



**Montara Water  
and Sanitary District**  
*Serving the Community of Montara and Moss Beach*

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*To sensitively manage the natural resources entrusted to our care, to provide the people of Montara - Moss Beach with reliable, high – quality water, wastewater, and trash disposal at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations. Be open to providing other services desired by our community.*

# AGENDA

**District Board of Directors**

**July 2, 2020 at 7:30 p.m.**

**DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED REMOTELY PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 TEMPORARILY SUSPENDING AND MODIFYING CERTAIN TELECONFERENCE REQUIREMENTS UNDER THE RALPH M. BROWN ACT. MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.**

Directors, staff and the public may participate remotely via the application ZOOM:

ZOOM MEETING INFORMATION:

WEBSITE: <https://us02web.zoom.us/j/89385449875?pwd=OXpjN3ZiY0p3UzQ0WVlNGhxm95QT09>

MEETING ID: 893 8544 9875

Password: 390640

CALL IN PHONE NUMBER: +1 669 900 9128

INSTRUCTIONS for remote access are available at <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>. You also may view video during the meeting via live stream or after the meeting at <https://videoplayer.telvue.com/player/wuZKb9gwEY7sMACIIsr7VSJglB35kNZA/stream/159?fullscreen=true&showtabssearch=false&autostart=false> . If you experience technical difficulties or have technical questions prior to or during the meeting, please contact MWSD's IT support at (650) 728-7843.  
Note: Public participation is not permitted during closed session discussion items.

### **Public Comment**

In accordance with the Government Code, members of the public may address the Board on specific agenda items when the matter is announced by the Board President. Any other item of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. A "raise hand" button available for every Zoom user can be used to alert the President of the intent to comment.

Public comment also may be submitted in writing (in accordance with the three-minute per speaker limit) via email to [info@mwsd.net](mailto:info@mwsd.net) up to one-hour prior to the scheduled meeting time. Please indicate in your email the agenda item to which your comment applies. The District Clerk will read all comments into the record. Comments and materials related to an item on this Agenda submitted after distribution of the Agenda Packet are available in the District Clerk's office during normal business hours and may also be available on the District's web site ([www.mwsd.montara.org](http://www.mwsd.montara.org)) subject to staff's ability to post the documents before the meeting.

Upon request, this Agenda and written agenda materials will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or accommodation in order to participate in the public meeting should be emailed to [info@mwsd.net](mailto:info@mwsd.net) or submitted by phone at 650-728-3545 at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, and local orders, the format of this meeting may be altered, or the meeting may be canceled. You may check on the status of the meeting by visiting the District's website at: <http://mwsd.montara.org> .

## **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 Regular Scheduled Board Meetings May 21 and June 4, June 10, and June 18, 2020.](#)
2. [Approve Financial Statements for May 2020.](#)

3. [Approve Warrants for June 1, 2020.](#)
4. SAM Flow Report for May 2020.
5. [Monthly Review of Current Investment Portfolio.](#)
6. [Connection Permit Applications Received.](#)
7. [Monthly Public Agency Retirement Service Report for March 2020.](#)
8. [Review and Possible Action Concerning Execution of Deed of Reconveyance in Satisfaction and Extinguishment of Promissory Note Under the District's Employee Mortgage Loan Assistance Program.](#)
9. [Monthly Water Production Report](#)
10. [Rain Report](#)
11. [Monthly Solar Energy Report](#)

## **OLD BUSINESS (none)**

## **NEW BUSINESS**

1. [Review and Possible Action Concerning Refinancing 2012 General Obligation Bonds for Savings.](#)
2. [Review and Possible Action Concerning Acceptance of Sewer Main Extension at 1928 Sunshine Valley Road.](#)
3. [Review and Possible Action Concerning Authorization to Advertise for Bids – 2020-2021 Sewer Improvement Project and Spot Repairs.](#)
4. [Receive Information about Education Reimbursement Augmentation Fund Concerns.](#)
5. [Review and Possible Action Concerning Professional Services Agreement with Strategic Communications Outreach Consultant.](#)
6. [Review and Possible Action Concerning District Election on November 3, 2020.](#)
7. [Review and Possible Action Concerning Local Agency Formation Commission Special District Member.](#)

## **REPORTS**

1. Sewer Authority Mid-Coastside Meetings (Slater-Carter).
2. MidCoast Community Council Meeting (Slater-Carter).
3. CSDA Report (Lohman).
4. LAFCo Report (Lohman).
5. Attorney's Report (Fitzgerald).
6. Directors' Reports.
7. [General Manager's Report \(Heldmaier\).](#)

## **FUTURE AGENDAS**

1. MWSD Defined Benefit Plan Actuarial Evaluation.
2. Strategic Community Planning Workshop.
3. MWSD Excess Property Evaluation.

**CONVENE IN CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.*  
(Santa Clara County Super. Ct. No. 17CV316927)

**REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

**ADJOURNMENT**

The District has a curfew of 10:30 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.



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

**BOARD OF DIRECTORS MEETING**  
**May 21, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**REGULAR SESSION BEGAN AT 7:32 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, Lohman, and Slater-Carter

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald  
District Accountant, Peter Medina  
District Sewer Engineer, Pippin Cavagnaro  
District Water Engineer, Tanya Yurovsky  
General Manager of Sewer Authority Mid-Coast, Kishen Prathivadi  
Finance Officer of Sewer Authority Mid-Coast, George Evans  
Kastama Consultants, Alison Kastama  
Wastewater Management, Dan Childs

## **PRESIDENT'S STATEMENT –**

Director Slater Carter stated discussion has been going on in the community about Prop 218, and there has been a lot of good questions as well as some hearsay going around, and it appears that the community needs more information. Once it is possible for the community to get together, the Board would like to have another workshop, a strategic plan type session, where the Board and staff can answer questions, clarify issues, and work on getting a complete understanding. The community has done a great job taking a shipwreck of a water system and turning it into a great functioning district that provides the community with safe water in a reliable fashion.

## **ORAL COMMENTS**

Gregg Dieguez, Montara Resident commented that he sent a second email with questions about the SAM budget as well as the MWSD budget.

**PUBLIC HEARING – none**

**CONSENT AGENDA - none**

**OLD BUSINESS - none**

**NEW BUSINESS-**

### **1. Review and Possible Action Concerning Sewer Authority Mid-Coastside (SAM) FY 2020-2021 Budget.**

General Manager Heldmaier said he was pleased that there are so many participants at the meeting and appreciates their interest in the finances of the District. This revised SAM Budget was approved by the SAM Board, and Kishen Prathivadi will present the details of the budget. There are two budgets: the Collections budget, which provides the field service to maintain the sewers in Montara and Moss Beach. It has been decreased overall \$144,000 dollars or 17% from last year, due to a change in services for Half Moon Bay, and MWSD's assessment decreased about 24% or \$83,000 dollars. The General Budget, which includes treatment and operations, and the assessment of the member agencies has been reduced by 1% or about \$100,000 dollars. The total SAM budget is 7.3 million dollars. A portion of that is what is called the Infrastructure Division budget, or a capital improvement program, for 2 million dollars. Our assessment will increase about 4% or \$55,000 dollars. The SAM budget is asking for a contribution from MWSD of 1.584 million dollars. SAM staff is here to answer any questions and is for information only. The final draft of the SAM budget will be agendized for final approval at the June 4<sup>th</sup> meeting.

Kishen Prathivadi stated that Management Partners assisted in preparing the General budget. Dan Childs of Wastewater Management helped with the Collections budget. Beginning with the General budget, the key budget points are: all authorized positions are included, two vacant positions were defunded, applicable one step merit increase is included, one vacant position budgeted at mid-step, decrease in health benefits due to overestimate in last year's budget and defunded positions, retirement cost increase due to underestimate last year and COLA, new staff with non-classic/PEPRA, applied 3% CPI to all non-personnel costs unless other changes are needed. In the Infrastructure budget, some projects were deferred until the next year. Under the Expense by Category, a large percentage is personnel—wages and benefits, then infrastructure, other expenses—which are utilities, maintenance service, and legal and professional services. The list of staff is for administration, operations, and environmental compliance, for a total of 12 employees. Five employees are scheduled for a merit increase, and 6 employees are at the top step, one position is vacant. The changes from last year are: a decrease in wages in benefits (due to defunding of two positions) of 10%, an increase of legal and profession services to 55%, operating costs an increase of 6%, and infrastructure a decrease of 21%. The total for the General Budget has an overall decrease of 2%. The assessment for Montara is 22% or 1.5 million, which is an increase of 4% over last year. This assessment is based on the historical flow allocations in the last year. The Collections budget is for the collection of sewage into SAM, and managing the sewer--maintaining the lines in Montara and the 13 lift stations owned by MWSD and 23 grinder stations. The previous General Budget is for the function of SAM, the wastewater treatment plant, the 3 pump stations SAM owns. The General Budget is part of the Joint Powers Authority and assessment was based on flows and the Collection Contract Services is not. The Collections budget was based on a model that was done for Half Moon Bay last year. All agencies will now have a minimum of 50% of their lines cleaned annually. Once 50% of all systems have been cleaned each year, then the General Manager will coordinate with the General Manager of the three agencies to identify the most critical work to be performed in the remaining amount of time. Total costs are calculated including services for line cleaning, lift station maintenance, FOG (fat oil grease) inspections, hot spot cleaning, emergency response, USA marking, reporting and respective meetings. Hot spot and line cleaning were considered at \$1.44 per linear foot, and the cleaning costs were proportionally divided based on percentage of the total linear feet owned by each agency. Collections has four staff workers. In comparing the Agency Fees, for MWSD there has been a decrease of 24% or \$83,000 dollars and a total for the SAM Collections budget a total decrease of 17.6%.

Carlyle Young asked about 2018 audit, and the vacant accounting position.

Kishen Prathivadi replied that the 2018 is in process and has been subcontracted to an outside accounting firm. It should be completed, along with the 2019-2020 audit, by the end of this year.

Maureen Lennon asked if the CIP of 1.975 million includes any contributions of the new annual fee proposed by MWSD.

General Manager Heldmaier said no. The District provides water and sewer services. SAM takes care of the sewage from Montara, El Granada and Half Moon Bay. They have a need of 1.975 million dollars, and we pay approximately 21% of that through our Sewer budget, and not our water budget. The charge is not related to the 1.975 million that SAM is asking for.

Chuck Lintel asked if there is estimated costs on per person basis in each of the Districts in regards to sewer.

General Manager Heldmaier said he does not have costs for the other districts but does have those costs for MWSD. Comparing costs for the districts is problematic because the three districts are very different in their individual needs. If you look at Half Moon Bay, it is a simple situation for sewage, somewhat flat with the mountain on the edge. So, everything can drain by gravity towards the SAM plant. The same is true for the Granada Communities Services District, a relatively simple system with minimal pumps required, also utilizing gravity flow into the sewage system. They are more rural and more pipe length is required for service to individual homes. Montara and Moss Beach are dramatically different. Kishen Prathivadi mentioned we have 13 major pump stations and a multitude of smaller grinder pumps. The geography is very different from the other two member agencies. There are mountainous areas that extend into the back of Montara and Moss Beach. So, there is a need to pump sewage multiple times. It is an apples to oranges comparison. What is also different is how the agencies are funded. Granada Communities Services receives a much higher share of property taxes, so their funding structure is different. So, with the differences between the agencies, it is difficult to compare them.

Carlyle Young asked if the collections are outsourced for all districts.

General Manager Heldmaier said that Kishen Prathivadi gave the answer to that question. It is mainly no. The main services for all three agencies are now provided by SAM.

Gregg Dieguez asked if he could get copies of the budget earlier. He also asked why MWSD is paying more for collections than everyone else, and is this now an integrated service agreement for all three member agencies?

General Manager Heldmaier said that the Collections services allocation is fair. It does not mean an agency cannot outsource some of their services. For the next fiscal year, they have an agreement to share the services based on the needs of the system. While other companies may be comparable in cost, it is the emergency services that SAM provides that is important.



Kishen Prathivadi stated that MWSD costs are higher because they have more lift stations. Montara has 13 lift station, and 23 grinder stations, while Half Moon Bay has 3 lift stations, and El Granada has one. So, the time required for the maintenance mechanic dedicated to MWSD will be more than the others.

Gregg Dieguez asked if both budgets are independent of each other.

Kishen Prathivadi replied they are totally independent of each other.

Gregg Dieguez asked General Manager Heldmaier why there is only one line item in MWSD sewer budget. Shouldn't they be broken out in terms of projecting and analyzing costs?

General Manager Heldmaier replied if Mr. Dieguez was referring to the Cash Flow summary, it is one line item. It is broken down in the excel spreadsheet. He also commented that in his opinion the Collections Budget and the General Budget are related. Although the finances are separate, the relationship between the two are important. For example, if no one wants collection services, the Collection service budget goes away, but the staff that provide the emergency services will then get paid through the General budget.

Kishen Prathivadi concurred in that administrative staff help in the treatment plant as well as collections. But those costs are not added to collections.

Gregg Dieguez asked how they can function without the two positions just defunded. Has this been shifted to Dan Child or a professional services and/or consulting?

Kishen Prathivadi said that Dan Child's contract is separate from the defunding of the Engineering Contracts Manager as well as finance person. The contract was given to Dan before SAM defunded the position. He said they intend to outsource a consultant for the defunded positions on a "as needed" basis, rather than have staff in-house. SAM has a financial officer that is working with an accountant that will satisfy the requirements for SAM.

Gregg Dieguez asked how can environmental compliance costs decrease by 40%? It seems to be going against the industry trend.

Kishen Prathivadi replied that this is not the environmental costs. The General Budget is divided into four divisions: Administration, Infrastructure, Operations, and Environmental. The Environment division relates to the cost of lab samples, permits, etc. and it was over-estimated last year. SAM is not making any comprises on environmental requirements.

Gregg Dieguez said he could not find the details of the SAM capital projects in the packet. Where is the description of what the capital is being invested?

Kishen Prathivadi said it is not in the budget but was in his power point. The capital improvement projects were adopted by the Board, and he will send the details to Clemens to pass on to Mr. Dieguez.

Director Slater-Carter stated that there was a comment made that the SAM budget passed in 9 minutes at the SAM Board meeting. She wanted to point out that this was the culmination of a lot of work from the Finance Committee, General Managers, and staff, with several iterations. She added that the SAM budget is a public document, and anyone can see it.

Kishen Prathivadi said once the budgets are adopted it will be posted on the website, or they can email him, and he will share the documents. Also, if anyone would like to be notified about the SAM Board meeting and agenda, to let him know and he can add them to the email list.

Director Lohman said that the budget took months and many hours of hard work, ideas, and iterations. There are certain legal requirements where the SAM Board must vote and approve the budget before they send it out. That is not talking about 5 minutes of analysis. That is just a formal vote to send it out at the end. Tons of work went into this and SAM must formally approve this when it is finally done, and that really does not take a lot of time. He also noted that the budget was less this year.

Kishen Prathivadi wanted to clarify the 9 minutes that it took SAM to approve the budget and what people are talking about. The budget which was discussed May 11<sup>th</sup> was a minor revision of what was discussed April 27<sup>th</sup> where it was discussed at length.

Director Lohman said he is a SAM rep and has been following this budget process for several months, and he is happy with where they are right now.

Director Boyd said he was glad it passed so quickly, because that reflects the unanimity that comes from everyone working together.

Director Dekker thanked Kishen Prathivadi and was pleased that MWSD paying less this year than what was contributed last year.

Director Harvey also thanked Kishen Prathivadi for all his hard work.

Director Slater-Carter commented the fees paid to Waste Management are due to SAM being in a critical spot. She wanted to stress the importance of proper monitoring and maintenance of equipment before things break to avoid the costs and regulatory consequences resulting from that. Additionally, Montara doesn't

have much commercial to underwrite its costs, to share the cost burden of residential. Also, sewer service is based on water consumption, and a fair number of houses have been used for Airbnb, decreasing sewer revenue. If MWSD were to be consolidated, there would be District Rates, and residents would be paying the same or more because it wouldn't be a blended rate.

Director Slater-Carter answered a question about Kishen Prathivadi. He was originally the engineer at SAM and then replaced Beverli Marshall as the new General Manager.

## **2. Review and Possible Action Concerning the Draft 2020-2021 MWSD Water and Sewer Budget.**

General Manager Heldmaier stated that the District, as an essential service has been functioning during the pandemic without interruption in service. He showed the Sewer Cash flow Summary. Under the Operating Income is the sewer service charges that are collected from the residents which allow MWSD to fund most of the sewer needs. This revenue includes the 9% increase. However, the 9% increase does not constitute a 9% increase in revenue, due to various factors and variations with the individual properties. Other sources of revenue include cell tower lease and permitting fees. Another portion is the property taxes which is the District's share of the 1% property tax, which is shared between the water and sewer side. This amount is likely to be less, due to the ERAF (Educational Reimbursement Augmentation Fund) which allocates money to help schools meet minimum funding requirements and the excess is then distributed proportionally respectively. The amount varies and is difficult to predict. The Wastewater Collection revenue is the franchise contract with Recology of the Coast. The total operating income is expected to be 3.6 million dollars. On the Operating Expense side, Personnel has a slight increase, and there is a Cost of Living increase (COLA) that is built into it. This is based on the Bay Area Specific Index from April to April, which is a 1% increase. Professional services have been reduced, as well as some of the smaller line items. For SAM, MWSD's share is 1.948 million dollars, or 21 % share of the SAM General Budget and the Collections Budget. The difference then provides a net cash flow of approximately \$857,977 dollars that can be used for a capital improvement project. Under the Capital Improvement program, the Sewer Engineer put together. There are various other expenses and revenue, but the bottom line shows the transfer from Sewer reserves is the same as the Overall projected cash flow. This indicates a deficit of \$1,045,000 dollars if we want to do what is in the budget. We are using a portion of the sewer reserves to fund a portion of the Capital Improvement program. Most of the capital funds have been set-aside for the Cabrillo Highway project, which repairs the trunkline in Montara. MWSD is awaiting the permit, and once approved, will move forward with it. The other capital expenses are pipeline projects prioritized by need. On the Water side, the District did not raise water rates this year, and do not intend to raise them next year. The water sales are expected to be down, due to water conservation. There is also an impending drought impacting

water sales. Much of the Water Operating income reflects the sewer, as they are shared 50/50. The backflow is performed in-house and has some expected revenue. The total Operating income is 2.2 million dollars. Personnel costs are higher on the water side. On the sewer side, the fieldwork is outsourced through SAM, and on the water side work is done by staff. The total Operating expenses total approximately 1.9 million dollars, and the net cash flow provided by Operations is about \$350,000 dollars. Last year, it was only \$81,000 dollars. This net flow in Operations has been used in prior years to supplement the infrastructure program. This year, the District did not implement water sale increases, and prior to that there was a 3% increase for a few years. However, with conservation and inflation, each subsequent year the revenue received from the rate increase diminishes. The GO Bond skew the numbers a bit. It is put in to show the cash flow, but this goes into a separate account that pays off the GO Bond and can be ignored. The Water Reliability charge is what the District is requesting going forward which would fund our capital improvement projects. Last year the capital improvement projects were funded by reserves, because the water side does not have reserves. It was funded by a loan from the sewer side. If the Water Reliability charge is approved, the one million dollars would be exclusively for the capital projects.

Director Dekker stated that he joined the Board in November, and it took him some time to catch up with the details. Just as was the case with SAM, he, along with the Finance Committee, District Account Peter Medina and General Manager have worked very hard on this budget with many iterations. They cut \$104,000 dollars on the sewer side, and \$28,000 dollars on the water side. It was difficult to find cuts that were not thoroughly vetted before. MWSD needs the operating budget to contribute to the Capital reserves and build up rather than build down. MWSD has a capital reserve in the Water side of only \$398,000 dollars, which means that they have a minimum requirement of 1.8 million dollars, and are 1.5 million dollars short. This is detrimental to the cash flows. The Sewer side is in a better position with 3.9 million dollars in reserves, with a minimum capital expenditure of 3.1 million dollars. MWSD has to have enough reserves down the road to come up with replacement of their infrastructure. These numbers have been vetted and reviewed again and again by people who specialize in this field. If the District doesn't have enough reserve for the infrastructure it becomes very difficult to secure loans or grants because the banks will look at MWSD's performance and say the operational and capital improvement reserves are below par. That is what is important to keep in mind when looking at this budget.

General Manager Heldmaier pointed out that the District will also fund an Economic Hardship rate for people that need support and is currently on the PG&E Care program. Eligible participants will receive \$100 discount on the water side, and \$100 discount on the sewer side.

Director Harvey said that being on the Finance Committee, a lot of time and effort went into working on the budget. Since acquiring the water system, the District has

been making improvements at a steady rate and must continue with capital improvements that are no longer sustainable and must be replaced.

District Account Peter Medina said that he, the Finance Committee, and General Manager Heldmaier have gone through the line items on both Budget summaries. They view it as a cash flow basis, meaning they try to recognize all dollars in and all dollars out. Not all these items affect the Profit and Loss statement (Statement of Activities)—not all of these items are reflected there, some of them are balance sheet transactions. The service of debt as well as the capitalized expenditures for CIP for water and sewer are the main drivers. They are budgeting both sewer and water operations positive, but it is pretty lean. This process begins when the District discusses the fiscal year 2019 budget-to-actual and this leads right into a 5-month process to get to these figures with due diligence. The changes made here is the April actuals have been inserted, so there is one more data point to see what the trend is. It was not as helpful as was hoped, as the course of business is not at its normal speed. Another change was the COLA, from 1.66% to 1.1%, and other various areas in the budget that were reduced. All the changes can be seen on the last page of the PDF. To answer a question from Cid Young, the last payment for the GO Bond will be paid August 1, 2028—so eight years out.

Cid Young had questions on the GO Bond. How many years are left? How many years extended since refinancing it? How many protests letter received? Can't you put off the increase until the Bond is paid off?

Director Slater Carter said the Water System was purchased in mid-2003.

General Manager Heldmaier said District Account Peter Medina answered the first question, and he will answer the second part. They were able to re-finance the GO Bond, without extending the length of the loan, and taking out an additional 1.5 million dollars, while lowering the rate that everyone paying into the fund. They are currently looking into re-finance the GO Bond again. He does not expect the savings as before but hopes it will save people money for the remaining years of the loan. The District has received 89 protest so far. Looking at the budget they cannot wait to build up the reserves until the Bond is paid off. If something is not done now, there will be no money for improvements. And not all the capital improvement projects are planned, as things pop up from the regulators that are mandated, and emergency repairs must be done as they happen. Loans are great to pay for a single project but is impossible to finance an on-going infrastructure need through loans, because loans need to be paid back and cost money.

Director Boyd asked what the term of the Bond was.

Director Slater-Carter replied that it is 30 years.

Cid Young requested that the Water Reliability charge be delayed on behalf of seniors and families facing unanticipated problems. With the pandemic and people

losing their jobs, many cannot afford the new Water Reliability charge as well as a sewer rate increase of 9% compounded over three years. She watched the last meeting, and the attorney was going to investigate the possibility of delaying the charge.

General Manager Heldmaier said if the Water Reliability charge is not approved for implementation, they will have to wait a year, and the District cannot delay the charge. As was shown in the budget, there are insufficient funds to work on any capital improvements projects, to address emergency repairs, or similar.

Cid Young asked about delaying the charge for six months, essentially cutting the annual charge in half.

General Manager Heldmaier said that was possible. The Board could adopt the Prop 218 limit and instruct staff to collect a different amount. However, based on prior meeting discussions, the amount needed to fund the capital improvement fund appropriately was two million dollars, and only one million dollars was authorized.

Cid Young asked if any of that has to do with the large proposed projects, like Big Wave.

General Manager Heldmaier replied that the infrastructure needed to serve these projects are fully funded by the developer.

Cid Young asked if there was a timeline.

Director Slater-Carter that there is no timeline, and they might not be built.

Cid Young reiterated her request to postpone the charge and wanted to know what the Board is going to do. She felt that at the last meeting there might be a possible change.

Director Boyd stated at the last meeting he requested some information on what latitude the Board had and they received that information. But, during this meeting, they have heard what the need is. This is all information needed to decide. He pointed out that he did not commit to anything. He was just asking the question.

Cid Young asked how many protest letters were needed to prevent the charge from implantation.

General Manager Heldmaier replied that it would take approximately 1000 letters.

Gregg Dieguez stated the water reserve calculations that sets what the appropriate level of reserves are supposed to be contain an engineer estimate of \$750,000,

and the sewer reserve calculation contains an engineer estimate of \$1,177,000 dollars. What is the basis for those amounts to keep those high reserves?

General Manager Heldmaier said that it goes back to the reserve policy and the engineers' estimate of what MWSD needs on an annual basis to invest in our infrastructure and maintain it in a meaningful way. It is a rough calculation of the assets divided by the lifespan and is an old estimate that goes back some years.

Gregg Dieguez asked if the required reserves are untouchable? Do the cash reserves have to remain unused for an entire year, or can it be deployed and replenished some subsequent year?

General Manager Heldmaier said no. These are targets, and what we are working towards. If we need to dip into them, we will use the money.

Gregg Dieguez: in the water side, there is a new customer part of it that is \$600,000 capital improvement budget. Why is there a new customer capital project of \$525,000 in the water capital budget, given the point that Cid and others are raising about the stress financially on the District? Why the new customer capital project for water?

General Manager Heldmaier replied that it has to do with how the connection fees are structured. These are projects that are identified as being needed for the new users.

Director Slater-Carter added that is why there are two sections, because the new users will have repay that.

Gregg Dieguez stated that it sounds like you are spending the money in advance and financing it for them. He thinks MWSD should answer this and all his questions in writing. In addition, there is a capital budget for sewer of \$1,985,000, for Cabrillo Highway 1B and high to medium high priority sewer mains projects. Why are they high priority projects?

District Sewer Engineer Pippin Cavagnara said the Cabrillo Highway is a unique situation where Caltrans took over ownership of the highway on top of thousands of feet of the District main in the longitudinal fashion. For general reference, the State does not approve any new pipelines in a longitudinal alignment on any state highways. We have an existing situation in which the State does not consider currently approved. The topography is very narrow. There is a cliff on one side and a cut in the hill on the other backed up directly by properties. The only physical alternative to a gravity sewer system along Cabrillo Highway would be the installation of at least 6 more pump stations costing about 50 million dollars. This is not a feasible alternative. The trunk sewer system is a critical pipeline that takes sewage from Montara to the Montara pump station. Ten years ago, the District televised as much pipelines as possible. Much of it is clay pipeline subject to

physical stress because it is under the highway. There are cracks in the pipeline, and in the section 1B, it is in the narrowest section of the highway where it is built over the Montara Creek. It is essentially a land bridge with three feet of shoulder on one side and eight feet of shoulder on the other. In that eight feet, there is a water main, a sewer main, PG&E gas, and the fiber optic for the whole Coastside. The existing sewer is in the northbound lane. Caltrans widened the highway, which increased the traffic load onto the sewer pipe, and made it impossible to maintain that sewer without doing a night shut down. If there was an emergency, we would have to close Highway One to through traffic and flag people around the sewer emergency. It has been on the books since 2012, and it has been a goal for the District to improve, deepen, and re-locate that sewer system. The District has been saving money for this project and it is part of that reserve. On the flip side, if something breaks, and there is an emergency, and you do not have money in the bank for the unknowns, you get into trouble. In terms of the medium and high priority sewers, the District has a significant goal that every year in the capital plan we make some effort, through a combination of spot repairs and targeting repairs in rehabilitation of sewers to reduce sewer spills and prevent rain water from getting into the system. It is one of the largest problems with the overall infrastructure on the Coastside. Even though we do not get a lot of water, when it rains it rains hard, and the leaky systems ends up sending a lot of water to SAM. SAM is always struggling to deal with the extra flow, and the regulators are trying to get the agencies to reduce the rain water getting in. The target is to reduce cleaning efforts that SAM makes and reduce rain water from getting in.

Gregg Dieguez asked if there was less flow going to SAM, theoretically, it would reduce costs if the infiltration was prevented.

District Sewer Engineer Pippin Cavagnaro replied that the current budget is based on flow, and if future budgets were based on flow, and the District reduces infiltration, they will reduce their relative costs at SAM.

Director Slater-Carter asked how long it took to get the permits from Caltrans to do the work.

District Sewer Engineer Pippin Cavagnaro replied that the first portion of the project, phase 1A, took over three years to get the permit. And they had Phase 1A and 1B permitted together. In 2019 Caltrans implemented a new program, and as of January 1st any pre-existing project were closed, and all permits had to start over. So, even though MWSD had Phase 1B approved, when they applied for a time extension to re-bid the second half, because they couldn't afford the 2.5 million dollars in one year, the extension was initially approved, but then pulled shortly afterward. Then MWSD had to re-evaluate, looking at this budget, when they can get approval to spend the money again and apply for that permit.

Gregg Dieguez stated initially in December 2019, there was a water capital need presented of 2.648 million dollars and it is down to 1.08 million dollars. So, 1.5



million dollars was shaved out. Why can't you delay the projects? Also, in reference to the SAM capital plan, in January in the sewer rate study that was presented, Montara would pay approximately 31% of the share of the capital expenses, \$752,700 dollars for the coming budget year. Where is that in our budget? So, what happened to that table of things to do?

General Manager Heldmaier said SAM integrates the infrastructure portion into their general budget. The general budget at SAM contains these projects.

Director Slater-Carter added that 40 million dollars is needed just for the SAM plant of which MWSD will be responsible for a portion.

Dan Child, Wastewater Management, stated that SAM has deferred maintenance for decades on a lot of things, and the plant needs a lot of work to bring it back to to where it will be able to serve the rate-payers for another 30 years.

Gregg Dieguez asked why was MWSD the only SAM member whose budget went up?

Director Slater-Carter stated that Half Moon Bay contracts with another sewer agency, and Granada has decreased services in Collections as well as reducing their flows.

Joel Farbstein said he attended the last Board meeting as well as the Finance Committee meeting and was upset that marginal cuts were made. They talked about reducing the COLA wage increase by 0.5%, and this is not taking it seriously in light how dire the economic conditions are here. He said the Finance Committees needs to learn how to dig deep and delineate a step-by-step approach to how to save customers' money. Why is MWSD acting like it is business as usual? He offered several suggestions on ways to cut the budget. He feels that the Finance Committee needs to find ways that MWSD can work more efficiently, rather than burden ratepayers and asked where is the realistic budget, that won't burden the rate-payers?

Director Dekker stated that the budget is very lean already. The idea of cutting wages of people on the front lines and taking care of emergencies, does not justify taking their salaries away. On the sewer side, they made significant cuts, concentrating on professional services, and saved \$150,000 dollars in savings—and that is more than they could ever get out of the water side, because they don't want to cut personnel.

Joel Farbstein replied that it is not realistic to only have a 1.2% cut. He requested that the budget be re-evaluated, and the Water Reliability charge be delayed one year.

Director Harvey said MWSD is the only water district in the greater Peninsula that has its own independent source of water. The company is not over-employed and compensate the staff fairly. It is not a high-tech district, or a clothing district. This is the only government that Montara and Moss Beach have, and it behooves them to take care of the only agency they own. They do not want the District to fail.

Director Lohman commented on what he felt was the real source of the problem-- Half Moon Bay, which is costing millions of dollars. He gave examples of their refusal to pay for the wet weather project, the pipeline break, the lawsuits, etc. The Half Moon Bay City Council is driving up cost year after year.

Director Boyd said that MWSD is between a rock and a hard place. Only in recent years have they been able to catch up on the things they need to do. The reserves are depleted because they did not fund the reserves when they were desperately trying not to rate-shock the community. Last year, is when they started planning to address this. Nobody saw COVID-19 coming and the impact it had on the community. However, when discussing on items to cut, MWSD cannot afford to have fewer staff, and the CIP projects have already been delayed. The engineers have helped them to find ways to do more with less. They need to make some careful judgements on how some of these things are timed. If they do not do the work that they need to do, they will end up with fines, required projects from the regulators, and the lawsuits that come out of that. They need to put their heads together to be creative.

Director Slater-Carter said that with the closing of the school, hospital, and commercial businesses and restaurants, the first quarter will be funded by the ratepayers and homeowners. The water crew is lean and does a good job. Someone is on-call 24 hours a day. The Water Reliability charge is only for infrastructure. This was not put on the water bill, as they thought it better to have it on the tax bill. For people financing, it comes out of your payment schedule. When talking about consolidation, she recounted when they had inquired about it years ago. Half Moon Bay said that they would consider the infrastructure needs of each district and add it to the water bill. All the money for the water sales would go to the water general fund. Montara and Moss Beach would be paying extra had we been consolidated with CCWD, and their water rates have been going up geometrically since 2003. It is important to remember if they put the fixes off, they all suffer they all pay more, and costs go up. If inflation is coming, we may be looking at even higher costs. In the past, when they do a Prop 218 for water rates it is done every 2-5 years, and we haven't had to re-do a Prop 218 until several years pass the end of that Prop 218 they were working under. The general manager, staff, and engineers will be on the look out to find ways to economize. It would be foolish to spend all of this money to do all the research and analysis, and then find out it was undercalculated and have to spend that money again much sooner. Also, Half Moon Bay doesn't worry about MWSD costs. Their attitude is to see what costs they can push off to El Granada and Montara.

District Counsel Fitzgerald interjected and said it was 10:30pm and suggested a motion be made to extend the meeting.

Director Lohman made a motion to extend the meeting, and Director Dekker seconded the motion. A roll call vote was taken, and the motion passes unanimously 5-0.

**3. Review and Possible Action Concerning Request of MWSD Directors to forgo pay during the COVID-19 Shelter-in-Place.**

General Manager Heldmaier this item was requested to be agendized tonight. He pointed out that the MWSD Directors only receive \$75.00 per meeting, which is the lowest compensation on the Coastside. Some of the directors requested that this be discussed to be suspended for some time. The recommendation is for discussion and direction.

Director Dekker recommend they forgo all compensation until the end of the year.

Director Slater-Carter added that they do not get health benefits or retirement benefits.

Director Lohman said that he serves on the San Mateo Committee of all special districts, and many of the board members receive health benefits from their district.

Director Dekker made a motion to forgo all compensation until the end of the year, and Director Lohman seconded it. A roll call vote was taken, and the motion passed unanimously 5-0.

## **REPORTS**

- 1. Sewer Authority Mid-Coastside Meeting (Slater-Carter) --none**
- 2. Mid-Coast Community Council Meeting (Slater-Carter) – none**
- 3. CSDA Report (Lohman) – none**
- 4. LAFCo Report (Lohman) –**

Director Lohman said there is a Senate Bill 1052 by Hertzberg, who set up LAFCo, which proposes to establish municipal wastewater agencies and would authorize municipal wastewater agencies, among other things to enter into agreements with entitles responsible for storm water management for the purpose of managing storm water, dry weather run-off, and allow an agency to acquire, construct, expand, operate and maintain facilities to manage storm water and dry weather run-off, and levy taxes or fees, etc. This will probably put off until next year. This is

usually handled by San Mateo County, and something we will have to watch for in the future.

Director Slater-Cater said that being on the Coast, they would be subject to very severe regulatory oversight. They don't want the County to take that over. The Board and the community will need to keep watch for this.

**5. Attorney's Report (Fitzgerald) – nothing**

**6. Directors' Report – nothing**

**7. General Manager's Report (Heldmaier) - nothing**

### **FUTURE AGENDAS**

1. June 4 Public Hearing for Water System Reliability Charge and Sewer Service Charge Increase.
2. June 4 Public Hearing for Master Fee Schedule Adjustment
3. June 4<sup>th</sup> Public Hearing Hardship Rate for Water and Sewer Customers
4. June 4<sup>th</sup> SAM Budget Consideration of Approval
5. June 4<sup>th</sup> Budget Consideration of Approval
6. MWSD District General Obligation Bonds Refinancing
7. MWSD Defined Benefit Plan Actuarial Evaluation
8. Strategic Community Planning Workshop

### **BRIEF RECESS**

**REGULAR MEETING ENDED at 10:45 P.M.**

### **CONVENE IN CLOSED SESSION**

#### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

#### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

### **REPORT OF ACTION TAKEN IN CLOSED SESSION**

### **ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

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

Approved on the 2nd, July 2020

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

## Tracy Beardsley

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**From:** [REDACTED]  
**Sent:** Thursday, May 21, 2020 6:02 PM  
**To:** Info\_MWSD; Clemens Heldmaier MWSD  
**Cc:** Kathryn slater-carter  
**Subject:** request for public comment - Version 2

Comparison of prior planning documents with the budget, and unchecked curiosity, now yields the following questions I would like to explore at tonight's meeting:

### Agenda Item #1 - SAM budget

1. How many days has MWSD board been in receipt of these SAM materials and had time to evaluate them? This is a lot of information to digest.
2. why is MWSD highest allocation of SAM budget of the 3 agencies?
3. how can SAM do without the two positions just defunded?
4. how much has been spent, and is planned, on Dan Childs? is he part of item 10, professional services on p10 of budget detail analysis? or is this a shift from defunded positions to use of consultants?
5. how can environmental compliance costs decrease by 40%?
6. what are the details of the SAM capital project budgets being planned for the budgeted year? Did I miss it, or is this information not in the packet?

### Agenda item #2 - MWSD Budget

1. - Water reserve calculations contain an 'engineer estimate' of \$750,000. Sewer contains \$1,177,000. What is the basis for those amounts?
2. - are required reserves "untouchable"? Must that cash remain unused for the entire year, or can it be deployed and then restored to required levels by the start of the next year?
3. - Dec. 5, 2019 pres. showed 2020 Water capital needs of \$2,648,000. Now down to 1,108,750? What changed?
4. - Why is the New Customer capital project of 525k part of the Water CIP budget?
5. - capital budget of \$1,985K for sewer includes 580K for medium high priority sewer mains and 1225 for Cabrillo Hwy phase 1B - why are those projects a priority?
6. - In 1/15/20 Sewer Rate Study MWSD share of estimated SAM \$2.43M capital expense budget was \$752,700 (31% share) - where is that in our budget?

On Thu, May 21, 2020 at 5:18 PM Info\_MWSD <[info@mwsd.net](mailto:info@mwsd.net)> wrote:

Acknowledged.

C.

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**From:** Gregg Dieguez [REDACTED]  
**Date:** Thursday, May 21, 2020 at 2:03 PM

To: Info\_MWSD <[info@mwsd.net](mailto:info@mwsd.net)>  
Subject: request for public comment

I would like to speak on item 2 of tonight's agenda. Budget 20/21

--  
Gregg Dieguez  
[REDACTED]  
[REDACTED]  
[REDACTED]

--  
Gregg A. Dieguez  
[REDACTED]  
[REDACTED]  
[REDACTED]

# Board Meeting

## FY 2021 Operating Budget Review

MAY 21, 2020



# Budget Points



1. All authorized positions are included in the budget.
2. Defunds two vacant positions (Accounting Technician and Engineering & Construction Contracts Manager).
3. All applicable merit step increases at one step up are included in the budget.
4. Vacant positions are budgeted at mid-step.
5. Decrease in health benefits \$61k due to 19-20 over-estimation and defunded positions.
6. Retirement cost budget increased by \$25k mainly due to 19-20 budget underestimate, and 4% COLA.
7. 2 employees retired and GM left; all three were Classic PERS, replaced by Non-Classic/PEPRA.
8. Applied 3% CPI to all non-personnel costs, unless other changes were needed due to actual or anticipated events. 2

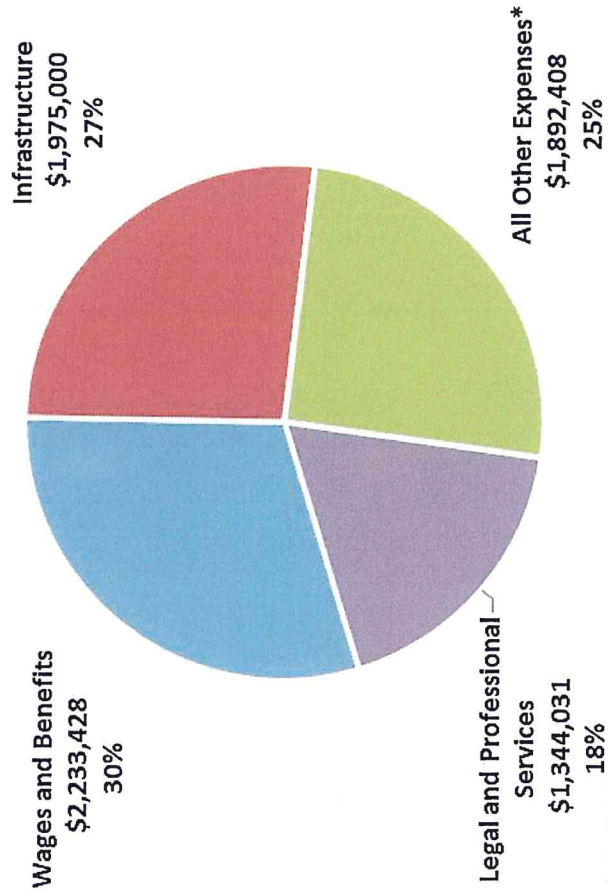
# Changes to Infrastructure Budget



LOCATION	CATEGORY	PROJECT	ESTIMATED COST
IPS & Pump Stations	Odor/Corrosion Control	Improve Chemical Treatment to Eliminate Issues	\$125,000.00
WWTP	Odor/Corrosion Control	Evaluate and Implement Headworks Scrubber Improvements	Included Above
WWTP	Odor/Corrosion Control	Evaluate and Implement Dewatering Scrubber Needs	FY 18-19 Project
WWTP	Headworks	Design Screening System Replacement	\$125,000.00
WWTP	Primary Treatment	Evaluate WWTP Liquid and Solid Process Needs - Initiate Needed Design	\$200,000.00
WWTP	Electrical	Evaluate Electrical and I&C Needs - Initiate Design	\$300,000.00
WWTP	Thickening	Install Metal Building for Rotary Drum Thickener	\$125,000.00
WWTP	Buildings	Replace Flammables Material Storage Building	\$75,000.00
WWTP	Buildings	Replace all WWTP Plant Building Ventilators	\$135,000.00
WWTP	Digestion	Digester 2 and Holding Tank Cleaning	\$250,000.00
WWTP	Digestion	Digester 1 & 2, Holding Tank Structural Design	\$200,000.00
WWTP	Digestion	Implement Digester #1 Structural Repair	\$500,000.00
Administration	Vehicles	Replace Two Vehicles in Fleet	\$75,000.00
WWTP	Dewatering	Purchase Critical Spare Parts for BFP/Conveyor - Prepare Emergency Plan	\$100,000.00
Montara PS	Buildings	Repair Access Road and Erosion Control	\$100,000.00
IPS	Montara Force Main	Analysis/Initial Design of Upgrade or Replacement	\$200,000.00
Princeton PS	Pump Station	Analysis/Design of Replacement and Bidding Support	\$125,000.00
		Original TOTAL	\$2,635,000.00
		Reductions (5 projects deferred)	(\$660,000.00)
		Revised TOTAL	\$1,975,000.00

# General Budget

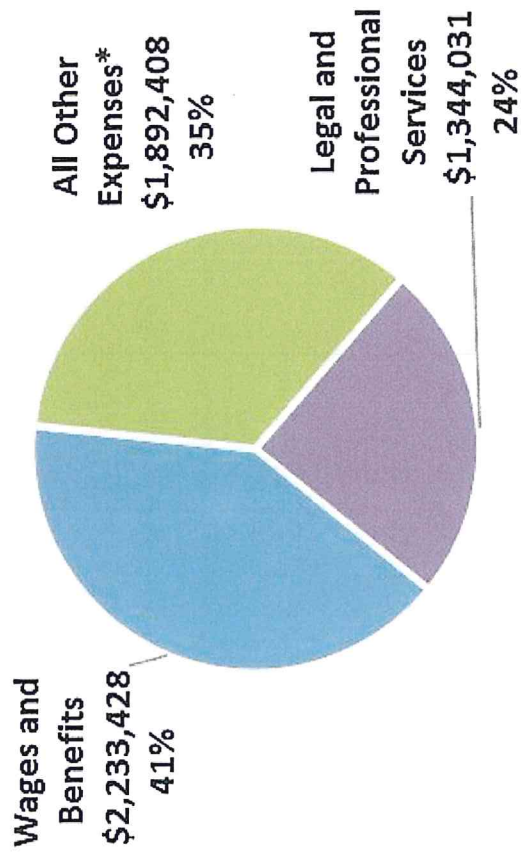
**Expense by Category**  
**Total \$7.44 million**



\*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.  
General Budget does not include collections.

# Operating Budget (does not include Infrastructure)

## Operating Expenses by Category Total \$5.47 million



\*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.  
General Budget does not include collections.

# Staffing Information

<u>Classifications</u>	<u>Authorized Positions</u>	
<b><u>Administrative Services:</u></b>		
General Manager	1.0	12.0 employees in General Budget
Finance Officer	1.0	
Accounting Technician ( <i>defunded</i> )	0.0	
Administrative Assistant	<u>1.0</u>	
	3.0	1 vacancy (8.3%)
<b><u>Operations &amp; Maintenance:</u></b>		
Engineering & Construction Contracts Manager ( <i>defunded</i> )	0.0	5 employees scheduled for step increase
Supervisor of Treatment / Field Operations	.75	
Maintenance Mechanic I/II/III	2.0	6 employees currently at top step
Operator I/II/III	3.0	
Lead Operator	2.0	
Utility Worker ( <i>vacant</i> )	<u>1.0</u>	
	8.75	
<b><u>Environmental Compliance:</u></b>		
Supervisor of Treatment / Field Operations	.25	Vacant positions budgeted at mid-step
<b>Total Authorized (1 vacant)</b>	<b>12.0</b>	

General Budget does not include collections.

# Change from FY 2019/20

	FY 2019/20 <u>Adopted</u>	FY 2020/21 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
Wages and Benefits	\$2,485,113	\$2,233,428	(\$251,684)	-10%
Legal, and Professional Services	\$869,309	\$1,344,031	\$474,722	55%
All Other Expenses*	\$1,794,811	\$1,892,408	\$97,597	5%
<b>Total Operating</b>	<b>\$5,149,233</b>	<b>\$5,469,867</b>	<b>\$320,634</b>	<b>6%</b>
Infrastructure	\$2,485,000	\$1,975,000	(\$510,000)	-21%
<b>Total General Budget</b>	<b>\$7,634,233</b>	<b>\$7,444,867</b>	<b>(\$189,366)</b>	<b>-2%</b>

\*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.

# Key Changes – Operating Budget

Personnel costs: net decrease as a result of the defunded positions (Accounting Technician, Engineering & Construction Contracts Manager) and increase in salaries and wages per COLA in MOU	(\$251,684)
Legal services: net increase as a result of ongoing and potential legal cases and due to underbudgeting in prior fiscal year	\$47,500
Engineering services (treatment): net increase	\$83,000
Professional services: net increase driven by year-to-date actuals	\$344,222
Insurance premiums: net increase due to underbudgeting in prior fiscal year	\$42,000
Building and Maintenance Services: net increase driven by year-to-date actuals	\$101,453
Equipment: net decrease based on anticipated replacement needs	(\$89,445)
All other operating expenses: net increase due to CPI and adjustments to other operating expenses	<u>\$43,588</u>
<b>Total Operating General Budget</b>	<b>\$320,634</b>

# Legal and Professional Services Detail

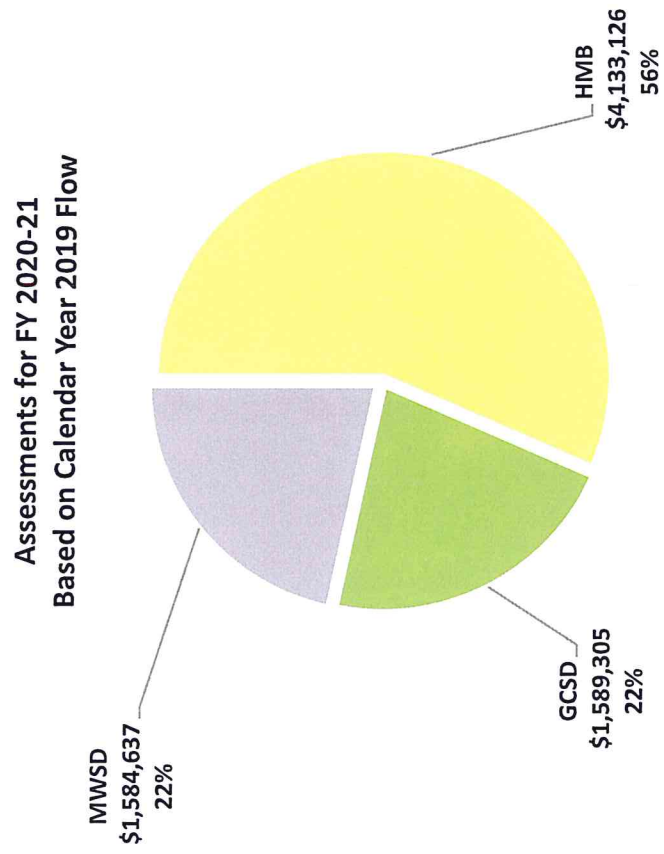
	FY 2019/20 <u>Adopted</u>	FY 2020/21 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
<b>Legal, and Professional Services</b>	\$869,309	\$1,344,031	\$474,722	55%
<b>Major Vendors (YTD spend as of February 28, 2020)</b>				
Calcon Systems, Inc. (\$264,030)			Equipment Maintenance	
Wastewater Management Specialists, LLC (\$170,196)			Water Program Services	
Andrew L. Packard Attorney (\$75,000)			General Counsel	
Management Partners (\$56,413)			Accounting Services	
Edgecomb Law Group (\$41,220)			General Counsel	
Evoqua Water Technologies LLC (\$38,612)			Building and Structures Maintenance	
Bold, Polisner, Maddow, Nelson & Judson (\$35,422)			General Counsel	
Silicon Valley Clean Water (\$33,830)			Outside Lab Analysis	
R.F. MacDonald Co. (\$25,750)			Building and Structures Maintenance	



# CalPERS Rates

	FY 2019/20	FY 2020/21
<u>Employer Rate</u>		
Classic Members	10.868%	11.746%
PEPRA Members	7.072%	7.874%
<u>Employee Rate</u>		
Classic Members	6.906%	6.906%
PEPRA Members	7.250%	7.250%
<u>Unfunded Liability Payment (on \$3M)</u>		
PERS- Classic	\$210,000	\$191,000
PERS- PEPRA	\$3,000	\$7,000
<b>TOTAL PAYMENT FOR UNFUNDED LIABILITY</b>	<b>\$213,000</b>	<b>\$198,000</b>

# Assessments for Each Agency

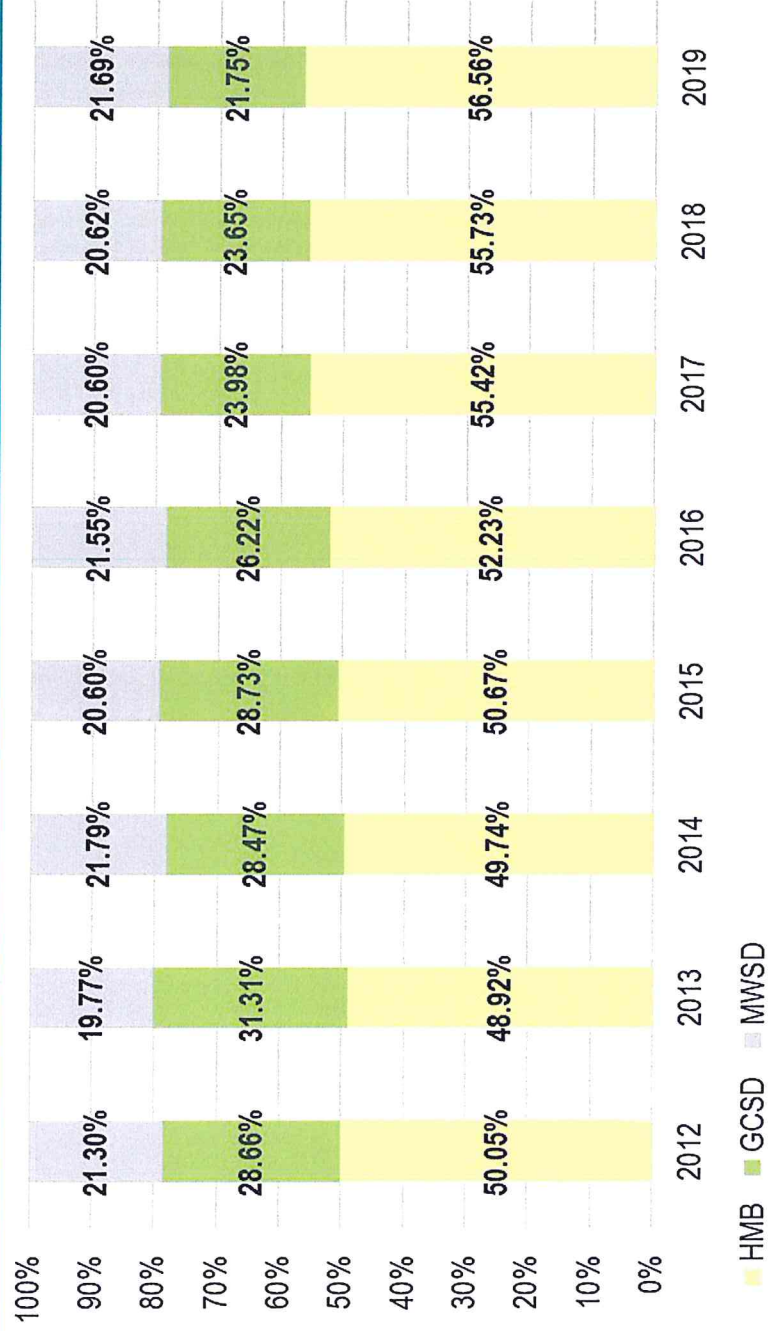


# Assessments for Operating and Capital

	<u>FY 2017/18</u>	<u>FY 2018/29</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>\$</u>	<u>%</u>
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change*</u>
Half Moon Bay	\$3,461,445	\$3,542,142	\$4,131,899	\$4,133,126	\$1,226	0%
Granada CSD	\$1,527,134	\$1,532,891	\$1,753,394	\$1,589,305	(\$164,090)	-9%
Montara WSD	\$1,324,462	\$1,316,715	\$1,529,139	\$1,584,637	\$55,498	4%
<b>Total</b>	<b>\$6,313,041</b>	<b>\$6,391,748</b>	<b>\$7,414,433</b>	<b>\$7,307,067</b>	<b>(\$107,366)</b>	<b>-1.4%</b>

\*Due to changes in the flow rates, the percentage changes are not the same for the three agencies.

# Historical Flow Allocations

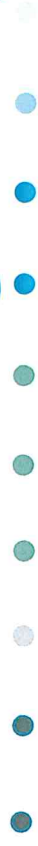


# Questions and Discussion

**MWSD Board Meeting**  
**FY 2021 Collection Contract Services**  
**Budget Review**

**May 21, 2020**

# Service and Budget Changes



1. All Agencies will now have a minimum of 50% of their lines cleaned on an annual basis.
2. Total costs were calculated including services for Line Cleaning, Lift Station Routine Maintenance, FOG Inspections (where applicable), Hot Spot Cleaning, Emergency Response, USA Markings, Reporting and Related Meetings.
  1. Direct Costs for Lift Stations, FOG, USA, Reporting and FOG were calculated for each agency and directly calculated into the budget.
  2. Hot Spot and Line Cleaning costs were considered at \$1.44 per ft (last year cost of \$1.4 per ft with a 3% COLA increase)
  3. The cleaning costs was proportionally divided based on percentage of the total linear feet owned by each agency.
3. Once 50% of all systems have been cleaned each year, SAM staff will coordinate with MA Managers to identify most critical work to be performed in the systems and available resources will be used to address those.

# Staffing Information

	<u>Authorized</u>	
<u>Collections Maintenance Staff:</u>		4.0 employees in Collections Budget
Lead Collections Worker	1.0	3 - Collection Workers
Collections Worker	2.0	
Maintenance Mechanic	<u>1.0</u>	1 – Maintenance Mechanic
<b>Total Authorized</b>	<b>4.0</b>	4 employees scheduled for step increase



# Assumptions- CCS Budget for FY 2021



1. HMB business model for last year Collections was used
2. \$1.4/linear feet with a 3% COLA increase used for calculating cleaning costs
3. Fully loaded rate of current collections mechanic taken as \$54.78 per hour
4. Assumed lift station maintenance as 0.75 hours per lift station with 1.25 buffer added to allow extra time if called back.

# Assumptions- CCS Budget for FY 2021



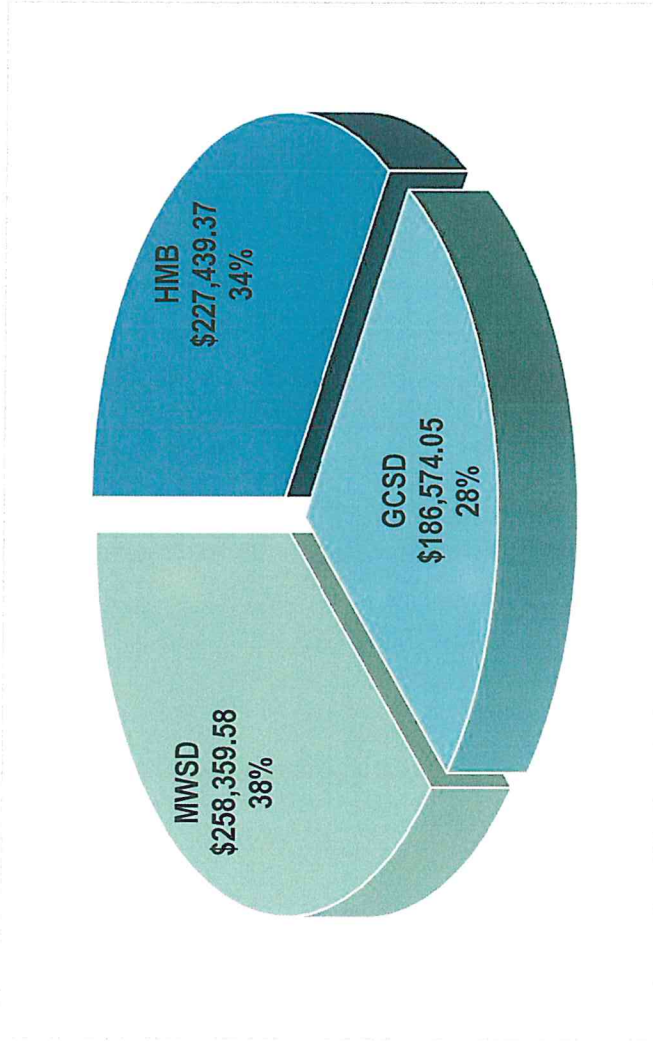
8. Time spent for USA markings – 30 min per marking.
9. Fully loaded rate of \$60.52 for Collection Worker taken for USA markings
10. FOG and USA quantities are based on 2019-20 completed.
12. Lift station inspections changed for MWSD (5 times to thrice)

# Agency Fees Comparison

	<u>FY 2018/29</u> <u>Actual</u>	<u>FY 2019/20</u> <u>Adopted</u>	<u>FY 2020/21</u> <u>Proposed</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change*</u>
Half Moon Bay	\$271,906	\$178,888	\$227,439	\$48,551	27%
Granada CSD	\$290,128	\$296,201	\$186,574	(\$109,627)	-37%
Montara WSD	\$415,376	\$341,549	\$258,360	(\$83,189)	-24%
<b>Total</b>	<b>\$977,409</b>	<b>\$816,638</b>	<b>\$672,373</b>	<b>(\$144,265)</b>	<b>-17.6%</b>

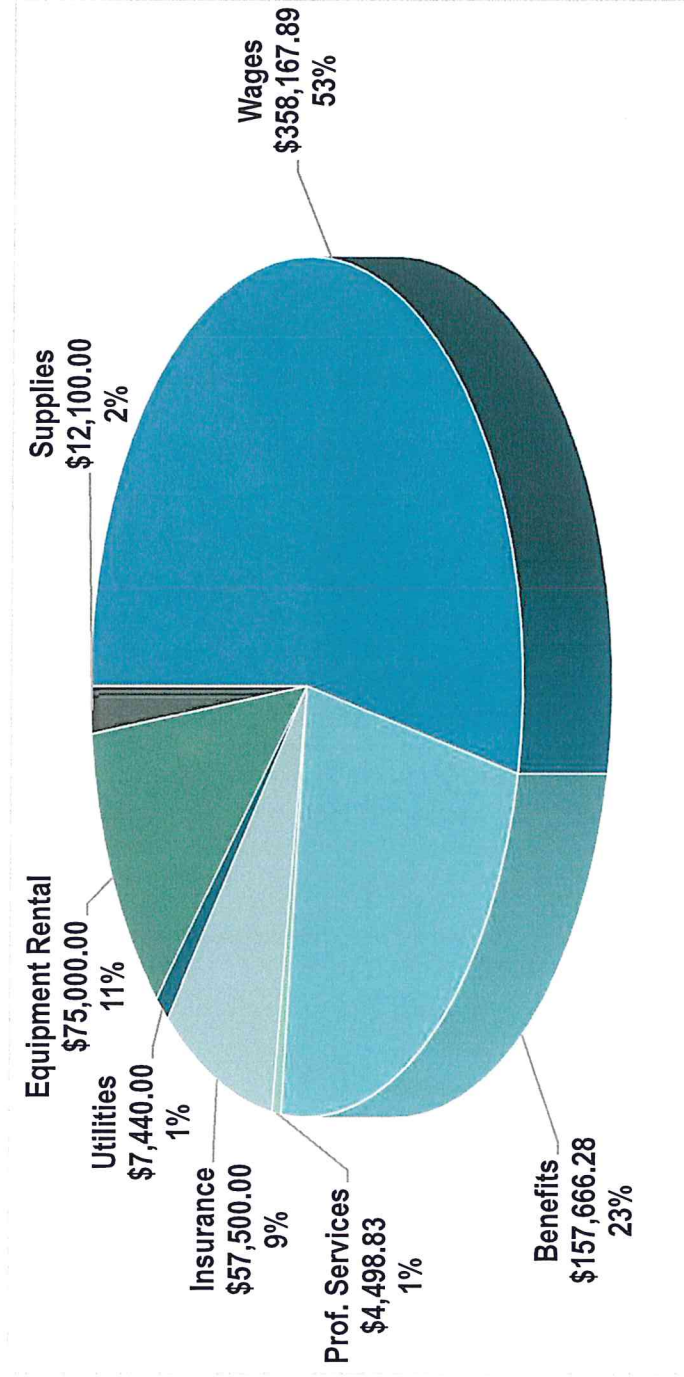
# Agency Fees

Collections Contract Services Fee Distribution  
\$672,373 Total.



