash and cash equivalents	-	2,705,461	2,705,461
Interfund advances - Due from water fund	1,548,177	-	1,548,177
Investment in joint powers authorities - capacity rights	2,687,547	-	2,687,547
<b>Total other assets</b>	<b>4,349,399</b>	<b>2,782,575</b>	<b>7,131,974</b>
<b>Total non-current assets</b>	<b>9,061,054</b>	<b>19,157,847</b>	<b>28,218,901</b>
<b>Total assets</b>	<b>14,067,157</b>	<b>20,160,915</b>	<b>34,228,072</b>

*(Continued)*

The accompanying notes are an integral part of these financial statements.



# MONTARA WATER AND SANITARY DISTRICT

## STATEMENT OF NET POSITION (CONTINUED) AS OF JUNE 30, 2013

	Sewer	Water	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	291,216	248,472	539,688
Accrued expenses	831	591	1,422
Interest payable	-	76,914	76,914
Current portion of long-term obligations	55,650	802,908	858,558
<b>Total current liabilities</b>	<b>347,697</b>	<b>1,128,885</b>	<b>1,476,582</b>
Long term liabilities:			
Accrued compensated absences	16,077	16,655	32,732
General obligation bonds, less current portion	-	13,655,221	13,655,221
Other long term obligations, less current portion	1,648,840	1,116,621	2,765,461
Interfund advances - Due to sewer fund	-	1,548,177	1,548,177
Deposits	-	4,303	4,303
<b>Total long term liabilities</b>	<b>1,664,917</b>	<b>16,340,977</b>	<b>18,005,894</b>
<b>Total liabilities</b>	<b>2,012,614</b>	<b>17,469,862</b>	<b>19,482,476</b>
<b>NET POSITION</b>			
Net investments in capital assets	3,007,165	877,636	3,884,801
Restricted for debt service	-	2,705,461	2,705,461
Unrestricted	9,047,378	(892,044)	8,155,334
<b>Total net position</b>	<b>\$ 12,054,543</b>	<b>\$ 2,691,053</b>	<b>\$ 14,745,596</b>

The accompanying notes are an integral part of these financial statements.

**MONTARA WATER AND SANITARY DISTRICT**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

	Sewer	Water	Total
<b>OPERATING REVENUES</b>			
Sales and service charges	\$ 1,975,804	\$ 1,566,662	\$ 3,542,466
<b>OPERATING EXPENSES</b>			
General and administrative	386,602	861,258	1,247,860
System maintenance and repairs	1,051,621	989,127	2,040,748
Depreciation	430,579	764,979	1,195,558
Total operating expenses	1,868,802	2,615,364	4,484,166
<b>OPERATING INCOME (LOSS)</b>	<b>107,002</b>	<b>(1,048,702)</b>	<b>(941,700)</b>
<b>NONOPERATING REVENUES (EXPENSE)</b>			
Taxes - District share of one percent	304,550	304,550	609,100
Taxes - Ad valorem for general obligation bonds	-	1,230,365	1,230,365
Investment income	14,208	-	14,208
Interest expense	(40,687)	(338,236)	(378,923)
Other revenues	28,923	29,457	58,380
Total non-operating revenues (expenses)	306,994	1,226,136	1,533,130
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>413,996</b>	<b>177,434</b>	<b>591,430</b>
Capital contributions - connection fees	36,325	74,315	110,640
Changes in net position	450,321	251,749	702,070
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>11,604,222</b>	<b>2,439,304</b>	<b>14,043,526</b>
<b>TOTAL NET POSITION, END OF YEAR</b>	<b>\$ 12,054,543</b>	<b>\$ 2,691,053</b>	<b>\$ 14,745,596</b>

The accompanying notes are an integral part of these financial statements.

# MONTARA WATER AND SANITARY DISTRICT

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2013

	Sewer	Water	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and users	\$ 2,049,485	\$ 1,637,954	\$ 3,687,439
Payments to suppliers - other	(865,256)	(948,510)	(1,813,766)
Payments to employees	(381,165)	(861,169)	(1,242,334)
Net cash provided (used) by operating activities	<u>803,064</u>	<u>(171,725)</u>	<u>631,339</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Property taxes collected	304,550	304,550	609,100
Principal paid on long term debt	776,904	(1,338,666)	(561,762)
Interest paid on long term debt	(40,687)	(339,497)	(380,184)
Acquisition and construction of capital assets	(752,558)	(597,416)	(1,349,974)
Funds advanced from sewer to water	(221,583)	221,583	-
Connection fees and other non operating revenue collected	65,248	1,339,278	1,404,526
Net cash provided (used) by capital and related financing activities	<u>131,874</u>	<u>(410,168)</u>	<u>(278,294)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Investment income	14,208	-	14,208
Net cash provided (used) by investing activities	<u>14,208</u>	<u>315,787</u>	<u>329,995</u>
<b>NET INCREASE IN CASH AND EQUIVALENTS</b>	<b>949,146</b>	<b>(266,106)</b>	<b>683,040</b>
Cash and investments, July 1	4,036,945	3,629,059	7,666,004
Cash and investments, June 30	<u>\$ 4,986,091</u>	<u>\$ 3,362,953</u>	<u>\$ 8,349,044</u>
<b>AMOUNTS AS THEY APPEAR ON THE STATEMENT OF NET POSITION:</b>			
Cash and cash equivalents	\$ 4,986,091	\$ 657,492	\$ 5,643,583
Restricted cash and cash equivalents	-	2,705,461	2,705,461
	<u>\$ 4,986,091</u>	<u>\$ 3,362,953</u>	<u>\$ 8,349,044</u>

*(Continued)*

The accompanying notes are an integral part of these financial statements.

# MONTARA WATER AND SANITARY DISTRICT

## STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2013

	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 107,002	\$ (1,048,702)	\$ (941,700)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	430,579	764,981	1,195,560
Accounts and notes receivable	73,681	111,741	185,422
Inventory	-	(2,500)	(2,500)
Accounts payable	186,365	43,117	229,482
Deposits	-	(40,451)	(40,451)
Compensated absences	5,437	89	5,526
Total adjustments	<u>696,062</u>	<u>876,977</u>	<u>1,573,039</u>
Net cash provided (used) by operating activities	<u>\$ 803,064</u>	<u>\$ (171,725)</u>	<u>\$ 631,339</u>

The accompanying notes are an integral part of these financial statements.



# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### *NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

#### A. General

Montara Water and Sanitary District (the District), a governmental entity legally constituted as a special district under California law, is located on the coast in northwestern San Mateo County. The District was formed in 1958 to provide sanitary sewer services and franchise solid waste collection for the unincorporated areas known as Montara and Moss Beach. On May 2003 an agreement to acquire Cal-Am Montara Water District was reached with operations beginning as of August 1, 2003.

#### B. Basis of Accounting

The District is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs and expenses, including depreciation, and providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges.

An enterprise fund is used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its statement of net position, and under the full accrual basis of accounting, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred.

A major fund is a fund whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all funds.

The District reports the following major Proprietary Funds:

Water Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the water system which is funded by user charges and other fees.

Sewer Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the sewer system. These activities are funded by user charges and other fees.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

---

### *NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

#### C. Measurement Focus

Enterprise funds are accounted for on a cost of services or *economic resources* measurement focus, which means that all assets and all liabilities associated with their activity are included on their statement of net position. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for services. Operating expenses for the District include the cost of goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### D. Inventory

Inventory is held for consumption and is recorded at cost using the first-in-first-out (FIFO) basis.

#### E. Capital Assets

Capital assets, which include property, plant, and equipment are recorded at historical costs or estimated historical cost, if actual cost is not available. Contributed assets are recorded at estimated fair value on the date of contribution.

The District defines capital assets as assets with an initial, individual cost of \$2,500 and an estimated useful life in excess of one year.

Depreciation is computed by the straight-line method based on the estimated useful lives of related asset classifications of three to 50 years of assets.

#### F. Cash Flows Defined

For purpose of the statements of cash flows the District defines cash and cash equivalents to include all cash in deposit accounts, highly liquid investments, and cash on hand.

#### G. Accounts Receivable

The District bills its water consumption and sewer usage on a cycle billing method. Cycle billing results in an amount of services rendered but not yet billed at year-end. The District has recorded this revenue by estimating the unbilled amount. The estimate was calculated by using the billing subsequent to the balance sheet date (June 30) and calculating the amount of service provided prior to June 30. This calculated amount is included in accounts receivable.

The delinquent water and sewer charges for services and facilities furnished by the District's water and sewage system, and all the penalties or delinquent charges accrued thereon shall constitute a lien upon the real property served. The District is allowed to place such charges and fees on the property tax rolls annually as of July 1.

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### *NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

#### H. Accrued Compensated Absences

The liability for vested vacation pay is calculated and accrued on an annual basis. The amount is computed using current employee accumulated vacation hours at current pay rates.

#### I. Budgets and Budgetary Accounting

Budgets are prepared on a basis consistent with generally accepted accounting principles. A general budget is adopted annually by the Board of Directors which includes operations, maintenance, and administration.

#### J. Property Taxes

Secured property taxes attach an enforceable lien on property as of March 1. Taxes are payable in two installments due November 15 and March 15. Unsecured property taxes, if any, are payable in one installment on or before August 15. The County of San Mateo bills and collects the taxes for the District. Tax revenues are recognized by the District when received. The sewer service charges are included in secured property tax bills.

#### K. Contract Services

The District contracted out the operation and maintenance of its sewer facilities to the Sewer Authority Mid-Coastside (SAM).

#### L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### M. New Accounting Pronouncements

On December 30, 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements. The Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989 including FASB Interpretations and Statements, Accounting Principles Board Opinions and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. The District implemented the provisions of this Statement in the fiscal year ended June 30, 2013.

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### **NOTE #1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. The District implemented the provisions of this Statement in fiscal year ended June 30, 2013.

In March, 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards the reclassify as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of Statement 65 are effective for financial statements for fiscal year ending June 30, 2014, with earlier application encouraged. The District has not determined its effect on the financial statements.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. The provisions of Statement 68 are effective for fiscal years beginning after June 15, 2014, with earlier application encouraged. The District has not determined its effect on the financial statements.

**MONTARA WATER AND SANITARY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE #2 - CASH AND INVESTMENTS**

**A. Cash and Investment Summary**

The following is a summary of the cash and investments as of June 30, 2013:

Cash Deposits	\$ 5,293,710
Investments (Local Agency Investment Fund)	3,055,334
	<u>\$ 8,349,044</u>
Restricted cash and cash equivalents	\$ 2,705,461
Unrestricted cash and cash equivalents	5,643,583
	<u>\$ 8,349,044</u>

**B. General Authorizations**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
U.S. Agency Obligations	5 years	None	None
U.S. Treasury Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Certificate of Deposit	N/A	30%	None

**C. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by depositing the majority of its funds with the State Local Agency Investment Fund (LAIF), which is short term investment.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Average Maturity</u>
LAIF	<u>\$ 3,055,334</u>	278 days



# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

### NOTE #2 - CASH AND INVESTMENTS (Continued)

#### D. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. LAIF doesn't have a credit rating.

#### E. Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. It is the District's policy that all securities are evidenced by specific identifiable pieces of paper called *securities instruments*, or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to maximize security, the District employs the Trust Department of a bank as the custodian of its investments with the U.S. Government or its agencies, regardless of their form.

Investment in the State Investment Pool – the District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in the Pool is reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

### NOTE #3 – CAPITAL ASSETS

Changes in capital assets accounts are summarized below:

Category	Audited				Audited
	Balance June 30, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
Land & easement	\$ 739,500	\$ -	\$ -	\$ -	\$ 739,500
Sewage collection facilities	5,341,536	-	-	-	5,341,536
Sewage treatment facilities	244,540	-	-	-	244,540
General plant & administration facilities	855,852	-	-	-	855,852
Seal Cove collection system	995,505	-	-	-	995,505
Other capital improvements	3,584,651	752,558	-	-	4,337,209
Water facilities plant	19,859,013	597,416	-	-	20,456,429
Water general plant	174,309	-	-	-	174,309
Surface water rights	300,000	-	-	-	300,000
<b>Total</b>	<b>32,094,906</b>	<b>1,349,974</b>	<b>-</b>	<b>-</b>	<b>33,444,880</b>
Accumulated Depreciation	11,162,393	1,195,560	-	-	12,357,953
Property, Plant & Equipment, net	\$20,932,513	\$ 154,414	\$ -	\$ -	\$21,086,927

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### *NOTE #4 – INVESTMENT IN JOINT POWER AUTHORITY - CAPACITY RIGHTS*

#### Investment in Sewer Authority Mid-Coastside

The District has capacity rights in the Sewer Authority Mid-Coastside (SAM), a public entity created February 3, 1976 by a Joint Exercise of Powers Agreement pursuant to the provisions of Title 1, Division 7, and Chapter 5 of the Government code of the State of California. Other joint power members include the City of Half Moon Bay and the Granada Sanitary District. The District reports these capacity rights in SAM on the cost basis.

Under this agreement, SAM is granted the power of the member agencies to construct, maintain, and operate facilities for the collection, transmission, treatment and disposal of wastewater for the benefit of the lands and inhabitants within their respective boundaries.

Each member agency has the power to appoint two representatives of their own governing body to SAM's Board of Directors. Budgets prepared by SAM are subject to approval by the member agencies and expenditures in excess of the budgeted amounts require unanimous consent and approval of SAM's Board of Directors.

SAM provides sewage collection and treatment services, for which the District pays a monthly fee. The District paid \$972,798 for these collection and treatment services for the year.

Summary details of SAM's financial position and results of operation from the most recent audited financial statement available for the year ended June 30, 2012 are as follows:

Total assets	\$	18,729,205
Total liabilities		<u>655,095</u>
Net position	\$	<u>18,074,110</u>
Total revenues	\$	3,969,921
Total expenses		<u>5,401,026</u>
Increase (Decrease) in net position	\$	<u>(1,431,105)</u>

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

### NOTE #5 - LONG TERM OBLIGATIONS

Following is a summary of the changes in long term obligations for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long Term Portion
General Obligation Bonds, 2012 Series	\$15,635,000	\$ -	\$ 854,915	\$14,780,085	\$ 795,656	\$13,984,429
2012 GO Bonds Discount	(77,180)	-	(4,886)	(72,294)	(4,886)	(67,408)
PNCEF Lease Obligation	1,654,440	-	79,882	1,574,558	61,317	1,513,241
CIEDB loan	941,464	-	24,253	917,211	24,992	892,219
Deferred amount on refunding	(298,842)	-	(18,522)	(280,320)	(18,521)	(261,799)
SRF Loan	-	360,000	-	360,000	-	360,000
Totals	<u>\$ 17,854,882</u>	<u>\$ 360,000</u>	<u>\$ 935,642</u>	<u>\$ 17,279,240</u>	<u>\$ 858,558</u>	<u>\$ 16,420,682</u>

#### A. General Obligation Bonds, Series 2012

On April 18, 2012, the District issued General Obligation Bonds Series 2012 in the amount of \$15,635,000. The bonds were issued to fully refund the General Obligation Bonds Series 2003, which the District issued for the acquisition and improvements of a domestic water supply, treatment, and fire protection system serving the entire District service area, and to finance improvements to the District's water system. These bonds are payable from the levy of ad valorem taxes on all property within the District. Interest on the bonds is 2.4 percent and is payable on February 1 and August 1 of each year, commencing August 1, 2012.

Principal is due bi-annually beginning on August 1, 2012, in amounts ranging from \$389,142 to \$568,322, with a final payment on August 1, 2028 of \$568,322. The bonds maturing on or before August 1, 2017 are not subject to redemption prior to their respective stated maturity dates. Bonds maturing on or after August 1, 2017 are subject to redemption prior to their respective stated maturity dates at the option of the District at the principal amount of the bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The bonds were sold to First Republic Bank at their face amount (\$15,635,000) less net original issue discount of \$78,175, for a total amount of \$15,556,825. On the date of issue of the Series 2012 bonds, the \$83,745 were deposited into the Cost of Issuance Fund, \$1,500,000 in the Acquisition and Improvement Fund and the remaining \$13,973,350 was transferred to the Series 2003 bonds. The difference in cash flow of the General Obligation Bonds Series 2012 is \$2,765,341 which is due to a present value savings. The economic gain, as determined by the Causey Demgen & Moore Inc., is \$2,232,516.

