



MONTARA WATER & SANITARY DISTRICT

Serving the Communities of Montara and Moss Beach

P.O. Box 370131

8888 Cabrillo Highway

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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.

AGENDA

Regular Meeting

District Board of Directors

8888 Cabrillo Highway
Montara, California 94037

January 16, 2014 at 7:30 p.m.

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 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.

OLD BUSINESS

1. Review and Possible Action Concerning District Strategic Plan.

NEW BUSINESS

1. Review and Possible Action Concerning Drought Preparation.
2. Review and Possible Action Concerning Reorganization of Granada Sanitary District into Community Services District Adding the Service of Park and Recreation.
3. Review and Possible Action Concerning Confirmation of Appointment of SAM Representatives, California Special District Representatives, and Association of California Water Agencies Representative.
4. Review and Possible Action Concerning Updating Emergency Response Plan and Water Quality Emergency Notification Plan.

REPORTS

1. Sewer Authority Mid-Coastside Meetings (Harvey)
2. MidCoast Community Council Meeting (Slater-Carter)
3. ACWA Board of Directors Report
4. CSDA Report (Slater-Carter)
5. Integrated Regional Water Management Plan
6. Attorney's Report (Schricker)
7. Directors' Reports
8. General Manager's Report (Heldmaier)

FUTURE AGENDAS

CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATOR

(Gov't. Code §54957.6)

Agency designated representative: Clemens Heldmaier, General Manager

Employee Organization: Unrepresented employees

ADJOURNMENT

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) subject to staff's ability to post the documents before the meeting.



MONTARA WATER & SANITARY
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
October 17, 2013

MINUTES

REGULAR SESSION BEGAN AT 7:50 P.M.

CALL TO ORDER

ROLL CALL

Directors Present: Boyd, Harvey, Slater-Carter, Ptacek & Thollaug

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier,

Others Present: District Counsel, David Schricker

PRESIDENT'S STATEMENT – Director Slater-Carter reported last week the Mid-Peninsula Water District had over \$250 thousand embezzled over a two year period by a Secretary. Director Slater-Carter wanted to assure the public that the policies and procedures for the District are up to date. Our policy for check signing is at our first meeting of the month. The invoices are all attached to the checks so that all payments are verified. The Treasurer and Vice Chair go over all the warrants and then the warrants are signed by both because we have a two signature policy.

Director Slater-Carter further reported with the election going on, she had received some calls regarding the District being put at a safety risk. Director Slater-Carter is very concerned. Candidates can argue and have a difference of opinions, but saying the District is irresponsible and putting rate payers at risk is in itself very reckless. Fear mongering works very well for national politics, I think it's irresponsible for local politics. The cost of an intertie with Half Moon Bay would be over two million dollars. MWSD's share would be 1 million dollars. The location of the pipe has already been decided to be at the south end of the airport which was decided when we negotiated the agreement. In that area MWSD has three wells that can and will supply water even in a drought. CCWD is now relying on Hetch Hetchy for 80% of its water. CCWD and San Francisco PUC are preparing for a drought starting this year. The fact is MWSD can supply water to CCWD, but there

is no need for MWSD to import water. We have 3 productive wells in that area and adequate supply for the rest of the district even in drought periods. We could ship water to CCWD if they needed it. The only beneficiary in an intertie would be CCWD and this would ultimately result in a way to consolidate MWSD and CCWD. This is something I think the electorate should choose.

Financially an intertie with CCWD would be a waste of money because of the pressure zones in overall engineering in each system. For operations, fire, and other code compliance industry standards, and from an engineering perspective, the new 500,000 gallon tank that will be built is needed. An intertie cannot replace this tank. It's an engineering standard for fire-fighting to have tanks, not interties. This tank must be MWSD's priority for operational effectiveness and overall safety. CCWD is dependent on San Francisco for their water and MWSD is self-sufficient and needs to continue to build its system for operational effectiveness and safety.

Director Slater-Carter addressed the question regarding law suits and fiscal irresponsibility's on the part of this Board. In the last few years we have had 3 lawsuits and every one was to defend and protect the assets of this District. One was to protect our water supply, one was to protect our boundaries and the last was one of which someone was trying to stop us from building our 500,000 gallon storage tank. Director Slater-Carter noted this District is not throwing money away, and is not putting our citizens at a safety risk.

ORAL COMMENTS - Director Harvey reported as a SAM Director, he needed to respond to a statement that was made in the Editorial Section of the Half Moon Bay Review two weeks ago. Director Harvey reported the Recycled Water Project was developed by SAM and not CCWD. It was functioning on the SAM property receiving water from all three districts. That recycled water was trucked to the golf course.

Director Harvey further reported it was MWSD that made the request that we receive a portion of the recycled water. Only the portion of the liquid that came from our district. We did not make a demand for money off the recycling process.

The final point Director Harvey wanted to make was the recycle process was going smoothly and could have continued on. However, the process was stopped not by the SAM Directors from MWSD, but by CCWD through their SAM Representatives.

Director Boyd reported the Recycled Water Project was a joint effort. With the resources of the coast side alone, we were unlikely able to pursue this. We put together a really good funding request. The packets we put together and submitted to Congresswoman Anna Eshoo, and had very strong support from local government agencies, local and state environmental agencies, NOAA, Bay Area Economic Institute, San Mateo County Health System, Charise McHugh, Coastside Democrats, Sierra Club, Surf Rider and many current and former members of local political scene on the coast side. But, this came at a time that Federal Funding was nearly impossible for anyone to get. Director Boyd continued, over the past three years, the technology has continued to improve, and to lower in cost. I and others that continue to look at what is feasible and how technology

continues to improve, will have a lot more flexibility to where we may be able to place facilities to do this. Instead of doing some grand scale thing, we look forward to getting another chance to reassemble the troops with the economy being a little stronger to be able to take another look at that process.

Director Thollaug reported his concern was what had happened with the County and North Coast County Water District and the potential of litigation going forward particularly with San Vicente Creek, the water shed we share with CCWD and the issue around the Caltrans property which is surplus property now and is destined to be open space. Director Thollaug has concerns after talking with North Coast County Water, Coastside County Water, LAFCO and the County. We seem to be loggerheads with all of them. We need to do something proactively and exhibit leadership in changing that. We need to find a way to move to a win, win situation.

Director Thollaug further noted, looking holistically at the coast there is a benefit to North Coast and Coastside County Water. Both of them are dependent on Hetch Hetchy, both of them have one single plan of failure. If they intertie between each other, that would be a very solid way to get a second source into their main water supply. We are paranoid that is going to lead to consolidation. I do not buy it. I think you guys have been really good rebuilding this district and you should stand on your two feet and talk to people and work with these districts proactively. You have done the hard work. The finances are not far off from where they should be, even if you were consolidated. What Director Thollaug does not understand is why the Board continues to say that they have to take this hard line approach. You are cutting out discussions with a major part of the Coastside that would support you, except that you are doing it the way you are doing it.

Director Ptacek reported, we have reached out. I have met with the existing supervisors, and have met and established communications with CCWD. We talk about what we need to do and agree with reaching out. We are cooperating and wish not to be portrayed that we are not.

PUBLIC HEARING –

OLD BUSINESS –

1. Review and Possible Action Concerning District Strategic Plan

General Manager Heldmaier reported the District has successfully provided water, sewer and trash services since decades to the community. The District owns and operates the water system since 10 years. Now the initial goals of improving water system reliability and quality have been achieved. Necessary improvements were implemented, others are scheduled for construction. The moratorium for new connections was repealed by the Board. On the sewer side the District has continuously reduced the number of sanitary sewer overflows and successfully protects its sensitive natural resources. MWSD has been a member of the Sewer Authority Mid-

Coastside since its formation over two decades ago. A new trash service contract with Recology has just been approved.

These achievements of recent years provide a sense of completion, but also raise questions on where the District should focus resources to improve services, effectiveness, and implement good governance. At least in the recent decades no strategic plan was developed. The Board asked staff to initiate first steps towards the engagement with a firm specialized in facilitating the process towards a strategic plan with community involvement.

Five firms were contacted and three proposals were submitted to the District. Of the three, two fit the needs of the District.

Brent Ives with BHI Consulting has been invited to present his firm tonight and answer any questions the Board or candidates running for a seat on the Board might have. Martin Rauch with Rauch Communications is scheduled to attend the December 5th meeting.

Brent Ives gave a brief description of his qualifications and introduced his firm's process during the strategic planning and the proposal with the Board, Candidates and public.

Specific Scope of Services Detail:

1. Information Gathering

General Manager	week 2 - 4
Senior Staff	week 2 - 4
District Employee's	week 5 – 6

2. Board Strategic Planning Workshop

Board Members	week 10 - 14
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3. Document Development

	week 14 – 35
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Bill Huber, a candidate for a seat on the MWSD Board stated he did not believe there should be any action taken on the strategic planning until after the election. There is no urgency for this to be done right now. This sends out the wrong message because its reflecting the current Boards goals instead of waiting until the new Board is assembled. The invitation to the candidates to participate is unequal because we have no legal standing. We are basically spectators. Finally, to be able to evaluate anything, we received the documents that were over 50 pages long 48 hours before the meeting and this was not enough sufficient time for us to review.

Dwight Wilson, a candidate for a seat on the MWSD Board stated he had a concern about a lot of preaching to the Board about their responsibility. Mr.

Wilson asked for an example of Mr. Ives listening capacity and ability to listen to the input of those he would be mentoring.

Mr. Ives explained how in phase one he would work gathering information from the Board, employees, the public and designated partner agencies that would help with this process. Mr. Ives understood he delved a little bit into governance, but will not apologize for that.

Mr. Wilson has a concern regarding the presentation on governance to a group that are pretty veteran in that capacity.

Mr. Ives explained there is a built in good governance component to every strategic plan. Everything that the strategic plan proposes is dependent on a Board that can function properly. I presume that every Board has a certain amount of need to get better.

Bill Kehoe, resident of Moss Beach explained that the community thinks of MWSD as their company. We bought out a private company to be in control of our own destiny. I noticed there is a lack of input from the community. Mr. Kehoe reported there would be a fairly active community involvement with this process. Mr. Kehoe further noted, the actual presentation tonight is really informational and would be revisited and voted upon with the future Board.

Director Harvey did not feel preached at and knows there is always room for improvement. Director Harvey looks forward to learning how Board members can interact better with each other.

Director Boyd noted if Mr. Ives was not able to converse with that knowledge, he would be concerned that they would be looking at just a facilitator. This is not what the District needs. Director Boyd would like more information on what happens next.

Mr. Ives explained he would work with Clemens first to make sure he is set up for the next steps appropriately. He would be requesting documents and background information and would be working in the office. He then would schedule either two or three days of meetings with the employees for their input. Public input would be scheduled then partner agencies. He would then meet with each Board member individually. At this point Mr. Ives gathers all information and reports back to the Board during a workshop. We then organize the plan.

I then meet with Clemens and his staff to put meat on the bones of that organization. 6 to 8 weeks later we have a draft document to bring back to the board to tone, check and adjust. Additional meetings until we have the final document.

Director Boyd noted the need for a Strategic Plan was brought up in August.

Any notion that the Board stops or is put on hold because of an election is not right. We have work to do and if we do something wrong in the time leading up to an election that is the time the electorate lets us know something went sideways. We did take the steps to defer until after the election. What is happening now is us conveying our vision to the consultant instead of the consultant conveying to us.

Director Thollaug believes the issue in respect to the election is not so much we can't listen before that occurs, the real issue was the opportunity costs in taking the time to do this now. The impact with the election is that we have 1 to 3 Board members that are leaving. We have a General Manager who has not received a performance evaluation for the 2012/13 year that ended June 30th. The General Manager doesn't have objectives to be evaluated against for the new year, and we are into a quarter of that year. There has been no action from the Personnel Committee. When we were looking at this in August, I thought that was on track, but it has not been. That is the important thing about the election. The people that were working with Clemens don't have the opportunity to weigh in on that process.

Director Thollaug liked the presentation and thought a pragmatic approach is important. Director Thollaug was intrigued with meeting with the designated partner agencies. Particularly given the animosity there is with this Board. Director Thollaug appreciates this planning process, but doesn't see a lot of constructive value going out to CCWD with Mr. Ives and Clemens sitting down and talking with them or the County. At the same time if we don't repair those relationships which went bad largely no out of our behavior, but we are on one end of those relationships. How does the strategic planning process deal with this?

Mr. Ives has clients with similar history. Presuming there are relatively cordial relationships, we just put out the olive branch and explain we are going to do a strategic plan, what kinds of things do you anticipate that might be strategic in our future?

Director Thollaug questioned how often had you dealt with these kinds of issues?

Mr. Ives answered it was amazing how often these interfaces happen.

Director Harvey reported to Mr. Ives that Bob Ptacek and Clemens have been working on those relationships. He further stated the Sewer Authority Mid-Coastside Board is functioning extremely well, working well with adjacent Districts and is getting work done.

Director Thollaug disagrees that the SAM Board is functional. They just lost their General Manager largely due to the Board not being able to resolve relatively minor, but long standing issues. Director Thollaug further stated he believed both Director Boyd and Harvey are doing a great job representing

MWSD at that agency. Director Thollaug does not believe MWSD has a constructive relationship with CCWD. Potentially it can become worse because of the responsibility we share for a water shed that is between us. We need to dialogue. My question is given what you have just now seen and what I and others have described, are you capable walking into a situation like that and helping.

Mr. Ives responded with the process MWSD will be going through with the strategic planning would be the best hope of helping.

Director Boyd noted there have been some rough patches, but we are passionate about the business of the public and we are willing to work through it. At the end of the day, we are getting things done. Director Boyd is looking forward to seeing things the Board has worked on for years in a vision document or action plan that helps guide the General Manager.

Director Ptacek noted with regards to the election, the Board has done and will continue to do its work and the decisions of putting the Strategic Planning off is being done because we need to take the time to review and not because of an election coming up.