# Collections Contract Services Budget

Total CCS Budget FY 2021 - \$672,373



# Questions and Discussion



# Montara Water & Sanitary

## Budgeted Cash Flow - Sewer

### Fiscal year 2020-2021

#### Cash flow summary

#### Operating cash flow

	FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
<b>Operating income</b>				
Sewer Service Charges	\$ 3,006,212	\$ 3,242,487	7.86%	\$ 236,275
Cell Tower Lease	\$ 37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$ 21,100	\$ 13,100	-37.91%	\$ (8,000)
Property Tax	\$ 275,000	\$ 275,000	0.00%	\$ -
Waste Collection Revenues	\$ 23,000	\$ 24,000	4.35%	\$ 1,000
<b>Total operating income</b>	<b>\$ 3,362,312</b>	<b>\$ 3,592,087</b>		
<b>Operating expenses</b>				
Personnel	\$ (350,129)	\$ (362,510)	3.54%	\$ 12,381
Professional Services	\$ (500,200)	\$ (189,700)	-62.08%	\$ (310,500)
Facilities & Administration	\$ (56,950)	\$ (57,000)	0.09%	\$ 50
Engineering	\$ (62,000)	\$ (60,000)	-3.23%	\$ (2,000)
Pumping	\$ (45,000)	\$ (45,000)	0.00%	\$ -
Sewer Authority Mid-Coastside	\$ (1,960,688)	\$ (1,948,790)	-0.61%	\$ (11,898)
All other Accounts	\$ (69,860)	\$ (71,110)	1.79%	\$ 1,250
<b>Total operating expenses</b>	<b>\$ (3,044,827)</b>	<b>\$ (2,734,110)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$ 317,485</b>	<b>\$ 857,977</b>		

#### Investment cash flow

<b>Investment income</b>				
Interest Revenue	\$ 50,000	\$ 60,000	20.00%	\$ 10,000
<b>Total investment income</b>	<b>\$ 50,000</b>	<b>\$ 60,000</b>		
<b>Investment expenses</b>				
Capital Improvement Program	\$ (1,486,085)	\$ (1,985,272)	33.59%	\$ 499,187
<b>Total investment expenses</b>	<b>\$ (1,486,085)</b>	<b>\$ (1,985,272)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$ (1,436,085)</b>	<b>\$ (1,925,272)</b>		

#### Financing cash flow

<b>Financing income</b>				
Connection Fees	\$ 200,000	\$ 150,000	-25.00%	\$ (50,000)
<b>Total financing income</b>	<b>\$ 200,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>				
Loan Interest Expense	\$ (37,803)	\$ (35,116)	-7.11%	\$ (2,688)
Loan Principal Payment	\$ (87,133)	\$ (93,512)	7.32%	\$ 6,379
<b>Total financing expenses</b>	<b>\$ (124,936)</b>	<b>\$ (128,627)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$ 75,064</b>	<b>\$ 21,373</b>		
<b>Overall projected cash flow</b>	<b>\$ (1,043,536)</b>	<b>\$ (1,045,922)</b>		
<b>Transfer from Sewer Reserves</b>	<b>\$ 1,043,536</b>	<b>\$ 1,045,922 *</b>		
<b>Net cash flow</b>	<b>\$ -</b>	<b>\$ -</b>		

\* Please see discussion of Sewer reserve funds on page 23. In addition, please review the Sewer CIP project summary list on page 17.



# Montara Water & Sanitary

## Budgeted Cash Flow - Water

### Fiscal year 2020-2021

#### Cash flow summary

#### Operating cash flow

Operating income		FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
Water Sales	\$	1,944,000	\$ 1,893,000	-2.62%	\$ (51,000)
Cell Tower Lease	\$	37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$	14,000	\$ 15,000	7.14%	\$ 1,000
Property Tax	\$	275,000	\$ 275,000	0.00%	\$ -
Backflow Testing & Other	\$	18,000	\$ 18,000	0.00%	\$ -
<b>Total operating income</b>	<b>\$</b>	<b>2,288,000</b>	<b>\$ 2,238,500</b>		
<b>Operating expenses</b>					
Personnel	\$	(886,161)	\$ (943,418)	6.46%	\$ 57,257
Professional Services	\$	(377,500)	\$ (206,500)	-45.30%	\$ (171,000)
Facilities & Administration	\$	(114,300)	\$ (71,000)	-37.88%	\$ (43,300)
Engineering	\$	(380,500)	\$ (220,000)	-42.18%	\$ (160,500)
Pumping	\$	(105,700)	\$ (110,700)	4.73%	\$ 5,000
Supply	\$	(47,500)	\$ (37,500)	-21.05%	\$ (10,000)
Collection/Transmission	\$	(82,500)	\$ (80,500)	-2.42%	\$ (2,000)
Treatment	\$	(85,000)	\$ (85,000)	0.00%	\$ -
All Other Accounts	\$	(127,350)	\$ (134,300)	5.46%	\$ 6,950
<b>Total operating expenses</b>	<b>\$</b>	<b>(2,206,511)</b>	<b>\$ (1,888,918)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$</b>	<b>81,489</b>	<b>\$ 349,582</b>		

#### Investment cash flow

<b>Investment income</b>					
GO Bonds, Assessment Receipts	\$	1,150,436	\$ 1,150,436	0.00%	\$ -
Water System Reliability Charge	\$		\$ 1,000,000		\$ 1,000,000
<b>Total investment income</b>	<b>\$</b>	<b>1,150,436</b>	<b>\$ 2,150,436</b>		
<b>Investment expenses</b>					
Capital Improvement Program	\$	(549,500)	\$ (1,108,750)	101.77%	\$ 559,250
<b>Total investment expenses</b>	<b>\$</b>	<b>(549,500)</b>	<b>\$ (1,108,750)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$</b>	<b>600,936</b>	<b>\$ 1,041,686</b>		

#### Financing cash flow

<b>Financing income</b>					
Connection Fees	\$	280,000	\$ 150,000	-46.43%	\$ (130,000)
<b>Total financing income</b>	<b>\$</b>	<b>280,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>					
Long Term Debt - Interest Expense	\$	(318,633)	\$ (292,561)	-8.18%	\$ (26,072)
Long Term Debt - Principal Payment	\$	(1,189,448)	\$ (1,175,875)	-1.14%	\$ (13,573)
<b>Total financing expenses</b>	<b>\$</b>	<b>(1,508,081)</b>	<b>\$ (1,468,436)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$</b>	<b>(1,228,081)</b>	<b>\$ (1,318,436)</b>		
<b>Overall projected cash flow</b>	<b>\$</b>	<b>(545,656)</b>	<b>\$ 72,831</b>		
<b>Transfer to Water Reserves</b>	<b>\$</b>	<b>(545,656)</b>	<b>\$ 72,831</b>	*	
<b>Net cash flow</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>		

\* Please see discussion of Water reserve funds on page 22.





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

**BOARD OF DIRECTORS MEETING**  
**June 4, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**REGULAR SESSION BEGAN AT 7:30 p.m.**  
**CALL TO ORDER**  
**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, Lohman, and Slater-Carter

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald  
District Financial Advisor, Alex Handlers  
District Accountant, Peter Medina  
District Water Engineer, Tanya Yurovsky  
Kastama Consulting, Alison Kastama  
District Sewer Engineer, Pippin Cavagnaro

## **PRESIDENT'S STATEMENT –**

Director Slater-Cater thanked the Montara Water and Sanitary District (MWSD) for preparing a location for a live on-site attendance at the District office and all the work that has been done on this project for the last two years. She also thanked the community and those attending for their involvement and comments. It is what makes the district so special. It is a community resource and a community passion.

**ORAL COMMENTS** - none

## **PUBLIC HEARING –**

### **1. Receive Final Water and Sewer Rate Studies and Review and Possible Action Concerning Prop 218 Rate Limits for Sewer Service Charges and Establishment of New Water System Reliability Charge.**

General Manager Heldmaier stated that the District needs to increase revenue rates to maintain the water and sewer system as the current revenue is not enough to fund repair and replacements. The current budget has cuts, but does not resolve the need for dedicated infrastructure replacement funds. The proposed rates are a step in the right direction, but will not fully fund the District's infrastructure needs. The Water System Reliability Charge is a fixed charge based on meter size. It is fixed because infrastructure does not depend on water usage. For a 5/8" meter, it would be \$558.66, effective July 1, 2020. It would be collected on the property taxes, which would be due in December 2020 and April 2021. Also being discussed is an annual sewer rate increase of 9% per year, collected on the property taxes also effective July 1, 2020. It is a consumption charge and will vary depending on usage. He recognized that the community had many questions, and tried to summarize them. He stressed that the District has been grappling with their options, understanding it to be a financial burden. The decisions made tonight will be carefully considered knowing its weight on the community. This topic has been discussed for years, and the Water Reliability charge will be dedicated for infrastructure needs only and the sewer service charge are designed to fund the operations on the sewer side. Both are separate. The Prop 218 public process includes initiation, authorization of the Public hearing, notifications sent to the property owners/customers, public outreach and announcements, and the Public hearing. Infrastructure investment is needed now to rehabilitate aging infrastructure that has been deferred too long, and planned replacement is the safest and most cost-effective method to maintain the system for rate-payers. The District has an on-going need of two million dollars annually. Historically, the water rates provided some funds for capital projects. But with increased costs, minimal inflationary water rate increases, and customer water conservation, the water rate revenue has become inadequate. A loan is not a good option for the District. It is mostly for a spike in financial needs and is not an on-going funding source. Additionally, the District would have to have adequate income to qualify for financing, and the debt service ratio is not favorable. During the past 15 years, the

District was able to maintain infrastructure with water rate revenue supplemented largely by GO Bond funds, low interest loans and grants. Today, much of the infrastructure requires replacement and rehabilitation, including approximately 8.5 miles of water mains, older tanks and water treatment plants, groundwater wells, etc. The projected need is 40 million dollars over 20 years.

District Financial Consultant, Alex Handlers stated that the Water Reliability charge is designed to generate approximately one million dollars per year, based on water meter size which is aligned with water meter capacity and the infrastructure needs for serving each meter size. He stressed that the District needs are really two million dollars per year, and this charge is only generating one million dollars per year. There were a lot of meetings, and a lot of options and different funding levels considered. Ultimately, it is a balance of competing objectives, balancing needs and affordability, and is a big step in the right direction. It doesn't fully solve their needs, but there is an understanding that it will be continue to be evaluated in future years. Additionally, this charge is separate from the regular water rates.

General Manager Heldmaier stated that MWSD has been proactive in funding sewer maintenance and investing in infrastructure rehabilitation over the past decade. Higher levels of capital funding are needed for rehabilitation and replacement to address some of the aging facilities reaching the end of their useful lives. MWSD is among many agencies facing similar challenges, as most of the infrastructure was built at the same time, and is around 40-60 years old. Additionally, the Sewer Authority Mid-Coastside (SAM) has a similar need. SAM is the centralized sewer treatment plant in Half Moon Bay, and is owned by the three agencies. Also, MWSD owns the Collection System in Moss Beach and Montara, which is essentially the infrastructure sending sewage to the treatment plant. The SAM treatment plant is over 40 years old and is in need of substantial rehabilitation. This plant was originally funded mostly through grants, and now it needs to be replaced. It is estimated to need 40 million dollars in upgrades. SAM is also mandated to make 7.8 million dollars of improvements to the intertie pipeline by 2024 as a result of a Consent Decree. The District's share of costs over the next 4-5 years is projected to be approximately \$700,000 per year. This does not include the District's need of 1.9 million dollars needed to rehabilitate District sewers and lift stations. About 60% of the pipes are over 60 years old, and all facilities above ground are subject to the harsh Coastal environment.

District Financial Consultant Alex Handlers stated that what is being proposed is a 9% increase for the next few years. The situation with the sewer is similar to the water, as the infrastructure ages and rehabilitation and replacement is needed. It will not fully fund the District's needs right away, so they will probably have to re-evaluate in a few years. Also, there are substantial funding needs in the near future from SAM, and it is possible the District may need to dip into their sewer fund reserves in the upcoming years while the rates are being gradually phased in. This increase will help to keep the District on course of addressing the long-term funding needs. The District is proposing an Economic Hardship Assistance

discount, based on income, with \$100 discount on the water bills, and \$100 discount on the annual sewer service charge collected on the property tax rolls. The eligibility would be based on PG&E CARE program. Those people who are enrolled in Recology's discount program will automatically receive the MWSD discount, and those that are not enrolled with Recology can enroll through MWSD directly (information posted on website).

General Manager Heldmaier answered some customer questions. The Water System Reliability charge will fund the on-going two million annual infrastructure investment needed. It shouldn't be postponed because the funds are needed now. The District needs to have available funds for planned and unplanned (emergency or regulatory) projects. Any new development pays for any infrastructure improvement needed. Even though sewer rates were increased in prior years, the District has an on-going infrastructure investment need of two million dollars. Loans are not a viable option. It is mostly for a spike in financial needs, is not an on-going funding source, needs to be paid back, and the District may not have adequate income to qualify. The District fixed a failing water system, and has been maintaining the system over the years. But as things age, replacement/repair becomes more urgent. This rate is not too low. It does not fully fund the District needs, but is a step in the right direction, balancing needs and affordability. It will be re-evaluated in the future. The District has introduced an Economic Hardship Assistance program to support low income households. The recommendation is to approve the proposed the Water System Reliability Charge, the sewer fees and charges, and the Economic Hardship Assistance Discount.

Director Slater-Carter opened the public hearing. Due to the large number of participants each speaker is allowed two minutes and any questions will be answered at the end.

Carlyle Young stated that during the December meeting, the water rate study had varying replacement needs for each year, with a spike in some years. Why it is so expensive first year? Is there something really big that we haven't been doing? Does the water rate revenue referenced in the study include both the basic service rate and the water sales? There was mention of the potential to adjust future rates, so does that mean it will increase? Why was a fixed rate chosen over the volumetric rate? Also, she thought the sewer bill was based on winter months usage only, and now she discovered she is paying a minimum rate. The minimum rate is too high for those on a fixed income. MWSD should lower the minimum. When was it implemented? When is the deadline to register for the Economic Hardship Assistance program?

Joel Farbstein said he had his hand raised for oral comments, which was not recognized, and would like to make an oral comment first. He did some research and asked for specific information on the Prop 218 procedure that prohibits electronic submission of protest letters. Then for his public hearing comment, he stressed the dire circumstances brought on by the pandemic, and MWSD's budget

do not have meaningful cuts that would take the burden off the rate-payers. He cited inconsistencies with MWSD published capital needs for various years, and said they need to communicate better a plan for replacing the items that need replacement instead of saying this charge needs to go through right now.

Bill Huber stated that the Board is considering a significant increase in water and sewer costs to the users in this District. It won't resolve the fact that the sewer is badly in need of repairs, and has significant costs for litigation and mandatory repairs. They got into this mess because the system is ungovernable—there are too many parties involved with competing interests. He feels that a consolidated sewer district, with a standard 5-member Board, is the best option to serve the communities and fix all the problems at SAM. Also, he objected to the Water Reliability charge being put on the property tax roll, citing lack of transparency (it is really a water rate increase), and the ability of the District to use the funds for other things rather than what it is intended for.

Joe Loomis asked that the Board postpone the charges until the broader public has a better understanding of its ramifications, and in light of the pandemic. He also commented that putting this charge on the water bill rather than the taxes would allow the District to implement it at a later date, after the public has been fully briefed and given an opportunity to provide input.

Chris Hilton stated he was offended by the proposed charge, citing that the residents pay among the highest water rates and property taxes. And what are they getting for it? He thinks it is a mismanaged system and foresees a class action lawsuit if it goes forward.

Judy Graham she is listening and learning.

Ann said she is listening.

Godfrey stated that he agreed with Mr. Huber, and the process needs to be simplified, and the charge be based on water usage. He commented on the complexities of just adding fixtures to his house.

Director Slater-Carter commented that she would like to hold workshops.

Virginia McShane said she is on the Finance Committee at the Fire District and has been on the Fire Board for 20 years, and use the reserves for large purchases. Consolidation on the Coastside has been very sensible and economical for the Fire District. She expressed that with COVID-19 and people are out of work, this is the worst time to implement a charge of this size on their bill.

Gregg Dieguez analyzed the MWSD financial data and said the reason the District is in this predicament is because rates weren't raised earlier and they didn't think far enough ahead. Connection fees are too low, and with big developments

proposed it will burden the rate-payers down the road. He requested to see the details behind the connection fee study. He believes new comers are not paying their fair share of joining the system.

JQ asked if was possible to reduce the amount further that people would have to pay in reference to the economic hardship fund, and if there were any new loans or grants in reference to COVID-19 relief. How were the rates calculated? Also, it behooves the District to publish their position on the pros and cons of consolidation on the website.

Leni Liakos stated that as their rates keep increasing, regardless if the District thinks it is justified, there has to be an end. General Manager Heldmaier stated that 40 million was needed. How are the residents going to come up with that? More people are considering consolidation as a way out of this mess. It has worked for the Fire District and the Sheriff, but not the schools. Who is applying for grants? Please postpone this charge, as most are suffering.

Ken Greenberg said an annual increase of 40% on water is too big, especially for this year when people are suffering financially. He did not object to the sewer increases, because those are being phased in gradually. He suggested that the District be more transparent in notification of the charges, and postpone or phase them in gradually. The General Manager dismissed the possibility of loans and bonds, but it doesn't appear to be something the Board has really explored, and the District needs to refine their capital needs estimates by on the ground condition assessments. He also suggested supplementing water supply by purchasing Hetch Hetchy water from Coastside County Water District if it could help reduce the capital improvement costs.

David Gilbert concurred with Mr. Green, in risk assessments and finding ways to extend the life of some of this equipment. Is everything being smartly tendered?

TJ Glauthier supports Bill Huber's comments about consolidation to deal with the challenges and needs they will have. He also likes the idea of workshops. There hasn't been enough opportunity for the public to understand the real infrastructure needs over the long term. The water charge should be on the water bill and there needs to be transparency as to what this money is being applied to.

Mark Verlander said for those that are self employed and haven't been able to work, this charge is really hard on the household. While he understands the infrastructure needs, the Board needs to look at other alternatives or defer the vote to a later time. He was intrigued about the consolidation discussion. This is the first time he heard about the costs for litigation and it is alarming. There needs to be an open discussion about what is going on. The District is asking the community to pay for something they know little about.

Shaun Botington echoed Mr. Verlander's comment about full transparency. He wants to see what he is paying for. This is a utility business, and utilities benefit from scale. He doesn't think Montara will grow fast enough to keep up with the capital improvements needed. The long-term viability of this enterprise should be looked at and be honest. The possibility of consolidation and the benefit from the economies of scale may be a prudent investment. He has a large property in Sonoma and pays less than half for water. Montara is a small community base trying to sustain a capital-intensive utility and the economics don't work.

Brian Owens wants to see an annual budget and financial report. Is this by resolution or Ordinance? What is the annual Op Ex and Cap Ex? What is the percentage of annual taxes are allocated from the State and County to MWSD? How was MWSD able to secure a bond to acquire the water system if we can't qualify today? What is the life span of the water delivery pipes? Why more wells, stations? Why aren't you securing permits? He also suggested looking into consolidation.

Tod Reis wants a realistic assessment of consolidation. There is no way the small number of users can support this infrastructure. The water reliability charge should be on the water bill, based on usage.

Lewis Nerenberg agreed that it is an awkward time for such a drastic financial hit. He wants more information on consolidation and advantages of economies of scales. The fears surrounding consolidation may be unnecessary.

District Clerk read the comments submitted in writing.

Harold said he opposed the timing, and would like to see the charge postponed. He concurred with Mr. Dieguez, and feels that new comers are not paying their fair share. Although consolidation seems like a good idea for the economies of scale. However, on the other side, what do they give up by consolidation? Is there value to have our own water supply? Half Moon Bay and Pacifica would love to have our water from Montara mountain, and if we become part of a larger system, will we be at risk to have to start begging for water out of Hetch Hetchy? So, there is a lot to be thought through.

Director Slater-Carter closed public hearing. Director Dekker made a motion to close the public hearing, and Director Slater-Carter seconded the motion. A roll call vote was taken and the motion passed unanimously 5-0.

Director Slater-Carter asked the District Clerk to complete the tabulation and announce the final number of valid written protests and whether a majority exists.

District Clerk announced that the District received 392 total written protests received, including valid and invalid protests, and there are no majority protests.

Director Lohman offered his phone number to anyone that wants to discuss consolidation issues.

Director Slater-Carter requested the General Manager, District Counsel, and engineers to answer some of the questions from the public.

General Manager Heldmaier said that anyone looking at the budget will see that postponing the charge one year will not work, and since they are tied to San Mateo County property taxes, they need to be submitted in July. The Board can approve the limit and adopt a lower charge. However, staff recommends that this charge be approved. It has already been deferred, as the Board has been discussing this for years, and the real need is two million dollars annually, and only one million dollars is being proposed. Financial statements are published every month in the Agenda Board packet. The MWSD budget is also published on the website under *Finances*. MWSD is open and transparent. When he was appointed to his position as General Manager, he inquired about joining Hetch Hetchy system, and he was told that the system is over-subscribed and MWSD could not join. There are also vulnerabilities in the Hetch Hetchy system, and the agencies are being encouraged to develop local sources. During the moratorium, water was scarce and of low quality. Now, the District has resolved those issues, and has enough water to supply Montara and Moss Beach independent from Hetch Hetchy. They don't have to buy water. In reference to the litigation, which is on-going, comments and information can not be made available to the public until it is resolved. No one likes to pay litigation fees. However, it is a temporary spike in expenses, and affect the sewer charges, but not the water reliability charge. The District has been looking at grants, but they are very scarce. If they become available, the District will certainly apply. Water and sewer may be cheaper in other places, but this is partly due to geography and terrain. Montara is geographically challenged with 13 major pump stations and 23 minor pump stations on the sewer side, and many complexities on the water side. In reference to the connection fees, he said that he did not agree with Mr. Dieguez' analysis, and invited him and the public to participate when the connection fees are assessed in the future.

District Counsel Christine Fitzgerald stated that in reference to Prop 218, it does not contemplate the submittal of electronic protests. It is supported by the Prop 218 procedural requirements that specify that protests be mailed or brought to the place of the public hearing, where they will be received, counted, and announced. The term "mailed" is defined as being placed in the United States Post Office. In her opinion the District's protest procedure as set forth in its public hearing notice complies with the Prop 218 law.

District Financial Advisor Alex Handlers said the 1.9 million dollars generated in water revenue, includes the fixed and the usage based volumetric charges. The fixed charge generates a third of the revenue, and two-thirds of the volumetric charges, which is to the benefit of lower users. The capital needs are not evenly distributed over the years, it is the average over time, about two million a year, but



some years will be more or less, depending on what project is slated for that year. He has worked for over 150 agencies, mostly throughout California, and MWSD does not have the highest rates out there. MWSD is not among the lowest, but it is a small coastal community with low usage. He also commented that MWSD is very transparent in comparison to other agencies, and he was impressed with the level of effort and dedication of the Board and the General Manager gives to interact with the Community. Not every agency is like that.

General Manager Heldmaier said the Economic Hardship Assistance discount will be introduced tonight. The source for this program will be funded by the District, and not the rate-payers. This is a new program, set at \$100 dollars and will be reviewed.

Director Slater-Carter stated that the water system does not get any property tax receipts from the State, as it was created post Prop 13. The sewer district gets some, but a large portion is apportioned to the schools through the Educational Reimbursement Augmentation Fund (ERAF). Additionally, the State has deemed MWSD an enterprise, meaning their revenue has to come from their customers. The Fire District is not an enterprise, has a different funding structure. Hetch Hetchy system spent 4.8 billion dollars so far in improvements, and we would have to buy into that system for water, and it would be far more expensive. When this District took over the water system, they considered all their options, and decided to explore local sources. The Board has struggled with rates for a very long time, and they deferred raising rates only keeping up with inflation. MWSD has spent 17 years fixing things, with priority for operational efficiencies. Nobody in the State and Federal level is there to help anymore. Some of our pipes are very old, while others are new; MWSD is working on getting them all up to date.

General Manager Heldmaier said that pipe age very significantly, depending on the material. MWSD has been securing the proper permits. They did some exploratory test borings on the Caltrans-right-of-way, and it is a process that is on-going.

District Financial Advisor, Alex Handlers said the water reliability charge is needed to fund the infrastructure needed to serve every property. It is a fixed charge on the property tax, because it is a property related charge, benefiting every property out there, and the fairest place to put it (renters shouldn't have to pay for the infrastructure for a home owner).

Director Harvey stated that MWSD is a very special district, with its own independent water source—they don't have to pay for water. Consolidation should be discussed at a future time, and not at the meeting. He offered his phone number if anyone was interested in discussing it with him. They have been very transparent with their finances. Since buying the system they have been making improvements. However, it has reached a critical point where things have gotten old and needs to be replaced. MWSD's financial rating is very good. They do need

to re-evaluate the connection fees. Montara and Moss Beach are geographically challenged with a complex system that is more expensive to maintain.

Director Dekker reiterated the need for the water reliability charge to build the reserves in case something happens. He especially likes the idea of future workshops.

Director Lohman said he attended some State Water Board meetings, and he wished the public could hear some of the horror stories from other districts—some districts are running out of water, corruption, and others with low quality water. Consolidation on the Coast means Half Moon Bay will take MWSD's water and insist on control. Even if the District is given a voice, they will ensure they have the majority vote.

Director Boyd stated that they are between a rock and a hard place. They started cutting the budget in 2009 and there isn't much else to cut. A few years ago, they began considering addressing financial needs as the economy seemed to be improving. They have been discussing this issue publicly for the past year. There has been a lot of discussion on creative ways to reduce the burden, and they will continue to have those discussions. They are hoping they will find optimistic opportunities benefiting everyone. In terms of consolidation, the Board opposes it, and he is happy to talk to anyone about it. He recounted the events that led up to the sewer spill, regulators, fines, and the resulting lawsuits, and how Half Moon Bay refuses to pay for anything outside of their City limits. They have deferred maintenance too long, and it is time to start fixing things. He asked General Manager Heldmaier for the details of the Economic Hardship discount.

General Manager Heldmaier replied that anyone already signed up for the Recology discount based on the PG&E Care program, will be automatically enrolled in the Economic Hardship discount. This will be discussed later tonight. For the sewer discount, the deadline is July 15, 2020, and will be a one-time discount applied to the property taxes. On the water side, the discount can be applied at any time and will be applied to each water bill.

District Water Engineer, Tanya Yurovsky stated that physical condition assessments are done annually in conjunction with District staff that reports any issues. This is all considered when they propose the Capital Improvement Program. Additionally, the Capital Water Improvement Plan is developed and published every year, and available to the public.

Director Boyd made a motion to extend the meeting one hour, and Director Slater-Carter seconded the motion. A roll call vote was taken and the motion passed unanimously 5-0.

Director Boyd stated that Prop 218 is rather prescriptive and should be revised to allow people to submit their protests using modern electronic methods. However,

for now, we need to follow protocol exactly. We don't have the flexibility that modern society would expect. If the charges are put on the tax roll, the first half of the property tax is due December 10<sup>th</sup>, and the second half on April 10<sup>th</sup>—that is several months out. That is one of the benefits of putting it on the tax roll. He asked General Manager Heldmaier about the restrictions of the water reliability charge.

General Manager Heldmaier said the Water System Reliability charge will only be used for infrastructure.

District Financial Advisor Alex Handlers replied that in accordance with Prop 218, the funds can only be used for the purposes it is collected. In this case it is for funding the District's capital infrastructure facility needs.

Director Slater-Carter said all the Board members are passionate about having a good water and sewer system that is represented to the community and by the community. On the MWSD website, one will see the strategic plan, which was created by the community; the budgets, state reports, etc. are also available. She stressed that under Prop 218, the funds will only be used as specified. She offered her contact information for anyone who want to discuss any of these topics.

Director Lohman asked if there was latitude to adjust the amount if he says yes.

General Manager Heldmaier said that an adjustment to the rate can be made on item three, in approving the Master Fee Schedule.

Director Dekker made a motion to adopt the fees, and Director Boyd seconded the motion. A roll call vote was taken, and the motion passed unanimously 5-0.

## **2. Review and Possible Action Concerning Reports on Sewer Service Charges, Water System Reliability Charges for FY2020-2021 and Delinquent Refuse Collection and Water Service Charges for FY 2019-2020.**

General Manager Heldmaier stated that is part of an administrative process that allows the charges to be applied to the San Mateo County property tax. When this resolution is approved and adopted, there is some latitude to make necessary adjustments.

Director Slater-Carter opened the Public hearing.

Carlyle Young requested that the Board consider reducing the amount of the charge or delay it.

Gregg Dieguez stated that Mr. Farbstein and some of the other commenters made a good point about the Board being tone deaf, and the General Manager did not

adequately justify the capital improvement projects as being urgent. He requested the Board to accommodate the community's request to reduce the rate for the first year or provide some time of payment plan for those that can't pay. A 100-year pandemic deserves extraordinary replies and response from the Board.

Leni Liakos said that she was disappointed no one addressed the pandemic, with the exception of Director Lohman. And this is the issue. She pleaded with the Board to have some compassion for the people who are out of work and are suffering.

Director Boyd replied that he did talk about the pandemic and how it has prompted them to be more creative in finding alternatives. The Board sympathizes with the community. But this is one of those situations where there are no good answers. He reiterated that continuing to defer projects, will result in something breaking and much more money spent on emergency work and equipment, fines, and possible lawsuits. He would like to talk to the District about possibly selling off some property to offset some of the burden for the community in light of the pandemic.

Leni Liakos thanked Director Boyd for his compassion, and reiterated that the pandemic is the issue.

Barbra Mathewson inquired about the rules for the Economic Hardship program. If a tenant qualifies for the PG&E Care discount, how is that divided between the owner and tenant? Additionally, if the owner qualifies and the tenant doesn't, how does that work?

General Manager Heldmaier replied on the sewer side, the discount will be applied to the property taxes and will only be applied to the property owner. The water discount will be given to the water account holder.

Shaun Botington stated that putting the charges on the tax bill is not fair to the customers, as it is a lien on their homes, and they can lose their house if they can't pay it. MWSD should also have a comprehensive policy, which includes a way to help those that can't afford it.

Brian Owens also opposes the way the fee is being applied and asked whether it is a fee or a tax. If it is a tax it has to be put to a vote. He thinks MWSD should be working with the County and the State to use some of the property taxes for these upgrades. This is not the year to do this.

Ken Greenberg requested that the Board consider reducing the amount to half the amount, for this first year, particularly in recognition of the hardships caused by the pandemic.

Joel Farbstein stated that MWSD raised sewer rates 47.2% two years ago, citing sewer, maintenance and capital improvement needs. It is the same thing, with

another 9% increase. The claims of reduced revenue and relying on the rate-payers makes consolidation more compelling. He urged the Board to re-consider raising the rates and implement them at a later date.

Director Boyd made a motion to close the public hearing, and was seconded by Director Dekker.

District Clerk announced that the District received 392 written protests received, including valid and invalid protests, and there are no majority protests.

Director Harvey said all the Board members live in the community and it is a very difficult decision. He wanted to remind people that the Board voted to suspend payment of their stipends, they do not get any health or retirement benefits from the District and they are members of the community.

Director Boyd also said that they are passionate about what they do, and there is a tremendous amount of information available on the website. They have presented many detailed presentations over the preceding months, and it is a little distressing for all their efforts there are still so many questions. He offered his number for any inquiries.

Director Slater-Carter considers all the stakeholders for every single financial discussion—they are a priority.

Director Dekker made a motion to adopt the resolution of the Montara Water and Sanitary District overruling protests and confirming reports on Sewer Service Charges and Water System Reliability charges for fiscal year 2020-2021 and delinquent refuse collection and water service charges for fiscal year 2019-2020, certifying list of lots or parcels of land and corresponding charges against said lots or parcels and directing transmittal of said certified list and charges to the County Controller for entry on the current assessment roll. Director Harvey seconded the motion. A roll call vote was taken and the motion passed unanimously 5-0.

Director Slater-Carter stated that the agenda needed to be re-arranged as follows: New Business Item one, *Review and Possible Action Concerning Establishment of Economic Hardship Assistance Policy*, should be moved to the Public Hearing section, because it is incorporated into item three, the Master Fee Schedule.

Director Boyd made a motion to move New Item one to the Public Hearing to be reviewed next, and Director Lohman seconded the motion. A roll call vote was taken and the motion passed unanimously 5-0.

## **1. Review and Possible Action Concerning Establishment of Economic Hardship Assistance Policy.**

General Manger Heldmaier said the reason this was moved is because the next item establishes all the fees for the District, and this fee needs to be approved before it can be implemented in the Master Fee Schedule. It is an annual discount of \$100 on the water and \$100 on the sewer side. On the sewer side, an annual discount will be given to qualified property owners/customers via check from the District or applied as a credit on their property taxes. If the property changes ownership, and the new owner qualifies, the amount will be pro-rated for the balance of the fiscal year. This can also be done for someone who misses the deadline of July 15<sup>th</sup>. On the water side, the discount will be applied to the water bill of the account holder. Eligibility is based on participation of the PG&E Care program that Recology uses. Recology participants will automatically be enrolled in this program. MWSD can also register participants (already enrolled in the PG&E Care program) directly. Consent forms to share information may be required. The funding source will not be from rate-payer revenues, as specified in Prop 218. The recommendation is to approve and adopt the resolution of the Montara Water and Sanitary District establishing an Economic Hardship Assistance discount for sewer and water services and designating funding source therefore.

Carlyle Young asked if there are adequate funds for this program if there are more participants than anticipated.

General Manager Heldmaier said he does not foresee a problem. However, if that were to happen, it would be brought to the Board for discussion.

Director Boyd requested that the discount be increased. This is for a small subset of people that are in dire need.

Directors Harvey and Peter concurred with Director Boyd.

Director Lohman said he was thinking about a reduction on the next item, and giving two discounts would be expensive for the District.

Director Boyd replied that this would be the smaller total amount and this would be for a small subset of people who qualify under the low-income program. This is for people who are in dire need. It is a high return for a reasonably well contained investment. It's not a lot of money, but it helps people where it really matters.

Director Lohman said he wanted to reduce the water reliability charge about 25% under item three, which would be more than \$100 dollars. So, if they don't want to make the reduction there, and target the money for the people here, he would be willing to discuss a discount of \$200 dollars.

Director Slater-Carter inquired what affect this increase would have on the pool of funds for this program.

General Manager Heldmaier replied there are less than 30 participants from Recology, and even with additional participants, the fiscal impact will be minimal in comparison to a reduction of the Water Reliability charge. This is designed for a small subset of people who really need it.

Shaun Botington said MWSD should just waive the fees for those people who can't pay it. As a community, let's help them. There should be a plan to help people in this community.

Director Boyd made a motion to extend the meeting one hour, and Director Lohman seconded the motion. A roll call vote was taken, and the motion passed unanimously 5-0.

Director Boyd concurred with Mr. Bottingham, and said that as a government agency, there are laws about not favoring one particular constituency. They had to be very careful to try to get where they are on this today. He was surprised there were only 30 participants, and expects that number to go up. There are people that need assistance, and we want to help.

Director Lohman asked for clarification of the discount amount.

Director Boyd said it will be \$200 for water, and \$200 for sewer.

Director Harvey made a motion to approve and adopt the resolution of the Montara Water and Sanitary District establishing an Economic Hardship Assistance for sewer and water services and designating funding source therefore. Director Lohman seconded the motion, and the motion passed unanimously 5-0.

Director Slater-Carter made a suggestion to those that have the capability to do those things, in possibly setting up a Go-Fund-me account for residents that need financial assistance.

### **3. Review and Possible Action Concerning Adoption of a Revised Master Fee Schedule.**

General Manager Heldmaier stated that the Master Fee Schedule contains all the fees and charges, including water and sewer connection fees. They are based on California Cost of Construction or the US Consumer Price Index. The Water System Reliability charge and the increased sewer rate are included as well as the other fees. The Economic Hardship discount is listed at \$200, and he asked District Counsel if the Board can approve the Master Fee Schedule in concept, and allow them to adjust the Economic Hardship rate as per the directors' request.

District Counsel Christine Fitzgerald said since the Master Fee Schedule hasn't been decided yet, the adjustment of the Economic Hardship rate can be made as

requested. Additionally, the water reliability charge has been adopted under item one, but the Board can consider a different amount to be amended on the Master Fee Schedule.

Director Slater-Carter opened the Public Hearing

Shaun Botington said the Go-Fund-Me would be something that he would look into.

Carlyle Young re-asked why the Water System Reliability charge is a fixed fee and not blended. It is not fair to those that live alone as compared to others with large families.

General Manager Heldmaier said a fixed rate was chosen because it is an infrastructure related charge based on household, and the infrastructure need is the same for each property.

Ken Greenberg reiterated his request to cut the amount by half this first year, and asked what is the duration of this charge, and will it be the same every year.

General Manager Heldmaier replied that the Water Reliability charged adopted will be on the property taxes moving forward, with no end date. The Board can change the amount, and may adjust it up to the maximum rate as set forth in the Prop 218 notice. It will be re-assessed again in the future. If there is no change, no action is needed, but if an increase is needed, the Board would be required to go through the Prop 218 process again.

Director Boyd said they are coming to terms about not addressing critical needs over the past decade, and the charge will become part of the rate structure, and they probably should have started this ten years ago.

Shaun Botington stated that although he understands the needs, he feels putting it on the property taxes is rather underhanded, and puts people at risk of losing their homes.

Carlyle Young commented that the Water Reliability charge is likely to be increased because the need is greater than what is being proposed.

General Manager concurred, say this was a first step, as they need two million dollars annually, and the Board only approved one million dollars.

Director Dekker made a motion to close the public hearing and Director Boyd seconded it. A roll call vote was taken and the motion passed unanimously 5-0.

Director Lohman said his goal was to reduce the impact of the water charge, and they have authorized a discount of \$400 dollars through the Economic Hardship



rate. There was talk of reducing the water rate 50%, and if we put the two numbers together it will be approximately 75%.

Director Dekker proposed that the Board reduce the Water Reliability charge by 50% or \$280 dollars, for this first year.

Director Boyd said that he was in favor of one discount, and said the District could sell some assets to supplement the amount not collected. He requested that this idea be agenzized for the next meeting to discuss this.

General Manager Heldmaier said that reducing the water reliability charge by 50% is detrimental to MWSD. The cash flow would be heavily impacted, and taking that \$500,000 dollars away would drain the District's cash completely. This means if something breaks, it cannot be fixed and would have to be turned off.

Director Boyd said he was in favor of Director Lohman's proposal of 25%, and closing that gap with an asset sale. This would be a one-time cut, and not for next year.

Director Lohman, clarified that what he was saying that the Economic Hardship discount would be approximately 75% savings to the eligible residents. If they now add 25% percent on the Water Reliability charge, then those folks would not pay anything.

Director Boyd thought Director Lohman was suggesting to approve 75% of what is proposed.

Director Dekker said it should be one or the other.

Director Slater-Carter added that it should remain as proposed to protect the District from vulnerability.

Director Boyd said that his proposal is for 25% reduction with the intention of selling an asset to close that gap.

Director Harvey made a motion to adopt the Ordinance of the Montara Water and Sanitary District restating and amending the Master Fee Schedule with the water reliability charge of \$558.66, and Director Lohman seconded the motion. A roll call vote was taken: Director Boyd – noe, Director Dekker -aye, Director Harvey – aye, Director Lohman – aye, Director Slater-Carter – aye. The motion passed 4-1.

The Board discussed what to do for the rest of the agenda.

Director Lohman made a motion to extend the meeting 30 minutes, and Director Slater-Carter seconded it. A roll call vote was taken, and the motion passed 5-0.

## **CONSENT AGENDA**

- 1. Approve Minutes for Regular Scheduled Board Meetings May 7, and Finance Committee Meeting May 13, 2020**
- 2. Approve Financial Statements for April 2020**
- 3. Approve Warrants for June 1, 2020**
- 4. SAM Flow Report for April 2020**
- 5. Monthly Review of Current Investment Portfolio**
- 6. Connection Permit Applications Received**
- 7. Monthly Water Production Report**
- 8. Rain Report**
- 9. Solar Energy Report**
- 10. Monthly Public Agency Retirement Service Report for March 2020**

Director Harvey made a motion to approve the Consent Agenda, and Director Lohman seconded it. A roll call vote was taken and the motioned passed unanimously 5-0.

The directors set up a continuation of the meeting, as a special meeting on June 10, 2020 at 7:30pm.

## **Adjournment**

**REGULAR MEETING ENDED at 12:35 P.M.**

## **OLD BUSINESS**

- 1. Review and Possible Action Concerning Approval of Sewer Authority Mid-Coastside General and Collections Budget for Fiscal Year 2020-2021.**
- 2. Review and Possible Action Concerning Approval of MWSD Water and Sewer Budgets and Capital Improvement Programs.**

## **NEW BUSINESS-**

- 1. Review and Possible Action Concerning Establishment of Economic Hardship Assistance Policy.**

## **REPORTS**

- 1. Sewer Authority Mid-Coastside Meeting (Slater-Carter)**
- 2. Mid-Coast Community Council Meeting (Slater-Carter) –**
- 3. CSDA Report (Lohman) –**
- 4. LAFCo Report (Lohman) –**
- 5. Attorney’s Report (Fitzgerald) –**
- 6. Directors’ Report –**

**7. General Manager’s Report (Heldmaier)**

**FUTURE AGENDAS**

- 1. MWSD General Obligation Bond Refinancing
- 2. MWSD Defined Benefit Plan Actuarial Evaluation
- 3. Strategic Community Planning Workshop
- 4. Sewer Capital Improvement Project Public Bid Initiation
- 5. Review of MWSD Public Outreach Program

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

**REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

**ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

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

Approved on the 2nd, July 2020

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



**Montara Water  
and Sanitary District**

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**Proposed  
Water System Reliability Charges, Sewer Rates,  
Economic Hardship Assistance Discount**

**June 4, 2020**



- Prop 218 Process and Notifications
- Review Infrastructure Investment and Related Financial Need
- Review Rate Studies and Discussions
- Take Action on Proposed Water System Reliability Charge, Sewer Fees and Charges, Economic Hardship Assistance Discount



# Proposed Fees and Charges

- Water System Reliability Charge
  - Annual fixed charge by meter size, collected on property tax rolls
  - Typical charge for 5/8" x 3/4" meter of \$558.66, beginning on July 1, 2020
- Annual Sewer Rate Increase
  - Annual fixed charge by usage, collected on property tax rolls
  - Three annual increases of 9% per year, beginning on July 1, 2020
- Economic Hardship Assistance Discount



- Why is the new Water System Reliability Charge needed?
- Can we postpone or lower the new charges?
- Do any of these funds pay for new development?
- The District raised sewer rates over past 2 years, why are more sewer rate increases needed?
- Can't we simply fund projects with debt and/or grants and avoid need for rate increases?
- Did district fail to make capital improvements in past or fail to plan for future needs?
- Is the charge too low?
- Are salaries, benefits or retirement programs driving need for rate increases?
- Can the District give a break to folks on limited incomes?



# Study and Discussion

May 2, 2019	Board Meeting	Review Draft 2019-2020 Water and Sewer Budget
May 16, 2019	Board Meeting	Review Draft 2019-2020 Water and Sewer Budget
May 23, 2019	Board Meeting	Review Draft 2019-2020 Water and Sewer Budget
May 29, 2019	Finance Committee Meeting	Review Draft 2019-2020 Water and Sewer Budget, interfund loan discussion
June 6, 2019	Board Meeting	Review Draft 2019-2020 Water & Sewer Budget, interfund loan discussion
July 11, 2019	Board Meeting	Water Rate Study Authorized
July 18, 2019	Board Meeting	Water Rate Presentation
October 9, 2019	Finance Committee Meeting	Water Rate Discussion
January 7, 2020	Finance Committee Meeting	Water Rate Discussion
January 16, 2020	Board Meeting	Water & Sewer Rate Discussion
January 28, 2020	Finance Committee Meeting	Water & Sewer Rate Discussion
February 6, 2020	Board Meeting	Water & Sewer Rate Discussion
March 5, 2020	Board Meeting	Discussion & Authorization for Prop 218 Hearing Notice
May 7, 2020	Board Meeting	2020-2021 Budget discussion
May 14, 2020	Finance Committee Meeting	2020-2021 Budget discussion
May 21, 2020	Finance Committee Meeting	2020-2021 Budget discussion
June 4, 2020	Board Meeting	Prop 218 Public Hearing





# Prop 218 Public Process

- Direction to initiate the Prop 218 Hearing Notice: February 6
- Prop 218 June 4 Public Hearing Authorized: March 5
- Prop 218 Notice Mailed to Customers/Property Owners: March 20  
*(Must be mailed 45 days prior to hearing)*
- ***Additional Notice/Public Information:***  
*District website; District newsletters reviewing capital/funding needs; Half Moon Bay Review articles; Coastside Buzz articles; PLANNED Public Tours – March 14<sup>th</sup> (cancelled due to COVID-19); numerous staff responses to comments/emails/calls*
- Prop 218 Public Hearing: June 4



## Montara Water & Sanitary District

### NOTICE OF PUBLIC HEARING ON PROPOSED INCREASES TO WATER AND SEWER FEES AND CHARGES; COLLECTION OF CHARGES ON THE TAX ROLL

This Notice provides information about proposed increases to water and sewer fees and charges, and collection of charges on the tax roll.

**HEARING DATE:** Thursday, June 4, 2020  
**HEARING TIME:** 7:30 p.m.  
**LOCATION:** Montara Water and Sanitary  
 8888 Cabrillo Highway  
 Montara, CA 94037  
 (Adjacent to the Point Montara Lighthouse)

#### Dear Property Owner or Customer,

To support continued investment in our critical local water and sewer systems, Montara Water and Sanitary District (MWSD) is proposing to adopt new Water System Reliability Charges to be collected annually through property tax rolls, and 9% annual increases to its sewer service charges over each of the next three years. The rates and charges are proposed to go into effect starting on July 1, 2020.

The water and sewer utilities are independent self-supporting enterprises that rely primarily on revenue from water and sewer service charges to fund the costs of providing service. As such, water and sewer rates must be set at levels adequate to fund the costs of operations, maintenance, debt service, and capital improvements needed to keep the aging water and wastewater systems in good operating condition. Our systems have identified need for substantial ongoing investment to ensure continued high quality, reliable drinking water, adequate fire protection and sanitation.

**What Do the Proposed Increases Pay for?** Funds collected will be used to maintain our water pipes, tanks, pumps and other infrastructure in the District's water collection and distribution system and the regional wastewater treatment plant operated by the South Coast Water District.

#### Continuing Our Infrastructure Investment

In 2001, our community overwhelmingly supported the public purchase of our local water system. We secured funds to upgrade its infrastructure. That general obligation bond measure provided us with the ability to purchase the water system and \$8 million for critical system improvements. Over the last 19 years, by leveraging those funds, along with low interest loans and grants, as well as your rate of investment over \$14.5 million in our water system.

We added new tanks, water treatment facilities, installed a new well and rehabilitated 7 water treatment pipeline replacements, added solar panels, improved our system technology by adding real-time monitoring and upgrading our meter reading technology. We've also ensured that our staff is ready to go equipment, generators, and vehicles should an emergency occur.

We work hard to keep this system operating for you and that work never ends.



P.O. Box 370131  
 Montara, CA 94037  
 Voice: 650-728-3545  
 Email: [mwsd@coastside.net](mailto:mwsd@coastside.net)  
 Web: [mwsd.montara.org](http://mwsd.montara.org)

**DIRECTORS**  
 Kathryn Slater-Carter, President  
 Jim Harvey, President Pro Tem  
 Peter Dekker, Treasurer  
 Ric Lubman, Secretary  
 Scott Boyd, Director  
**GENERAL MANAGER**  
 Clements Weidmaier

This was mailed using a legally mandated list. If you receive multiple copies, or received this in error, we apologize.

### Montara Water & Sanitary District - NOTICE OF PUBLIC HEARING ON PROPOSED WATER SYSTEM RELIABILITY CHARGES AND INCREASES IN SEWER FEES AND CHARGES

Montara Water and Sanitary District (MWSD) works every day to deliver water, garbage and sewer services for the residents of Montara and Moss Beach. Over 6,000 residents rely on our services for their homes and businesses. To continue to invest in and maintain critical water and sewer system infrastructure, MWSD is proposing annual Water System Reliability Charges to be collected on the property tax rolls, along with 9% annual increases in sewer service charges for the next three years, effective starting July 1, 2020.

**QUESTIONS OR COMMENTS?**  
 Call: (650) 728-3545  
 8:30 AM to 5:00 PM Mon-Fri  
 Email: [mwsd@coastside.net](mailto:mwsd@coastside.net)  
 Write: PO Box 370131,  
 Montara, CA 94037  
 Web: [www.mwsd.montara.org](http://www.mwsd.montara.org)

**Attend:** Public Hearing on  
 Thursday, June 4, 2020 at  
 7:30 PM at:  
 8888 Cabrillo Highway, Montara,  
 CA 94037 (Adjacent to the Point  
 Montara Lighthouse & Hostel)

**Economic Hardship Assistance Available**  
 Customers experiencing financial hardship may qualify for MWSD's Economic Hardship Assistance Discount.

The Hardship Assistance Discount offers qualified customers an annual \$100 sewer charge credit, and a bi-monthly water charge credit of \$16.67 (\$100 per year). Customers enrolled in the PG&E Care Program and/or Recology of the Coast's low income rate program qualify for the District's Hardship Assistance Discount. Customers participating in Recology's low income rate program will be automatically enrolled in MWSD's program after July 1, 2020.

**To Enroll:**  
 Call Recology of the Coast Customer Service at (650) 355-9000 or MWSD directly at (650) 728-3545.



## Montara Water & Sanitary District ADDITIONAL PUBLIC ACCESS VIA ZOOM TELECONFERENCE REMOTE ACCESS TO PUBLIC MEETINGS WILL REMAIN AVAILABLE

As our community continues its response to and recovery from COVID-19, Montara Water & Sanitary District (MWSD) is committed to providing safe public access via ZOOM teleconference for our regularly scheduled public meetings for the foreseeable future.

**Board Meetings on the 1st and 3rd Thursday of each month at 7:30 p.m. at 8888 Cabrillo Highway, Montara.**

**TO JOIN BY PHONE OR VIDEO, VISIT:**  
**MWS.D.MONTARA.ORG**

AGENDA AND TELECONFERENCE DETAILS POSTED 72 HOURS IN ADVANCE OF SCHEDULED MEETINGS.

**Unprecedented Times:** In March our community was struck with the unprecedented challenges associated with COVID-19. Our drinking water remains safe and unaffected. MWSD continues to work hard to support our community and maintain our essential services. We know that reliable drinking water and sanitation services are a foundation for maintaining your lives and households in stressful times.



## Montara Water & Sanitary District Staying Ahead of our Local Community Needs

Montara Water and Sanitary District (MWSD) works every day to deliver water, garbage and sewer services for the residents of Montara, Moss Beach, and adjacent areas north of El Granada. Over 6,000 residents rely on our services for their homes and businesses.

February -  
March 2020

News for You: Join Us for a Spring System Tour; and Keeping Up with Our Infrastructure Needs

#### Learn How It Works!

What's a pressure zone? What's a PRV station? How does the sewer system keep sewage away from our beaches? What staff have done to improve efficiency and address new state regulations? Delivering drinking water to your taps is a complex balance of infrastructure, water supply, operations and maintenance. Ensuring that our sewage is managed and doesn't impact our health or the natural environment is equally challenging. If you ever wondered how it all works, join us for a system tour this spring.

Reservations required; space limited.



Installing a new water main at 11th Street & Cabrillo Highway

#### Spring 2020 System Tours! Saturday, March 14 10AM-1PM

Come learn how your water and wastewater systems work! MWSD staff will take you on a one hour tour of the critical facilities in our community. Learn the challenges of keeping your water flowing, while protecting public health and the environment.

RSVP online at [mwsd.montara.org](http://mwsd.montara.org) or call (650) 728-3545.

#### Keeping Up with Our Infrastructure Needs

In 2001, our Coastside community overwhelmingly supported the public purchase of our local water system and secured funds to upgrade its infrastructure. That general obligation bond measure provided \$11 million to purchase the water system and \$8 million for critical system improvements. Over the last 19 years, by leveraging those funds, along with low interest loans and grants, we've invested over \$14.5 million in our water system.

We added new water tanks, installed a new groundwater well new water treatment facilities, rehabilitated 7 of our 12 groundwater wells, begun pipeline replacements, added solar panels, improved our system technology by adding real-time monitoring and upgrading our meter reading technology. We've ensured that our staff have efficient, ready to go equipment, generators, and vehicles should an emergency occur.

Our wastewater system - including the critical plant that treats sewage, plus our sewers and pumps - is also aging and at the end of its useful life. We work hard to keep this operating for you and that work never ends. Our Coastside is a beautiful, but challenging environment that ages our facilities

Visit [www.smcensus.org](http://www.smcensus.org) to be counted! Employment positions available.

Join us for a system tour on Saturday, March 14, 2020 at 10:00 a.m. at 8888 Cabrillo Highway, Montara, CA 94037. Visit: [mwsd.montara.org](http://mwsd.montara.org)

## Half Moon Bay Review

MENU [HOME](#) [NEWS](#) [COMMUNITY](#) [A&E](#) [SPORTS](#) [OPINION](#) [FOOD](#) [EVENTS](#) [PACIFICA](#)  [Select Language](#) [66°](#) [SUBSCRIBE](#)

### MWSD water rates may start to rise

Discussions on increasing revenue to continue in August

By Ashlyn Rollins Jul 24, 2019 10



Montara Water and Sanitary District officials tabled discussions regarding a new water rate study at their July 18 meeting. The study would advise how much to raise water rates or implement some other form of collecting revenue.

MWSD took a \$500,000 loan from its internal sewer fund to cover the costs of water infrastructure improvements. The district estimates it will not have “sufficient income to cover next year’s financial needs,” the agenda stated.

## Half Moon Bay Review

MENU [HOME](#) [NEWS](#) [COMMUNITY](#) [A&E](#) [SPORTS](#) [OPINION](#) [FOOD](#) [EVENTS](#) [PACIFICA](#)  [Select Language](#) [66°](#) [SUBSCRIBE](#)

### Sewer rates may rise for Coastsiders

SAM infrastructure costs lead to increase

By Libby Leyden Mar 31, 2020 13



All three member agencies that make up the Sewer Authority Mid-coastside are likely to increase sewer rates as a result of increased spending at SAM as well as necessary repairs to the aging infrastructure.

The city of Half Moon Bay will increase rates for the first time in six years sometime this summer. Similarly, the Montara Water and Sanitary District is already in the process of sending out Prop. 218



### InPerspective: MWSD Rates: How Much Is Enough?

MAY 21, 2020 BY GREGG — 2 COMMENTS

OWN VOICE ~ InPerspective by Gregg Diegez.

Coming in the midst of a deadly and expensive Pandemic, the proposed water and sewer services rate increases by Montara Water and Sanitary District (MWSD) are generating significant rate payer opposition. In addition to my natural interest as a ratepayer, I have been asked by neighbors to look into this issue. The purpose of this article is to assess the District’s need for those rate increases.

#### The Bottom Line

With over \$250 million in assets under management, MWSD requires cash flow of over \$6 million a year to replenish those assets, assuming a 40 year average life. Even **WITH** the proposed rate increases, my projections show the district can only support about \$3 million a year in capital expenditures. There is no doubt in my mind the District needs these funds. The open questions are: A) how soon, and B) how much MORE funding the District will require, and how it’s going to get it.

## Proposition 218 Demands Public Hearing for Rate Increases Even With Covid-19

MAY 19, 2020 BY MICHELLE — LEAVE A COMMENT



# Why Now? Infrastructure Investment Needed

- The District has an ongoing need for **\$2 million per year** for water system capital rehabilitation **TODAY**.
  - Based on age of infrastructure & asset replacement analysis by SRT Consultants
- We can continue to maintain and band-aid what we have only to a certain point. Eventually facilities age, become inefficient, and fail.
- **Replacement is the safest, most secure, and most cost-effective** means to maintain the good condition of the system for current and future ratepayers.



# Water: Current Rates are Inadequate

Historically water rates (customer bill payments) provided <\$500,000 annually for capital projects. **TODAY rates provide only \$200,000 due to increased costs. Water needed \$500K loan from Sewer this year.**

- The District has only implemented **minimal, inflationary water rate increases over the past 10 years;**
- Many customer pay now roughly the same in inflation-adjusted terms as they did in 2010.

	Annual Rate Increases (rounded estimates)										Cumulative Increase	Avg Annual Increase
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
MWSD Water	2.0%	0.0%	4.0%	4.0%	7.5%	3.0%	3.0%	3.0%	3.0%	0.0%	33.5%	2.9%



# Why Rates vs. Debt

- **Rates are the District's main funding source** whether you pay directly or to pay off debt (loan, bond)
  - Just like a mortgage, **we must have adequate income to qualify for financing/loans.**
- **Pay As You Go:** Having available cash is frequently the least expensive mechanism to fund work.
- **Debt Financing:** For larger projects, we always pursue the best mechanism to fund each project based on cost and grant/loan availability.



# Why a Water System Reliability Charge?

- The District needs a continuous source of funds **dedicated to infrastructure investment** so that cash is available to fund needed projects (Pay Go).
- This cash can be leveraged for State Revolving Funds or other low-cost loans, if available.
- **During the last 15 years, the District has maintained capital investment funding \$10M from GOBond refinancing, low interest loans and grants.**



**Montara Water  
and Sanitary District**

**During the last 15 years, the District has maintained capital investment funding by supplementing rates with bonds, low interest loans & grants.**

Year	Budget Spent on CIP	Projects Accomplished:	Major Project Construction Costs
2004	\$250,000	Raw Water Pipeline Replacement	
2005	\$2,300,000	Water System Reliability and Safety Improvements; Alta Vista Well and Solar System installation; main replacements; Alta Vista WTP rehabilitation; Portola Tank road rehabilitation	
2006	\$1,600,000	Meter Replacement and Radio-Read System installation; main replacements; Wagner Well and Drake Well Rehabilitation	
2007	\$870,000	North Airport Well rehabilitation and nitrate treatment installation; main replacements	
2008	\$350,000	1,2,3,TCP pilot testing and MTBE treatment removal, main replacements	
2009	\$240,000	Airport Well No. 3 rehabilitation; main replacements	
2010	\$130,000	South Airport Well Rehabilitation; main replacements	
2011	\$350,000	Main replacements; Portola Well rehabilitation	
2012	\$850,000	Schoohouse Tank I installation; main replacements	
2013	\$600,000	Schoohouse Tank I and II installation; main replacements	
2014	\$1,300,000	Schoohouse Tank II installation; main replacements	
2015	\$2,300,000	Alta Vista Tank II installation	
2016	\$1,600,000	Alta Vista Tank II installation	
2017	\$740,000	Replacement of 4 <sup>th</sup> St water main, Installation of new water main on 7 <sup>th</sup> St, Acquisition of a new generator, Improvements at Alta Vista site	
2018	\$240,000	SCADA system upgrades, Replacement of 4 <sup>th</sup> St water main, Improvements at Alta Vista site	
2019	\$480,000	Rehabilitation of Airport Well No.3, Acquisition of 2 trucks, Groundwater well monitoring	
<b>Total 2004-2019</b>	<b>\$14,200,000</b>		





## Today, the Water System needs:

To begin systematic replacement or rehabilitation of:

- Approximately 8.5 miles of water mains, including associated valves and appurtenances
- Alta Vista Tank No. 1 (rust, roof), Portola Tank and the 2 Pillar Ridge Tanks
- Pillar Ridge and Alta Vista water treatment plants
- Groundwater wells: Alta Vista, Drake, North Airport, South Airport, Portola (Nos. 1, 2, 3, and 4) and Pillar Ridge (Retiro, Corona and Culebra)

MWSD Capital Improvement Projects	MWSD Program Description	Estimated Present Worth (2019\$)
<b>Asset Replacement Program</b>		
<b>Water Storage Tanks</b>	Replacement of the Alta Vista Tank No. 1, Portola Tank and the 2 Pillar Ridge Tanks	3,972,000
<b>Supply Groundwater Wells</b>	Rehabilitation of the Alta Vista Well, Drake, North Airport well, South Airport Well, the Portola Wells (Nos. 1, 2, 3, and 4) and the Pillar Ridge Wells (Retiro, Corona and Culebra)	3,525,000
<b>PRV Stations</b>	Rehabilitation of all of the 16 PRV Stations	1,170,000
<b>Water Mains</b>	Replacement of approximately 45,000 linear feet of water mains, including associated valves and appurtenances	9,577,000
<b>Treatment Plants</b>	Replacement of the Pillar Ridge and the Alta Vista treatment plants	5,570,000
<b>Hydrants</b>	Replacement of 123 hydrants	738,000
<b>Booster Pump Stations</b>	Replacement of the Schoolhouse booster pump station	3,286,000
<b>Service Meters</b>	Replacement of the Service Meters	1,171,000
<b>Generators</b>	Installation of generators at locations that do not currently have any and replacement of aging generators	987,000
<b>Vehicles</b>	Replacement of the service vehicles every 7 years	425,000
<b>SCADA Upgrades</b>	Necessary upgrades of the water system's electronic controls and monitoring equipment	500,000
<b>Supply Reliability Program</b>	Groundwater exploration studies to better understand local aquifers and identify potential groundwater well sites to augment water system supply reliability	\$2,000,000
<b>Office Systems Upgrades</b>		\$850,000
<b>Total</b>		\$33,771,000

**Total with construction cost escalation over 20 years:**

**~\$40M**



# Proposed Water System Reliability Charge:

- A fixed charge based on meter size, collected on the property tax rolls for all customers to raise **\$1,000,000 per year** starting in 2020:
  - Assumes no change to current rates and charges for bimonthly billing
  - **Restricted for infrastructure needs only**

Domestic Water Meters	# of All Accounts: 1587	% of All Accounts:	Water System Reliability Charge
<b>5/8" &amp; 3/4"</b>	<b>1555</b>	<b>98%</b>	<b>\$558.66</b>
<b>3/4"</b>	17	1%	\$830.00
<b>1"</b>	9	<1%	\$1,396.66
<b>1-1/2"</b>	2	<1%	\$2,793.30
<b>2"</b>	4	<1%	\$4,469.28
<b>3"</b>	0	0%	\$8,379.90
<b>4"</b>	3	<1%	\$13,966.50

Most accounts with private fire service only will pay 50% of 5/8" & 3/4" rate



**Montara Water  
and Sanitary District**

# Sewer System



# Sewer: Financial Health and Funding Need

- Sewer system is in **sound financial health but rate increases are needed** to continue adequate funding for rehabilitation & replacement of aging infrastructure.
- Strong historical financial management – including 2018-19, 2019-20 increases – have kept revenues in line with annual funding needs.
- Other regional agencies facing similar challenges with aging facilities.