**MONTARA WATER AND SANITARY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE #5 - LONG TERM OBLIGATIONS (Continued)**

Repayment Schedule

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 795,656	\$ 354,780	\$ 1,150,436
2015	815,134	335,302	1,150,436
2016	835,090	315,346	1,150,436
2017	854,702	295,734	1,150,436
2018	876,458	273,978	1,150,436
2019-2023	4,714,223	1,037,957	5,752,180
2024-2028	5,320,499	431,681	5,752,180
2029	568,322	6,896	575,218
Total	<u>\$ 14,780,085</u>	<u>\$ 3,051,674</u>	<u>\$ 17,831,759</u>

**B. Capital Lease**

On November 7, 2006, the District entered into a lease/purchase agreement with a financial institution in the amount of \$1,854,443 at a fixed interest rate of 4.56 percent annually. The agreement matures on October 7, 2026. The agreement was to finance the acquisition, construction and installation of energy conservation capital facilities for the District's water system with the expectation that the cost thereof will be offset through reductions in future energy costs created by the facilities. As security for its obligation under this lease the District has pledged to the Lessor a security interest in the net revenue of both the water and sewer enterprises.

The financing was originally provided by Citibank at a rate of 4.56 percent for a 20 year term and is now held by PNC Equipment Finance (PNCEF). Effective March 15, 2013, the District refinanced the capital lease with PNCEF at a rate of 2.95 percent.

Repayment Schedule

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 61,317	\$ 45,633	\$ 106,950
2015	68,958	43,722	112,680
2016	76,970	41,580	118,550
2017	85,454	39,196	124,650
2018	93,990	36,560	130,550
2019-2023	628,740	132,970	761,710
2024-2027	559,129	28,740	587,869
Total	<u>\$ 1,574,558</u>	<u>\$ 368,401</u>	<u>\$ 1,942,959</u>

**MONTARA WATER AND SANITARY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE #5 - LONG TERM OBLIGATIONS (Continued)**

**C. CIEDB Loan**

On October 1, 2008, the District entered into an enterprise fund installment sale agreement with California Infrastructure and Economic Development Bank (CIEDB) in the amount of \$1,010,000. The agreement was to purchase a facility in order to renovate and upgrade two sewer pump stations. The agreement matures on December 3, 2037 with principal amounts due August 1, and interest payments due on February 1 and August 1 of each year. The interest rate is 3.05 percent per annum.

Repayment Schedule:

**CIEDB Loan**

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 24,992	\$ 30,345	\$ 55,337
2015	25,755	29,497	55,252
2016	26,540	28,622	55,162
2017	27,350	27,720	55,070
2018	28,184	26,791	54,975
2019-2023	154,350	119,001	273,351
2024-2028	179,369	91,140	270,509
2029-2033	208,443	58,763	267,206
2034-2038	242,228	21,137	263,365
Total	<u>\$ 917,211</u>	<u>\$ 433,016</u>	<u>\$ 1,350,227</u>

**D. State Revolving Fund Loan**

On July 10, 2012, the District entered into an agreement with the State of California Department of Health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the District to meet safe drinking water standards. Under this agreement, the State will lend the District an amount not to exceed \$500,000, payable in five years from the first principal and interest invoice. The District will make semiannual payments for the principal and any interest amounts due January 1 and July 1 of each year until the loan is repaid in full. Per the repayment terms of this agreement, the principal and interest payments will start one year from the project completion date at an interest rate of 2.09 percent per annum. The District expects the project to be completed in 2016.

During current fiscal year ended June 30, 2013, the District received \$360,000 in response to the first reimbursement claim filed under this loan agreement.



# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### *NOTE #6 - DEFERRED COMPENSATION PLAN*

The District's defined contribution, IRS code section 457 pension plan, provides deferred compensation retirement benefits to plan members and beneficiaries. Under this plan participants may defer a portion of their compensation and are not taxed on the deferred portion until it is distributed to them. Distribution may be made only at termination, retirement, death, or in an emergency as defined by the plan. The District has contracted with a third party to provide administration and management of the plan's assets which are to be held for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under this plan are not the District's property and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

### *NOTE #7 - RISK MANAGEMENT*

The District is exposed to various risks of loss related to torts: theft, damage, and destruction of assets; errors and omissions; injuries to employees and natural disaster. The District joined together with other entities to form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool currently operating as a common risk management and insurance program for 54 member entities. The purpose of CSRMA is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost. The District pays annual premiums to CSRMA for its general, liability, property damage and monthly premiums to State Fund for its workers compensation insurance.

CSRMA is governed by a Board composed of one representative from each member agency. The Board controls the operations of CSRMA including selection of management and approval of operating budgets, independent of any influence by member entities.

Settled claims for CSRMA or commercial fidelity bonds have not exceeded coverage in any of the past three fiscal years.

The following is a summary of the insurance policies carried by the District as of June 30, 2013:

Type of Coverage	Coverage Limits
General Liability	\$ 15,500,000
Workers' Compensation	2,000,000
Boiler & Machinery	100,000,000
Property	6,801,517

# MONTARA WATER AND SANITARY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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### *NOTE #7 - RISK MANAGEMENT (Continued)*

Audited condensed financial information for CSRMA is presented below from the most recent statements available for the year ended June 30, 2012:

Total assets	\$ 30,047,691
Total liabilities	<u>17,709,465</u>
Net position	<u>\$ 12,338,226</u>
Total revenues	\$ 8,879,110
Total expenses	<u>12,460,997</u>
Increase (decrease) in net position	<u>\$ (3,581,887)</u>

Claims and judgments, including provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the District has coverage for such claims, but it had retained the risk for the deductible or uninsured portion of these claims.

The District has not exceeded its insurance coverage limits in any of the last three years. Any District liability is included in accrued expenses on the financial statements.

### *NOTE #8 - COMMITMENTS AND CONTINGENT LIABILITIES*

The District has an agreement with Sewer Authority Mid-Coastside (SAM), Granada Sanitary District, and City of Half Moon Bay for the purchase of additional plant sewer capacity on an as needed basis. Montara Water and Sanitary District may purchase additional capacity in the SAM plant, if such additional capacity is available, at a cost per Equivalent Residential Unit (ERU) in effect. The future price would be an average current cost per ERU charged a property in the City of Half Moon Bay and Granada Sanitary Districts plus accrued interest as stipulated in the agreement. At this time the District needs no additional capacity.

The District is a plaintiff or defendant in a number of lawsuits, which have arisen in the normal course of business. In the opinion of the District, these actions when finally adjudicated will not have a material adverse effect on the financial position of the District.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Resolution of Commendation for Bob Ptacek.**

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The Board of Directors would like to adopt a Resolution and express its appreciation to Bob Ptacek for his unselfish commitment and dedication as a director on the Montara water and sanitary district board for the past 20 years. His strong leadership in support of the mission and policy governance of the district served as a superior example to others and enabled him to make significant contributions to the many achievements of the district during his tenure on the Montara Water and Sanitary District Board of Directors.

During Bob Ptacek's tenure as a member of the Board of Directors the District acquired the privately held community water system and has since then successfully improved the system.

Several achievements made by the district during Bob Ptacek's tenure include:

- the Sewer Authority Mid-Coastside plant expansion which was able to lift the moratorium on sewer connections. This included the funding agreement that allowed the district to participate in the project even though the proposed assessment was disallowed by the courts.
- The successful acquisition of the assets of the private water company through eminent domain proceedings.
- Development of a Water Master Plan covering significant repairs and improvements to the water system that had been neglected for over 20 years by the previously privately held water company.
- Development of a Public's Work Plan permitting many of the improvements.
- Many significant infrastructure improvement projects to the water and sewer system including projects to drill new tests monitoring and the Alta Vista production wells and the erection of the first new Schoolhouse Tank and start of construction of the second Schoolhouse Tank.
- Repeal of the longstanding moratorium on new water connections and preparation of the Publics Work Plan Amendment that allows the issuance of new domestic water connections.



# **MONTARA WATER AND SANITARY DISTRICT AGENDA**

For Meeting Of: **February 6, 2014**

**TO: BOARD OF DIRECTORS**

**FROM: Clemens H. Heldmaier, General Manager**

Bob Ptacek contributed significantly to the District and to the Board of Directors by serving as Director on many committees. Specifically notable was his service from 2006 to 2013 on the Board of the Association of California Water Agencies, Region 5. He served as District Treasurer in 1994, 1999 and from 2008 through 2013. Bob also served as District President from 1995 through 1998 and in 2007.

## **RECOMMENDATION:**

Adopt Resolution No.\_\_\_\_, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT COMMENDING BOB PTACEK FOR 20 YEARS OF OUTSTANDING AND DEDICATED SERVICE AS DIRECTOR TO THE MONTARA WATER AND SANITARY DISTRICT.

Attachment to be provided at the meeting





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Authorization to Bid the 2014 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS.**

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In accordance with the revised 7 year Capital Improvement Plan, the 2014 Sewer Improvement Project and Spot Repairs is proposed for Bid. This current FY continues the rehabilitation of Medium and High Priority Sewer Mains as well as miscellaneous maintenance and spot repairs for the purpose of reducing Sanitary Sewer Overflows and reducing Inflow and Infiltration in the District collection system with a budget of \$572,000. An additional \$15,000 was budgeted for CCTV of sewer mains. The District has combined budget for these activities of \$587,000 for the FY 2012/2013.

The District calls for sealed bids to be submitted to the District by 2:00 PM on Tuesday March 4th, 2014 for the award of a Contract for the construction of improvements in the District in strict accordance with the Plans and Specifications therefor entitled, "2014 Sewer Improvement Project and Spot Repairs" dated February 2014, prepared by Nute Engineering, Civil and Sanitary Consultants.

The work includes the furnishing of all labor, materials and equipment for the construction and rehabilitation of sanitary sewer mains and laterals, spot repairs, and the rehabilitation and coating of selected manholes, and CCTV of sewers, together with all appurtenances, for the completed and operational project as shown on the Plans and as specified. Engineers Estimate is for the Base Bid is \$485,000, and \$550,000 with Additive Alternates of Manhole Rehabilitation and Open Cut Installation of Acacia. The Project will be awarded on the basis of the Base Bid only.

Pippin Cavagnaro, P.E. from Nute Engineering, will be available to present the Project and answer any questions the Board might have.

## RECOMMENDATION:

Authorize the General Manager to advertise for bids for the 2014 Sewer Improvement Project and Spot Repairs and adopt RESOLUTION NO. \_\_\_\_\_, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT ACKNOWLEDGING AND AUTHORIZING THE FILING OF NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

Attachment





February 3, 2014

## 2014 Sewer Improvement Project and Spot Repairs

### PROJECT SUMMARY

The seven year Capital Improvement Plan proposed \$572,000 for improvements in neighborhood medium and high priority sewer rehabilitation to reduce sanitary sewer overflow risks (SSO's) and reduce inflow and infiltration (I&I). Additionally \$15,000 was recommended to be spent on closed circuit televising (CCTV) and sewer investigation to continue to evaluate and prioritize district repair projects. The target sewers selected for this year's rehabilitation and spot repair project were selected on the basis of difficulty of maintenance and likelihood of stoppages due to root blockages. Additionally manhole lining rehabilitation is planned to repair cracks and corrosion in the highly corrosive environment along airport and cypress streets due to very long sewer resonance times. The Engineers Estimate for the Base Bid is \$485,000 and including the additive alternates it is \$550,000.

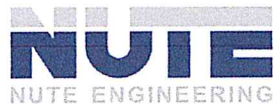
### ACACIA STREET AND EASEMENT NORTH OF FRANKLIN STREET

The Acacia Street sewer north of Franklin is an aging vitrified clay pipe with cracks and tree roots. It is a currently a very long pipe run of 531 feet which is hard to clean, so an additional manhole will be installed in the middle of the block. An additional 200 feet of easement pipe runs east between 5 houses. The proposed method of improvement is pipebursting. Due to the proximity of utilities and the county drainage ditch the sewer may need to be installed with open trenching along the street portion, which will be included as an *Additive Alternate*. There are approximately 10 house lower laterals which will be rehabilitated during this project.

### 7<sup>th</sup> STREET EASEMENT SEWERS BETWEEN LA CONTE AVE AND AUDUBON AVE

The rear line sewers are very difficult to access easement pipes. The end of line rodholes frequently become overgrown and lost. Due to the loose joints and cracks of the old clay pipe, tree and plant roots frequently enter the pipe. We propose pipe bursting to minimize yard disturbance. There may be challenges with structure and fence obstructions which will require extra hand excavation. There are approximately 10 house lower laterals which will be rehabilitated during this project.

### BIRCH STREET SOUTH OF HARTE STREET



The Birch Street is steep sewer with cracks and tree roots. Birch is unique for the area since it is improved with street lights, curb and gutters and street islands. We propose to pipe burst this sewer in order to minimize damage to surface improvements. There are approximately 9 house lower laterals will be rehabilitated during the project.

#### FARLLONE AVENUE SEWER BETWEEN 10<sup>TH</sup> AND 11<sup>TH</sup> STREETS

Farllone Avenue is a more central sewer serving a large portion of central Montara. The clay pipe is old and it at risk of stoppages due to roots and bad joints. The slope of the sewer is good so it is a candidate for pipe bursting. Approximately 4 house lower laterals will be rehabilitated during the project.

#### 11<sup>th</sup> STREET EASEMENT SEWERS BETWEEN LA CONTE AVE AND AUDUBON AVE

The rear line sewers are very difficult to access easement pipes. The end of line rodholes frequently become overgrown and lost. Due to the loose joints and cracks of the old clay pipe, tree and plant roots frequently enter the pipe. We propose pipe bursting to minimize yard disturbance. There may be challenges with structure and fence obstructions which will require extra hand excavation. There are approximately 7 house lower laterals which will be rehabilitated during this project.

#### ADDITIVE ALTERNATE: MANHOLE LINING AND COATING REHABILITATION

Manhole lining and coating is a resurfacing technique which restores and seals the interior surfaces of concrete structures to help protect them from hydrogen sulfide attack. Sewers with long resonance times have increase acid attack corrodes and weakens the concrete structures. Sewers in the southern end of the District suffer from significant corrosion due in-part to the large number of pump stations which re-pump the sewage and the long distance back to Vallemar Pump Station.

This type of service work can be performed either under District discretionary repair spending of under capital bid projects. This project includes 9 manholes from the Air Port discharge manhole back to Highway One at Cypress Street. It was also an additive alternate in last year's sewer project, but the price and propose repair material were both unfavorable so it was not approved for construction. We included the Manhole Lining and Coating Rehabilitation as an *Additive Alternate* again in this CIP Project in attempt to get both better product and price.

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

**RESOLUTION OF THE MONTARA WATER AND  
SANITARY DISTRICT ACKNOWLEDGING AND  
AUTHORIZING THE FILING OF NOTICE OF  
EXEMPTION UNDER THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT FOR THE 2014  
SEWER IMPROVEMENT PROJECT AND SPOT  
REPAIRS PROJECT**

BE IT RESOLVED BY THE BOARD, MONTARA WATER AND SANITARY DISTRICT, A PUBLIC AGENCY IN THE COUNTY OF SAN MATEO, CALIFORNIA, AS FOLLOWS:

This Board hereby finds and declares that the Sewer Improvement Project and Spot Repairs Project is categorically exempt from the requirement for preparation of environmental documents under the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA ACT") and Section 15302 of the "State CEQA Guidelines" (14 Cal. Admin. Code Section 15000 et seq.); and the Secretary is hereby authorized and directed to cause a Notice of Exemption to be filed with respect to said repair in the office of the County Recorder, San Mateo County.