Director Slater-Carter reported she had asked for Strategic Planning to be put on the agenda some months ago as part of the budget. We are not the only District doing this on the coast, the School District is in the process and had invited MWSD to attend a meeting a couple weeks ago. We have only been a Water District for 10 years, and the reason I asked for a Strategic Plan is because we are a District in transition and I believe we need to involve the public. Director Slater-Carter likes this proposal because it involves staff and neighboring districts. Director Slater-Carter believes as the Board changes it is important to realize the community will step forward with where they want this Board to go. We are here to do the will of the public.

Director Slater-Carter asked about follow up and what that entailed.

Mr. Ives generally recommends that during the first five years, you have a facilitated Board Workshop at the beginning of every year before budget preparation for fine tuning. You open it up, refine it and launch it again. Mr. Ives explained the fee for that would be hourly.

NEW BUSINESS -

REPORTS

1. **Sewer Authority Mid-Coastside Meetings** – Nothing to report
2. **MidCoast Community Council Meeting (Slater-Carter)** – Bill Kehoe reported the last meeting was turned over to the Women's League of Voters for the candidate's forum for the Granada Sanitary District. As of right now Mr. Kehoe did not have the upcoming agenda.
3. **ACWA Board of Directors Report (Ptacek)** –None
4. **CSDA Report (Slater-Carter)** –Director Slater-Carter received a note today from CSDA asking for suggestions for legislation. There are specific requirements and should benefit all special districts. Director Slater-Carter will work with District Counsel to find a way for this District to finance well conversions even though this will take a change in the State Laws to do so.
5. **Integrated Regional Water Management Plan** – General Manager Heldmaier reported he had attended the Biennial Groundwater Conference and the opening speech from Mark Cohen, the Head of Department of Water Resources, who highlighted the importance of regional integrated water management. Especially in California, this seems to be the focus. Another interesting point of focus is no transfer of impasse between regions. Regions need to assess their own risks and essentially asking for development of firm water management plans for local sustainable groundwater management. General Manager Heldmaier noted the District should continue to talk to CCWD regarding these issues.
6. **Attorney's Report (Schricker)** –None
7. **Directors Report** – Director Boyd reported the SAM Board is active in finding candidates for a new General Manager.
8. **General Manager's Report (Heldmaier)** – None

FUTURE AGENDAS-

REGULAR MEETING ENDED at 10:25 P.M.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 16th January, 2014

Signed _____
President



MONTARA WATER & SANITARY
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
December 5, 2013

MINUTES

REGULAR SESSION BEGAN AT 7:31 P.M.

CALL TO ORDER

ROLL CALL

Directors Present: Boyd, Harvey, Slater-Carter, Ptacek & Thollaug

Directors Absent: None

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

Others Present: District Counsel, David Schricker
District Water Engineer, Tanya Yurovsky

PRESIDENT'S STATEMENT – Director Slater-Carter reported two newly elected Board Members would be sworn in at tonight's meeting.

Additionally, Director Slater-Carter reported on Wednesday, December 11th, there will be an important meeting with the California Coastal Commission to have our Public Works Plan Update approved. If approved, the District will be able to issue water connections for parcels with approved plans by the County.

ORAL COMMENTS -

Leonard Woren commented how he had enjoyed serving on the SAM Board with Director Thollaug and feels he did a good job for SAM and the Coastsides. Mr. Woren has been watching the meetings lately and felt he did not understand Director Thollaug anymore.

Bill Kehoe wanted to thank Bob Ptacek for over two decades of service on the MWSD Board. Mr. Ptacek has worked hard to serve the community with quality service at a very fair price. Mr. Kehoe further stated he was very disappointed in

the local newspaper who did not do a very good job in investigating the people running for office and the real issues that were really facing MWSD.

Additionally, Mr. Kehoe asked the Board to consider a new policy regarding conduct during the board meetings. Since last summer there has been a definite hostility going on, not only towards other Board members, but toward staff and a member of the public. Intimidation and bullying is childish and has no place here.

Cid Young, a Moss Beach resident wanted to thank Bob Ptacek for a job well done. He, and other long-time members of this board have worked diligently to assist the users in becoming water-aware, and conserve the District's valuable resource... water. They have obviously worked tirelessly, well, perhaps a little bit worn, at the edges, to assure that our District can get to the point we shall soon be, pending the California Coastal Commission's approval of the up-dated Public Works Plan, which will finally enable lot owners and homeowners on wells alike, some hope and assurances of a safe and plentiful public water connection going forward. This has been a long-awaited event for Montara and Moss Beach property owners, so thank you once again. And to Bill Huber, I know you will bring your calm composure to the table with you. I have recently seen some snarkiness over some budget discussions at meetings I have attended, so heed the warning. These meetings are being taped. And finally, while you may have run on a platform of and be in favor of cooperation, I would like to stress emphatically that Montara, Moss Beach rate payers are not in favor of consolidation, especially just as they finally can get water connections up here. So, be aware of that attitude, cooperate, but don't consolidate.

Director Ptacek thanked the community for their support for the last 20 years. Director Ptacek is proud of all the accomplishments that were made during his time as a MWSD Board Member.

Director Boyd thanked both Chris Thollaug and Bob Ptacek for their service. Director Boyd noted he had learned a lot from both and how he will value that.

Director Harvey reported how Bob Ptacek was the Board Member who watched every dime. Director Harvey remembers staying late many times going over the budget in fine detail and how Bob wanted to make sure that the residents of Montara and Moss Beach got their money's worth. Bob was truly dedicated to the residents of Montara and Moss Beach.

Director Harvey additionally wanted to thank Chris Thollaug for his great contribution to the Finance Committee. We appreciate all his efforts and we were all better off by having him here.

Director Slater-Carter thanked Bob Ptacek for 20 years. Director Slater-Carter always enjoyed working with Bob and his strong passion for keeping this District on the right road. Bob always stood up for this community in more ways than just financially. This District has been well served by your 20 years.

Director Slater-Carter thanked Director Thollaug for his most recent 1-1/2 years and additionally for the 8 years he had served before that. For 9-1/2 years you have put your life and passion into making this District a good District that serves and represents the community. I appreciate this and am sure you will be keeping an eye on us and will free to tell us when we need to adjust our position a little bit. You and Director Ptacek have made sure the public has a voice.

Director Slater-Carter suggested to move New Business Items 1 – 3 after the Consent Agenda.

Director Thollaug suggested to move New Business Items 1 – 2 before the Consent Agenda.

All Directors were in agreement.

PUBLIC HEARING –

NEW BUSINESS –

1. Review and Possible Action Concerning Certification of the Results of the November 5, 2013 Consolidated Election.

General Manager Heldmaier reported the Certificate of the Chief elections Officer of San Mateo County has been received and is attached. It certifies that the following candidates have been elected to the Office of Director of the Montara Water and Sanitary District for four-year terms:

- Jim Harvey
- Bill Huber
- Dwight Wilson

Director Thollaug moved to Adopt the next Resolution in line, Declaring the Results of the District Election Held on November 5, 2013. Director Boyd seconded the motion.

All were in favor and the motion was passed unanimously.

2. Review and Possible Action Concerning the Administration of the Oath Of Office by the Honorable Judge Quentin Kopp, Retired, to the Newly Elected Board Members.

General Manager Heldmaier reported the Honorable Quentin Kopp has agreed to administer the oath of office to Jim Harvey, Bill Huber and Dwight Wilson for four-year terms. The elections code specifies that the elected officials should be sworn in before they are seated on December 6, 2013.

Before introducing the Honorable Judge Quentin Kopp, Director Harvey expressed his deep appreciation for all his help with the District receiving water powers with helping to push an important bill through legislation to make it possible for this District to have water powers.

The Honorable Quentin L. Kopp administered the oath of office to Bill Huber, Dwight Wilson and Jim Harvey for their respective 4 year terms.

CONSENT AGENDA –

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

Director Thollaug requested to pull items 1 through 3 for discussion.

Director Boyd motioned to approve items 4 through 9 of the Consent Agenda. Director Harvey seconded the motion.

All Directors were in favor and the motion passed unanimously.

Director Slater-Carter requested to move discussion of items 1 – 4 to after New Business.

General Manager requested move the New Business item 3 next for discussion due to the paid District consultants regarding this item attending the meeting this evening.

After the 10 minute recess, the meeting continued with the Consent Agenda.

Director Thollaug was not at the October 3rd meeting and he would like to abstain from those. He additionally asked about the October 17th meeting minutes. General Manager Heldmaier reported they had not been completed as of yet. Director Thollaug is concerned that during oral comments at the October 17th meeting, Board members were rebutting an editorial he had done the prior week and that exchange is accurately recorded.

Director Thollaug requested corrections to page 3 and 8 of the September 19th minutes.

Director Thollaug, with those corrections, motioned to approve the minutes of September 19th. Director Boyd seconded the motion.

All Directors were in favor and the motion passed unanimously 4 – 0.

Director Boyd motioned to approve the October 3rd minutes. Director Ptacek seconded the motion.

Ayes: Director Boyd, Harvey and Ptacek

Nays: none

Abstention: Director Thollaug

Director Thollaug asked to have item 2 pulled for discussion. Director Thollaug thanked the General Manager for the time he spent going through the variances and giving explanations. Director Thollaug stated he had just received the financials and had not been able to review them. He hopes going forward the Finance Committee has enough time to go through them. He will abstain from approval on the financials.

Director Boyd motioned to approve the Financial Statements. Director Ptacek seconded the motion.

Ayes: Boyd, Harvey and Ptacek

Nays: none

Abstention: Thollaug

Director Thollaug had also asked to have the warrants pulled from the consent agenda for discussion. What Director Thollaug concern is the cancellation of the meetings and particularly given the discussion we have had previously about budget. The majority of the Board felt that the budget was maybe not advisory but their primary point of control was approval of the warrants before those payments were made. This is a situation where rightly so the General Manager had to send out payments to avoid late charges or negative impacts to our credit rating. For me this underscores about being clear of what an approved budget means. The budget to me is the authorization for the General Manager to make expenditures on behalf of the district.

Director Boyd motioned to approve the warrants for November 1 and December 1. Director Ptacek seconded the motion.

All Directors were in favor and the motion passed unanimously 4 – 0.

NEW BUSINESS –

3. Review and Possible Action Concerning Public Works Plan Amendment Hearing at December 11, 2013 California Coastal Commission Meeting.

General Manager Heldmaier reported in February in 2011 the Board received and adopted the first Master Plan Update that considered 6 years of operational data showing well production and water demand under MWSD ownership. The Master Plan Update determined that the District has reliable supply sufficient to meet peak day water demands and further shows significant achievements in water conservation. The District's water availability has changed favorably so that, for the first time in over 30 years, connections to the District's water system were considered. At the following meeting in March 2011, the Board approved revisions to the District code that repealed the moratorium on new water connections. A water connection charge study was completed and adopted in April 2011.

The Local Coastal Program Update was approved in August 2012 and specified that the District needs to amend its Public Works Plan (PWP) to allow new domestic water connections. District staff and Master Plan Committee were authorized to prepare an amendment to the Public Works Plan.

The amendment is scheduled to be heard at the December 11 California Coastal Commission (CCC) Meeting in San Francisco. The CCC staff report was released last week and recommends approval of the PWP amendment with modifications. If the commission approves the amendment, this Board will be asked to confirm the amendment including modifications at a subsequent meeting by resolution.

Mark Massara, Environmental Lawyer who works very closely with the Coastal Commission, congratulated the staff and all the Board's efforts over the last many years in updating the Public Works Plan. Mr. Massara reported we have been working with Coastal staff now for well over a year and one half and have made significant progress. Mr. Massara further reported the document the Board had in front of them is on the Coastal Commission's agenda and is set to be approved with a staff recommendation for approval next Wednesday. That document represents the fulfillment of what the District has been out to achieve for many years now. My mandate going into this process was getting the District out of the land use business and get into the water purveyor business. This document once approved and ratified by your Board will issue new connections for both properties with wells and new development that has been reviewed by the County and vetted by the Coastal Commission where their jurisdiction covers and allows you discretion to issue new connections where

appropriate in the case of you having adequate supply capacity. This is the key and success.

Tanya Yurovsky, District Water Engineer, remarked this was a team effort and she is very happy with the outcome. SRT supports the document and recommends Board approval of the PWP Amendment and suggested modifications.

Judy Taylor, a HMB resident, asked what will be the timing on getting a water hook up? General Manager Heldmaier explained assuming the Coastal Commission passes the amendment, and the Board adopts what the Commission approves, the District should be ready to issue permits in January.

Director Ptacek moved to authorize the board President and General manager to recommend approval of the PWP amendment and suggested modifications. Director Boyd 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 the District has successfully provided water, sewer and trash services since decades to the community. The District owns and operates the water system since 10 years. Now the initial goals of improving water system reliability and quality have been achieved. Necessary improvements were implemented, others are scheduled for construction. The moratorium for new connections was repealed by the Board. On the sewer side the District has continuously reduced the number of sanitary sewer overflows and successfully protects its sensitive natural resources. MWSD has been a member of the Sewer Authority Mid-Coastside since its formation over two decades ago. A new trash service contract with Recology has just been approved.

These achievements of recent years provide a sense of completion, but also raise questions on where the District should focus resources to improve services, effectiveness, and implement good governance. At least in the recent decades no strategic plan was developed. The Board asked staff to initiate first steps towards the engagement with a firm specialized in facilitating the process towards a strategic plan with community involvement.

Five firms were contacted and three proposals were submitted to the District. Of the three, two fit the needs of the District. Brent Ives with BHI consulting presented his firm at the October 17 meeting. Martin Rauch with

Rauch Communications is attending tonight's meeting and is available to answer any questions the board might have.

Mr. Rauch reported his firm has been providing consulting services to California water agencies for over 30 years. The firm helps address and resolve near and long term strategic issues that confront local agencies.

Mr. Rauch, who would be the principal facilitator, gave a brief explanation of how his firm would approach a strategic plan for the district:

Fundamentals of the Strategic Plan:

District Mission – What is the District role in the community?

District Vision – What should our district be like in 5 – 10 years or more?

Board Goals and Objectives – What goals must we achieve to accomplish our mission?

Work Plan – Given our resources, what practical actions must we take to implement the goals and objects of the Strategic Plan?

The Plan:

Interviews with Board and management team - Obtaining insight and understanding.