# Sewer: Infrastructure Investment Needed

- The District's Sewer capital needs total about \$2.5 million (current \$) per year over next 20 years.
- This is needed for rehabilitation and repair of:
  - \$1.9M per year: District sewers, lift and pumping stations which transport sewage to SAM.
  - \$700,000 per year: Sewer Authority Mid-Coastside (SAM) facilities which provide critical treatment and waste processing for our coastside.



# Sewer Rate Studies and History

- Last sewer rate study conducted in 2018:
  - Adopted 2 years of rate increases as substantial steps of a longer-term plan to phase in more funding for infrastructure rehab & replacement.
  - Also addressed funding needs for increased SAM operating expenses.
  - Plan was to re-evaluate rates this year.

Fiscal Year Ending June 30	2012	2013	2014	2015	2016	2017	2018	2019	2020
Residential Sewer Rate Adjustment	2.5%	4.3%	3.0%	3.0%	3.0%	3.0%	2.9%	21.7%	21.0%



# Proposed Sewer Rates

- A charge based for residential on annualized water use from 4 winter months, collected on the property tax rolls for all customers:

Customer Class	Current Sewer Rates	July 1 2020	July 1 2021	July 1 2022
Rate Adjustment %		9%	9%	9%
<b>Sewer Service Charge:</b> <i>Volumetric charge billed per hundred cubic feet (hcf) of metered water use. Minimum charge based on 48 hcf of annual sewer use (4 hcf per month).</i>				
<b>Residential</b>	<b>\$21.07</b>	<b>\$22.97</b>	<b>\$25.04</b>	<b>\$27.29</b>
Restaurants	36.55	39.84	43.43	47.34
Motels	22.18	24.18	26.36	28.73
Offices	18.98	20.69	22.55	24.58
General Commercial	20.33	22.16	24.15	26.32
Schools	19.28	21.02	22.91	24.97
Hospitals	21.01	22.90	24.96	27.21





# Economic Hardship Assistance Discount for Customers

- **Proposed \$100 Annual Water Service Charge Discount:** = \$16.67 discount per bi-monthly bill
- **Proposed \$100 Annual Sewer Service Charge Discount:** Paid to qualifying customer/property owner or applied to annual charge collected on the property tax rolls.
- **Annual eligibility based on participation in PG&E's CARE program**
- **Prop 218 prohibits the use of ratepayer funds to subsidize any group of ratepayers; Only non-rate revenues are available to assist hardship customers.**
  - Low water use customers already benefit from tiered volumetric rate structure. Given Pillar Point's existing distribution system, these residents benefit from a master meter agreement.



# Questions/Answers

- Why is the new Water System Reliability Charge needed? **Ongoing \$2M annual infrastructure investment needed.**
- Can we postpone or lower the new charges? **Funds are needed today to fix the system, postponing or lowering reduces even further what we can maintain.**
- Do any of these funds pay for new development? **No, these funds will be used for existing infrastructure only. New developments pay connection fees to buy-in to the existing system and pay separately for any new infrastructure needed.**
- The District raised sewer rates over past 2 years, why are more sewer rate increases needed? **Ongoing \$2.5M annual infrastructure investment needed.**
- Can't we simply fund projects with debt and/or grants and avoid need for rate increases? **Need adequate income to qualify; only available from rates.**
- Did district fail to make capital improvements in past or fail to plan for future needs? **District has maintained system, but must increase repair/replacement to keep system in good condition.**
- Is the charge too low? **No, it will not fully fund all needs, but is a big step in the right direction to addressing our infrastructure needs.**
- Are salaries, benefits or retirement programs driving need for rate increases? **No, funds are needed to repair/replace infrastructure.**
- Can the District give a break to folks on limited incomes? **An Economic Hardship Assistance Discount is proposed.**



- Approve:
  - Proposed Water System Reliability Charge
  - Sewer Fees and Charges
  - Economic Hardship Assistance Discount

## Tracy Beardsley

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**From:** [REDACTED]  
**Sent:** Thursday, June 4, 2020 2:59 PM  
**To:** info@mwsd.net  
**Cc:** kengreenberg4@gmail.com  
**Subject:** Public Comment, MWSD June 4, 2020 Public Hearing, Agenda Items 1 & 2

My name is Ken Greenberg. I am a resident of Montara and an MWSD customer. Today I filed a protest to the proposed Water System Reliability Charge. I do not object to the proposed sewer rate increase or to the collection of the sewer fees and Water Reliability Charge, if imposed, on our property tax bills.

I protested the proposed Water System Reliability Charge because the annual increase of at least 40% in our water charges in 2020/21 is too much of an increase in a single year, especially considering the financial hardship faced by many District residents during the Covid pandemic. I agree with the need to increase water system revenue in order to fund needed capital improvements and replacement of aging water system assets, however, I think the Board should consider alternative approaches to raising the needed funds. My suggestions follow:

1. The Board should be more transparent in its public announcements related to the proposed Water System Reliability Charge. The public notice and associated fact sheet for this hearing implies that the proposed Water System Reliability Charge will cover the \$40 million dollars of needed capital improvements over the next 20 years. It is clear, however, from your previous Board meetings that the proposed Reliability Charge will address only half of the needed improvements and that the Board intends to seek additional substantial revenue increases in the future. I urge the Board to clarify this point in its public notices. The Board should also explain the duration of the proposed Water System Reliability Charge.
2. The Board should consider phasing in the Reliability Charge with smaller percentage annual increases spread over multiple years until the ultimate needed revenue level is achieved. The District is using this type of incremental approach for the sewer system with 9% annual increases over the next three years. In comparisons the Board made with other Bay Area water and sewer districts, there is no other district that imposed a 40% increase in a single year. The Board's financial consultant suggested an option to phase in charges over multiple years (see page 10 of November 7, 2019 power point, "Water System Reliability Charges" by Bartle Wells Associates) but I am not aware that the Board considered specific proposals for such a phased approach.
3. The Board should consider alternatives to its proposed "pay-as-you-go" capital funding scheme. Alternatives should include partial funding of capital improvement costs with bonds, low interest loans and grants. The Board should compare the customer water charge increases needed to support the pay-as-you-go approach with water charge increases that would be needed to support bonds and low interest loans. I suspect that the annual cost to customers could be reduced and spread out over a longer time period if the Board uses bonds, low interest loans and grants. In its public notice for this hearing the Board notes that since acquiring our water system it used bonds, low interest loans and grants to fund \$14.5 million of capital improvements.
4. I understand that the Board's estimation of \$40 million dollars for needed capital improvements over the next 20 years is based largely on a desk top analysis using industry standard estimations of the average service life for various asset types. The Board should refine its estimation of capital improvement costs by completing actual, on the ground condition assessments of our water system assets and assigning replacement dates based on these condition assessments.
5. Explore the possibility of eliminating or postponing some capital improvements by supplementing the Districts' water supply with Hetch Hetchy water purchased from our neighboring Coastside County Water District.

Thank you for considering my comments.

Ken Greenberg

**Tracy Beardsley**

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**From:** [REDACTED]  
**Sent:** Thursday, May 28, 2020 7:30 PM  
**To:** Clemens Heldmaier  
**Cc:** Info\_MWSD; mwsd@coastside.net  
**Subject:** I support MWSD Proposed charge and rate Increase

Dear Clemens,

Thank-you for reaching out to discuss at great length the water and sewer spreadsheets and going over line item by line item and explaining the water districts past and also present goals.

I'm in and support you and the boards proposals.

respectfully,

Patrica Morrissey

[REDACTED]

## Tracy Beardsley

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**From:** [REDACTED]  
**Sent:** Thursday, June 4, 2020 7:56 AM  
**To:** info@mwsd.net  
**Subject:** Water System Reliability Charge

MWSD must publicly justify the proposed Water System Reliability Charge and explain why at this time if stress for many, thus charge is warranted. Until there is clear public approval for the proposed charge, the plan should be tabled.

Richard W. Mixer

--  
Get the [Boomerang Email App](#) on your phone

**From:** [REDACTED]  
**Date:** Wednesday, May 27, 2020 at 9:58 PM  
**To:** Clemens <clemens@MWSD.net>  
**Subject:** Re: MWSD Prop 218

Thanks for your follow up, Clemens. But the statement you shared seems to be MWSD's position statement, and not the answer to the question I was asking. Can you please share with me the name and contact info of MWSD's legal team. That should save us both time, as I'll get to ask my specific questions and you won't have to interpret it or have it impact any of your other duties.

Once I receive them, I'll share the answers with you to the questions that may include:

If a district wants to accept electronic submissions, does that comply with Proposition 218 requirements?

Can Proposition 218 permit electronic protest letters?

Does proposition 218 expressly prohibit electronic protest letters, provided they include the requested information? (Or electronic petitions?)

Would a protest letter submitted via DocuSign be acceptable based on Prop 218?

There may be a follow-up question or two as well. Thanks, and please share that contact info this week so I can have the answers for you by the next Board meeting. Regards, -Joel

On May 27, 2020, at 9:09 AM, Clemens Heldmaier <clemens@mwsd.net> wrote:

Joel,





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

**BOARD OF DIRECTORS MEETING**  
**June 10, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**SPECIAL SESSION BEGAN AT 7:30 p.m.**  
**CALL TO ORDER**  
**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, and Slater-Carter

Directors Absent: Lohman

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald  
District Accountant, Peter Medina  
District Water Engineer, Tanya Yurovsky  
Kastama Consulting, Alison Kastama  
District Sewer Engineer, Pippin Cavagnaro  
General Manager of the Sewer Authority Mid-Coastside,  
Kishen Prathivadi

## **PRESIDENT'S STATEMENT –**

Director Slater-Carter announced that during the June 4<sup>th</sup> meeting, much time was spent interacting with the public and this is a continuation of that Board Meeting. The public hearing items and Consent Agenda were approved, and the Economic Hardship Assistance discount was established. Two old items from that meeting will be reviewed.

## **ORAL COMMENTS -**

Carlyle Young said she attended a County Planning meeting in reference to Mid-Pen and there was a document that indicated that a lift station may be required. Do you know anything about that?

General Manager Heldmaier replied that the developer will pay for any infrastructure needed, and there is not enough information to comment on this now.

## **PUBLIC HEARING – none**

## **CONSENT AGENDA**

## **OLD BUSINESS**

### **1. Review and Possible Action Concerning Approval of Sewer Authority Mid-Coastside General and Collections Budget for Fiscal Year 2020-2021.**

General Manager Heldmaier stated that the Sewer Authority Mid-Coastside (SAM) Board approved the SAM Collections and General budget on May 11, 2020. The budgets were then given to the three agencies for approval and comment, and this is what is being reviewed now. The overall Collections budget decreases about 17% or \$144,000 dollars over the prior fiscal year. MWSD's assessment of the Collections Services decreases \$83,000 dollars or 24%. On the General Budget SAM decreases by \$107,000 dollars or 1%. The total General budget totals 7.3 million dollars, which includes an infrastructure division budget of 1.975 million dollars. MWSD's assessment of this is would increase by \$55,000 dollars or 4%. Both budgets were presented by the SAM General Manager at the May 21, 2020 Board of Directors meeting. The recommendation is to the adopt the resolution that consents to the approval of the General Budget and another resolution that consents to the Collections Budget for the next fiscal year.

General Manager Kishen Prathivadi stated that for the Collection Services budget all agencies (Montara, El Granada, Half Moon Bay) will have a minimum of 50% of their lines cleaned annually. Once 50% of all systems have been cleaned each year, then the General Manager will coordinate with the General Manager of the

three agencies to identify the most critical work to be performed in the remaining amount of time. Total costs are calculated including services for line cleaning, lift station maintenance, FOG (fat oil grease) inspections, hot spot cleaning, emergency response, USA marking, reporting and respective meetings. Hot spot and line cleaning were considered at \$1.44 per linear foot, and the cleaning costs were proportionally divided based on percentage of the total linear feet owned by each agency. Collections has four staff workers with planned merit increases. In comparing the Agency Fees, for MWSD there has been a decrease of 24% or \$83,000 dollars and MWSD's share for the SAM Collections budget is about \$258,000 dollars. The General budget highlights include: all authorized positions are included, two vacant positions were defunded, applicable one step merit increase is included for staff, one vacant position budgeted at mid-step, decrease in health benefits due to overestimate in last year's budget and defunded positions, retirement cost increase due to underestimate last year, new staff with non-classic/PEPRA, overall applied 3% CPI to all non-personnel costs. In the Infrastructure budget approved by the SAM Board, some projects were deferred until the next year. Under the Expense by Category, a large percentage is personnel, then infrastructure, other expenses--which are utilities, maintenance service, and legal and professional services. The list of staff is for administration, operations, and environmental compliance, for a total of 12 employees. Five employees are scheduled for a merit increase, and 6 employees are at the top step, one position is vacant. The changes from last year are: a decrease in wages in benefits (due to defunding of two positions), an increase of legal and profession services, insurance premiums increased due to underbudgeting last year, building and maintenance costs have increased, and equipment decrease based on anticipated replacement needs. The total for the General Budget has an overall decrease of 2% or \$189,000 dollars. The Operation and Capital have a decrease of 1.4%. Montara had a slight increase in flow. This assessment is based on the historical flow allocations in the last year.

Director Slater-Carter commented that MWSD has geographical challenges, with a dozen major pump stations a lot of smaller pumps to take care of requiring more maintenance.

Director Boyd said one of the significant expenses for the agency is lawsuits--in particular, Half Moon Bay sued El Granada, Montara, and SAM. These costs are a direct result of the actions of Half Moon Bay and some of the work being done at SAM is being held up by Half Moon Bay. If history repeats itself, MWSD is likely to see system failures, spills, fines from regulators, and further mandated projects. He encouraged the public to see the past SAM meeting (June 8, 2020), and see that they are causing consternation and making it difficult for the people working so hard to make SAM a success.

Director Slater-Carter added they are looking at 40 million dollars needed for repairs just for the SAM plant in Half Moon Bay, and MWSD will have to pay a portion of that. The Wet Weather project that Director Boyd mentioned was

previously approved by all parties, when Half Moon Bay has decided they want to do something else that is not approved, is more expensive and unreliable during emergencies. She encouraged people to view the meeting on June 8<sup>th</sup> about 9 minutes into the meeting, items 4B and 4C.

Director Dekker made a motion to approve the SAM General budget and Director Harvey seconded the motion. A roll call was taken, and the motion passed 4-0.

Director Boyd made a motion to approve the SAM General budget and Director Harvey seconded the motion. A roll call was taken, and the motion passed 4-0.

## **2. Review and Possible Action Concerning Approval of MWSD Water and Sewer Budgets and Capital Improvement Programs.**

General Manager Heldmaier stated that drafts of this water and sewer budget were presented during the May 7<sup>th</sup> and May 21<sup>st</sup> Board of Directors meetings. Working with the Finance Committee, some changes were made, and they now recommend approval of the budgets. This includes the approved sewer increase of 9% and the newly established Water System Reliability charge. Also included is a 1.11% Cost of Living (COLA) increase for all non-exempt employees. The combined cash flow is 8.3 million dollars, with combined expenses of 9.3 million dollars. Total expenses are approximately one million dollars higher, due to a specific sewer infrastructure project. This will require dipping into reserves to balance the budget. The total infrastructure costs will be 3 million dollars which is 33% of total expenses. The SAM assessment, MWSD's portion of the SAM budget, will be almost 2 million dollars, or 21%. The loan and other financing expenses amount to 1.59 million dollars, which is 17% of the combined expenses and 1.3 million in expected personnel costs. The recommendation is to approve the water and sewer budgets by resolution, and authorize a 1.11% COLA increase for all non-exempt employees. He shared the Cash Flow Summary of the Sewer budget and went over the numbers. The sewer service charges incorporate the 9% increase, but translates to approximately 8% in revenue due to reduced flow. There is some revenue from the cell tower and property taxes, which include the Education Reimbursement Augmentation Fund (ERAF), which varies every year and is hard to predict. Unfortunately, ERAF funds may be affected this year through legislation, and MWSD is working with San Mateo County to address this. The operations income is roughly 3.6 million dollars (detailed line items are in the Board packet). Personnel and operational costs are overall pretty stable, with a decrease in professional services. The net cash flow is roughly \$860,000 dollars. In the capital improvement program, there is a large project slated for the year, pending approval of the permit. The connection fees provide some income, and there are some loans to pay. Overall, on the Sewer side, MWSD needs to add approximately one million dollars from reserves to be able to balance the budget this fiscal year. On the Water side, water sales are expected to decrease in revenue due to conservation and a lack of a rate increase. There is some revenue from the cell tower, property taxes, and backflow testing is done in house. One full-

time operator was hired increasing personnel costs, while the number of temps were decreased. Overall operating expenses were cut down 1.89 million dollars. The majority of financing expenses are the GO Bond, shown as income. The Water System Reliability charge is included. On this revenue level is an additional 2.1 million dollars in income. The Capital improvement program is roughly one million dollars in the next fiscal year, which is the minimum required for unexpected repairs. On financing expenses include the GO Bond assessments, etc. Now, there is a slight positive cash flow of \$76,000 dollars.

District Accountant Peter Medina talked about the particular challenges they faced with the budget. Going back the past 8 years, the operational net income for the water fund has never been positive. Once the depreciation figure is brought in, it brings the entire fund to the negative. When they budget for a water revenue, which took place in 2015-2016, they are budgeting for the water levels of 2015-2016 in 2021. Additionally, some of the assumptions did not pan out, resulting in the rate income being significantly less than anticipated.

District Sewer Engineer, Pippin Cavagnaro said they set goals, which include sewer maintenance, neighborhood projects. They also try to balance what should be planned for the medium and high priority sewer projects. Regulators are always asking about what the District is doing to improve/maintain the system. Periodically they have to invest in more expensive projects that they have to save for. The proposed large project is a continuation of a multi-phased project identified in 2012. The first part of this project was to rehabilitate the trunk sewer line from the Kanoff station to Montara pump station. The next phase was Phase One which was completed now, and Phase Two will be a new sewer line extending from 16<sup>th</sup> Street to 14<sup>th</sup> Street. This is a high traffic area, and the narrow street, most of the work will be done at night. Because of the night work, and the large pipe diameter, this project will cost approximately 1-1.25 million dollars.

General Manager Heldmaier said that water capital expenditures were \$800,000 this year due to a treatment plant required by the regulators.

District Water Engineer, Tanya Yurovsky talked about the Capital Improvement project. It consists of two parts, one paid by existing customer and the other paid by new customers. Although the District has been replacing the distribution system, which is the network of pipes to the homes, since 2003, there is still much to do. MWSD will only be replacing the mains that are in dire need. They are hoping to combine projects and work in sync with sewer to take advantage of permitting, trenching, and minimize costs. The District needs to replace at least one generator, two if possible. She pointed out the District has the Water Conservation program available to residents, that hurts water revenue, in an effort to protect natural resources.

Director Boyd wanted to highlight page 3 or 4 with the Water and Sewer summaries, the *Variance* column, is everything in parenthesis that was in the

budget last year that is not in the budget this year. There are very significant reductions and he hopes that the public will appreciate the impacts this has on staff and consultants to do more with less.

Director Slater-Carter stated that growth reduces acceleration of costs. Not all development is bad. With Prop 13 passing, the District property tax revenue is low, less than 7% of the budget. Last week, someone mentioned the Fire District, and 98% of their budget comes from property taxes. Since the District is classified as an enterprise, they are expected to support themselves through fees and rates. Since acquiring the water system, the District has been fixing leaking pipes, saving money over the long term.

Director Boyd made a motion to approve 1.1% Cost of Living Increase for all non-exempt employees, and Director Harvey seconded the motion. A roll-call vote was taken and the motion passes 4-0.

Director Boyd made a motion to approve the resolution of the Montara Water and Sanitary District to approve the water and sewer district budgets for the fiscal year 2020-2021, and Director Dekker seconded the motion. A roll-call vote was taken and the motion passes 4-0.

Carlyle Young asked if there was a policy for water and sewer reserves.

General Manager Heldmaier said the reserve policy is included in the Board packet and on the website under *Finances*. It varies every year, with a minimum and maximum level set. The sewer side is okay, and the water side is below the requirement.

Director Boyd added that the policy is set so that the District has enough reserves for the anticipated projects in the coming years. It is a prefunding mechanism— saving for what they know is coming, and for Operations should something happen. They are very carefully considered policies, and the flexibilities has to do with need and thinking through the risk of catastrophic events occurring and needing repairs on equipment.

## **NEW BUSINESS-**

## **REPORTS**

### **1. Sewer Authority Mid-Coastside Meeting (Slater-Carter)**

Director Slater-Carter said she was concerned about the opposition of the Wet Weather project from Half Moon Bay. Please watch and/or attend the meeting.

### **2. Mid-Coast Community Council Meeting (Slater-Carter) –**

Director Slater-Carter requested Barbra Mathewson updated everyone said Connect-the-Coastside made a presentation which was not well attended and did

not go well. There will be another meeting on Monday, focusing on the Montara Moss Beach section. Cypress Point went before the Planning Commission, and they did vote to change the LCP.

3. **CSDA Report (Lohman)** – Director Lohman absent
4. **LAFCo Report (Lohman)** – Director Lohman absent
5. **Attorney’s Report (Fitzgerald)** – none
6. **Directors’ Report** – none
7. **General Manager’s Report (Heldmaier)** none

**FUTURE AGENDAS**

1. District Water and Sewer Budgets
2. District Water and Sewer Capital Improvement Programs
3. MWSD District General Obligation Bonds Refinancing
4. MWSD Defined Benefit Plan Actuarial Evaluation.

**BRIEF RECESS**

**SPECIAL MEETING ENDED AT 9:03PM**

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

**REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

**ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

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

Approved on the 2nd, July 2020

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



**MWSD Board Meeting**  
**FY 2021 Collection Contract Services**  
**Budget Review**

**May 21, 2020**

# Service and Budget Changes



1. All Agencies will now have a minimum of 50% of their lines cleaned on an annual basis.
2. Total costs were calculated including services for Line Cleaning, Lift Station Routine Maintenance, FOG Inspections (where applicable), Hot Spot Cleaning, Emergency Response, USA Markings, Reporting and Related Meetings.
  1. *Direct Costs for Lift Stations, FOG, USA, Reporting and FOG were calculated for each agency and directly calculated into the budget.*
  2. *Hot Spot and Line Cleaning costs were considered at \$1.44 per ft ( last year cost of \$1.4 per ft with a 3% COLA increase)*
  3. *The cleaning costs was proportionally divided based on percentage of the total linear feet owned by each agency.*
3. Once 50% of all systems have been cleaned each year, SAM staff will coordinate with MA Managers to identify most critical work to be performed in the systems and available resources will be used to address those.

# Staffing Information

	<u>Authorized</u>	
<u>Collections Maintenance Staff:</u>		4.0 employees in Collections Budget
Lead Collections Worker	1.0	3 - Collection Workers
Collections Worker	2.0	
Maintenance Mechanic	<u>1.0</u>	1 - Maintenance Mechanic
<b>Total Authorized</b>	<b>4.0</b>	4 employees scheduled for step increase

3

# Assumptions- CCS Budget for FY 2021



1. HMB business model for last year Collections was used
2. \$1.4/linear feet with a 3% COLA increase used for calculating cleaning costs
3. Fully loaded rate of current collections mechanic taken as \$54.78 per hour
4. Assumed lift station maintenance as 0.75 hours per lift station with 1.25 buffer added to allow extra time if called back.

# Assumptions- CCS Budget for FY 2021



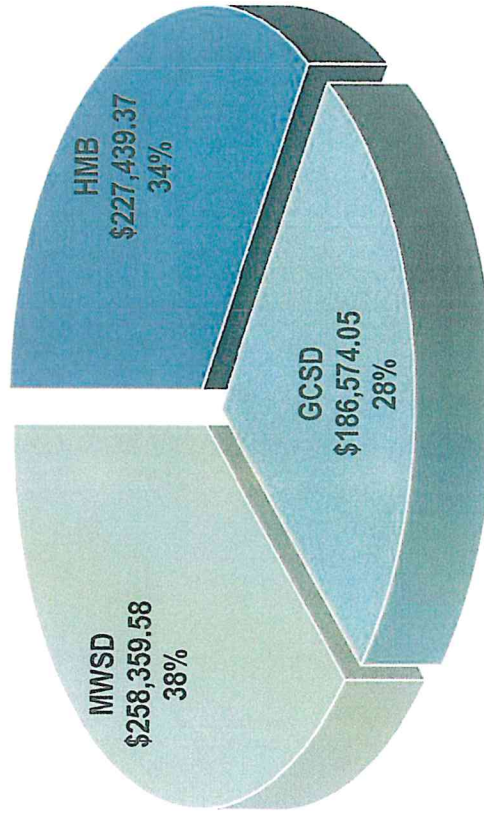
8. Time spent for USA markings – 30 min per marking.
9. Fully loaded rate of \$60.52 for Collection Worker taken for USA markings
10. FOG and USA quantities are based on 2019-20 completed.
12. Lift station inspections changed for MWSD (5 times to thrice)

# Agency Fees Comparison

	<u>FY 2018/29</u> <u>Actual</u>	<u>FY 2019/20</u> <u>Adopted</u>	<u>FY 2020/21</u> <u>Proposed</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change*</u>
Half Moon Bay	\$271,906	\$178,888	\$227,439	\$48,551	27%
Granada CSD	\$290,128	\$296,201	\$186,574	(\$109,627)	-37%
Montara WSD	\$415,376	\$341,549	\$258,360	(\$83,189)	-24%
<b>Total</b>	<b>\$977,409</b>	<b>\$816,638</b>	<b>\$672,373</b>	<b>(\$144,265)</b>	<b>-17.6%</b>

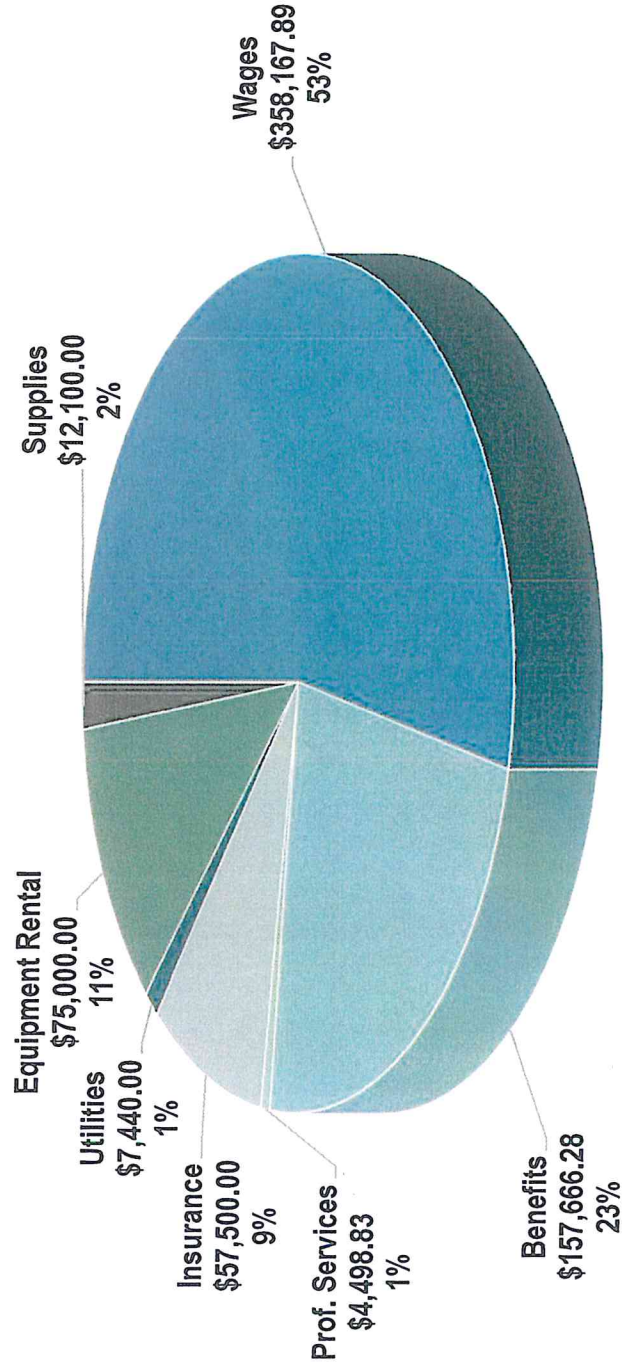
# Agency Fees

Collections Contract Services Fee Distribution  
\$672,373 Total.



# Collections Contract Services Budget

Total CCS Budget FY 2021 - \$672,373





# Questions and Discussion

# **Board Meeting**

## **FY 2021 Operating Budget Review**

**MAY 21, 2020**

# Budget Points



1. All authorized positions are included in the budget.
2. Defunds two vacant positions (Accounting Technician and Engineering & Construction Contracts Manager).
3. All applicable merit step increases at one step up are included in the budget.
4. Vacant positions are budgeted at mid-step.
5. Decrease in health benefits \$61k due to 19-20 over-estimation and defunded positions.
6. Retirement cost budget increased by \$25k mainly due to 19-20 budget underestimate, and 4% COLA.
7. 2 employees retired and GM left; all three were Classic PERS, replaced by Non-Classic/PEPRA.
8. Applied 3% CPI to all non-personnel costs, unless other changes were needed due to actual or anticipated events. 2

# Changes to Infrastructure Budget

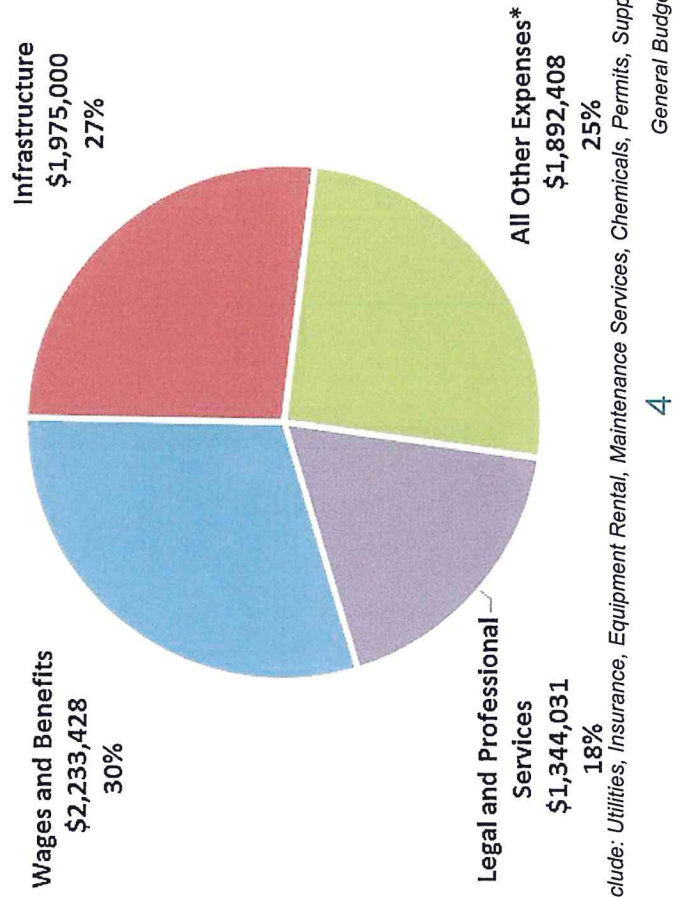


LOCATION	CATEGORY	PROJECT	ESTIMATED COST
IPS & Pump Stations	Odor/Corrosion Control	Improve Chemical Treatment to Eliminate Issues	\$125,000.00
WWTP	Odor/Corrosion Control	Evaluate and Implement Headworks Scrubber Improvements	Included Above
WWTP	Odor/Corrosion Control	Evaluate and Implement Dewatering Scrubber Needs	FY 18-19 Project
WWTP	Headworks	Design Screening System Replacement	\$125,000.00
WWTP	Primary Treatment	Evaluate WWTP Liquid and Solid Process Needs - Initiate Needed Design	\$200,000.00
WWTP	Electrical	Evaluate Electrical and I&C Needs - Initiate Design	\$300,000.00
WWTP	Thickening	Install Metal Building for Rotary Drum Thickener	\$125,000.00
WWTP	Buildings	Replace Flammables Material Storage Building	\$75,000.00
WWTP	Buildings	Replace all WWTP Plant Building Ventilators	\$135,000.00
WWTP	Digestion	Digester 2 and Holding Tank Cleaning	\$250,000.00
WWTP	Digestion	Digester 1 & 2, Holding Tank Structural Design	\$200,000.00
WWTP	Digestion	Implement Digester #1 Structural Repair	\$500,000.00
Administration	Vehicles	Replace Two Vehicles in Fleet	\$75,000.00
WWTP	Dewatering	Purchase Critical Spare Parts for BFP/Conveyor - Prepare Emergency Plan	\$100,000.00
Montara PS	Buildings	Repair Access Road and Erosion Control	\$100,000.00
IPS	Montara Force Main	Analysis/Initial Design of Upgrade or Replacement	\$200,000.00
Princeton PS	Pump Station	Analysis/Design of Replacement and Bidding Support	\$125,000.00
		Original TOTAL	\$2,635,000.00
		Reductions (5 projects deferred)	(\$660,000.00)
		Revised TOTAL	\$1,975,000.00

3

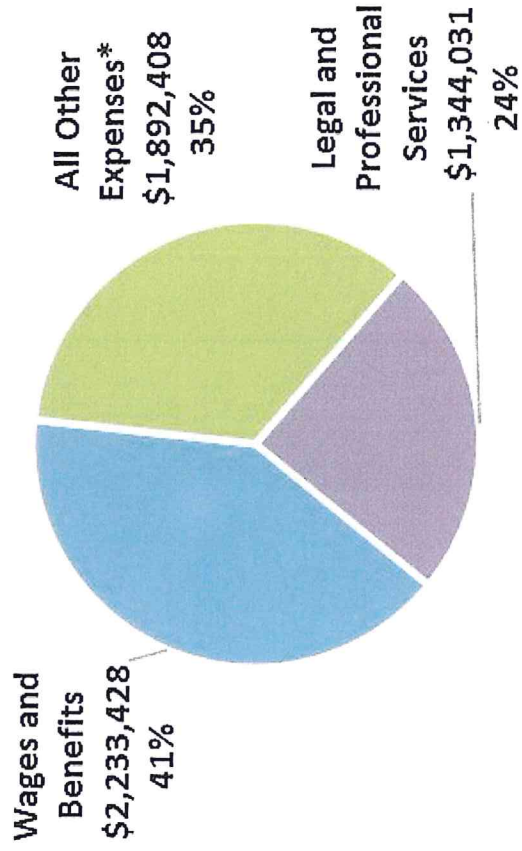
# General Budget

Expense by Category  
Total \$7.44 million



# Operating Budget (does not include Infrastructure)

## Operating Expenses by Category Total \$5.47 million



\*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.  
General Budget does not include collections.

# Staffing Information

	<u>Authorized Positions</u>	
<b><u>Classifications</u></b>		
<b><u>Administrative Services:</u></b>		
General Manager	1.0	12.0 employees in General Budget
Finance Officer	1.0	
Accounting Technician ( <i>defunded</i> )	<i>0.0</i>	
Administrative Assistant	<u>1.0</u>	1 vacancy (8.3%)
	3.0	
<b><u>Operations &amp; Maintenance:</u></b>		
Engineering & Construction Contracts Manager ( <i>defunded</i> )	<i>0.0</i>	5 employees scheduled for step increase
Supervisor of Treatment / Field Operations	.75	
Maintenance Mechanic I/II/III	2.0	6 employees currently at top step
Operator I/II/III	3.0	
Lead Operator	2.0	
Utility Worker ( <i>vacant</i> )	<u>1.0</u>	
	8.75	Vacant positions budgeted at mid-step
<b><u>Environmental Compliance:</u></b>		
Supervisor of Treatment / Field Operations	.25	
<b>Total Authorized (1 vacant)</b>	<b>12.0</b>	

6

*General Budget does not include collections.*

# Change from FY 2019/20

	FY 2019/20 <u>Adopted</u>	FY 2020/21 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
Wages and Benefits	\$2,485,113	\$2,233,428	(\$251,684)	-10%
Legal, and Professional Services	\$869,309	\$1,344,031	\$474,722	55%
All Other Expenses*	\$1,794,811	\$1,892,408	\$97,597	5%
<b>Total Operating</b>	<b>\$5,149,233</b>	<b>\$5,469,867</b>	<b>\$320,634</b>	<b>6%</b>
Infrastructure	\$2,485,000	\$1,975,000	(\$510,000)	-21%
<b>Total General Budget</b>	<b>\$7,634,233</b>	<b>\$7,444,867</b>	<b>(\$189,366)</b>	<b>-2%</b>

\*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.



# Key Changes – Operating Budget

Personnel costs: net decrease as a result of the defunded positions (Accounting Technician, Engineering & Construction Contracts Manager) and increase in salaries and wages per COLA in MOU	(\$251,684)
Legal services: net increase as a result of ongoing and potential legal cases and due to underbudgeting in prior fiscal year	\$47,500
Engineering services (treatment): net increase	\$83,000
Professional services: net increase driven by year-to-date actuals	\$344,222
Insurance premiums: net increase due to underbudgeting in prior fiscal year	\$42,000
Building and Maintenance Services: net increase driven by year-to-date actuals	\$101,453
Equipment: net decrease based on anticipated replacement needs	(\$89,445)
All other operating expenses: net increase due to CPI and adjustments to other operating expenses	<u>\$43,588</u>
<b>Total Operating General Budget</b>	<b>\$320,634</b>

# Legal and Professional Services Detail

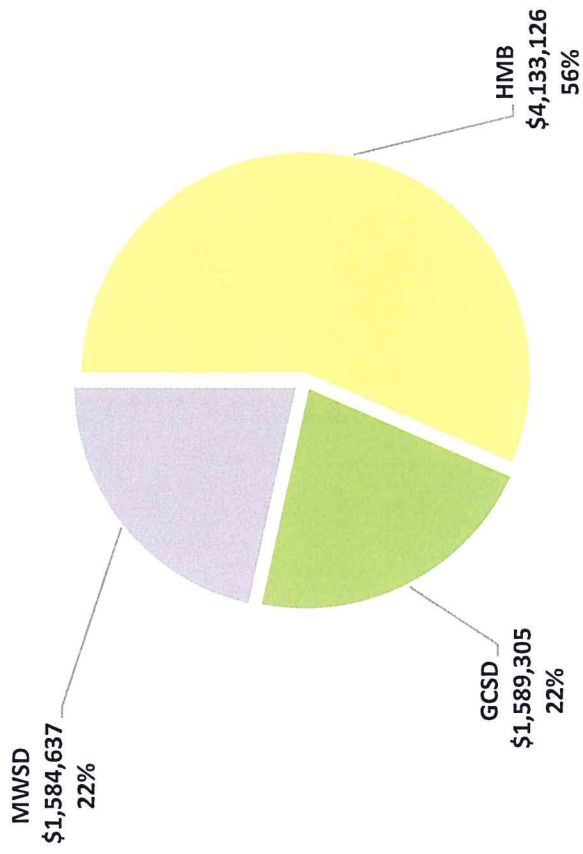
	FY 2019/20 <u>Adopted</u>	FY 2020/21 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
<b>Legal, and Professional Services</b>	\$869,309	\$1,344,031	\$474,722	55%
<b>Major Vendors (YTD spend as of February 28, 2020)</b>				
Calcon Systems, Inc. (\$264,030)			Equipment Maintenance	
Wastewater Management Specialists, LLC (\$170,196)			Water Program Services	
Andrew L. Packard Attorney (\$75,000)			General Counsel	
Management Partners (\$56,413)			Accounting Services	
Edgecomb Law Group (\$41,220)			General Counsel	
Evoqua Water Technologies LLC (\$38,612)			Building and Structures Maintenance	
Bold, Polisner, Maddow, Nelson & Judson (\$35,422)			General Counsel	
Silicon Valley Clean Water (\$33,830)			Outside Lab Analysis	
R.F. MacDonald Co. (\$25,750)			Building and Structures Maintenance	

# CalPERS Rates

	FY 2019/20	FY 2020/21
<u>Employer Rate</u>		
Classic Members	10.868%	11.746%
PEPRA Members	7.072%	7.874%
<u>Employee Rate</u>		
Classic Members	6.906%	6.906%
PEPRA Members	7.250%	7.250%
<u>Unfunded Liability Payment (on \$3M)</u>		
PERS- Classic	\$210,000	\$191,000
PERS- PEPRA	\$3,000	\$7,000
<b>TOTAL PAYMENT FOR UNFUNDED LIABILITY</b>	<b>\$213,000</b>	<b>\$198,000</b>

# Assessments for Each Agency

Assessments for FY 2020-21  
Based on Calendar Year 2019 Flow

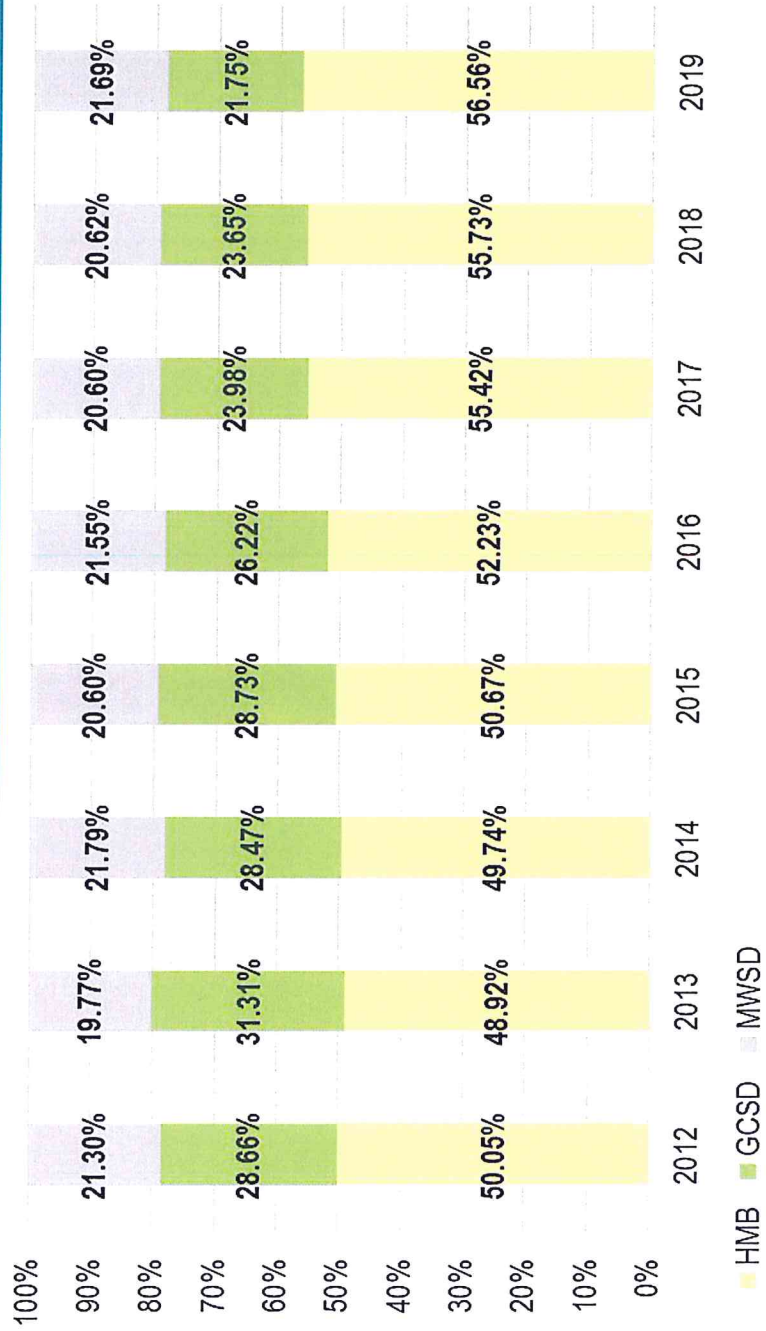


# Assessments for Operating and Capital

	<u>FY 2017/18</u>	<u>FY 2018/29</u>	<u>FY 2019/20</u>	<u>FY 2020/21</u>	<u>\$</u>	<u>%</u>
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change*</u>
Half Moon Bay	\$3,461,445	\$3,542,142	\$4,131,899	\$4,133,126	\$1,226	0%
Granada CSD	\$1,527,134	\$1,532,891	\$1,753,394	\$1,589,305	(\$164,090)	-9%
Montara WSD	\$1,324,462	\$1,316,715	\$1,529,139	\$1,584,637	\$55,498	4%
<b>Total</b>	<b>\$6,313,041</b>	<b>\$6,391,748</b>	<b>\$7,414,433</b>	<b>\$7,307,067</b>	<b>(\$107,366)</b>	<b>-1.4%</b>

\*Due to changes in the flow rates, the percentage changes are not the same for the three agencies.

# Historical Flow Allocations



# Questions and Discussion



# Montara Water & Sanitary

## Budgeted Cash Flow - Sewer

### Fiscal year 2020-2021

#### Cash flow summary

#### Operating cash flow

	FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
<b>Operating income</b>				
Sewer Service Charges	\$ 3,006,212	\$ 3,242,487	7.86%	\$ 236,275
Cell Tower Lease	\$ 37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$ 21,100	\$ 13,100	-37.91%	\$ (8,000)
Property Tax	\$ 275,000	\$ 275,000	0.00%	\$ -
Waste Collection Revenues	\$ 23,000	\$ 24,000	4.35%	\$ 1,000
<b>Total operating income</b>	<b>\$ 3,362,312</b>	<b>\$ 3,592,087</b>		
<b>Operating expenses</b>				
Personnel	\$ (350,129)	\$ (362,039)	3.40%	\$ 11,910
Professional Services	\$ (500,200)	\$ (189,700)	-62.08%	\$ (310,500)
Facilities & Administration	\$ (56,950)	\$ (57,000)	0.09%	\$ 50
Engineering	\$ (62,000)	\$ (60,000)	-3.23%	\$ (2,000)
Pumping	\$ (45,000)	\$ (45,000)	0.00%	\$ -
Sewer Authority Mid-Coastside	\$ (1,960,688)	\$ (1,948,790)	-0.61%	\$ (11,898)
All other Accounts	\$ (69,860)	\$ (71,110)	1.79%	\$ 1,250
<b>Total operating expenses</b>	<b>\$ (3,044,827)</b>	<b>\$ (2,733,639)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$ 317,485</b>	<b>\$ 858,448</b>		

#### Investment cash flow

<b>Investment income</b>				
Interest Revenue	\$ 50,000	\$ 60,000	20.00%	\$ 10,000
<b>Total investment income</b>	<b>\$ 50,000</b>	<b>\$ 60,000</b>		
<b>Investment expenses</b>				
Capital Improvement Program	\$ (1,486,085)	\$ (1,985,272)	33.59%	\$ 499,187
<b>Total investment expenses</b>	<b>\$ (1,486,085)</b>	<b>\$ (1,985,272)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$ (1,436,085)</b>	<b>\$ (1,925,272)</b>		

#### Financing cash flow

<b>Financing income</b>				
Connection Fees	\$ 200,000	\$ 150,000	-25.00%	\$ (50,000)
<b>Total financing income</b>	<b>\$ 200,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>				
Loan Interest Expense	\$ (37,803)	\$ (35,116)	-7.11%	\$ (2,688)
Loan Principal Payment	\$ (87,133)	\$ (93,512)	7.32%	\$ 6,379
<b>Total financing expenses</b>	<b>\$ (124,936)</b>	<b>\$ (128,627)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$ 75,064</b>	<b>\$ 21,373</b>		
<b>Overall projected cash flow</b>	<b>\$ (1,043,536)</b>	<b>\$ (1,045,451)</b>		
<b>Transfer from Sewer Reserves</b>	<b>\$ 1,043,536</b>	<b>\$ 1,045,451</b>	*	
<b>Net cash flow</b>	<b>\$ -</b>	<b>\$ -</b>		

\* Please see discussion of Sewer operating reserve funds on page 15. In addition, please review the Sewer CIP project summary list on page 11.





# Montara Water & Sanitary

## Budgeted Cash Flow - Water

### Fiscal year 2020-2021

#### Cash flow summary

#### Operating cash flow

Operating income	FY 2019-2020	FY 2020-2021	Variance (%)	Variance (\$)
Water Sales	\$ 1,944,000	\$ 1,893,000	-2.62%	\$ (51,000)
Cell Tower Lease	\$ 37,000	\$ 37,500	1.35%	\$ 500
Fees & Other	\$ 14,000	\$ 15,000	7.14%	\$ 1,000
Property Tax	\$ 275,000	\$ 275,000	0.00%	-
Backflow Testing & Other	\$ 18,000	\$ 18,000	0.00%	-
<b>Total operating income</b>	<b>\$ 2,288,000</b>	<b>\$ 2,238,500</b>		
<b>Operating expenses</b>				
Personnel	\$ (866,161)	\$ (939,877)	6.06%	\$ 53,716
Professional Services	\$ (377,500)	\$ (206,500)	-45.30%	\$ (171,000)
Facilities & Administration	\$ (114,300)	\$ (71,000)	-37.88%	\$ (43,300)
Engineering	\$ (380,500)	\$ (220,000)	-42.18%	\$ (160,500)
Pumping	\$ (105,700)	\$ (110,700)	4.73%	\$ 5,000
Supply	\$ (47,500)	\$ (37,500)	-21.05%	\$ (10,000)
Collection/Transmission	\$ (82,500)	\$ (80,500)	-2.42%	\$ (2,000)
Treatment	\$ (85,000)	\$ (85,000)	0.00%	-
All Other Accounts	\$ (127,350)	\$ (134,300)	5.46%	\$ 6,950
<b>Total operating expenses</b>	<b>\$ (2,206,511)</b>	<b>\$ (1,885,377)</b>		
<b>Net Cash Flow Provided by Operations</b>	<b>\$ 81,489</b>	<b>\$ 353,123</b>		
<b>Investment cash flow</b>				
<b>Investment income</b>				
GO Bonds, Assessment Receipts	\$ 1,150,436	\$ 1,150,436	0.00%	-
Water System Reliability Charge	\$ -	\$ 1,000,000		\$ 1,000,000
<b>Total investment income</b>	<b>\$ 1,150,436</b>	<b>\$ 2,150,436</b>		
<b>Investment expenses</b>				
Capital Improvement Program	\$ (549,500)	\$ (1,108,750)	101.77%	\$ 559,250
<b>Total investment expenses</b>	<b>\$ (549,500)</b>	<b>\$ (1,108,750)</b>		
<b>Net Cash Flow Used by Investments</b>	<b>\$ 600,936</b>	<b>\$ 1,041,686</b>		
<b>Financing cash flow</b>				
<b>Financing income</b>				
Connection Fees	\$ 280,000	\$ 150,000	-46.43%	\$ (130,000)
<b>Total financing income</b>	<b>\$ 280,000</b>	<b>\$ 150,000</b>		
<b>Financing expenses</b>				
Long Term Debt - Interest Expense	\$ (318,633)	\$ (292,561)	-8.18%	\$ (26,072)
Long Term Debt - Principal Payment	\$ (1,189,448)	\$ (1,175,875)	-1.14%	\$ (13,573)
<b>Total financing expenses</b>	<b>\$ (1,508,081)</b>	<b>\$ (1,468,436)</b>		
<b>Net Cash Flow Provided by Financing Activities</b>	<b>\$ (1,228,081)</b>	<b>\$ (1,318,436)</b>		
<b>Overall projected cash flow</b>	<b>\$ (545,656)</b>	<b>\$ 76,372</b>		
<b>Transfer to Water Reserves</b>	<b>\$ (545,656)</b>	<b>\$ 76,372</b>		*
<b>Net cash flow</b>	<b>\$ -</b>	<b>\$ -</b>		

\* Please see discussion of Water operating reserve funds on page 14. In addition, please review the Water CIP project summary list on page 12.



MWSD — Fiscal Year 2020-21 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2017-18 Actual	2018-19 Actual	Approved Budget 2019-	Income/Expenditures as of April 30, 2020	% To date	Projected	Projected as % of Budget	Proposed Budgeted amounts 2020-21	Increase/(Decrease) from 2019-2020 \$	Increase/(decrease) %
General Engineering:	6220	68,682	33,584	60,000	25,334	42.22%	30,401	50.67%	60,000	0	0.00%
Equipment & Tools, Expensed:	6320	0	0	1,000	0	0.00%	0	0.00%	1,000	0	0.00%
Alarm Services:	6335	5,146	5,028	5,700	4,457	78.19%	5,348	93.83%	10,000	4,300	75.44%
Landscaping:	6337	2,280	2,588	3,600	2,468	68.56%	2,962	82.27%	6,000	2,400	66.67%
Pumping Fuel & Electricity:	6410	39,312	44,881	45,000	31,117	69.15%	37,340	82.98%	45,000	0	0.00%
Uniforms:	6770	0	0	0	126	100.00%	151	100.00%	0	0	#DIV/0!
Maintenance, Collection System:	6660	988	550	10,000	0	0.00%	0	0.00%	10,000	0	0.00%
Fuel:	6810	2	1,021	1,000	801	80.10%	961	96.12%	1,000	0	0.00%
Truck Equipment, Expensed:	6820	780	27	160	439	274.38%	527	329.25%	160	0	0.00%
Truck Repairs:	6830	0	423	1,000	622	62.20%	746	74.64%	1,000	0	0.00%
Total Other Operations:	6890	0	0	0	0	0.00%	0	0.00%	0	0	0.00%
SAM Collections:	6910	232,841	329,965	341,549	256,162	75.00%	307,394	90.00%	254,153	(87,396)	-25.59%
SAM Operations:	6920	1,629,331	1,316,715	1,529,139	1,146,855	75.00%	1,376,226	90.00%	1,584,637	55,498	3.63%
Depreciation:	5260	555,756	408,078	0	0	0.00%	0	0.00%	0	0	0.00%
SAM Maintenance, Collection System:	6940	0	0	40,000	0	0.00%	0	0.00%	40,000	0	0.00%
SAM Maintenance, Pumping:	6950	0	82,999	50,000	83,260	166.52%	99,932	199.82%	70,000	20,000	40.00%
Total Operations Expense:		3,249,479	2,932,411	3,044,827	2,074,998	68.15%	2,489,998	81.78%	2,733,639	(311,188)	-10.22%
Net Change in position from Operations:		(750,211)	157,629	317,485	1,138,627	358.64%	1,000,475	315.13%	858,448	540,963	170.39%

MWSD — Fiscal Year 2020-21 Non-Operating Budget - SEWER ENTERPRISE

GL Codes	2017-18 Actual	2018-19 Actual	Approved Budget 2019-20	Income/Expenditures s. as of April 30,	% To date	Projected	Projected as % of Budget	Proposed Budgeted amounts 2020-21	Increase/(Decrease) from 2019-2020 \$	Increase/(decrease) %
<b>Non Operating Revenue</b>										
Connection Fees, Residential New Const:	221,658	246,161	150,000	105,512	70.34%	126,614	84.41%	100,000	(50,000)	-33.33%
Connection Fees, Residential Remodel:	7,605	66,218	50,000	55,708	111.42%	66,850	133.70%	50,000	0	0.00%
LAIF Interest:	41,070	99,073	50,000	82,214	164.43%	98,657	197.31%	60,000	10,000	20.00%
<b>Total Non Operating Revenue:</b>	<b>270,333</b>	<b>411,451</b>	<b>250,000</b>	<b>243,434</b>	<b>97.37%</b>	<b>292,121</b>	<b>116.85%</b>	<b>210,000</b>	<b>(40,000)</b>	<b>-16.00%</b>
<b>Non Operating Expense</b>										
PNC Equipment Lease:	18,222	17,492	15,221	12,802	84.11%	15,221	100.00%	13,461	(1,760)	-11.57%
Capital Assessment, SAM:	121,345	0	0	0	0.00%	0	0.00%	0	0	#DIV/0!
I-Bank Loan:	23,996	22,382	22,582	11,063	48.99%	22,582	100.00%	21,655	(927)	-4.11%
<b>Total Non Operating Expense:</b>	<b>163,563</b>	<b>39,874</b>	<b>37,803</b>	<b>23,865</b>	<b>63.13%</b>	<b>28,638</b>	<b>75.76%</b>	<b>35,116</b>	<b>(2,687)</b>	<b>-7.11%</b>
<b>Net Change in position from Non Operating</b>	<b>106,770</b>	<b>371,577</b>	<b>212,197</b>	<b>219,569</b>		<b>263,483</b>		<b>174,884</b>	<b>(37,313)</b>	

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### MWSD - Fiscal Year 2020-21 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2017-18		2018-19		Approved Budget		Income/Expenditures		% To date	Projected	Projected as % of Budget	Increase/(Decrease) from 2019-2020 \$	Increase/(Decrease) %
		Actual	Actual	2019-20	as of April 30, 2020	2020-21								
Backflow Prevention:	6160	473	764	1,000	326	391	32.60%	391	1,000	39.12%	0	0.00%		
Claims, Property Damage:	6170	0	22	10,000	392	470	3.92%	470	10,000	4.70%	0	0.00%		
SCADA Maintenance:	6185	9,802	12,061	13,000	226	271	1.74%	271	13,000	2.09%	0	0.00%		
Education & Training:	6195	9,911	5,098	9,000	3,610	4,332	40.11%	4,332	9,000	48.13%	0	0.00%		
Meeting Attendance, Engineering:	6210	16	500	500	0	0	0.00%	0	0	0.00%	(500)	-100.00%		
General Engineering:	6220	8,503	1,467	30,000	12,390	14,868	41.30%	14,868	20,000	49.56%	(10,000)	-33.33%		
Water Quality Engineering:	6230	178,764	420,284	350,000	118,115	141,738	33.75%	141,738	200,000	40.50%	(150,000)	-42.86%		
Equipment & Tools, Expensed:	6320	7,441	11,867	8,000	16,314	19,577	203.93%	19,577	12,000	244.71%	4,000	50.00%		
Alarm Services:	6335	671	718	800	539	647	67.38%	647	5,000	80.85%	4,200	525.00%		
Landscaping:	6337	5,947	5,811	56,000	5,150	6,180	9.20%	6,180	15,000	11.04%	(41,000)	-73.21%		
Lab Supplies & Equipment:	6370	3,698	2,251	2,500	7,196	8,635	287.84%	8,635	4,000	345.41%	1,500	60.00%		
Meter Reading:	6380	21	0	10	10	12	100.00%	12	100,000	100.00%	0	0.00%		
Pumping Fuel & Electricity:	6410	68,177	77,011	90,000	58,363	70,036	64.85%	70,036	90,000	77.82%	0	0.00%		
Pumping Maintenance, Generators:	6420	7,777	21,339	10,000	20,908	25,090	209.08%	25,090	15,000	250.90%	5,000	50.00%		
Pumping Maintenance, General:	6430	4,137	3,448	5,000	17	21	0.35%	21	5,000	0.41%	0	0.00%		
Pumping Equipment, Expensed:	6440	210	478	700	8,562	10,275	1223.16%	10,275	700	1467.79%	0	0.00%		
Maintenance, Raw Water Mains:	6510	1,474	1,857	2,500	27	33	1.10%	33	2,500	1.32%	0	0.00%		
Maintenance, Wells:	6520	16,851	8,635	5,000	10,687	12,824	213.74%	12,824	5,000	256.49%	0	0.00%		
Water Purchases:	6530	25,508	26,826	40,000	21,585	25,902	53.96%	25,902	30,000	64.76%	(10,000)	-25.00%		
Hydrants:	6510	375	0	1,000	6,481	7,777	648.10%	7,777	1,000	777.72%	0	0.00%		
Maintenance, Water Mains:	6620	39,633	46,952	50,000	32,350	38,820	64.70%	38,820	50,000	77.64%	0	0.00%		
Maintenance, Water Service Lines:	6630	12,389	3,506	20,000	3,519	4,223	17.60%	4,223	15,000	21.11%	(5,000)	-25.00%		
Maintenance, Tanks:	6640	741	1,593	1,000	4,446	4,975	414.60%	4,975	4,000	497.52%	3,000	300.00%		
Maintenance, Distribution General:	6650	273	7,341	8,000	10,829	12,995	135.36%	12,995	8,000	162.44%	0	0.00%		
Maintenance, Collection System:	6660	33	414	414	0	0	0.00%	0	0	0.00%	0	0.00%		
Meters:	6670	2,375	8,177	2,500	6,253	7,504	250.14%	7,504	2,500	300.17%	0	0.00%		
Chemicals & Filtering:	6710	18,681	20,233	20,000	38,989	46,787	194.95%	46,787	20,000	233.93%	0	0.00%		
Maintenance, Treatment Equipment:	6720	10,508	28,456	20,000	12,640	15,168	63.20%	15,168	20,000	75.84%	0	0.00%		
Treatment Analysis:	6730	35,504	45,055	45,000	16,716	20,059	37.15%	20,059	45,000	44.58%	0	0.00%		
Uniforms:	6770	11,166	11,459	2,000	3,483	4,180	174.15%	4,180	2,000	208.98%	0	0.00%		
Fuel:	6810	5,598	6,541	10,000	5,035	6,042	50.35%	6,042	10,000	60.42%	0	0.00%		
Truck Equipment, Expensed:	6820	12	309	1,000	2,686	3,223	268.60%	3,223	2,000	322.32%	1,000	100.00%		
Truck Repairs:	6830	4,422	2,411	5,000	3,524	4,229	70.48%	4,229	5,000	84.58%	0	0.00%		
Other Operations:	6890	238	0	0	55	66	100.00%	66	0	100.00%	0	0.00%		
<b>Total Operations Expense:</b>		<b>1,451,758</b>	<b>1,773,218</b>	<b>2,206,511</b>	<b>1,364,862</b>	<b>1,630,254</b>	<b>61.86%</b>	<b>1,630,254</b>	<b>1,885,377</b>	<b>73.88%</b>	<b>(324,134)</b>	<b>-14.69%</b>		
<b>Net Change in position from Operations:</b>		<b>908,754</b>	<b>592,152</b>	<b>81,489</b>	<b>742,692</b>	<b>896,915</b>	<b>911.40%</b>	<b>896,915</b>	<b>353,123</b>	<b>1100.66%</b>	<b>274,634</b>	<b>337.02%</b>		