\_\_\_\_\_  
President, Montara Water and Sanitary District

COUNTERSIGNED:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 6<sup>th</sup> of February 2014, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Authorization to Bid the PUMP STATION CONTROL PANNEL UPGRADES – PHASE 1 PROJECT.**

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As a result of a recent pump station reliability review and In accordance with the revised 7 year Capital Improvement Plan, the Pump Station Control Panel Upgrades - Phase 1 Project is proposed for Bid. This current FY continues the funding for of maintenance and reliability improvement for the District pump stations for the purpose of improving electrical reliability and communication to reduce Sanitary Sewer Overflows in the District pumping system with a budget of \$245,000 for the FY 2013/2014.

The District calls for sealed bids to be submitted to the District by 2:00 PM on Tuesday March 4th, 2014 for the award of a Contract for the construction of improvements in the District in strict accordance with the Plans and Specifications therefor entitled, "Pump Station Control System Improvement Project" dated February 2014, prepared by Nute Engineering, Civil and Sanitary Consultants.

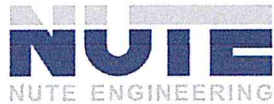
The work includes the furnishing of all labor, materials and equipment for the construction and rehabilitation pump station control and back up panel power systems, the installation of emergency high-high floats, relay motor starting circuits and alarm signals at six pump stations and a one new Motor Control Center. Engineers Estimate is for the Base Bid is \$225,000. The Project will be awarded to the low bidder.

Pippin Cavagnaro, P.E. from Nute Engineering, will be available to present the Project and answer any questions the Board might have.

## RECOMMENDATION:

Authorize the General Manager to advertise for bids for the Pump Station Control Panel Upgrades – Phase 1 Project with RESOLUTION NO. \_\_\_\_\_, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT ACKNOWLEDGING AND AUTHORIZING THE FILING OF NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

Attachment



February 3, 2014

## PUMP STATION CONTROL PANEL UPGRADE - PHASE 1 -

### PROJECT SUMMARY

It was identified in the District's internal audit of pump station reliability that 11 of the District's 13 major pump stations did not have the redundant alarms systems and motor starting circuits now recommended by the Regional Water Control Board and the EPA. The seven of the pump stations were selected for this year's improvements project Pump Station Control Panel Upgrade - Phase 1. Six will receive control panel improvements while one will receive an entirely new control panel. The \$245,000 was budgeted for this work, and the engineers estimate for Construction is \$225,000.

### CONTROL PANEL IMPROVEMENTS

In order to increase reliability and redundancy in the operation, six District Pump Stations (Vallemar, California St, Seal Cove #1, #3, #4, and Date Harte) will receive an additional High-High level float in the wet well and a simple yet robust relay motor logic starting circuit. In addition, new battery back-up UPS surge suppressers and PGE power phase monitoring and power line in voltage spike protection will also be added to protect the pump station electronics in event of power surges or power failures.

### CONTROL PANEL REPLACEMENT

Seal Cove Pump Station #2 has one of the oldest control panels in the District. Because there is an emergency gravity connection to Pump Station #3 is it has not been considered as a high a risk station as the others in that area. The control panel, also called the Motor Control Center (MCC) is now so deteriorated and the interior components are so outdated that is it not practical or cost effective to continue to maintain it. The MCC will be completely replaced with a modern system.

### PUMP CORDS

The power cords for the Seal Cove #1 and #2 Flygt submersible pumps are showing signs of deterioration in the electrical insulation. The pumps will be pulled out of the stations and the power cords will be pulled and replaced.



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

**RESOLUTION OF THE MONTARA WATER AND  
SANITARY DISTRICT ACKNOWLEDGING AND  
AUTHORIZING THE FILING OF NOTICE OF  
EXEMPTION UNDER THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT FOR THE PUMP  
STATION CONTROL PANEL UPGRADES – PHASE 1  
PROJECT**

BE IT RESOLVED BY THE BOARD, MONTARA WATER AND SANITARY DISTRICT, A PUBLIC AGENCY IN THE COUNTY OF SAN MATEO, CALIFORNIA, AS FOLLOWS:

This Board hereby finds and declares that the Pump Station Control Panel Upgrades – Phase 1 Project is categorically exempt from the requirement for preparation of environmental documents under the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) (“CEQA ACT”) and Section 15302 of the “State CEQA Guidelines” (14 Cal. Admin. Code Section 15000 et seq.); and the Secretary is hereby authorized and directed to cause a Notice of Exemption to be filed with respect to said repair in the office of the County Recorder, San Mateo County.

\_\_\_\_\_  
President, Montara Water and Sanitary District

COUNTERSIGNED:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

\* \* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 6<sup>th</sup> of February 2014, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning  
Schoolhouse Tank II Ribbon Cutting Ceremony.**

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The new Schoolhouse Tank East, or Tank II, has been put in service on February 28. Staff is currently working on a press release that will be sent local and regional newspapers.

An official ribbon cutting ceremony is scheduled for Friday, February 28 at 3:00 pm.

Invitations will be sent to neighboring agencies, local newspapers, public officials, and engaged community members.

## RECOMMENDATION:

This is for Board information only.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS  
FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Authorization to Bid the Alta Vista Tank #2**

The Montara Water and Sanitary District (MWSD or District) Alta Vista Tank #2 Project (Project) has been in planning stages since 2004, and District staff it currently ready to construct a 0.5-million gallon (MG) prestressed concrete tank at the Alta Vista site with Board approval.

## BACKGROUND

Based on the analysis conducted in the 2004 Master Plan, the District established the need for additional storage to serve existing customers. The 2004 Master Plan established a storage deficit of 1.1 MG, and proposed the construction of Alta Vista Tank #2 with an estimated capacity of 1.0 MG. The Project was included in the District's Public Works Plan (PWP), which was approved and certified by the California Coastal Commission (CCC) in 2009.

A new assessment of the District's storage needs was conducted prior to the publication of the 2011 Master Plan, and a summary of the analysis was included in the document. The estimated storage needs changed substantially since the 2004 Master Plan due to an updated analysis of supply and demand data, system improvements, and increased efficiency in system operations. The total storage deficit in the District's system based on the 2011 Master Plan was estimated to be 333,276 gallons. The new storage analysis prompted engineering staff to reconsider the size of the Alta Vista Tank #2. Table 1 presents the storage analysis summary included in the 2011 Master Plan.

Category	Storage Volume (Gallons)
Equalization (Operational) Storage	118,440
Emergency Storage Goal (2 days of ADD)	636,836
Fire Storage Goal	240,000
Total Storage Goal	995,276
Existing Storage	662,000
Additional Storage Needed to Meet Storage Goal	333,276

## DISCUSSION

Based on the new storage analysis conducted, the District Engineer revisited the proposed tank size and developed a constructability analysis of the 1.0-MG tank. The analysis resulted in an estimated construction cost of approximately \$4.5 million, with a high degree of uncertainty based on the proposed site constraints. In addition, while working with the CCC on amending the PWP to reflect the 2011 Master Plan, CCC staff stated that a 1.0-MG tank at the Alta Vista site is not consistent with PWP provision that all approved improvements must only serve customers per the PWP Amendment approved by the CCC in December 2013. Since the updated storage deficit was calculated at 333,276 gallons, a 1.0-MG tank exceeds the storage needs, even when considering conservative design parameters, and does not meet the requirements of the CCC.

While constructing a 1.0-MG tank will be cost-effective in the long term, it became apparent that its implementation would trigger regulatory issues and likely be cost-prohibitive. To mitigate these risks, staff considered potential project alternatives that would meet the regulatory requirements and lower the estimated cost. Based on the District's projected future water demands and associated storage needs, phasing the storage tank project by constructing one new 0.5 MG tank now and a second 0.5 MG tank within the next 20 years appears to be the best option.

The Project includes the construction of a 0.5-MG prestressed concrete water storage tank at the Alta Vista site. Building a 0.5-MG prestressed concrete tank will not only meet the storage needs of the District as detailed in Table 1, above, but is designed to provide seismically-reliable emergency storage for the District's system. It was determined that a 0.5-MG was not significantly more expensive than a smaller tank, and allows the District to maintain 75% of its emergency storage in the event of an earthquake, provided that all other tanks are out of service. This extra factor of safety provides the District with increased emergency protection. Prestressed concrete is the recommended material to ensure construction and future maintenance cost-effectiveness and avoid additional pumping and associated costs. The engineer's opinion of probable construction cost for the revised project is \$2.9 million, which will be funded by the State Revolving Fund (SRF) low-interest loan already secured by the District.

The 0.5-MG tank will be approximately 58 feet in diameter and 40 feet high, and designed to conform to the requirements described in AWWA D110 Standard for Wire- and Strand-Wound, Circular, Prestressed Concrete Water Tanks. The implementation of the Project includes all earthwork, the construction of a retaining wall, and the installation of a prestressed concrete tank with associated yard piping.

Together with an additional 0.1-MG tank at the Schoolhouse site, this new 0.5-MG tank at the Alta Vista site will meet the requirements of the CCC and provide sufficient additional storage capacity for current District operations. In addition, phasing of the tank construction saves the District \$1.0 million in construction costs.

#### RECOMMENDATION:

Adopt Resolution of the Montara Water and Sanitary District Board of Directors authorizing the General Manager to advertise the Alta Vista Tank No. 2 Project for public bidding and initiate the NOID process. Resolution will be provided at the meeting.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS  
FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Real Time Water Quality Monitoring Equipment for North Airport Well.**

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Since the District has determined that building and operating a new centralized water treatment facility for the three existing Airport Wells would not be fiscally feasible, staff has been working on finding other solutions that would address water quality concerns. As the first step towards a more cost-effective solution, in December 2013, the District completed successful rehabilitation of one of the wells, the North Airport Well (NAW), using mechanical cleaning. The District has then requested that the Department lift the operational restrictions for the NAW based on the success of the rehabilitation.

The District has been using the existing on-line nitrate analyzer at the NAW Ion Exchange System (IES), as required by the Department for nitrate removal, since 2004. Staff has managed to maintain and conduct repairs on the existing analyzer for the past ten years. However, since the analyzer is now ten years old, it is difficult to procure replacement parts and continue repairing the device. This device is necessary for operating the NAW and the nitrate treatment system. Since the District is no longer considering an option of a centralized water treatment facility for the Airport Wells due to the high cost, the District must have the ability to operate NAW with the existing treatment system.

The District contacted Hach Company, the only supplier of the nitrate analyzer accepted by CDHP, to provide estimates for the purchase or rental of a new on-line nitrate analyzer. Based on the estimates, the District determined that replacing the existing analyzer is the best option.

Hach Company has provided a quotation of \$41,443.36 for installation of a new Nitratax Analyzer with two sample probes, a new controller, and to provide bi-annual maintenance. Once the analyzer is installed and the Department has lifted the operational restrictions, the District will be able to operate the NAW as needed to provide water system reliability. The District is also working with CDHP to reduce their requirements, which may result in a lower cost of the equipment. For instance, the District is questioning the need for a two-sample probe analyzer and is offering the Department an equally reliable and more cost-effective option.

This analyzer purchase of about \$42,000 is requested in lieu of constructing an over \$1.5 million water treatment facility.

**RECOMMENDATION:** Authorize the General Manager to execute the purchase agreement with Hach Company for the Hach Nitratax Analyzer and controller, for a not-to-exceed amount of \$42,000.



**Quotation/ProForma Invoice**



**HACH COMPANY**

**Headquarters**  
P.O. Box 389  
5600 Lindbergh Drive,  
Loveland, CO 80539-0389

**Purchase Orders**  
PO Box 608  
Loveland, CO 80539-0608  
**Web Site:** [www.hach.com](http://www.hach.com)

**U.S.A.**  
Phone: 800-227-4224  
Fax: 970-669-2932  
Email: [orders@hach.com](mailto:orders@hach.com)  
[quotes@hach.com](mailto:quotes@hach.com)  
[techhelp@hach.com](mailto:techhelp@hach.com)  
**Export**  
Phone: 970-669-3050  
Fax: 970-461-3939  
Email: [intl@hach.com](mailto:intl@hach.com)

**Remittance**  
2207, Collections Center Drive  
Chicago, IL 60693

**Wire Transfers**  
Bank of America  
231 S. LaSalle St.  
Chicago, IL 60604  
Account 8765602385  
Routing (ABA) : 026009593  
Swift Code: BOFAUS3N

**Quote Number 313013614** **Version Number 0**  
(USE QUOTE Number at time of order to ensure you receive prices quoted).

Customer Ref 01.17.14  
Second Customer Ref  
Third Customer Ref  
Payment Terms Subject to Credit Review  
Currency USD  
Freight Terms Prepay And Bill Customer  
Ship Method RPS-RPS\*\*FedEx- -Ground  
Quote Date 01/17/2014  
Expiration Date 03/18/2014  
Sales Contact  
Customer Number 311751  
Quote Contact JULIAN MARTINEZ  
Phone 650-728-1054  
Fax  
E-Mail julian@coastside.net

<u>Bill-To Account</u>	<u>Ship-To Account</u>	<u>Deliver-To Account</u>
234331 MONTARA SANITARY WATER  PO BOX 370131  MONTARA,CA,94037 United States	314644 MONTARA SANITARY WATER  8888 CABRILLO HWY  MONTARA,CA,94037 United States	

Line	Item No	Description	Quantity	Unit Price	Extended Amount
1.1	LXV404.99.00552	sc200 CONTROLLER, AC-DC, 2 DIG, HACH	1	1,740.00	1,740.00
1.1	WRTUPGSC200	WarrantyPlus SC200 1 Visit Comprehensive warranty upgrade includes: Instrument start-up, all parts, labor, and travel for on-site repairs, 1 on-site factory recommended maintenance (including required parts), unlimited technical support calls, and free firmware updates. On-site response for "down" instrument repairs is typically 3 business days. Standard business hours are 8am-5pm M-F local time, excluding holidays. Please see service terms and conditions for additional	1	225.00	225.00

**Quotation/ProForma Invoice**

details on our service plans, and to ensure you have an opportunity to review our environmental and safety requirements.

2.1	LXV417.99.20002	db NITRATAX PLUS SC 2MM	2	16,032.00	32,064.00
2.1	WRTUPGNITRATAX	WarrantyPlus NITRATAX Sensor 2 Visit Comprehensive warranty upgrade includes: Instrument start-up, all parts, labor, and travel for on-site repairs, 2 on-site calibrations per year, factory recommended maintenance (including required parts), unlimited technical support calls, and free firmware updates. On-site response for "down" instrument repairs is typically 3 business days. Standard business hours are 8am-5pm M-F local time, excluding holidays. Please see service terms and conditions for additional details on our service plans, and to ensure you have an opportunity to review our environmental and safety requirements.	2	1,067.00	2,134.00
3.1	LZX869	NITRATAX PLUS SC 2MM FLOWTHRU CELL Also for UVAS	2	2,257.00	4,514.00

Merchandise Total: \$40,677.00  
Shipping & Handling: \$766.36  
Total : \$41,443.36

**NOTES :**

Additional charges may be added for certain heavy/large items shipping to US Destinations.

Your Order Total is \$25,000 or more, please send a confirming purchase order to address or fax number above.

All purchases of Hach Company products and/or services are expressly and without limitation subject to Hach Company's Terms & Conditions of Sale ("Hach TCS"), incorporated herein by reference and published on Hach Company's website at [www.hach.com/terms](http://www.hach.com/terms). Hach TCS are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale "Contract" in accordance with the Hach TCS: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of the Hach TCS are not part of the Contract.

Due to International regulations, a U.S. Department of Commerce Export License may be required. Hach reserves the right to approve specific shipping agents. Wooden boxes suitable for ocean shipment are extra. Specify final destination to ensure proper documentation and packing suitable for International transport. In addition, Hach may require : 1). A statement of intended end-use; 2). Certification that the intended end-use does not relate to proliferation of weapons of mass destruction (prohibited nuclear end-use, chemical / biological weapons, missile technology); and 3). Certification that the goods will not be diverted contrary to U.S. law.

**IN LIEU OF PAYMENT TERMS, HACH RESERVES THE RIGHT TO REQUIRE CASH OR CREDIT CARD PAYMENT IN ADVANCE OF DELIVERY.**

Taxes will be added at time of order for orders shipping and used in US Destinations, unless valid resale/exemption certificate is provided. Exemption certificate can be sent to the above address or fax number.