Board Workshop – The heart of the planning process. Evaluate the District and identify strategic issue areas.

Stakeholders Workshop – Provides early input into the planning process. Identifying and commenting on strategic issues.

Second Board Workshop – to complete policy level direction: Mission, Vision, Values, Goals and Objectives.

Management Team – Involvement throughout the planning process. Employees can participate if desirable.

Practical Staff work Plan – how the goals and objectives will be achieved, how they will be integrated with the budget and other major plans.

Present Strategic Plan to Board and Public for review and comment/approval.

Strategic Goals:

1. **Water:** Assure an adequate, diverse and reliable supply of quality water that meets all customers' needs.
2. **Assets:** Plan, provide and maintain district facilities and other physical assets to achieve reliable and efficient district operations over the long term.
3. **Finance:** Maintain a sound financial condition, establish reasonable customer rates, and achieve a prudent balance among district revenues, expenses, and reserves.

4. **Relationships:** Build understanding and support for district activities among customers and involved agencies, and seek opportunities for mutually beneficial cooperative efforts.
5. **Administration and Management:** Institute policies, administration, management that carry out district operations in an effective and efficient manner, utilizing best business practices.

Four Important Outcomes:

1. Provides short term and long term direction to the District.
2. Provides specific, useful work plans.
3. Integration with other district plans.
4. Plans for tracking progress.

This is a living process. It will be adjusted to fit the District's specific needs and circumstances.

Bill Huber, newly elected Director, asked if the workshops for the board members were private or public and how that works in regards to the Brown Act?

Mr. Rauch explained that they are public. The public is always welcome to attend. The public will have an opportunity to comment in the beginning and at the end. Mr. Rauch further commented that it was important for the Board to have the time itself to really talk.

Director Boyd asked about the time line.

Mr. Rauch explained 3 to 6 months and it generally depends on the scheduling.

Director Pfacek was concerned their expertise was less in sanitary than water. Mr. Rauch explained they were heavily engaged in sanitary districts at the moment.

Director Slater-Carter questioned the fee.

General Manager Heldmaier reported \$15,074.00.

Director Slater-Carter further asked about updates to help in the future.

Mr. Rauch explained this was not a part of this proposal, but is certainly something recommended. An annual half day review is usually what is recommended. Every agency is different, so it would be up to this Board to decide how often they would like an update to the plan.

NEW BUSINESS –

1. Review and Possible Action Concerning District Policies.

General Manager Heldmaier reported Director Thollaug requested an agenda item to allow for a discussion of the particulars of the cancellation of the November board meetings and district policy. President Slater-Carter

confirmed the request of the item with the General Manager and asked to include further discussion about other relevant board policies.

Director Thollaug noted his request was not about discussion about policy, his request was for a discussion about the specific facts around meeting cancellations. Director Thollaug has specific questions regarding email responses from General Manager Heldmaier in reference to the meeting cancellations.

Question 1 to General Manager Heldmaier: Under what authority, law or ordinance were these regularly scheduled board meetings cancelled? The response was to refer to Dave's previous email for the explanation of how meetings are cancelled under the Brown Act.

The response from Dave was: The only legal way to cancel a regular meeting would be by adopting an ordinance that would repeal the ordinance establishing the date, time and place for the regular meeting. Likewise, under the Brown Act, their regular meeting does not occur is when a quorum does not appear.

Director Thollaug asked General Manager Heldmaier what the rationale for the cancellation of the meetings were, and the reply was, absence of business that needed immediate board attention.

Director Thollaug questioned if the only legal recourse or way to cancel a meeting is by absence of a quorum, then it would appear to me that absence of business requiring immediate board attention does not qualify and the cancellation of the meeting was illegal.

District Counsel, Dave Schricker explained the Brown Act requires that a public agency establish, in by ordinance or resolution or motion, the specific time, date and place for a regular meetings. This District has done so by ordinance. Mr. Schricker's response is there is no legal way of canceling the meeting other than repealing the ordinance because that is what establishes a regular meeting. As a matter of operation, this is not particularly unusual as far as publications are concerned. There are occasions where there is either members of the Board will not be present, or they may be present and there may be no particular reason for having a meeting because there is no business to conduct. This does not happen very often, but it does happen. What I recommend to my clients is to post a notice that in the absence of quorum, the meeting is cancelled. The reason I say absence of quorum, because that is what the Brown Act requires for a regular meeting to not be held. The Brown Act states that if less than a quorum appears at a regular meeting, then the party who do appear shall adjourn the meeting to another time, place and date specific and post a notice to that effect.

Director Thollaug asked Director Slater-Carter if her position was that there was no pressing business in November. Her response was yes.

Director Thollaug reminded the Board at the October 3rd meeting there was a discussion regarding the General Managers evaluation that was well overdue. Director Thollaug further stated the importance for the then finance committee (Directors Thollaug and Ptacek) to be involved. Now Bob and he are no longer on the Board and we can not evaluate his performance as board members.

Director Slater-Carter responded how creating and writing an agenda for the Board meetings takes a great deal of time. It was her decision to have him concentrate on the many other important items going on in the district that did not necessarily need a public meeting. The General Manager and staff were spending a great deal of time working on the Public Works Plan Amendment. That was something that was very important and has been a priority one for a long time. In order to get that to the Coastal Commission in December. In addition to that, we have well rehab going on wells, we have tank construction, we have other policies to be looked at and it was my opinion the GM's evaluation could be done at a later time. There were other things that were of a higher priority to the District.

Director Ptacek noted he was out of California for the month of November and agreed to postpone the evaluation. We needed input, we needed to work on it and I was not here. Any plan that is in effect will continue to be the plan of record.

Director Harvey, member of the Personnel Committee, noted he was not prepared to do an evaluation. This Board was focused on the budget issues, There was a distracting 6 months and the committee could not do it.

Dwight Wilson, newly elected Board member, suggested there were two issues going on here. One has to do with how Boards cancel meetings. The healthiest way to cancel meetings is in public, therefore publicly cancelled at that meeting. The cancellation was justified, it was the process that is being questioned. Perhaps going forward this is something the full Board discusses and makes the decision as a full Board to cancel the meeting.

Director Slater-Carter reported she was out of town for both the meetings due to a death in the family. That would have left 3 Board members and not enough to do the evaluation.

Director Thollaug stated for the record that he felt General Manager Heldmaier has done a great job. What he is describing is a real fundamental flaw in process that is a responsibility of the Board. Since I will not be here for his evaluation, I would like to say something about what I think his performance has been. Director Thollaug feels General Manager Heldmaier did a superb job on the labor negotiations, as well as the Capital budget we dealt with. Wet Weather Flow and a new tank on line, great projects that were done economically. The Coastal commission situation discussed

tonight, again, he has done a superb job. My issue is not Clemens. The only problem is that there is not enough of him.

Director Thollaug noted both meetings that were cancelled were just after the new election and there had been a previous commitment to him to deal with as an agenda item which was the interties. At the October 3rd meeting I was told there was going to be a presentation on this issue at the next meeting. It did not happen at the October 17th meeting and both meetings were cancelled and now I am no longer a Board Member. That was important to me.

If Director Thollaug had been asked what do we make constructive us of the time doing would have been interties. Secondly, I would have been talking about what we do with the staff compensation issue. This has not been dealt with either and I believe this is a critical priority. My issue is process. How do things work here? When I talked about cooperation the whole tone shifted. I appreciate the fact that Clemens had a lot to do with the Coastal Commission, and I agree that it was the most important thing on our plate, but I am leaving this Board feeling like I have stepped up to try to inject some hard discussion and what's happened is that it has been side stepped and minimalized.

It was at this time, Director Slater-Carter excused herself from the table and asked Director Harvey to continue the meeting.

There was a 10 minute recess.

REPORTS

- 1. Sewer Authority Mid-Coastside Meetings** – A meeting was held on October 28th and the Board approved a contract increase for the force main repair that had not been foreseen by the contractor. The Board is looking at resumes for the General Managers position. General Managers from all the Agencies are working together and problem solving. The Interim GM for SAM raised some questions regarding some Capital Projects. These things are being reviewed and discussed.
- 2. MidCoast Community Council Meeting (Slater-Carter)** – Bill Kehoe reported at the next meeting, 4 new members will be voted in. As of right now Mr. Kehoe did not have the upcoming agenda.
- 3. ACWA Board of Directors Report (Ptacek)** –None
- 4. CSDA Report (Slater-Carter)** –None
- 5. Integrated Regional Water Management Plan** – None
- 6. Attorney's Report (Schricker)** –None
- 7. Directors Report** – Director Boyd explained how the Coastal Commission Works in regards to how fast we can issue permits. If the Commission adds items, we could be looking at a small amount of months before we can issue

the permits. This is outside of our control. By the next meeting we should be able to give a better idea of the timing.

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

FUTURE AGENDAS-

REGULAR MEETING ENDED at 9:58 P.M.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 16th January, 2014

Signed _____
President



MONTARA WATER & SANITARY
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
December 19, 2013

MINUTES

REGULAR SESSION BEGAN AT 7:33 PM.

CALL TO ORDER

ROLL CALL

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

Directors Absent: None

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

Others Present: District Counsel, Dave Schricker

PRESIDENT'S STATEMENT – Director Slater-Carter welcomed Director Wilson and Huber and looks forward to working with them both on projects for the District.

ORAL COMMENTS -

OLD BUSINESS –

1. Review and Possible Action Concerning Public works Plan Certification.

General Manager Heldmaier reported the Local Coastal Program Update was approved in August 2012 and specified that the District needed to amend its Public Works Plan (PWP) to allow new domestic water connections. District staff and Master Plan Committee were authorized to prepare an amendment to the Public Works Plan.

The amendment was approved at the December California Coastal Commission (CCC) meeting in San Francisco. Now this Board will be asked

to confirm the amendment including modifications. The PWP Amendment will then be certified at a subsequent CCC meeting.

District Counsel Schricker reported the purpose of the resolution is to acknowledge and confirm to the Commission that we will implement the amended plan as presented and modified by the Commission.

Director Boyd reported he had never seen an item from the Commission dispatched with greater speed. The Commission has a lot of respect for our Staff and Consultants and appreciated how hard we worked with their staff. They agree we have a very carefully and detailed plan.

Director Harvey thanked the staff and our consultants for all the work they did to make this happen.

Director Huber asked General Manager Heldmaier if there was any language in the document that he may have concerns about. The General Manager responded there was nothing he was concerned about and staff is recommending approval.

There was a brief discussion regarding priority usage for clarification.

Director Huber asked how the District is going to handle the homes on wells that have restrictions of going on to the system when water is available and do we have enough capacity to connect them?

General Manager Heldmaier explained going forward this Board has passed a resolution stating that any remodels greater than 50 percent will have to convert to the water system, any new construction on a lot that currently has a well, will have to connect to the water system. Other connections will be voluntary. The District has enough water to connect all our residents on wells and then some!

Director Huber asked how the District will handle large developments. District Counsel Schricker explained the District has the legal authority to require a development agreement that would be negotiated with respect to the developer to provide the necessary funding for water if it is beyond our immediate capabilities which is part of the Montara Code and State Code.

Director Huber asked if the District will be able to handle an influx of people wanting permits. General Manager Heldmaier explained our permits depend on approved building permits from San Mateo County.

Director Wilson questioned how a failed well is determined? General Manager Heldmaier explained it is essentially up to San Mateo County Health Departments Executive Director and the General Manager of this District.

Director Huber asked how we know the language on this final document is accurate. General Manager Heldmaier explained there were 3 people that were reading the document at the meeting and were actually involved in the development of the document, additionally an SRT Staff member read through the document for accuracy.

Director Huber needed confirmation on the pages that are being approved. General Manager Heldmaier confirmed all pages that have 19A on them, 37 pages total.

Director Wilson complimented the Board and Staff for all the hard work that went into making this happen.

Director Boyd motioned to Adopt the Resolution Acknowledging Receipt of Resolutions of the California Coastal Commission Denying Certification of Montara Water and Sanitary District Public Works Plan Amendment 2-06-006-A1 as Submitted and Certifying Montara Water and Sanitary District Public Works Plan Amendment 2-06-006-A1 as Modified by the Commission; Agreeing to Modifications So Stated and Authorizing and Directing the General Manager to Implement The Amended Public Works Plan With Said Modifications. Director Harvey seconded the motion.

Director Slater-Carter noted this community beat the odds. We owe a great deal of gratitude to the community for conserving water, to our staff for their dedication, our consultants for their expertise and the Board for their perseverance in getting this finally done.

All Directors were in favor of the motion and the motion passed unanimously.

2. Review and Possible Action Concerning District Strategic Plan.

General Manager Heldmaier reported staff contacted Barber & Gonzales Consulting Group, BHI Management Consulting, Crabtree Consulting Services, Economic & Planning Systems Inc., Harris & Associates, and Rauch Communication Consultants. Three proposals from reputable firms, Barber & Gonzalez, BHI consulting and Rauch Communications were received. Suggested total costs range from \$12,000 (Barber & Gonzales), over \$15,740 (Rauch Communications) to \$21,795 (BHI consulting). Two proposals, Rauch Communications and BHI are very detailed and fit the needs of the District.

Both Consultants made presentations to the full Board and new Board members in the recent months. Staff feels confident that the two firms present the best choice for the specific needs of the District.

Director Wilson noted public interaction is key. His concern is that there is not enough of it in the proposal. His vote will be a yes for Rauch with a request for him to come back in January, give us what his presentations will be, and allow us to give recommendations and modifications.

Director Wilson motioned the Board authorizes the General Manager to engage with Rauch Communications for the strategic plan process for the District with the stipulation he provides the content of his hearings he is going to present and allow this Board to adapt it with the option that we may have to change it. Director Boyd seconded the motion.

Lou Wall, Montara resident, commented he liked Rauch Communications presentation as well. Mr. Wall particularly liked that Mr. Rauch mentioned as a part of this process, he was going to do interviews with other agencies.

Bill Kehoe, a Moss Beach resident commented he appreciated the fact that there would be more public outreach. In fact the rewording of the motion left out that specific phrase. A focus on more public outreach.