**MWSD — Fiscal Year 2020-2021 Non-Operating Budget - WATER ENTERPRISE**

GL Codes	2017-18 Actual	2018-19 Actual	Approved Budget 2019-20	Income/Expenditures as of April 30, 2020	% To date	Projected	Projected as % of Budget	Promised Budgeted amounts 2020-21	Increase/(Decrease) from 2019-20 \$	Increase/(decrease) %	
<b>Non Operating Revenue</b>											
Connection Fees, Residential New Const:											
7110	145,168	151,098	150,000	100,608	67.07%	120,730	80.49%	100,000	(50,000)	-33.33%	
7120					0.00%	0	0.00%	0	0	#DIV/0!	
Connection Fees, Residential Remodel:											
7130	118,691	164,056	130,000	57,430	44.18%	68,916	53.01%	50,000	(80,000)	-61.54%	
7140	12,893	2,032		14,780	100.00%	17,736	100.00%	0	0	0	
7150	7,800				0.00%	0	0.00%	0	0	0	
Connection Fees, Well Conversion:											
7600	1,226,216	1,182,939	1,150,436	1,052,210	91.46%	1,150,436	100.00%	1,150,436	0	0.00%	
General Obligation Bonds, Assessment Receipts:											
Water System Reliability:											
<b>Total Non Operating Revenue:</b>	<b>1,510,768</b>	<b>1,500,125</b>	<b>1,430,436</b>	<b>1,225,028</b>	<b>85.64%</b>	<b>1,357,818</b>	<b>94.92%</b>	<b>1,300,436</b>	<b>1,000,000</b>	<b>(130,000)</b>	<b>-9.09%</b>
<b>Non Operating Expense</b>											
General Obligation Bonds:											
9100	265,164	242,762	230,539	230,539	100.00%	230,539	100.00%	208,611	(21,928)	-9.51%	
9125	18,222	17,492	15,221	12,802	84.11%	15,221	100.00%	13,461	(1,760)	-11.57%	
State Revolving Fund Loan:											
9150	83,943	78,501	72,873	163,905	224.92%	163,905	224.92%	70,489	(2,384)	-3.27%	
9210	1,400	1,500	3,000	1,350	45.00%	1,620	54.00%	3,000	0	0.00%	
Water Rebates :											
<b>Total Non Operating Expense:</b>	<b>368,729</b>	<b>383,970</b>	<b>321,633</b>	<b>408,596</b>	<b>127.04%</b>	<b>411,285</b>	<b>127.87%</b>	<b>295,561</b>	<b>(26,072)</b>	<b>-8.11%</b>	
<b>Net Change in position from Non Operating activities:</b>	<b>1,142,039</b>	<b>1,116,155</b>	<b>1,108,803</b>	<b>816,432</b>		<b>946,533</b>		<b>1,004,875</b>	<b>(103,928)</b>	<b>-9.37%</b>	

**SALARY RANGE**  
**MONTARA WATER AND SANITARY DISTRICT**  
 July 1, 2020

Position	Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Operations Manager	\$153,324 \$122,771	\$122,771 \$59.02	\$125,840 \$60.50	\$128,986 \$62.01	\$132,211 \$63.56	\$135,516 \$65.15	\$138,904 \$66.78	\$142,376 \$68.45	\$145,936 \$70.16	\$149,584 \$71.92	\$153,324 \$73.71
Superintendent	\$143,691 \$115,058	\$115,058 \$55.32	\$117,934 \$56.70	\$120,882 \$58.12	\$123,905 \$59.57	\$127,002 \$61.06	\$130,177 \$62.59	\$133,432 \$64.15	\$136,767 \$65.75	\$140,187 \$67.40	\$143,691 \$69.08
Water System Operator	\$87,638 \$70,174	\$70,174 \$33.74	\$71,928 \$34.58	\$73,727 \$35.45	\$75,570 \$36.33	\$77,459 \$37.24	\$79,395 \$38.17	\$81,380 \$39.13	\$83,415 \$40.10	\$85,500 \$41.11	\$87,638 \$42.13
Maintenance Worker I	\$76,090 \$60,927	\$60,927 \$29.29	\$62,451 \$30.02	\$64,012 \$30.77	\$65,612 \$31.54	\$67,253 \$32.33	\$68,934 \$33.14	\$70,657 \$33.97	\$72,424 \$34.82	\$74,234 \$35.69	\$76,090 \$36.58
Account Specialist	\$72,749 \$58,252	\$58,252 \$28.01	\$59,709 \$28.71	\$61,202 \$29.42	\$62,732 \$30.16	\$64,300 \$30.91	\$65,907 \$31.69	\$67,555 \$32.48	\$69,244 \$33.29	\$70,975 \$34.12	\$72,749 \$34.98
District Clerk	\$72,749 \$58,252	\$58,252 \$28.01	\$59,709 \$28.71	\$61,202 \$29.42	\$62,732 \$30.16	\$64,300 \$30.91	\$65,907 \$31.69	\$67,555 \$32.48	\$69,244 \$33.29	\$70,975 \$34.12	\$72,749 \$34.98

2.5 % step increases

	Increase	1-Jul-16	Increase	1-Jul-17	Increase	1-Jul-18	Increase	1-Jul-19	Increase	1-Jul-20
Operations Manager	2.70%	\$109,394	3.79%	\$113,540	1.0283	\$121,178	4.01%	\$121,435	1.11%	\$122,771
Superintendent	1.027	\$102,521	1.0379	\$106,407	1.0283	\$113,565	1.0401	\$113,806	1.011	\$115,058
Water System Operator	1.027	\$62,528	1.0379	\$64,898	1.0283	\$69,264	1.0401	\$69,410	1.011	\$70,174
Maintenance Worker	1.027	\$54,289	1.0379	\$56,347	1.0283	\$60,137	1.0401	\$60,265	1.011	\$60,927
Account Specialist	1.027	\$51,905	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252
District Clerk	1.027	\$51,905	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252

Operator in Training \$19 per hour  
 Temporary Worker \$19 per hour



Payroll	Water	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Water
GM	\$ 116,211.37					\$ 116,211.37	\$ 13,971.25	\$ 859.96	\$ 1,162.11	\$ 8,134.80	\$ 8,041.83	\$ 1,685.06	\$ 7,205.10	\$ 157,271.48
Superintendent	\$ 69,142.78	\$ 1,009.72	\$ 731.32		\$ 1,800.00	\$ 72,683.81	\$ 7,182.09	\$ 537.86	\$ 1,998.80	\$ 5,087.87	\$ 4,784.68	\$ 1,053.92	\$ 4,506.40	\$ 97,835.42
Account Specialist	\$ 63,427.88					\$ 63,427.88	\$ 27,942.50	\$ 469.37	\$ 545.48	\$ 4,439.95	\$ 4,389.21	\$ 919.70	\$ 3,932.53	\$ 106,066.62
Water Operator	\$ 88,610.47	\$ 7,019.61	\$ 9,691.77	\$ 6,216.37	\$ 2,400.00	\$ 113,938.22	\$ 10,191.81	\$ 843.14	\$ 5,127.22	\$ 7,975.68	\$ 6,131.84	\$ 1,652.10	\$ 7,064.17	\$ 152,924.18
Water Operator	\$ 84,340.72	\$ 6,409.19	\$ 8,129.96	\$ 5,731.93	\$ 2,400.00	\$ 107,011.79	\$ 10,191.81	\$ 791.89	\$ 4,815.53	\$ 7,490.83	\$ 5,836.38	\$ 1,551.67	\$ 6,634.73	\$ 144,324.62
Water Operator	\$ 64,722.49	\$ 4,404.94	\$ 6,021.06	\$ 3,919.76	\$ 2,400.00	\$ 81,468.24	\$ 10,191.81	\$ 602.86	\$ 3,666.07	\$ 5,702.78	\$ 4,478.80	\$ 1,181.29	\$ 5,051.03	\$ 112,342.88
Water Operator	\$ 72,726.74	\$ 2,661.69	\$ 5,594.36	\$ 3,985.98	\$ 2,400.00	\$ 87,368.78	\$ 27,942.50	\$ 646.53	\$ 3,931.60	\$ 6,115.81	\$ 5,032.69	\$ 1,266.85	\$ 5,416.86	\$ 137,721.62
Temp_Operator	\$ 20,000.00	\$ 1,650.70	\$ 1,457.17	\$ 3,149.30		\$ 26,257.16			\$ 1,181.57			\$ 380.73	\$ 1,627.94	\$ 29,447.41
Part Time Admin	\$ 1,790.75					\$ 1,790.75			\$ 15.40			\$ 25.97	\$ 111.03	\$ 1,943.14
Totals	\$ 580,973.20	\$ 23,155.84	\$ 31,625.64	\$ 23,003.33	\$ 11,400.00	\$ 670,158.01	\$ 107,613.76	\$ 4,751.61	\$ 22,443.79	\$ 44,947.71	\$ 38,695.43	\$ 9,717.29	\$ 41,549.80	\$ 939,877.40
Payroll	Sewer	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Sewer
GM	\$ 116,211.37					\$ 116,211.37	\$ 13,971.25	\$ 871.59	\$ 1,162.11	\$ 8,134.80	\$ 8,041.83	\$ 1,685.06	\$ 7,205.10	\$ 157,283.11
Superintendent	\$ 69,142.78	\$ 1,020.83	\$ 739.37		\$ 1,800.00	\$ 72,702.98	\$ 7,182.09	\$ 545.27	\$ 1,999.33	\$ 5,089.21	\$ 4,784.68	\$ 1,054.19	\$ 4,507.58	\$ 97,865.33
District Clerk	\$ 61,201.53					\$ 61,201.53	\$ 27,942.50	\$ 459.01	\$ 526.33	\$ 4,284.11	\$ 4,235.15	\$ 887.42	\$ 3,794.49	\$ 103,330.54
Totals	\$ 246,555.67	\$ 1,020.83	\$ 739.37	\$ -	\$ 1,800.00	\$ 250,115.87	\$ 49,095.84	\$ 1,875.87	\$ 3,687.78	\$ 17,508.11	\$ 17,061.65	\$ 3,626.68	\$ 15,507.18	\$ 358,478.98

**MWSD SEWER Capital Improvement Program**  
**2020-21**  
**SEWER SYSTEM**

PROJECT	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
<b>MWSD CAPITAL PROJECTS</b>					
Mechanical System Repairs & Replacements	\$ 75,000	\$ 612,500	\$ 164,600	\$ 50,000	\$ 974,500
Inflow & Infiltration Testing / Televising	\$ 25,000	\$ 15,000	\$ 30,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 15,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Pump Station Pumps	\$ 20,000	\$ 20,000	\$ 5,000	\$ 50,000	\$ 20,000
Replace Medium High Priority Sewer Mains	\$ 580,000	\$ 577,775	\$ 1,571,135	\$ 1,211,150	\$ 681,875
Spot Repairs Program	\$ 35,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Replace Distillery Pump Station	\$ 5,000	\$ 5,000	\$ 15,000	\$ 10,000	\$ 80,000
Cabrillo Hwy Express Sewer				\$515,300	
Pump Station Communication Upgrades	\$ 5,125	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
<b>MWSD CAPITAL PROJECTS TOTAL:</b>	<b>\$ 760,125</b>	<b>\$ 1,277,775</b>	<b>\$ 1,828,235</b>	<b>1,893,950</b>	<b>1,813,875</b>
Alternative Budget Items					
Express Sewer					
Cabrillo Hyw Phase 1B	\$ 1,225,147		\$ 526,975	\$500,000	\$668,250
Pump Station MCC and Coatings		\$ 715,500			
<b>TOTAL ANNUAL COST</b>	<b>1,985,272</b>	<b>1,993,275</b>	<b>2,355,210</b>	<b>2,393,950</b>	<b>2,482,125</b>

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 5/27/2020

**MWSD**  
**Five Year Capital Improvement Program**  
**WATER SYSTEM**

Existing Customer CIP - WATER	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	5-Year CIP Total
Distribution System Renewal and Replacement Program (1)	\$ 455,000	\$ 464,100	\$ 473,382	\$ 482,850	\$ 492,507	\$ 2,367,838
Water Conservation Program	\$ 8,750	\$ 9,013	\$ 9,018	\$ 9,288	\$ 9,567	\$ 45,636
Storage Tank Rehabilitation Program (2)		\$ 350,000	\$ 1,000,000			\$ 1,350,000
Emergency Generator Replacement Program	\$ 45,000	\$ 45,900	\$ 46,818	\$ 47,754	\$ 48,709	\$ 234,182
Vehicle Replacement Fund		\$ 40,000	\$ 41,200	\$ 42,436		\$ 123,636
<b>EXISTING CUSTOMER CIP TOTAL</b>	<b>\$ 508,750</b>	<b>\$ 909,013</b>	<b>\$ 1,570,418</b>	<b>\$ 582,328</b>	<b>\$ 550,783</b>	<b>\$ 4,121,292</b>
New Customer CIP - WATER	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	5-Year CIP Total
Water Main Upgrade Program (1)	\$ 525,000	\$ 1,000,000	\$ 1,030,000	\$ 1,060,900	\$ 1,092,727	\$ 4,708,627
Existing Well Upgrade Program (3)		\$ 320,000	\$ 329,600	\$ 339,488		\$ 989,088
New and Upgraded PRV Stations' Program (4)		\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 1,045,907
Emergency Generator Upgrade Program	\$ 75,000	\$ 77,250	\$ 79,568	\$ 81,955	\$ 84,413	\$ 398,185
Portola Tank Telemetry Upgrade				\$ 250,000		\$ 250,000
Develop Additional Supply Reliability			\$ 100,000	\$ 350,000	\$ 1,000,000	\$ 1,450,000
<b>NEW CUSTOMER CIP TOTAL</b>	<b>\$ 600,000</b>	<b>\$ 1,647,250</b>	<b>\$ 1,796,668</b>	<b>\$ 2,347,568</b>	<b>\$ 2,450,322</b>	<b>\$ 8,841,807</b>
<b>Total Annual Capital Cost</b>	<b>\$ 1,108,750</b>	<b>\$ 2,556,263</b>	<b>\$ 3,367,086</b>	<b>\$ 2,929,896</b>	<b>\$ 3,001,105</b>	<b>\$ 12,963,099</b>
CAPITAL FUND BALANCE						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Annual Capital Fund TOTAL:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Less CIP</b>	<b>\$ (1,108,750)</b>	<b>\$ (2,556,263)</b>	<b>\$ (3,367,086)</b>	<b>\$ (2,929,896)</b>	<b>\$ (3,001,105)</b>	<b>\$ (12,963,099)</b>
<b>Total</b>	<b>\$ (1,108,750)</b>	<b>\$ (2,556,263)</b>	<b>\$ (3,367,086)</b>	<b>\$ (2,929,896)</b>	<b>\$ (3,001,105)</b>	<b>\$ (12,963,099)</b>
Notes:						
(1) These programs include a project to merge the Alta Vista and Portola Zones to improve system reliability and to provide service to new customers. Proposed split is 50/50. Additionally, in the following years of the CIP, these programs include a replacement of a failed main under and along Hwy 1						
(2) This project includes urgent repairs needed to the Portola Tank and is coupled with the above project (1) for cost efficiency						
(3) This project is for the Pillar Ridge wells' rehabilitation and upgrades						
(4) This project would add new PRV stations, sampling stations, valves, and upgrade existing						

## Fiscal year 2020-2021 Budget Debt Service

	Original Issue Amount	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Interest Expense
<b>Sewer</b>						
CIEDB Loan (I Bank)	\$ 1,010,000	\$ 753,602		\$ 30,842	\$ 722,760	\$ 21,655
PNCEF Lease Obligation	\$ 927,222	\$ 531,678		\$ 62,669	\$ 469,008	\$ 13,461
Subtotal - Sewer		<u>\$ 1,285,280</u>	<u>\$ -</u>	<u>\$ 93,512</u>	<u>\$ 1,191,768</u>	<u>\$ 35,116</u>
<b>Water</b>						
General Obligation Bonds	\$ 15,635,000	\$ 9,661,690		\$ 941,825	\$ 8,719,866	\$ 208,611
PNCEF Lease Obligation	\$ 927,222	\$ 531,678		\$ 62,669	\$ 469,008	\$ 13,461
SRF Loan	\$ 4,248,354	\$ 3,289,866		\$ 171,381	\$ 3,118,485	\$ 70,489
Subtotal - Water		<u>13,483,234</u>	<u>-</u>	<u>1,175,875</u>	<u>12,307,359</u>	<u>292,561</u>
Total Debt Service		<u>\$ 14,768,514</u>	<u>\$ -</u>	<u>\$ 1,269,387</u>	<u>\$ 13,499,127</u>	<u>\$ 327,677</u>

PNCEF lease obligation is split evenly between Sewer and Water.

The District entered into an agreement with the State of California Department of health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the district to meet safe drinking water standards.

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# Fiscal year 2020-2021 Budget Impact Area Operating Reserves

## WATER

**Water Operating Account as of April 30, 2020**

Wells Fargo Checking:       \$     680,360

**Current Operating Reserves as of April 30, 2020**

Operating:                         \$     46,009

**Operating Reserve:**

The District's Water Operating Reserve target is two months of operating expenses. Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

**Target calculation**

\$	1,885,377		Budgeted fiscal year 2020-21
	12		Months
<hr/>			
\$	157,115		Monthly budgeted operating expenses
	x 2		Two months expenditures
<hr/>			
\$	314,230		Target Reserve
<hr/>			

**Conclusion:**

Currently, the District has sufficient Operating Water Reserves for Fiscal Year 2020-2021

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# Fiscal year 2020-2021 Budget Impact Area Operating Reserves

## SEWER

**Sewer Operating Account as of April 30, 2020**

Wells Fargo Checking       \$ 2,720,144

**Current Reserves as of April 30, 2020**

Operating:                       \$ 406,882

**Operating Reserve:**

For the District's Sewer Operating Reserve, the maximum target amount shall equal ten months' of operating expenses and the minimum target amount shall equal two months' of operating expenses.

Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

Minimum Target		
\$	2,733,639	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,803	Monthly budgeted operating expenses
	x 2	Monthly budgeted operating expenses
<hr/>		
\$	455,607	Minimum Target Reserve
<hr/> <hr/>		
Maximum Target		
\$	2,733,639	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	227,803	Monthly budgeted operating expenses
	x 10	Monthly budgeted operating expenses
<hr/>		
\$	1,822,426	Maximum Target Reserve
<hr/> <hr/>		

**Conclusion: Year**

Currently, the District has insufficient dedicated operating Sewer Reserves for Fiscal Year 2020-21

Beginning in Fiscal Year 2020-21 the minimum target reserve amount will be set aside in the District's LAIF account and displayed on the balance sheet.

# Fiscal year 2020-2021 Budget Impact Area Capital and Connection Reserves

## CAPITAL RESERVE

**Capital Reserve:**

For the Water and Sewer capital reserves, the target amounts are based on district engineers' estimates of the annual costs to replace water and sewer facilities and the five year capital improvement plans (CIP). Each Utility enterprise shall have a separate capital reserve. The maximum target amount shall equal the highest total annual amount shown in the CIP applicable to existing customers plus the district engineer's estimate of annual replacement capital project costs. The minimum target amount shall equal the lowest total annual amount shown in the CIP applicable to existing customers plus the district engineers' estimate of annual replacement capital project costs.

### WATER

**Current Capital Reserves as of April 30, 2020**

Capital:                   \$ 398,249

**Minimum Target**

\$	1,108,750	Lowest year CIP existing customers (fiscal year 2020-21)
\$	750,000	Engineer estimate
\$	1,858,750	Minimum target

**Maximum Target**

\$	3,367,086	Highest year CIP existing customers (fiscal year 2022-23)
\$	750,000	Engineer estimate
\$	4,117,086	Maximum target

**Conclusion:**

Based on the above, the District does not have sufficient reserves for the minimum target Capital reserve.

# Fiscal year 2020-2021 Budget Impact Area Capital and Connection Reserves

## SEWER

### Current Capital Reserves as of April 30, 2020

Capital: \$ 3,947,360

#### Minimum Target

\$ 1,985,272 Lowest year CIP existing customers (fiscal year 2020-21)

\$ 1,177,000 Engineer estimate

\$ 3,162,272 Minimum target

#### Maximum Target

\$ 2,482,125 Highest year CIP existing customers (fiscal year 2024-25)

\$ 1,177,000 Engineer estimate

\$ 3,659,125 Maximum target

### Conclusion:

Based on the above, the District has sufficient reserves for Capital minimum & maximum target.

## CONNECTION FEE RESERVE

### Connection Fees:

Provides funds for expansion-related capital projects caused by increases in new water and sewer customers. The connection fee reserves are restricted pursuant to Government Code Section 66013.

The water and sewer connection fee reserves shall equal one year's revenue.

## WATER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.

Fiscal year 2020-21 amount to be reserved is \$150,000.

## SEWER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.

Fiscal year 2020-21 amount to be reserved is \$150,000.



## Sewer

### **Personnel**

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

### **Professional Services**

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

### **Facilities & Administration**

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Telephone & Internet:	5720
Other Administrative:	5790
Maintenance, Office:	5510

### **Engineering**

Meeting Attendance, Engineering:	6210
General Engineering:	6220

### **Pumping**

Pumping Fuel & Electricity:	6410
-----------------------------	------

### **Sewer Authority Mid-Coastside**

SAM Collections:	6910
SAM Operations:	6920
SAM Prior-Year Adjustment:	6930
SAM Maintenance, Collection System:	6940
SAM Maintenance, Pumping:	6950

### **All other Accounts**

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
Conference Attendance:	5250
Information Systems:	5270
Fidelity Bond:	5310
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
San Mateo County Tax Roll Charges:	5710
Mileage Reimbursement:	5730
Reference Materials:	5740
Claims, Property Damage:	6170
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Pumping Fuel & Electricity:	6410
Maintenance, Collection System:	6660
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Total Other Operations:	6890

## Water

### **Personnel**

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

### **Professional Services**

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

### **Facilities & Administration**

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Fidelity Bond:	5310
Maintenance, Office:	5510
Telephone & Internet:	5720
Other Administrative:	5790

### **Engineering**

Meeting Attendance, Engineering:	6210
General Engineering:	6220
Water Quality Engineering:	6230

### **Pumping**

Pumping Fuel & Electricity:	6410
Pumping Maintenance, Generators:	6420
Pumping Maintenance, General:	6430
Pumping Equipment, Expensed:	6440

### **Supply**

Maintenance, Raw Water Mains:	6510
Maintenance, Wells:	6520
Water Purchases:	6530

### **Collection/Transmission**

Hydrants:	6610
Maintenance, Water Mains:	6620
Maintenance, Water Service Lines:	6630
Maintenance, Tanks:	6640
Maintenance, Distribution General:	6650
Meters:	6670

### **Treatment**

Chemicals & Filtering:	6710
Maintenance, Treatment Equipment:	6720
Treatment Analysis:	6730

### **All other Accounts**

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
CDPH Fees:	5240
Conference Attendance:	5250
Information Systems:	5270
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
Memberships:	5530
Mileage Reimbursement:	5730
Reference Materials:	5740
Backflow Prevention:	6160
Claims, Property Damage:	6170
SCADA Maintenance:	6185
Internet & Telephone, Communications:	6187
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Lab Supplies & Equipment:	6370
Meter Reading:	6380
Uniforms:	6770
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Other Operations:	6890

## MWSD 2020-21 Budget Prep Schedule of changes

### Date of change

- 1 reduced SAM general expense
- 2 reduced temp. operator to \$20K
- 3 Updated Water CIP - \$1,108,750
- 4 Inclusion of Water system reliability program \$1M
- 5 Updated SAM collections, reduced \$83,983.
- 6 Updated SAM operations, increased \$39,035.
- 7 Updated sewer CIP, based on Nute Engineering 5 year plan. \$1,985,272.
- 8 Updated Capital reserve discussion
- 9 Updated sewer service charges based on rate increase and calculation
- 13-May 10 Reduced SSC by \$4,000 in anticipation of hardship
- 13-May 11 Reduced Water revenue estimate by \$4,000 in anticipation of hardship rates
- 13-May 12 Updated COLA increase for Staff, to 1.11% from 1.66%
- 14-May 13 Updated April 2020 actuals
- 15-May 14 Reduced Water consulting expense to \$55,000, from \$75,000
- 15-May 15 Reduced Sewer Legal down to \$100,000, from \$200,000
- 15-May 16 Reduced both Water & Legal Director fee line item by \$2,000 per fund.
- 15-May 17 Reduced conference attendance by half for both Sewer and Water
- 18 **NOTE:** Water uniforms has been brought in house.  
Purchase of Washer and dryer to eliminate Aramark
- 5/18/2020 19 Updated cash balances at 4/30/2020
- 20
- 21

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**CPI for All Urban Consumers (CPI-U)**  
**Original Data Value**

Series Id: CUURS49BSA0  
 Not Seasonally Adjusted  
 Series Title: All items in San Francisco-Oakland-Hayward, CA, all  
 Area: San Francisco-Oakland-Hayward, CA  
 Item: All items  
 Base Period: 1982-84=100  
 Years: 2010 to 2020

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010		226.145		227.697		228.110		227.954		228.107		227.65
2011		229.981		234.121		233.646		234.608		235.331		234.32
2012		236.880		238.985		239.806		241.170		242.834		239.53
2013		242.677		244.675		245.935		246.072		246.617		245.71
2014		248.615		251.495		253.317		253.354		254.503		252.27
2015		254.910		257.622		259.117		259.917		261.019		260.28
2016		262.600		264.565		266.041		267.853		270.306		269.48
2017		271.626		274.589		275.304		275.893		277.570		277.41
2018		281.308		283.422		286.062		287.664		289.673		289.89
2019		291.227		294.801	(2)	295.259		295.490		298.443		297.00
2020		299.690		298.074	(1)							

(1)  $298.074 - 294.801 = 3.273$  /  $294.801 = 1.110\%$   
 (2)

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**Montara Water and Sanitary District**  
**2020 - 2030**

**Draft - Sewer Repairs - 10 Year Capital Improvement Priority (CIP) List**

Status: Updated April 29, 2020

Fiscal Year	CIP Capital Improvement Needs	Notes/Status
<b>2020-2021 Fiscal Year Capital Improvement Needs</b>		
	Nevada St, Virginia, Steson and Moss Beach Area Sewers 1,000 LF @ \$300 /LF Pipe Burst \$300,000 Date Harte Area Sewers 750 LF @ \$300 /LF Pipe Burst \$225,000 <u>Contingencies (30%) \$90,000</u> <b>\$615,000</b>	Multiple Fractures Dropped Wyes I&I Hot Spots
	Pump Station Mechanical, Electrical and Coating Upgrades, Seal Cove Cover 1 EA @ \$5,000 /EA Pipe works \$5,000 1 EA @ \$12,500 /EA Pump rebuilds \$12,500 6 EA @ \$15,000 /EA Electric/Comm/Radio \$90,000 <u>Contingencies (35%) \$37,625</u> <b>\$145,125</b>	High Priority Corrosion/Leak Risks, Scheduled Repairs, Durability issues and Regulatory compliance
	<b>BASE BUDGET FOR FY 2020-2021 \$760,125</b>	
	<b><u>ALTERNATIVE BUDGET ITEMS</u></b>	
	Cabrillo Highway PHASE 1B - Trunk Sewer (16th to 14th) 990 LF @ \$920 /LF Open Trench \$910,800 Remaining work for 2018 \$110,000 <u>Contingencies and Incidentals Est remaining* (20%) \$204,160</u> <u>(*Design 90% completed, permitting and CM still required) \$1,225,147</u> <b>BASE + ALTERNATIVE BUDGET FOR FY 2020-2021 \$1,985,272</b>	Caltrans Permit Review Possible Delay to FY 21-22 Project Plan F.Y. 12/13 High Priority,SSO Risk Roots, Cracks, water conflict Clean in roadway requires night wrk.
<b>2021-2022 Fiscal Year Capital Improvement Needs</b>		
	Cedar Street Area and Moss Beach Stetson Area 600 LF @ \$300 /LF Pipe Burst \$180,000 660 LF @ \$300 /LF Pipe Burst \$198,000 <u>Contingencies (30%) \$113,400</u> <b>\$491,400</b>	Moved from 13/14 pipe ok, flat grade may need open cut repair (SAM Hot List, but reduced)
	Pump Station Mechanical, Electrical and Coating Upgrades 5 EA @ \$5,000 /EA pipe works \$25,000 2 EA @ \$10,000 /EA pump rebuilds \$20,000 3 EA @ \$12,500 /EA Electrical/Radios \$37,500 <u>Contingencies (35%) \$28,875</u> <b>\$111,375</b>	High Priority Corrosion/Leak Risk Scheduled Repairs and Un-scheduled Repairs Regulatory compliance

Pump Station -Date Harte PS Update		High Priority
1 EA @ \$500,000 /LF Date Harte Upgrades	\$500,000	Move from 15/16
Contingencies (35%)	\$175,000	(Recent Repairs, 17, 19)
	\$675,000	
<b>BASE BUDGET FOR FY 2021-2022</b>	<b>\$1,277,775</b>	
<b>ALTERNATIVE BUDGET ITEMS</b>		
Pump Station Mechanical, Electrical and Coating Upgrades, Seal Cove Cover		High Priority
1 EA @ \$80,000 /EA Coatings/Mechan.	\$80,000	Corrosion
1 LS @ \$450,000 /EA Vallemar Sumr Pump	\$450,000	Durability issues and
Contingencies (35%)	\$185,500	Regulatory compliance
	\$715,500	
<b>BASE + ALTERNATIVE BUDGET FOR FY 2021-2022</b>	<b>\$1,993,275</b>	

<b>2022-2023 Fiscal Year Capital Improvement Needs</b>		
Cabrillo Highway PHASE 2 - Trunk Sewer (14th - 11th)		Move from 13/14
900 LF @ \$450 /LF CIPP-Lining	\$405,385	Clean CCTV PSI/SAM
Contingencies (30%)	\$121,616	Longitudinal Cracks
	\$526,975	
Various Moss Beach Sewers Near Carlos St., Seal Cove		Added 2009, Update 2018
1,200 LF @ \$350 /LF Pipe Burst	\$420,000	Mediun Priority
Contingencies (30%)	\$126,000	Long term plan
	\$546,000	
Sun Valley Area Trunk Sewer Sam Hot List		Moved from 13/14
950 LF @ \$450 /LF Open Cut	\$427,500	Infiltration Area
Contingencies (30%)	\$128,250	Monitor Recent MH Repairs
	\$555,750	2018
Kannoff-3rd St		I & I, Flow Balance WW.
900 LF @ \$450 /LF Pipe Burst	\$405,000	Monitor with Smart Covers
Contingencies (30%)	\$119,825	
	\$524,825	
Pump Station Mechanical, Electrical and Coating Upgrades		High Priority
3 EA @ \$25,000 /EA Coatings/Mechan.	\$75,000	Corrosion
2 EA @ \$8,000 /EA pipe works	\$16,000	Corrosion/Leak Risk
1 EA @ \$9,000 /EA Electrical Work	\$9,000	Un-scheduled Repairs
1 EA @ \$50,000 /LF Distillary Forcemain	\$50,000	Move from 15/16
Contingencies (35%)	\$52,100	(spot repaired)
	\$202,100	
<b>2022-23 Total</b>	<b>\$2,355,650</b>	

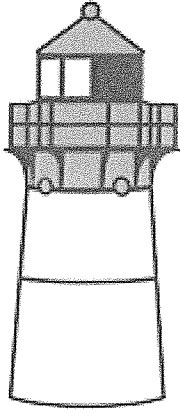
<b>2023-2024 Fiscal Year Capital Improvement Needs</b>		
Cabrillo Highway PHASE 3a - Parallel Pipes (10th St to 6th Street)		Move from 15/16
1,420 LF @ \$550 /LF Open Cut	\$781,000	Caltrans Permit Delay
Contingencies (30%)	\$234,300	(Pending above projects)
	\$1,015,300	Clean CCTV PSI/SAM
Montara Montara Easements Sewers Various Locations.		Monitor Condition
1,500 LF @ \$300 /LF Pipe Burst and Open C	\$450,000	Added 2018
Contingencies (30%)	\$135,000	Mediun Priority
	\$582,400	Long term plan
Various Moss Beach Sewers Near Cypress, Nevada & Buena Vista St.		Monitor with Smart Cover

	1,750 LF @ \$350 /LF Pipe Burst and Open C Contingencies (30%)	\$612,500 \$183,750 \$796,250	Added 2009, updated 2019 Mediu Priority Long term plan
	<b>2023-24 Total</b>	<b>\$2,393,950</b>	
<b>2024-2025 Fiscal Year Capital Improvement Needs</b>			
	Cabrillo Highway PHASE 3b - Trunk Sewer (11th - 7th + Crossing) 900 LF @ \$550 /LF CIPP Contingencies (35%)	\$495,000 \$173,250 \$668,250	Move from 16/17 Caltrans Permit Delay (Pending above projects) Clean CCTV PSI/SAM
	Various Sewers Seal Cove. 750 LF @ \$375 /LF Pipe Burst and Open C Contingencies (30%)	\$281,250 \$84,375 \$365,625	Revised 2018 Mediu Priority Long term plan
	Montara Montara Easements Sewers Various Locations. 750 LF @ \$350 /LF Pipe Burst and Open C Contingencies (30%)	\$262,500 \$78,750 \$341,250	Revised 2018 Repair and Cleaning Priority Long term plan
	Pump Station Mechanical, Electrical and Coating Upgrades 2 EA @ \$30,000 /EA Coatings/Mechan. 2 EA @ \$10,000 /EA pipe works 2 EA @ \$20,000 /EA pump rebuilds 2 EA @ \$350,000 /EA Vallemar New MCC Contingencies (35%)	\$60,000 \$20,000 \$40,000 \$700,000 \$287,000 \$1,107,000	High Priority Corrosion Corrosion/Leak Risk Scheduled Repairs Un-scheduled Repairs
	<b>2024-25 Total</b>	<b>\$2,482,125</b>	
<b>2025-2026 Fiscal Years Capital Improvement Needs</b>			
	Various Moss Beach Sewers Carlos St area 1,500 LF @ \$450 /LF Pipe Burst and Open C Contingencies (30%)	\$675,000 \$202,500 \$877,500	Revised 2018 Mediu Priority Long term plan
	Montara Montara Easements Sewers Various Locations. 1,500 LF @ \$250 /LF Pipe Burst and Open C Contingencies (30%)	\$375,000 \$112,500 \$487,500	Revised 2018 Mediu Priority Long term plan
	Pump Station Mechanical, Electrical and Coating Upgrades 2 EA @ \$30,000 /EA Coatings/Mechan. 2 EA @ \$20,000 /EA pump rebuilds 1 EA @ \$200,000 /EA Date Harte MCC 1 EA @ \$200,000 /EA Airport MCC Contingencies (35%)	\$60,000 \$40,000 \$200,000 \$200,000 \$175,000 \$675,000	High Priority Corrosion Corrosion/Leak Risk Scheduled Repairs Un-scheduled Repairs
	<b>BASE BUDGET FOR FY 2025-2026</b>	<b>\$2,040,000</b>	
	<b>ALTERNATIVE BUDGET ITEM</b>		
	Vallimar Sewer Main Relocation Part 1 (Strand, Niagara, Private Pumps) 2,000 LF @ \$475 /LF Open Cut Contingencies (30%)	\$950,000 \$285,000	Added 2010, Errosion Risk Mediu Priority

		\$1,235,000	
	<b>BASE + ALTERNATIVE FY 2025-26 Total</b>	<b>\$3,275,000</b>	
<b>2026-2027 Fiscal Years Capital Improvement Needs</b>			
	Cabrillo Highway PHASE 4 - Force Mains (7th to Kanoff PS)		Move from 17/18 Monitor Via CCTV
	1,800 LF @ \$750 /LF CIPP	\$1,350,000	
	Contingencies (35%)	\$472,500	
		\$1,822,500	
	Various Moss Beach Sewers Varginia down town area		Revised 2018 Mediun Priority Long term plan
	1,500 LF @ \$475 /LF Pipe Burst and Open C	\$712,500	
	Contingencies (30%)	\$213,750	
		\$926,250	
	Virginia St and frontage road		Multiple Sags Grease problem (Spot Repairs needed now)
	1,500 LF @ \$500 /LF Open Cut	\$750,000	
	Contingencies (30%)	\$225,000	
		\$975,000	
	<b>BASE BUDGET FOR FY 2026-2027</b>	<b>\$3,723,750</b>	
	Vallimar Street Sewer PUMPS Part 2 (Strand, Niagara, Private Pumps)		Added 2010, Errosion Risk Long term plan
	10 EA @ \$20,000 /EA Open Cut	\$200,000	
	Electrical + Distribution	\$300,000	
	PS Niagra Abandonment	\$50,000	
	Contingencies (35%)	\$192,500	
		\$742,500	
	<b>BASE + ALTERNATIVE FY 2026-27 Total</b>	<b>\$4,466,250</b>	
<b>2027-2028 Fiscal Years Capital Improvement Needs</b>			
	Pump Station Mechanical, Electrical and Coating Upgrades		High Priority Corrosion Corrosion/Leak Risk Scheduled Repairs and Un-scheduled Repairs
	2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	
	2 EA @ \$10,000 /EA Pipe works	\$20,000	
	2 EA @ \$20,000 /EA Pump rebuilds	\$40,000	
	2 EA @ \$10,000 /EA Electrical Work	\$20,000	
	Contingencies (35%)	\$49,000	
		\$189,000	
	Various Montara Sewers , including 7th st easements		Revised 2018 Mediun Priority Long term plan
	2,500 LF @ \$450 /LF Pipe Burst and Open C	\$1,125,000	
	Contingencies (30%)	\$337,500	
		\$1,462,500	
	Moss Beach Costal Side Sewers, California St vacinity		Multiple Sags, flat grade Roots (Spot Repairs needed now)
	2,000 LF @ \$475 /LF Open Cut	\$950,000	
	Contingencies (30%)	\$285,000	
		\$1,235,000	
	Airport Pump Station Rebuild		Added 2010, Errosion Risk Long term plan
	1 LS @ \$1,250,000 /EA Open Cut	\$1,250,000	
	Electrical + Generator	\$150,000	
	Contingencies (35%)	\$490,000	
		\$1,890,000	
	<b>2027-28 Total</b>	<b>\$4,776,500</b>	
<b>2028-2029 Fiscal Years Capital Improvement Needs</b>			
	Pump Station Mechanical, Electrical and Coating Upgrades		High Priority Corrosion
	2 EA @ \$30,000 /EA Coatings/Mechan.	\$60,000	



2	EA	@	\$10,000	/EA	Pipe works	\$20,000	Corrosion/Leak Risk Scheduled Repairs and Un-scheduled Repairs
2	EA	@	\$20,000	/EA	Pump rebuilds	\$40,000	
2	EA	@	\$10,000	/EA	Electrical Work	\$20,000	
<u>Contingencies (35%)</u>						\$49,000	
						\$189,000	
Various Montara Sewers , including 8-12th streets							
2,750	LF	@	\$450	/LF	Pipe Burst, Open Cut	\$1,237,500	Revised 2018 Mediun Priority Long term plan
<u>Contingencies (30%)</u>						\$371,250	
						\$1,608,750	
Moss Beach Costal Side Sewers, Seal Cove							
2,500	LF	@	\$475	/LF	Open Cut	\$1,187,500	Multiple Sags, flat grade Roots (Spot Repairs needed now)
<u>Contingencies (30%)</u>						\$356,250	
						\$1,543,750	
5th St Pump Station Rebuild							
1	LS	@	\$1,000,000	/EA	Open Cut	\$1,000,000	Added 2010, Errosion Risk Long term plan
<u>Contingencies (35%)</u>						\$350,000	
						\$1,350,000	
<b>2028-29 Total</b>						<b>\$4,691,500</b>	
<b>2029-2030 Fiscal Years Capital Improvement Needs</b>							
Various Moss Beach Sewers Sunshine Valley							
1,500	LF	@	\$425	/LF	Pipe Burst and Open C	\$637,500	Long term plan
<u>Contingencies (30%)</u>						\$191,250	
						\$828,750	
Montara Costal Sewers							
3,000	LF	@	\$450	/LF	Open Cut	\$1,350,000	I&I, roots
<u>Contingencies (30%)</u>						\$405,000	
						\$1,755,000	
<b>BASE BUDGET FOR FY 2029-2030</b>						<b>\$2,583,750</b>	
Airport Force Main Rehabilitation							
7,500	LF	@	\$350	/EA	CIPP	\$2,625,000	Long term plan, corrosion,
<u>Contingencies (30%)</u>						\$787,500	
						\$3,412,500	
<b>BASE + ALTERNATIVE FY 2029-30 Total</b>						<b>\$5,996,250</b>	



# Montara Water and Sanitary District

**Water System Capital Improvement Program**

***Update FY2020/21 – FY2024/25***

***June 2020***

***Board of Directors***

Kathryn Slater-Carter, President

Jim Harvey, President Pro Tem

Ric Lohman, Secretary

Peter Dekker, Treasurer

Scott Boyd, Director

Clemens Heldmaier, General Manager

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

The Montara Water and Sanitary District (the District or MWSD) water system requires improvements to address system renewal and replacement needs, continue to improve water supply reliability, and ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions. These potential improvements make up the District's Capital Improvement Program (CIP) and include the rehabilitation of the existing infrastructure, addition of new facilities, development of new supply sources, and implementation of repair, replacement, and preventive maintenance programs.

In 2003, the District's Board of Directors established the CIP prioritization criteria that serve as the foundation for the District's capital improvements decision-making process to determine an achievable implementation schedule and ensure that adequate funding is secured for the needed improvements. In 2011 the Board of Directors began allowing new domestic connections to the water system, resulting in the need for capital projects designed exclusively for or shared by the new customers connecting to the water system. These projects are funded by the Water Capacity Charge (WCC). Capital projects designed to provide appropriate levels of renewal and replacement for customers that are using the existing water system are funded by water system revenues.

The CIP prioritization criteria provide a method to rate the relative importance of a particular project for projects serving either new or existing customers based on factors such as protection of public health, employee safety, legal and regulatory requirements, and funding constraints. These criteria determine which projects should be implemented in any given year and over the CIP 20-year planning horizon. The prioritization criteria used by MWSD are presented in Table 1, below, categorized into three priority levels that are listed from most to least critical for implementation.

Table 1. CIP Prioritization Criteria		
Priority Level	Description	Examples
Level One <i>Mandatory Projects</i>	<i>"Must do" – highest priority,</i> District has little or no control to defer	<ol style="list-style-type: none"> <li>1. Projects required by law/legislation, regulations;</li> <li>2. Projects protecting health and safety of employees and the public; and</li> <li>3. Projects funded by others.</li> </ol>
Level Two <i>Necessary Projects</i>	<i>Must be done,</i> District has moderate level of control over the timing of implementation	<ol style="list-style-type: none"> <li>1. Projects required for providing adequate emergency storage and meeting fire flow requirements;</li> <li>2. Projects reducing water system losses and reducing pipeline leaks.</li> </ol>
Level Three <i>Discretionary Projects</i>	<i>Should be done,</i> District has significant level of control over the timing of implementation	Required projects that can be deferred to a later date. Level Three Projects can be completed as needed, if Level One or Level Two Projects are postponed or outside funding sources become available.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

The planning-level cost estimates included in this CIP are total project costs with the +50%/-30% estimating accuracy and include the following elements:

1. Engineer’s opinion of probable construction cost
2. Planning, permitting, legal, and administrative costs at 40%
3. Planning-level contingency at 25%

Table 2 includes the net present value (NPV) for the replacement costs of existing MWSD assets that are due for replacement within the next 20 years and the other projects required to optimize operations. These projects would be funded through water system revenues.

<b>Table 2. 20-Year Water System Asset Replacement Program</b>		
<b>Water System Capital Improvement Projects</b>	<b>MWSD Program Description</b>	<b>NPV (2020\$\$)</b>
Water Storage Tanks	Replacement of the Alta Vista Tank No. 1, Portola Tank and the 2 Pillar Ridge Tanks	\$3,972,000
Groundwater Supply Wells	Rehabilitation of the Alta Vista Well, Drake, North Airport well, South Airport Well, the Portola Wells (Nos. 1, 2, 3, and 4) and the Pillar Ridge Wells (Retiro, Corona and Culebra)	\$3,525,000
PRV Stations	Rehabilitation of all of the 16 PRV Stations	\$1,170,000
Water Mains	Replacement of approximately 45,000 linear feet of water mains, including associated valves and appurtenances	\$9,577,000
Treatment Plants	Replacement of the Pillar Ridge and the Alta Vista treatment plants	\$5,570,000
Hydrants	Replacement of 123 hydrants	\$738,000
Booster Pump Stations	Replacement of the Schoolhouse booster pump station	\$3,286,000
Service Meters	Replacement of the Service Meters	\$1,171,000
Generators	Installation of generators at locations that do not currently have any and replacement of aging generators	\$987,000
Vehicles	Replacement of the service vehicles every 7 years	\$425,000
SCADA Upgrades	Necessary upgrades of the water system’s electronic controls and monitoring equipment	\$500,000
Supply Reliability Program	Groundwater exploration studies to better understand local aquifers and identify potential groundwater well sites to augment water system supply reliability	\$2,000,000
Office Systems Upgrades	Various improvements required for the functioning MWSD office	\$850,000
<b>20-year CIP Total</b>		<b>\$33,771,000</b>

While the CIP projects and programs included in Table 2 provide the long-range projects for the water system, the summary presented in Table 3, Project Cost Distribution and Fiscal Year Schedule, includes capital projects and portions of the capital programs that the District anticipates completing the next five (5) fiscal years. Project descriptions that follow include the cost of the entire project or program that may extend beyond the initial five (5) years of the CIP.

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

Table 3. Total Project Cost Distribution and Fiscal Year Schedule – Five-Year Water System CIP							
	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	5-Year CIP Total	
<b>Existing Customer CIP - WATER</b>							
Distribution System Renewal and Replacement Program <sup>1</sup>	\$455,000	\$464,100	\$473,382	\$482,850	\$492,507	\$2,367,838	
Water Conservation Program	\$8,750	\$9,013	\$9,018	\$9,288	\$9,567	\$45,636	
Storage Tank Rehabilitation Program <sup>2</sup>		\$350,000	\$1,000,000			\$1,350,000	
Emergency Generator Replacement Program	\$45,000	\$45,900	\$46,818	\$7,754	\$48,709	\$234,182	
Vehicle Replacement Fund		\$40,000	\$41,200	\$42,436		\$123,636	
<b>EXISTING CUSTOMER CIP TOTAL</b>	<b>\$508,750</b>	<b>\$909,013</b>	<b>\$1,570,418</b>	<b>\$582,328</b>	<b>\$550,783</b>	<b>\$4,121,292</b>	
<b>New Customer CIP - WATER</b>							
Water Main Upgrade Program <sup>3</sup>	\$525,000	\$1,000,000	\$1,030,000	\$1,060,900	\$1,092,727	\$4,708,627	
Existing Well Upgrade Program <sup>4</sup>		\$320,000	\$329,600	\$339,488		\$989,088	
New and Upgraded PRV Stations' Program <sup>5</sup>		\$250,000	\$257,500	\$265,225	\$273,182	\$1,045,907	
Emergency Generator Upgrade Program	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413	\$398,185	
Portola Tank Telemetry Upgrade			\$250,000	\$250,000		\$250,000	
Develop Additional Supply Reliability			\$100,000	\$350,000	\$1,000,000	\$1,450,000	
<b>NEW CUSTOMER CIP TOTAL</b>	<b>\$600,000</b>	<b>\$1,647,250</b>	<b>\$1,796,668</b>	<b>\$2,347,568</b>	<b>\$2,450,322</b>	<b>\$8,841,807</b>	
<b>Total Annual Capital Cost</b>	<b>\$1,108,750</b>	<b>\$2,556,263</b>	<b>\$3,367,086</b>	<b>\$2,929,896</b>	<b>\$3,001,105</b>	<b>\$12,963,099</b>	

<sup>1</sup> This program includes a project to merge the Alta Vista and Portola Zones to improve system reliability and to provide service to new customers; proposed split is 50/50. Additionally, in the following years of the CIP, these programs include a replacement of a failed main under and along Hwy 1.

<sup>2</sup> This project includes urgent repairs needed to the Portola Tank and is coupled with the above project (1) for cost efficiency.

<sup>3</sup> This program includes a project to merge the Alta Vista and Portola Zones to improve system reliability and to provide service to new customers; proposed split is 50/50. Additionally, in the following years of the CIP, these programs include a replacement of a failed main under and along Hwy 1.

<sup>4</sup> This project is for the Pillar Ridge wells' rehabilitation and upgrades.

<sup>5</sup> This project would add new PRV stations, sampling stations, valves, and upgrade existing PRVs.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

#### PRIORITY LEVEL ONE – MANDATORY PROJECTS

*Priority Level One* projects almost exclusively address the projected system deficiencies related to adding new customers to the system. Most of the anticipated system deficiencies are due to adding new connections to the system and increasing water demands.

**Priority Level One** – These are the highest priority, “must do” capital projects. The District has little or no control to defer these projects. Examples of such projects include: (1) Projects required by law/legislation, regulations; (2) Projects protecting health and safety of employees and the public; and (3) Projects funded by others.

The projects and actions described below are designed to allow the District addressing system deficiencies while continue to operate an efficient and reliable water system. The proposed *Priority Level One* near-term improvements continue the District’s progress toward sustainability through investments that:

- (1) Diversify water supply sources,
- (2) Improve water quality,
- (3) Encourage water and energy conservation, and
- (4) Meet current and future infrastructure needs.

Table 4 below, contains *Priority Level One* projects and programs that have been formulated to provide benefit to, and be paid for by, new District customers. A detailed discussion of the projects follows.

Table 4. Priority Level One – Mandatory Projects
1. Water Main Upgrade Program
2. Existing Well Upgrade Program
3. New and Upgraded PRV Stations’ Program
4. Emergency Generator Upgrade Program
5. Portola Tank Telemetry Upgrade
6. Develop Additional Supply Reliability

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 1:** Water Main Upgrade Program

**Priority:** Level One

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Under the water main upgrade program, the District will undertake the effort of designing and constructing upsizing of the existing distribution system mains to accommodate increasing demands due to the addition of new water customers. This program includes an estimated 12,800 linear feet of 8-inch- and 10-inch-diameter mains installed in the water system replacing existing 2-inch, 4-inch, and 6-inch-diameter mains.

Upsizing of existing water mains and isolation and control valves will be required to accommodate new water customers.

The Water Main Upgrade Program will involve the strategic upgrade of existing water mains to incorporate “arterial distribution loops” throughout the system. These arterial loops will provide added redundancy and reinforcement to handle the addition of new customers or potential leaks and pipe failures. The loops will be designed utilizing the existing distribution system and the installation of short spans of new pipelines. Isolation and control valves will also be installed in critical locations as part of the loop design. As a whole, the arterial loops will provide the District’s Operations staff the ability to isolate and repair critical sections of the distribution system while still conveying water throughout the system. Additionally, this program includes upsizing of the existing mains that would become deficient due to added new customer demands.

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**Project:** Water Main Upgrade Program

**CIP Total Cost:** \$7.5 million

**Project Funding:** This program will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures redundancy and reinforcement of the distribution system to handle the addition of new customers or potential leaks and pipe failures.

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 2:** Existing Well Upgrade Program

**Priority:** Level One

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The existing District's wells operate within their design parameters in the existing water system. Hydraulic analysis demonstrates, however, that with increased demands due to new water customers, existing wells' pumps and motors would need to be upsized to pump into the system. The pump and motor replacement and piping modifications are required to accommodate new customers. This program would involve replacement of all existing motor control centers (MCCs) and associated power supply improvements.

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**Project:** Existing Well Upgrade Program

**CIP Total Cost:** \$3.4 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it is required to accommodate new customers



## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 3:** New and Upgraded Pressure-Regulating Stations' Program

**Priority:** Level One

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Due to the District's water system configuration and the terrain of the service area, the District operates over 20 existing pressure-regulating stations (PRVs). With the addition of new customers throughout the service area, this project will install up to 5 new PRV stations and increase the capacity of 13 existing PRV stations.

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**Project:** New and Upgraded Pressure-Regulating Stations Program

**CIP Total Cost:** \$1.86 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures reliable and efficient water distribution under new demand conditions

# Montara Water and Sanitary District

## WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 4:** Emergency Generator Upgrade Program

**Priority:** Level One

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Existing generators at the District’s pumping and treatment facilities will become undersized following upgrades of the existing pumps and motors and would require replacement. This program would secure safe and reliable emergency power to the District’s critical water treatment and delivery facilities and provide safe operation by staff under the increased demand conditions due to new customers. The associated appurtenances, including automatic transfer switches (ATS) would also have to be replaced due to the increased generator and system capacities.

---

**Project:** Emergency Generator Upgrade Program

**CIP Total Cost:** \$889,500

**Project Funding:** This project will be funded by new customers WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures reliability and efficiency of operations under new demand conditions

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Project 5:** Portola Tank Telemetry Upgrade

**Priority:** Level One

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The existing Portola Tank currently operates with no telemetry link to the District's SCADA system. While this arrangement works to serve existing water customers, addition of new customers throughout the District's service area will require adding the tank to SCADA to ensure operational optimization of the tank under new demand conditions.

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**Project:** Portola Tank Telemetry Upgrade

**CIP Total Cost:** \$250,000

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures operational optimization of the Portola Tank under new demand conditions

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL ONE – MANDATORY PROJECTS

**Program 6:** Develop Additional Supply Reliability

**Priority:** Level One

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This project provides for planning, permitting, and implementation of water supply augmentation to ensure that the water system's reliability remains intact with the addition of the new water customers to the system. Currently, the District has over 20 percent reliability and redundancy in its water supply portfolio achieved by existing District's customers through adding new sources, implementing water system improvements, securing the existing Airport Wells for its water supply portfolio, and through conservation. This portion of the water supply portfolio will initially be utilized to add new customers to the system; however, the supply reliability needs to be replenished and paid for by the new customers to ensure consistent continued reliability of the water system. The project includes new groundwater source planning, permitting, and development.

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**Project:** Develop Additional Supply Reliability

**CIP Total Cost:** \$1.98 million

**Project Funding:** This project will be funded by new customers through the WCC

**Basis of Priority:** This project is ranked as Priority Level 1 because it ensures consistent continued reliability of the District's water system

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL TWO – NECESSARY PROJECTS

The District's water system requires improvements to address system renewal and replacement needs and ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions. These necessary improvements make up the District's Priority Level Two, Necessary Projects, which include the rehabilitation of the existing infrastructure, repair and replacement, and preventative maintenance programs.

**Priority Level Two** programs provide measurable progress in achieving the District's goals, however, the District has a moderate level of control over the timing of implementation. Examples of such projects include projects reducing water system losses and pipeline leaks, treatment plant and storage tank rehabilitation, and other asset replacement programs.

Table 5 below provides a list of the Priority Two Level programs. These projects serve existing District's customers and are funded by the water rate revenues.

<b>Table 5. Priority Level Two – Necessary Projects</b>
1. Distribution System Renewal and Replacement Program
2. Groundwater Supply Wells Rehabilitation Program
3. Storage Tank Rehabilitation Program
4. Generator Replacement Program
5. Vehicle Replacement Fund
6. Water Treatment Plant Rehabilitation Program
7. Water Conservation Program

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 1:** Distribution System Renewal and Replacement Program

**Priority:** Level Two

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This program is an on-going annual rehabilitation program that includes the following projects:

- Mechanical systems replacement
  - Water meter replacement
  - Water lateral replacement
  - Water main replacement
  - Fire hydrant replacement
  - Booster Pump Station replacement
- 

**Project:** Distribution System Renewal and Replacement Program

**CIP Total Cost:** \$15.94 million

**Project Funding:** This program will be funded by existing customers through water revenues

**Basis of Priority:** This program is ranked as Priority Level Two because it addresses system renewal and replacement needs to ensure sufficient response under daily operational scenarios, fire flow, and emergency conditions, and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 2:** Groundwater Supply Well Rehabilitation Program

**Priority:** Level Two

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This program is an on-going rehabilitation program that includes rehabilitation of the Alta Vista Well, Drake, North Airport well, South Airport Well, the Portola Wells (Nos. 1, 2, 3, and 4) and the Pillar Ridge Wells (Retiro, Corona and Culebra).

**Project:** Groundwater Supply Well Rehabilitation Program

**CIP Total Cost:** \$3.53 million

**Project Funding:** This program will be funded by existing customers through water revenues

**Basis of Priority:** This program is ranked as Priority Level Two because it addresses water supply reliability and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 3:** Storage Tank Rehabilitation Program

**Priority:** Level Two

The existing Alta Vista Tank No.1 was inspected in 2016 and found needing to be taken off line for rehabilitation. It was determined that the tank floor and areas on the wall of the AVT 1 shows signs of significant corrosion. AVT 1 will be rehabilitated, including: cleaning, recoating and corrosion spot repair. Some areas, such as the tank floor, may require more extension corrosion repair. Additionally, the Portola Tank is in an immediate need of roof replacement and other appurtenances' rehabilitation.

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**Project:** Storage Tank Rehabilitation Program

**CIP Total Cost:** \$3.97 million

**Project Funding:** This program will be funded by existing customers through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it ensures continued operation of the existing water system and protects the emergency and fire storage capacity and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 4:** Emergency Generator Replacement

**Priority:** Level Two

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This program is for the replacement of the existing emergency generators that reached the end of their useful life.

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**Project:** Emergency Generator Replacement

**CIP Total Cost:** \$987,000

**Project Funding:** This project will be funded by existing customers through water revenues.

**Basis of Priority:** This project is ranked as Priority Level Two because it ensures efficiency of water operations and provides business continuity assurance and resiliency of the water infrastructure and protects public health and safety.

## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

### PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 5:** Vehicle Replacement Fund

**Priority:** Level Two

This funding is earmarked for the District's fleet of trucks renewal over the 20-year CIP cycle.

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**Project:** Vehicle Replacement Fund

**CIP Total Cost:** \$425,000

**Project Funding:** This project will be funded by existing customers through water revenues.

**Basis of Priority:** This project is ranked as Priority Level Two because it ensures efficiency of water operations.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 6:** Water Treatment Plant Rehabilitation Program

**Priority:** Level Two

The District owns and operates two water treatment plants, the Alta Vista WTP and Pillar Ridge WTP. Both plants contain treatment units and facilities that are approaching the end of their respective useful life and would need to be either rehabilitated or replaced. This program includes funding for the two WTPs overhaul.

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**Project:** Water Treatment Plant Rehabilitation Program

**CIP Total Cost:** \$5.57 million

**Project Funding:** This program will be funded through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it ensures existing facility functionality and reliability and protects public health and safety.

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## Montara Water and Sanitary District

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21 – FY2024/25)

PRIORITY LEVEL TWO – NECESSARY PROJECTS

**Program 7:** Water Conservation Program

**Priority:** Level Two

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The District continues its multi-year rebate program to encourage customers to replace their fixtures and appliances with water-efficient units.

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**Project:** Water Conservation Program

**CIP Total Cost:** \$100,000

**Project Funding:** This program will be funded by existing customers through water revenues.

**Basis of Priority:** This program is ranked as Priority Level Two because it continues to promote water conservation.

## Montara Water and Sanitary District

### WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM UPDATE (FY2020/21-FY2024/25)

#### PRIORITY LEVEL THREE – DISCRETIONARY PROJECTS

Projects not meeting the criteria for Priority Level One or Two are ranked as Priority Level Three. These projects are needed, albeit may not yet have defined scopes, schedules, or funding sources. Many factors exist that may promote Level Three projects to Level One or Two such as the release of new regulations and legislation or the availability of funding.

**Priority Level Three** – Projects that are required but can be deferred to a later date. Level Three Projects can be completed as needed, if Level One or Level Two Projects are postponed. District has significant level of control over the timing of implementation.

Table 6 below provides a list of the Priority Level Three projects. Funding for these projects is not currently included as part of this CIP.

1. SCADA Upgrades	\$500,000
2. Supply Reliability Program	\$2,000,000
3. Office Systems Upgrades	\$850,000
4. New Large Service Connections – paid for entirely by the project owner who applies for water service from the District	Example: Big Wave NPA will be funding and constructing a new 12-inch-diameter water main that will serve the Wellness Center domestic and fire demands, also a series of new distribution mains.



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

**BOARD OF DIRECTORS MEETING**  
**June 18, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**SPECIAL SESSION BEGAN AT 7:30 p.m.**  
**CALL TO ORDER**  
**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, Lohman, and Slater-Carter

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald  
Kastama Consulting, Alison Kastama

**PRESIDENT'S STATEMENT –**

Director Slater-Carter reiterated the importance of having enough funds to maintain the system that serves the community and thanked the public for their support.

## **ORAL COMMENTS -**

Ann Rothman participated in the Planning Commission meeting for the Cypress Point project. There was discussion about information needed from the Montara Water and Sanitary District (MWSD) specifying how much water is available and what the sewer needs are. How will Cypress Point pay for their share of sewer, since it is tied to the property owner and not renters?

General Manager Heldmaier stated that they don't have an application or any information about the Cypress project. If the County has any questions, they can certainly contact him.

Director Boyd inquired as to why this was discussed at the Planning Commission meeting, when they know the protocol and all of that information is available on the website. Also, costs are allocated according to the level of impact on the system, which is all engineer driven.

Ann Rothman asked how the proposed changes required for this project will impact Montara and Moss Beach, including the roundabouts and moving the sewer. Can those costs be recuperated for having to move the sewer system again?

Director Slater-Carter stated they have no control over the traffic. Additionally, that project has been on the books prior to 1980 and Citizens Utilities and MWSD are required by the State to keep water capacity reserved for it. It was stopped temporarily due to the moratorium. She also expressed her concerns about parking. She encouraged the public to stay involved—it makes a difference.

Gregg Dieguez was also present at the Planning Commission meeting and said that another community member had raised the issue of the vulnerability of the sewer pipe parallel to the Highway that was discussed a few weeks ago. What is the risk that the heavy equipment involved during construction might damage the pipe? In respect to reserve and capacity, is that shown in the 2017 Master Plan? If not, where can he find it? Will the closed session items be resolved soon?

General Manager Heldmaier replied there is no risk to the pipe line on the Highway resulting from heavy equipment. Capacity would be included in the Public Works plan. They can't comment about closed session.