**Craig Williams**

Prepared By:

<b>Hach Hydromet</b> 800-949-3766 Fax: 970-461-3921	<b>Hach Flow Products &amp; Services</b> 800-368-2723 Fax: 970-619-5150	<b>Environmental Test Systems (ETS)</b> 800-548-4381 Fax: 970-619- 5025	<b>Other Hach Brands</b> 800-454-0263 Fax: 970-461-3919
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# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Update  
of the District's Emergency Response and  
Recovery Plan (ERRP)**

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At Director Huber's Request the Board asked staff to consider the update of the Emergency Response Plan. The existing document required revision to include accurate water system information, staff roles and responsibilities, and emergency contact information. The District's emergency plan is entitled the *MWSD Emergency Response and Recovery Plan (ERRP)*. The ERRP includes all elements recommended for inclusion by the California Special Districts Association. An updated version of the plan was drafted for Board approval in association with the new Emergency Preparedness Policy.

**RECOMMENDATION:**

Approve the revised MWSD Emergency Response and Recovery Plan (attached).



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
P.O. BOX 370131 • MONTARA, CA 94037 • (650) 728-3358

## 1. Introduction

The Montara Water and Sanitary District (MWSD) provides water, sewer, and trash disposal services to the coastal communities of Montara, Moss Beach, and adjacent areas located north of Half Moon Bay and south of Pacifica, in San Mateo County, California.

The District owns and operates water storage, treatment, and distribution facilities (“water system” or “water infrastructure”) that provide potable water to over five thousand people. The water system serves 1,644 domestic accounts, over 95 percent of them residential connections, distributed among seven pressure zones. The water served is diverted from a surface water source, Montara Creek, and extracted from nine groundwater wells that withdraw water from Montara Creek and Denniston Creek groundwater basins. The system also includes a surface water treatment plant, four potable water storage tanks, and over 150,000 feet of distribution pipelines.

### 1.1 Purpose

This document is designed to prepare MWSD for a planned response to emergency situations associated with natural disasters, technological incidents, and national security emergencies in, or affecting, a water utility facility and its service area.

### 1.2 Plan Contents and Organization

The Emergency Response and Recovery Plan (ERRP) is structured to provide general emergency response information in Sections 1 through 7. The plan includes the following information:

- MWSD emergency management organization required to assist in mitigating any significant emergency or disaster.
- Authorities, policies, responsibilities, and procedures required to protect the health and safety of customers, personnel, and facility property.
- Operational concepts and procedures associated with field response to emergencies, Emergency Operations Center (EOC) activities, and the recovery process.
- Implementation of the Standardized Emergency Management System (SEMS)
- Multi-agency and multi-jurisdictional coordination, particularly between MWSD and local, state, and federal agencies during emergency operations.





# Emergency Response and Recovery Plan

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## 1.3 Compliance with SEMS

This plan has been designed for conformance with SEMS (Government Code Section 8607) and should be used in conjunction with the State Emergency Plan and local emergency plans.

## 1.4 Plan Maintenance

This ERRP is meant to be a living document. This plan should be reviewed annually to ensure that the information contained herein is complete, accurate and up-to-date. In particular, emergency contact lists, vendor lists, and supply information should be reviewed closely and updated as needed. Emergency procedures should also be reviewed regularly and particularly following actual emergency events.

## 1.5 Authorities and References

The following authorities and references authorize or require the MWSD to create, manage, and activate an emergency plan, utilizing its powers to take actions and carry out the responsibilities described in the plan.

**California Emergency Services Act.** (1952, amended 1970, 1986 and 1992, and referred to as the "Act"). Authorizes all political subdivisions of the state (special districts, cities, and counties) to conduct emergency operations. Such action can take place in response to an emergency that immediately overwhelms local resources. Recent additions to this Act include Government Code section 8607, which requires the use of the Standardized Emergency Management System by local government and special districts if they want to recover certain emergency response costs. It also includes 8607.2(a), which requires public water agencies with more than 10,000 service connections to review and revise their emergency plans in conjunction with local government agencies. These plans should follow the Incident Command System concepts. Other water utilities should consider conducting similar reviews as a means of using best management practices to avoid potential liability.

**California Government Code, Title I, Division 4, Chapter 8, Section 3100.** Identifies public agency employees as Disaster Service Workers.

**California Department of Health Services, Office of Drinking Water, Public Health Notification.** The *Boil Water and Unsafe Drinking Water Notification* outlines public notification and water quality procedures to follow in emergencies.

**California Emergency Plan.** The California Emergency Plan outlines the state's response to help local government respond to disasters. Under Government Code section 8586, the plan



## Emergency Response and Recovery Plan

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is in effect in each political subdivision of the state, and states that the governing board of each political subdivision shall take such actions as may be necessary to carry out the provisions thereof. Procedures for requesting aid and managing a statewide emergency organization are included. This guidance is consistent with the California Emergency Plan. All utilities are encouraged to develop plans to support local government response to emergencies

**United States Public Law 107-188 Public Health Security and Bioterrorism Preparedness and Response Act of 2002:** “All community water systems serving more than 3,300 population (1,000 service connections) shall prepare or revise an Emergency Response Plan that incorporates the results of vulnerability assessments (VA) that have been completed. The updated Emergency Response Plan shall be certified to EPA within 6 months of completing the vulnerability assessment.”



## Emergency Response and Recovery Plan

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### 2. Water System Information

<b>System Identification Number</b>	4110010	
<b>System name and address</b>	Montara Water and Sanitary District 8888 Cabrillo Highway Montara, CA 94037	
<b>Directions to System Office</b>	Located next to Point Montara Lighthouse and Hostel	
<b>Number of Service Connections/Population Served</b>	1,644 service connections	5,283 population
<b>Type of Source</b>	Nine (9) Groundwater Wells	One (1) Surface Water Plant
<b>Type of Treatment Provided</b>	<ul style="list-style-type: none"> <li>Alta Vista Treatment Plant provides coagulation, contact clarification, filtration, and chlorination treatment.</li> <li>GAC and chlorination treatment at Drake and Wagner wells.</li> <li>Nitrate treatment at NAW2, and individual chlorination systems at South Airport, Airport 3, and North Airport 2 Well.</li> </ul>	
<b>Number of Storage Tanks</b>	One (1) Raw Water Tanks	Four (4) Treated Water Tanks
<b>Average Water Demand</b>	318,418 gpd	221 gpm
<b>Maximum Daily Demand</b>	473,758 gpd	328 gpm
<b>Peak Hour Demand</b>	34,500 gallons	--
<b>Emergency Contact Persons</b>	Clemens Heldmaier General Manager	Office (650) 728-3545 Cell (650) 766-6982 Home (650) 728-7892
	Julian Martinez Operations Superintendent	Office (650) 728-1054 Cell (650) 766-6986 Home (415) 999-6868

### 3. Emergency Type



## **Emergency Response and Recovery Plan**

MONTARA WATER & SANITARY DISTRICT  
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### **3.1 Natural and Man-made**

Several types of emergencies can occur that could impact MWSD's facilities and their operations. These emergencies can be the result of natural or man-made causes including the following:

- Earthquake
- Fires
- Contamination of water supplies
- Hazardous spills or leaks
- Severe storms or floods
- Landslides
- Pipeline, tank and/or building failure
- Civil unrest, disturbance or terrorist action
- National security emergency
- Widespread power outage
- Process/treatment plant failure
- Facility failures

It is important to note that there are a number of events, such as large earthquakes or fires that occur infrequently but have a very high impact potential. There are also other events, such as severe storms and floods, which have less of an impact potential but occur more frequently. Although the planning basis for this ERRP is for a major emergency (i.e., an earthquake), the principles contained herein can be applied to any type or magnitude of emergency.

The response by MWSD to these types of emergencies will depend on the severity of the event, the supplies impacted, the customers impacted and the system demand at the time of the emergency. For each emergency, the impact may be a reduction or change in the supply available to customers in one or more areas of the system, a change to an auxiliary supply, or both.

### **3.2 Hazard Impacts**



# Emergency Response and Recovery Plan

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The following tables present a description of each of the potential hazards that could impact MWSD operations and facilities based on the Vulnerability Assessment dated June 2004.

<b>EARTHQUAKE</b>	
<b>General</b>	The San Andreas Fault may affect the geographical area served by MWSD. This fault poses a significant threat to the delivery of water to customers within the distribution system.
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• Wells</li> <li>• Alta Vista Treatment Plant</li> <li>• Storage Tanks</li> <li>• Distribution Pipelines</li> <li>• Alta Vista Raw Water Pipeline</li> <li>• MWSD Office</li> <li>• Communication</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>• Depending on the fault and the earthquake intensity, buildings could collapse, pipelines could rupture, reservoirs could fail and hazardous chemicals released threatening life safety and the ability to supply water and provide sewer collection and treatment services.</li> <li>• Extensive search and rescue operations may be required to assist trapped or injured people. Identification and burial of many dead persons would pose difficult problems, and public health would be a major concern.</li> <li>• Mass evacuation may be essential to save lives, particularly if the earthquake should occur during working hours.</li> <li>• Emergency operations could be seriously hampered by loss of communications, damage to transportation routes, and disruption of services and other utilities.</li> <li>• Transportation systems leaving, entering, and within the disaster area would also be affected, particularly Highway One at Devils Slide and Highway 92.</li> <li>• Earthquake-induced landslides are also possible along the hillsides.</li> </ul>

## FIRES





## Emergency Response and Recovery Plan

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<b>General</b>	<ul style="list-style-type: none"> <li>The terrain in the distribution system is rugged in many places, with little or no development. In these areas, plants grow very rapidly during moderate weather conditions, and then enter a dormant period in the warmer seasons. Plant fibers become very dry, creating perfect conditions for easy ignition by chance sparks and rapid spread of a resulting fire. The extensive use of the rugged terrain by careless outdoor enthusiasts or deliberately destructive people, such as arsonists, increases the chances for wildfires. The occasional thunderstorms experienced in this area during the warm seasons also increase the likelihood of wildfires.</li> <li>Two categories of fires are considered: wild land fires and building structure fires.</li> </ul>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>Alta Vista Treatment Plant</li> <li>Storage Tanks</li> <li>Alta Vista Raw Water Pipeline</li> <li>MWSD Office</li> <li>Communication</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>Wild land fires would primarily impact water quality as they alter ground cover.</li> <li>May require evacuation of MWSD staff and damage MWSD buildings and facilities.</li> <li>A fire in any given facility would likely remove that facility from operation until it was repaired.</li> </ul>

### CONTAMINATION OF WATER SUPPLIES

<b>General</b>	<p>Contamination of the water supply may be caused by accidental or illegal dumping; sabotage; or an undetected problem in the treatment process. These situations could pose a threat to the health of the MWSD's customers, as well as to the environment.</p>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>Wells</li> <li>Alta Vista Treatment Plant</li> <li>Storage Tanks</li> <li>Distribution Pipelines</li> <li>Alta Vista Raw Water Pipeline</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>Contamination of water supplies would require MWSD to cease delivery of water from the impacted source and may impact its ability to meet customer demands.</li> <li>If undetected, the contaminated supplies could pose a threat to the health of MWSD's customers and to the environment.</li> </ul>



# Emergency Response and Recovery Plan

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<b>HAZARDOUS SPILLS OR LEAKS</b>	
<b>General</b>	<p>A hazardous materials spill or leak could result from an earthquake, vehicle accident, building fire or internally during water and wastewater treatment processes. Although hazardous material incidents can happen almost anywhere, certain areas of the state are at higher risk. Areas near interstate highways that are frequently used for transporting hazardous materials and jurisdictions with industrial facilities that use, store, or dispose of such materials all have increased potential for major mishaps, as do jurisdictions crossed by certain railways, waterways, airways, and pipelines.</p>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• Wells</li> <li>• Alta Vista Treatment Plant</li> <li>• Storage Tanks</li> <li>• Distribution Pipelines</li> <li>• Alta Vista Raw Water Pipeline</li> <li>• MWSD Office</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>• The release of a hazardous material to the environment could cause a multitude of problems. The significance of the problems to the environment, property, or public health is dependent on the type, location, and quantity of the material released.</li> <li>• Spills could force temporary shutdown of the wastewater treatment plants and could impact water supply.</li> </ul>
<b>LANDSLIDES</b>	
<b>General</b>	<ul style="list-style-type: none"> <li>• Heavy rains and earthquakes may also lead to landslides. Roads can be blocked or buckle as a result, and buildings and utility systems may be in jeopardy from surrounding land sliding or from the eroding of the footing of foundations. Also, power and communications systems can be impacted.</li> </ul>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• Storage Tanks</li> <li>• Distribution Pipelines</li> <li>• Alta Vista Raw Water Pipeline</li> <li>• Access Roads</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>• Pipelines in landslide-prone areas may rupture impacting MWSD's ability to provide water to its customers.</li> </ul>



# Emergency Response and Recovery Plan

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<b>SEVERE STORMS OR FLOODS</b>	
<b>General</b>	<ul style="list-style-type: none"> <li>Floods are usually either slow-rise or flash floods. Slow-rise floods may be preceded by a warning period, which may last hours, days, or even weeks. This allows local authorities and citizens to prepare. Evacuation and sandbagging for a slow-rise flood may lessen flood-related damage. Unfortunately, flash floods do not usually have a “build-up” period. The warning time is usually very short for flash floods. This makes them difficult to prepare for, if any warning is given at all. Flash flood warnings usually require evacuation within an hour.</li> <li>Once flooding begins, rescuing people trapped by flood water, securing utilities, sheltering evacuees, cordoning off flooded areas, and controlling the movement of resources and personnel have the highest priorities. These actions may overtax local agencies, requiring additional personnel and resources through mutual assistance.</li> <li>Severe storms can also increase wastewater flows and adversely impact wastewater treatment plant operations.</li> </ul>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>Wells</li> <li>Alta Vista Treatment Plant</li> <li>Storage Tanks</li> <li>Distribution Pipelines</li> <li>Alta Vista Raw Water Pipeline</li> <li>MWSD Office</li> <li>Access Roads</li> <li>Communications</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>High turbidity runoff can impact water quality and the ability of the MWSD to provide water to its customers.</li> </ul>
<b>CIVIL UNREST/DISTURBANCE/TERRORIST ACTION</b>	
<b>General</b>	<ul style="list-style-type: none"> <li>While recent years have seen a decrease in the number of civil disturbances, changes in the political climate may lead to a future resurgence in the number of these events.</li> <li>Civil unrest can also include employee unrest, strike, riot or terrorism.</li> </ul>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>Wells</li> <li>Alta Vista Treatment Plant</li> <li>Storage Tanks</li> <li>Distribution Pipelines</li> <li>Alta Vista Raw Water Pipeline</li> <li>MWSD Office</li> <li>Communication</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>Such events could result in blockage of access to targeted MWSD facilities or threats made to employees.</li> </ul>



# Emergency Response and Recovery Plan

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<b>NATIONAL SECURITY EMERGENCY</b>	
<b>General</b>	<ul style="list-style-type: none"> <li>• Terrorist activities continue to occur at an alarming rate around the world.</li> <li>• As a result, national and local government security must be considered, and National Security preparedness must include Nuclear Civil Protection (NCP) plans and special responses for nuclear emergencies.</li> <li>• A nuclear detonation in any region has the potential for tremendous devastation. Widespread death and destruction in the detonation area would occur because of the blast, heat, and radiation. The immediate and long-term impact on the environment could be even more devastating. The threat of nuclear detonation exists from both attack on the United States and from use by terrorist groups.</li> <li>• Much study has taken place, and continues, concerning the effects of a nuclear detonation on life and property. Immediate and long-term effects must be analyzed and considered for planning purposes. Responses to nuclear emergencies must show awareness of the initial and lasting results.</li> </ul>
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• Wells</li> <li>• Alta Vista Treatment Plant</li> <li>• Storage Tanks</li> <li>• Distribution Pipelines</li> <li>• Alta Vista Raw Water Pipeline</li> <li>• MWSD Office</li> <li>• Communication</li> </ul>
<b>Potential Impacts</b>	<p>The effects of a nuclear detonation in the Bay Area would vary according to the strength of the bomb and the altitude at which the detonation took place. Damage to people and buildings would vary according to distance from detonation. No effort has been made to predict the number of casualties that would result from the thermal or nuclear radiation because of the different protection that would exist within the area. It can be assumed that there would be many immediate casualties from both thermal and nuclear radiation as well as long-term casualties from radiation sickness among people exposed to the nuclear radiation. Of significance to MWSD specifically, would be contamination of the water supply.</p>