Director Wilson added to the motion the following: to get feedback from other entities that we work with. The inclusiveness is making sure we have the time to get feedback from all involved. Director Boyd seconded the addition to the motion.

All Directors were in favor and the motion passed unanimously.

NEW BUSINESS -

1. Review and Possible Action Concerning Appointment of Board Officers and Committee Assignments for 2014.

General Manager Heldmaier has attached a chart indicating the current positions and committee assignments for each board member. There is a space to select the person or persons for each such position for this coming calendar year. The assignments will become effective January 1, 2014.

Director Wilson requested a brief description of the committees.
Director Huber requested to have a definition of what the position entails.

Directors Slater-Carter and Boyd proceeded to give the descriptions and position definitions.

The Board Agency Representatives was discussed and the following Appointments were made:

SAM Representatives:	Scott and Jim
SAM 1 st Alternate:	Kathryn

SAM 2nd Alternate: Bill
CSDA Member: Kathryn
Alternates Scott, Jim, Bill and Dwight
ACWA Member: Dwight

Director Boyd read the following Committee appointments:

Budget and Finance: Bill and Kathryn
Personnel: Jim and Dwight

Director Boyd read the following Ad Hoc Committee appointments:

Recycling/Solid Waste: Kathryn and Dwight
WEB: Scott and Bill
Outreach: Kathryn and Bill
Legislative: Kathryn and Scott
CCWD Committee: (formerly Intergr. Reg. Water) Jim and Bill
Newsletter: Scott and Kathryn
Wireless Lease: Scott and Kathryn
Planning Committee: (formerly Master Plan Update/Groundwater Mgmt.)
Kathryn and Scott
Big Wave: Dwight and Kathryn

The following Committees have been retired:

Water
Billing
Recycled Water Policy
Park Powers

Director Harvey nominated Director Boyd for President of the Board.
Kathryn seconded the nomination.

Jim Harvey as President Pro-Tem
Dwight Wilson as Secretary
Kathryn Slater-Carter, Jim Harvey and Bill Huber as Secretary Pro-Tem
Kathryn Slater-Carter as Treasurer

Budget and Finance Committee: Kathryn and Bill
Rate Study Committee: Kathryn and Jim

Director Boyd moved as read for those Board of Directors and Committee assignments. Director Slater-Carter seconded the motion.

All Directors were in favor and the motion passed unanimously.

A copy of the Assignments is attached to these minutes.

2. Review and Possible Action Concerning Cancellation of the Next Regular Scheduled Meeting January 2, 2014.

General Manager Heldmaier reports staff recommends cancelling the January 2, 2014 meeting.

With no objections by any of the Board Members, the meeting will be cancelled.

REPORTS:

1. **Sewer Authority Mid-Coastside Meetings** – Director Boyd reported Candidates were being interviewed for the General Manager position.
2. **MidCoast Community Council Meeting (Slater-Carter)** – None
3. **ACWA Board of Directors Report (Ptacek)** –None
4. **CSDA Report (Slater-Carter)** –None
5. **Integrated Regional Water Management Plan** – None
6. **Attorney’s Report (Schricker)** –None
7. **Directors Report** – None
8. **General Manager’s Report (Heldmaier)** – None

FUTURE AGENDAS- GSD Joint Consolidation Committee Discussion
MWSD Emergency Response Plan of 2003
MWSD Water Quality Emergency Notification Document dated Oct. 30, 2003
Strategic Plan

REGULAR MEETING ENDED at 9:50 P.M.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 16th, January 2014

Signed _____
President

MONTARA WATER AND SANITARY DISTRICT



**Unaudited Financial Statements for
November 2013**

1:43 PM

01/14/14

Accrual Basis

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

	Jul - Nov 13	Sewer Budget		\$ Over Budget
Ordinary Income/Expense				
Income				
4220 · Cell Tower Lease	14,302.31		12,960.00	1,342.31
4330 · Engineering Review	2,439.00			
4400 · Fees				
4410 · Administrative Fee (New Constr)	0.00	940.00		-940.00
4420 · Administrative Fee (Remodel)	450.00	375.00		75.00
4430 · Inspection Fee (New Constr)	0.00	875.00		-875.00
4440 · Inspection Fee (Remodel)	1,275.00	355.00		920.00
4460 · Remodel Fees	7,030.00	915.00		6,115.00
Total 4400 · Fees	8,765.00	3,460.00		5,295.00
4610 · Property Tax Receipts	19,818.53			
4720 · Sewer Service Refunds, Customer	-343.66	-835.00		491.34
4760 · Waste Collection Revenues	4,313.13	5,415.00		-1,101.87
Total Income	49,284.31	21,000.00		28,284.31
Expense				
5000 · Administrative				
5190 · Bank Fees	2,751.64	1,290.00		1,461.64
5200 · Board of Directors				
5210 · Board Meetings	3,209.50	835.00		2,374.50
5220 · Director Fees	0.00	1,040.00		-1,040.00
5230 · Election Expenses	0.00	4,165.00		-4,165.00
Total 5200 · Board of Directors	3,209.50	6,040.00		-2,830.50
5250 · Conference Attendance	0.00	835.00		-835.00
5270 · Information Systems	480.00	1,250.00		-770.00
5300 · Insurance				
5310 · Fidelity Bond	0.00	375.00		-375.00
5320 · Property & Liability Insurance	1,582.75	625.00		957.75
Total 5300 · Insurance	1,582.75	1,000.00		582.75
5350 · LAFCO Assessment	0.00	540.00		-540.00
5400 · Legal				
5420 · Meeting Attendance, Legal	5,810.00	4,185.00		1,445.00
5430 · General Legal	11,850.00	8,335.00		3,515.00
Total 5400 · Legal	17,460.00	12,500.00		4,960.00
5510 · Maintenance, Office	600.00	825.00		-25.00
5520 · Meetings, Local	172.85	125.00		47.85
5540 · Office Supplies	2,431.27	3,750.00		-1,318.73
5550 · Postage	811.26	1,865.00		-1,053.74
5560 · Printing & Publishing	2,019.82	835.00		1,184.82
5600 · Professional Services				
5610 · Accounting	19,516.25	10,415.00		9,101.25
5620 · Audit	5,500.00	5,415.00		85.00
5630 · Consulting	0.00	4,790.00		-4,790.00
5640 · Data Services	1,422.84	2,290.00		-867.16
5660 · Payroll Services	60.46	335.00		-274.55
Total 5600 · Professional Services	26,499.54	23,245.00		3,254.54
5710 · San Mateo Co. Tax Roll Charges	0.00	1,250.00		-1,250.00
5720 · Telephone & Internet, Admin	4,375.26	2,125.00		2,250.26

See Executive Summary Document

1:43 PM
 01/14/14
 Accrual Basis

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

	Jul - Nov 13	Sewer Budget	\$ Over Budget
5730 - Travel, Local	328.19	625.00	-296.81
5740 - Reference Materials	0.00	85.00	-85.00
5800 - Labor			
5810 - CalPERS 457 Deferred Plan	5,202.37	3,415.00	1,787.37
5820 - Employee Benefits	12,477.60	15,600.00	-3,122.40
5830 - Disability Insurance	412.75	275.00	137.75
5840 - Payroll Taxes	5,737.98	3,730.00	2,007.98
5900 - Wages			
5910 - Management	32,357.30	30,305.00	2,052.30
5920 - Staff	40,074.08	39,260.00	814.08
5930 - Staff Certification	750.00		
5940 - Staff Overtime	1,322.81		
5950 - Staff Standby	502.65		
Total 5900 - Wages	75,006.82	69,565.00	5,441.82
5960 - Worker's Comp Insurance	429.01	3,030.00	-2,600.99
Total 5800 - Labor	99,266.53	95,615.00	3,651.53
Total 5000 - Administrative	161,788.41	153,400.00	8,388.41
6000 - Operations			
6170 - Claims, Property Damage	8,440.98	4,165.00	2,275.98
6195 - Education & Training	1,050.00	415.00	635.00
8200 - Engineering			
6210 - Meeting Attendance, Engineering	0.00	2,085.00	-2,085.00
6220 - General Engineering	8,977.00	10,415.00	-1,438.00
Total 6200 - Engineering	8,977.00	12,500.00	-3,523.00
6320 - Equipment & Tools, Expensed	1,229.46		
6330 - Facilities			
6335 - Alarm Services	2,340.78	1,875.00	465.78
6337 - Landscaping	780.00	1,000.00	-240.00
Total 6330 - Facilities	3,100.78	2,875.00	225.78
6400 - Pumping			
6410 - Pumping Fuel & Electricity	10,975.11	14,585.00	-3,609.89
Total 6400 - Pumping	10,975.11	14,585.00	-3,609.89
8600 - Collection/Transmission			
6660 - Maintenance, Collection System	0.00	8,335.00	-8,335.00
Total 6600 - Collection/Transmission	0.00	8,335.00	-8,335.00
6900 - Sewer Authority Midcoastside			
6910 - SAM Collections	138,695.00	138,695.00	0.00
6920 - SAM Operations	273,830.00	273,835.00	-5.00
6930 - SAM Prior Year Adjustment	0.00	-111,160.00	111,160.00
6940 - SAM Maintenance, Collection Sys	29,138.34	18,665.00	12,473.34
6950 - SAM Maintenance, Pumping	0.00	18,665.00	-18,665.00
Total 6900 - Sewer Authority Midcoastside	441,663.34	334,700.00	106,963.34
Total 6000 - Operations	473,438.65	377,575.00	95,861.65
Total Expense	635,225.06	530,975.00	104,250.06

1:43 PM

01/14/14

Accrual Basis

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

	Jul - Nov 13	Sewer Budget	\$ Over Budget
Net Ordinary Income	-585,940.75	-609,975.00	-75,965.75
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	0.00	-46,500.00	-46,500.00
7120 · Connection Fees (Remodel)	23,210.00	5,835.00	17,375.00
Total 7100 · Connection Fees	23,210.00	52,335.00	-29,125.00
7200 · Interest Income - LAIF	0.00	3,335.00	-3,335.00
7700 · Interest, Employee Loans	2,101.84	1,725.00	376.84
Total 7000 · Capital Account Revenues	25,311.84	57,395.00	-32,083.16
Total Other Income	25,311.84	57,395.00	-32,083.16
Other Expense			
8000 · Capital Improvement Program			
8075 · Sewer	90,004.09	737,000.00	-646,995.91
Total 8000 · Capital Improvement Program	90,004.09	737,000.00	-646,995.91
9000 · Capital Account Expenses			
9125 · PNC Equipment Lease Interest	9,617.08	9,505.00	112.08
9175 · Capital Assessment - SAM	0.00	75,835.00	-75,835.00
9200 · I-Bank Loan	13,987.47	11,500.00	2,487.47
Total 9000 · Capital Account Expenses	23,604.55	88,840.00	-73,235.45
Total Other Expense	113,608.64	833,840.00	-720,231.36
Net Other Income	-88,296.80	-776,445.00	688,148.20
Net Income	-674,237.55	-1,286,420.00	612,182.45

2:34 PM
 01/14/14
 Accrual Basis

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

	Water		
	Jul - Nov 13	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease	14,302.32	12,960.00	1,342.32
4330 · Engineering Review	2,438.00		
4400 · Fees			
4410 · Administrative Fee (New Constr)	0.00	940.00	-940.00
4420 · Administrative Fee (Remodel)	450.00	375.00	75.00
4430 · Inspection Fee (New Constr)	0.00	875.00	-875.00
4440 · Inspection Fee (Remodel)	425.00	355.00	70.00
Total 4400 · Fees	875.00	2,545.00	-1,670.00
4610 · Property Tax Receipts	19,897.98	93,750.00	-74,052.04
4740 · Testing, Backflow	6,046.00	4,790.00	1,258.00
4810 · Water Sales, Domestic	522,460.04	668,625.00	-146,164.96
4850 · Water Sales Refunds, Customer	-7,255.49	-1,665.00	-5,590.49
4990 · Other Revenue	1,638.54		
Total Income	560,205.37	781,005.00	-220,799.63
Expense			
5000 · Administrative			
5190 · Bank Fees	2,875.54	3,750.00	-874.46
5200 · Board of Directors			
5210 · Board Meetings	1,704.17	835.00	869.17
5220 · Director Fees	0.00	1,040.00	-1,040.00
5230 · Election Expenses	0.00	4,165.00	-4,165.00
Total 5200 · Board of Directors	1,704.17	6,040.00	-4,335.83
5240 · CDPH Fees	5,590.94	8,335.00	-2,744.06
5250 · Conference Attendance	0.00	2,085.00	-2,085.00
5270 · Information Systems	0.00	2,500.00	-2,500.00
5300 · Insurance			
5310 · Fidelity Bond	0.00	375.00	-375.00
5320 · Property & Liability Insurance	1,582.76	625.00	957.76
Total 5300 · Insurance	1,582.76	1,000.00	582.76
5350 · LAFCO Assessment	0.00	710.00	-710.00
5400 · Legal			
5420 · Meeting Attendance, Legal	4,207.50	4,165.00	42.50
5430 · General Legal	7,922.50	29,165.00	-21,242.50
5440 · Litigation	11,662.50		
Total 5400 · Legal	23,792.50	33,330.00	-9,537.50
5510 · Maintenance, Office	24.14	625.00	-600.86
5520 · Meetings, Local	0.00	125.00	-125.00
5530 · Memberships	10,238.94	7,290.00	2,948.94
5540 · Office Supplies	2,876.99	3,750.00	-873.01
5550 · Postage	1,756.45	3,336.00	-1,579.55
5560 · Printing & Publishing	977.72	835.00	142.72
5600 · Professional Services			
5610 · Accounting	19,516.25	10,415.00	9,101.25
5620 · Audit	5,500.00	5,415.00	85.00
5630 · Consulting	12,295.64	13,125.00	-829.36
5640 · Data Services	5,710.00		
5650 · Labor Representation	4,500.00	3,750.00	750.00