## **PUBLIC HEARING – none**

## **CONSENT AGENDA**

### **OLD BUSINESS**

### **NEW BUSINESS**

#### **1. Review and Possible Action Concerning Temporary Change to Regularly Scheduled Meeting Start Times of 7:30pm due to COVID-19**

Director Lohman stated that due to the shelter-in-place order and people working remotely, he asked about the possibility of moving the meeting to 7:00pm, which may be more convenient.

General Manager Heldmaier said that keeping the time of 7:30pm would be consistent and predictable for the community, and allows more time for people that are working and/or have parental duties.

Director Harvey thought 7:00pm was a good idea.

Director Boyd said he usually works up until the time of the meeting, and an earlier time wouldn't work for him.

The directors were all in agreement to keeping the meeting time at 7:30pm.

#### **2. Review and Possible Action Concerning Cancellation of July 2 Regular Scheduled Meeting.**

General Manager Heldmaier stated that the July 2<sup>nd</sup> meeting is close to the July 4<sup>th</sup> holiday, observed on July 3<sup>rd</sup>, and questioned the availability of a quorum.

All directors were in agreement to cancel the July 2<sup>nd</sup> meeting. If anything comes up, they can hold a meeting the following week.

## **REPORTS**

#### **1. Sewer Authority Mid-Coastside Meeting (Slater-Carter)**

Director Lohman stated there was a discussion about the Wet Weather project, and Half Moon Bay said they would not approve the current version of the project. They demanded that they investigate what he calls the "Dan" project and get outside engineering validations. It goes up for approval on July 13<sup>th</sup>. There were some pumps that needed to be installed at Portola and that was approved.

Director Boyd asked for clarity on the differences between the "Dan" project and the one proposed in 2008.



Director Lohman replied that the wet weather project just expands capacity—it works by gravity and doesn't require any moving parts and the "Dan" project is a high-pressure pump alternative.

Director Boyd said it sounds a lot like the project that rejected a decade ago.

Director Slater-Carter said she calls it "parallel force main light." It requires constant maintenance, monitoring, electricity, will wear out the pipes faster due to the high pressure, costs more, and does not have as many operational efficiencies as the holding tank. She doesn't understand why Half Moon Bay wants it.

General Manager Heldmaier stated that these two projects serve different purposes, and cannot really be compared. He understands some of the pumps have to be replaced in the future and it would be a good idea to upsize them. However, he feels that the pump sizes of the proposed project are rather extreme. They have a flow project that is different from what the pumps are doing.

Director Slater-Carter commented that SAM staff indicated that if the parallel force main light project was implemented, additional storage would be required at the SAM plant.

Director Lohman said that he hoped this would all be discussed at the next presentation. Half Moon Bay justified the project saying that the SAM plant is working at sub capacity right now, and the big pipe working under gravity flow is the restriction at this point. That is why the wet weather project is being built – if the water can't get down the pipe and gets backed up into the plant, it just backs up into the wet weather project until the pressure lets it go. The "Dan" project runs by high pressure, and would not need the wet weather project, as the plant has the capacity. However, SAM has never been run at its full capacity.

Director Boyd stated that it was the project proposed by peer review engineering firms. This was the project SAM chose when they did the first underground storage in El Granada. The reason they didn't do the full project was because Half Moon Bay did everything, they could to sabotage the project then. It was built because El Granada and Montara paid for the project. Now this is really phase two of the original project which was recommended by a team of professional engineering firms. This alternative project has limited benefit in comparison to the other, and is a waste of money and time.

Director Lohman added that the wet weather project was not completed initially because El Granada and Montara couldn't afford building the entire proposed project on their own. Additionally, the wet weather project has already been approved by all the regulators, and the alternative project would mean starting from the beginning in getting approval.

Director Slater-Carter said she will ask SAM staff how will additional flows and pressures during wet winter events affect the 40 million dollars already needed to upgrade the plant.

Director Boyd stated that the current wet weather project has already proven that a project like this can be done with an environmental negative declaration. However, the new proposed project is certain to be met with environmental resistance, and will likely go to the Coastal Commission before it ever gets a permit. So, if the goal is to deal with the wet weather months in a timely fashion because the regulators have told them that this needs to be done, one option looks smart and other looks intransigent.

Gregg Dieguez stated that issue is really hidden versus explicit decision criteria. The only way to get to the bottom of this is to explicitly list the decision criteria involved. He agreed with General Manager Heldmaier there is a fundamental disagreement as to the purpose of this enhancement. SAM staff needs to draft a table with the decision criteria, option 1, 2, and 3 (doing nothing). Director Boyd had mentioned vetting, Director Slater-Carter mentioned the downstream implications. Then, Half Moon Bay will be forced to add whatever the hidden criteria are on to that list or the decision is obviously not going to make sense. He suspects it may have to do with their dire financial situation.

**2. Mid-Coast Community Council Meeting (Slater-Carter) – none**

**3. CSDA Report (Lohman) – no meetings yet**

**4. LAFCo Report (Lohman) –**

Director Lohman stated that the Procedure Manual was approved, and will be sent out to all the agencies and districts to approve it. He went over the list of MSR's, which are service reviews, and the San Mateo County Resource Conservation District (RCD) will be reviewed in July, and the San Mateo County Harbor District in September, etc.

**5. Attorney's Report (Fitzgerald) – none**

**6. Directors' Report – none**

**7. General Manager's Report (Heldmaier) none**

## **FUTURE AGENDAS**

1. MWSD General Obligation Bond Refinancing
2. MWSD Defined Benefit Plan Actuarial Evaluation
3. MWSD Outreach Program Evaluation
4. MWSD Excess Property Evaluation

**BRIEF RECESS**

**REGULAR MEETING ENDED AT 8:45 PM**

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

**REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

**ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

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

Approved on the 2nd, July 2020

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



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

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

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## **Budget vs. Actual – Sewer July 2019 thru May 2020 Variances over \$2,000:**

- 4220 Cell Tower Lease, \$4,004 above budget – additional check received in May. This is the 2<sup>nd</sup> month an additional check has been received.
- 4400 Fees, \$7,911 below budget – overall reduced activity, especially in inspection and remodel fees.
- 4610 Property Tax Receipts, \$101,927 above Budget – ERAF collections totals \$139,294 for the current fiscal year.
- 4710 Sewer Service Charges, \$18,555 above Budget – One smaller apportionment expected during current fiscal year.
- 4720 Sewer Service Refunds, customer, \$2,578 above Budget – Sewer service adjustments posted to various accounts.
- **Overall Total Operating Income for the period ending May 31, 2020 was \$116,413 above budget. Total income received to date is \$3,221,449.**
- 5200 Board of Directors, \$3,808 below Budget – Election expense budgeted for, but, due to timing, expense is not expected in current fiscal year.
- 5250 Conference Attendance, \$4,548 below Budget – No activity in May.
- 5270 Information Systems, \$5,779 above Budget – Expense due to services performed by Tech Solutions for hardware and software upgrades.
- 5300 Insurance, \$2,292 below Budget – No activity in current fiscal year.
- 5400 Legal, \$264,748 below Budget – Magnitude of expenses has not been as expected.
- 5510 Maintenance, office, \$3,029 below Budget – Larger maintenance projects have been deferred.
- 5540 Office Supplies, \$2,489 below Budget – Expenses have been held in check due to reduction in staff time on-site.
- 5560 Printing & Publishing, \$3,810 below Budget – Minimal activity in May.
- 5610 Accounting, \$4,525 above Budget – increased costs associated with the preparation of the FY 20-21 budget.
- 5620 Audit, \$3,767 below Budget – Minimal activity in the current fiscal year, due to the timing of billing.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 5630 Consulting, \$8,449 above Budget – Increase due to increase in public relations costs.
- 5720 Telephone & Internet, \$6,657 above Budget – Service providers continually raise rates after initial promotion ends. GM to re-evaluate.
- 5800 Labor, \$5,459 above Budget - Due to employee wages.
- 6170 Claims, Property Damage, \$18,333 below Budget – No claims paid in current fiscal year.
- 6200 Engineering, \$23,579 below Budget – Minimal activity in the current fiscal year, due to deferral of major projects.
- 6400 Pumping, \$4,973 below Budget – Two bills paid in May.
- 6600 Collection/Transmission, \$9,167 below Budget – No activity to date.
- 6940 SAM Maintenance, Collection Sys, \$36,667 below Budget – No activity to date.
- 6950 SAM Maintenance, Pumping, \$74,718 above Budget – Payment made to SAM for pump and lift station repairs. Costs to be capitalized at fiscal year end. \$37,291 paid for in the current year.
- **Overall Total Operating Expenses for the period ending May 31, 2020 were \$18,966 below Budget.**
- **Total overall Expenses for the period ending May 31, 2020 were \$279,556 below budget. For a net ordinary income of \$395,969, budget vs. actual. Actual net ordinary income is \$709,913.**
- 7100 Connection Fees, \$71,260 above Budget – Five new construction issue and no remodel connection issued in May.
- 7200 Interest Income, LAIF, \$59,274 above budget – LAIF has been outperforming projections.
- 8000 CIP, \$1,100,987 below Budget – Major projects deferred to next fiscal year.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

## **Budget vs. Actual – Water July 2019 thru May 2020 Variances over \$2,000:**

- 4220 Cell Tower Lease, \$4,005 above budget – additional check received in May. This is the 2<sup>nd</sup> month an additional check has been received
- 4400 Fees, \$4,040 above budget – Due to increased activity in other charges.
- 4610 Property Tax Receipts, \$101,927 above Budget – ERAF collections totals \$139,294 for the current fiscal year.
- 4740 Testing, Backflow, \$5,929 above Budget – Difference due to timing.
- 4810 Water Sales, Domestic, \$18,243 below Budget – Mainly due to timing of customer payments.
- 4990 Other Revenue, \$56,411 – revenue is from Big Wave for application cost reimbursement (\$44K) & an insurance reimbursement (\$10K).
- **Overall Total Operating Income for the period ending May 31, 2020 was \$154,674 above budget. Total revenue received to date is \$2,274,924.**
- 5190 Bank Fees, \$ 2,246 below Budget – Reduced charges negotiated with service providers.
- 5240 CDPH Fees, \$5,281 below Budget – CA SWRCB annual fee was less than anticipated.
- 5250 Conference Attendance, \$4,557 below Budget – No activity in May.
- 5270 Information Systems, \$6,696 above Budget – Expense due to services performed by Tech Solutions for hardware and software upgrades.
- 5400 Legal, \$109,790 below Budget – Magnitude of expenses has not been as expected.
- 5530 Membership, \$4,275 above Budget – ACWA & CA rural memberships paid in December. Variance to decrease as fiscal year moves forward.
- 5540 Office Supplies, \$2,557 above Budget – Expenses have been held in check due to reduction in staff time on-site.
- 5610 Accounting, \$4,525 above budget – increased costs associated with the preparation of the FY 20-21 budget.
- 5620 Audit, \$3,766 below Budget – Due to timing in billing.
- 5630 Consulting, \$44,741 below Budget – Full rate study expenditures have not been paid.
- 5720 Telephone & Internet, \$8,255 above Budget – Service providers continually raise rates after initial promotion ends. GM to re-evaluate.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 5800 Labor, \$66,500 below Budget – The District budgeted to have a 4<sup>th</sup> water operator in the current fiscal year. This has occurred as of March 2020.
- 6170 Claims, Property Damage, \$8,775 below Budget – No claims paid in May.
- 6180 Communications, \$9,448 below Budget – Minimal activity in current fiscal year. SCADA maintenance costs deferred to next fiscal year.
- 6195 Education & training, \$4,640 below Budget – Under budget due to District not having 4<sup>th</sup> operator to send to cert training.
- 6200 Engineering, \$204,084 below Budget – Water Quality engineering expenses have been held in check.
- 6320 Equipment & tools, Expensed, \$9,076 above Budget – additional need for tools and equipment due to hiring of 4<sup>th</sup> operator.
- 6330 Facilities, \$42,170 below Budget – Maintenance & landscaping tree projects have been deferred.
- 6370 Lab supplies & equipment, \$6,408 above Budget – Large bill paid in September, variance expected to decrease as fiscal year moves forward.
- 6500 Supply, \$2,418 below Budget – well maintenance expenses have been higher than expected.
- 6600 Collection/Transmission, \$6,599 below Budget – Water service line expense has been less than anticipated.
- 6700 Treatment, \$8,655 below Budget – Due to Treatment Analysis lower than anticipated.
- 6800 Vehicles, \$3,421 below Budget – Due to reduced fuel costs.
- **Overall Total Operating Expenses for the period ending May 31, 2020 were \$274,217 below Budget.**
- **Total overall Expenses for the period ending May 31, 2020 were \$485,266 below budget. For a net ordinary income of \$639,940, budgeted vs. actual. Actual net ordinary income is \$737,555.**
- 7100 Connection Fees, – Five new connections sold and Five PFP sold in May.
- 8000 CIP, \$375,931 above Budget – Major reactionary projects paid for during the fiscal year which were not budgeted for.
- 9100 Interest Expense-GO Bonds, \$19,211 above Budget – Difference due to timing.
- 9150 SRF Loan, \$97,105 above Budget – Difference due to timing.

## RECOMMENDATION:

This is for Board information only

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer

July 2019 through May 2020

	Jul '19 - May 20	Sewer Budget		\$ Over Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4220 · Cell Tower Lease	37,921.41	33,916.63		4,004.78
4400 · Fees				
4410 · Administrative Fee (New Constr)	3,794.00	3,300.00		494.00
4420 · Administrative Fee (Remodel)	542.00	1,833.37		-1,291.37
4430 · Inspection Fee (New Constr)	3,584.00	3,208.37		375.63
4440 · Inspection Fee (Remodel)	512.00	3,666.63		-3,154.63
4460 · Remodel Fees	2,999.00	7,333.37		-4,334.37
<b>Total 4400 · Fees</b>	11,431.00	19,341.74		-7,910.74
4510 · Grants	112.00			
4610 · Property Tax Receipts	376,926.68	275,000.00		101,926.68
4710 · Sewer Service Charges	2,777,915.97	2,759,361.00		18,554.97
4720 · Sewer Service Refunds, Customer	-6,244.71	-3,666.63		-2,578.08
4760 · Waste Collection Revenues	21,382.26	21,083.37		298.89
4990 · Other Revenue	2,004.85			
<b>Total Income</b>	3,221,449.46	3,105,036.11		116,413.35
<b>Gross Profit</b>	3,221,449.46	3,105,036.11		116,413.35
<b>Expense</b>				
5000 · Administrative				
5190 · Bank Fees	5,171.07	6,875.00		-1,703.93
5200 · Board of Directors				
5210 · Board Meetings	3,066.97	2,750.00		316.97
5220 · Director Fees	4,125.00	3,666.63		458.37
5230 · Election Expenses	0.00	4,583.37		-4,583.37
<b>Total 5200 · Board of Directors</b>	7,191.97	11,000.00		-3,808.03
5250 · Conference Attendance	35.00	4,583.37		-4,548.37
5270 · Information Systems	9,445.50	3,666.63		5,778.87
5300 · Insurance				
5310 · Fidelity Bond	0.00	458.37		-458.37
5320 · Property & Liability Insurance	0.00	1,833.37		-1,833.37
<b>Total 5300 · Insurance</b>	0.00	2,291.74		-2,291.74
5350 · LAFCO Assessment	2,060.00	1,833.37		226.63
5400 · Legal				
5430 · General Legal	70,006.46	378,125.00		-308,118.54
5440 · Litigation	43,370.20			
<b>Total 5400 · Legal</b>	113,376.66	378,125.00		-264,748.34
5510 · Maintenance, Office	4,304.40	7,333.37		-3,028.97
5540 · Office Supplies	4,844.41	7,333.37		-2,488.96
5550 · Postage	621.81	2,429.13		-1,807.32
5560 · Printing & Publishing	773.46	4,583.37		-3,809.91



## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer

July 2019 through May 2020

	Jul '19 - May 20	Sewer Budget	\$ Over Budget
<b>5600 · Professional Services</b>			
5610 · Accounting	32,025.00	27,500.00	4,525.00
5620 · Audit	8,150.00	11,916.63	-3,766.63
5630 · Consulting	40,532.18	32,083.37	8,448.81
5640 · Data Services	7,173.05	5,683.37	1,489.68
5650 · Labor & HR Support	2,562.00	2,291.63	270.37
5660 · Payroll Services	894.35	916.63	-22.28
<b>Total 5600 · Professional Services</b>	<b>91,336.58</b>	<b>80,391.63</b>	<b>10,944.95</b>
<b>5710 · San Mateo Co. Tax Roll Charges</b>	<b>119.00</b>	<b>916.63</b>	<b>-797.63</b>
5720 · Telephone & Internet	28,656.90	22,000.00	6,656.90
5730 · Mileage Reimbursement	327.48	1,375.00	-1,047.52
5740 · Reference Materials	0.00	183.37	-183.37
5790 · Other Administrative	607.85		
<b>5800 · Labor</b>			
5810 · CalPERS 457 Deferred Plan	18,773.01	15,585.13	3,187.88
5820 · Employee Benefits	43,438.32	44,281.38	-843.06
5830 · Disability Insurance	1,564.16	1,284.25	279.91
5840 · Payroll Taxes	14,678.50	17,031.63	-2,353.13
5850 · PARS	15,335.31	15,113.12	222.19
<b>5900 · Wages</b>			
5910 · Management	105,030.75	102,421.88	2,608.87
5920 · Staff	121,715.86	115,982.13	5,733.73
5930 · Staff Certification	2,025.00	1,650.00	375.00
5940 · Staff Overtime	1,697.30	2,585.88	-888.58
<b>Total 5900 · Wages</b>	<b>230,468.91</b>	<b>222,639.89</b>	<b>7,829.02</b>
<b>5960 · Worker's Comp Insurance</b>	<b>2,153.44</b>	<b>5,016.88</b>	<b>-2,863.44</b>
<b>Total 5800 · Labor</b>	<b>326,411.65</b>	<b>320,952.28</b>	<b>5,459.37</b>
<b>Total 5000 · Administrative</b>	<b>595,283.74</b>	<b>855,873.26</b>	<b>-260,589.52</b>
<b>6000 · Operations</b>			
6170 · Claims, Property Damage	0.00	18,333.37	-18,333.37
6195 · Education & Training	0.00	916.63	-916.63
<b>6200 · Engineering</b>			
6210 · Meeting Attendance, Engineering	0.00	1,833.37	-1,833.37
6220 · General Engineering	33,254.80	55,000.00	-21,745.20
<b>Total 6200 · Engineering</b>	<b>33,254.80</b>	<b>56,833.37</b>	<b>-23,578.57</b>
<b>6320 · Equipment &amp; Tools, Expensed</b>	<b>0.00</b>	<b>916.63</b>	<b>-916.63</b>
<b>6330 · Facilities</b>			
6335 · Alarm Services	5,417.18	5,225.00	192.18
6337 · Landscaping	3,968.00	3,300.00	668.00
<b>Total 6330 · Facilities</b>	<b>9,385.18</b>	<b>8,525.00</b>	<b>860.18</b>
<b>6400 · Pumping</b>			
6410 · Pumping Fuel & Electricity	36,276.70	41,250.00	-4,973.30
<b>Total 6400 · Pumping</b>	<b>36,276.70</b>	<b>41,250.00</b>	<b>-4,973.30</b>

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**

July 2019 through May 2020

	Jul '19 - May 20	Sewer Budget	\$ Over Budget
<b>6600 · Collection/Transmission</b>			
6660 · Maintenance, Collection System	0.00	9,166.63	-9,166.63
<b>Total 6600 · Collection/Transmission</b>	0.00	9,166.63	-9,166.63
<b>6770 · Uniforms</b>	125.80		
<b>6800 · Vehicles</b>			
6810 · Fuel	800.82	916.63	-115.81
6820 · Truck Equipment, Expensed	439.03	146.63	292.40
6830 · Truck Repairs	621.96	916.63	-294.67
<b>Total 6800 · Vehicles</b>	1,861.81	1,979.89	-118.08
<b>6900 · Sewer Authority Midcoastside</b>			
6910 · SAM Collections	313,086.62	313,086.62	0.00
6920 · SAM Operations	1,401,711.08	1,401,710.75	0.33
6940 · SAM Maintenance, Collection Sys	0.00	36,666.63	-36,666.63
6950 · SAM Maintenance, Pumping	120,550.90	45,833.37	74,717.53
<b>Total 6900 · Sewer Authority Midcoastside</b>	1,835,348.60	1,797,297.37	38,051.23
<b>Total 6000 · Operations</b>	1,916,252.89	1,935,218.89	-18,966.00
<b>Total Expense</b>	2,511,536.63	2,791,092.15	-279,555.52
<b>Net Ordinary Income</b>	709,912.83	313,943.96	395,968.87
<b>Other Income/Expense</b>			
<b>Other Income</b>			
<b>7000 · Capital Account Revenues</b>			
<b>7100 · Connection Fees</b>			
7110 · Connection Fees (New Constr)	198,885.50	137,500.00	61,385.50
7120 · Connection Fees (Remodel)	55,708.36	45,833.37	9,874.99
<b>Total 7100 · Connection Fees</b>	254,593.86	183,333.37	71,260.49
<b>7200 · Interest Income - LAIF</b>	105,107.22	45,833.37	59,273.85
<b>Total 7000 · Capital Account Revenues</b>	359,701.08	229,166.74	130,534.34
<b>Total Other Income</b>	359,701.08	229,166.74	130,534.34
<b>Other Expense</b>			
<b>8000 · Capital Improvement Program</b>			
8075 · Sewer	261,257.69	1,362,244.62	-1,100,986.93
<b>Total 8000 · Capital Improvement Program</b>	261,257.69	1,362,244.62	-1,100,986.93

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06/16/20

Accrual Basis

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
July 2019 through May 2020

	Jul '19 - May 20	Sewer Budget	\$ Over Budget
9000 · Capital Account Expenses			
9125 · PNC Equipment Lease Interest	15,221.43	13,952.62	1,268.81
9200 · I-Bank Loan	11,062.63	20,700.13	-9,637.50
<b>Total 9000 · Capital Account Expenses</b>	<b>26,284.06</b>	<b>34,652.75</b>	<b>-8,368.69</b>
<b>Total Other Expense</b>	<b>287,541.75</b>	<b>1,396,897.37</b>	<b>-1,109,355.62</b>
<b>Net Other Income</b>	<b>72,159.33</b>	<b>-1,167,730.63</b>	<b>1,239,889.96</b>
<b>Net Income</b>	<b>782,072.16</b>	<b>-853,786.67</b>	<b>1,635,858.83</b>

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through May 2020

	Water		
	Jul '19 - May 20	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4220 · Cell Tower Lease	37,921.38	33,916.63	4,004.75
4400 · Fees			
4410 · Administrative Fee (New Constr)	4,336.00	4,583.37	-247.37
4420 · Administrative Fee (Remodel)	1,084.00		
4430 · Inspection Fee (New Constr)	4,096.00	3,666.63	429.37
4440 · Inspection Fee (Remodel)	1,536.00		
4450 · Mainline Extension Fees	0.00	2,750.00	-2,750.00
4460 · Remodel Fees	1,421.00	1,833.37	-412.37
4470 · Other Fees	4,400.40		
<b>Total 4400 · Fees</b>	16,873.40	12,833.37	4,040.03
4510 · Grants	112.00		
4610 · Property Tax Receipts	376,926.60	275,000.00	101,926.60
4740 · Testing, Backflow	22,429.00	16,500.00	5,929.00
4810 · Water Sales, Domestic	1,766,509.47	1,784,750.00	-18,240.53
4850 · Water Sales Refunds, Customer	-2,258.33	-2,750.00	491.67
4990 · Other Revenue	56,411.09		
<b>Total Income</b>	2,274,924.61	2,120,250.00	154,674.61
<b>Gross Profit</b>	2,274,924.61	2,120,250.00	154,674.61
<b>Expense</b>			
5000 · Administrative			
5190 · Bank Fees	1,191.95	3,437.50	-2,245.55
5200 · Board of Directors			
5210 · Board Meetings	3,066.95	3,666.63	-599.68
5220 · Director Fees	4,125.00	3,025.00	1,100.00
<b>Total 5200 · Board of Directors</b>	7,191.95	6,691.63	500.32
5240 · CDPH Fees	9,156.40	14,437.50	-5,281.10
5250 · Conference Attendance	943.01	5,500.00	-4,556.99
5270 · Information Systems	9,445.50	2,750.00	6,695.50
5300 · Insurance			
5310 · Fidelity Bond	0.00	458.37	-458.37
5320 · Property & Liability Insurance	1,173.00	2,291.63	-1,118.63
<b>Total 5300 · Insurance</b>	1,173.00	2,750.00	-1,577.00
5350 · LAFCO Assessment	2,759.00	2,520.87	238.13
5400 · Legal			
5430 · General Legal	101,959.72	211,750.00	-109,790.28
<b>Total 5400 · Legal</b>	101,959.72	211,750.00	-109,790.28
5510 · Maintenance, Office	7,204.30	7,333.37	-129.07
5530 · Memberships	26,275.16	22,000.00	4,275.16
5540 · Office Supplies	9,890.00	7,333.37	2,556.63
5550 · Postage	8,309.30	8,250.00	59.30
5560 · Printing & Publishing	1,628.06	2,750.00	-1,121.94

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through May 2020

	Jul '19 - May 20	Water Budget	\$ Over Budget
<b>5600 · Professional Services</b>			
5610 · Accounting	32,025.00	27,500.00	4,525.00
5620 · Audit	8,150.00	11,916.63	-3,766.63
5630 · Consulting	46,925.56	91,666.63	-44,741.07
5640 · Data Services	899.50		
5650 · Labor & HR Support	2,641.10	2,291.63	349.47
5660 · Payroll Services	894.24	916.63	-22.39
<b>Total 5600 · Professional Services</b>	<b>91,535.40</b>	<b>134,291.52</b>	<b>-42,756.12</b>
<b>5710 · San Mateo Co. Tax Roll Charges</b>	<b>119.00</b>		
<b>5720 · Telephone &amp; Internet</b>	<b>33,004.53</b>	<b>24,750.00</b>	<b>8,254.53</b>
<b>5730 · Mileage Reimbursement</b>	<b>622.63</b>	<b>1,833.37</b>	<b>-1,210.74</b>
<b>5740 · Reference Materials</b>	<b>0.00</b>	<b>733.37</b>	<b>-733.37</b>
<b>5790 · Other Administrative</b>	<b>2,156.12</b>		
<b>5800 · Labor</b>			
5810 · CalPERS 457 Deferred Plan	39,047.55	39,632.12	-584.57
5820 · Employee Benefits	72,064.63	80,767.50	-8,702.87
5830 · Disability Insurance	3,230.98	3,178.12	52.86
5840 · Payroll Taxes	39,162.94	44,973.50	-5,810.56
5850 · PARS	31,107.40	34,499.63	-3,392.23
<b>5900 · Wages</b>			
5910 · Management	105,030.84	102,421.88	2,608.96
5920 · Staff	369,676.55	409,603.37	-39,926.82
5930 · Staff Certification	10,083.13	10,450.00	-366.87
5940 · Staff Overtime	42,466.35	44,096.25	-1,629.90
5950 · Staff Standby	23,507.90	21,311.62	2,196.28
<b>Total 5900 · Wages</b>	<b>550,764.77</b>	<b>587,883.12</b>	<b>-37,118.35</b>
<b>5960 · Worker's Comp Insurance</b>	<b>10,435.46</b>	<b>21,380.37</b>	<b>-10,944.91</b>
<b>Total 5800 · Labor</b>	<b>745,813.73</b>	<b>812,314.36</b>	<b>-66,500.63</b>
<b>Total 5000 · Administrative</b>	<b>1,060,378.76</b>	<b>1,271,426.86</b>	<b>-211,048.10</b>
<b>6000 · Operations</b>			
6160 · Backflow Prevention	325.93	916.63	-590.70
6170 · Claims, Property Damage	392.00	9,166.63	-8,774.63
6180 · Communications			
6185 · SCADA Maintenance	2,468.45	11,916.63	-9,448.18
<b>Total 6180 · Communications</b>	<b>2,468.45</b>	<b>11,916.63</b>	<b>-9,448.18</b>
<b>6195 · Education &amp; Training</b>	<b>3,609.99</b>	<b>8,250.00</b>	<b>-4,640.01</b>
<b>6200 · Engineering</b>			
6210 · Meeting Attendance, Engineering	0.00	458.37	-458.37
6220 · General Engineering	12,389.54	27,500.00	-15,110.46
6230 · Water Quality Engineering	132,317.81	320,833.37	-188,515.56
<b>Total 6200 · Engineering</b>	<b>144,707.35</b>	<b>348,791.74</b>	<b>-204,084.39</b>
<b>6320 · Equipment &amp; Tools, Expensed</b>	<b>16,412.37</b>	<b>7,333.37</b>	<b>9,079.00</b>

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through May 2020

	Jul '19 - May 20	Water Budget	\$ Over Budget
<b>6330 · Facilities</b>			
6335 · Alarm Services	715.58	733.37	-17.79
6337 · Landscaping	6,399.73	51,333.37	-44,933.64
6330 · Facilities - Other	2,781.90		
<b>Total 6330 · Facilities</b>	9,897.21	52,066.74	-42,169.53
<b>6370 · Lab Supplies &amp; Equipment</b>	8,699.89	2,291.63	6,408.26
<b>6380 · Meter Reading</b>	9.95		
<b>6400 · Pumping</b>			
6410 · Pumping Fuel & Electricity	66,786.92	82,500.00	-15,713.08
6420 · Pumping Maintenance, Generators	20,908.20	9,166.63	11,741.57
6430 · Pumping Maintenance, General	17.24	4,583.37	-4,566.13
6440 · Pumping Equipment, Expensed	8,562.13	641.63	7,920.50
<b>Total 6400 · Pumping</b>	96,274.49	96,891.63	-617.14
<b>6500 · Supply</b>			
6510 · Maintenance, Raw Water Mains	27.48	2,291.63	-2,264.15
6520 · Maintenance, Wells	13,280.87	4,583.37	8,697.50
6530 · Water Purchases	27,814.88	36,666.63	-8,851.75
<b>Total 6500 · Supply</b>	41,123.23	43,541.63	-2,418.40
<b>6600 · Collection/Transmission</b>			
6610 · Hydrants	6,481.17	916.63	5,564.54
6620 · Maintenance, Water Mains	36,258.63	45,833.37	-9,574.74
6630 · Maintenance, Water Svc Lines	5,057.30	18,333.37	-13,276.07
6640 · Maintenance, Tanks	4,146.03	916.63	3,229.40
6650 · Maint., Distribution General	10,828.95	7,333.37	3,495.58
6670 · Meters	6,253.45	2,291.63	3,961.82
<b>Total 6600 · Collection/Transmission</b>	69,025.53	75,625.00	-6,599.47
<b>6700 · Treatment</b>			
6710 · Chemicals & Filtering	38,989.15	18,333.37	20,655.78
6720 · Maintenance, Treatment Equip.	12,639.86	18,333.37	-5,693.51
6730 · Treatment Analysis	17,632.95	41,250.00	-23,617.05
<b>Total 6700 · Treatment</b>	69,261.96	77,916.74	-8,654.78
<b>6770 · Uniforms</b>	3,482.54	1,833.37	1,649.17
<b>6800 · Vehicles</b>			
6810 · Fuel	5,035.48	9,166.63	-4,131.15
6820 · Truck Equipment, Expensed	2,685.51	916.63	1,768.88
6830 · Truck Repairs	3,524.44	4,583.37	-1,058.93
<b>Total 6800 · Vehicles</b>	11,245.43	14,666.63	-3,421.20
<b>6890 · Other Operations</b>	54.59		
<b>Total 6000 · Operations</b>	476,990.91	751,208.37	-274,217.46
<b>Total Expense</b>	1,537,369.67	2,022,635.23	-485,265.56
<b>Net Ordinary Income</b>	737,554.94	97,614.77	639,940.17

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through May 2020

	Jul '19 - May 20	Water Budget	\$ Over Budget
<b>Other Income/Expense</b>			
<b>Other Income</b>			
<b>7000 · Capital Account Revenues</b>			
<b>7100 · Connection Fees</b>			
7110 · Connection Fees (New Constr)	171,215.44	137,500.00	33,715.44
7130 · Conn. Fees, PFP (New Constr)	84,517.11	119,166.63	-34,649.52
<b>Total 7100 · Connection Fees</b>	255,732.55	256,666.63	-934.08
<b>7600 · Bond Revenues, G.O.</b>	1,055,360.14	1,054,566.37	793.77
<b>Total 7000 · Capital Account Revenues</b>	1,311,092.69	1,311,233.00	-140.31
<b>Total Other Income</b>	1,311,092.69	1,311,233.00	-140.31
<b>Other Expense</b>			
<b>8000 · Capital Improvement Program</b>			
8100 · Water	879,639.51	503,708.37	375,931.14
<b>Total 8000 · Capital Improvement Program</b>	879,639.51	503,708.37	375,931.14
<b>9000 · Capital Account Expenses</b>			
9100 · Interest Expense - GO Bonds	230,538.67	211,327.38	19,211.29
9125 · PNC Equipment Lease Interest	15,221.48	13,952.62	1,268.86
9150 · SRF Loan	163,905.22	66,800.25	97,104.97
9210 · Conservation Program/Rebates	1,350.00	2,750.00	-1,400.00
<b>Total 9000 · Capital Account Expenses</b>	411,015.37	294,830.25	116,185.12
<b>Total Other Expense</b>	1,290,654.88	798,538.62	492,116.26
<b>Net Other Income</b>	20,437.81	512,694.38	-492,256.57
<b>Net Income</b>	<b>757,992.75</b>	<b>610,309.15</b>	<b>147,683.60</b>

**Montara Water & Sanitary District**  
**Restricted and Non Restricted Cash Assets**  
**July 2019 through June 2020**

**Assets and Reserves Information**

Year to Date Cash Information	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Target Reserves</b>	<b>\$ Over/(Under) Targets</b>	<b>% Over/Under Targets</b>
<b>Sewer - Operations</b>															
Wells Fargo Operating - Sewer	1,187,446.23	958,547.87	731,831.78	410,053.97	498,542.18	2,286,080.52	1,531,279.28	1,555,409.43	1,046,480.62	2,720,143.51	1,881,430.88				
<b>Sewer - Reserve Accounts</b>															
LAIF -															
Capital Reserve	3,893,688.18	3,893,688.18	3,893,688.18	3,921,377.10	3,921,377.10	3,921,377.10	3,947,359.67	3,947,359.67	3,947,359.67	3,947,359.67	3,970,253.27		2,589,500.00	1,304,188.18	150%
Connection Fees Reserve	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00	194,600.00		194,600.00	-	100%
Operating Reserve	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00	406,882.00		406,882.00	-	100%
Sub-total	4,495,170.18	4,495,170.18	4,495,170.18	4,522,859.10	4,522,859.10	4,522,859.10	4,548,841.67	4,548,841.67	4,548,841.67	4,548,841.67	4,571,735.27	-			
<b>Water - Operations</b>															
Wells Fargo Operating - Water	1,053,121.02	1,067,125.08	1,082,273.73	1,097,201.83	612,797.42	627,029.30	642,109.43	655,072.36	668,495.08	680,360.18	693,453.66				
<b>Water - Reserve Accounts</b>															
Wells Fargo Bank-															
Capital Reserve	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00	398,249.00		945,817.00	(547,568.00)	42%
Connection Fees Reserve	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00	253,020.00		253,020.00	-	100%
SRF Reserve	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00	48,222.00		48,222.00	-	100%
Operating Reserve	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00	46,009.00		277,745.00	(231,736.00)	17%
Sub-total	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	745,500.00	-			
<b>Water - Restricted accounts</b>															
First Republic Bank - Water															
GO Bonds Fund	1,406,233.55	1,447,509.18	874,341.24	874,341.24	875,737.43	896,853.63	1,457,563.78	1,459,915.79	955,681.63	955,818.95	1,352,433.24				
Sub-total	1,406,233.55	1,447,509.18	874,341.24	874,341.24	875,737.43	896,853.63	1,457,563.78	1,459,915.79	955,681.63	955,818.95	1,352,433.24	-			
<b>Total Cash and equivalents</b>	<b>8,887,470.98</b>	<b>8,713,852.31</b>	<b>7,929,116.93</b>	<b>7,649,956.14</b>	<b>7,255,436.13</b>	<b>9,078,322.55</b>	<b>8,925,294.16</b>	<b>8,964,739.25</b>	<b>7,964,999.00</b>	<b>9,650,664.31</b>	<b>9,244,553.05</b>	-			



**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
July 2019 through June 2020

	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	TOTAL				
													Jul '19 - Jun 20	Budget	\$ Over Budget	% of Budget	
<b>Ordinary Income/Expense</b>																	
<b>Income</b>																	
4220 · Cell Tower Lease	3,153.26	3,153.26	3,153.26	3,153.26	3,153.26	3,153.26	3,153.26	3,153.26	3,153.26	4,794.26	4,747.81		37,921.41	37,000.00	921.41	102.49%	
<b>4400 · Fees</b>																	
4410 · Administrative Fee (New Constr)		1,084.00	1,084.00		542.00		542.00		542.00				3,794.00	3,600.00	194.00	105.39%	
4420 · Administrative Fee (Remodel)					542.00								542.00	2,000.00	-1,458.00	27.1%	
4430 · Inspection Fee (New Constr)		1,024.00	1,024.00		512.00		512.00		512.00				3,584.00	3,500.00	84.00	102.4%	
4440 · Inspection Fee (Remodel)					512.00								512.00	4,000.00	-3,488.00	12.8%	
4460 · Remodel Fees		114.00	542.00				271.00	651.00	661.00		760.00		2,999.00	8,000.00	-5,001.00	37.49%	
<b>Total 4400 · Fees</b>		2,222.00	2,650.00		2,108.00		1,325.00	651.00	1,715.00		760.00		11,431.00	21,100.00	-9,669.00	54.18%	
4510 · Grants	112.00												112.00				
4610 · Property Tax Receipts		853.45	61,790.13	330.21	10,325.04	117,962.78	78,150.07	20,095.38	622.33	86,125.33	671.96		376,926.68	275,000.00	101,926.68	137.06%	
4710 · Sewer Service Charges	496.20					1,544,087.78		183,658.85		1,048,997.15	675.99		2,777,915.97	3,010,212.00	-232,296.03	92.28%	
4720 · Sewer Service Refunds, Customer	-5,729.85	-367.36				-147.50							-6,244.71	-4,000.00	-2,244.71	156.12%	
4760 · Waste Collection Revenues	1,416.21	2,888.11	997.86	2,852.02	979.34	2,710.71	1,261.90	3,052.26	1,143.83	3,110.61	969.41		21,382.26	23,000.00	-1,617.74	92.97%	
4990 · Other Revenue		16.75			16.07				1,972.03				2,004.85				
<b>Total Income</b>	-552.18	8,766.21	68,591.25	6,335.49	16,581.71	1,667,767.03	83,890.23	210,610.75	8,606.45	1,143,027.35	7,825.17		3,221,449.46	3,362,312.00	-140,862.54	95.81%	
<b>Gross Profit</b>	-552.18	8,766.21	68,591.25	6,335.49	16,581.71	1,667,767.03	83,890.23	210,610.75	8,606.45	1,143,027.35	7,825.17		3,221,449.46	3,362,312.00	-140,862.54	95.81%	
<b>Expense</b>																	
<b>5000 · Administrative</b>																	
5190 · Bank Fees	406.59	390.24	481.27	382.98	585.56	432.25	430.49	517.24	692.19	404.17	448.09		5,171.07	7,500.00	-2,328.93	68.95%	
<b>5200 · Board of Directors</b>																	
5210 · Board Meetings		670.96	296.48	490.32	14.97	461.98	322.46	15.64	344.16		450.00		3,066.97	3,000.00	66.97	102.23%	
5220 · Director Fees		225.00	337.50	337.50	562.50	187.50	450.00	637.50	337.50		1,050.00		4,125.00	4,000.00	125.00	103.13%	
5230 · Election Expenses														5,000.00	-5,000.00		
<b>Total 5200 · Board of Directors</b>		895.96	633.98	827.82	577.47	649.48	772.46	653.14	681.66		1,500.00		7,191.97	12,000.00	-4,808.03	59.93%	
5250 · Conference Attendance			35.00										35.00	5,000.00	-4,965.00	0.7%	
5270 · Information Systems		75.00		639.00		300.00			7,209.00		1,222.50		9,445.50	4,000.00	5,445.50	236.14%	
<b>5300 · Insurance</b>																	
5310 · Fidelity Bond														500.00	-500.00		
5320 · Property & Liability Insurance														2,000.00	-2,000.00		
<b>Total 5300 · Insurance</b>														2,500.00	-2,500.00		
5350 · LAFCO Assessment									1,766.00		294.00		2,060.00	2,000.00	60.00	103.0%	
<b>5400 · Legal</b>																	
5420 · Meeting Attendance, Legal																	
5430 · General Legal				5,882.50	4,514.00		8,965.26	8,386.88	21,404.07		20,853.75		70,006.46	412,500.00	-342,493.54	16.97%	
5440 · Litigation		80.00	13,178.95	5,100.00	3,295.00	16,181.25		2,985.00	2,550.00				43,370.20				
<b>Total 5400 · Legal</b>		80.00	13,178.95	10,982.50	7,809.00	16,181.25	8,965.26	11,371.88	23,954.07		20,853.75		113,376.66	412,500.00	-299,123.34	27.49%	
5510 · Maintenance, Office		260.00	284.23	160.00	379.25	447.03	100.00	1,297.20	410.00		966.69		4,304.40	8,000.00	-3,695.60	53.81%	
5540 · Office Supplies		870.19	391.66	26.52	439.29	224.73	660.77	706.55	1,378.01		146.69		4,844.41	8,000.00	-3,155.59	60.56%	
5550 · Postage			78.03	154.85	154.85	78.02			78.03		78.03		621.81	2,650.00	-2,028.19	23.47%	
5560 · Printing & Publishing		36.97	56.86	34.97	25.30	89.32	50.24	119.51	206.68		153.61		773.46	5,000.00	-4,226.54	15.47%	
5600 · Professional Services																	











**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
July 2019 through June 2020

												TOTAL				
	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul '19 - Jun 20	Budget	\$ Over Budget	% of Budget
<b>7000 · Capital Account Revenues</b>																
<b>7100 · Connection Fees</b>																
7110 · Connection Fees (New Constr)	4,072.72			18,105.00			4,200.72	18,105.00	56,125.00		70,607.00		171,215.44	150,000.00	21,215.44	114.14%
7130 · Conn. Fees, PFP (New Constr)	6,879.11	9,029.00		5,406.00				9,029.00	27,087.00		27,087.00		84,517.11	130,000.00	-45,482.89	65.01%
<b>Total 7100 · Connection Fees</b>	10,951.83	9,029.00		23,511.00			4,200.72	27,134.00	83,212.00		97,694.00		255,732.55	280,000.00	-24,267.45	91.33%
<b>7600 · Bond Revenues, G.O.</b>		2,050.10		1,396.19	21,116.20	560,710.15	2,352.01	69,880.54	1,103.34	393,464.19	3,287.42		1,055,360.14	1,150,436.00	-95,075.86	91.74%
<b>Total 7000 · Capital Account Revenues</b>	10,951.83	11,079.10		24,907.19	21,116.20	560,710.15	6,552.73	97,014.54	84,315.34	393,464.19	100,981.42		1,311,092.69	1,430,436.00	-119,343.31	91.66%
<b>Total Other Income</b>	10,951.83	11,079.10		24,907.19	21,116.20	560,710.15	6,552.73	97,014.54	84,315.34	393,464.19	100,981.42		1,311,092.69	1,430,436.00	-119,343.31	91.66%
<b>Other Expense</b>																
<b>8000 · Capital Improvement Program</b>																
8100 · Water		52,240.72	57,197.72	118,127.12	213,799.88	166,380.61	173,886.45		45,425.14	9,446.25	43,135.62		879,639.51	549,500.00	330,139.51	160.08%
<b>Total 8000 · Capital Improvement Program</b>		52,240.72	57,197.72	118,127.12	213,799.88	166,380.61	173,886.45		45,425.14	9,446.25	43,135.62		879,639.51	549,500.00	330,139.51	160.08%
<b>9000 · Capital Account Expenses</b>																
9100 · Interest Expense - GO Bonds		117,108.56						113,430.11					230,538.67	230,539.00	-0.33	100.0%
9125 · PNC Equipment Lease Interest	1,332.23	1,321.33	1,309.69	1,298.01	1,286.30	1,274.57	1,262.80	1,251.01	2,466.53		2,419.01		15,221.48	15,221.00	0.48	100.0%
9150 · SRF Loan						163,905.22							163,905.22	72,873.00	91,032.22	224.92%
9210 · Conservation Program/Rebates			350.00		150.00		450.00	200.00	200.00				1,350.00	3,000.00	-1,650.00	45.0%
<b>Total 9000 · Capital Account Expenses</b>	1,332.23	118,429.89	1,659.69	1,298.01	1,436.30	165,179.79	1,712.80	114,881.12	2,666.53		2,419.01		411,015.37	321,633.00	89,382.37	127.79%
<b>Total Other Expense</b>	1,332.23	170,670.61	58,857.41	119,425.13	215,236.18	331,560.40	175,599.25	114,881.12	48,091.67	9,446.25	45,554.63		1,290,654.88	871,133.00	419,521.88	148.16%
<b>Net Other Income</b>	9,619.60	-159,591.51	-58,857.41	-94,517.94	-194,119.98	229,149.75	-169,046.52	-17,866.58	36,223.67	384,017.94	55,426.79		20,437.81	559,303.00	-538,865.19	3.65%
<b>Net Income</b>	<b>129,901.94</b>	<b>-40,679.54</b>	<b>38,241.01</b>	<b>-35,981.15</b>	<b>-213,122.25</b>	<b>366,380.29</b>	<b>-52,316.89</b>	<b>-24,805.57</b>	<b>-12,882.30</b>	<b>567,747.33</b>	<b>35,509.88</b>		<b>757,992.75</b>	<b>640,792.00</b>	<b>117,200.75</b>	<b>118.29%</b>

## Montara Water &amp; Sanitary District

## Balance Sheet

As of May 31, 2020

06/16/20

Accrual Basis

	May 31, 20
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>Sewer - Bank Accounts</b>	
Wells Fargo Operating - Sewer	1,881,430.88
LAIF Investment Fund	
Capital Reserve	3,970,253.27
Connection Fees Reserve	194,600.00
Operating Reserve	406,882.00
<b>Total LAIF Investment Fund</b>	4,571,735.27
<b>Total Sewer - Bank Accounts</b>	6,453,166.15
<b>Water - Bank Accounts</b>	
Wells Fargo Operating - Water	693,453.66
Capital Reserve	398,249.00
Operating Reserve	46,009.00
SRF Reserve	48,222.00
<b>Restricted Cash</b>	
Connection Fees Reserve	253,020.00
GO Bonds Fund	1,352,433.24
<b>Total Restricted Cash</b>	1,605,453.24
<b>Total Water - Bank Accounts</b>	2,791,386.90
<b>Total Checking/Savings</b>	9,244,553.05
<b>Accounts Receivable</b>	
<b>Sewer - Accounts Receivable</b>	
Accounts Receivable	1,357.54
Sewer - Accounts Receivable - Other	-10,061.79
<b>Total Sewer - Accounts Receivable</b>	-8,704.25
<b>Water - Accounts Receivable</b>	
Accounts Receivable	-992.43
Accounts Rec. - Backflow	18,853.11
Accounts Rec. - Water Residents	187,846.66
Unbilled Water Receivables	258,319.70
<b>Total Water - Accounts Receivable</b>	464,027.04
<b>Total Accounts Receivable</b>	455,322.79
<b>Other Current Assets</b>	
Due from Kathryn Slater-Carter	614.62
Maint/Parts Inventory	42,656.32
<b>Total Other Current Assets</b>	43,270.94
<b>Total Current Assets</b>	9,743,146.78
<b>Fixed Assets</b>	
<b>Sewer - Fixed Assets</b>	
General Plant	6,161,441.87
Land	5,000.00
<b>Other Capital Improv.</b>	
Sewer-Original Cost	685,599.18
Other Cap. Improv.	2,564,810.39
<b>Total Other Capital Improv.</b>	3,250,409.57
<b>Seal Cove Collection System</b>	995,505.00
<b>Sewage Collection Facility</b>	
Collection Facility - Org. Cost	1,349,064.00
Collection Facility - Other	3,991,243.33
<b>Total Sewage Collection Facility</b>	5,340,307.33



## Montara Water &amp; Sanitary District

## Balance Sheet

As of May 31, 2020

06/16/20

Accrual Basis

	<u>May 31, 20</u>
Treatment Facility	244,539.84
Accumulated Depreciation	-8,871,583.00
<b>Total Sewer - Fixed Assets</b>	<b>7,125,620.61</b>
<b>Water - Fixed Assets</b>	
General Plant	27,314,280.48
Land & Easements	734,500.00
Surface Water Rights	300,000.00
Water Meters	1,058,985.00
Fixed Assets - Other	48,171.78
Accumulated Depreciation	-11,800,511.00
<b>Total Water - Fixed Assets</b>	<b>17,655,426.26</b>
<b>Total Fixed Assets</b>	<b>24,781,046.87</b>
<b>Other Assets</b>	
<b>Sewer - Other Assets</b>	
Def'd Amts Related to Pensions	92,939.00
Joint Power Authority	
SAM - Orig Collection Facility	981,592.00
SAM - Expansion	1,705,955.08
<b>Total Joint Power Authority</b>	<b>2,687,547.08</b>
<b>Total Sewer - Other Assets</b>	<b>2,780,486.08</b>
<b>Water - Other Assets</b>	
Def'd Amts Related to Pensions	174,114.00
Due from Sewer	290,312.00
Bond Acquisition Cost OID	42,978.40
Bond Issue Cost	46,268.60
<b>Total Water - Other Assets</b>	<b>553,673.00</b>
<b>Total Other Assets</b>	<b>3,334,159.08</b>
<b>TOTAL ASSETS</b>	<b>37,858,352.73</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable - Sewer	95,188.34
Accounts Payable - Water	166,969.06
<b>Total Accounts Payable</b>	<b>262,157.40</b>
<b>Other Current Liabilities</b>	
Water - Net Pension Liability	-60,375.00
Sewer - Net Pension Liability	-32,045.00
<b>Sewer - Current Liabilities</b>	
Accrued Vacations	5,943.33
Deposits Payable	17,764.15
I-Bank Loan - Current	29,929.31
Interest Payable	10,265.32
PNC Equip. Loan - S/T	0.03
<b>Total Sewer - Current Liabilities</b>	<b>63,902.14</b>

## Montara Water &amp; Sanitary District

06/16/20

## Balance Sheet

Accrual Basis

As of May 31, 2020

	May 31, 20
<b>Water - Current Liabilities</b>	
Accrued Vacations	15,964.24
Deposits Payable	-10,534.48
Interest Payable	98,256.59
PFP Water Deposits	4,302.50
PNC Equip. Loan - S/T	-0.03
SRF Loan Payable X102 - Current	42,901.29
SRF Loan Payable X109 - Current	168,622.04
Temporary Construction Meter	14,773.52
<b>Total Water - Current Liabilities</b>	334,285.67
<b>Payroll Liabilities</b>	
Employee Benefits Payable	-1,900.45
<b>Total Payroll Liabilities</b>	-1,900.45
<b>Total Other Current Liabilities</b>	303,867.36
<b>Total Current Liabilities</b>	566,024.76
<b>Long Term Liabilities</b>	
<b>Sewer - Long Term Liabilities</b>	
Due to Water Fund	290,312.00
Accrued Vacations	10,294.06
I-Bank Loan	725,417.82
PNC Equip. Loan - L/T	484,682.77
<b>Total Sewer - Long Term Liabilities</b>	1,510,706.65
<b>Water - Long Term Liabilities</b>	
Accrued Vacations	11,967.24
Deferred on Refunding	-169,190.00
GO Bonds - L/T	8,785,232.11
PNC Equip. Loan - L/T	484,682.83
SRF Loan Payable - X102	-0.66
SRF Loan Payable - X109	3,047,628.79
<b>Total Water - Long Term Liabilities</b>	12,160,320.31
<b>Deferred Inflows (Pensions)</b>	
Sewer	20,838.00
Water	39,012.00
<b>Total Deferred Inflows (Pensions)</b>	59,850.00
<b>Total Long Term Liabilities</b>	13,730,876.96
<b>Total Liabilities</b>	14,296,901.72
<b>Equity</b>	
<b>Sewer - Equity Accounts</b>	
Capital Assets Net	3,408,252.20
Fund Balance - Unrestricted	8,646,292.87
Retained Earnings	42,547.87
<b>Total Sewer - Equity Accounts</b>	12,097,092.94
<b>Water - Equity Accounts</b>	
Capital Assets Net	2,868,858.70
Restricted Debt Service	1,384,997.90
Unrestricted	-1,562,801.59
Retained Earnings	-42,547.87
<b>Total Water - Equity Accounts</b>	2,648,507.14

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06/16/20

Accrual Basis

**Montara Water & Sanitary District**  
**Balance Sheet**  
As of May 31, 2020

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	<u>May 31, 20</u>
Equity Adjustment Account	7,275,786.02
Net Income	1,540,064.91
<b>Total Equity</b>	<b>23,561,451.01</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>37,858,352.73</u></b>

## Montara Water & Sanitary District Check Detail

June 1 through July 2, 2020

Date	Num	Name	Paid Amount	
<b>SPLIT</b>				
05/26/2020	11542	ACWA/JPIA	-12,067.21	PAID
05/26/2020	11499	Bay Alarm Company	-100.00	PAID
05/26/2020	11543	CoastsideNet, Inc.	-64.95	PAID
05/26/2020	11513	Comcast	-272.20	PAID
06/15/2020	11551	Half Moon Bay Review	-351.00	PAID
05/26/2020	11545	IEDA	-427.00	PAID
05/26/2020	11517	Jim Harvey	-300.00	PAID
06/15/2020	11552	Kastama Strategic Consulting	-8,909.72	PAID
05/26/2020	11518	Kathryn Slater-Carter	-150.00	PAID
05/26/2020	11519	KBA Document Solutions	-35.68	PAID
05/26/2020	11529	Peter Dekker	-300.00	PAID
05/26/2020	11547	Pitney Bowes Global Financial Services	-156.05	PAID
05/26/2020	11530	PNC Equipment Finance, LLC	-12,120.00	PAID
05/26/2020	11548	Rauch Communication Consultants, Inc.	-78.75	PAID
05/26/2020	11532	Ric Lohman	-150.00	PAID
05/26/2020	11533	Scott Boyd	-150.00	PAID
06/15/2020	11556	USPS	-64.00	PAID
05/26/2020	11550	White Glove Housekeeping	-520.00	PAID
06/25/2020	11559	A-B Communications	-163.35	
06/25/2020	11560	A T & T	-69.88	
06/25/2020	11561	AT&T	-279.01	
06/25/2020	11562	AT&T	-148.66	
06/25/2020	11563	AT&T	-3,680.83	
06/25/2020	11566	Bay Alarm Company	-370.67	
06/25/2020	11570	Fitzgerald Law Offices	-21,905.00	
06/25/2020	11573	Maze & Associates	-5,400.00	
06/25/2020	11577	Office Depot	-211.47	
06/25/2020	11578	Pacific Gas & Electric	-6,620.66	
06/25/2020	11579	PARS	-795.68	
06/25/2020	11580	PCT	-600.00	
06/25/2020	11584	Standard Insurance Co.	-477.69	

## Montara Water & Sanitary District Check Detail

June 1 through July 2, 2020

Date	Num	Name	Paid Amount	
<b>WATER</b>				
05/26/2020	11506	AT&T Mobility	-314.42	PAID
05/26/2020	11509	BSK Lab	-382.50	PAID
06/25/2020	11558	Dolan Concrete Pumping	-510.00	PAID
05/26/2020	11544	Hassette Ace Hardware	-419.42	PAID
05/26/2020	11521	Mossa Excavation	-3,291.65	PAID
05/26/2020	11546	Pacific Fire Safe	-404.43	PAID
06/15/2020	11553	Pacific Gas & Electric	-1,641.82	PAID
05/26/2020	11549	SRT Consultants	-18,211.00	PAID
06/25/2020	11564	AT&T Mobility	-135.36	
06/25/2020	11565	Balance Hydrologics, Inc.	-4,092.26	
06/25/2020	11567	Empire Instrument	-383.55	
06/25/2020	11568	Esbro Chemical	-924.97	
06/25/2020	11569	First Republic Bank	-3,360.01	
06/25/2020	11571	Half Moon Bay Building & Garden, Inc.	-826.37	
06/25/2020	11575	North Coast County Water District	-450.00	
06/25/2020	11581	R & B Company	-458.02	
06/25/2020	11585	USA Blue Book	-281.03	
06/25/2020	11586	Wells Fargo Remittance Center	-2,643.04	

## Montara Water & Sanitary District Check Detail

June 1 through July 2, 2020

Date	Num	Name	Paid Amount	
SEWER				
06/15/2020	11557	Kathleen Coughlin	-632.10	PAID
06/15/2020	11554	State Water Resources Control Board	-120,555.57	PAID
06/15/2020	11555	U.S. Bank	-997.50	PAID
06/25/2020	11572	Hue & Cry Security Systems, Inc.	-391.80	
06/25/2020	11574	National Stewardship Action Council	-600.00	
06/25/2020	11576	Nute Engineering	-9,189.25	
06/25/2020	11582	Sewer Authority Mid-Coastside	-28,462.42	
06/25/2020	11583	Sewer Authority Mid-Coastside	-127,428.28	



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Connection Permit Applications Received**

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As of July 2, 2020 the following new **Sewer Connection Permit** application was received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of July 2, 2020 the following new **Water (Private Fire Sprinkler) Connection Permit** application was received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of July 2, 2020 the following new **Water Connection Permit** application was received since the last report:

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

**RECOMMENDATION:**

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



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: June 4, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review of Current Investment Portfolio**

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

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for May 2020 the rate was 1.363.
- The District has one checking account with Wells Fargo Bank for Water and Sewer Funds that is largely backed by Federal securities.

## 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: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Monthly Public Agency Retirement Service  
Report for April 2020.**

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The District has received the monthly PARS report for April 2020.

Contributions are calculated on a bi-weekly basis, and contributions are made on a monthly basis.

The following monthly reports are submitted as consent agenda items on a monthly basis.

RECOMMENDATION:

This is for Board information only.

Attachment



**Montara Water and San  
Retirement Enhancement Plan**

**Monthly Account Report for the Period  
4/1/2020 to 4/30/2020**

Clemens H. Heldmaier  
General Manager  
Montara Water and San  
P.O. Box 370131  
Montara, CA 94037

Plan ID: P7-REP15A

**Account Summary**

Source	Beginning Balance as of 4/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 4/30/2020
Contributions	\$729,176.90	\$8,701.38	\$62,041.87	\$341.26	\$1,095.22	\$0.00	\$798,483.67
<b>TOTAL</b>	<b>\$729,176.90</b>	<b>\$8,701.38</b>	<b>\$62,041.87</b>	<b>\$341.26</b>	<b>\$1,095.22</b>	<b>\$0.00</b>	<b>\$798,483.67</b>

**Investment Selection**

**PARS Capital Appreciation INDEX PLUS**

**Investment Objective**

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

**Investment Return**

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
GENERAL	8.49%	-9%	-2.48%	4.61%	-	-	03/08/16

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value.

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.  
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

## April 2020 PARS Statement Detail Information

PARS Beginning Balance as of April 1, 2020                 \$ 729,176.90

**Contributions:**

March 15, 2020 Calculation

Wages	\$	27,735.78	
Employer - 6.92%	\$	1,919.32	
Employee - 7.75%	\$	2,149.52	
Contributions Subtotal			\$ 4,068.84

March 31, 2020 Calculation

Wages	\$	31,578.35	
Employer - 6.92%	\$	2,185.22	
Employee - 7.75%	\$	2,447.32	
Contributions Subtotal			\$ 4,632.54

Rounding

Total Contributions thru March			\$ 8,701.38
Rounding			\$ 8,701.38

Earnings   \$62,041.87

Expenses   \$ (341.26)

Distributions   \$ (1,095.22)

PARS Ending Balance as of April 2020                 \$ 798,483.67

Fund Impact - PARS Wages			
Sewer	Water	Total	
\$ 9,365.09	\$ 18,370.69	\$ 27,735.78	
\$ 648.06	\$ 1,271.25	\$ 1,919.32	
Sewer                                 Water                                 Total			
\$ 10,338.30	\$ 21,240.06	\$ 31,578.35	
\$ 715.41	\$ 1,469.81	\$ 2,185.22	



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Christine Fitzgerald, General Counsel

**SUBJECT: Review and Possible Action Concerning Execution of Deed of Reconveyance in Satisfaction and Extinguishment of Promissory Note Under the District's Employee Mortgage Loan Assistance Program**

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In 2004, District General Manager Clemens Heldmaier was approved for a loan to purchase/refinance his primary residence property located in Montara under the District's Employee Mortgage Loan Assistance Program ("Program"). On September 10, 2004, the Manager executed promissory note secured by a Deed of Trust and Notice of Restrictions (containing the Program's loan qualifying requirements) in favor of the District and recorded against the property.

In 2015, following a refinance of his then mortgage, the Manager paid back to the District the remaining loan balance in full, and the District received the loan payoff check satisfying and extinguishing the promissory note. (See attached correspondence dated October 15, 2015 from the District's former General Counsel, David E. Schricker, evidencing same.) At that time, it appears that the District executed reconveyances of the Deed of Trust and Notice of Restrictions that the title company was directed to record; however, it was recently discovered that the reconveyances were never recorded. Staff has been unable to locate the executed reconveyances or copies thereof, and as of the date of this writing, have been unable to reach former General Counsel to access his files.

The Manager is currently undergoing a refinance of his existing mortgage and it is necessary to remove the District's Deed of Trust and Notice of Restrictions from title so that the Manager's can close his refinance. Therefore, it is recommended that the District execute (or, re-execute) reconveyances of the Deed of Trust and Notice of Restrictions. The title company handling the Manager's current refinance is in the process of preparing the necessary reconveyances for execution by this Board.