# Emergency Response and Recovery Plan

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<b>WIDESPREAD POWER OUTAGE</b>	
<b>General</b>	Electrical power facilities are particularly vulnerable to earthquake damage, and the time required to restore full power will be prolonged. Realistically, power is unlikely to be restored to many areas for several days or longer. Widespread power outages can also occur as the result of severe winter storms or other problems in the electric power grid.
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• Wells</li> <li>• Alta Vista Treatment Plant</li> <li>• Storage Tanks</li> <li>• Distribution Pipelines</li> <li>• Alta Vista Raw Water Pipeline</li> <li>• MWSD Office</li> <li>• Communication</li> </ul>
<b>Potential Impacts</b>	<ul style="list-style-type: none"> <li>• Restoration of power by PG&amp;E will be a function of priorities, and due to the critical need for water, MWSD would receive the highest priority for restoration. If necessary MWSD might also activate a mutual assistance agreement with other water utilities to provide additional generators and fuel supplies.</li> <li>• Loss of power at facilities which do not have emergency backup facilities could impact the ability of MWSD to deliver water to customers or maintain adequate pressures in the distribution in high elevation areas.</li> </ul>

<b>PROCESS/PLANT FAILURES</b>	
<b>General</b>	Water treatment plant rely on a series of processes to treat water to make it safe for drinking and to treat wastewater to make safe for release to the bay or ocean. If any one of the steps in the treatment process is flawed, the overall treatment may be inadequate.
<b>Vulnerability</b>	<ul style="list-style-type: none"> <li>• MWSD has an extensive water quality testing and monitoring program to detect process or plant failures before inadequate treated water is released into the distribution system and provided to customers.</li> <li>• Failure can occur at Alta Vista Treatment Plant, impacting the ability to meet system demands.</li> </ul>
<b>Impacts</b>	<ul style="list-style-type: none"> <li>• Failure of a treatment process or plant would result in a plant shutdown until the problem could be resolved and could impact MWSD's ability to meet system demands.</li> <li>• If undetected, the release of water that does not meet drinking water standards in the transmission and distribution system could pose a public health threat.</li> <li>• Adverse impacts to the bay or ocean as a result of the release of inadequately treated wastewater.</li> </ul>





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### **3.3 Emergency Response Priorities**

During an emergency there will undoubtedly be competition for limited resources. To assist in emergency response decision-making, the following response priorities, in order of importance, have been established to guide the allocation of resources and the coordination of response activities in providing water supply:

1. Fire Fighting/Suppression Capability
2. Critical Facilities (e.g., hospitals)
3. Schools and Care Shelters
4. Residences
5. Businesses

With these priorities, additional criteria to be considered when establishing response and restoration priorities include:

- The number of persons affected
- Time and resources required to complete the repair
- Availability of other means of meeting the need
- Accessibility to the site

### **3.4 Inventory of Critical Facilities**

The following tables provide an inventory of MWSD's critical facilities and systems with a priority level (High, Medium, Low). The inventory was conducted as part of the Vulnerability Assessment dated June 2004.



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#	Component	Number and Location (if applicable)	Description	Critical Asset or Single Point of Failure (H/M/L)
<b>Source Water Type</b>				
<b>Ground Water</b>				
1	South Airport Well	Half Moon Bay (HMB) Airport	Well with 5 hp pump and chlorination station	L
2	Airport Well # 3	HMB Airport	Offline	L
3	North Airport Well	HMB Airport	Well with 10 hp pump and chlorination station	L
4	Portola Well # 1	Grant St. near Valverde	Well with 3 hp pump and chlorination station	L
5	Portola Well # 2	Montara Blvd. near Buena Vista	Well with 3 hp pump and chlorination station	L
6	Portola Well # 3	Montara Blvd. near Franklin	Well with 3 hp pump and chlorination station	L
7	Portola Well # 4	Montara Blvd. near Buena Vista	Abandoned	L
8	Wagner Well	600 feet (ft) from end of Drake St.	Well with 15 hp pump and chlorination station	L
9	Drake Well	Fir St. near Drake St.	Well with 5 hp pump and chlorination station	L
10	Park Well	Fir St. near Date St.	Well with 3 hp pump and chlorination station	L
<b>Surface Water</b>				
1	Diversion Structure	At Montara Creek at 520 ft elevation	Cement diversion dam diverts water from Montara Creek	M
2	Alta Vista Raw Water Line	1500 ft of 6-inch pipe from diversion to Raw Water Tank	Pipeline connecting diversion dam to raw water tank	M
3	Purchased Water		N/A	
<b>Treatment Plant</b>				
<b>Buildings</b>				
1	Alta Vista Water Treatment Plant	Alta Vista Rd. near Riviera Rd.	Treats water diverted from Montara Creek	H



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<b>Pumps</b>				
1	Alta Vista Water Treatment Backwash (1)	Alta Vista Water Treatment Plant	3 hp backwash booster pump, 150 gpm	M
2	Raw Water Booster Pumps (2)	Alta Vista Water Treatment Plant	2 hp, 75 gpm booster pump	M
3	Surface Wash Pump (1)	Alta Vista Water Treatment Plant	1 hp, 25 gpm surface wash pump	M
<b>Treatment Equipment (e.g.; basin, clear well, filter)</b>				
1	Contact Clarifiers (4)	Alta Vista Water Treatment Plant	Vertical pressure contact clarifier, underdrain system and media	M
2	Media Filters (2)	Alta Vista Water Treatment Plant	Dual media vertical pressure vessel with surface wash system and media	M
3	Hypochlorite and Polymer Metering Pumps (4)	Alta Vista Water Treatment Plant	Control chemical feed into water supply	M
4	Backwash Decant Tank	Alta Vista Water Treatment Plant	10,000 gallon polyethylene	M
<b>Process Controls</b>				
1	PLC Processor Module	Alta Vista Water Treatment Plant	Control connected to SCADA	M
2	Flow Meters (5)	Alta Vista Water Treatment Plant	Control water flow throughout treatment process	M
3	Pressure Meters (11)	Alta Vista Water Treatment Plant	Control water pressure throughout treatment process	M
4	Temperature Meter (1)	Alta Vista Water Treatment Plant	Monitors temperature of water during treatment process	M
5	Analyze and Record Meters (6)	Alta Vista Water Treatment Plant	Analyzes and records parameters as water passes through treatment system	M



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6	Level Meters (2)	Alta Vista Water Treatment Plant	Measures and control water levels throughout treatment process	M
7	Treatment Chemicals and Storage	Alta Vista Water Treatment Plant	Hypochlorite chemicals and storage	M
<b>Storage</b>				
<b>Storage Tanks</b>				
1	Alta Vista Water Tank	Alta Vista Rd. near Rivera Rd.	462,000 gallon steel tank holding treated water	H
2	Alta Vista Raw Water Tank	Alta Vista Rd. near Rivera Rd.	100,000 gallon concrete tank holding untreated water from Montara Creek	H
3	Schoolhouse Tank	Lincoln near Sierra St.	100,000 gallon welded steel tank holding treated water	H
4	Portola Tank	Portola Tank Rd.	100,000 gallon redwood tank holding treated water from Portola wells	H
<b>Power</b>				
<b>Primary Power</b>			All primary power is from PG&E power lines	L
<b>Auxiliary Power</b>				
1	Airport Well # 3	HMB Airport	Caterpillar Generator Model # BOSS-P-95	L
2	North Airport Well	HMB Airport	Caterpillar Generator Model # BOSS-P-95	L
3	South Airport Well	HMB Airport	Caterpillar Generator Model # BOSS-P-60	L
4	Schoolhouse Booster Station	Lincoln near Sierra St.	Caterpillar Generator Model # BOSS-P-60	L
5	Drake Well	Fir near Drake St.	Caterpillar Generator Model # BOSS-P-30	L
6	Alta Vista Treatment Plant	Alta Vista Rd. near Rivera Rd.	Olympian Generator Model # D302PS	L



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Distribution System				
<b>Pumps</b>				
1	Schoolhouse Booster Pumps (2)	Lincoln near Sierra St.	30 hp pumps boost water from Schoolhouse Tank to Alta Vista Tank	M
<b>Pipes</b>				
1	Airport Main Line	HMB Airport wells to Schoolhouse Tank	8-inch transmission line carrying major water from airport wells	M
2	Drake Main Line	Alta Vista Tank to Drake Street	8-inch transmission line carrying water from Alta Vista tank to Alta Vista Zone	M
3	Lincoln Main Line	Schoolhouse Tank to 16 <sup>th</sup> St.	10-inch transmission line carrying water from Alta Vista pressure zone to Schoolhouse Tank	M
4	Marine Main Line	Wave Ave. to Marine Blvd.	10-inch transmission line carrying water from Moss Beach pressure zone to Seal Cove	M
<b>Pressure Regulating Valve Stations</b>				
1		Etheldore and Lancaster	6-inch, 35 psi downstream setting and 70 ft elevation	M
2		Etheldore and Lancaster	2-inch, 40 psi downstream setting and 70 ft elevation	M
3		3 <sup>rd</sup> and East	6-inch, 70 psi downstream setting and 115 ft elevation	M
4		3 <sup>rd</sup> and East	2-inch, 70 psi downstream setting and 115 ft elevation	M
5		Farralone and 6 <sup>th</sup>	6-inch, 75 psi downstream setting and 156 ft elevation	M
6		Farralone and 6 <sup>th</sup>	3-inch, 70 psi downstream setting and 156 ft elevation	M
7		6 <sup>th</sup> and Farralone	4-inch, 65 psi downstream setting and 133 ft elevation	M
8		6 <sup>th</sup> and Farralone	2-inch, 55 psi downstream	M





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			setting and 133 ft elevation	
9		8 <sup>th</sup> and Main	6-inch, 79 psi downstream setting and 116 ft elevation	M
10		8 <sup>th</sup> and Main	3-inch, 83 psi downstream setting and 116 ft elevation	M
11		11 <sup>th</sup> and Farralone	6-inch, 70 psi downstream setting and 140 ft elevation	M
12		11 <sup>th</sup> and Farralone	2-inch, 80 psi downstream setting and 140 ft elevation	M
13		12 <sup>th</sup> and Farralone	6-inch, 80 psi downstream setting and 140 ft elevation	M
14		12 <sup>th</sup> and Farralone	2-inch, 85 psi downstream setting and 140 ft elevation	M
15		13 <sup>th</sup> and Farralone	6-inch, 80 psi downstream setting and 103 ft elevation	M
16		13 <sup>th</sup> and Farralone	2-inch, 87 psi downstream setting and 103 ft elevation	M
17		14 <sup>th</sup> and Farralone	6-inch, 90 psi downstream setting and 95 ft elevation	M
18		14 <sup>th</sup> and Farralone	2-inch, 85 psi downstream setting and 95 ft elevation	M
19		Alamo and Cypress	8-inch, 130 psi downstream setting and 347 ft elevation	M
20		Alamo and Cypress	2-inch, 50 psi downstream setting and 347 ft elevation Pressure Sustaining Valve (PSV)	M
21		Sierra and Lincoln (Schoolhouse)	8-inch, 68 psi downstream setting and 165 ft elevation	M
22		Sierra and Lincoln (Schoolhouse)	3-inch, 75 psi downstream setting and 165 ft elevation	M
23		Marine and Cabrillo	8-inch, 40 psi downstream setting and 69 ft elevation	M
24		Marine and Cabrillo	2-inch, 45 psi downstream setting and 69 ft elevation	M



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25		Buena Vista and Lincoln	6-inch, 75 psi downstream setting and 192 ft elevation	M
26		Buena Vista and Lincoln	2-inch, 85 psi downstream setting and 192 ft elevation	M
27		Sunshine Valley Rd	6-inch, 30 psi downstream setting and 246 ft elevation	M
28		Sunshine Valley Rd	2-inch, 35 psi downstream setting and 246 ft elevation	M
29	Point Montara Hostel Hydrant	Next to Pt Montara Hostel	Services a major tourist facility	H
30	Farallone Elementary Hydrant	Next to Farallone View Elementary School	Services an elementary school	H
31	Seton Hospital	Etheldore and Marine	Services Seton Medical Center	H
<b>Offices</b>				
1	Buildings	Hwy 1 at 16 <sup>th</sup> St.	District Administrative Office and Yard	L
2	Computers	District Office	Computer server with three computers on network	L
3	Files	District Office	District ordinances, financial records	L
4	Transportation/ Work Vehicles	District Office	Three service trucks	L
5	Personnel	District Office	District employees	L
<b>Communication</b>				
1	Telephone	District Office	Two lines to District for water and sewer service calls	M
2	Cellphone	District Office	District field personnel have cellphones	M
3	Radio	District Office	Base radio station with hand-held radios for field personnel	M
4	Computer Control Systems (SCADA)	District Office	Provides information on well operations and storage levels with dial-in service by	M



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			employees through DSL line	
<b>Critical Facilities Served</b>				
1	Hospitals	Etheldore and Marine	Seton Medical Center	M
2	Schools	Kanoff at Le Conte	Farallone Elementary School	M
3	Nursing Homes	4 locations	Small daycare and residential care	L
4	Waste Water Treatment Plants			
5	Food/Beverage Processing Plants			
6	Power Plant Failures			
7	Prisons/Other Institutions			



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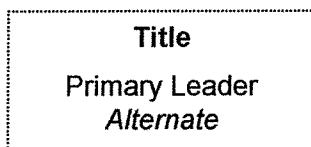
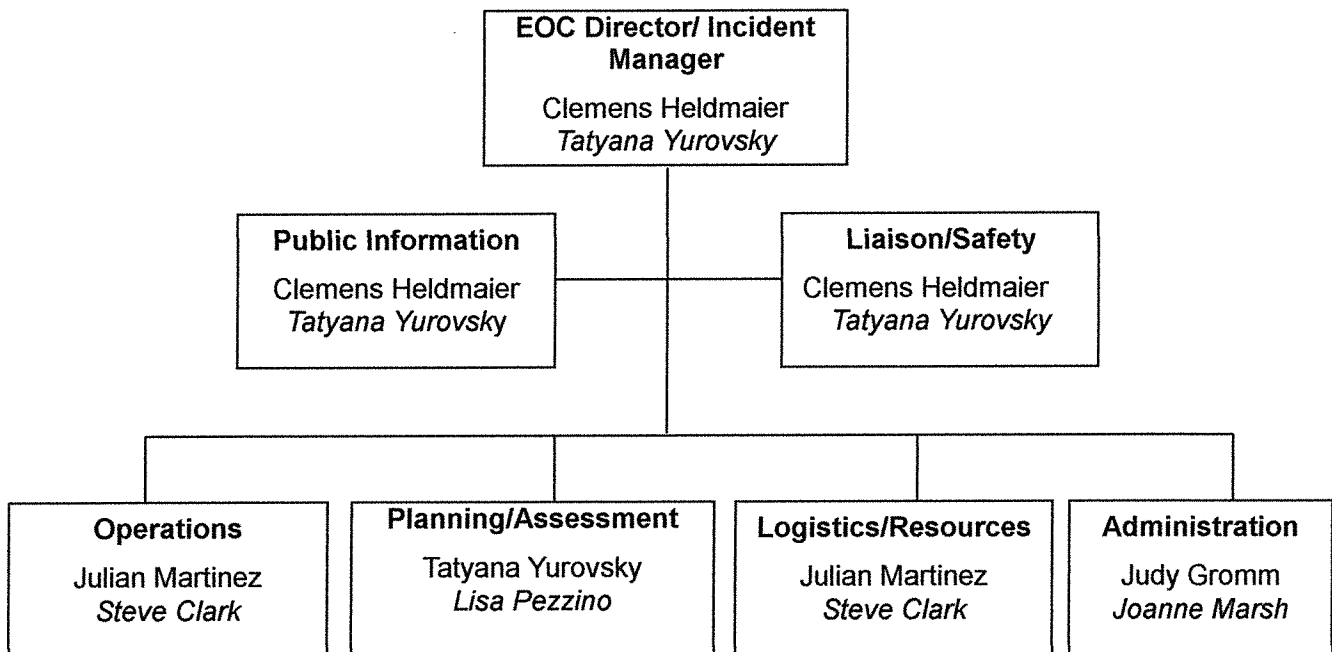
## 4. Emergency Management Organization

### 4.1 Emergency Operation Center

If response to an emergency requires escalation to the Partial or Full Activation level, the MWSD Emergency Operation Center (EOC) will be established to provide a centralized location to which MWSD staff can report status and from which they can request assistance or resources. The EOC is the MWSD office located at 8888 Cabrillo Highway, Montara, California.