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 Accrual Basis

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

	Jul - Nov 13	Water Budget	\$ Over Budget
5660 · Payroll Services	60.45	335.00	-274.55
5690 · Other Professional Services	192.00		
Total 5600 · Professional Services	47,774.34	33,040.00	14,734.34
5720 · Telephone & Internet, Admin	1,151.46	2,125.00	-973.54
5730 · Travel, Local	905.52	625.00	280.52
5740 · Reference Materials	0.00	335.00	-335.00
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	11,688.89	10,370.00	1,318.89
5820 · Employee Benefits	20,864.34	24,835.00	-3,770.66
5830 · Disability Insurance	844.67	755.00	89.67
5840 · Payroll Taxes	13,198.66	13,025.00	173.66
5900 · Wages			
5910 · Management	32,357.30	30,305.00	2,052.30
5920 · Staff	119,486.76	118,455.00	1,031.76
5930 · Staff Certification	3,675.00	6,445.00	-2,770.00
5940 · Staff Overtime	10,274.62	25,160.00	-14,885.38
5950 · Staff Standby	4,453.94	6,965.00	-2,511.06
Total 5900 · Wages	170,247.61	187,330.00	-17,082.39
5980 · Worker's Comp Insurance	2,241.83	10,775.00	-8,533.17
Total 5800 · Labor	219,085.90	246,890.00	-27,804.10
Total 5000 · Administrative	320,336.37	356,726.00	-36,389.63
6000 · Operations			
6160 · Backflow Prevention	1,084.97	875.00	209.97
6170 · Claims, Property Damage	0.00	4,165.00	-4,165.00
6180 · Communications			
6185 · Communications Equip, Expensed	297.16	7,290.00	-6,992.84
6187 · Telephone & Internet, Comm.	0.00	1,335.00	-1,335.00
Total 6180 · Communications	297.16	8,625.00	-8,327.84
6195 · Education & Training	890.00		
6200 · Engineering			
6210 · Meeting Attendance, Engineering	1,716.25	4,165.00	-2,448.75
6220 · General Engineering	23,407.93	10,415.00	12,992.93
6230 · Water Quality Engineering	6,573.13	41,685.00	-35,091.87
Total 6200 · Engineering	31,697.31	56,245.00	-24,547.69
6320 · Equipment & Tools, Expensed	2,727.76	5,415.00	-2,687.24
6330 · Facilities			
6335 · Alarm Services	0.00	125.00	-125.00
6337 · Landscaping	1,200.00	1,500.00	-300.00
6330 · Facilities - Other	238.00		
Total 6330 · Facilities	1,438.00	1,625.00	-187.00
6370 · Lab Supplies & Equipment	290.25		
6380 · Meter Reading	0.00	835.00	-835.00
6400 · Pumping			
6410 · Pumping Fuel & Electricity	9,818.11	18,750.00	-8,931.89
6420 · Pumping Maintenance, Generators	5,339.08	6,250.00	-910.92
6430 · Pumping Maintenance, General	74.27		
6440 · Pumping Equipment, Expensed	3,385.63	10,415.00	-7,029.37

See Executive Summary Document

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 Accrual Basis

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

	Water		
	Jul - Nov 13	Budget	\$ Over Budget
Total 6400 · Pumping	18,617.29	35,415.00	-16,797.71
6500 · Supply			
6510 · Maintenance, Supply Mains	6,942.01	2,085.00	4,857.01
6520 · Maintenance, Wells	1,695.98	415.00	1,280.98
6530 · Water Purchases	13,434.13	116,665.00	-103,230.87
Total 6500 · Supply	22,072.10	119,165.00	-97,092.90
6600 · Collection/Transmission			
6610 · Hydrants	0.00	835.00	-835.00
6620 · Maintenance, Mains	13,974.50	20,835.00	-6,860.50
6630 · Maintenance, Service Lines	2,910.62	12,500.00	-9,589.38
6640 · Maintenance, Tanks	0.00	2,710.00	-2,710.00
6650 · Maint., Transmission General	2,208.19	2,710.00	-503.81
6670 · Meters	0.00	2,085.00	-2,085.00
Total 6600 · Collection/Transmission	19,091.31	41,675.00	-22,583.69
6700 · Treatment			
6710 · Chemicals & Filtering	4,709.27	8,750.00	-4,040.73
6720 · Maintenance, Treatment Equip.	2,623.68	3,125.00	-501.32
6730 · Treatment Analysis	12,606.84	9,585.00	3,021.84
Total 6700 · Treatment	19,939.79	21,460.00	-1,520.21
6770 · Uniforms	3,600.71	3,540.00	60.71
6800 · Vehicles			
6810 · Fuel	2,986.20	4,165.00	-1,178.80
6820 · Vehicular Equipment, Expensed	1,876.49	415.00	1,461.49
6830 · Vehicular Repairs	1,340.85	835.00	505.85
Total 6800 · Vehicles	6,203.54	5,415.00	788.54
6890 · Other Operations	4,716.34		
Total 6000 · Operations	132,668.53	304,455.00	-171,786.47
Total Expense	453,003.90	661,180.00	-208,176.10
Net Ordinary Income	107,201.47	119,825.00	-12,623.53
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	20,389.00	30,335.00	-9,946.00
7120 · Connection Fees (Remodel)	0.00	1,210.00	-1,210.00
7130 · Conn. Fees, PFP (New Constr)	0.00	15,875.00	-15,875.00
7140 · Conn. Fees, PFP (Remodel)	0.00	3,790.00	-3,790.00
Total 7100 · Connection Fees	20,389.00	51,210.00	-30,821.00
7600 · Bond Revenues, G.D.	10,127.68	478,350.00	-469,222.32
Total 7000 · Capital Account Revenues	30,516.68	530,560.00	-500,043.32
Total Other Income	30,516.68	530,560.00	-500,043.32
Other Expense			
8000 · Capital Improvement Program			

See Executive Summary Document

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 Accrual Basis

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

	Jul - Nov 13	Water Budget	\$ Over Budget
8100 · Water	539,128.15	70,280.00	468,838.15
Total 8000 · Capital Improvement Program	539,128.15	70,280.00	468,838.15
9000 · Capital Account Expenses			
9075 · PFP Connection Expenses	4,948.31		
9100 · Interest Expense - GO Bonds	178,346.36	147,825.00	30,521.36
9125 · PNC Equipment Lease Interest	9,617.08	9,505.00	112.08
9150 · SRF Loan	0.00	2,990.00	-2,990.00
Total 9000 · Capital Account Expenses	192,911.75	160,320.00	32,591.75
Total Other Expense	732,039.90	230,610.00	501,429.90
Net Other Income	-701,523.22	299,950.00	-1,001,473.22
Net Income	-594,321.76	419,775.00	-1,014,096.76



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: January 16, 2014

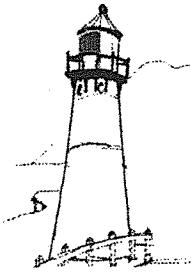
TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

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

Budget vs. Actual – Sewer July through November, 2013 Variances over \$2,000:

- 5210 Board Meetings, \$2,375 above Budget - not split equal between water/sewer
- 5230 Elections Expenses, \$4,165 below Budget – final bill expected.
- 5430 General Legal, \$3,515 above Budget – unanticipated legal review of documents.
- 5610 Accounting, \$9,101 above Budget – higher accounting cost at the beginning of FY due to audit related work.
- 5630 Consulting, \$4,790 below Budget – consulting work expected later this FY.
- 5720 Telephone & Internet, Admin, \$2,250 above Budget. – higher cost on sewer lines than anticipated. Water line cost are lower than anticipated.
- 5800 Labor, \$3,652 above Budget - the allocations between Sewer and Water used for the Budget don't mirror the Actual expenditures nor are the allocations used in the Budget between Management and Staff the same as the Actual expenditures. Sewer Actual exceeds Budget by \$3,652. Conversely, in Water, Budget exceeds Actual by \$27,804. Combined Budget exceeds Actual by \$24,153 in just three line items in Water: Certification, Overtime, and Standby all have come in year to date under budget due to staff changes and increased operational efficiencies.
- 6170 Claims, Property Damage, \$2,276 above Budget. – higher claims and restoration cost than anticipated
- 6210 Meeting Attendance, Engineering, \$2,085 below Budget. – less Sewer Engineer attendance than anticipated.
- 6410 Pumping Fuel & Electricity, \$3,610 below Budget – less pumping, perhaps due to lack of rain events.
- 6660 Maintenance, Collection System, \$8,335 below Budget. – while this item is below budget the related 6940 SAM Maintenance is \$12,473 above budget.
- 6930 SAM Prior Year Adjustment, \$111,160 above Budget - expected payment from SAM to MWSD has not yet been received.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: January 16, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6940 SAM Maintenance, Collection System, \$12,473 above Budget. While this item is below budget the related 6660 Maintenance Collection System is \$8,335 below budget.
- 6950 SAM Maintenance Pumping, \$16,665 below Budget – less pump station repairs than anticipated.
- 7100 Connection Fees, \$29,125 below Budget – increase in sewer connection fees expected later this FY due to District's PWP approval.
- 7200 Interest Income – LAIF, \$3,335 below Budget. Interest income reported only in quarterly intervals.
- 8075 Sewer CIP, \$646,996 below Budget.- Sewer Improvement Project will be implemented later this FY.
- 9200 I-Bank Loan, \$2,487 above Budget - Budget split on an average basis, however, only two actual payments per FY.
- 9175 Capital Assessment SAM, \$75,835 below Budget – SAM Draft CIP not approved yet.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: January 16, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

Budget vs. Actual – Water July through November, 2013 Variances over \$2,000:

- 4610 Property Tax Receipts, \$74,052 below Budget – first Large Property Tax receipt expected in December.
- 4810 Water Sales Domestic, \$146,165 below Budget – less water sold than anticipated.
- 4850 Water Sales Refunds, Customer, \$5,590 below Budget – customer refunds higher than anticipated.
- 5230 Elections Expenses, \$4,165 below Budget – final bill expected.
- 5240 CDPH Fees, \$2,744 below Budget. – CDPH Sanitary Survey scheduled for later this FY.
- 5250 Conference Attendance, \$2,085 below Budget.- Conference attendances anticipated later this FY.
- 5270 Information Systems, \$2,500 below Budget – expenditures expected later this year.
- 5400 General Legal, \$9,538 below Budget – less legal reviews than anticipated.
- 5530 Memberships, \$2,947 above Budget. – less Membership Fees anticipated later this FY.
- 5610 Accounting, \$9,101 above Budget – higher accounting cost at the beginning of FY due to audit related work.
- 5800 Labor, \$27,804 below Budget - the allocations between Sewer and Water used for the Budget don't mirror the Actual expenditures nor are the allocations used in the Budget between Management and Staff the same as the Actual expenditures. Sewer Actual exceeds Budget by \$3,652. Conversely, in Water, Budget exceeds Actual by \$27,804. Combined Budget exceeds Actual by \$24,153 in just three line items in Water: Certification, Overtime, and Standby all have come in year to date under budget due to staff changes and increased operational efficiencies.
- 6170 Claims, Property Damage, \$4,165 below Budget – no claims to date.
- 6180 Communications, \$8,328 below Budget. – Strategic Plan and other expenditures expected later this FY.
- 6200 Engineering, \$24,548 below Budget – less General Engineering and Water Quality Engineering services needed than anticipated to date. CDPH site survey, WQ report etc. expected to increase cost later this FY.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: January 16, 2014

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6320 Equipment & Tools, Expensed, \$2,687 below Budget. – less cost than anticipated
- 6410 Pumping Fuel & Electricity, \$8,932 below Budget - less pumping perhaps due to less water production than anticipated.
- 6440 Pumping Equipment, Expensed, \$7,029 below Budget. - less pump failure than anticipated to date.

- 6510 Maintenance Supply Mains, \$4,857 above Budget. – valve repair and safety improvements at supply main.
- 6530 Water Purchases, \$103,231 below Budget – Budget split on average basis, however only 4 payments through FY with largest being the first.
- 6600 Collection/Transmission, \$22,584 below Budget. – less leak repairs than anticipated.
- 7100 Connection Fees, \$30,821 below Budget - increase in water connection fees expected later this FY due to District's PWP approval.
- 7600 Bond Revenues, G.O. \$469,222 below budget – first payment expected in December.
- 8100 Water CIP, \$468,838 above Budget. – This line item shows in Budget only the transfer to capitals not full CIP cost, however, currently contains full CIP expenditures. Maze to correct.
- 9100 Interest Expense – G.O. Bonds, \$30,521 above Budget. – Unequal cash flow throughout FY, only two large bills per year.
- 9150 SRF Loan, \$2,990 below Budget. – Less payments than anticipated.

RECOMMENDATION:

This is for Board information only



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: January 16, 2013

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier'. The signature is stylized and cursive.

SUBJECT: SAM Flow Report for November 2013

Due to the cancellation of the December Sewer Authority Mid-Coastside (SAM) meeting the November Flow no SAM adopted flow report can be submitted at this time. Staff anticipates that the report will be submitted with the next consent agenda at the February 6 meeting.