## RECOMMENDATION:

Authorize the execution/re-execution of the reconveyances necessary to extinguish employee mortgage loan under the District's Employee Mortgage Loan Assistance Program

Attachments

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING RECOVEYANCE OF DEED OF TRUST AND NOTICE OF RESTRICTIONS PURSUANT TO THE DISTRICT'S EMPLOYEE MORTGAGE LOAN ASSISTANCE PROGRAM (GENERAL MANAGER)**

**WHEREAS**, the Montara Water and Sanitary District ("District") has in place an Employee Mortgage Loan Assistance Program ("Program"); and

**WHEREAS**, in 2004, District General Manager Clemens Heldmaier ("Manager") qualified for a loan ("Loan") under the Program and executed a promissory note secured by a Deed of Trust and Notice of Restrictions against the Manager's residential property ("Property"); and

**WHEREAS**, in 2015, the Manager paid balance of the Loan in full, thereby satisfying and extinguishing the promissory note; at this time, the District was required to execute and record reconveyances Deed of Trust and Notice of Restrictions ("Reconveyances") releasing the District's security interest in and to the Property; and,

**WHEREAS**, due to inadvertence, the Reconveyances were never recorded; and,

**WHEREAS**, in order for the Manager to clear the District's security interest in and to the Property, this Board desires to execute the Reconveyances to be promptly recorded with the San Mateo County Recorder.

**NOW, THEREFORE**, be it resolved by the Board of the Montara Water and Sanitary District, a public agency in the County of San Mateo, California, as follows:

1. The above recitals are true and correct and incorporated herein by this reference.
2. The District hereby approves and authorizes the execution of Reconveyances, in a form approved by District General Counsel, and the President and Secretary are directed to sign and attest to, respectively, said Reconveyances, including any and all other documents necessary to effectuate the removal of the District's security interest from the Property, and the District's General Counsel is authorized and directed to cause same to be recorded with the San Mateo County Recorder.

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President, Montara Water and Sanitary District

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING RECOVEYANCE OF DEED OF TRUST AND NOTICE OF RESTRICTIONS PURSUANT TO THE DISTRICT'S EMPLOYEE MORTGAGE LOAN ASSISTANCE PROGRAM (GENERAL MANAGER)**

COUNTERSIGNED:

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

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, County of San Mateo, California, at a Regular Adjourned Meeting thereof held on the 2<sup>nd</sup> day of July 2020, by the following vote:

AYES, Directors:

ABSTENTION:

NOES, Directors:

ABSENT, Directors:

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

LAW OFFICES OF  
**DAVID E. SCHRICKER**  
A PROFESSIONAL CORPORATION  
563 S. MURPHY AVE.  
SUNNYVALE, CA 94086-6117

TELEPHONE (408) 517-9923  
FAX (408) 900-8225  
E-MAIL: dschricker@schrickerlaw.com  
schrickerlaw@aol.com  
www.schrickerlaw.com

By Hand Delivery

October 15, 2015

Clemens Heldmaier, General Manager  
Montara Water and Sanitary District  
P.O. Box 370131  
8888 Cabrillo Hwy.  
Montera, CA 94037-0131

Re: Satisfaction and Extinguishment of Promissory Note – Employee Mortgage Loan  
Assistance Program (Clemens H. Heldmaier and Angelle W. Gonzalez-Heldmaier)

Dear Clemens:

Delivered herewith is check payable to the Montara Water and Sanitary District issued by Placer Title Company in the amount of \$88,680.96 under its escrow No. P-101432. The check is for payment of the full amount of the balance due under the promissory note dated September 10, 2004 made by Clemens H. Heldmaier and Angelle W. Gonzalez-Heldmaier, husband and wife, pursuant to the District's Employee Mortgage Loan Assistance Program for home purchases for qualified employees.

Receipt of the check satisfies and extinguishes the loan. The Title Company has been requested to record reconveyances of the Deed of Trust and Notice of Restrictions recorded as security for and limitations upon use of the proceeds of the loan, respectively. The reconveyances serve to clear title to your property of the exceptions represented by those documents. When I have received copies of the recorded reconveyances I shall forward them to the District.

On a personal note, congratulations on this accomplishment!

Very truly yours,



David E. Schricker, Attorney

cc: Judy Gromm, District Clerk  
Peter Medina (via e-mail)

ORIGINAL CHECK HAS A COLORED BACKGROUND PRINTED ON CHEMICAL REACTIVE PAPER



Placer Title Company  
Escrow Trust Account  
4900 Hopyard Road, Suite 110  
Pleasanton, CA 94588  
(925) 737-0650

**City National Bank**  
555 S. Flower Street 17th Floor  
Los Angeles, CA 90623  
16-1606/1220

**76028**

October 14, 2015

\$88,680.96

PAY Eighty Eight Thousand Six Hundred Eighty and 96/100 \*\*\*\*\* Dollars

VOID AFTER 6 MONTHS

TO THE The Montara Water & Sanitary District  
ORDER PO BOX 370131  
OF Montara, CA 94037

MEMO P-101432, Payoff of loan number 2004-185086/185087

⑈ 76028 ⑈ ⑆ 122016066⑆ 555 268076 ⑈

THE FACE OF THIS CHECK HAS A SECURITY VOID BACKGROUND PATTERN - DO NOT CASH IF THE WORD VOID IS VISIBLE

**Coordinator:**

**DATE:** 10/14/2015 **FILE:** P-101432  
**BUYER:** Clemens H Heldmaier and Angelle W Gonzalez-Heldmaier  
**PROPERTY ADDRESS:** 467 3rd Street, Montara, CA 94037  
**PAYEE:** The Montara Water & Sanitary District

**76028**

**CHECK AMOUNT:** \$88,680.96  
**SETTLEMENT DATE:** 10/14/2015

10/14/2015: Payoff to The Montara Water & Sanitary District: Payoff of loan number 2004-185086/185087 \$88,680.96



Recording Requested By

PLACER TITLE COMPANY

And when recorded mail to

The Montara Water & Sanitary District  
PO BOX 370131  
Montara CA 94037

Escrow no. 811-7702-EV

17.502078

2014-042371

1:12 pm 05/15/14 SA Fee: 30.00

Count of Pages 6

Recorded in Official Records

County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



\* R 0 0 0 1 8 4 9 9 6 3 \*

(Space above this line for Recorder's use)

## SUBORDINATION AGREEMENT

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

**THIS AGREEMENT**, made May 01, 2014, by CLEMENS H. HELDMAIER AND ANGELLE GONZALEZ-HELDMAIER owner of the land hereinafter described and hereinafter referred to as "Owner," and The Montara Water & Sanitary District present owner and holder of the Deed of Trust first hereinafter described and hereinafter referred to as "Beneficiary";

**WITNESSETH:**

**THAT, WHEREAS**, CLEMENS H. HELDMAIER AND ANGELLE GONZALEZ-HELDMAIER did execute a Deed of Trust dated September 10, 2004, to MONTARA WATER AND SANITARY DISTRICT, as trustee, covering:

to secure a note in the sum of \$146,700.00, dated September 10, 2004, in favor of The Montara Water & Sanitary District, which Deed of Trust was recorded September 14, 2004 as instrument no. 2004-185086, Official Records of said County; and

**WHEREAS**, Owner has executed, or is about to execute, a Deed of Trust in the sum of \$608,000.00 or less, dated May 7, 2014, in favor of PINNACLE CAPITAL MORTGAGE CORPORATION, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which Deed of Trust is to be recorded concurrently herewith; and

**WHEREAS**, it is a condition precedent to obtaining said loan that said Deed of Trust last above-mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Deed of Trust first above-mentioned; and

**WHEREAS**, Lender is willing to make said loan provided the Deed of Trust securing the same is a lien or charge upon the above-described property prior and superior to the lien or charge of the Deed of Trust first above-mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the Deed of Trust first above-mentioned to the lien or charge of the Deed of Trust in favor of Lender; and

**WHEREAS**, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the Deed of Trust securing the same shall, when recorded,

constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust first above-mentioned.

**NOW, THEREFORE** in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above-referred to, it is hereby declared, understood and agreed as follows:

- (1) That said Deed of Trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Deed of Trust first above-mentioned;
- (2) That Lender would not make its loan above-described without this subordination agreement; and
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Deed of Trust first above-mentioned to the lien or charge of the Deed of Trust in favor of Lender above-referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination, including, but not limited to, those provisions, if any, contained in the Deed of Trust first above-mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees, and acknowledges that:

- (a) It consents to and approves (i) all provisions of the Deed of Trust in favor of Lender above-referred to, and (ii) all agreements, including but not limited to, any loan or escrow agreements between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender, in making disbursements pursuant to any such agreement, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Deed of Trust first above-mentioned in favor of the lien or charge upon said land of the Deed of Trust in favor of Lender above-referred to, and understands that in reliance upon, and in consideration of his waiver, relinquishment and subordination, specific loans and advances are being and will be made, and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the Deed of Trust first above-mentioned that said Deed of Trust by this instrument been subordinated to the lien or charge of the Deed of Trust in favor of Lender above-referred to.

**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN; A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.**

STATE OF California )  
COUNTY OF San Mateo )ss.

On 5/7/14 before me, Linda Anne Rocha,  
Notary Public, personally appeared Scott Boyd

\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature Linda Anne Rocha



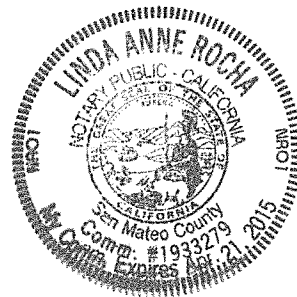
STATE OF California )  
COUNTY OF San Mateo )ss.

On 5/7/14 before me, Linda Anne Rocha,  
Notary Public, personally appeared Kathryn Slater-Carter

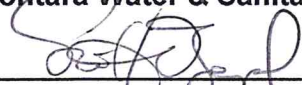
\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature Linda Anne Rocha



**BENEFICIARY:**  
**The Montara Water & Sanitary District**

BY:   
\_\_\_\_\_  
**Scott Boyd, President**

BY:   
\_\_\_\_\_  
**Kathryn Slater-Carter, Treasurer**

**TRUSTOR**  
By:   
\_\_\_\_\_  
**CLEMENS H HELDMAIER**

By:   
\_\_\_\_\_  
**ANGELLE GONZALEZ-HELDMAIER**

**IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.**

**(CLTA Subordination form "A")  
(Recorded Deed of Trust to Deed of Trust to record)**

State of CALIFORNIA  
County of SAN MATEO

On 5/10/14 before me, GERALD M. SULLIVAN JR., Notary Public,  
personally appeared CLEMENS H. HELDMAYER AND ANGELE GONZALEZ HELDMAYER  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies),  
and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)  
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature] (Seal)  
Signature



Exhibit "A"  
Legal Description

The land described herein is situated in the State of California, County of San Mateo, described as follows:

Lots 11, 12 and portion of Lot 13 in Block 50, as delineated upon that certain Map entitled, "Map of First Addition to Farallone City, being Lots Forty and Forty One of Half Moon Bay Colony Tract, San Mateo County, California", filed for record in the Office of the Recorder of the County of San Mateo, State of California, on August 6, 1906 in Book "A" of Maps, at Page 58, and copied into Book 4 of Maps at Page 29, more particularly described as a whole as follows:

Beginning at a point of intersection of the Northwesterly line of Lot 11 in Block 50 with the Northeasterly line of 3rd Street, as said Lot, Block and Street are shown on the above mentioned Map; thence from said point of beginning, along said Northeasterly line of 3rd Street, South  $61^{\circ} 19'$  East 250 feet to the point of intersection thereof with the Northwesterly boundary line of lands described in Deed to County of San Mateo, dated June 11, 1961 and recorded June 21, 1961 in Book 4003 of Official Records at Page 193 (File No. 68631-T), Records of San Mateo County, California; thence along said last mentioned Northwesterly boundary line North  $28^{\circ} 41'$  East 8.5 feet, more or less, to the point of intersection thereof with the Southwesterly line of Kanoff Avenue (30 feet wide), as said Avenue is shown on the above mentioned Map; thence along said Southwesterly line of Kanoff Avenue, North  $45^{\circ} 12'$  West 260 feet, more or less, to the point of intersection thereof with the Northwesterly boundary line of aforesaid Lot II; thence along said Northwesterly boundary line South  $28^{\circ} 41'$  West 81.27 feet to the point of beginning.

JPN 036-006-061-12A

A.P.N. : 036-061-120



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: July 2nd, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Monthly Water Production Report**

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The attached two charts summarize the monthly water production for the District.

The first shows a consolidated 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. These reports are provided for the Board's information only.

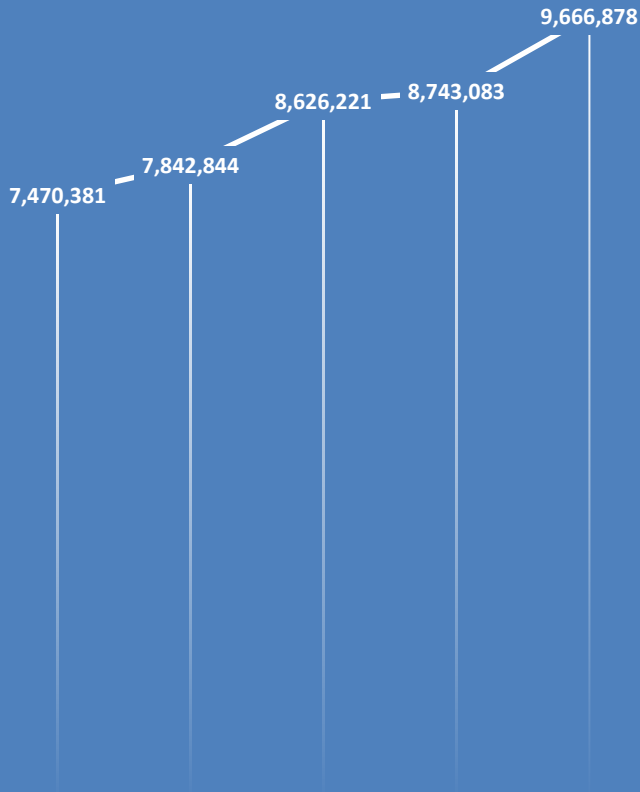
Attachments: 2





# TOTAL PRODUCTION 2020 (GALLONS)

GALLONS



	January	February	March	April	May	June	July	August	September	October	November	December
Total Production (Gallons)	7,470,381	7,842,844	8,626,221	8,743,083	9,666,878							

MONTH



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting of: July 2nd, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Rain Report**

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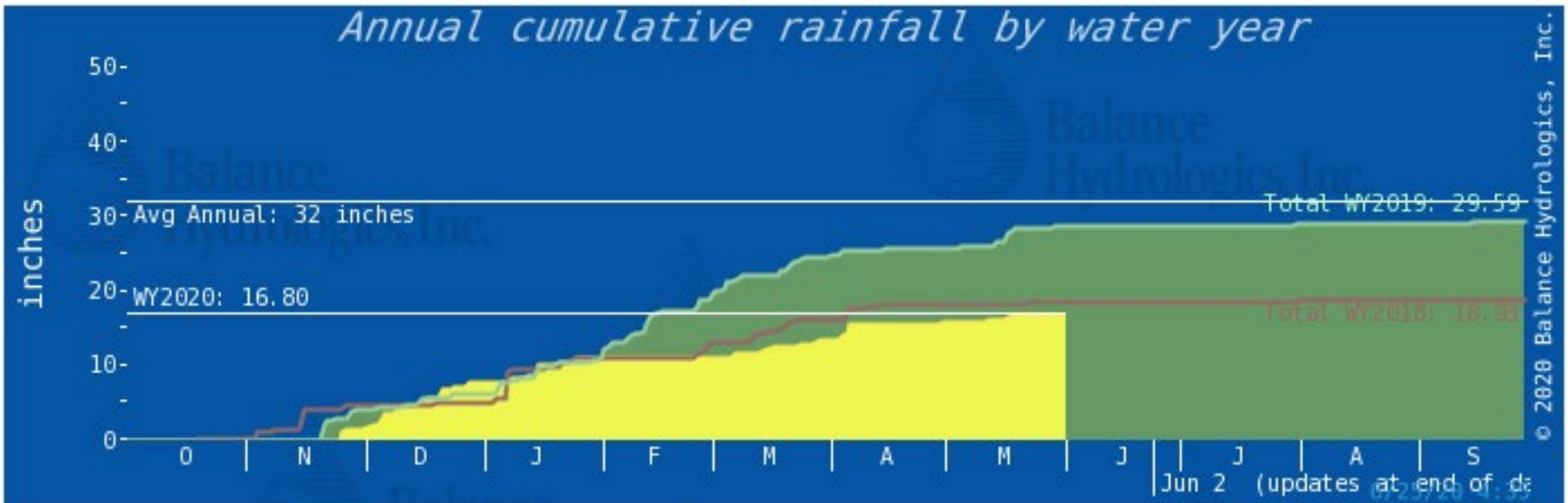
The attached chart shows the monthly rainfall at Alta Vista Treatment Plant for the current and prior water years along with seven-year average rain fall.

## RECOMMENDATION:

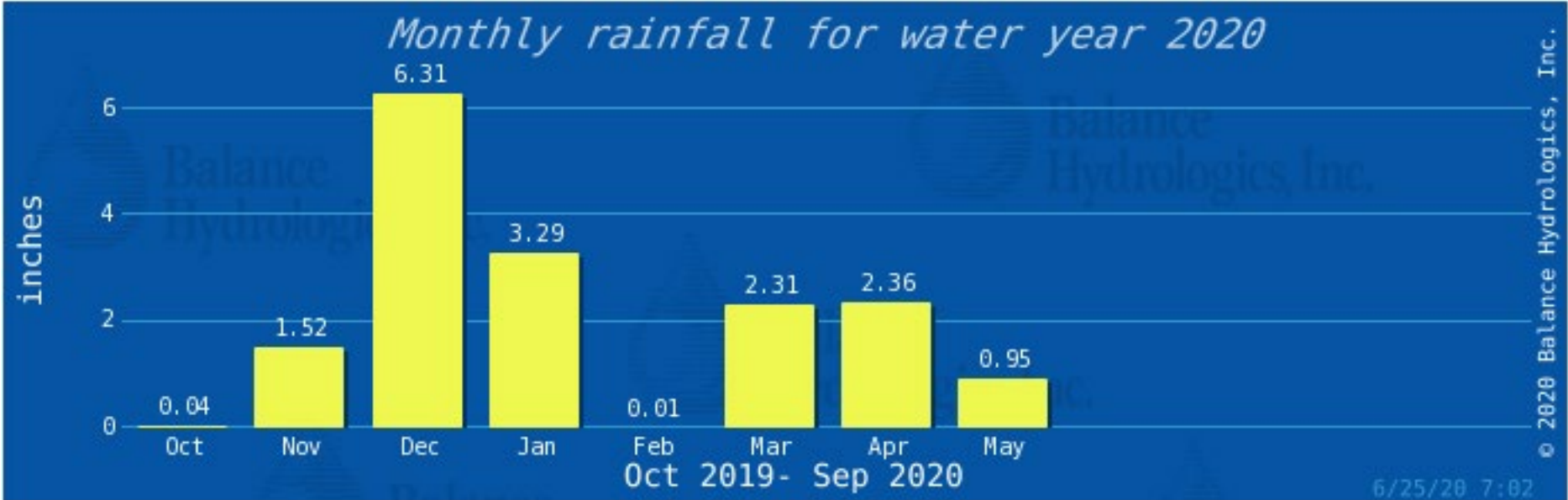
No action is required. These reports are provided for the Board's information only.

Attachments: 2

# Annual Cumulative Rainfall



# Monthly Cumulative Rainfall





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: July 2nd, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Monthly Solar Energy Report**

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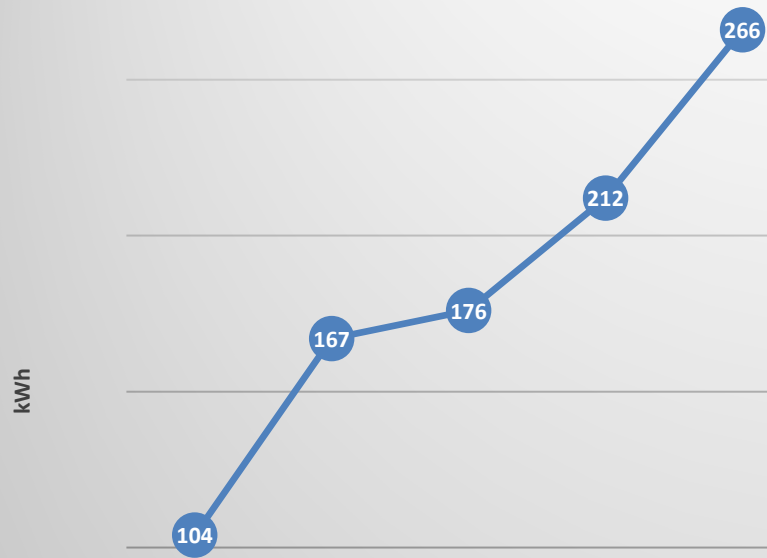
The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 44,753 kWh and saved 76,081 lbs of CO<sub>2</sub>.

## RECOMMENDATION:

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

Attachments: 1

## SOLAR ENERGY PRODUCED IN 2020 (kWh)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
total kWh	104	167	176	212	266							



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning Refinancing 2012 General Obligation Bonds for Savings.**

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In 2001, District voters approved by 82% a proposition authorizing the issuance of general obligation bonds to finance the acquisition and improvement of the local water system. In 2003, the District issued \$17.5 million of General Obligation Bonds to acquire the water system and fund capital projects to improve water system reliability and fire protection. The 2003 Bonds were issued with a) a 25-year term, b) a final maturity of August 1, 2028, and c) an average interest rate of 4.55%.

In 2012, the District refinanced the 2003 bonds via a bank loan with First Republic Bank at a reduced interest rate of 2.4%. The 2003 Bonds maintained the same final maturity date of August 1, 2028. The 2012 Refunding Bonds also generated an additional \$1.5 million for capital improvements and resulted in lower debt service.

Although the 2012 Bonds have a low interest rate of 2.4%, current rates are even lower resulting in the potential to now refinance the 2012 Bonds for savings. The outstanding 2012 Bonds have a remaining term of about 8 years and can be refunded subject to a minimum 30-day notification to the lender without any prepayment premium.

Bartle Wells Associates (BWA) developed preliminary savings estimates for refinancing the outstanding 2012 Bonds via two methods including a) a private placement or bank loan, and b) issuance of municipal bonds. The savings estimates are based on estimates of interest rates and assume no extension of the repayment term. Based on the analysis and accounting for all costs of issuance, net savings is estimated at approximately \$300,000 over the remaining term of the bonds, or roughly \$37,000 per year on average under both refinancing approaches. Actual interest rates and savings would be determined based on market conditions at the time of issuance. Issuance costs related to the refunding would be funded from proceeds of the new debt issue and are factored into the savings estimates. Most of the costs of issuance would be contingent on the successful sale and closing of the refunding bonds.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

BWA's recommendation is to first solicit bids and/or obtain interest rate estimates from selected banks that provide low interest rate financing to public agencies. This will provide the District with benchmark savings estimates that can be compared against municipal bond rates to determine the most appropriate financing method. This is a similar approach that BWA used with the District for the 2012 refunding issue, which resulted in issuance of refunding bonds via a bank loan.

## RECOMMENDATION:

Authorize the General Manger to sign the engagement letter with Bartle Wells.

Attachments



# Montara Water & Sanitary District



## General Obligation Bonds, Series 2012 Refunding Savings Analysis

*Draft: June 26, 2020*



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

Table 1  
Montara Water & Sanitary District  
General Obligation Bonds, Series 2012  
Outstanding Debt Service

Original Loan Amount	\$15,635,000
Interest Rate (Actual/360)	2.400%
Term (Years)	16.29
Payments/Year	2
Dated Date	04/18/12

Payment Date	Principal	Interest	Period Debt Svc	Annual Debt Svc	Fiscal Year Debt Svc
08/01/20	468,623.89	106,594.15	575,218.04	575,218.04	
02/01/21	473,200.98	102,017.06	575,218.04		1,150,436.08
08/01/21	480,574.26	94,643.78	575,218.04	1,150,436.08	
02/01/22	484,900.62	90,317.42	575,218.04		1,150,436.08
08/01/22	492,224.32	82,993.72	575,218.04	1,150,436.08	
02/01/23	496,886.69	78,331.35	575,218.04		1,150,436.08
08/01/23	504,159.60	71,058.44	575,218.04	1,150,436.08	
02/01/24	509,166.19	66,051.85	575,218.04		1,150,436.08
08/01/24	516,062.03	59,156.01	575,218.04	1,150,436.08	
02/01/25	521,742.32	53,475.72	575,218.04		1,150,436.08
08/01/25	528,909.90	46,308.14	575,218.04	1,150,436.08	
02/01/26	534,630.32	40,587.72	575,218.04		1,150,436.08
08/01/26	541,743.28	33,474.76	575,218.04	1,150,436.08	
02/01/27	547,833.84	27,384.20	575,218.04		1,150,436.08
08/01/27	554,890.85	20,327.19	575,218.04	1,150,436.08	
02/01/28	561,360.59	13,857.45	575,218.04		1,150,436.08
08/01/28	568,322.43	6,895.61	575,218.04	1,150,436.08	575,218.04
Total	8,785,232.11	993,474.57	9,778,706.68	9,778,706.68	9,778,706.68

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Table 2  
Montara Water & Sanitary District  
Refunding Requirement

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Estimated Refunding Date	09/01/20
Date of Last Debt Service Payment	08/01/20

**Payment Due 08/01/20** \$575,218.04

**Refunding Requirement on 09/01/20**

Outstanding Principal		8,316,608.22
Prepayment Premium	none	0.00
Accrued Interest Through	09/01/20	<u>17,765.69</u>
Total		8,334,373.91

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Table 3  
 Montara Water & Sanitary District  
 Sources & Uses of Funds

Private Placement / Bank Loan

---

<b>Sources</b>		
Debt Proceeds		\$8,410,000.00
Cash Contribution	tbd	0.00
Original Issue Premium	tbd	0.00
Total sources		<u>8,410,000.00</u>
<b>Uses</b>		
Refunding Requirement		8,334,373.91
Underwriter's Discount	0.00%	0.00
Costs of Issuance	Est	75,000.00
Contingency/Rounding	tbd	626.09
Total uses		<u>8,410,000.00</u>

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Table 4  
 Montara Water & Sanitary District  
 Refunding Issue

Private Placement / Bank Loan

Dated Date	09/01/20
Principal	\$8,410,000.00
Interest Rate (est.)	1.400%
Day Count (tbd)	30/360

	Payment Date	Principal	Interest	Period Debt Service	Annual Debt Service	Outstanding Balance
1	02/01/21	\$507,740.81	\$49,058.33	\$556,799.14		7,902,259.19
2	08/01/21	501,483.33	55,315.81	\$556,799.14	1,113,598.28	7,400,775.87
3	02/01/22	504,993.71	51,805.43	556,799.14		6,895,782.16
4	08/01/22	508,528.66	48,270.48	556,799.14	1,113,598.28	6,387,253.49
5	02/01/23	512,088.37	44,710.77	556,799.14		5,875,165.13
6	08/01/23	515,672.98	41,126.16	556,799.14	1,113,598.28	5,359,492.14
7	02/01/24	519,282.69	37,516.45	556,799.14		4,840,209.45
8	08/01/24	522,917.67	33,881.47	556,799.14	1,113,598.28	4,317,291.78
9	02/01/25	526,578.10	30,221.04	556,799.14		3,790,713.68
10	08/01/25	530,264.14	26,535.00	556,799.14	1,113,598.28	3,260,449.53
11	02/01/26	533,975.99	22,823.15	556,799.14		2,726,473.54
12	08/01/26	537,713.83	19,085.31	556,799.14	1,113,598.28	2,188,759.72
13	02/01/27	541,477.82	15,321.32	556,799.14		1,647,281.89
14	08/01/27	545,268.17	11,530.97	556,799.14	1,113,598.28	1,102,013.73
15	02/01/28	549,085.04	7,714.10	556,799.14		552,928.68
16	08/01/28	552,928.68	3,870.50	556,799.18	1,113,598.32	0.00
	Total	8,410,000.00	498,786.28	8,908,786.28		64,246,849.98

Note: Based on preliminary estimate of interest rate shown above; actual rate may vary.

Table 5  
 Montara Water & Sanitary District  
 Savings Analysis

Private Placement / Bank Loan

Dated Date: 09/01/20

2012 General Obligation Bonds				2020 Refunding Bonds				Gross Savings		Present Value Savings	
Payment Date	Debt Service	Period	PV 1.4000%	Payment Date	Debt Service	Period	PV 1.4000%	Gross Savings	Savings by FY	PV Savings	Savings by FY
02/01/21	575,218.04	0.83	571,883.99	02/01/21	556,799.14	0.83	553,571.85	18,418.90	18,418.90	18,312.14	18,312.14
08/01/21	575,218.04	1.83	567,908.63	08/01/21	556,799.14	1.83	549,723.78	18,418.90		18,184.85	
02/01/22	575,218.04	2.83	563,960.90	02/01/22	556,799.14	2.83	545,902.47	18,418.90	36,837.80	18,058.44	36,243.29
08/01/22	575,218.04	3.83	560,040.62	08/01/22	556,799.14	3.83	542,107.71	18,418.90		17,932.91	
02/01/23	575,218.04	4.83	556,147.59	02/01/23	556,799.14	4.83	538,339.34	18,418.90	36,837.80	17,808.25	35,741.16
08/01/23	575,218.04	5.83	552,281.62	08/01/23	556,799.14	5.83	534,597.16	18,418.90		17,684.46	
02/01/24	575,218.04	6.83	548,442.52	02/01/24	556,799.14	6.83	530,880.99	18,418.90	36,837.80	17,561.53	35,245.99
08/01/24	575,218.04	7.83	544,630.11	08/01/24	556,799.14	7.83	527,190.65	18,418.90		17,439.45	
02/01/25	575,218.04	8.83	540,844.20	02/01/25	556,799.14	8.83	523,525.97	18,418.90	36,837.80	17,318.22	34,757.68
08/01/25	575,218.04	9.83	537,084.61	08/01/25	556,799.14	9.83	519,886.77	18,418.90		17,197.84	
02/01/26	575,218.04	10.83	533,351.15	02/01/26	556,799.14	10.83	516,272.86	18,418.90	36,837.80	17,078.29	34,276.13
08/01/26	575,218.04	11.83	529,643.64	08/01/26	556,799.14	11.83	512,684.07	18,418.90		16,959.57	
02/01/27	575,218.04	12.83	525,961.91	02/01/27	556,799.14	12.83	509,120.23	18,418.90	36,837.80	16,841.68	33,801.26
08/01/27	575,218.04	13.83	522,305.77	08/01/27	556,799.14	13.83	505,581.16	18,418.90		16,724.61	
02/01/28	575,218.04	14.83	518,675.04	02/01/28	556,799.14	14.83	502,066.69	18,418.90	36,837.80	16,608.35	33,332.96
08/01/28	575,218.04	15.83	515,069.56	08/01/28	556,799.18	15.83	498,576.69	18,418.86	18,418.86	16,492.87	16,492.87
<b>Total</b>	<b>9,203,488.64</b>		<b>8,688,231.84</b>		<b>8,908,786.28</b>		<b>8,410,028.37</b>	<b>294,702.36</b>	<b>294,702.36</b>	<b>278,203.47</b>	<b>278,203.47</b>
<b>Total Savings</b>								<u>Gross Savings</u>		<u>PV Savings</u>	
Debt Service Savings								294,702.36		278,203.47	
Less Cash Adjustment on Closing Date								0.00		0.00	
Total								<b>294,702.36</b>		<b>278,203.47</b>	
<b>Refunded Principal</b>								8,316,608.22		8,316,608.22	
<b>Savings % of Refunded Principal</b>								3.5435%		3.3452%	

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Table 3B  
Montara Water & Sanitary District  
Sources & Uses of Funds

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Refunding Bonds

**Sources**

Debt Proceeds		\$8,515,000.00
Cash Contribution	tbd	0.00
Original Issue Premium	tbd	0.00
Total sources		<u>8,515,000.00</u>

**Uses**

Refunding Requirement		8,334,373.91
Underwriter's Discount	0.70%	59,605.00
Costs of Issuance	Est	120,000.00
Contingency/Rounding	tbd	<u>1,021.09</u>
Total uses		8,515,000.00

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Table 4B  
 Montara Water & Sanitary District  
 Refunding Issue

Refunding Bonds

Dated Date:	09/01/20
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	Payment Date	Principal	Rate	Interest	Total Debt Svc	Annual Debt Svc
1	02/01/21			33,862.50	33,862.50	
2	08/01/21	1,040,000	0.600%	40,635.00	1,080,635.00	1,114,497.50
3	02/01/22			37,515.00	37,515.00	
4	08/01/22	1,040,000	0.700%	37,515.00	1,077,515.00	1,115,030.00
5	02/01/23			33,875.00	33,875.00	
6	08/01/23	1,050,000	0.800%	33,875.00	1,083,875.00	1,117,750.00
7	02/01/24			29,675.00	29,675.00	
8	08/01/24	1,055,000	0.900%	29,675.00	1,084,675.00	1,114,350.00
9	02/01/25			24,927.50	24,927.50	
10	08/01/25	1,065,000	1.000%	24,927.50	1,089,927.50	1,114,855.00
11	02/01/26			19,602.50	19,602.50	
12	08/01/26	1,075,000	1.100%	19,602.50	1,094,602.50	1,114,205.00
13	02/01/27			13,690.00	13,690.00	
14	08/01/27	1,090,000	1.200%	13,690.00	1,103,690.00	1,117,380.00
15	02/01/28			7,150.00	7,150.00	
16	08/01/28	1,100,000	1.300%	7,150.00	1,107,150.00	1,114,300.00
	Total	8,515,000		407,367.50	8,922,367.50	8,922,367.50

Note: Slightly conservative estimates of interest rates shown; actual rates would be determined based on market conditions on date of sale.



Table 5B  
 Montara Water & Sanitary District  
 Savings Analysis

Refunding Bonds

Dated Date: 09/01/20

2012 General Obligation Bonds				2020 Refunding Bonds				Gross Savings		Present Value Savings	
Payment Date	Debt Service	Period	PV 1.4000%	Payment Date	Debt Service	Period	PV 1.4000%	Gross Savings	Savings by FY	PV Savings	Savings by FY
02/01/21	575,218.04	0.83	571,883.99	02/01/21	33,862.50	0.83	33,666.23	541,355.54	541,355.54	538,217.76	538,217.76
08/01/21	575,218.04	1.83	567,908.63	08/01/21	1,080,635.00	1.83	1,066,903.16	(505,416.96)		(498,994.53)	
02/01/22	575,218.04	2.83	563,960.90	02/01/22	37,515.00	2.83	36,780.82	537,703.04	32,286.08	527,180.08	28,185.55
08/01/22	575,218.04	3.83	560,040.62	08/01/22	1,077,515.00	3.83	1,049,084.22	(502,296.96)		(489,043.60)	
02/01/23	575,218.04	4.83	556,147.59	02/01/23	33,875.00	4.83	32,751.93	541,343.04	39,046.08	523,395.66	34,352.06
08/01/23	575,218.04	5.83	552,281.62	08/01/23	1,083,875.00	5.83	1,040,656.23	(508,656.96)		(488,374.61)	
02/01/24	575,218.04	6.83	548,442.52	02/01/24	29,675.00	6.83	28,293.67	545,543.04	36,886.08	520,148.84	31,774.23
08/01/24	575,218.04	7.83	544,630.11	08/01/24	1,084,675.00	7.83	1,026,996.06	(509,456.96)		(482,365.95)	
02/01/25	575,218.04	8.83	540,844.20	02/01/25	24,927.50	8.83	23,437.88	550,290.54	40,833.58	517,406.31	35,040.36
08/01/25	575,218.04	9.83	537,084.61	08/01/25	1,089,927.50	9.83	1,017,671.98	(514,709.46)		(480,587.37)	
02/01/26	575,218.04	10.83	533,351.15	02/01/26	19,602.50	10.83	18,175.74	555,615.54	40,906.08	515,175.40	34,588.03
08/01/26	575,218.04	11.83	529,643.64	08/01/26	1,094,602.50	11.83	1,007,877.39	(519,384.46)		(478,233.74)	
02/01/27	575,218.04	12.83	525,961.91	02/01/27	13,690.00	12.83	12,517.72	561,528.04	42,143.58	513,444.19	35,210.44
08/01/27	575,218.04	13.83	522,305.77	08/01/27	1,103,690.00	13.83	1,002,165.46	(528,471.96)		(479,859.69)	
02/01/28	575,218.04	14.83	518,675.04	02/01/28	7,150.00	14.83	6,447.17	568,068.04	39,596.08	512,227.88	32,368.18
08/01/28	575,218.04	15.83	515,069.56	08/01/28	1,107,150.00	15.83	991,379.30	(531,931.96)	(531,931.96)	(476,309.75)	(476,309.75)
<b>Total</b>	<b>9,203,488.64</b>		<b>8,688,231.84</b>		<b>8,922,367.50</b>		<b>8,394,804.96</b>	<b>281,121.14</b>	<b>281,121.14</b>	<b>293,426.88</b>	<b>293,426.88</b>
<b>Total Savings</b>								<u>Gross Savings</u>		<u>PV Savings</u>	
Debt Service Savings								281,121.14		293,426.88	
Less Cash Adjustment on Closing Date								0.00		0.00	
<b>Total</b>								<b>281,121.14</b>		<b>293,426.88</b>	
<b>Refunded Principal</b>								8,316,608.22		8,316,608.22	
<b>Savings % of Refunded Principal</b>								3.3802%		3.5282%	



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue  
Berkeley, CA 94703  
T: 510-653-3399  
www.bartlewells.com

June 22, 2020

Montara Water & Sanitary District  
8888 Cabrillo Hwy  
Montara, California 94037

Attention: Clemens Heldmaier, General Manager

Subject: Municipal Advisor Engagement Letter

Bartle Wells Associates is pleased to submit this engagement letter to assist the Montara Water & Sanitary District as an independent Municipal Advisor for a refunding of the District's outstanding General Obligation Bonds, Series 2012. The goal of the refunding is to maximize savings while maintaining the same term as the outstanding bonds. The 2012 Bonds are subject to optional redemption on any date without prepayment premium, subject to a minimum 30-day notification to the current bondholder(s). A Scope of Services for this engagement is attached.

Bartle Wells Associates has over 50 years of experience serving as an independent financial advisor to public agencies and has served as Municipal Advisor to the District on multiple debt issues. Bartle Wells Associates is a charter member of the National Association of Municipal Advisors (NAMA).

This letter also provides certain disclosures required by the Municipal Securities Rulemaking Board (MSRB) regarding our duties as a Municipal Advisor to the District on this transaction.

- Bartle Wells Associates will provide advice and conduct activities with a "duty of care" and a "fiduciary duty" to the Montara Water & Sanitary District. Throughout the engagement, BWA will act in the District's best interests with the goal of helping the District issue debt on the most favorable terms. Our role and responsibilities during this engagement will continue through the closing of the financing and receipt of funds by the District.
- Bartle Wells Associates is a registered Municipal Advisor with the Securities and Exchange Commission (SEC Registration No. 867-00740) and the Municipal Securities Rulemaking Board (MSRB ID K0414).
- Bartle Wells Associates has never been cited for any legal or disciplinary action regarding municipal advisory activities.
- Based on our assumption that the refunding will be provided by a straightforward private placement or bank loan, Bartle Wells Associates will work at the District's direction on a time and materials as provided in our Billing Rate Schedule 2020 subject to a maximum fee that will not exceed \$18,000. Fees for services can be paid directly from debt proceeds at closing. If the refunding is instead completed via a public sale of municipal bonds, a revised scope of service and budget would be developed with a fee that would not exceed the levels indicated in the attached Schedule of Financing Fees.

- Bartle Wells Associates has not and will not receive any compensation from any third party seeking to provide services, municipal securities transactions, or municipal financial products related to this transaction. BWA or any of its employees will not engage in any activities that would produce a direct or indirect financial gain for the firm other than compensation for our services provided acting as Municipal Advisor to the District on this transaction.
- Bartle Wells Associates is not aware of any conflicts of interest that would affect our ability to provide independent and objective advice and Municipal Advisory services to the District in a manner consistent with the requirements of MSRB Rule G-42.
- The website address for the Municipal Securities Rulemaking Board (MSRB) is [www.MSRB.org](http://www.MSRB.org). The MSRB's website provides a municipal advisory client brochure that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority. The municipal advisory client brochure is accessible via a link on [www.MSRB.org](http://www.MSRB.org) or can directly downloaded from the following web address: <http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure>. The MSRB municipal advisory client brochure is also attached to this engagement letter.

Sincerely,



Principal/Vice-President  
Bartle Wells Associates

Attachments:

- Scope of Services
- Billing Rate Schedule 2020
- Schedule of Financing Fees 2020
- Schedule of Insurance
- MSRB municipal advisory client brochure

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Acknowledgement:

\_\_\_\_\_ Date: \_\_\_\_\_

Name:

On behalf of Montara Water & Sanitary District

# ATTACHMENT A

## Scope of Services

The following section identifies key tasks that Bartle Wells Associates will provide during the course of this engagement. The scope of services described below assumes the District's outstanding General Obligation Bonds, Series 2012 would be refunded for savings via a private placement or bank loan. A revised scope of services and project budget would be developed if the District ultimately pursues issuance of municipal bonds via a public or negotiated sale for the refinancing.

### 1. Project Orientation

- Identify members of the District's staff, legal counsel, and others who will participate on the District's project team
- Determine project team roles and responsibilities
- Establish a financing schedule
- Confirm the key goals and expectations of the District for the refinancing

### 2. Engage & Coordinate Financing Team

- Assist District in securing services of bond counsel and other members of the financing team such as escrow agent and placement agent, as needed
- As needed, obtain proposals, receive and analyze responses, and recommend selection of financing team members and required services
- Coordinate activities of financing team throughout the debt issuance process

### 3. Method of Finance

- Work with the District to identify financing priorities and objectives
- Discuss financing alternatives with District
- Recommend a preferred method of finance

### 4. Financing Proposals for a Private Placement/Bank Loan

Assist the District with the following tasks, as appropriate, depending on the recommended financing approach:

- Obtain information from the District and other sources required for obtaining financing proposals from banks and other potential lenders
- Draft an RFP and/or put together a credit package for potential lenders
- Potentially engage the services of a placement agent, if needed or if advantageous
- Assist District with evaluation of financing proposals, as needed, and recommend moving forward with a lender with the goal of maximizing debt service savings

### 5. Establish Bond Repayment & Security Provisions

Work with the District and bond counsel to identify and recommend key bond repayment and security provisions including:

- Legally pledged sources of funds and covenants securing bond repayment
- Additional debt test requirement
- Debt service reserve fund requirement, if any
- Other bond repayment and security provisions

**6. Financing Terms and Conditions**

Work with the District and bond counsel to identify and recommend terms and conditions for sale of the bonds including:

- Bond structure and maturity schedule
- Provisions for optional call and redemption
- Debt service reserve fund requirement, if any

**7. Legal Document Review**

- Review resolutions/ordinances, and legal documents securing the bonds prepared by bond counsel and/or bank counsel and provide input
- For debt refundings, review escrow agreements and other refunding documents

**8. Board Meeting for Authorization of Financing (as Needed)**

- Remain available to attend the Board Meeting at which the financing will be authorized
- Assist District staff in drafting a staff report summarizing the financing, as warranted
- If appropriate, develop a brief presentation summarizing the financing, key legal provisions, and documents requiring Board approval
- Remain available to answer questions

**9. Closing & Receipt of Funds**

- Prepare statement of sources and uses of funds and settlement amounts
- Prepare Closing Memo that details final amounts, wiring instructions, and the appropriate allocation of debt proceeds
- Remain available to help resolve unanticipated issues



**BARTLE WELLS ASSOCIATES**  
**BILLING RATE SCHEDULE 2020**  
Rates Effective 1/1/2020

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**Professional Services**

Financial Analyst I .....	\$110 per hour
Financial Analyst II .....	\$130 per hour
Consultant .....	\$160 per hour
Senior Consultant.....	\$190 per hour
Senior Project Manager .....	\$220 per hour
Principal Consultant .....	\$260 per hour

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The hourly rates for professional services include all overhead and indirect expenses. Bartle Wells Associates does not charge for administrative support services. Expert witness, legal testimony, or other special limited assignments will be billed at one and one-half times the consultant’s hourly rate.

The rates listed above will be in effect for the duration of this project.

**Direct Expenses**

Subconsultants will be billed at cost plus ten percent. Word processing and computer-assisted services related to official statement production are charged as direct expenses at \$75 per hour. Other reimbursable direct expenses incurred on behalf of the agency will be billed at cost plus ten percent. These reimbursable costs include, but are not limited to:

- Travel, meals, lodging
- Printing and photocopying
- Special statistical analysis
- Outside computer services
- Bond ratings
- Automobile mileage
- Messenger services and mailing costs
- Graphic design and photography
- Special legal services
- Legal advertisements

**Insurance**

Bartle Wells Associates maintains insurance in the amounts and coverage as provided in the attached schedule of insurance. Additional or special insurance, licensing, or permit requirements beyond what is shown on the schedule of insurance are billed in addition to the contract amount.

**Payment**

Fees are typically billed monthly for the preceding month and will be payable within 30 days of the date of the invoice. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.



**BARTLE WELLS ASSOCIATES**  
**SCHEDULE OF FINANCING FEES**

Fees Effective 1/1/2020

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**Bond & COP Sales**

\$37,500	Base fee for up to the first \$10 million, plus
\$10,000	Per each additional \$10 million up to a total issue of \$30 million, plus
\$5,000	Per each additional \$10 million up to a total issue of \$50 million, plus
\$2,500	Per each additional \$10 million greater than \$50 million

**Bank Loans & Private Placements**

\$25,000	Base fee for up to the first \$10 million; plus
\$7,500	Per each additional \$10 million up to \$30 million; plus
\$2,500	Per each additional \$10 million greater than \$20 million

Note: Fees are calculated based on the total issue price which includes total principal plus original issue premium or less original issue discount.

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Financing fees include charges for independent municipal advisory services for a single agency, single purpose issue. Additional fees would apply for a multi-agency or multi-purpose issue, or for preparation of an Official Statement and/or other services. Bartle Wells Associates does not charge for administrative support services.

The fees listed above will be in effect for financings initiated through December 31, 2020 at which point they will be subject to change.

**Direct Expenses**

Subconsultants will be billed at cost plus ten percent. Other reimbursable direct expenses incurred on behalf of the agency will be billed at cost plus ten percent. These reimbursable costs may include, but are not limited to:

- |                                 |  |
|---------------------------------|--|
| ■ Travel, meals, lodging        | ■ Automobile mileage                   |
| ■ Printing and photocopying     | ■ Messenger services and mailing costs |
| ■ Special statistical analysis  | ■ Graphic design and photography       |
| ■ Outside computer services     | ■ Electronic document distribution     |
| ■ Official statement production | ■ Special legal services               |
| ■ Bond ratings                  | ■ Legal advertisements                 |

**Payment**

Fees for services can be paid directly from debt proceeds when the financing closes. If, after initiating our work, the debt issuance is cancelled or postponed for more than four months, Bartle Wells Associates is to be reimbursed for services and expenses incurred, based on the Billing Rate Schedule in effect during the period the work was performed. Fees are payable within 30 days of the invoice date. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.

## SCHEDULE OF INSURANCE

Insured: BARTLE WELLS ASSOCIATES

*Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance in the amounts and coverage as provided in this schedule. If additional insurance is required, and the insurer increases the premium as a result, then the amount of the increase will be added to the contract price.*

TYPE OF INSURANCE	COMPANY POLICY NUMBER	COVERAGES AND LIMITS	EXP. DATE
Commercial General Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>■ \$2,000,000 General Aggregate</li> <li>■ \$2,000,000 Products Comp/Op Aggregate</li> <li>■ \$2,000,000 Personal &amp; Advertising Injury</li> <li>■ \$1,000,000 Each Occurrence</li> </ul>	6/1/21
Excess/Umbrella Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>■ \$1,000,000 Aggregate</li> <li>■ \$1,000,000 Each Occurrence</li> </ul>	6/1/21
Automobile Liability	Hartford Insurance Company Policy #35-UEC VU2842	<ul style="list-style-type: none"> <li>■ \$1,000,000 Combined Single Limit</li> </ul>	6/1/21
Workers Compensation & Employers' Liability	Hartford Underwriters Insurance Company Policy #35-WEC FG7858	<p>Workers' Compensation: Statutory Limits for the State of California. Employers' Liability:</p> <ul style="list-style-type: none"> <li>■ Bodily Injury by Accident - \$1,000,000 each accident</li> <li>■ Bodily Injury by Disease - \$1,000,000 each employee</li> <li>■ Bodily Injury by Disease - \$1,000,000 policy limit</li> </ul>	6/1/21
Professional Liability	Chubb & Son, Inc. BINDO94045	<p>Solely in the performance of services as municipal financing consultants for others for a fee.</p> <p>Limit: \$2,000,000 Per Occurrence &amp; Aggregate (including defense costs, charges, and expenses)</p>	6/1/21





Municipal Securities Rulemaking Board

A photograph of a classical building facade, likely a town hall, with several large columns and a pediment. The words "TOWN HALL" are inscribed in gold letters on a stone ledge below the columns. The image is overlaid with a semi-transparent blue rectangle containing the title text.

# Information for Municipal Advisory Clients

The Municipal Securities Rulemaking Board (MSRB) provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. Certain of those protections also apply to potential clients of a municipal advisor. Municipal advisors must comply with our rules when engaging in municipal advisory activities.

This document summarizes key principles of our rules that protect you. It also provides information on how to file a complaint against a municipal advisor with the appropriate federal regulatory authority. For the complete text of the rules and additional educational information, visit the MSRB's website at [www.msrb.org](http://www.msrb.org).

**Professional Competency.** Our rules require that your municipal advisor meet professional qualification requirements based on its municipal advisory activities. Beginning January 1, 2018, our rules require that municipal advisors also meet continuing education requirements.

**Fair Dealing.** Our rules require that your municipal advisor deal fairly with you and not engage in any deceptive, dishonest or unfair practice. Your municipal advisor must satisfy a duty of care. Your municipal advisor's recommendations must be suitable, and your municipal advisor's compensation for its recommendations must not be excessive.

To help make sure that your municipal advisor is providing unbiased advice, our rules address potential conflicts of interest, including gift-giving and political contributions. Our rules generally prohibit a municipal advisor from advising or soliciting a municipal entity within two years of a political contribution to an official of that municipal entity.

Our rules also require that you receive certain disclosures from your municipal advisor so you are aware of information that is material to your decision-making. If you are receiving advice from your municipal advisor, your municipal advisor must disclose, in writing, all material conflicts of interest, and all legal and disciplinary events material to your evaluation of your municipal advisor. We refer to this as a “full and fair” disclosure under our rules.

You are also protected by our fair dealing rules if you are solicited by a municipal advisor on behalf of a third-party municipal securities dealer, municipal advisor or investment adviser to buy certain products or services. That municipal advisor must disclose all material facts about the solicitation, including all material risks and characteristics of the product or service.

**Duty of Loyalty.** If you are a municipal entity, our rules provide extra protections when your municipal advisor advises you about municipal financial products or the issuance of municipal securities. Your municipal advisor must deal honestly and with the utmost of good faith, and act in your best interests without regard to its financial or other interests.

**Periodic Disclosure.** Your municipal advisor must periodically provide you with the following:

- a statement that it is registered with the MSRB and the Securities and Exchange Commission (SEC);
- the MSRB’s website address; and
- a statement as to the availability of this brochure.

**Documentation.** When hiring a municipal advisor to provide advice, your municipal advisor must give you a written document outlining certain terms of its relationship with you.

## Remedies for Disputes

If you have a dispute with your municipal advisor firm or representative, you should try to — but do not have to — resolve it with the individual or a supervisor. In some cases, you may not be able to resolve the dispute.

## Terms as Used in this Brochure

- **You:** A municipal advisory client, including:
  - **Municipal Entity:** A state, political subdivision of a state, or municipal corporate instrumentality of a state, including a public pension plan.
  - **Obligated Person:** Any person (including the issuer) legally committed to support payment of all or part of an issue of municipal securities, other than certain unrelated providers of credit or liquidity enhancement.
- **Municipal Advisory Activities**
  - **The provision of advice** to you with respect to municipal financial products or the issuance of municipal securities.
  - **Solicitation** of you on behalf of certain third parties to purchase a product or service.

*Municipal advisors that also act as municipal securities dealers must follow additional rules. For more information about the regulatory protections for investors, see the MSRB's [Information for Municipal Securities Investors](#) brochure.*

## Filing a Complaint

Regardless of whether you have tried to resolve your complaint directly, you may file a formal complaint with the regulatory agency that examines your municipal advisor for compliance with MSRB rules. You also may contact the MSRB, at 1300 I Street NW, Suite 1000, Washington, DC, 20005, 202-838-1330, [complaints@msrb.org](mailto:complaints@msrb.org), and we will forward the complaint to the appropriate enforcement agency listed below.

To expedite the handling of your complaint, please be as specific as possible as to the nature of the complaint, including detail about the representative and/or firm involved. Please provide your name, phone number, email address and mailing address.

### If you have a complaint about a potential violation of MSRB rules or other federal securities laws, contact:

#### U.S. Securities and Exchange Commission

SEC Center for Complaints and Enforcement Tips  
100 F Street, N.E.  
Washington, DC 20549-5990  
<https://www.sec.gov/reportspubs/investor-publications/complaintshtml.html>

Or use the online portal at:  
<https://denebleo.sec.gov/TCRExternal/index.xhtml>

### If you have a complaint about your municipal advisor or about the municipal securities market, contact:

#### U.S. Securities and Exchange Commission

Office of Municipal Securities  
100 F Street, N.E.  
Washington, DC 20549  
(202) 551-5680

### If you have a complaint against your municipal advisor that is also registered with FINRA as a dealer, contact:

#### FINRA Investor Complaint Center

9509 Key West Avenue  
Rockville, MD 20850-3329  
(240) 386-4357  
<http://www.finra.org/investors/problem>

Or use the online portal at:  
<http://www.finra.org/investors/investor-complaint-center>

#### About the MSRB

The MSRB protects investors, state and local governments and other municipal entities, and the public interest by promoting a fair and efficient municipal securities market. The MSRB fulfills this mission by regulating the municipal securities firms, banks and municipal advisors that engage in municipal securities and advisory activities. To further protect market participants, the MSRB provides market transparency through its [Electronic Municipal Market Access \(EMMA®\)](#) website, the official repository for information on all municipal bonds. The MSRB also serves as an objective resource on the municipal market, conducts extensive education and outreach to market stakeholders, and provides market leadership on key issues. The MSRB is a Congressionally-chartered, self-regulatory organization governed by a 21-member board of directors that has a majority of public members, in addition to representatives of regulated entities. The MSRB is subject to oversight by the Securities and Exchange Commission.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Acceptance of Sewer Main Extension at 1928 Sunshine Valley Road.**

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In May 2017, Patrick Powers applied for a new construction and sewer connection permit for APN 037-157-100, 1928 Sunshine Valley Road, Moss Beach. The placement of the building required the existing District owned and maintained sewer main pipe to be relocated away from the new foundation. (See attached preliminary Sewer Main Relocation and Lateral Plan.)

In April and May 2018, District Staff and this Board reviewed and approved the recommendation from the District's Sanitary System Engineer, Nute Engineering, for the "sewer main relocation and lateral construction plan" and the District and Mr. Powers entered into the *Agreement for Construction and Acquisition of Sewer Main Extension* ("Agreement") which included a one-year warranty bond for the work.

On June 18, 2019, project construction was completed, and District General Manager issued a permit Final to San Mateo County (copy attached) stating that the District completed final inspection and that the project complies with the District Code and Specifications.

Pippin Cavagnaro, P.E. from Nute Engineering, has provided the attached Memorandum dated June 26, 2020, stating that the one-year warranty period has expired and that no deficiencies are noted in the main pipeline and recommends accepting the pipeline and releasing the warranty bond.

## RECOMMENDATION:

For the Board to Authorize the General Manager to release the warranty bond and adopt RESOLUTION NO. \_\_\_\_\_, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING AND ACCEPTING SEWER MAIN RELOCATION AND AUTHORIZING RELEASE OF WARRANTY BOND (APN: 037-157-100; Owner: Patrick Powers)

Attachments

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT  
APPROVING AND ACCEPTING SEWER MAIN RELOCATION AND  
AUTHORIZING RELEASE OF WARRANTY BOND (APN: 037-157-100;  
Owner: Patrick Powers)**

**WHEREAS**, contract documents, including plans and specifications, for the construction of a new sewer lateral and relocation of a District owned and maintained sewer main line (“Project”) in accordance with the Agreement for Construction and Acquisition of Sewer Main Extension at 1928 Sunshine Valley Road between Patrick Powers (“Owner”) and the District (“Agreement”) have been previously submitted to and approved by this Board; and

WHEREAS, construction of the Project has been completed and inspected by the District Sanitary System Engineer, who determined that the Project complies with the contract documents and the District Code and Specifications and, on that basis, a final Sewer New Connection Permit was issued for the Project; and,

**WHEREAS**, this Board desires to approve and accept the relocated sewer main line therefor, and to authorize release of the one-year warranty bond.

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

1. The above recitals are true and correct and incorporated by this reference into these findings.
2. Based upon the District Sanitary System Engineer’s recommendation and approval of completion of the Project, including close of the one-year warranty period, the Board finds that the completed Project is in full compliance with the Agreement and the District Code and Specifications, and does hereby accept the relocated sewer main line in the condition and at the location shown in the completed actual or “as built” plans and/or drawings furnished by the owner.
3. The General Manager is hereby authorized to close the one-year warranty period and provide written notice releasing the warranty bond.

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

COUNTERSIGNED:

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

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT  
APPROVING AND ACCEPTING SEWER MAIN RELOCATION AND  
AUTHORIZING RELEASE OF WARRANTY BOND (APN: 037-157-100;  
Owner: Patrick Powers)**

\* \* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 2<sup>nd</sup> day of July 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

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



# MEMORANDUM

Date: 6/26/2020 Job# 8704

To: Clemens

Company: Montara Water and Sanitary District (MWSD)

**Re: Powers Main Line Extension Agreement at 1928 Sunshine Valley Road, Moss Beach**

Per your request we reviewed the status of the Powers main line agreement titled the Agreement for Construction and Acquisition of Sewer Main Extension (Agreement) associated with the New Construction Sewer application at 1928 Sunshine Valley Road. The house design included the requirement to relocate the existing District owned and maintained sewer main line in an existing easement across the western edge of the property. The pipe relocation and accompanying Agreement was approved by the MWSD board and an OK for Construction was issued and transmitted to the San Mateo County Building department in May 2018. Construction was completed June 18, 2019, and the Sewer Final was transmitted shortly after to the County of San Mateo recommending occupancy of the property. The Agreement included a one year warranty bond to ensure any defects would be repaired by their project. SAM has not reported any problems with the pipeline and a year has transpired.

We recommend that the MWSD accept the relocated pipe and release the warranty bond.

**TRANSMITTED WITH THIS MEMO: Sewer Main Relocation and Lateral Plan**

- For approval
- For your use**
- As requested
- For review and comment
- Returning prints on loan to us

Other: \_\_\_\_\_

Signed:  PE 6/26/2020

8888 Cabrillo Hwy  
Montara, CA 94037  
O: 650-728-3545  
F: 650-728-8556  
[mwsd@coastside.net](mailto:mwsd@coastside.net); web page: [www.mwsd.montara.org](http://www.mwsd.montara.org)



# Fax



**To:** Building Department SMC                      **From:** Clemens Heldmaier  

---

**Fax:** 650-363-4849                                      **Pages:** 1  

---

**Phone:**    **Date:** 6/18/19  

---

Urgent     For Review     Please Comment     Please Reply     Please Recycle

● **Comments:**

## **SEWER FINAL**

**RE: APN: 037-157-100: Sewer New Lateral, New Construction Single Family Home at 1928 SUNSHINE VALLEY ROAD, MOSS BEACH, CA, 94038; Owner Mr. Patrick Powers**

Please be advised that the Montara Water and Sanitary District (MWSD) has received the Sewer New Connection Permit for the above property. The owner has completed sewer plan for the lateral and is prepared to comply with the MWSD Codes and Specifications, including relocating a District main pipe for setback requirements, and constructing a new sewer lateral.

For the purpose of obtaining a SMC Building Permit, MWSD completed the sewer inspection for Sewer New Connection Permit and considers it FINAL. The District recommends allowing occupancy and closing the Building Permit for the single family home. If you have any questions please let me know.