### 4.2 Emergency Management Structure

The MWSD Emergency Management Organization (EMO) structure is designed in accordance with SEMS requirements and consists of the SEMS management functions.





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## 4.3 SEMS Roles and Responsibilities

Functional Position	Responsibilities
EOC Director/Incident Manager	<ul style="list-style-type: none"> <li>• Determine level of emergency and notification</li> <li>• Oversee response to incident</li> <li>• Issue emergency water use reduction alert, boil water notice, unsafe water alert if indicated</li> </ul>
Public Information Officer	<ul style="list-style-type: none"> <li>• Prepare and issue customer notifications as directed by Incident Manager</li> <li>• Respond to customer inquiries</li> </ul>
Liaison /Safety Officer	<ul style="list-style-type: none"> <li>• Coordinate with external agencies as necessary</li> <li>• Ensure safety of all MWSD personnel</li> </ul>
Operations Chief	<ul style="list-style-type: none"> <li>• Assess problem and estimated duration</li> <li>• Identify immediate appropriate actions to be taken by MWSD personnel and customers and advise Incident Manager</li> <li>• Advise Incident Manager of recommended actions</li> <li>• Direct and evaluate corrective actions by MWSD personnel and customers</li> <li>• Confer with Planning on corrective strategies</li> </ul>
Planning/Assessment Chief	<ul style="list-style-type: none"> <li>• Assist Operations with assessing impact of problems</li> <li>• Obtain required maps, schematics, and drawings as needed</li> <li>• Establish and maintain a status report</li> <li>• Identify alternative corrective strategies and discuss with Operations</li> <li>• Prepare summary system status reports for Incident Manager</li> </ul>
Logistics/Resources Chief	<ul style="list-style-type: none"> <li>• Procure supplies and equipment as requested</li> <li>• Oversees the storing and distribution of essential supplies and equipment</li> </ul>
Administration Chief	<ul style="list-style-type: none"> <li>• Initiate and maintain incident records</li> <li>• Compile cost estimates as requested</li> <li>• Arrange for emergency funding and purchasing</li> </ul>





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## 5. Response and Recovery

### 5.1 Plan Activation

This plan will be activated to the extent required by the nature and scope of the emergency. The activation process, including plan triggers, recovery, deactivation, and damage assessment, are covered in this section.

### 5.2. Triggers/Criteria

Two categories of emergency response are identified:

- Partial and
- Full Response Activation

The initial response to an emergency involves not only activating the plan and recalling personnel, but doing so at the appropriate level.

#### Partial Response

Involves an emergency where a limited number of MWSD staff can handle.

#### Full Response

Involves an emergency where all of the EMO members and MWSD personnel are needed.

In all cases, the response is dictated by the amount of storage available to users in the system, the demand at the time of the emergency, and the expected time to recover from the problem. During an emergency, supply; demand; storage; and system response to the implemented actions, must be monitored continuously to determine if and when the next response action or category should be activated.

### 5.3. Customer System Activation Procedures

The authority for activating customer notification rests with the MWSD Incident Manager upon a recommendation by the Operations Chief. Consult Section 6. Notification Plan, for providing notification to the public.

### 5.4. Reporting Location

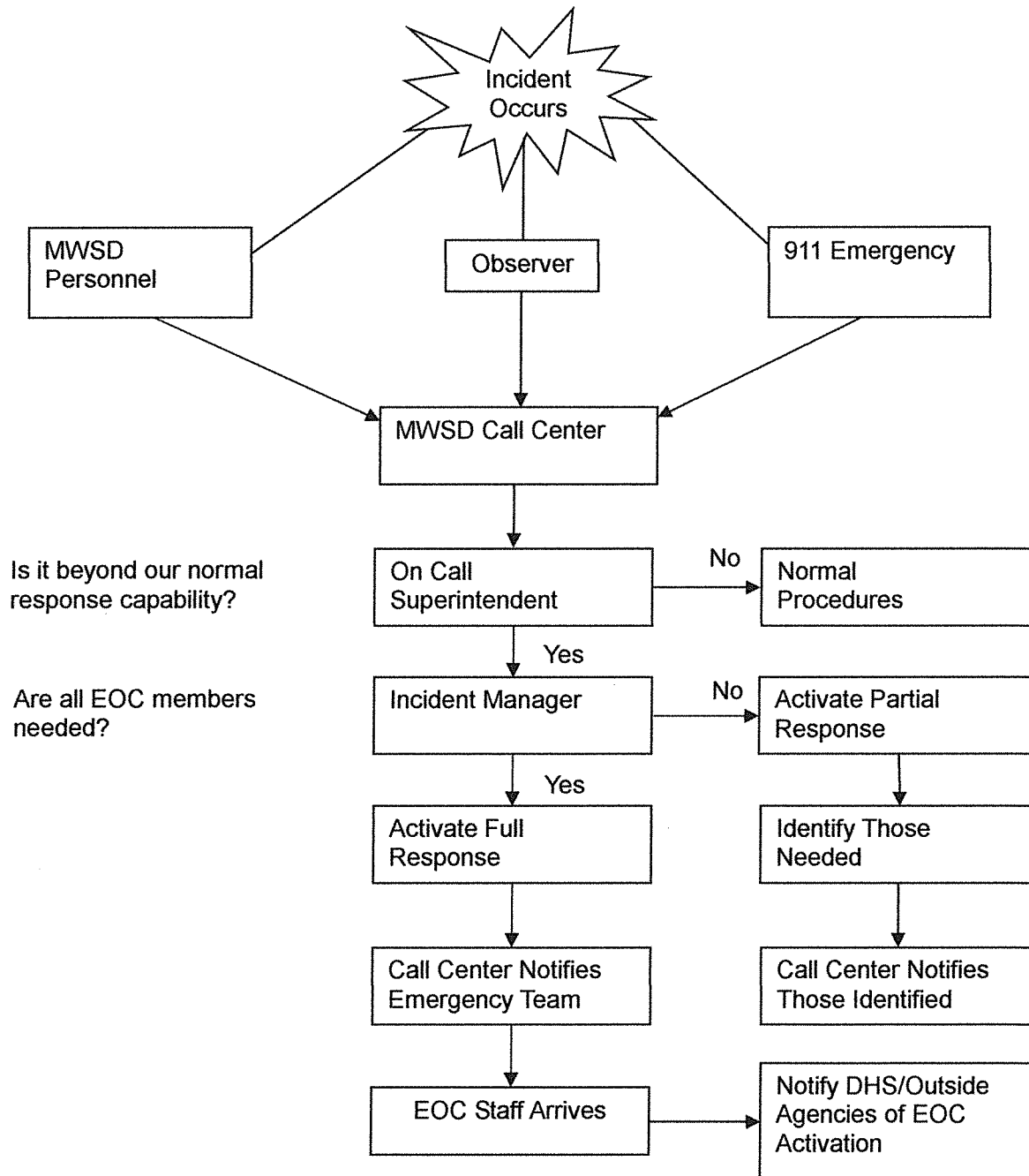
The MWSD office located at 8888 Cabrillo Highway, Montara, California will be the reporting location for all EMO and MWSD personnel. This location is designated as the EOC.



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## 5.5 Activation of the Emergency Response and Recovery Plan Flowchart





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## 5.6 Response Scenarios

Event	Partial Activation	Full Activation
Earthquake	Richter magnitude less than 6.0	Richter magnitude greater than or equal to 6.0
Flood/Storm	Possible damage to facilities	Severe damage to facilities
Fire	Local fire suppressed by County Fire Department	Major fire covering large areas of distribution system
Power Failure	Multiple power failures	Loss of power throughout distribution system
Pipeline Breaks	Single main break of major pipeline or multiple main breaks of non-major pipeline	Multiple main breaks of major pipelines
Supply	Loss of single supply	Loss of more than one supply
Disinfection	Loss of disinfection	Loss of multiple disinfection
Civil Unrest	Threatens the safety of staff	Local emergency proclaimed by local government
Hazardous Materials Spill/Leak	Contamination Alert	Hazardous material release threatens water supply or environment



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## 5.7 Potential Response Actions

Response Category	Potential Response Actions
Pre-Activation	<ul style="list-style-type: none"><li>• Activate the appropriate level of emergency plan and MWSD's emergency management organization</li><li>• Mobilize emergency response personnel, as needed</li></ul>
Partial Activation	<ul style="list-style-type: none"><li>• Activate EOC</li><li>• Conduct initial damage assessment</li><li>• Begin documentation process, including photos and video recording</li><li>• Inform Incident Manager of the damage status</li><li>• Use backup generators to maintain normal system operation</li><li>• Switch to standby supply and monitor water quality</li><li>• Consult Section 6. Notification Plan, for Customer Notification</li><li>• Arrange emergency agencies (Fire, Police) to make necessary rescue</li><li>• Inform CDPH</li></ul>
Full Activation	<ul style="list-style-type: none"><li>• Activate EOC</li><li>• Consult Section 6. Notification Plan, for Customer Notification</li><li>• Notify County OES</li><li>• Stop delivery of potable water</li><li>• Inform CDPH</li></ul>

## 5.8 Damage Assessment

Priorities for inspecting damaged facilities will be established at the time of the emergency. Responsibilities for determining these priorities are shared by the Operation Chief and Incident Manager, based on initial status/damage reports and other available information.

When establishing overall inspection priorities, consideration should be given to the following, in this order:

1. Protecting Life Safety
2. Providing Water for Fire Suppression
3. Restoring Water Service to Critical Facilities
4. Providing Water for Drinking and Public Health
5. Providing Water for Commercial, Industrial and Domestic Use
6. Protecting Public Water from Contamination by Sewage or Hazardous Materials



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The inspection priorities should be based upon the critical asset of a facility and potential hazards present. Inspection assignments will be established at the time of the emergency.

MWSD personnel deployed to assess damaged facilities will conduct a rapid assessment and will immediately secure any hazardous conditions. Before conducting a more detailed damage survey, or initiating any repairs, an initial status/damage report will be made to the Incident Manager. This will allow an overall division situation assessment to be developed in a timely manner so that the most effective and appropriate response strategies, restoration priorities and personnel assignments can be established, and the Incident Manager can be provided with a situation report.

A Damage Assessment form is provided in the Appendices.

### 5.9 Action Plan

An Action Plan is an essential part of all SEMS levels. Action planning is an effective management tool involving a process to identify objectives, priorities, and assignments related to emergency response or recovery actions; and plans, which document the priorities, objectives, tasks, and personnel assignments associated with meeting the objectives.

The initial EOC Action Plan may be a verbal plan developed in the first hour after EOC activation. It is completed by the Incident Manager in coordination with the members of the EMO. Once the EOC is fully activated, an EOC Action Plan should be written.

The primary responsibility for preparing an Action Plan is assigned to the Planning/Assessment Chief. The Incident Commander and all members of the EMO must participate in the process.

#### 5.9.1 Planning Process Steps

1. Identify all members of the EMO involved in the current Action Plan. This will include, but is not limited to, the Incident Manager, General Staff, Information, and Liaison functions, as well as key agency representatives essential to meeting the objectives.
2. Establish a cycle for action planning meetings. Initially, these may be every few hours or several times a day. Over time, they will move to twice a day and then to daily.
3. Develop a format for the plan, and use it in the planning process. Action Plan forms are presented in the Appendices.
4. Determine who needs the plan and establish procedures for publication and distribution. Establish a procedure for revisions and updates. This could include providing suggested written revisions, or provision for making appropriate changes during the operational period, if required.





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5. Prepare and distribute the Action Plan. The plan will be prepared based on information obtained at the planning meeting. Ensure that the plan is approved by the Incident Commander prior to distribution.
6. Establish a documentation file for EOC Action Plans. This file will contain the Action Plans and any supporting documentation.

## 5.9.2 Establishing Priorities

Action plans are based on establishing priorities of actions to be undertaken. It is important to remember that priorities may change as circumstances dictate.

## 5.10 Response Timeline

Activities	Partial Activation	Full Activation
Within 24 hours		
Activate the MWSD Emergency Response and Recovery Plan and the Emergency Management Organization (EMO) as soon as practical, but in any case within two hours, as required by the situation.	X	X
Establish and maintain communication with customers and key external agencies: Office of Emergency Services (OES), California Department of Public Health (CDPH), etc.	X	X
Activate Emergency Operation Center, as needed.	X	
Activate Emergency Operation Center 24 hours a day, in 8 to 12 hour shifts, as needed.		X
Complete quick initial inspection of all affected MWSD facilities to assess major damage and to determine if the facilities are safe to enter, work within, etc.	X	X
Within eight (8) hours complete a preliminary damage assessment. Identify alternatives for providing temporary essential services. If necessary, pending full restoration, locate and arrange for emergency equipment and personnel resources. Provide status report to Incident Manager.	X	X
Assess essential communication and information systems (e.g., telephone, radio, SCADA, etc.)	X	X



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Assess the availability of resources including contract services that may be needed.	X	X
Assess water, wastewater and power systems and isolate damaged components as necessary to prevent loss or contamination. Preliminary assessment should be conducted within eight (8) hours.	X	X
Issue water quality advisories as required by CDPH and Office of Drinking Water. Provide the public with information on the safety and status of the water supply.	X	X
Establish restoration priorities and initiate emergency repairs.	X	X
Set up and communicate financial index codes to capture Federal Emergency Management Agency (FEMA) cost allowance information.	X	X
Request mutual assistance resources as warranted by the situation.		X
Advise all employees of the situation, work schedules, compensation provisions and similar matters.	X	X
Review the status of the MWSD personnel and equipment resources and be prepared to respond to requests for mutual assistance.	X	X
Provide public and employee information announcements as indicated.	X	X
<b>Within 72 hours</b>		
Review and revise restoration priorities/strategies if necessary.	X	X
Reassess need to make, modify or rescind water quality advisories.	X	X
Review MWSD finances and make adjustments if necessary to meet emergency funding needs.	X	X
In conjunction with other city and local agencies, initiate requests for state and federal disaster assistance as warranted.	X	X



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Continue damage assessment, emergency repairs, public and employee information announcements. Liaison with regional customers and external agencies.	X	X
Identify any facilities that should be repaired on emergency basis only and then replaced long-term.	X	X
Execute agreements with vendors to meet service and supply needs.	X	X

## 5.11 Recovery

The recovery process begins during the response phase. It is important to begin damage inspections, reporting, and record keeping as soon as the plan is activated. The items below will assist MWSD in recovery activities.

### 5.11.1 Initial Recovery

1. Complete a detailed evaluation of all affected MWSD facilities and operations and determine priorities for permanent repair, reconstruction or replacement at existing or new locations.
2. Complete assessment of losses and costs for repair and replacement; determine approximate reimbursements from insurance and other sources of financial assistance; and determine how residual costs will be financed by MWSD.
3. Collect cost accounting information gathered during the emergency and prepare request for Emergency Disaster Funds (follow FEMA and State OES requirements).
4. Define needs for additional staff; initiate recruitment process; and adopt temporary emergency employment policies as necessary.
5. Reevaluate need for maintaining EMO; consider returning to the normal organizational structure, roles and responsibilities when feasible.
6. Conduct post-emergency response critique and identify recommendations for local, state and federal legislation. Complete reports within required time frames. Submit required reports to the State Legislature and State OES when indicated.