RECOMMENDATION:

This is for Board information only.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2013**

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

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 November 2013 was 0.263%.
- 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: **January 16, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Connection Permit Applications Received

As of January 16, 2014 the following new Sewer Connection Permit applications were received since the last report:

Date of Application	Property Owner	Site Address	Home Size
1/13/2014	Gulesserian	160 Arbor Lane	SFD

As of January 16, 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
1/10/2014	Guntren	1341 Cedar Street	SFD

As of January 16, 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
1/13/2014	Hawkins	885 San Ramon	SFD	Conversion
1/13/2014	Price	390 12 th Street	SFD	Domestic

RECOMMENDATION:

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



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16th, 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: Monthly Water Production Report

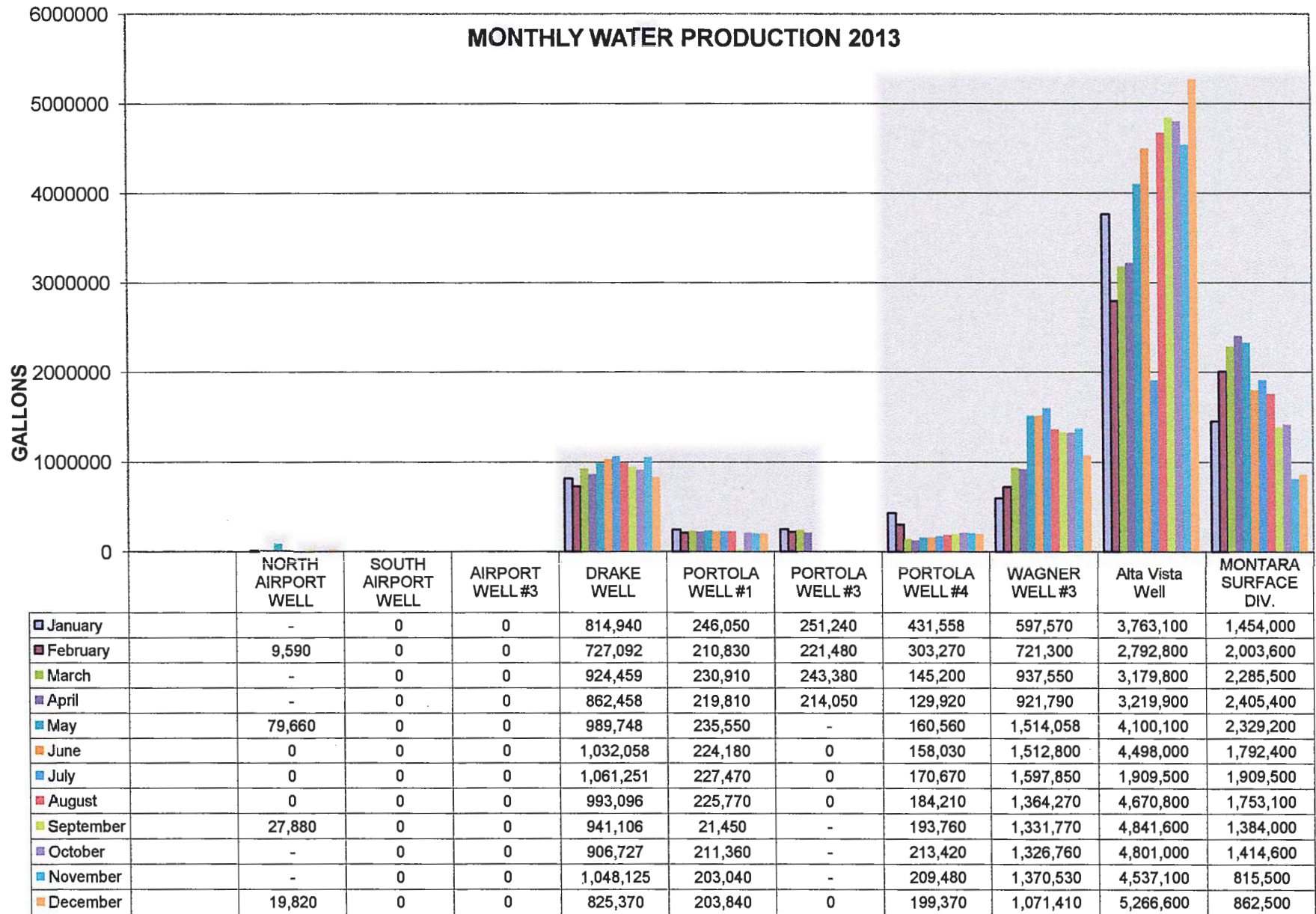
The attached two charts summarize the monthly water production for the District. The first shows a consolidated report from all sources by month. The second shows each water source the District uses, both wells and surface water. The production is shown in gallons of water produced.

RECOMMENDATION:

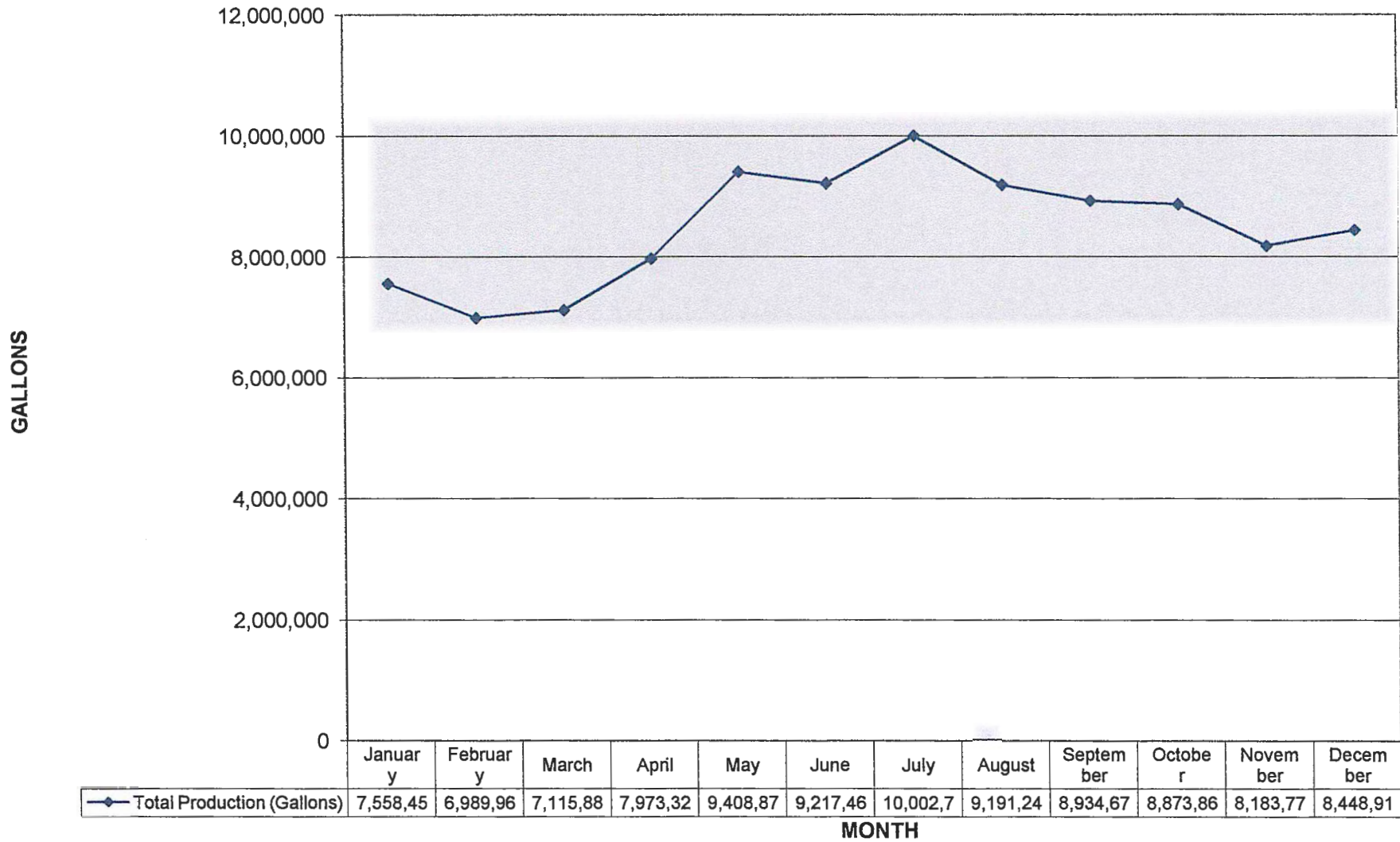
No action is required. This information is presented for the Board's information only.

Attachments

MONTHLY WATER PRODUCTION 2013



Total Production 2013(Gallons)





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16th, 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

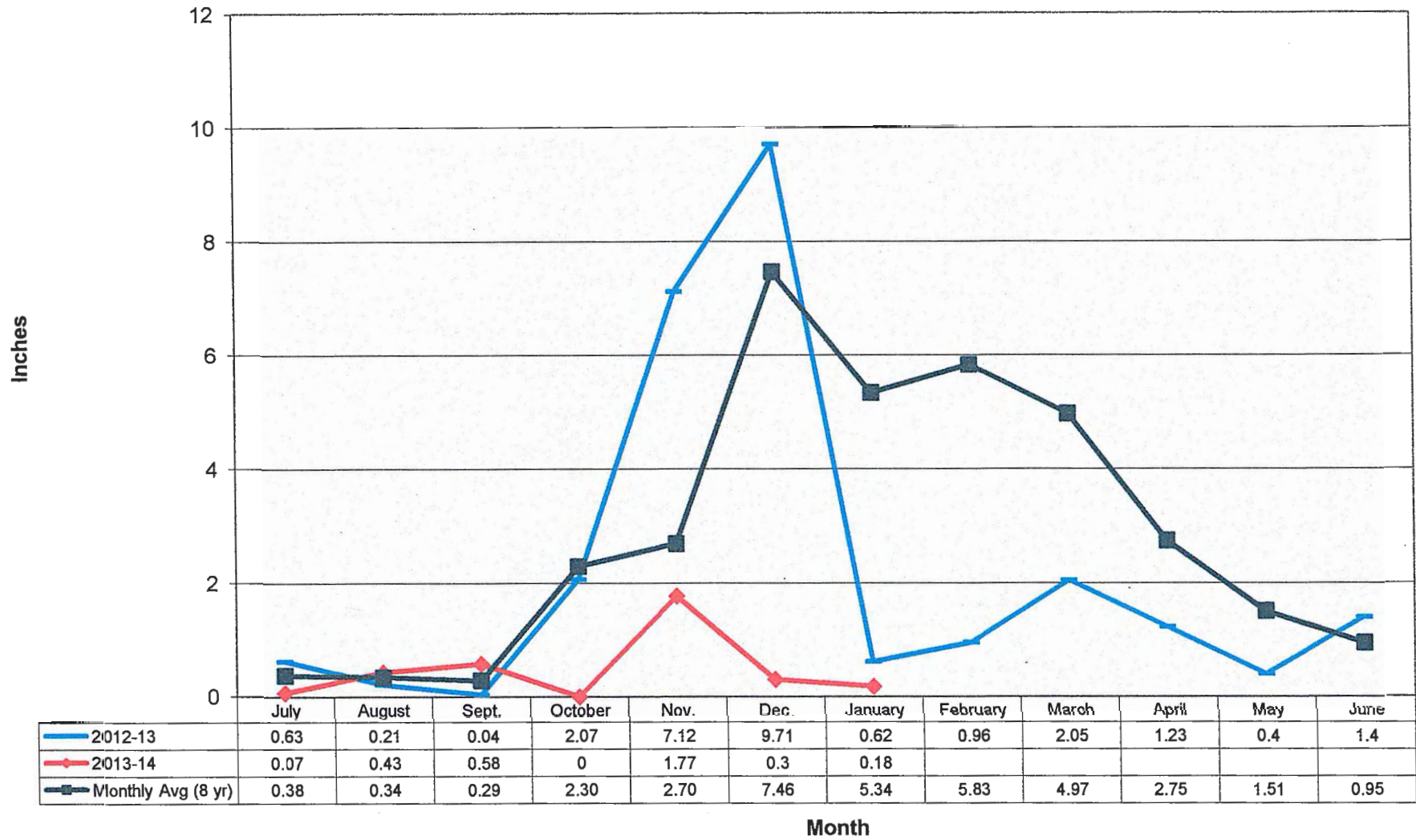
The attached chart shows the monthly rainfall at the Alta Vista Treatment Plant for the current and prior fiscal years along with the seven year average of rainfall.

RECOMMENDATION:

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

Attachment

RAIN REPORT





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16th, 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

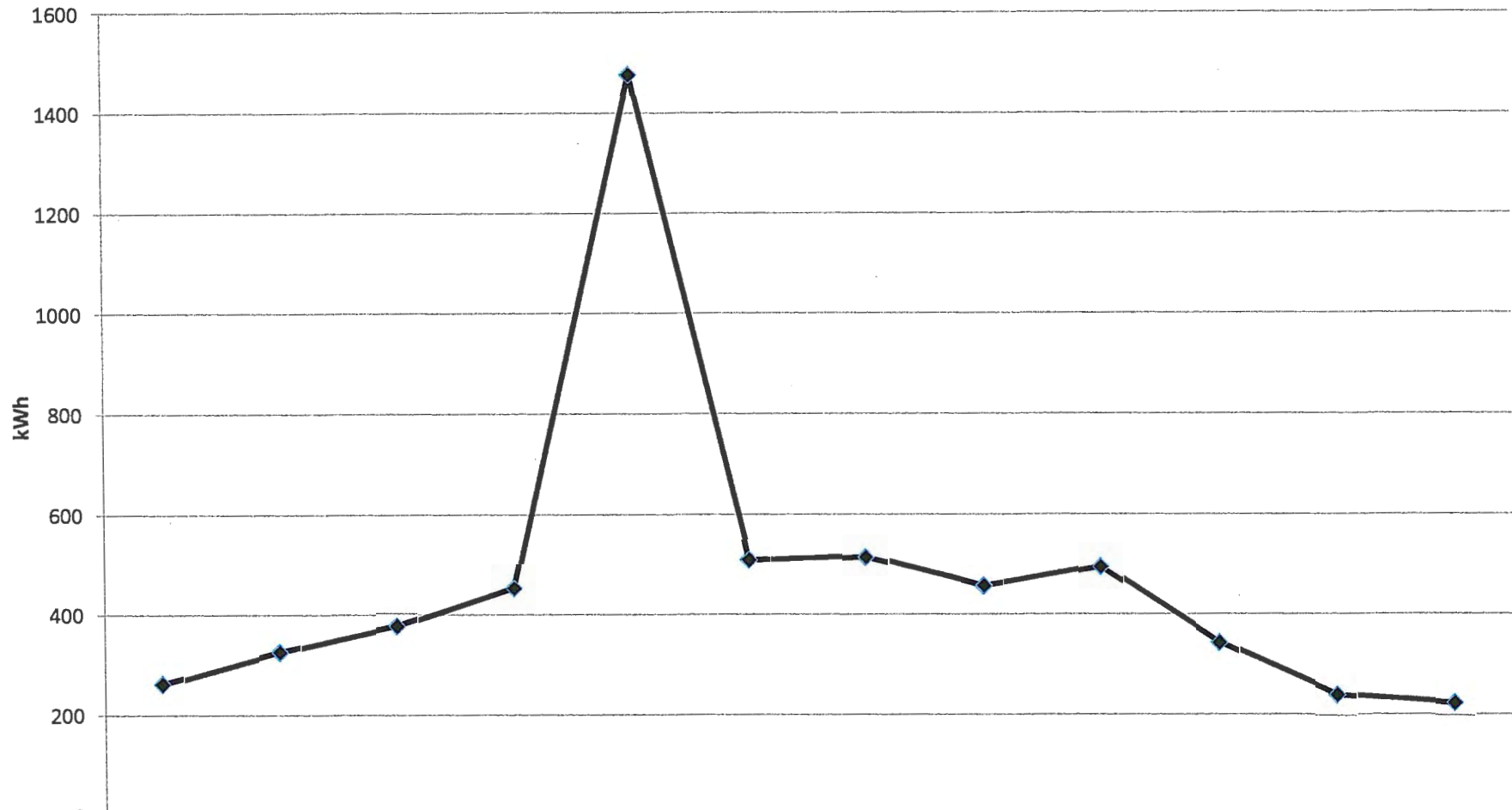
The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 31014 kWh and saved 52723 lbs of CO₂.