Thank you,

Clemens Heldmaier  
General Manager

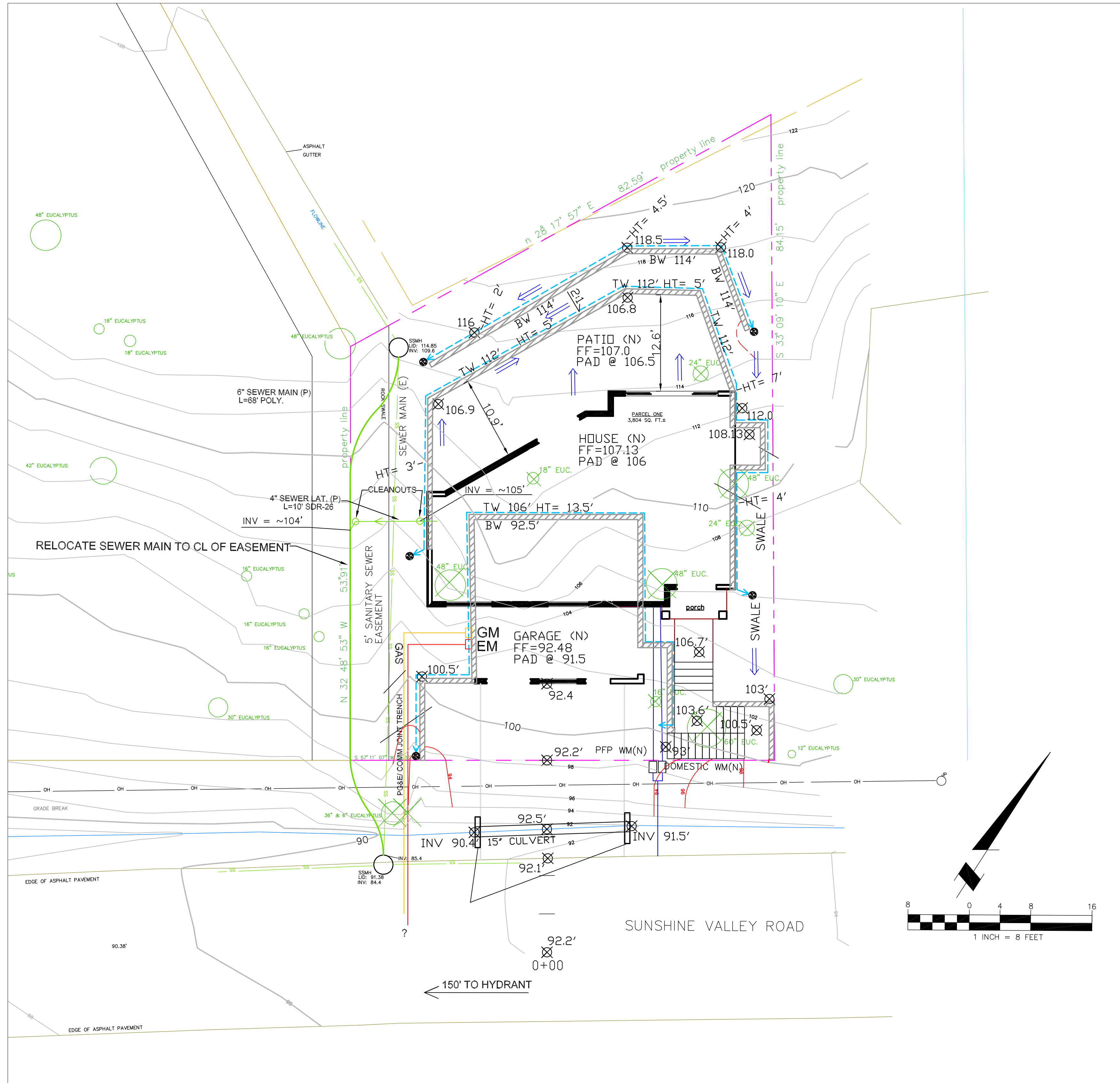


# LEGEND

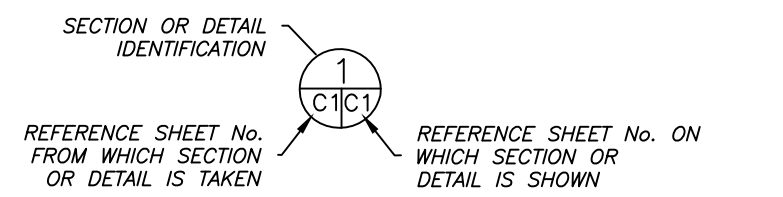
- EXISTING 5' CONTOUR
- EXISTING 1' CONTOUR
- PROPOSED CONTOUR
- 106.7' SPOT ELEVATION (N)
- SURFACE DRAINAGE FLOW
- 3" PERFORATED PLASTIC DRAIN PIPE, SDR 35 @ 1% MINIMUM SLOPE.
- PROPOSED RETAINING WALL
- 10" EUC TREE TO BE REMOVED
- ENERGY DISSIPATER (SEE DETAIL BELOW).

# GENERAL NOTES

1. PLANS PREPARED AT REQUEST OF: PATRICK POWER, OWNER
2. ELEVATION DATUM: ASSUMED
3. CONTOUR INTERVAL IS 1 FOOT.
4. SITE SURVEYED BY BGT, AUGUST 2014.
5. THIS IS NOT A BOUNDARY SURVEY.



# SECTION AND DETAIL CONVENTION

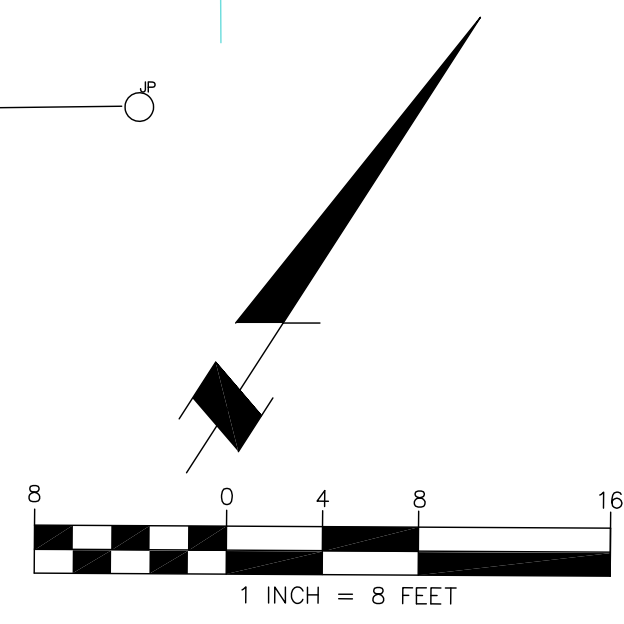


**Sigma Prime Geosciences, Inc.**  
 SIGMA PRIME GEOSCIENCES, INC.  
 34411 MONTE VISTA AVENUE  
 SAN LUIS OBISPO, CA 94019  
 (805) 739-3590  
 FAX 728-3593

DATE: 9-19-17  
 DRAWN BY: CMK  
 CHECKED BY: AZG  
 PROJECT # 15-184  
 REV. DATE:  
 REV. DATE:

**SEWER MAIN RELOCATION AND LATERAL PLAN**  
 POWER PROPERTY,  
 SUNSHINE VALLEY RD.,  
 MOSS BEACH, CA  
 APN: 037-157-100

SHEET  
 C-3





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Authorization to Advertise for Bids - 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS.**

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In accordance with the revised 7-year Capital Improvement Plan and working with SAM sewer maintenance staff, the 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS ("Project") is proposed for advertising for bids. The current FY CIP continues the rehabilitation of Medium and High Priority Sewer Mains as well as miscellaneous maintenance and spot repairs and CCTV inspections for the purpose of reducing Sanitary Sewer Overflows and Inflow and Infiltration in the District's sewer collection system. 2020-2021 Sewer Budget is \$1,985,272. This project improvement budgeted amount is \$850,000. The remaining budget is for routine and planned system repairs and improvements, with the largest portion remaining to be spent on the Cabrillo Highway Crossing project, Phase 1A paving completing and Permit for Phase 1B, previously presented to the Board of Directors.

Staff recommends that the District call for sealed bids to be submitted by 2:00 PM, Thursday, July 30<sup>th</sup>, 2020, for award of the Contract for the improvements described in the Plans and Specifications entitled, " 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS " dated June 2020, prepared by Nute Engineering, Civil and Sanitary Consultants.

The work includes the furnishing of all labor, materials and equipment for the construction and rehabilitation of sanitary sewer mains primarily by pipe bursting near Virginia Ave, Etheldore St., Wave Ave., Harte and Cedar Sts., including lowering laterals, miscellaneous spot repairs, and CCTV of sewers, together with all appurtenances, and an Additive Alternate for work on Stetson St. and Admiral St. for the complete project as described in the Plans and Specifications. The Engineer's Construction Estimate is \$650,000 for the Base Bid amount.

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

## RECOMMENDATION:

Adopt Resolution Approving Contract Documents and Authorizing Advertisement for Bids for bids for 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS and authorize filing Notice of Exemption under the California Environmental Quality Act (repair/replacement of existing facilities)

Attachments will be available at the Board meeting.

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING CONTRACT DOCUMENTS, INCLUDING PLANS AND SPECIFICATIONS, FOR FISCAL YEAR 2020-21 THE 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS AND AUTHORIZING ADVERTISEMENT FOR BIDS FOR THE PROJECT**

**WHEREAS**, contract documents, including plans and specifications, for the Fiscal Year “2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS” project have been submitted to and reviewed by this Board; and

**WHEREAS**, this Board desires to approve said documents, the design therefor, and to authorize advertisement for bids for construction of the project;

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

1. The contract documents, including the plans and specifications, for the Fiscal Year 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS (“Project”) and the design of the Project are hereby approved.

2. The General Manager is hereby authorized and directed to provide for the advertisement for bids for the Project.

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

COUNTERSIGNED:

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

\* \* \* \*

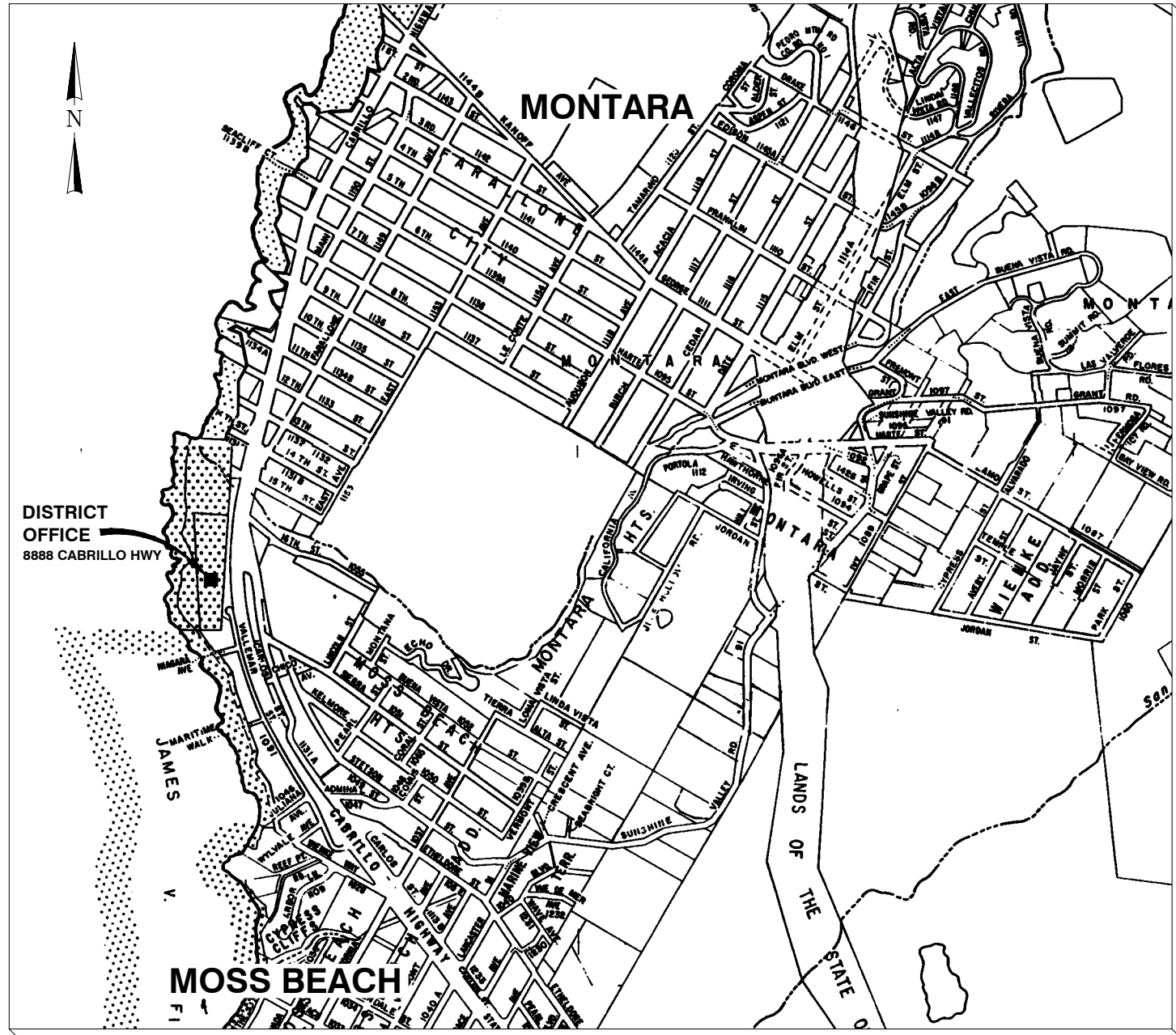
I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 2<sup>nd</sup> day of July 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

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



**PROJECT LOCATION MAP**

**INDEX TO PLANS**

1. PROJECT LOCATION MAP AND INDEX TO PLANS
2. NOTES, LEGEND AND ABBREVIATIONS
3. STANDARD AND MISCELLANEOUS DETAILS AND NOTES
4. MISCELLANEOUS DETAILS AND NOTES
5. PROJECT KEY MAP
6. PLAN AND PROFILE - VIRGINIA AVENUE - STA A 0+00 TO STA A 4+50
7. PLAN AND PROFILE - VIRGINIA AVENUE - STA A 4+50 TO STA A 6+59
8. PIPE BURST PLAN - ETHELDRE ST - STA B 0+00 TO STA B 2+02  
WAVE AVE - STA C 0+00 TO STA C 2+57
9. PIPE BURST PLAN - STETSON STREET - STA D 0+00 TO STA D 10+95
10. PIPE BURST PLAN - ADMIRAL ST AND EASEMENTS  
STA E 0+00 TO STA E 2+74  
STA F 0+00 TO STA F 4+24  
STA F1 0+00 TO STA F1 3+00
11. PIPE BURST PLAN - HARTE STREET - STA G 0+00 TO STA G 6+70
12. PIPE BURST PLAN - CEDAR STREET - STA H 0+00 TO STA H 5+04
13. SPOT REPAIRS - SAN LUCAS AVE - SPOT REPAIR #1

# MONTARA WATER AND SANITARY DISTRICT

San Mateo County, California

## PLANS

FOR THE CONSTRUCTION OF  
**2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS**

**JUNE 2020**

DISTRICT BOARD

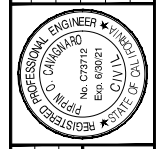
- KATHRYN SLATER-CARTER - PRESIDENT
- JIM HARVEY - PRESIDENT PRO TEM
- PETER DEKKER - TREASURER
- RIC LOHMAN - SECRETARY
- SCOTT BOYD - DIRECTOR

CLEMENS HELDMAIER - GENERAL MANAGER

### NUTE ENGINEERING

907 Mission Ave.  
San Rafael, California  
Tel 415.453.4480  
Fax 415.453.0343

NO.	DESCRIPTION	DATE	INIT.
1			
2			
3			
4			



DESIGNED BY	BE	OC
DRAWN BY	MTW	MTW

PREPARED BY: **NUTE ENGINEERING**  
Civil and Sanitary Consultants  
907 Mission Ave. San Rafael, CA 94901  
Tel: 415-453-4480 Fax: 415-453-0343 nute.biz

**NOT APPROVED FOR CONSTRUCTION**

PREPARED FOR: **Montara Water and Sanitary District**  
8888 CABRILLO HWY, MONTARA, CALIFORNIA 94027  
P: 650-225-5548 WWS@MONTARA.ORG

CALIFORNIA  
SAN MATEO COUNTY  
MONTARA WATER AND SANITARY DISTRICT  
2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

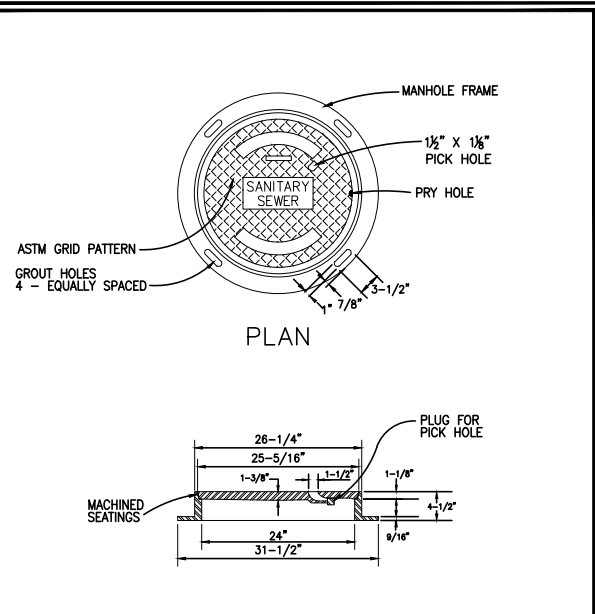
**PROJECT LOCATION MAP AND INDEX TO PLANS**

DATE:	June 29, 2020
SCALE:	
SHEET:	1 OF 13

Construction contractor agrees that in accordance with generally accepted construction practices, construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of the project, including safety of all persons and property; that this requirement shall be made to apply continuously and not be limited to normal working hours, and construction contractor further agrees to defend, indemnify and hold design professional harmless from any and all liability, real or alleged, in connection with the performance of work on this project, except for liability arising from the sole negligence of design professional.



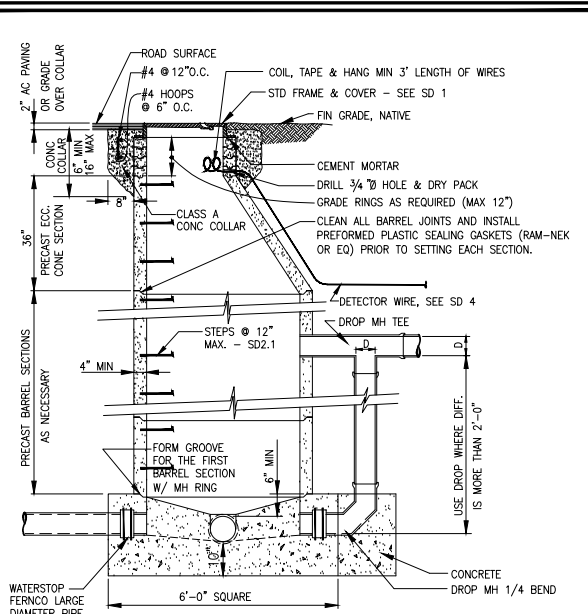




**MONTARA WATER & SANITARY DISTRICT**

**STANDARD MANHOLE FRAME AND COVER**

2017 SD 1.0

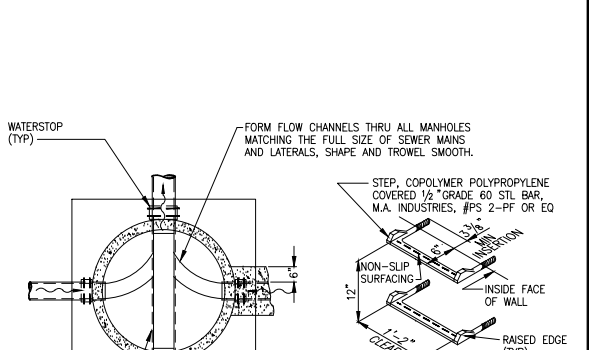


**MONTARA WATER & SANITARY DISTRICT**

**STANDARD SEWER MANHOLE**

2017 SD 2.0

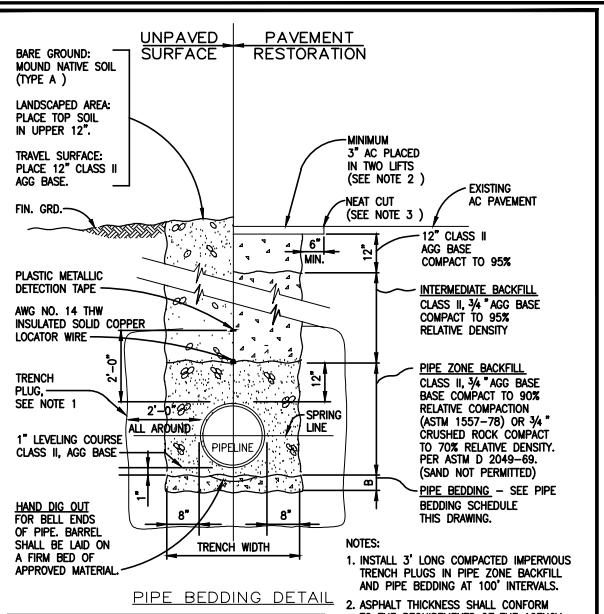
- NOTES**
- MANHOLE BASE SHALL BE CLASS A (6-sack) CONCRETE AND SHALL BE POURED AGAINST CRUSHED ROCK BEDDING.
  - PRECAST CONCRETE CONE, BARREL AND GRADE RINGS SHALL CONFORM TO A.S.T.M. Spec C-478, EXCEPT THAT TYPE II Modified PORTLAND CEMENT SHALL BE USED.
  - STEPS SHALL BE POLYPROPYLENE REINFORCED WITH 1/2" GRADE 60 STEEL BAR AS DETAILED BELOW, #PS 2-PF AS MANUFACTURED BY M.A. INDUSTRIES OR EQ.
  - FRAME AND COVER MAY BE ADJUSTED TO GRADE LEVEL EITHER BEFORE OR AFTER PAVING, BUT FINAL GRADE SHALL CONFORM TO ADJACENT FINISH PAVEMENT GRADE WITHIN 1/8".
  - ECCENTRIC CONE SECTION SHALL BE POSITIONED AS DIRECTED BY THE DISTRICT.
  - WHERE FRAME AND COVER IS SET AFTER PAVING, THE CONCRETE COLLAR SHALL BE BROUGHT TO FINISH GRADE AND THE EXPOSED CONCRETE SURFACE SHALL BE COLORED WITH LAMPBLACK.
  - RECESS IN MANHOLE BASE SHALL BE FORMED WITH AN APPROVED METAL FORMING RING TO RECEIVE PRECAST MANHOLE JOINT. PREFORMED PLASTIC SEAL GASKET SHALL BE INSTALLED BEFORE PLACING FIRST BARREL SECTION.
  - PRECAST MANHOLE BASES ARE NOT ALLOWED.



**MONTARA WATER & SANITARY DISTRICT**

**STANDARD SEWER MANHOLE**

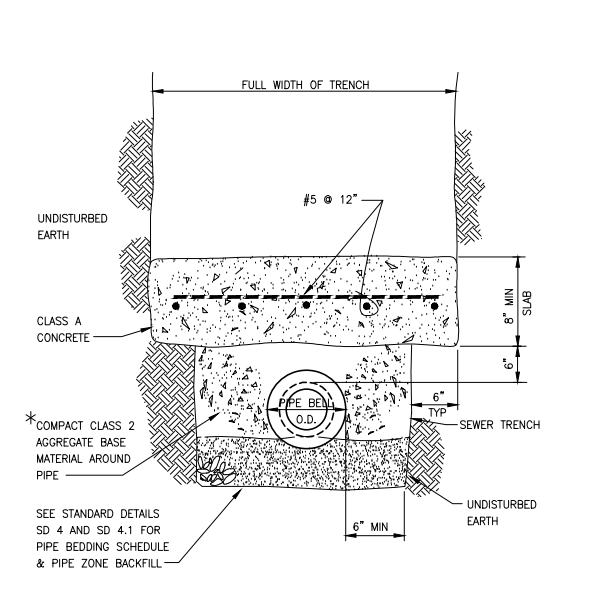
2017 SD 2.1



**MONTARA WATER & SANITARY DISTRICT**

**TYPICAL TRENCH SECTION**

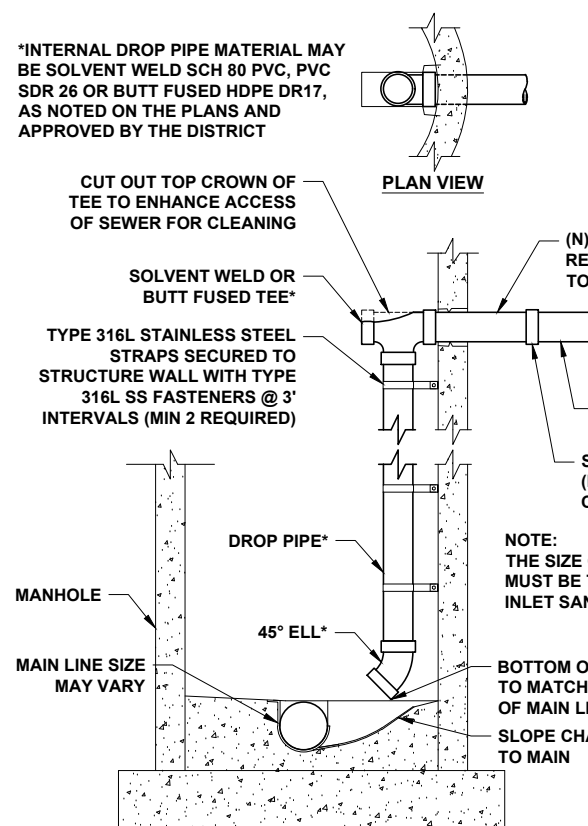
2017 SD 4.0



**MONTARA WATER & SANITARY DISTRICT**

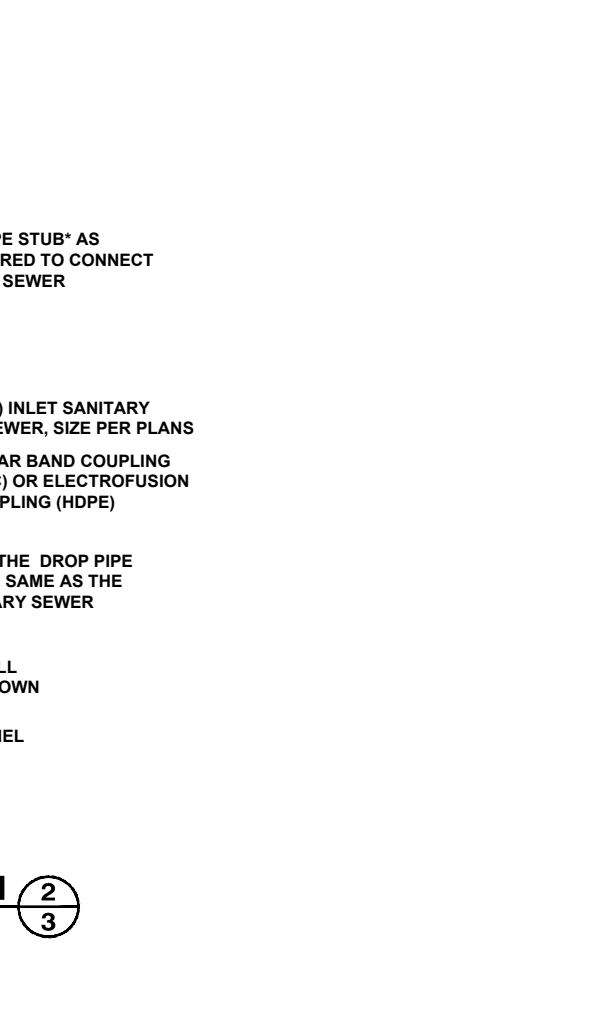
**STANDARD CONCRETE PIPE PROTECTION**

2017 \*2019 SD 13



**INTERNAL DROP CONNECTION**

N.T.S.



**NOT APPROVED FOR CONSTRUCTION**

**NUTE ENGINEERING**  
 Civil and Sanitary Consultants  
 8977-459-4480 T. 415-463-9435 nute.biz

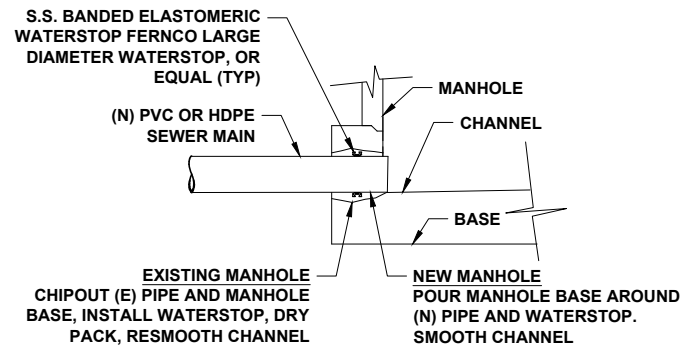
**Montara Water and Sanitary District**  
 8886 CASSELL RD. MONTARA, CALIFORNIA 94027  
 P. 925-225-5546 MWSDD@MONTARA.ORG

**STANDARD AND MISCELLANEOUS DETAILS AND NOTES**

SAN MATEO COUNTY  
 MONTARA WATER AND SANITARY DISTRICT  
 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

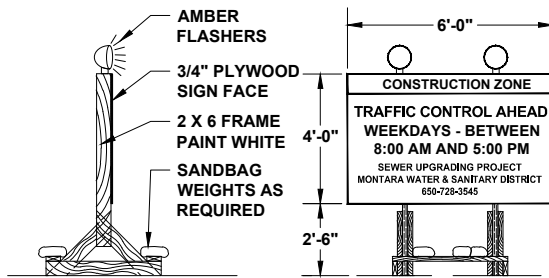
DATE: June 29, 2020

SHEET: 3 OF 13



NOTE: WHEN PIPE STUB ENTERS MANHOLE THROUGH BARREL WALL, CORE DRILL HOLE AND CONNECT WITH LINK SEAL, FILL GAPS WITH DRY PACK MORTAR.

**MANHOLE CONNECTION DETAIL** 1/4  
 N.T.S.



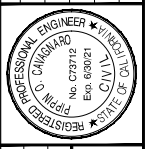
NOTE:  
 LINE 1 - 4" SERIES D LETTERS BLACK ON REFLECTIVE ORANGE BACKGROUND  
 LINES 2 TO 4 - 6" SERIES D LETTERS BLACK LETTERS ON REFLECTIVE WHITE BACKGROUND  
 LINES 5 TO 7 - 4" SERIES D LETTERS BLACK LETTERS ON REFLECTIVE WHITE BACKGROUND

**TYPE I SIGN** 1/4  
 N.T.S. ( 2 REQUIRED )

**TRAFFIC CONTROL REQUIREMENTS**

- BEFORE COMMENCING WORK, THE CONTRACTOR SHALL PREPARE A TRAFFIC CONTROL PLAN SHOWING SIGN PLACEMENT, FLAGGERS, ETC. FOR APPROVAL BY THE COUNTY OF SAN MATEO AND CALTRANS. ALL TEMPORARY SIGNS, LIGHTS AND DEVICES SHALL BE IN ACCORDANCE WITH THE CALIFORNIA STATE DIVISION OF HIGHWAYS "MANUAL OF TRAFFIC CONTROL FOR CONSTRUCTION AND MAINTENANCE WORK ZONES", CURRENT EDITION. SEE SHEET 8.
- AT LEAST 1 WEEK BEFORE THE START OF CONSTRUCTION, THE CONTRACTOR SHALL POST TYPE I SIGNS AT APPROPRIATE LOCATIONS ON EACH END OF AREA OF WORK TO BE STARTED FIRST.
- THE CONTRACTOR SHALL TAKE ALL NECESSARY PRECAUTIONS TO ALLOW EMERGENCY VEHICLES TO PASS THROUGH THE CONSTRUCTION ZONES WITHOUT ANY DELAYS.
- DURING NON-WORKING HOURS, ALL TRENCHES SHALL EITHER BE BACKFILLED OR COVERED WITH STEEL PLATES, AND ALL STREETS AND DRIVEWAYS OPEN TO NORMAL TRAFFIC.
- IF DRIVEWAYS WILL BE TEMPORARILY BLOCKED, ARRANGE WITH PROPERTY OWNERS IN ADVANCE SO THEY CAN MOVE VEHICLES.
- WORKING HOURS IN PUBLIC STREETS NOT SPECIFIED IN THE ENCROACHMENT PERMITS SHALL BE BETWEEN 8 AM AND 5 PM. NO WORK IS PERMITTED ON SATURDAYS, SUNDAYS OR HOLIDAYS.
- THE COST OF ALL TRAFFIC CONTROL, INCLUDING CANTRANS ENCROACHMENT PERMIT, ALL SIGNS, DELINEATORS, FLAGGERS, ETC. SHALL BE INCLUDED IN THE BID PRICE FOR PIPELINE CONSTRUCTION.

INIT.	NO.	DESCRIPTION
	1	
	2	
	3	
	4	



PC	BEO	MTW
Designed:	Drawn:	Checked:

1"  
 IF THIS DOES NOT MEASURE CORRECTLY, REFER TO SCALE.

PREPARED BY: **NUTE ENGINEERING**  
 Civil and Sanitary Consultants  
 8977 S. 10th St., Suite 100  
 San Mateo, CA 94401  
 T: 415-459-4480 F: 415-453-0243 nute.biz

**NOT APPROVED FOR CONSTRUCTION**

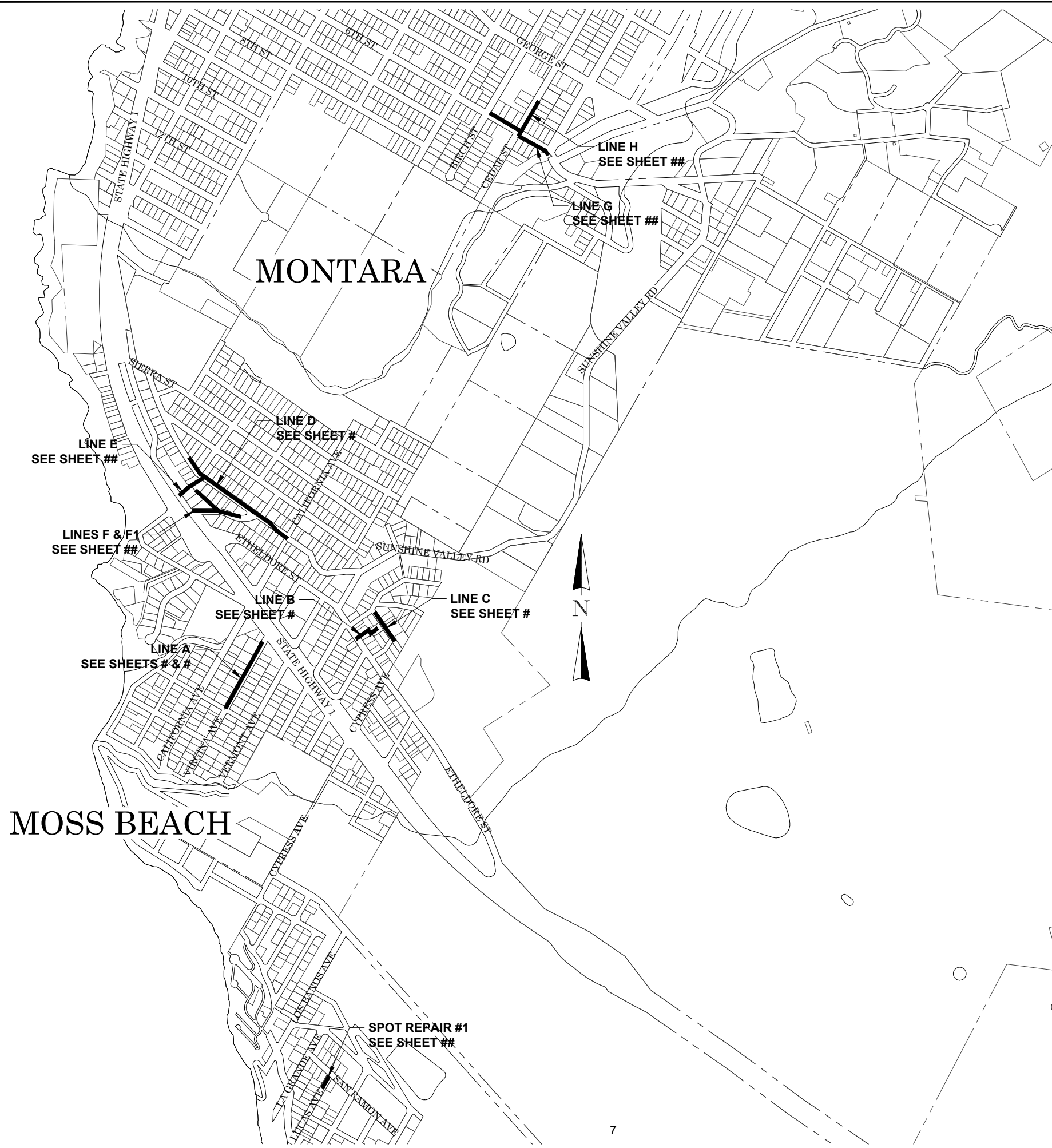
PROJECT #8696

PREPARED FOR:

**Montara Water and Sanitary District**  
 8886 CARRILLO HWY, MONTARA, CALIFORNIA 94027  
 P: 650-728-5546 MWSDD@MONTARA.ORG

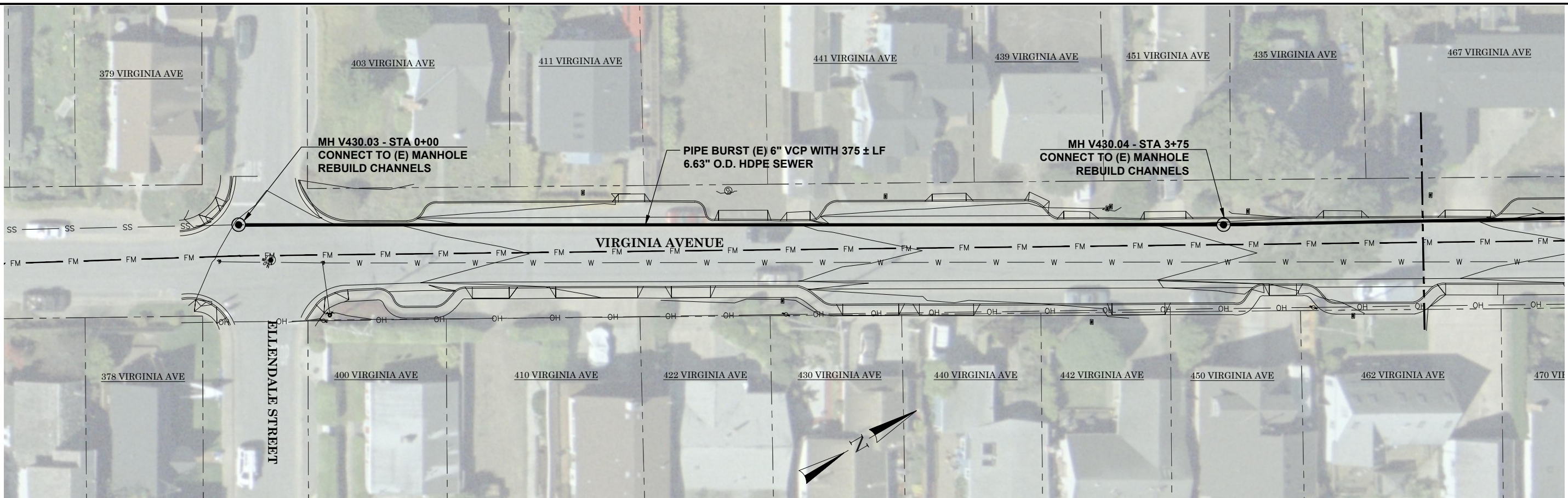
CALIFORNIA  
 SAN MATEO COUNTY  
 MONTARA WATER AND SANITARY DISTRICT  
 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS  
**MISCELLANEOUS DETAILS AND NOTES**

CONTRACT NO.	
DATE	June 29, 2020
SHEET	
SHEET	4 OF 13

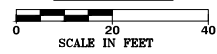


<p>PREPARED FOR  <b>Montara Water and Sanitary District</b>        8886 CARBILLO HWY, MONTARA, CALIFORNIA 94027        P. 650.725.5546 MWSDMONTARA.ORG</p>		<p>PREPARED BY  <b>NUTE ENGINEERING</b>        Civil and Sanitary Consultants        9377 W. 15th St., Suite 200        San Mateo, CA 94403        T. 415.453.4480 F. 415.453.0343 nute.biz</p>		<p>DATE</p> <table border="1"> <tr><td>NO.</td><td>DESCRIPTION</td></tr> <tr><td>1</td><td></td></tr> <tr><td>2</td><td></td></tr> <tr><td>3</td><td></td></tr> <tr><td>4</td><td></td></tr> <tr><td>5</td><td></td></tr> <tr><td>6</td><td></td></tr> <tr><td>7</td><td></td></tr> <tr><td>8</td><td></td></tr> <tr><td>9</td><td></td></tr> <tr><td>10</td><td></td></tr> </table>		NO.	DESCRIPTION	1		2		3		4		5		6		7		8		9		10												
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<p>PROJECT KEY MAP</p>		<p>SHEET        5 OF 13</p>		<p>CONTRACT NO.</p>																																		



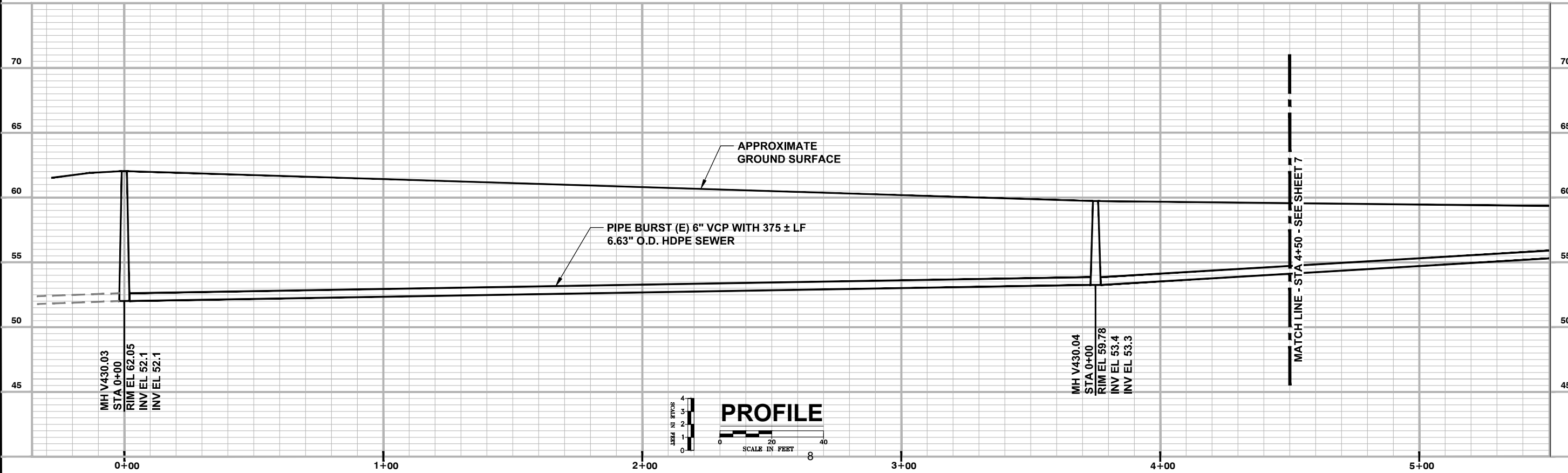


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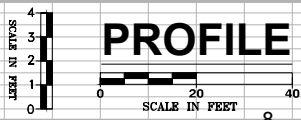


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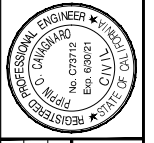

CAUTION  
CONTRACTOR SHALL IDENTIFY LOCATIONS OF HIGH VOLTAGE OVERHEAD ELECTRICAL LINES AND PLACE WARNING SIGNS PER CAL/OSHA REQUIREMENTS

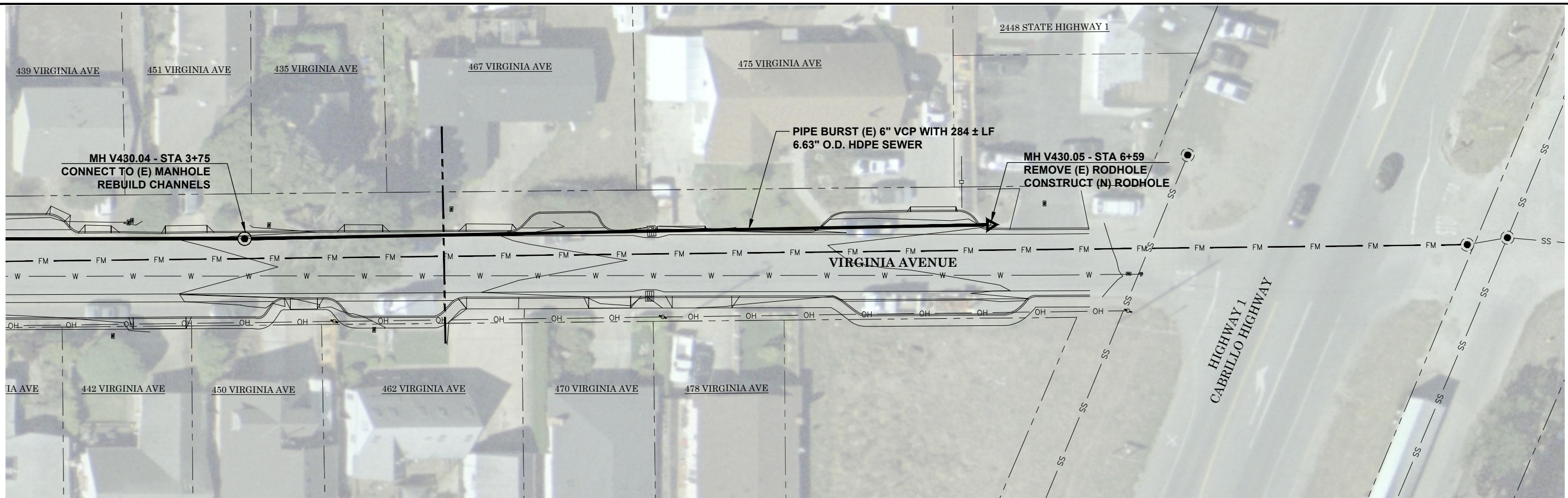


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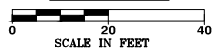


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<p>CONTRACTOR: <b>MONTARA WATER AND SANITARY DISTRICT</b> 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS <b>VIRGINIA AVENUE</b> STA A 0+00 TO STA A 4+50</p>					
<p>DATE: June 29, 2020</p>					
<p>SHEET: 6 OF 13</p>					

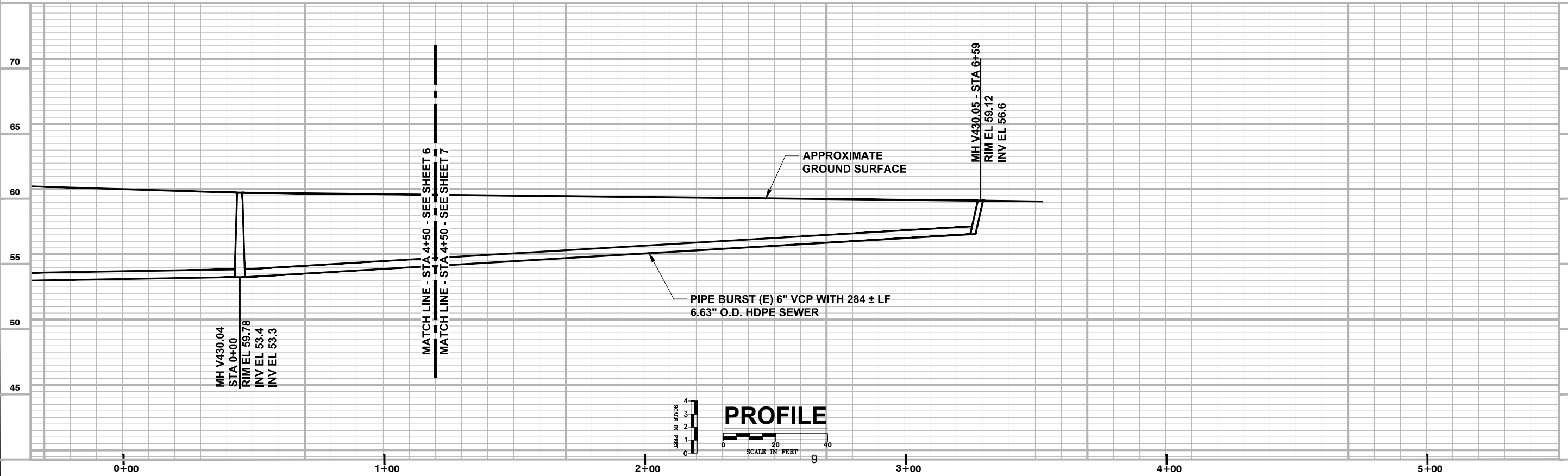


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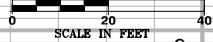
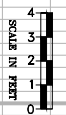


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CONTRACTOR SHALL IDENTIFY LOCATIONS OF HIGH VOLTAGE OVERHEAD ELECTRICAL LINES AND PLACE WARNING SIGNS PER CAL/OSHA REQUIREMENTS



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Civil and Sanitary Consultants  
897 559-4480 F. 415-463-0943 nute.biz

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P. 650-225-5546 MWS@MONTARA.ORG

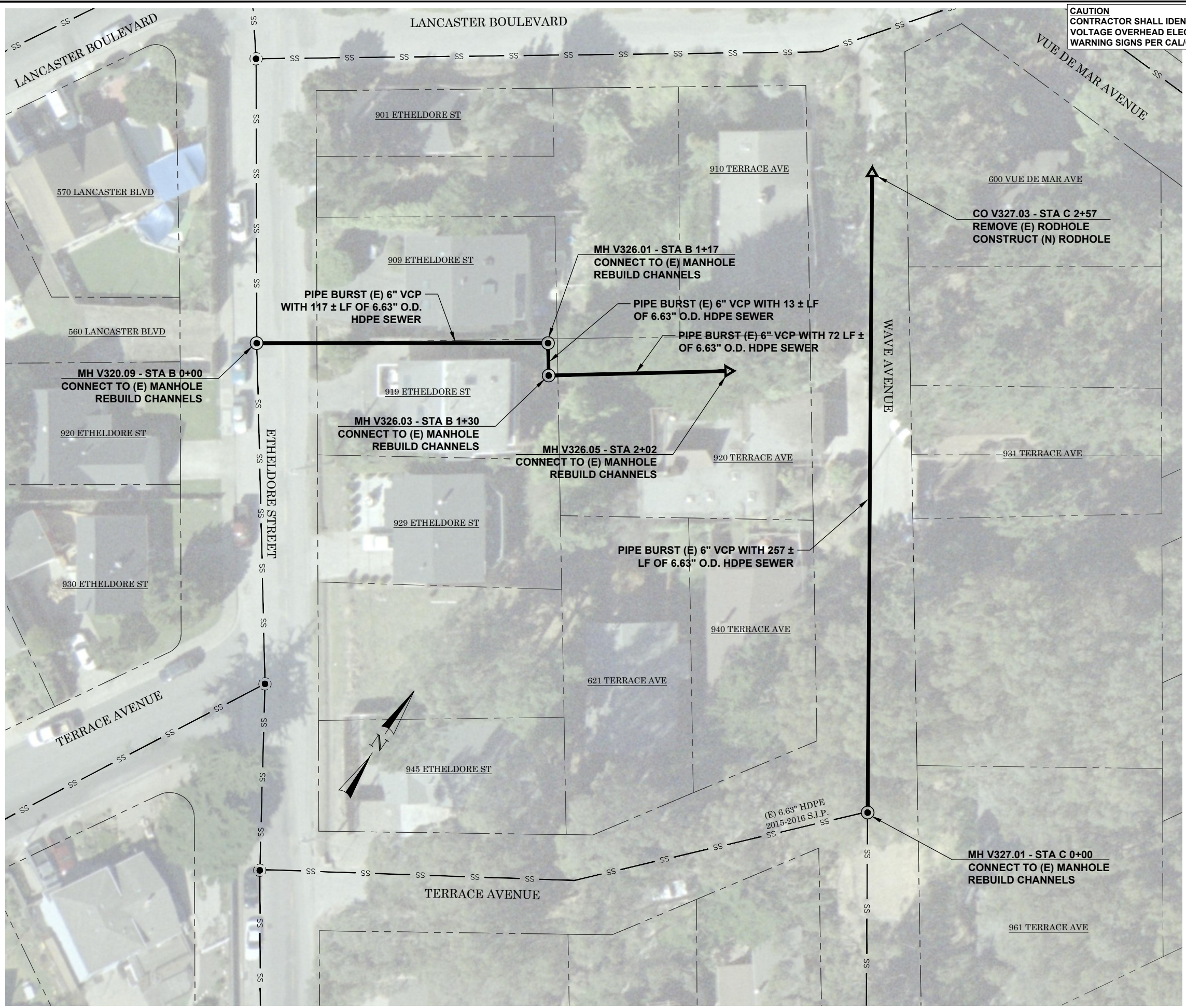
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MONTARA WATER AND SANITARY DISTRICT  
2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

DATE: June 29, 2020

PLAN AND PROFILE  
VIRGINIA AVENUE  
STA A 4+50 TO STA A 6+59



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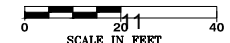
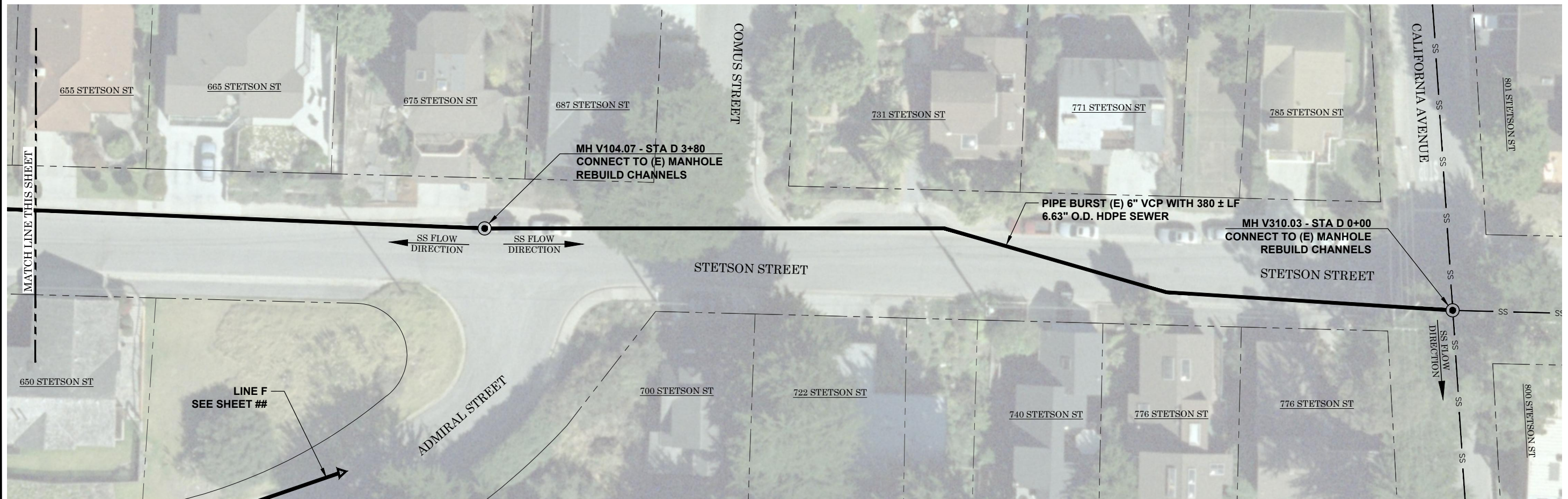
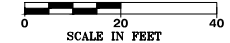
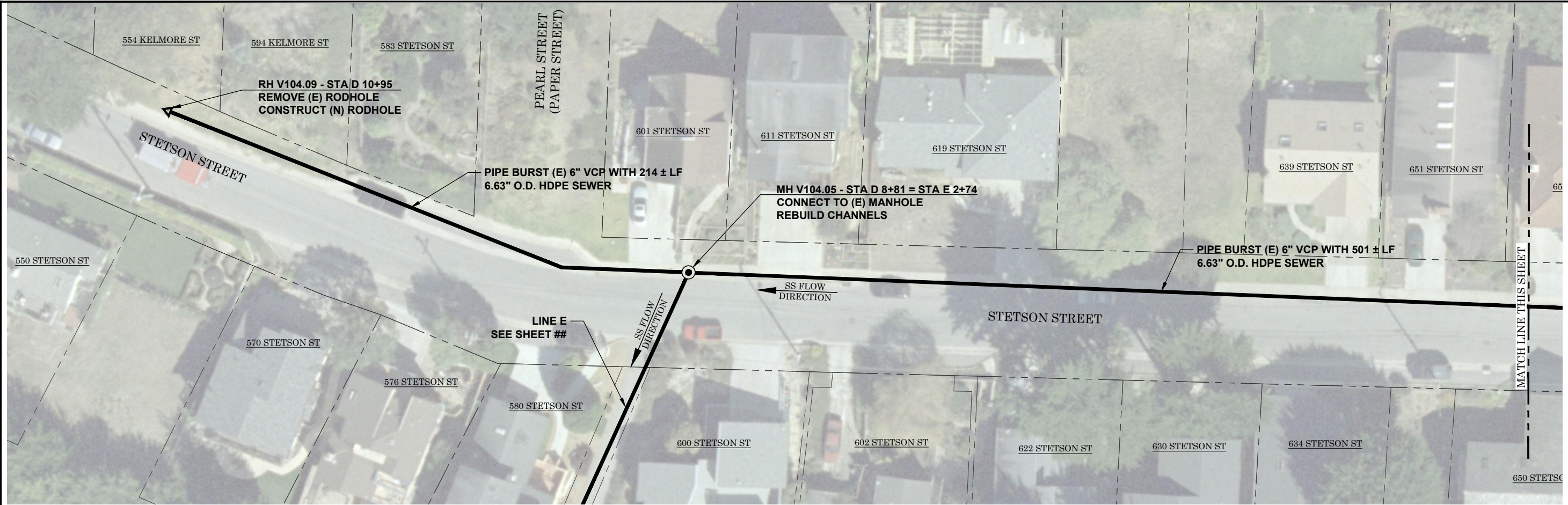


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PREPARED FOR:  <b>Montara Water and Sanitary District</b> 8886 CARBILLO HWY, MONTARA, CALIFORNIA 94027 P: 650-228-5556 WWS@MONTARA.ORG					
CALIFORNIA SAN MATEO COUNTY MONTARA WATER AND SANITARY DISTRICT 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS <b>PIPE BURST PLAN</b> <b>ETHELDORE ST - STA B 0+00 TO STA B 2+02</b> <b>WAVE AVE - STA C 0+00 TO STA C 2+57</b>					
CONTRACT NO.: DATE: June 29, 2020 SHEET:					
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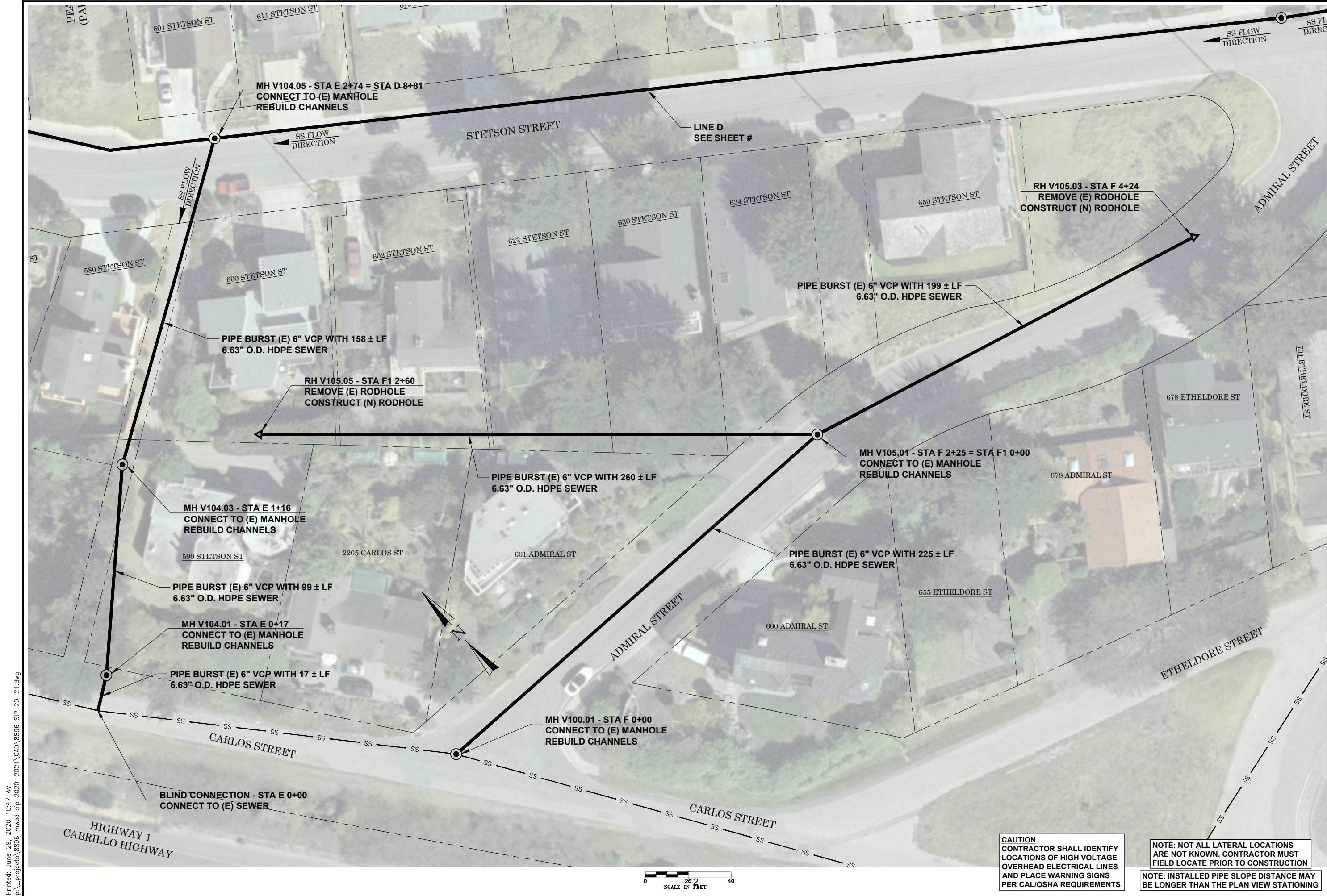
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 P. 650-225-5546 WWW.MONTARA.CA.GOV


CONTRACT NO.:  
 DATE: June 29, 2020  
 SHEET: 9 OF 13

**PIPE BURST PLAN**  
**STETSON STREET**  
**LINE D - STA 0+00 TO STA D 10+95**




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 897 55-550-4480 F. 415-463-9243 nute.biz

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**Montara Water and Sanitary District**  
 8888 CABRILLO HWY. MONTARA, CALIFORNIA 94037  
 P. 650-225-5556 WWS@MONTARA.CA.GOV

CALIFORNIA  
 MONTARA WATER AND SANITARY DISTRICT  
 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS  
**PIPE BURST PLAN ADMIRAL ST AND EASEMENTS**  
 STA E 0+00 TO STA E 2+74  
 STA F 0+00 TO STA F 4+24  
 STA F1 0+00 TO STA F1 2+60