### 5.11.2 Long-Term Recovery

1. Initiate permanent reconstruction of damaged MWSD facilities infrastructure and supporting systems.



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2. Restore MWSD operations and services to full pre-event levels.
3. Continue to maintain liaison as needed with customers and external agencies.
4. Continue to provide updated information to the public.
5. Under normal operating conditions MWSD is responsible to report regularly to the appropriate external agencies in accordance with regulatory requirements. Such agencies may include the California Department of Public Health (CDPH), Regional Water Quality Control Board (RWQCB), Bay Area counties Emergency Operations Centers (EOCs) or Health Departments or regional customer agencies. During an emergency in which the MWSD EOC is activated, such reporting activities will be coordinated with the Incident Manager to ensure that applicable regulatory requirements are met.

### 5.12 Deactivation

Once the emergency situation has been corrected, it is important that system operations be brought back to normal in a systematic manner. This is necessary in order to prevent any damage to the system or customer facilities and to preclude causing an additional or prolonged emergency.

1. Authorize deactivation of field response or EOC when they are no longer required.
2. Deactivate the EOC and close out logs when the emergency situation no longer requires activation.
3. Ensure that any open actions not yet completed will be taken care of after deactivation.
4. Be prepared to provide input to the after action report.



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
P.O. BOX 370131 · MONTARA, CA 94037 · (650) 728-3358

## 6. Notification Plan

A. The normal notification of an emergency situation with the public will come from one of the following agencies.

1. Regional Water Quality Control Board (RWQCB)
2. California Department of Public Health (CDPH)
3. San Mateo County Office of Environmental Health Services (SMOEHS)

B. If employees of the Montara Water and Sanitary District (MWSD) discover a source of possible contamination that affects any water supply, MWSD must notify the following agencies at the following numbers:

CDPH District Engineer	(510) 620-3453 (Eric Lacy)
CDPH Sanitary Engineer Associate	(510) 620-3602 (Van Tsang)
CDPH General Office	(650) 573-2346
SMOEHS	(650) 372-6200
OES, State of California	(916) 845-8321 (Peggy Okabayashi)
OES 24 hour	(916) 845-8911 Ask for on-call Health Officer

C. Determine the nature and extent of the emergency.

1. If public health is jeopardized or the system is unable to meet applicable regulations, laws, or standards, CDPH should be contacted
2. Immediately contact all MWSD personnel to determine their personal conditions, if they are affected by the emergency, and their availability for work
3. The senior most MWSD employee shall contact the General Manager with a situation status
4. The senior most MWSD employee available must do the following:
  - (a) Collect and prioritize incoming information
  - (b) Appoint people to access site damages, necessary repairs and needs
  - (c) As quickly as possible start gathering information for a public information release. This information should address the location of potable water, emergency measures necessary, the type and duration of the emergency





## Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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### (d) Gather information on damages and needs

#### i. Prioritize damages

A. Is it necessary to call in outside contractors to repair damages?

B. Is it necessary to implement a boil water order to insure the safety of our customers?

- Contact MWSD General Manager and District Engineer concerning the implementation of a "boil water" order
- Contact the County of San Mateo Office of Emergency Services to post an announcement on the Public Service Emergency Broadcast System

#### ii. Prioritize needs

A. What supplies are necessary to continue operations?

- Generators for water production sites
- Chemicals for water disinfection
- Chemical feed equipment
- Repair equipment

### D. Determine affect of exposure on the water system:

1. Is there a long-term affect to our system? What is the short-term affect to our system?  
Contact CDPH personnel to assist in this determination

#### 2. Possible alternative methods of continued service

(a) Additional testing required to monitor situation

(b) Additional treatment required

(c) Requirements and parameters of continued operations as required by CDPH and MWSD operations

### E. Procedures to complete prior to a declared emergency or after an unannounced natural emergency:

#### 1. Notification of MWSD operations to General Manager of the following:

(a) Type of emergency

(b) Available manpower

(c) Duration of emergency

(d) Possible impact of emergency on local operations

(e) Any possible needs known to be necessary to continue operations



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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2. Notification of CDPH District Engineer of the following:

- (a) Type of emergency
- (b) Duration of emergency
- (c) Possible impact of emergency on local operations
- (d) Any possible assistance required from CDPH
- (e) Available manpower
- (f) Chain of command

3. **FOR EMERGENCY NOTIFICATION OF THE LOCAL FIRE DEPARTMENT CALL 911**

For non-emergency notification of the local Fire Departments call:

Half Moon Bay Fire Department, Administration	(650) 726-5213
Half Moon Bay Fire Department, HMB Station	(650) 726-8290
Half Moon Bay Fire Department, El Granada Station	(650) 726-8291
Pt. Montara Fire Dept	(650) 728-3022
	(650) 728-3046

The Fire Department notification shall include the following information:

- (a) Type of emergency
- (b) Duration of emergency
- (c) Possible impact of emergency on local operations affecting fire protection

F. Short term exposure (Less than 12 hours).

1. Estimate daily water use from production reports.

- (a) If it is necessary to shut down water production sites, determine if it will be necessary to notify the public to conserve water use, and for how long.
- (b) Contact the County of San Mateo Office of Emergency Services to post an announcement on the Public Service Emergency Broadcast System.

2. Notify and obtain potable water trucks, as needed. Contact:

Bay Area Water Truck  
(408) 683-0500  
3005 Fir Crest Drive  
San Martin, CA 95046



## Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
P.O. BOX 370131 · MONTARA, CA 94037 · (650) 728-3358

Nick Leras Potable Water Trucks  
(707) 546-5797  
3210 Woolsey Rd.  
Winsor, CA 95492

3. Contact the Office of Emergency Services (OES) concerning the possible use of their equipment:

OES, County of San Mateo	(650) 363-4790
OES, County of San Mateo, FAX	(650) 363-1868
OES, County of San Mateo, Coastsides	(650) 726-8288
OES, State of California	(916) 262-1612

### G. Long term exposure (Longer than 12 hours).

1. If the exposure is determined to be long term and the possible dewatering of the system is a potential immediate action should be taken to:
  - (a) Notify DHS of the problem and all pertinent information.
  - (b) Notify the public of the problem, a request for conservation of existing supply and a "boil water" request for safety.
  - (c) To prevent the damage of a pumping facility.
2. Restoration of water to a dewatered system.
  - (a) Chlorination into dewatered system areas shall be at 5.0 ppm residual.
  - (b) Hydrants in the areas where water is being reintroduced shall be opened to vent air and rid the mains of as much contaminated water as possible. Chlorine residuals should also be taken from these hydrants and recorded.
  - (c) Bacteriological samples shall be taken from all zones on a continuous basis till the samples come back absent of E-Coli. (Membrane Bacteriological samples with a 24 hour turn around time would be preferred.)
  - (d) It will be necessary to supply information to the public as to time frames for service restoration, and precautions to be taken with regards to water use/consumption.
3. The notification processes to be used are as follows:
  - (a) The Public Emergency Notification System is accessed through the County of San



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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Mateo Office of Emergency Services.

(b) Newspapers:

Half Moon Bay Review	(650) 726-4424
San Mateo Times	(650) 348-4321

(c) Post Public Notices at the following locations.

- i. Moss Beach Chevron Gas Station
- ii. Post Offices in Montara and Moss Beach
- iii. Grocery Stores:
  - Coastside Market, Moss Beach CA 94038
  - Neighborhood Mart, Montara CA 94037

(d) Schools, hand out notices.

- i. Farallone View Elementary School (650) 712-7100

(e) Signs

(f) Hand out notices; these can be made on our copy machine.

H. Official agencies, information sources, and reporting agencies.

1. California Department of Public Health/Environmental Health Services

CDPH	General Office	(650) 573-2346
	Eric Lacy (Home)	(925) 685-2807
SMOEHS	General Office	(650) 372-6200

2. Office of Emergency Services

OES, County of San Mateo	(650) 363-4790
OES, County of San Mateo, FAX	(650) 363-1868
OES, County of San Mateo, Coastside	(650) 726-8288
OES, State of California	(916) 845-8321

3. Fire Departments

Half Moon Bay Fire Department, Administration	(650) 726-5213
Half Moon Bay Fire Department, HMB Station	(650) 726-8290
Half Moon Bay Fire Department, El Granada Station	(650) 726-8291
Pt. Montara Fire Dept	(650) 728-3022



## Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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	(650) 728-3046
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- 4. Sheriffs Department (650) 363-4911 (Dispatch)
- 5. Highway Patrol Office 911 / (650) 369-6261

### I. Private agencies, information sources, and supplies.

#### 1. Laboratories

- (a) BSK (559) 497-2888
- (b) NCCWD (650) 355-3462  
(650) 355-0735 (Fax)

#### 2. Plumbing supply house:

- (a) Roberts & Brune Co. (650) 366-3833
- (b) US Filters (408) 727-4630

#### 3. Chemical Supply house:

- (a) Esbro (chlorine) (650) 365-0441
- (b) Hach (analysis chemical) (800) 227-4224
- (c) Jenchem #1679 (polymer) (925) 274-3434
- (d) George Throop Co. (lime rock) (626) 796-0285

### **Fire Districts within the MWSD service area, Non-Emergency Numbers**

Half Moon Bay Fire Protection District  
Chief John Ferreira  
Fire Marshall Clayton Jolley  
1191 Main St. & Higgins Purissima Road  
Half Moon Bay, CA 94019  
(650) 726-5213  
(650) 728-0132 Fax

Point Montara Fire Protection District  
501 Stetson St.  
Moss Beach, CA 94038  
(650) 728-3022



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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(650) 728-5327





# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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## 6.1 WATER QUALITY EMERGENCY NOTIFICATION PLAN

**Name of Utility:** Montara Water and Sanitary District  
**System Location:** Moss Beach – Montara CA 94037

**Number:** 4110010  
**County:** San Mateo

The following persons have been designated to implement the plan upon notification by the State Department of Public Health that an imminent danger to the health of the water users exists:

	Water Utility: Contact Name & Title	Operator # /Grade	Telephone	
			Day	Cell
1.	Julian Martinez, Superintendent	29556/T-3 34347/D-3	(650) 728-1054	(650) 766-6986
2.	Steve Clark, Water System Operator	17323/T-3 6796/D-3	(650) 728-1054	(650) 766-6984
3.	Nicholas Carrington, Water System Operator	34100/T-2	(650) 728-1054	(650) 766-6983
4.	Shawn Powell, Water System Operator	34823/T-2 42197/D-2	(650) 728-1054	(650) 766-6981

The implementation of the plan will be carried out with the following State and County Health Department personnel:

	State & County Health Departments: Contact Name & Title	Telephone	
		Day	Evening
1.	Eric Lacy, CDPH District Engineer	(510) 620-3453	(925) 299-6936
2.	Van Tsang, CDPH Associate Sanitary Engineer	(510) 620-3602	(510) 390-0600
3.	Greg Smith, SMC Environmental Health Specialist	(650) 372-6279	(650) 867-9434

After reaching the San Mateo County Switchboard, ask for the on-call Environmental Health personnel.



# Emergency Response and Recovery Plan

MONTARA WATER & SANITARY DISTRICT  
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If the above personnel cannot be reached, contact:

<b>Office of Emergency Services Warning Center (24 hrs)</b>	(800) 852-7550 (916) 845-8911
When reporting a water quality emergency to the Warning Center, please ask for the California Department of Public Health – Drinking Water Program Duty Officer.	

## 7. Emergency Response Training

### 7.1 Recommended Training

Training provides the means for staff involved in a response to acquire the skills necessary for them to fulfill their role during an emergency. It is important for MWSD management to enforce a training policy that emphasizes plan implementation; emergency management; employee health and safety. The training policy can be an independent policy or part of an overall emergency preparedness policy for the utility. Individual roles established in the emergency response plan should dictate the type and level of training that is necessary.

The OES document "Emergency Planning Guidance for Public and Private Utilities", March 1999, has information on emergency management training. A table from this document is provided in the Appendix. The California Specialized Training Institute (CSTI) has a contract with OES to provide SEMS and emergency response training. A list of the current classes offered by CSTI is provided on the OES webpage at:

<http://www.oes.ca.gov/Operational/OESHome.nsf/1OpenForm>.

It should also be noted that for field staff, Title 8, Division 1, Article 109, Section 5192 of the California Health and Safety Code has specific training requirements for staff that may work in potentially hazardous environments.

### 7.2 Recommended Exercises and Drills

MWSD's training program should also include routine training drills, tabletop exercises and possibly functional exercises, depending on the utilities resources. Simple tabletop exercises could be developed and exercised with little or no cost to the utility. MWSD should include all the key players in the training exercises so everyone is familiar with emergency policies and procedures. Review the lessons learned after an exercise and modify the ERRP or notification lists as necessary.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Update  
of the District's Emergency Preparedness Policy**

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Based on a sample policy provided by the California Special Districts Association, MWSD staff drafted a comprehensive Emergency Preparedness Policy. The policy states that MWSD will maintain an active emergency preparedness program, including an emergency plan to help manage the District's critical functions during any emergency and protect the safety of staff. The District's emergency plan is entitled the *MWSD Emergency Response and Recovery Plan (ERRP)*. The new Emergency Preparedness Policy is attached for Board approval.

**RECOMMENDATION:**

Approve the revised MWSD Emergency Preparedness Policy.



# Montara Water & Sanitary District

## DRAFT Emergency Preparedness Policy

1. It is the policy of Montara Water and Sanitary District (MWSD or District) to create and maintain an active emergency preparedness program that includes an emergency plan that will help manage the District's critical functions during any emergency and protect the safety of staff. The District's emergency plan is entitled the *MWSD Emergency Response and Recovery Plan (ERRP)*. The District will coordinate the ERRP with public and private entities and organizations charged with emergency duties.
2. Emergency: Emergency means the actual or threatened existence of conditions of disaster or of extreme peril to the provision of critical District functions and the health and safety of staff or the public, caused by such conditions as fire, severe storm, riot, hazardous materials releases, earthquake, power outages, dam failures, freezes, water supply contamination, and other conditions which may be beyond the capability of the services, personnel, equipment, and facilities of this District, and may require the combined forces of other political subdivisions to help respond.
3. Emergency Preparedness: The Board of Directors authorized the establishment of the ERRP, which consists of the nationally-recognized four phases of emergency management: mitigation, preparedness/planning, response, and recovery. District actions include developing and maintaining an District-wide emergency plan, identifying and training District staff to activate and use the plan, appointing District staff to critical positions identified in the emergency plan, and appointing staff to represent the District in negotiations or consultations with public and private agencies on matters pertaining to response to the emergency and recovery of damaged systems and financial costs incurred during the emergency.
4. Standardized Emergency Management System: The California Office of Emergency Services regulates the Standardized Emergency Management System (SEMS), which was created by Government Code §8607 following the East Bay Hills Firestorm in 1991. To ensure reimbursement for claims filed after a disaster, all District emergency plans, procedures, and training will follow the SEMS regulations, and coordinate with the District-wide emergency plan.
5. District Emergency Declaration: When an emergency condition arises, the General Manager may, in consultation with the Board President, declare a "District Emergency." The Board must ratify the declaration within 14 days at a regular, special or emergency Board meeting.
6. Authorization During District Emergencies: The General Manager's Declaration of a District Emergency is a public acknowledgement of the serious situation the District faces, and that the District's resources may not be adequate to respond to the emergency. The Board of Directors, in consultation with the General Manager, may delegate to the General Manager the authority to suspend competitive bidding and enter into emergency contracts of up to \$250,000, as authorized by Public Contract Code §20567 and §22050.
7. Mutual Aid: The California Master Mutual Aid Agreement (Government Code §8561, §8615, and §8617) allows for the implementation of mutual aid during threatened,

## Montara Water & Sanitary District

actual, or declared emergencies. The General Manager, in accordance with the ERRP, may request mutual aid assistance from other local government and public agencies, or commit District resources to other agencies requesting aid. The General Manager may sign appropriate documents to effectuate mutual aid and other emergency response agreements.