RECOMMENDATION:

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

Attachments

SOLAR ENERGY PRODUCED IN 2013 (kWh)



	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: **December 19, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager



SUBJECT: Review and Possible Action Concerning District Strategic Plan.

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.

RECOMMENDATION:

Select from the suggested options 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.

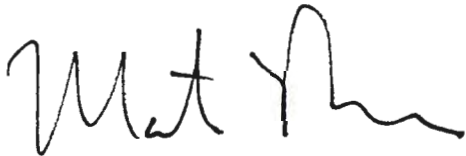
Why Rauch Communications?

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 a prominent initial "M" and a long, sweeping tail.

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 (4th) 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 WasteReuse 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.¶	P¶	Action¶	Lead¶	Board¶	Status/Comments¶	Time¶
1.0.0¶	¶	GOAL 1—WATER SUPPLY. Develop and maintain a high-quality water supply that meets the needs of our community today and in the future. ¶				
1.1.0¶	¶	Identify long-range water supply options. ¶				
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 Development Agreement(s) to address conditions of service. ¶	Mike ¶ ¶	¶	Pete & Jesse Schedule driven by developer(s) ¶	June 2011— Dec. 2013+ beyond ¶ ¶
1.1.2¶	1¶	Develop a Feasibility Study 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 partnerships to enhance water supply options . Continue to collaborate with other agencies. Pursue funding opportunities 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¶	Communicate 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¶	¶	Complete Phase II of the Creek-Aquifer Interaction Study. ¶				
1.2.1¶	1¶	Procure funding and complete Phase II—Creek-Aquifer Interaction Study . 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.¶	P¶	Action¶	Lead¶	Board¶	Status/Comments¶	Time¶
1.3.0¶	¶	Apportion costs and benefits fairly among the water supply users. ¶				
1.3.1¶	3¶	Perform update of Capital Replacement Program (4.1.0). Implement a Work Order System 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). Update Water Plant Availability Charge (PAC) Fees and Connection Fees (4.3.0). ¶	Mike ¶ ¶	¶	Aleta, Jesse ¶ (4.1.0) (4.2.0) (4.3.0) ¶	See sections referenced ¶
1.4.0¶	¶	Monitor Status of the Truckee River Operating Agreement (TROA). ¶				
1.4.1¶	3¶	Prepare a Biennial TROA Status Report 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¶	¶	Seek funding for an Olympic Valley Watershed Study. ¶				
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 Watershed Study 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	x 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
GOAL 1: PROTECT GROUNDWATER. Recognize groundwater as the District's most valuable asset and protect it as a top priority															
1.1.0 Slow and eventually reverse declining groundwater levels and protect the imported water entitlement															
113	SF-1224808/834	JG		<i>Recharge Basin & Pipeline Project</i>	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 (\$7,820,000 including a 20% contingency)	0%	12/31/2013	\$ -	\$ 7,904,000	\$ -
GOAL 2 OPERATIONAL AND ASSET MANAGEMENT Design, build, operate and maintain facilities for reliability and cost efficiency.															
2.1.0 Carry Out a Strong Maintenance Management Program that is fully proactive and documented															
2.3.1	SF-1201	237	JG	High Desert Medical Center Waste Water Package Plant	To be paid by HDMC - see matching revenue at end of list.	\$ 750,000	\$ 750,000				0%	9/30/2013	\$ 30,427	\$ 1,500,000	\$ (30,427)
PPL	SF-1202		JC	Large Meter Testing	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 WZ" & up	0%	6/30/2012	\$ -	\$ 30,000	\$ -
2.3.2	SE-1217	931	JG	<i>System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 1</i>	Develop emergency plan for water outage at HDMC					No cost associated, basically staff & possibly at little Dudek time		1/30/2012	\$ 34,101	\$ -	\$ (34,101)
2.3.3	SE-1217	931	JG	<i>System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 2</i>	Have plans prepared for the redundant water service line for the hospital. Construction contingent on funding. June 2013.		\$ 129,000	\$ 129,000				7/3/2015	\$ 128,000	\$ 129,000	\$ -

PARTVIII. PROJECT BUDGET

ACTIONS	HOURS	
	PLAN	OPTIONS
Strategic Plan		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
OPTION 4. POST STRATEGIC PLAN OUTREACH		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 +/-
OPTION 4.2 GENERAL OUTREACH		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.		
2. Administrative (\$65 / Hour)		
Prepare Reports, Type Notes From Interviews, Etc.	12	
SUBTOTAL CONSULTING TIME 70 hours @ \$187 per	\$13,090	
ADMINISTRATIVE 12 hours @\$65 per	\$780	
TOTAL ESTIMATED CONSULTING COST	\$13,870	

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: **January 16, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Drought Preparation.

For two consecutive water years (Water Year = October – November) the precipitation in the District was below average. In the first quarter of the new water year the cumulative rainfall at Alta Vista was a meager 2.07" or 15% of average cumulative of 13.64". The calendar year 2013 has been declared the driest year on record in California. The Department of Water Resources (DWR) issued early warnings of experimental dry weather forecast, however, also pointed out that two or three winter storms in California can make the difference between above or below average water year. Water districts all throughout the State are calling for voluntary and even mandatory measures to reduce the overall water consumption, as many do every below average rainfall year. In contrast MWSD has not issued Water Alerts in the past 7 years. The District is currently in Stage 1 of its Drought Contingency Plan for normal water supply conditions. Stage 1 asks for water use efficiencies that other agencies only apply in case of drought. Per capita consumption in the District is already one of the lowest in the entire state. While other District's that are connected to the State Water and Hetch Hetchy System are mandated to reduce their consumption by 20%, consumption in the District already dropped by more than 20% in the past decade.

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. While the District has access to fairly drought proof aquifers it is unclear how the current drought situation in California continues and if the local water supply in Montara and Moss Beach will be affected. According to the District's Hydrogeologist the District's main water sources can produce good amounts of local water throughout periods of below average precipitation. In addition, the District is currently implementing a well rehab program that will further increase source reliability.

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



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager
will affect the District sources in the future. At that point the Board will be asked to implement Stage 2 – Water Alert.

Please continue to conserve.

RECOMMENDATION:

Authorize the General Manager to publish Stage 1 water efficiency measures on district webpage and post offices.



MONTARA WATER & SANITARY DISTRICT

Serving the Communities of Montara and Moss Beach

P.O. Box 370131

Tel: (650) 728-3545

8888 Cabrillo Highway

Fax: (650) 728-8556

Montara, CA 94037-0131

E-mail: mwsd@coastside.net

Visit Our Web Site: <http://www.mwsd.montara.com>

PLEASE CONSERVE WATER

California is in a drought. MWSD is currently in normal water supply stage and is able to meet all the water demands of its customers. Please be proactive and voluntarily conserve water before a Water Alert has to be issued. In normal water supply stage we ask for the following water efficiency measures:

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.
- ✓ Landscape and pasture shall be irrigated early in the day or late in the evening.
- ✓ Water shall be confined to the consumer's property and shall not be allowed to run off to adjoining property or the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired within five (5) days or less if warranted by the severity of the problem.
- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways. Please wash automobiles or equipment on the lawn or at a commercial establishment that uses recycled or reclaimed water.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ Attach automatic shut-off devices on any hose or filling apparatus in use.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection. Customer requests must be substantiated in writing by a pool consultant and approved by the district.
- ✓ No outdoor water use of any kind during power outages.

Montara Water and Sanitary District

Drought Contingency Plan

Introduction

Drought is a gradual phenomenon. Although droughts are sometimes characterized as emergencies, they differ from typical emergency events. Most natural disasters, such as floods or wildfires, occur relatively rapidly and afford little time for preparing for disaster response. Droughts occur slowly, over a multi-year period.

The California Urban Water Management Planning Act of 2005 (2005 Act) requires urban water suppliers to describe and evaluate sources of water supply, efficient uses of water, demand management measures, implementation strategy and schedule, and other relevant information and programs.

The 2005 California Urban Water Management Planning Act includes the following key stipulations:

- (1) The waters of the state are a limited and renewable resource subject to ever-increasing demands.*
- (2) The conservation and efficient use of urban water supplies are of statewide concern; however, the planning for that use and the implementation of those plans can best be accomplished at the local level.*
- (3) A long-term, reliable supply of water is essential to protect the productivity of California's businesses and economic climate.*
- (4) As part of its long-range planning activities, every urban water supplier should make every effort to ensure the appropriate level of reliability in its water service sufficient to meet the needs of its various categories of customers...*

Purpose

Since 1983, the state requires every urban water supplier that provides water to 3,000 or more customers, or that provides more than 3,000 acre-feet of water annually to develop and implement an Urban Water Management Plan (California Water Code Sections 10610-10657). Montara Water and Sanitary District (District or MWSD) currently serves approximately 700 acre-feet of water annually to about 1,800 connections and is classified as a small water system

The Department of Water Resources (DWR) considers a small water system to be one that is not required to prepare an Urban Water Management Plan. However, this Drought Contingency Plan (Plan) has been developed to aide the District during a drought. This

plan outlines and evaluates the District's current sources of water supply, establish a water demand management schedule, and outline current conservation programs.

Background

The District's existing water sources include both surface water and groundwater. The District diverts surface water year round from Montara Creek at a diversion point north of Montara. The water is first delivered to a 77,000-gallon raw water tank before being conveyed to the Alta Vista Water Treatment Plant (AVWTP). The AVWTP is limited to 70 gallons per minute (gpm) rated capacity in accordance with its California Department of Public Health (CDPH) permit. AVWTP uses coagulation, contact clarification, filtration and chlorination to treat the raw water from Montara Creek. The District's water rights allow diversions from Montara Creek of up to 200 gpm. In winter months, when flows in the creek are most abundant, diversions from the creek decrease due to turbidity issues that the AVWTP currently cannot process.

Presently, the District owns eleven groundwater wells. Two of the wells, Park and Portola Estates II, are disconnected from the distribution system and have not been used in over seven years due to the exceedance of Title 22 drinking water standards for iron and manganese. The CDPH has classified the wells as 'Inactive'.

The remaining nine wells, North Airport, South Airport, Airport 3, Drake, Wagner, Portola Estates I, III, & IV and the new Alta Vista Well, have a combined actual capacity of 375 gpm. The nine currently operating District wells require some level of treatment or disinfection.

Water Demand Management Stages

Montara Water and Sanitary District has employed some form of a progressively tiered program to manage customer water demand in response to availability of water supply since 1985 (under private ownership followed thereafter by public ownership). The levels progress from basic public education on water conserving practices to mandatory measures. The specific demand management level is triggered by the availability of water supply and the ability to maintain fire fighting and emergency reserves in distribution system water storage tanks. Therefore the District will continually monitor all available sources for potential deficiencies and the system's ability to keep emergency reserves in storage tanks. The history of the District's summer season water conservation actions can be found in attached Table 1.

The District establishes and recognizes the following stage definitions and the corresponding water conservation measures to be followed by customers:

Stage 1 – NORMAL WATER SUPPLY: The District's supply and distribution system is able to meet all the water demands of its customers in the immediate future.

Stage 2 – WATER ALERT: There is a possibility that the District's supply and distribution system will not be able to meet all the water demands of its customers.

Stage 3 – WATER WARNING: The District's supply and distribution system probably will not be able to meet all the water demands of its customers.

Stage 4 – WATER CRISIS: The District's supply and distribution system is not able to meet all the water demands of its customers under STAGE 3 requirements.

Stage 5 – WATER EMERGENCY: The District is experiencing a major failure of a supply, storage or distribution facility.

The following measures corresponding to each of the established stages apply:

Stage 1 – NORMAL WATER SUPPLY: The District's supply and distribution system is able to meet all the water demands of its customers in the immediate future.

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.
- ✓ Landscape and pasture shall be irrigated early in the day or late in the evening.
- ✓ Water shall be confined to the consumer's property and shall not be allowed to run off to adjoining property or the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired within five (5) days or less if warranted by the severity of the problem.
- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways. Please wash automobiles or equipment on the lawn or at a commercial establishment that uses recycled or reclaimed water.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ Attach automatic shut-off devices on any hose or filling apparatus in use.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection. Customer requests must be substantiated in writing by a pool consultant and approved by the district.
- ✓ No outdoor water use of any kind during power outages.

Stage 2 – WATER ALERT: There is a possibility that the District's supply and distribution system will not be able to meet all the water demands of its customers.

MWSD Drought Contingency Plan
Approved August 21, 2008

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.
- ✓ Landscape and pasture irrigation will NOT be permitted on SATURDAYS and SUNDAYS.
- ✓ Automatic sprinkler system timers shall be set to operate during off peak hours between 10:00 p.m. and 6:00 a.m.
- ✓ Water shall be confined to the consumer's property and shall not be allowed to run off to adjoining property or the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired within five (5) days or less if warranted by the severity of the problem.
- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways. Washing of automobiles or equipment shall be done at a commercial establishment that uses recycled or reclaimed water.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ Attach automatic shut-off devices on any hose or filling apparatus in use.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection. Customer requests must be substantiated in writing by a pool consultant and approved by the district.
- ✓ Restaurants shall only serve water on specific request.
- ✓ No outdoor water use of any kind during power outages.