8. Continuity of Management: The District's emergency plan will list at least one successor to critical staff identified in the plan, including the General Manager. In the event the primary person is unable to respond to an emergency, the successor may assume all the duties and powers of the primary staff.

9. Status Reports: The General Manager will provide annual reports to the Board of Directors on the progress of the Emergency Preparedness Program. Additional reports will be given to the Board on the effectiveness of the plan and District response within 60 days of the occurrence of a declared District Emergency.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: February 6, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens H. Heldmaier', written in a cursive style.

**SUBJECT: Review and Possible Action Concerning  
Designation of of District Representative to the  
Local Agency Formation Commission Special  
District Selection Committee.**

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The Local Agency Formation Commission (LAFCo) has called a meeting of the Special District Selection Committee for Tuesday March 4, 2014 at 7:00 pm for the purpose of filling the vacancy created by the retirement of Dave Altsher. Voting members shall be the President or a Board appointed alternate.

## RECOMMENDATION:

Authorize the Board President or designated alternate to vote on the District's behalf in the Election of Special District Members to LAFCo.

Attachment

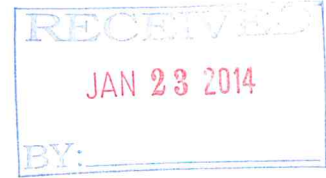




# LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

January 21, 2014



To: Presiding Officers/Board Presidents  
Independent Special Districts, San Mateo County

Subject: Call for Nominations: Special District Selection Committee to Elect Special District Member on  
San Mateo LAFCo Pursuant to Section 56332

As you know, the San Mateo Local Agency Formation Commission is comprised of two county supervisor members appointed by the Board of Supervisors, two city council members appointed by the City Selection Committee (also known as the Council of Mayors), two special district members selected by the Special Districts Selection Committee (comprised of the presiding officers of the independent special districts) and one public member appointed by the six members of the Commission. An alternate for each type of membership is also selected in the same manner as regular members.

The purpose of this letter is to call a meeting of the Special District Selection Committee for the purpose of filling the current vacancy created by the retirement of David Altsher. This term expires May, 2014. Attached is the agenda, which also includes election of the alternate special district commissioner with the term ending May, 2016, in the event a vacancy occurs. The meeting is scheduled to be held on **Tuesday, March 4, 2014 at 7:00 p.m. at the Sequoia Health Care District Office, 525 Veterans Boulevard, Redwood City.**

Government Code Section 56332 directs that the LAFCo Executive Officer shall call a meeting to fill a vacancy of the special district term whenever a vacancy occurs. Voting members of the Special District Selection Committee are chair or president of an independent special district included on the attached roster. If the board chair or president is not able to attend the meeting, the board of that district may appoint an alternate board member to do so. In summary, voting members shall only be the Chair or President of the board, or a Board appointed alternate board member. Alternates should bring a minute order or letter from the District documenting they have been authorized to act on behalf of the district.

Please also note that while your district may participate in the local chapter of the California Special Districts Association ("Association"), the LAFCo Special Districts Selection Committee and the Association are not affiliated. While you may receive correspondence from the Association, questions or correspondence about the Special District Selection Committee should be directed to the LAFCo Office. If you have questions concerning this process, please contact me directly.

Sincerely,

A handwritten signature in blue ink that reads 'Martha Poyatos'.

Martha Poyatos  
Executive Officer

cc: General Managers

## Agenda

### INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE (For the purpose of selecting San Mateo LAFCo special district representatives)

Tuesday, March 4, 2014

7:00 p.m.

Sequoia Health Care District Office  
525 Veterans Boulevard, Redwood City

Contact: Martha Poyatos  
Executive Officer  
San Mateo LAFCo  
(650) 363-4224

1. Introduction & brief update on LAFCo activities
2. Roll Call and Determination of quorum\*
3. Nominations
4. Oral Presentations of nominees (optional): two minutes each
5. Election of Special District Members to LAFCo
  - a. Regular Member - term ending May 2014 (vacant)
  - b. Alternate Member if vacancy occurs - term ending May 2016
6. Public Comment
7. Adjournment

\*Pursuant to Gov. Code Section 56332, the Independent Special District Selection Committee (SDSC) shall consist of the presiding officer/president of the legislative body of each independent special district. The legislative body of the district may appoint one of its board members to attend and vote in the presiding officer's place if the presiding officer will not be present at the meeting. (Government Code Section 56332(b)). In instances where boards have appointed an alternate board member to serve in place of the presiding officer, documentation such as a resolution, minute order or letter must be submitted to LAFCo at the meeting. Only the chair or a Board appointed board member may vote. Staff may not vote. Each district is entitled to one vote.

# SAN MATEO LOCAL AGENCY FORMATION COMMISSION

455 County Center, 2nd Floor  
Redwood City, California 94063

Martha Poyatos  
Executive Officer  
(650) 363-4224

## PURPOSE

Created by the State legislature in 1963, the Local Agency Formation Commission (LAFCo) is a State-mandated, independent commission with countywide jurisdiction over changes in organization and boundaries of cities and special districts including annexations, detachments, incorporations and formations. As required by State law, LAFCo adopts a net operating budget, which is apportioned in thirds to the County of San Mateo, the 20 cities in the County and the 22 independent special districts. The Commission has responsibility in the following areas affecting local government in the county:

1. To discourage urban sprawl and encourage the orderly growth and development of local government agencies;
2. To prevent premature conversion of agricultural and open space lands;
3. To review and approve or disapprove proposals for changes in the boundaries and organization of the 20 cities, 22 independent special districts and 33 county-governed special districts plus incorporations of cities and formations of special districts;
4. To conduct municipal service reviews and establish and periodically update spheres of influence--future boundary, organization and service plans--for the county cities and special districts; and
5. To perform and assist in studies of local government agencies with the goal of improving efficiency and reducing costs of providing urban services.

## THE COMMISSION

The Commission is made up of two members of the county Board of Supervisors, two members of city councils of the cities in the county, two board members of independent special districts in the county, a public member, and four alternate members (county, city, special district and public). The Commission contracts with the County of San Mateo for staff, facilities and legal counsel. The Executive Officer serves in the administrative capacity which includes staff review of each proposal, sphere of influence studies and assistance to local agencies and the public.

## LAFCo Member

		<u>Term</u>
Vacant	Special District Member	May, 2014
Linda Craig	Public Member, Vice Chair	May, 2014
Don Horsley	Board of Supervisors	May, 2016
Rich Garbarino	City Member, Chair	May, 2017
Allan Alifano	City Member	May, 2014
Joseph Sheridan	Special District Member	May, 2016
Adrienne Tissier	Board of Supervisors	May, 2016
Warren Slocum	Alternate for Supervisors	May, 2016
Michael O'Neill	Alternate for City Member	May, 2015
Joshua Cosgrove	Alternate Special District Member	May, 2016
Jayne Herman	Alternate for Public Member	May, 2014

## COMMISSION MEETINGS:

1. LAFCo meetings are on the third Wednesday of odd-numbered months at 2:30 p.m. in the Board of Supervisors Chambers at the Hall of Justice in Redwood City. Extra meetings may be held as needed.
2. If an item of interest to you is on the agenda, the Chairman will call for comments from the audience when the item is ready for discussion from the floor. Please complete a speaker slip available just inside the door and give it to the Clerk to assist the Chairman in organizing the progress of the hearing.
3. When addressing the Commission, please proceed to the microphone and state your name and address for the Clerk.

For more information about San Mateo LAFCo: [www.sanmateolafco.org](http://www.sanmateolafco.org)

420 First Avenue  
Half Moon Bay, CA 94019

January 30, 2014

Mr. Clemens Heldmaier  
General Manager  
Montara Water and Sanitary District  
P.O. Box 370131  
Montara, CA 94037

RE: Electing New Special District Representatives to LAFCo

Dear Mr. Heldmaier:

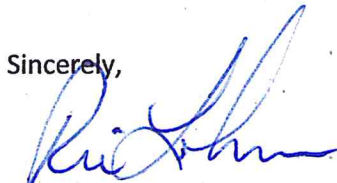
Martha Poyatos, the Executive Officer of the San Mateo Local Agency Formation Commission (LAFCo), recently sent you an announcement of a meeting to fill the open LAFCo Special Districts regular position and the alternate position. In this election I am running for the Special Districts Alternate position. I am supporting Joshua Cosgrove of the North Coast County Water District to fill the regular position. Joshua has served as the alternate representative for our Special Districts and has served well in that capacity. I am asking your support to elect Joshua and me to these Special Districts positions.

I have been serving as President of the San Mateo County Chapter of the California Special Districts Association (CSDA) for the last three years. This chapter meets quarterly to discuss issues that deal with Special Districts in our county. My goal in leading this organization has been to educate the districts in the issues and concerns of our other county districts. All the county supervisors have been featured speakers at our meetings. We also have a presentation by one of the member agencies at every meeting. I would encourage you to continue to have a representative at these quarterly meetings to stay in contact with the other agencies in our county. I have served on the Granada Sanitary District for over 8 years, and I represent them at these meetings.

I have attached a resume of my community service on the San Mateo County Coastside for your reference. If you have any questions, please contact me any time at 650-759-7969 or [riclohman@sbcglobal.net](mailto:riclohman@sbcglobal.net). I have enjoyed working with your agency in the past on major projects, such as, our Wet Weather project.

To complete this important election process, it is required that a quorum of voting members is present. I hope that you or your designated representative will be there. I will be attending the meeting and would be happy to talk with you there also.

Sincerely,



Ric Lohman  
President,  
San Mateo County Chapter  
CSDA

# Ric Lohman

## Community Public Service Resume

### California Special Districts Association (CSDA)

- President of San Mateo County Chapter from 2010 to present
- Representative from the Granada Sanitary District for over three years
- Launched "Know Your Districts" program to increase member knowledge of other districts
- Launched new Speaker Program, inviting all SMC Supervisors to learn about our members
- Attended Annual CSDA Convention, representing the SMC Chapter
- Attended Chapter Presidents' Roundtable in Sacramento, representing the SMC Chapter

### Granada Sanitary District

- Board Member for over 8 years. Served as President, Vice-president, Secretary and Treasurer
- Championed the current "Wet Weather" project that protects our community from overflows and expensive fines. Saved \$500,000 on the land purchase and over \$200,000 on the Project
- Promoted our Community Services District application which was recently approved by LAFCo

### Sewer Authority MidCoastside (SAM) (Joint power agency with Half Moon Bay and Montara WSD)

- Represented Granada Sanitary District for over 8 years
- Served as President, Vice-President, Secretary, and Treasurer
- Co-author of current Recycled Water Plan and Pilot project

### Midcoast Community Council - Advisory Council to the San Mateo County Board of Supervisors (representing 12,000 citizens in the unincorporated area of the county)

- Former Chair of 7 Person Council, member for 8 years.
- 2 years as Chair of Planning and Zoning Committee, 6 years as member.
- 2 years as Chair of the Parks and Recreation Committee.
- Instrumental in launching process for new Local Coastal Plan review for our area
- Worked with Coastal Commission on recently approved Local Coastal Program

### Democratic Central Committee (San Mateo County)

- Former Alternate Representative

### Save Our Shores in Santa Cruz

- Former Member, Board of Directors
- Former Chair of 10-person Northern Advisory Committee in Half Moon Bay
- Campaigned to protect the National Marine Sanctuary





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Cost of Living Increase for Non-Exempt Employees.**

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Since December 2010 the majority of district employees were represented by Stationary Engineers Local 39. The following three years of union negotiation did not result in the establishment of a Mutual Operating Agreement and associated Salary Range adjustments for employees. In late 2013 the union disclaimed interest in representing the employees in the bargaining unit.

During the Budget process the Board expected a 3% increase in payroll expenses. Therefore the General Manager suggests a cost of living increase of 3% effective February 1 for all non-exempt employees.

With the upcoming Budget approval for the next FY the General Manager anticipates to request Board authorization for a further cost of living increase.

## RECOMMENDATION:

Authorize a Cost of Living Increase for non-exempt employees of 3% effective February 1, 2014.

Attachment



DRAFT SALARY RANGE  
MONTARA WATER AND SANITARY DISTRICT  
February 1, 2014

Position	Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Superintendent	\$112,360										
	\$89,970	\$89,970	\$92,219	\$94,524	\$96,887	\$99,310	\$101,792	\$104,337	\$106,946	\$109,619	\$112,360
		\$43.25	\$44.34	\$45.44	\$46.58	\$47.74	\$48.94	\$50.16	\$51.42	\$52.70	\$54.02
Water System Operator	\$68,529										
	\$54,873	\$54,873	\$56,245	\$57,651	\$59,092	\$60,569	\$62,084	\$63,636	\$65,227	\$66,857	\$68,529
		\$26.38	\$27.04	\$27.72	\$28.41	\$29.12	\$29.85	\$30.59	\$31.36	\$32.14	\$32.95
Maintenance Worker I	\$59,498										
	\$47,642	\$47,642	\$48,833	\$50,054	\$51,305	\$52,588	\$53,902	\$55,250	\$56,631	\$58,047	\$59,498
Account Specialist	\$56,886										
	\$45,550	\$45,550	\$46,689	\$47,856	\$49,053	\$50,279	\$51,536	\$52,824	\$54,145	\$55,499	\$56,886
		\$21.90	\$22.45	\$23.01	\$23.58	\$24.17	\$24.78	\$25.40	\$26.03	\$26.68	\$27.35
District Clerk	\$56,886										
	\$45,550	\$45,550	\$46,689	\$47,856	\$49,053	\$50,279	\$51,536	\$52,824	\$54,145	\$55,499	\$56,886
		\$21.90	\$22.45	\$23.01	\$23.58	\$24.17	\$24.78	\$25.40	\$26.03	\$26.68	\$27.35
2.5 % step increases											
		Increase 3.20%	FY 07/08	Increase 3.70%	FY 08/09	Increase 1.20%	FY 09/10	Increase 1.79%	FY 10/11	Increase 3.00%	Feb 1 2014
Superintendent		1.032	\$81,770	1.037	\$84,795	1.012	\$85,813	1.0179	\$87,349	1.03	\$89,970
Water System Operator		1.032	\$49,872	1.037	\$51,717	1.012	\$52,338	1.0179	\$53,275	1.03	\$54,873
Maintenance Worker		1.032	\$43,300	1.037	\$44,902	1.012	\$45,441	1.0179	\$46,254	1.03	\$47,642
Account Specialist		1.032	\$41,399	1.037	\$42,931	1.012	\$43,446	1.0179	\$44,224	1.03	\$45,550
District Clerk		1.032	\$41,399	1.037	\$42,931	1.012	\$43,446	1.0179	\$44,224	1.03	\$45,550



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: February 6, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens H. Heldmaier'. The signature is fluid and cursive, written over the printed name.

**SUBJECT: Review and Possible Action Concerning  
Cancellation of the Next Regular Scheduled  
Meeting February 2, 2014.**

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Staff recommends cancelling the February 20, 2014 meeting.

**RECOMMENDATION:**

Cancel the regular scheduled meeting February 20, 2014.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **February 6, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

A blue ink handwritten signature, appearing to be 'C. Heldmaier', written in a cursive style.

**SUBJECT: Managers Report**

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**Water Operations:** The General Manager participated in the supervision of the water operations and training of new employees.

The new Schoolhouse Tank east construction is close to completion. The Tank has been put in service on January 28 after an inspection by the State Department of Public Health.

**Attended Meetings:**

On February 5 the General Manager attended a meeting with Jim Pettigrew from UCSF and Andrew Oliphant from UCSC to discuss the placement of instruments on District property to measure mercury levels in fog.

In addition, the General Manager attended phone calls and conferences with consultants, directors, and customers.

**Manager Leave:** The General Manager will be out of the office February 17, 20 and 21.

**RECOMMENDATION:**

This is for Board information only.