Stage 3 – WATER WARNING: The District's supply and distribution system probably will not be able to meet all the water demands of its customers.

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.
- ✓ Landscape and pasture irrigation shall be limited to a maximum of TWO DAYS PER WEEK and will NOT be permitted on SATURDAYS and SUNDAYS.
- ✓ Automatic sprinkler system timers shall be set to operate during off peak hours between 10:00 p.m. and 6:00 a.m.

MWSD Drought Contingency Plan
Approved August 21, 2008

- ✓ Water shall be confined to the consumer's property and shall not be allowed to run off to adjoining property or the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired within one (1) day or less if warranted by the severity of the problem.
- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways. Washing of automobiles or equipment shall be done at a commercial establishment that uses recycled or reclaimed water.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ Attach automatic shut-off devices on any hose or filling apparatus in use.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection. Customer requests must be substantiated in writing by a pool consultant and approved by the district.
- ✓ Restaurants shall only serve water on specific request.
- ✓ No outdoor water use of any kind during power outages.

Stage 4 – WATER CRISIS: The District's supply and distribution system is not able to meet all the water demands of its customers under STAGE 3 requirements.

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.

Landscape and pasture irrigation shall be limited to a maximum of ONE DAY PER WEEK and will NOT be permitted on SATURDAYS and SUNDAYS.

- ✓ Automatic sprinkler system timers shall be set to operate during off peak hours between 10:00 p.m. and 6:00 a.m.
- ✓ Water shall be confined to the consumer's property and shall not be allowed to run off to adjoining property or the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired within one (1) day or less if warranted by the severity of the problem.

MWSD Drought Contingency Plan
Approved August 21, 2008

- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways. Washing of automobiles or equipment shall be done on the lawn or at a commercial establishment that uses recycled or reclaimed water.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ Attach automatic shut-off devices on any hose or filling apparatus in use.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection. Customer requests must be substantiated in writing by a pool consultant and approved by the district.
- ✓ Restaurants shall only serve water on specific request.
- ✓ No potable water from the District's system shall be used for construction purposes such as dust control, compaction or trench jetting.
- ✓ No outdoor water use of any kind during power outages.

Stage 5 – WATER EMERGENCY: The District is experiencing a major failure of a supply, storage or distribution facility.

- ✓ Water will be used for beneficial use; all unnecessary and wasteful uses of water are prohibited.
- ✓ Landscape and pasture irrigation will NOT be permitted.
- ✓ Leaking consumer pipes or faulty sprinklers shall be repaired immediately or turned off.
- ✓ No hosing down of automobiles, boats, sidewalks and/or driveways.
- ✓ Washing of streets, parking lots and buildings except as necessary for health, sanitary or fire protection purposes shall be prohibited.
- ✓ No water from the District's system shall be used to fill or refill swimming pools, spas, artificial lakes, ponds or streams except as necessary for public health or fire protection.
- ✓ Restaurants shall only serve water on specific request.
- ✓ No potable water from the District's system shall be used for construction purposes such as dust control, compaction or trench jetting.

- ✓ No outdoor water use of any kind.

Water Demand Management Measures

The District is consistently updating and implementing new methods for water conservation. Such conservation measures include but not limited to the following categories:

- ✓ Customer water metering system upgrades for early leak detection
- ✓ Water main repairs and replacements for leak prevention
- ✓ Public information and educational activities
- ✓ Low-flow toilets and washing machine rebates

District and Consumer Water Audits, Leak Detection, and Repairs

To minimize losses in the distribution system, District employs a proactive leak detection program. In 2007, the District replaced all 1,600 customer water meters with new meters equipped with a radio-read device. A conventional brass water meter with a small transmitter broadcasts a signal every four seconds of the water being used. This information is collected by an employee driving by with a receiver and greatly reduces the time required for meter reading.

In addition, the District has purchased several Orion water meter monitors. This monitor is a small device (5 inches by 3 inches) that can also receive broadcasts from the small water meter transmitter. An optional leak detection alert indicates if there has been a 24-hour period with no one-hour period of zero consumption. It will help to determine if there is a leak. This device can be borrowed or purchased through the District. The device comes with a magnet built into the case so that it can be displayed easily on a refrigerator door to assist water customers in their demands management and early leak detection.

In addition, an aggressive program to replace mains demonstrating high leak rates has been implemented every year since 2003 to reduce water losses.

Public Information and Education Activities

Conservation kits are offered free or charge to District customers. The kits contain conservation literature and tips on how to save water and are available to all District customers at the District's office. In addition, the District has been offering other conservation materials; including faucet aerators and low flow showerheads to its customers.

The District's website offers a drip calculator to measure and estimate water wasted due to leaks. There is also a link to sign up for the Countywide Community Alert System of

MWSD Drought Contingency Plan
Approved August 21, 2008

San Mateo County (SMC Alert). This is an alert notification system used to immediately contact anyone during urgent or emergency situations with useful information and updates via text message.

Residential Rebate Programs

The District has offered customer rebates on purchases of high efficiency washing machines and low-flow toilets since late 2003. In the first year of rebate program implementation, 18 washing machine rebates and 13 toilet rebates were awarded. To qualify for the rebate (\$150 per washing machine, \$50 per toilet) the following requirements must be met:

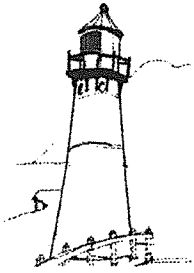
- ✓ Washing machines must be listed on the Consortium for Energy Efficiency (CEE) Qualifying Product List or have a water factor of 10.0 or lower. The rebate application must specify the make and model.
- ✓ Low flow toilets should have an IAPMO-approved UPC symbol on the outside of the box containing the toilet tank. The rebate application must specify the make and model.
- ✓ Washers and toilets must be installed in District service area prior to submitting the application.
- ✓ The District reserves the right to make an on site inspection of the installation prior to issuance of the rebate.
- ✓ The IRS requires that customers receiving rebates greater than \$600 be issued IRS Form 1099.

MWSD Drought Contingency Plan
 Approved August 21, 2008

Table 1 History of Summer Season Water Conservation Actions

<i>Year</i>	<i>Irrigation only in early morning or late evening</i>	<i>Bucket wash cars & boats</i>	<i>No hosing of sidewalks & driveways</i>	<i>Use auto-close nozzles on hoses</i>	<i>Irrigation per even-odd system</i>	<i>No weekend irrigation</i>	<i>No refills of pools & fountains</i>	<i>Trucking of supplemental supply</i>
1985		x	x		x	x	x	x
1986		x	x		x	x	x	x
1987		x	x		x	x	x	x
1988		x	x		x	x	x	
1989	x	x	x	x	x	x	x	
1990	x	x	x	x	x	x		x
1991								
1992								
1993		x	x		x	x		
1994		x	x		x	x		
1995								
1996		x	x		x	x		
1997								
1998	x	x	x		x	x		
1999								
2000		x	x		x	x		
2001		x	x		x (1 day each)	x	x	
2002		x	x		x	x	x	
2003		x	x		x	x	x	
2004		x	x		x	x	x	
2005		x	x		x	x	x	
2006		x	x		x	x	x	

'X' indicates a conservation action implemented during the corresponding year



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2014**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

A handwritten signature in black ink, appearing to be 'C. Heldmaier', located to the right of the 'FROM' line.

SUBJECT: Review and Possible Action Concerning Reorganization of Granada Sanitary District into Community Services District adding the Service of Park and Recreation.

The Granada Sanitary District (GSD) filed an application with the San Mateo County Local Agency Formation Commission (LAFCo) 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.

RECOMMENDATION:

Discuss the item and take appropriate action.

Attachments



GRANADA SANITARY DISTRICT
OF SAN MATEO COUNTY

Board of Directors
Matthew Clark, President
Leonard Woran, Vice President
Jim Blanchard, Secretary
David Seaton, Treasurer
Ric Lohman, Board Member

January 7, 2014

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

Re: Formation of Ad Hoc Committee to Discuss Potential Consolidation Issues

Dear Clemens,

At the December 12, 2013 meeting of the Granada Sanitary District, the GSD Board President appointed an ad hoc committee consisting of Directors Lohman and Blanchard to discuss issues related to potential future consolidation of services with MWSD. The San Mateo County Local Agency Formation Commission has requested that GSD investigate this issue as part of GSD's application to reorganize into a community services district with the addition of parks and recreation powers. The GSD board also directed me to contact MWSD to ascertain your district's interest in forming an MWSD ad hoc committee to discuss potential consolidation issues. Thank you for your consideration of this request.

Sincerely,

Granada Sanitary District

Chuck Duffy, General Manager



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H Heldmaier, General Manager

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

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.

Legal Counsel recommended to confirm the discussed assignments at this meeting.

RECOMMENDATION:

Confirm the appointment as shown in the attached chart, 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.

Attachment

MONTARA WATER AND SANITARY DISTRICT

BOARD OFFICERS, AGENCY REPRESENTATIVES AND COMMITTEE ASSIGNMENTS

BOARD OF DIRECTORS

POSITION	APPOINTMENTS FOR 2013	CURRENT OFFICE 2014
President	Kathryn Slater-Carter	Scott Boyd
President Pro Tem	Jim Harvey	Jim Harvey
Secretary	Scott Boyd	Dwight Wilson
Secretary Pro Tem	Jim Harvey (alter.) Bob Ptacek(alter.) Chris Thollaug(alter.)	Bill Huber Kathryn Slater-Carter Jim Harvey
Treasurer	Bob Ptacek	Kathryn Slater-Carter

AGENCY REPRESENTATIVES

AGENCY	APPOINTMENTS FOR 2013	CURRENT APPOINTMENTS 2014
SAM Representatives	Jim Harvey Scott Boyd Kathryn Slater Carter (alternate) Chris Thollaug (alternate)	Jim Harvey Scott Boyd Kathryn Slater Carter (alternate) Bill Huber (alternate)
CSDA Member	Kathryn Slater-Carter Bob Ptacek (Alternate) Chris Thollaug (Alternate) Jim Harvey (Alternate) Scott Boyd (Alternate)	Kathryn Slater-Carter Bill Huber (alternate) Dwight Wilson (alternate) Jim Harvey (alternate) Scott Boyd (alternate)
ACWA Member	Bob Ptacek	Dwight Wilson

MONTARA WATER AND SANITARY DISTRICT

STANDING COMMITTEES

COMMITTEE	APPOINTMENTS FOR 2013	CURRENT APPOINTMENTS 2014
Budget and Finance	Chris Thollaug	Kathryn Slater-Carter
	Bob Ptacek	Bill Huber
Personnel	Bob Ptacek	Dwight Wilson
	Jim Harvey	Jim Harvey

AD HOC COMMITTEES

COMMITTEE	APPOINTMENTS FOR 2013	CURRENT APPOINTMENTS 2014
Recycling/Solid Waste	Kathryn Slater-Carter	Kathryn Slater-Carter
	Bob Ptacek	Dwight Wilson
WEB	Bob Ptacek	Bill Huber
	Scott Boyd	Scott Boyd
Outreach	Kathryn Slater-Carter	Kathryn Slater-Carter
	Jim Harvey	Bill Huber
Legislative	Scott Boyd	Scott Boyd
	Kathryn Slater-Carter	Kathryn Slater-Carter
CCWD	Kathryn Slater-Carter	Jim Harvey
	Bob Ptacek	Bill Huber
Newsletter	Scott Boyd	Scott Boyd
	Jim Harvey	Kathryn Slater-Carter
Wireless Lease	Scott Boyd	Scott Boyd
	Kathryn Slater-Carter	Kathryn Slater-Carter
Planning	Scott Boyd	Scott Boyd
	Kathryn Slater-Carter	Kathryn Slater-Carter

MONTARA WATER AND SANITARY DISTRICT

Big Wave	Bob Ptacek Kathryn Slater-Carter	Dwight Wilson Kathryn Slater-Carter
Rate Study (1/22/10)	Bob Ptacek Jim Harvey	Kathryn Slater-Carter Jim Harvey

Note: Terms for all positions begin January 1, 2014 and end December 31, 2014 unless otherwise indicated by the Board of Directors.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

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

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.

RECOMMENDATION:

This is for Board information only.



Department of Public Health

WATER QUALITY EMERGENCY NOTIFICATION PLAN

Name of Utility: Montara Water and Sanitary District (4110010)

Physical Location/Address: 8888 Cabrillo Hwy Montara CA 94037

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.

4. If the above personnel cannot be reached, contact:

Office of Emergency Services Warning Center (24 hrs) (800) 852-7550 or (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.

NOTIFICATION PLAN

Attach a written description of the method or combination of methods to be used (radio, television, door-to-door, sound truck, etc.) to notify customers in an emergency. For each section of your plan give an estimate of the time required, necessary personnel, estimated coverage, etc. Consideration must be given to special organizations (such as schools), non-English speaking groups, and outlying water users. Ensure that the notification procedures you describe are practical and that you will be able to actually implement them in the vent of an emergency. Examples of notification plans are attached for large, medium and small communities.

Report prepared by:

Tatyana L. Purody District Engineer, MWSD
Signature and Title

11/21/13
Date



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **January 16, 2013**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

SUBJECT: Managers Report

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

Construction of the new Schoolhouse Tank is close to completion. The Tank will be inspected by the State Department of Public Health next week and we plan to start operation in early February.

Attended Meetings:

On January 16 the General Manager attended a facilities walk through with representatives from the City of HMB, Granada Sanitary District and SAM to discuss changes to planned capital improvements.

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

Press: On December 20 the General Manager issued a press release regarding the Coastal Commission approval of the Public Works Plan Amendment. Related Phone calls from Mark Noak with the HMB Review were received on December 23.

On January 10, the General Manager received a phone call from Sara Reis with the HMB Review inquiring about the District's drought preparedness.

RECOMMENDATION:

This is for Board information only.