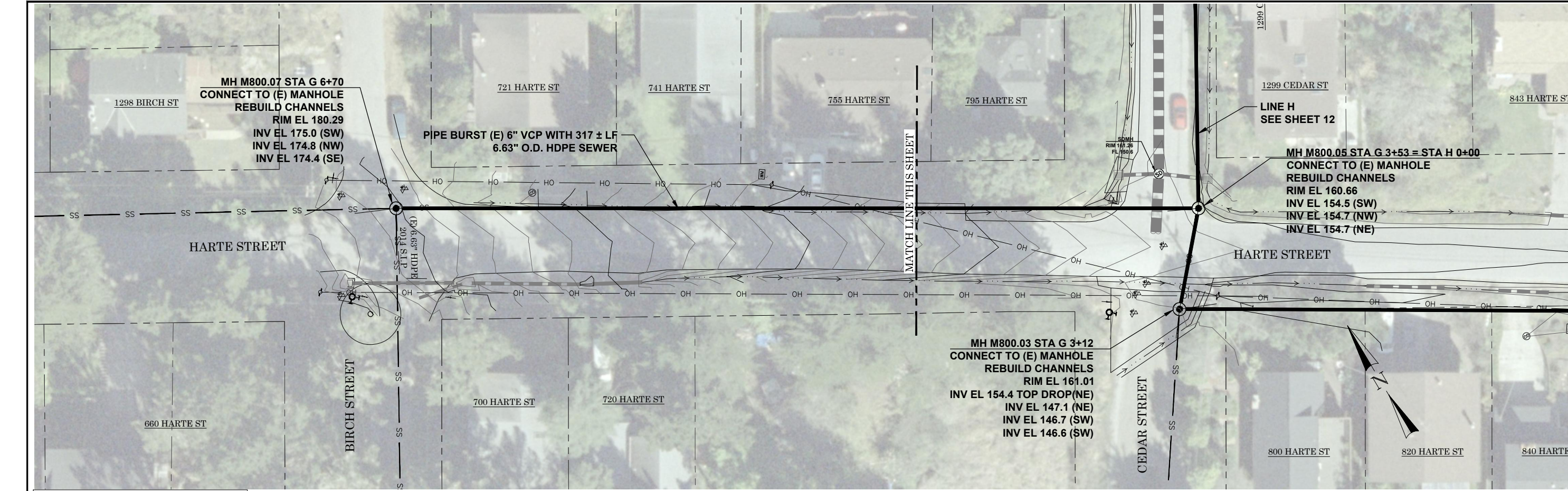
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**CAUTION**  
 CONTRACTOR SHALL IDENTIFY  
 LOCATIONS OF HIGH VOLTAGE  
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 PER CAL/OSHA REQUIREMENTS

**NOTE: NOT ALL LATERAL LOCATIONS  
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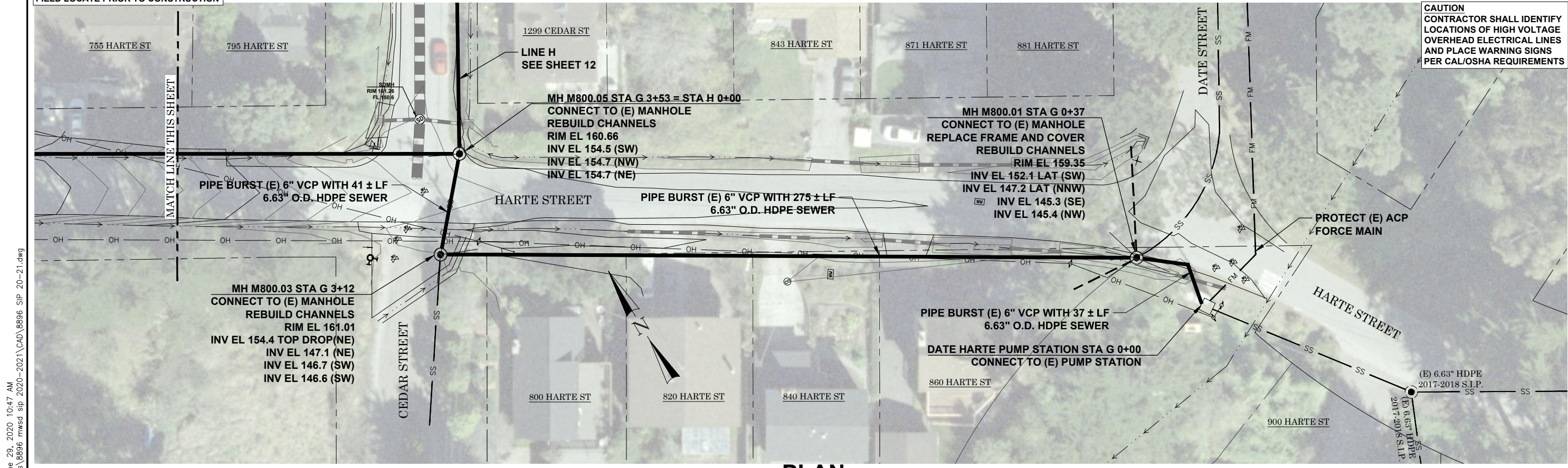
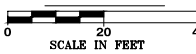
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 BE LONGER THAN THE PLAN VIEW STATIONING**



NOTE: INSTALLED PIPE SLOPE DISTANCE MAY BE LONGER THAN THE PLAN VIEW STATIONING

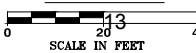
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CAUTION CONTRACTOR SHALL IDENTIFY LOCATIONS OF HIGH VOLTAGE OVERHEAD ELECTRICAL LINES AND PLACE WARNING SIGNS PER CAL/OSHA REQUIREMENTS

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DESIGNED BY: BEO  
 DRAWN BY: MTW  
 CHECKED BY: [Signature]

REGISTERED PROFESSIONAL ENGINEER  
 CIVIL & SANITARY  
 No. C13712  
 Exp. 6/30/21

PREPARED BY: NUTE ENGINEERING  
 Civil and Sanitary Consultants  
 897-459-4480 F. 415-463-9343 nute.biz

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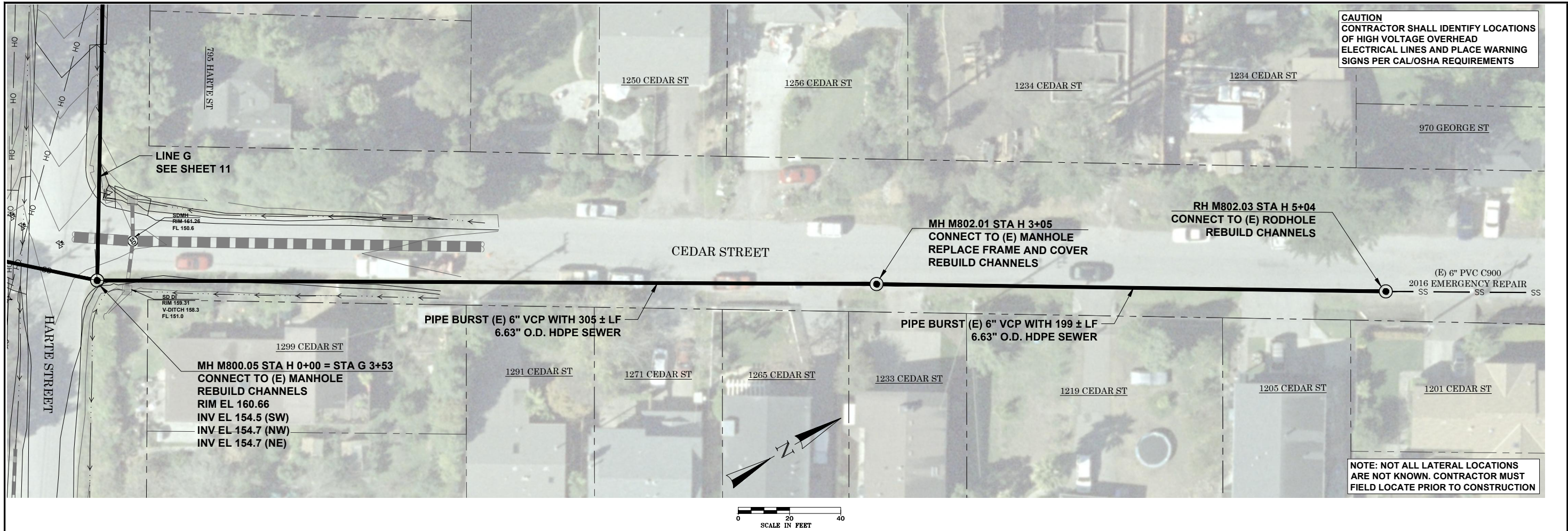
PREPARED FOR: **Montara Water and Sanitary District**  
 8886 CASSELL RD. MONTARA, CALIFORNIA 94027  
 P. 650-225-5546 WWW.MONTARA.ORG

CALIFORNIA CONTRACT NO. 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

PROJECT: PIPE BURST PLAN  
 HARTE STREET  
 STA G 0+00 TO STA G 6+70

DATE: June 29, 2020

SHEET: 11 OF 13



CAUTION  
 CONTRACTOR SHALL IDENTIFY LOCATIONS  
 OF HIGH VOLTAGE OVERHEAD  
 ELECTRICAL LINES AND PLACE WARNING  
 SIGNS PER CAL/OSHA REQUIREMENTS

LINE G  
 SEE SHEET 11

MH M802.01 STA H 3+05  
 CONNECT TO (E) MANHOLE  
 REPLACE FRAME AND COVER  
 REBUILD CHANNELS

RH M802.03 STA H 5+04  
 CONNECT TO (E) RODHOLE  
 REBUILD CHANNELS

(E) 6" PVC C900  
 2016 EMERGENCY REPAIR  
 SS SS SS

PIPE BURST (E) 6" VCP WITH 305 ± LF  
 6.63" O.D. HDPE SEWER

PIPE BURST (E) 6" VCP WITH 199 ± LF  
 6.63" O.D. HDPE SEWER

MH M800.05 STA H 0+00 = STA G 3+53  
 CONNECT TO (E) MANHOLE  
 REBUILD CHANNELS  
 RIM EL 160.66  
 INV EL 154.5 (SW)  
 INV EL 154.7 (NW)  
 INV EL 154.7 (NE)

NOTE: NOT ALL LATERAL LOCATIONS  
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DESIGNED BY	PC
DRAWN BY	BEO
CHECKED BY	MTW

REGISTERED PROFESSIONAL ENGINEER  
 CIVIL & SANITARY CONSULTANTS  
 NUTE ENGINEERING  
 888 CASSELLO HWY. MONTARA, CALIFORNIA 94027  
 P. 650-228-5546 MWSDMONTARA.ORG

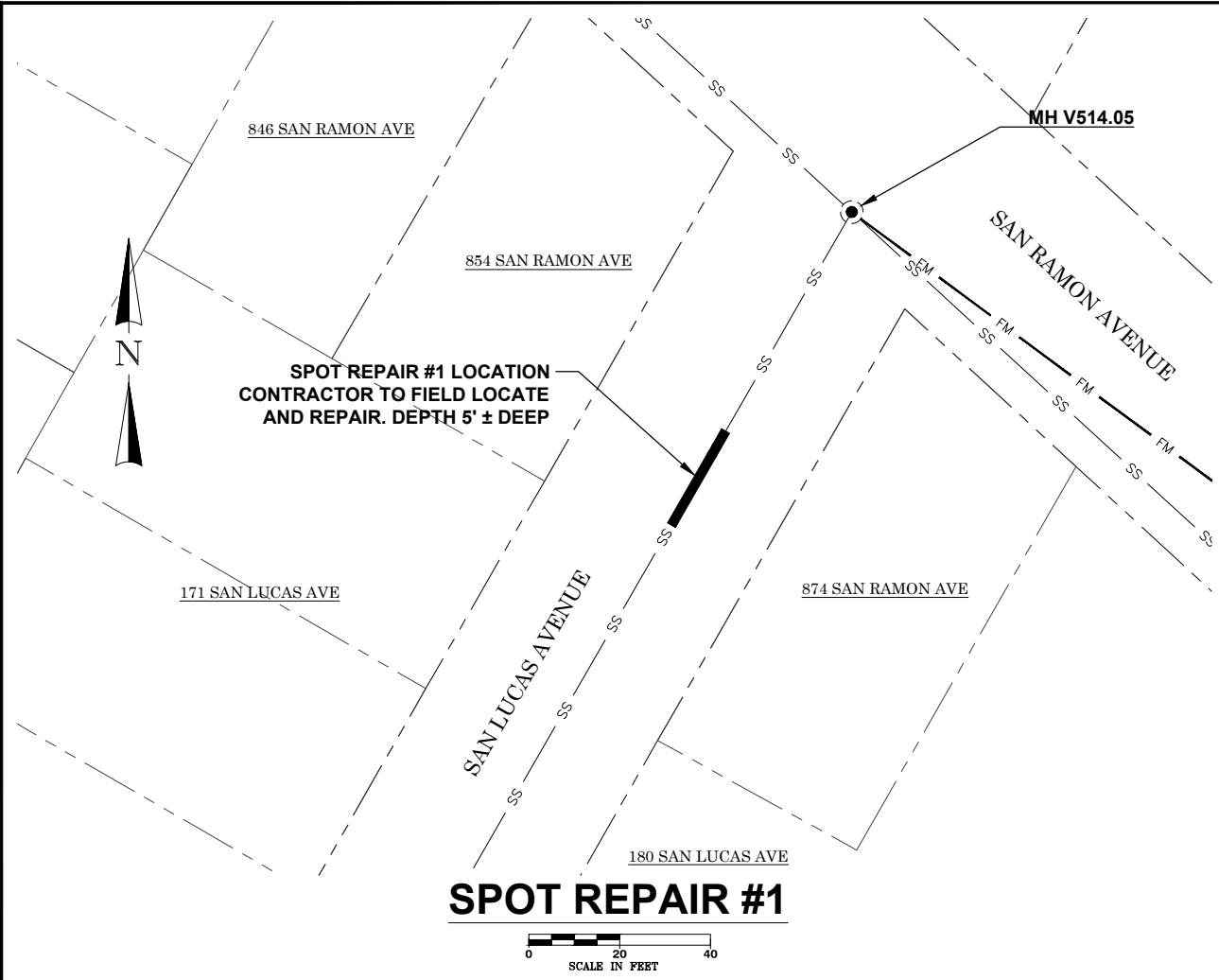
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PROJECT #8896

SAN MATEO COUNTY  
 CALIFORNIA  
 MONTARA WATER AND SANITARY DISTRICT  
 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

**PIPE BURST PLAN  
 CEDAR STREET  
 STA H 0+00 TO STA H 5+04**

DATE	June 29, 2020
SHEET	12 OF 13



**SPOT REPAIR #1**  
 SCALE IN FEET

SAN MATEO COUNTY MONTARA WATER AND SANITARY DISTRICT 2020-2021 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS <b>SPOT REPAIRS</b> <b>SAN LUCAS AVE - SPOT REPAIR #1</b>		PREPARED FOR  8886 CABELLO HWY, MONTARA, CALIFORNIA 94037 P. 650-225-5546 MWSDMONTARA.ORG		PREPARED BY  NUTE ENGINEERING Civil and Sanitary Consultants 877 N. Main Street, Suite 200 T. 415-553-4480 F. 415-453-2343 nute.biz		PROJECT #8896	
DATE:	June 29, 2020	DESIGNED BY:	PC	DESIGNED BY:	PC	DATE:	
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REGISTERED PROFESSIONAL ENGINEER JOHN O. CARREARO No. C13712 Exp. 6/30/21		REGISTERED PROFESSIONAL ENGINEER JOHN O. CARREARO No. C13712 Exp. 6/30/21		REGISTERED PROFESSIONAL ENGINEER JOHN O. CARREARO No. C13712 Exp. 6/30/21		REGISTERED PROFESSIONAL ENGINEER JOHN O. CARREARO No. C13712 Exp. 6/30/21	
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**MONTARA WATER AND SANITARY DISTRICT**  
San Mateo, California

CONTRACT DOCUMENTS

AND

SPECIFICATIONS

FOR THE CONSTRUCTION OF THE

**2020-2021 SEWER IMPROVEMENT PROJECT  
AND  
SPOT REPAIRS**

---

DISTRICT BOARD

Kathryn Slater-Carter – President

Jim Harvey – President Pro Tem

Peter Dekker – Treasurer

Ric Lomond – Secretary

Scott Boyd – Director

Clemens Heldmaier – General Manager

**NOT APPROVED FOR CONSTRUCTION**

**NUTE ENGINEERING**

907 Mission Avenue

San Rafael, California

Tel: (415) 453-4480

Fax: (415) 453-0343

**JUNE 2020**

**MONTARA WATER AND SANITARY DISTRICT**  
San Mateo, California

**2020-2021 SEWER IMPROVEMENT PROJECT  
AND SPOT REPAIRS**

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**SECTION 00020**

**NOTICE INVITING SEALED BIDS**

**MONTARA WATER AND SANITARY DISTRICT**  
San Mateo, California

**2020-2021 SEWER IMPROVEMENT PROJECT  
AND SPOT REPAIRS**

NOTICE IS HEREBY GIVEN that for and on behalf of the District Board, the General Manager of the Montara Water and Sanitary District, San Mateo County, California, will receive up to, but not later than **2:00 PM on the \_\_\_ day of \_\_\_\_\_, 2020**, sealed bids for the award of a Contract for the construction of improvements in the District in strict accordance with the Plans and Specifications therefor entitled, "2020-2021 Sewer Improvement Project And Spot Repairs" dated **June 2020**, prepared by Nute Engineering, Civil and Sanitary Consultants and on file in the office of said District.

The work includes the furnishing of all labor, materials and equipment for the construction and rehabilitation of sanitary sewer mains and complete laterals by pipeburst and open trenching methods, sewer main and manhole spot repairs, including excavation, piping, concrete work, new pipe materials, backfill and surface restoration work, closed circuit television (CCTV), public notification, together with all appurtenances, connections, labor, permits and testing, for the completed and operational project as shown on the Plans and as specified.

Said sealed bids shall be delivered to the District Administrator of the District on or before said date and time, at the District office, 8888 Cabrillo Highway, P. O. Box 370131, Montara, CA 94037. Any bids received after the scheduled closing time for receipt of bids shall be returned unopened. Bids will be publicly opened and examined on said day and hour by the District Administrator or his authorized representative and will be referred to and considered by the Montara Water and Sanitary District Board of Directors at their regular meeting.

Each bid shall be in accordance with said Plans, Specifications and other Contract Documents now on file in the office of the District. Copies may be obtained from Nute Engineering Civil and Sanitary Consultants, 907 Mission Avenue, San Rafael, CA 94901 (415) 453-4480 for a non-refundable price of forty dollars (\$40.00). Plans and specifications may be inspected at the office of Nute Engineering and at the District Office.

The Contractor shall submit with his/her bid a credit report, current within 30 days of the bid opening date for this project. For privacy purposes, the report may be submitted in the envelope marked "CONFIDENTIAL". To be considered a responsible bidder on this project, either the Contractor's credit report shall indicate a Dun & Bradstreet credit risk rating of 1A2 or better or the Contractor's bank shall issue a financial statement on the form in Section 00405.

Notice is hereby given that for any moneys earned by the Contractor and withheld by the District to ensure performance of the contract, the Contractor may, at his/her request and expense, substitute securities equivalent to the amount withheld in the form and manner and subject to the conditions provided in Section 22300 of the Public Contract Code of the State of California.

All proposals or bids shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security: cash, a certified or cashier's check or a bidder's bond executed by an admitted surety insurer, all made payable to the order of the Montara

Water and Sanitary District amounting to ten percent (10%) of the bid. The bidder's security shall be forfeited to said District in case the bidder depositing the same does not, within fifteen (15) days after written notice that the contract has been awarded to him/her, enter into a contract with the District, which contract shall be accompanied by a payment bond and a faithful performance bond, each in a sum equal to one hundred percent (100%) of the amount so bid, under the provisions of Sections 3247 through 3252, inclusive, of the Civil Code of the State of California.

Bidders are hereby notified that provisions of the Labor Code of the State of California, regarding the prevailing wages shall be applicable to the work to be performed under this contract. Pursuant to Labor Code Sections 1770, 1773, 1773.1, 1773.6 and 1773.7 as amended, the general prevailing wage rates have been determined by the Director of the California Department of Industrial Relations and appear in the California Prevailing Wage Rates and said wage rates are available on-line at [www.dir.ca.gov/DLSR/PWD](http://www.dir.ca.gov/DLSR/PWD). It shall be mandatory upon the Contractor to whom the Work is awarded and upon any subcontractor to pay not less than said specified rates to all workers employed by them in the execution of the Work.

No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

The award of contract shall only be made to a Contractor who possesses a Class A (California Contractor's) License, pursuant to Section 3300 of the Public Contract Code.

The District Board may, at its discretion, reject any and all bids or waive any irregularities or informalities in any bid or in the bidding.

No bidder may withdraw his/her bid for a period of sixty (60) days after the date set for  
\*\*\* END OF SECTION\*\*\*

Dated: \_\_\_\_\_

/s/ Clemens Heldmaier  
General Manager, Montara Water and Sanitary District

END OF SECTIONS

**SECTION 00100**  
**INSTRUCTIONS TO BIDDERS**

1.01 DEFINITIONS

All definitions set forth in the General Conditions are applicable to these Instructions to Bidders.

1.02 BIDDING DOCUMENTS

Bidding documents are the Contract Documents, Specifications, the Plans and any Addenda issued prior to receipt of bids.

1.03 SECURING BIDDING DOCUMENTS

The bidding documents may be obtained from the office of Nute Engineering, 907 Mission Avenue, San Rafael, California, 94901 for a cost of forty dollars (\$40.00).

1.04 BIDS

Bids to receive consideration shall be submitted in accordance with the following instructions:

1. Bids shall be made upon the blank Bid form attached hereto. All prices shall be stated in figures only and must be signed in longhand by the bidder. The completed form shall be without interlineations, alterations or erasures.
2. Bids shall be delivered to the General Manager of the Montara Water and Sanitary District on or before the day and hour set for the opening of the bids as published in the Notice Inviting Sealed Bids, which bids shall be enclosed in a sealed envelope bearing the title of the work and the name and address of the bidder.

The Bidder is encouraged to consult the District website at [www.mvsd.org](http://www.mvsd.org) for Directions to the District Office. Directions provided by online GPS services may not be accurate.

Bids, if mailed, must be mailed to the District's post office box well in advanced of the date for bid opening. It typically takes one to three days for mail received at the PO Box to reach the Board Secretary. The Bidder is solely responsible for the bid reaching the Board Secretary on time. Bidders who mail bids are encouraged to verify receipt of their bid, if mailed, the day before the bid opening.

3. Each bid shall be accompanied by one of the following forms of bidders security: cash, a certified or cashier's check, or a bidder's bond executed by an admitted surety insurer acceptable to the District and authorized to issue such bond in the State of California, all made payable to the order of the Montara Water and Sanitary District amounting to ten percent (10%) of the bid. The bidder's security shall be forfeited to said District in case the bidder depositing the same does not, within fifteen (15) days after written notice that the contract has been awarded to him/her, enter into a contract with the District, which contract shall be accompanied by a payment bond and a faithful performance bond, each in a sum equal to one hundred percent (100%) of the amount so bid, under the provisions of Chapter 7, Title 15,



Part 4, Division 3, comprising Section 3247 through Section 3252, inclusive, of the Civil Code of the State of California.

4. Each bid shall be accompanied by a list giving the names, addresses and the portion of the work to be done of each subcontractor who will perform work or labor at the site of the work in an amount exceeding one-half of one percent, or \$10,000, whichever is greater, of the general contractor's total bid price. Only one subcontractor can be listed for each portion of work to be let. Failure to list subcontractors is an express statement by the bidder that it will perform the work with its own forces. The prime contractor may not substitute any person or subcontractor for a listed subcontractor without first obtaining written permission of the District Board of Directors pursuant to Public Contract Code Section 4107.

#### 1.05 OPENING OF BIDS

Bids will be opened and publicly read aloud at the time and place set in the Notice Inviting Sealed Bids.

It is the sole responsibility of the bidder to see that his/her bid is received in proper time. Any bid received after the scheduled closing time for receipt of bids shall be returned to the bidder unopened.

#### 1.06 WITHDRAWAL OF BID

Any bidder may modify or withdraw his/her bid either personally or by telegraphic or written request at any time prior to the scheduled time for receipt of bids. Following withdrawal of the bid, the bidder may submit a new bid providing that such new bid is received prior to the scheduled date for receipt of bids. After the opening of bids, the Contractor's bid may not be withdrawn for a period of sixty (60) days.

Should a bidder claim a mistake was made in its bid, the bidder shall give the District written notice within five (5) calendar days after bid opening of the alleged mistake, and detail in said notice the circumstances under which the mistake occurred in accordance with the Public Contract Code Section 5103. Final determination of relief of bidder shall be made by the District Board of Directors. Should the Board accept the bidder's claim for relief, the bidder shall be relieved from all obligations, and its bid security will be returned.

#### 1.07 MISCELLANEOUS REQUIREMENTS

The estimate of construction quantities hereinafter set forth is approximate only, being given as a basis for the comparison of bids; and the District Board does not expressly or by implication agree that the actual amount of work will correspond therewith, but reserves the right to increase the amount of any class or portion of the work or to omit portions of the work as may be determined necessary or expedient by the District.

#### 1.08 CONTRACTOR QUALIFICATIONS

In accordance with Section 7028.15 of the Business and Professions Code, it is a misdemeanor for any person to submit a bid to a public agency without having a contractor's license. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including but not limited to, any appropriate disciplinary action by the Contractor's State License Board. Bids will not be accepted from a non-licensed contractor.

Each bidder shall set forth in his/her bid, the number, the classification, and the date of expiration of such license.

The District will verify that the Contractor is properly licensed.

If bidder is a corporation, it shall submit its state of incorporation in addition to its business address; if a partnership or joint venture, full names of all partners or joint venturers shall be given in the form included in Section 00300.

The District expressly reserves the right to reject any bid if it determines that the bidder's business and technical organization, financial resources, plant and equipment to be used in performing work, or lack of successful experience in performing work, or lack of successful experience in performing work of a similar type and magnitude, is such that it is not in the District's best interest to accept the bidder's bid.

Contractors or subcontractors who have been determined to have violated any public work laws as set forth in Labor Code Section 1777.1 or 1777.7 shall be denied the privilege to bid the work as provided therein.

#### 1.09 PAYMENTS

Payments shall be made as outlined in the General Provisions herein.

#### 1.10 ACCEPTANCE AND REJECTION OF BIDS

The responsibility of bidders and proposed subcontractors will be considered in making the award. If alternate bid items are included in the bid form, the bidder shall bid the alternate bid items and the District reserves the right to award a contract on the basis of accepting or rejecting alternates pertaining to the base bid.

The bidder further acknowledges the right of the District to reject any or all bids and to waive any informality or irregularity in any bid received. In addition, the bidder recognizes the right of the District to reject a bid as non-responsive if the bidder failed to furnish any required bid security, or to submit the data required by the bidding documents, or if the bid is in any way incomplete or irregular.

#### 1.11 VISIT TO SITE

Before submitting a bid, the bidder shall examine carefully the site of the work, the bid, specifications, plans and the contract forms and shall be fully informed as to all existing conditions to be encountered as to the character, quality and quantity of work to be performed and materials to be furnished and as to the requirements of the bid, specifications, plans and the contract, and shall include in the bid a sum to cover the cost of all items necessary to the satisfactory execution and completion of the work. The Contractor is further advised to make whatever additional investigations deemed necessary in order to be fully informed of the site and conditions affecting the work. The submission of a bid shall be taken as prima facie evidence of compliance with this paragraph.

The Contractor shall contact the District to make arrangements for site visits.

1.12 INTERPRETATION OF PLANS AND DOCUMENTS

Each bidder shall examine the bidding documents carefully, and not later than seven (7) days prior to the date for receipt of bids, shall make written request to the Engineer for interpretation or correction of any ambiguity, inconsistency or error therein which the bidder may discover. Any interpretation or correction will be issued as an Addendum by the Engineer. Only a written interpretation or correction by Addendum shall be binding. No bidder shall rely upon any interpretation or correction given by any other method.

1.13 NOTIFICATION OF ERROR IN BID

Failure of the bidder awarded the contract to notify the District of any ambiguity, inconsistency, or error shall eliminate any and all recourse, including time extensions and contract price adjustments, that the bidder may have against the District occurring as a result of or arising out of such ambiguity, inconsistency, or error.

1.14 ADDENDA OR BULLETINS

Any addenda or bulletins issued during the time of bidding or forming a part of the documents provided to the bidder for bid preparation shall be covered in the bid and shall be made a part of the contract.

1.15 SUBSTITUTIONS

Each bidder represents that his/her bid is based upon the materials and equipment described in the bidding documents.

Proposals for substitution of materials, methods and alternatives thereto not specified in the Contract documents shall be submitted in writing to the District. Failure to submit requests for substitutions will be considered as evidence that the work will be accomplished with materials and by methods specified in a manner approved by the District.

If the District approves any proposed substitution, such approval will be set forth in an Addendum.

1.16 CONTRACT BONDS

The successful bidder, at his/her own expense, simultaneously with the execution of the Agreement, will be required to furnish a payment bond and a faithful performance bond, each equal in amount to one hundred percent (100%) of the total bid price. Said bonds shall be secured by a surety satisfactory to the District and authorized by the California State Department of Insurance to transact business in California. The faithful performance bond shall be made effective for a period of one (1) year after date of acceptance of the work guaranteeing the prompt correction of faulty installation and the replacement of defective materials. Bonds shall contain provisions to make them enforceable by the District. Said bonds shall contain a provision that the surety thereon waives the provisions of Section 2819 of the Civil Code of the State of California.

#### 1.17 TIME FOR EXECUTION OF CONTRACT AND DAMAGES FOR FAILURE TO EXECUTE

The bidder whose bid shall be accepted will be required to execute the contract and furnish bonds within fifteen (15) days after receiving notice in writing that his/her bid has been accepted.

Failure or neglect to execute the contract shall constitute a breach of the agreement affected by the acceptance of the bid, and the amount of the bidder's security accompanying the bid of such bidder shall be forfeited to the District.

#### 1.18 TIME FOR STARTING AND COMPLETION

The Contractor shall commence work and diligently prosecute the work to completion within the time limits set in Section 01010, included herein.

#### 1.19 PREVAILING WAGES

Bidders are hereby notified that pursuant to Section 1773 of the Labor Code of the State of California, the District Board has obtained from the Director of the Department of Industrial Relations, the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work for each craft, classification or type of worker required to construct said improvements. A copy of said prevailing rate of per diem wages is on file in the office of the District, to which reference is hereby made for further particulars. Said prevailing rate of per diem wages shall be made available to any interested party upon request, and the successful bidder shall post a copy thereof at the job site.

The Contractor will be required to comply with all provisions of Article 2, Chapter 1, Part 7, Division 2 (commencing with Section 1770) of the Labor Code of the State of California.

It shall be mandatory upon the Contractor to whom the contract is awarded and upon any subcontractor to pay not less than the said specified rates to all laborers, workers and mechanics employed by them in the execution of the contract.

#### 1.20 HOURS OF WORK

The Contractor shall forfeit as penalty twenty-five dollars (\$25.00) for each worker employed in the execution of the contract by him/her or by any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, in violation of the provisions of Article 3, Chapter 1, Part 7, Division 2 of the Labor Code of the State of California and all amendments thereto.

#### 1.21 DISCRIMINATION

In accordance with Section 1735 of the Labor Code, no discrimination shall be made in the employment of persons upon any part of the contemplated work because of race, color, national origin, ancestry, religious creed, physical disability, mental disability, medical condition, marital status, or sex of such persons, except as provided in Section 12940 of the Government Code.

## 1.22 EMPLOYMENT OF APPRENTICES

The Contractor and any subcontractor under him/her shall comply with the requirements of Section 1777.5, 1777.6 and 1777.7 of the Labor Code in the employment of apprentices.

Any Contractor or subcontractor employing apprentices must comply with all applicable provisions in Labor Code Section 1777.5.

Attention is directed to Section 1777.7 of the Labor Code, which penalizes contractors and subcontractors for failure to comply with Section 1777.5, including the denial of the right to bid on future public works contracts and civil penalties of \$100 per calendar day of non-compliance.

Attention is also directed to Section 1777.5 of the Labor Code, which requires the Contractor to make contributions to funds established for the administration of apprenticeship programs if registered apprentices or journeypeople are employed in an apprenticeable trade on such contracts.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

## 1.23 WORKERS' COMPENSATION

The Contract requires that the Contractor must secure payment of workers' compensation for employees pursuant to Labor Code Section 3700.

## 1.24 COMPARISON OF BIDS

Bids will be compared on the basis of the total bid stated in Section 00300, Bid.

For the purpose of initial evaluation of bids, the following will be utilized in resolving arithmetic discrepancies and conflicts found on the face of the bidding schedule as submitted by bidders:

- a. In case of discrepancy between unit price and extended price, the unit price will govern and will be used to correct the extension of unit prices.
- b. Apparent errors in addition of lump-sum and extended prices will be corrected.
- c. If no monetary symbol (\$ or ¢) is entered with a unit price, lump sum, or extension, a dollar sign (\$) will be assumed to be the bidder's intent.
- d. In the event that there is a discrepancy in the bid between the lump-sum price or unit price written in words and those indicated in figures, the price written in words shall govern.

The District agrees to examine and consider each bid submitted in consideration of the bidder's agreements, as hereinabove set forth and as set forth in the bid forms.

Any bid which in the opinion of the District is so unbalanced between the various Contract items as to be detrimental to the best interests of the District will be rejected.

END OF SECTION

**SECTION 00300**

**MONTARA WATER AND SANITARY DISTRICT**  
San Mateo, California

**BID**

For the Construction of the

**2020-2021 SEWER IMPROVEMENT PROJECT  
AND  
SPOT REPAIRS**

To the Honorable Board of Directors  
Montara Water and Sanitary District  
P. O. Box 370131  
Montara, CA 94037

Dear Board Members:

The undersigned, as bidder, declares that he/she has carefully examined the Notice Inviting Sealed Bids, Instructions to Bidders, Specifications and Plans, as well as the site and conditions affecting the work, and the bidder proposes and agrees that if this bid is accepted, he/she will contract with the Montara Water and Sanitary District to provide all necessary machinery, tools, labor and apparatus for construction and do all the work and furnish all the materials called for by the Contract Documents in the manner and time therein set forth required for the construction of the District project, complete and in operating condition.

Construction shall be in strict accordance with the Contract Documents, Specifications and Plans prepared therefore and adopted by the District Boards, which Contract Documents, Specifications and Plans are hereby made a part hereof.

The bidder proposes and agrees to contract with said Districts to furnish and perform all of the described work, including subsidiary obligations as defined in said Contract Documents and Specifications, for the following prices, which include all applicable sales taxes, to-wit:

## BID FORM

<b>BASE BID</b>						<b>ADDITIVE ALTERNATE BID</b>				
						NOTE: Add Alt Total Amount = Base Bid Unit Price x Add Alt Quant (Does not apply to Lump Sum Bid Items)				
No	Quant	U/M	Item Description	Unit Price	BASE BID Total Amount	No	Quant	U/M	Item Description	ADD ALT Total Amount
1	1	LS	MOBILIZATION, DEMOBILIZATION, SWPPP, PERMITS & LICENSES, AND INSTALL PROJECT SIGNS			A-1	1	LS	MOBILIZATION, DEMOBILIZATION, SWPPP, PERMITS & LICENSES, AND INSTALL PROJECT SIGNS	
2	4345	LF	PRECONSTRUCTION CLEANING AND TELEVISIONING AND LOCATION OF EXISTING SEWER MAINS			A-2	1	LF	PRECONSTRUCTION CLEANING AND TELEVISIONING AND LOCATION OF EXISTING SEWER MAINS	
3	2292	LF	PIPEBURST (E) 6" VCP SEWER WITH 6.63" OD DR17 HDPE			A-3	2053	LF	PIPEBURST (E) 6" VCP SEWER WITH 6.63" OD DR17 HDPE	
4	3	EA	REMOVE (E) SEWER RODHOLE			A-4	3	EA	REMOVE (E) SEWER RODHOLE	
5	3	EA	INSTALL NEW RODHOLE AND RAISE TO GRADE			A-5	3	EA	INSTALL NEW RODHOLE AND RAISE TO GRADE	
6	20	EA	CONNECT TO (E) MANHOLE AND REBUILD MANHOLE CHANNEL(S)			A-6	14	EA	CONNECT TO (E) MANHOLE AND REBUILD MANHOLE CHANNEL(S)	
7	11	EA	REPLACE MANHOLE FRAME & COVER AND RAISE TO GRADE			A-7	7	EA	REPLACE MANHOLE FRAME & COVER AND RAISE TO GRADE	
8	50	EA	FIELD LOCATE AND POTHOLE (E) SEWER LATERALS			A-8	30	EA	FIELD LOCATE AND POTHOLE (E) SEWER LATERALS	
9	50	EA	INSTALL NEW 4" LATERAL TWO WAY CLEANOUT, SEWER RELIEF VALVE AND CLEANOUT BOX			A-9	30	EA	INSTALL NEW 4" LATERAL TWO WAY CLEANOUT, SEWER RELIEF VALVE AND CLEANOUT BOX	



**BID FORM (CONTINUED)**

<b>BASE BID</b>						<b>ADDITIVE ALTERNATE BID</b>				
						NOTE: Add Alt Total Amount = Base Bid Unit Price x Add Alt Quant (Does not apply to Lump Sum Bid Items)				
No	Quant	U/M	Item Description	Unit Price	BASE BID Total Amount	No	Quant	U/M	Item Description	ADD ALT Total Amount
10	1250	LF	REPLACE 4" LOWER LATERALS TO HOUSE			A-10	950	LF	REPLACE 4" LOWER LATERALS TO HOUSE	
11	500	SF	REMOVE AND REPLACE CONCRETE ROAD OR CONCRETE DRIVEWAY			A-11	100	SF	SAWCUT AND REMOVE CONCRETE OR CONCRETE ROAD	
12	75	TON	ASPHALT CONCRETE TRENCH REPAIR AND RESTORATION			A-12	25	TON	ASPHALT CONCRETE TRENCH REPAIR AND RESTORATION	
13	1	LS	REPLACE PAVEMENT MARKINGS			A-13	1	LS	REPLACE PAVEMENT MARKINGS	
14	1	LS	SHORING FOR ALL EXCAVATIONS			A-14	1	LS	SHORING FOR ALL EXCAVATIONS	
15	1	LS	TRAFFIC CONTROL AND PUBLIC NOTIFICATIONS			A-15	1	LS	TRAFFIC CONTROL AND PUBLIC NOTIFICATIONS	
16	7	EA	EXCAVATE AND SPOT REPAIR SEWER PIPE			A-16	1	EA	EXCAVATE AND SPOT REPAIR SEWER PIPE	
17	12	EA	POTHOLE UTILITY MAINS			A-17	4	EA	POTHOLE UTILITY MAINS	
18	12000	EA	INTERNAL TELEVISIONING OF NEW SEWER MAINS AND ADDITIONAL SEWERS, PACP			A-18	6000	EA	INTERNAL TELEVISIONING OF NEW SEWER MAINS AND ADDITIONAL SEWERS, PACP	
19	28	EA	INTERNAL TELEVISIONING OF NEW SEWER LATERALS			A-19	51	EA	INTERNAL TELEVISIONING OF NEW SEWER LATERALS	
20	1	LS	PERMITS AND LICENCES			A-20	1	LS	PERMITS AND LICENCES	
21	1	LS	RECORD DRAWING		\$5,000	A-21	1	LS	RECORD DRAWING	\$2,500
<b>TOTAL BASE BID</b>		<b>ITEMS 1 through 21 inclusive and all work connected thereto and connected therewith.</b>				<b>TOTAL ADDITIVE ALTERNATE</b>		<b>ITEMS A-1 through A-21 inclusive and all work connected thereto and connected therewith.</b>		

The District will award the contract on the basis of the total BASE BID only.

It is understood and mutually agreed that the quantities of work shown herein are approximate only and are subject to increase or decrease, or deleted at the Districts discretion and the undersigned offers to do the work, whether the quantities are increased or decreased, at the unit prices stated in this bid. If units are decreased or deleted, the District will not be held liable of any unrealized profits.

Detailed descriptions of each bid item are in Section 01025 of this Specification.

In submitting this bid, it is understood by the bidder that the right is reserved by the District to reject any and all bids and to waive any irregularities or informalities in any bid or in the bidding.

The undersigned acknowledges that bidder is skilled and experienced in the use and interpretation of plans and specifications and has carefully reviewed the plans and specifications for this project and has found them free of ambiguities and sufficient for bid purposes. Further, bidder has carefully examined the site of the work and, from his/her own observations, is satisfied as to the nature and location of the work, the character, quality and quantity of materials, and the difficulties likely to be encountered, and other items which may affect the performance of the work. The Bidder further acknowledges that the site examination has provided adequate and sufficient information related to existing conditions which may affect cost, progress or performance of the Work. The bid is based solely on these documents and observations and has not relied in any way on any explanation or interpretation, oral or written, from any other source.

The undersigned has checked carefully all the above figures and understands that the District will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

It is understood and agreed that the undersigned will complete the work of the contract within the time provided for in the Contract Documents and Specifications governing said work.

The undersigned bidder agrees that if notified of the acceptance of this bid within sixty (60) days of the time set for opening of bids, bidder will execute the contract for the above work and for the above-stated compensation, will furnish satisfactory bonds in the sum specified guaranteeing faithful performance and payment of bills, and will complete the work within the time provided for in the Contract Documents and Specifications covering the work.

The undersigned hereby certifies that this bid is genuine and not sham or collusive or made in the interest or in behalf of any persons not herein named and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm, or corporation to refrain from bidding and that the undersigned has not in any manner sought by collusion to secure for himself/herself an advantage over any other bidder. Accompanying this bid is cash, a bid bond, certified check or cashier's check, payable to or in favor of the Montara Water and Sanitary District, which it is agreed (pursuant to the Instructions to Bidders) shall be forfeited to the District if the undersigned fails to execute a contract for the performance of this work embraced by this bid and to furnish the necessary bonds specified within fifteen (15) days after notification of the award to the undersigned.

In accordance with Section 7028.15 of the Business and Professions Code, it is a misdemeanor for any person to submit a bid to a public agency without having a Contractor's License. The Montara Water and Sanitary District will verify that the Contractor is properly licensed before awarding the contract.

The undersigned Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing performance of the work of this contract.

Addenda Acknowledged

I hereby acknowledge receipt of the following addenda:

Addendum No. 1 \_\_\_\_\_ Addendum No. 2 \_\_\_\_\_ Addendum No. 3 \_\_\_\_\_

Addendum No. 4 \_\_\_\_\_ Addendum No. 5 \_\_\_\_\_ Addendum No. 6 \_\_\_\_\_

## SIGNATURES

### PRIME CONTRACTING FIRM ORGANIZATION

Type of Organization: \_\_\_\_\_  
Corporation                      Partnership                      Individual

Names of individual members of the firm:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Corporation President: \_\_\_\_\_

Name of Corporation Secretary: \_\_\_\_\_

Corporation is organized under the laws of the State of \_\_\_\_\_

FIRM: \_\_\_\_\_

BY: \_\_\_\_\_

Signature

(                      ) \_\_\_\_\_

Corporate

(                      ) \_\_\_\_\_

Seal

(                      ) \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

CONTRACTOR'S LICENSE NO: \_\_\_\_\_ EXPIRATION DATE: \_\_\_\_\_

Note: If Bidder is a corporation, the legal name of the corporation shall be set forth above together with the signature of the officer or officers authorized to sign contracts on behalf of the corporation. If bidder is a co-partnership, the true name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the co-partnership; and if Bidder is an individual, his/her signature shall be placed above. If signature is an agent, other than an officer of a corporation or a member of a partnership, a Power of Attorney must be on file with the District prior to opening of Bids or submitted with the Bid; otherwise, the Bid will be disregarded as irregular and unauthorized.

**NON-COLLUSION AFFIDAVIT**

The following Non-Collusion Affidavit is submitted by the Bidder in accordance with Section 7106 of the Public Contract Code of the State of California.

State of California )  
County of \_\_\_\_\_ ) ss.

\_\_\_\_\_, being first duly sworn, deposes and says that he or she

is \_\_\_\_\_ of \_\_\_\_\_, the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Notary Public in and for the State of California

**DESIGNATION OF SUBCONTRACTORS**

In compliance with the provisions of Sections 4100-4113 of the Public Contract Code of the State of California, and any amendments thereof, each Bidder shall set forth below: (1) the name and the location of the place of business of each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work in an amount in excess of one-half of one percent (½%) of the Contractor's total bid or \$10,000, whichever is greater, and (2) the portion of the work which will be done by each Subcontractor.

If the Contractor fails to specify a Subcontractor for any portion of the work to be performed under the contract, the Contractor shall be deemed to have agreed to perform such portion himself/herself, and he/she shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the work as to which no Subcontractor was designated in the original bid shall be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the Board of Directors of the District.

List below the name, location of the place of business and contractor's license number of each subcontractor and the portion of the work to be done by each subcontractor.

1.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
2.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
3.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
4.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
5.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
6.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
7.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
8.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
9.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work

10.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
11.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
12.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
13.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
14.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work
15.	_____	_____
	Name of Subcontractor	Contractor's License No.
	_____	_____
	Location of Business	Portion of Work

**BID BOND**

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, \_\_\_\_\_  
as Principal, and \_\_\_\_\_ as Surety, are hereby held and firmly bound unto the  
Montara Water and Sanitary District as OWNERS in the penal sum of  
\_\_\_\_\_ for the payment of which, well and truly to be made, we hereby  
jointly and severally bind ourselves, successors and assigns.

Signed, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

The Condition of the above obligation is such that, where the Principal has submitted to the  
Montara Water and Sanitary District a certain BID, attached hereto and hereby made a part  
hereof, to enter into a contract in writing for the construction of the 2017-2018 Sewer  
Improvement Project And Spot Repairs, and

NOW, THEREFORE;

- (a) If said BID shall be rejected, or
- (b) If said BID shall be accepted and the Principal shall execute and deliver a contract in the  
CONTRACT attachment hereto (properly completed in accordance with said BID) and  
shall furnish BONDS for faithful performance of said contract, and for the payment of all  
persons performing labor or furnishing materials in connection therewith, and shall in all  
other respects perform the agreement created by the acceptance of said BID, then this  
obligation shall be void; otherwise the same shall remain in force and effect, it being  
expressly understood and agreed that the liability of the Surety for any and all claims  
hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety  
and its BOND shall be in no way impaired or affected by any extension of the time which the  
OWNER may accept such BID; and said Surety does hereby waive notice of any such  
extension.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals,  
and such of them as are corporations have caused their corporate seals to be hereto affixed and  
these presents to be signed by their proper officers, the day and year first set forth above.

\_\_\_\_\_  
Principal  
\_\_\_\_\_



By: \_\_\_\_\_

\_\_\_\_\_  
Surety

\_\_\_\_\_  
Business Address of Surety

\_\_\_\_\_  
Telephone Number of Surety

By: \_\_\_\_\_  
Attorney-in-Fact

Note: Signature of person executing for Surety must be notarized and evidence of corporate authority attached.

The Contractor shall use this form of Bid Bond.

## CONTRACTOR SAFETY STANDARDS

1. Contractor Pre-qualification (EMR, RIR, LTIR): The project shall be contracted to the lowest responsible bidder. The Montara Water and Sanitary District will determine, in part, whether a contractor is a responsible bidder based on its safety record, using three methods:
  - Experience Modification Rate (EMR)
  - Recordable Incident Rate (RIR)
  - Lost Time Incident Rate (LTIR)
2. INSTRUCTION TO BIDDERS: In accordance with Sections 20162, 20783 and 20803 of the California Public Contract Code, the following safety qualification guidelines shall be used. For a BIDDER's bid to be considered, both the BIDDER and their first tier subcontractors listed on the bidders list of subcontractors shall each meet at least two of the three minimum safety standards as specified hereinafter. BIDDER shall submit the appropriate proposal forms hereinbelow as part of the bid to demonstrate the BIDDER's safety qualifications.

The low BIDDER must submit all of their first tier subcontractor's safety qualifications proposal forms no later than the next working day after the bid opening.

3. If either BIDDER or first tier subcontractor cannot satisfy two of the three minimum safety standards, BIDDER's will be allowed the option of meeting only one of the minimum safety standards, but in doing so, the BIDDER will be required to provide at BIDDERS expense the services of a third-party safety consultant specializing in the type of work to be performed that is acceptable to the District.
4. The third party safety consultant will be used in the capacity of reviewing the Contractor's Site Safety and Project Safety Plans, providing periodic monitoring of site safety at a frequency to be determined by the District, reviewing special safety hazards not addressed in the Contractor's safety plans and reviewing and evaluating the safety incidents that occur during the project.
5. Experience Modification Rate (EMR or Exmod): Experience modification rates are calculated by the insurance industry as a way to determine equitable workers' compensation insurance premiums. It is calculated as a three-year moving average. Due to the particular safety hazards inherited in working in a wastewater collection, handling, treatment and/or disposal environment, the District has deemed it necessary that a BIDDER shall have a current three-year average EMR of 1.1 or lower to be considered a responsible bidder.
6. Recordable Incident Rate (RIR): The RIR is a measure of the frequency of injuries and is a measure of all occupational injuries and illnesses that occur within an organization. It is calculated from the OSHA Log 300 form. Due to the particular safety hazards inherited in working in a wastewater collection, handling, treatment and/or disposal environment, the District has deemed it necessary that a BIDDER shall have a current three-year average MR of 5.4 or lower to be considered a responsible bidder.
7. Lost Time Incident Rate (LTIR): The LTIR is an indicator of the severity of a company's occupational injuries. The LTIR deals only with incidents that result in lost work time. Like the RIR, the information needed to calculate the LTIR is derived OSHA Log 300 form. Due to the particular safety hazards inherited in working in a

wastewater collection, handling, treatment and/or disposal environment, the DISTRICT has deemed it necessary that a BIDDER shall have a current three-year average LTIR of 3.1 or lower to be considered a responsible bidder.

**SAFETY PROGRAM QUALIFICATION CRITERIA**

**Experience Modification Rate**

The following information will be used to determine if you meet the minimum safety requirements for this project. To qualify, you must not have a three-year average Workers' Compensation Experience Modification Rate greater than 1.1.

This form shall be submitted by the primary contractor and first tier subcontractors.

Enter your Experience Modification Rate for the last three complete years (available from your insurance carrier).		
20 _____	EMR=_____	
20 _____	EMR=_____	
20 _____	EMR=_____	
a) Three-Year Average = _____		
Company Name: _____		
Contact Name: _____ Telephone: _____		
To verify the above information, we will contact your workers' compensation insurance carrier. Please authorize your carrier to release this information. Failure to do so will result in automatic disqualification.		
Workers' Compensation Insurance Company: _____		
Contact Name: _____ Telephone: _____		
Qualified [ ]	Not Qualified [ ]	EMR Information Verified [ ]

**SAFETY PROGRAM QUALIFICATION CRITERIA**

**Recordable Incident Rate**

The following information will be used to determine if you meet the minimum safety requirements for this project. To qualify, you must not have a three-year average Recordable Incident Rate greater than 5.4. This value is based on 2006 U.S. Bureau of Labor Statistics data for industry group Utility system construction using national private sector averages.

Please calculate the RIR for the last three complete years as follows. This form shall be submitted by the primary contractor and first tier subcontractors. Incident rate information is on your OSHA Log 300.

Total number of recordable incidents

<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Recordable Incidents</th> </tr> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Number</th> </tr> </thead> <tbody> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> </tbody> </table>	Recordable Incidents		Year	Number	20 _____	_____	20 _____	_____	20 _____	_____	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Total Employee Hours Worked</th> </tr> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Hours</th> </tr> </thead> <tbody> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> </tbody> </table>	Total Employee Hours Worked		Year	Hours	20 _____	_____	20 _____	_____	20 _____	_____
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<div style="border: 1px solid black; padding: 10px; margin: 0 auto; width: 80%;"> <p>Enter your Total Recordable Incident Rate for each of the last three complete years</p> <p>20 _____ RIR _____</p> <p>20 _____ RIR _____</p> <p>20 _____ RIR _____</p> <p>Three-Year Average = _____</p> </div>																					
<p>Company Name: _____</p>																					
<p>Contact Name: _____ Do not write in this space Telephone: _____</p>																					
<p>Qualified [ <input type="checkbox"/> ]      Not Qualified [ <input type="checkbox"/> ]      RIR Information Verified [ <input type="checkbox"/> ]</p>																					

**SAFETY PROGRAM QUALIFICATION CRITERIA**

**Lost Time Incident Rate**

The following information will be used to determine if you meet the minimum safety requirements for this project. To qualify, you must not have a three-year average Lost Time Incident Rate greater than 3.1. This value is based on 2006 U.S. Bureau of Labor Statistics data for industry group Utility system construction using national private sector averages.

Incident rate information is on your OSHA Log 300. Please calculate the LTIR for the last three complete years as follows. This form shall be submitted by the primary contractor and first tier subcontractors.

Total number of lost-time incidents

<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Lost-time Incidents</th> </tr> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Number</th> </tr> </thead> <tbody> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> </tbody> </table>	Lost-time Incidents		Year	Number	20 _____	_____	20 _____	_____	20 _____	_____	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Total Employee Hours Worked</th> </tr> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Hours</th> </tr> </thead> <tbody> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> <tr> <td>20 _____</td> <td>_____</td> </tr> </tbody> </table>	Total Employee Hours Worked		Year	Hours	20 _____	_____	20 _____	_____	20 _____	_____
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<div style="border: 1px solid black; padding: 10px; margin: 0 auto; width: 80%;"> <p>Enter your Lost-time Incident Rate for each of the last three complete years</p> <p>20 _____ LTIR _____</p> </div>																					

**SECTION 00405**

**FINANCIAL QUALIFICATIONS**

**BIDDER'S REFERENCES AND CREDIT REPORT**

The three lowest bidders shall submit no later than the next working day a credit report, current within 30 days of the bid opening date for this project. For privacy purposes, the report may be submitted in an envelope marked "CONFIDENTIAL". To be considered a responsible bidder on this project, either the Contractor's credit report shall indicate a Dun & Bradstreet credit risk rating of as specified below or better or the Contractor's bank shall issue a financial statement on the form attached as **FINANCIAL STATEMENT FORM**. If the Contractor is a Dun & Bradstreet member, a copy of the current Dun & Bradstreet rating form showing a rating not less than the specified rating.

**The specified Dun and Bradstreet credit risk rating for this project is 1A2 or better.**

If the Contractor is not a Dun & Bradstreet member, an acceptable credit report shall consist of the submittal of the District's Financial Statement Form (attached as Financial Qualifications - 2) executed by the Contractor's bank. Failure to submit the required report with the bid for this project shall cause the bid to be rejected. Failure to possess the required financial strength and credit risk rating shall cause the bid to be rejected. The District shall request confirmation of the Contractor's rating from Dun & Bradstreet Information Services. The sufficiency of the Bidder's financial qualifications will be determined solely by the District and its decision shall be final.

Reference is hereby made to the following bank or banks as to the financial responsibility and general reliability of the Bidder:

<u>Name of Bank</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____

Reference is hereby made to the following surety companies as to the financial responsibility and general reliability of the Bidder:

Name of Surety Company \_\_\_\_\_  
Signature of Bidder \_\_\_\_\_  
Title \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_

**FINANCIAL STATEMENT FORM**

\_\_\_\_\_ has an established deposit  
and borrowing relationship with \_\_\_\_\_ since  
(Bank)

\_\_\_\_\_. Both business account and credit accommodations are maintained in  
(Date)

a highly satisfactory manner. Based on my knowledge of \_\_\_\_\_ 's  
(Contractor)

Average monthly business account balances and its credit worthiness, I believe its general financial strength and credit rating meet or exceed the Dun & Bradstreet alphanumeric rating of not less than 1A2.

\_\_\_\_\_  
Contractor Company Name

\_\_\_\_\_  
Contractor Representative, Printed Name

\_\_\_\_\_  
Contractor Representative, Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bank Name

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
City/State/Zip Code

\_\_\_\_\_  
Bank Representative, Printed Name

\_\_\_\_\_  
Bank Representative, Signature

\_\_\_\_\_  
Date

Following are two Dun & Bradstreet rating component sheets to assist in the evaluation of the responsible bidder's tangible net worth and credit worthiness.

### D & B Rating Key

Quickly assesses a company's size and composite credit appraisal, e.g., a company rated 3A3 has a worth of \$1,000,000 - \$9,999,000 based on an interim or fiscal balance sheet and a composite credit appraisal of 'Fair'.

#### Key to Employee Range

ER1	1,000 or more
ER2	500-999
ER3	100-499
ER4	50-99
ER5	20-49
ER6	10-19
ER7	5-9
ER8	1-4
ERN	Not Available

<u>Rating Classification</u>				<u>Composite Credit Appraisal</u>			
<u>Based on Worth from Interim or Fiscal Balance Sheet</u>				<u>HIGH</u>	<u>GOOD</u>	<u>FAIR</u>	<u>LIMITED</u>
5A	\$50,000,000	and	over	1	2	3	4
4A	10,000,000	to	\$49,999,999	1	2	3	4
3A	1,000,000	to	9,999,999	1	2	3	4
2A	750,000	to	999,999	1	2	3	4
1A	500,000	to	749,999	1	2	3	4
BA	300,000	to	499,999	1	2	3	4
BB	200,000	to	299,999	1	2	3	4
CB	125,000	to	199,999	1	2	3	4
CC	75,000	to	124,999	1	2	3	4
DC	50,000	to	74,999	1	2	3	4
DD	35,000	to	49,999	1	2	3	4
EE	20,000	to	34,999	1	2	3	4
FF	10,000	to	19,999	1	2	3	4
GG	5,000	to	9,999	1	2	3	4
HH		up	to 4,999	1	2	3	4

<u>Rating Classification</u>				<u>Composite Credit Appraisal</u>		
<u>Based on Number of Employees</u>				<u>GOOD</u>	<u>FAIR</u>	<u>LIMITED</u>
1R	10 employees	and	over	2	3	4
2R	1	to	9	2	3	4

### What the Ratings Mean

5A to HH – '5A' to 'HH' Ratings reflect company size based on worth or equity as computed by D&B. Company size can be an effective indicator of credit capacity. These Ratings are assigned to businesses that have supplied D&B with a current financial statement.

1R and 2R – the '1R' and '2R' Rating categories reflect company size based on the total number of employees for the business. They are assigned to business files that do not contain a current financial statement.

Composite Credit Appraisal: The Composite Credit Appraisal is a number, one through four, that makes up the second half of the company's rating and reflects D&B's overall assessment of that firm's credit worthiness. The Composite Credit Appraisal is based on analysis by D&B of company payments, financial information, public records, business age and other important factors (where available).

A '2' is the highest Composite Credit Appraisal a company not supplying D&B with current financial information can receive.

Rating: May also include the '- -' symbol, or absence of a D&B Rating. This symbol should not be interpreted as indicating that credit should be denied. It means that the information available to D&B does not permit us to classify the company within our Rating key and that further inquiry should be made before reaching a credit decision. Some reasons for using the '- -' symbol include: deficit net worth, bankruptcy proceedings, lack of sufficient payment information or incomplete history indicator.

Date Applied: Allows you to review a company's Rating changes over time (the last 10 Rating changes or any changes since 1991 if less than 10 are provided).

ER (Employee Range): Certain lines of business do not lend themselves to classification under the D&B Rating system. Instead, we assign these types of businesses an Employee Range symbol based on the number of people employed. No other significance should be attached to this symbol. For example, a Rating of 'ER7' means there are between five and nine employees in the company. 'ERN' should not be interpreted negatively. It simply means we do not have information indicating how many people are employed at this firm.

DS (DUNS) Support: This indicates that the information available to D&B does not permit us to classify the company within our Rating key. When ordering these reports an investigation can be performed and results sent to you within four business days, at no additional charge.

INV (Investigation Being Conducted): When an 'INV' appears, it means an investigation is being conducted on this business to get the most current details.



**SECTION 00410**

**AGREEMENT**

**MONTARA WATER AND SANITARY DISTRICT**

San Mateo, California

**2019-2020 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, hereinafter called "Contractor" and the Montara Water and Sanitary District, a public entity in San Mateo County, California, hereinafter called "District":

**W I T N E S E T H:**

WHEREAS, the Board of Directors of the District has awarded a contract to Contractor for performing work hereinafter mentioned in accordance with the sealed bid of said Contractor.

NOW, THEREFORE, IT IS AGREED as follows:

1. Scope of Work: The Contractor shall perform, within the time stipulated, the contract as herein defined, of which this agreement is a component part, and shall provide and furnish all of the labor, materials, methods of processes, equipment, implements, tools, machinery and equipment and all utility, transportation and other services required to perform all of the work covered by the contract in connection with the construction of improvements for the District, in strict accordance with the specifications therefor entitled, "2020-2021 Sewer Improvement Project and Spot Repairs" dated March 2018, prepared by Nute Engineering, Civil and Sanitary Consultants, on file in the District's office, including any and all addenda issued by the District, the items and quantities of which are more particularly set forth in Contractor's bid therefor, and with the other contract documents hereinafter enumerated.

2. Time of Performance and Liquidated Damages: The Contractor shall not commence any work prior to the date of the Notice to Proceed and thereafter shall diligently prosecute the work to completion. The provisions with regard to said time of completion and

liquidated damages are set forth in the specifications, which provisions are hereby referred to and incorporated herein by reference.

3. Payments: Payments will be made by the District to Contractor for said work performed at the times and in the manner provided in the specifications and at the prices stated in Contractor's bid in the amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_). For any monies earned by the Contractor and withheld by the District to ensure the performance of the contract, the Contractor may, at his/her request and expense, substitute securities equivalent to the amount withheld in the form and manner and subject to the conditions provided in Section 22300 of the Public Contract Code of the State of California.

4. Component Parts: This contract shall consist of the following documents, each of which is on file in the office of the District Secretary and all of which are incorporated herein and made a part hereof by reference thereto:

- a) This Agreement
- b) Notice Inviting Sealed Bids
- c) Instructions to Bidders
- d) Accepted Bid
- e) Faithful Performance Bond and Payment Bond
- f) General Conditions
- g) Special Provisions
- h) Technical Provisions
- i) Appendices
- j) Design Standards
- k) Plans, Profiles and Detailed Drawings
- l) Written Addenda
- m) Written Amendments to the Contract signed by both parties
- n) Executed Change Orders, if any
- o) Written Interpretations issued by the District

5. Wage Scale: Reference is hereby made to the "General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to California Labor Code Division 2, Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1," a copy of which is

on file in the office of the District Secretary, the provisions of which are hereby specified as the rate of prevailing wage to be paid workers on this project.

6. Hours of Labor: The Contractor shall forfeit, as penalty to the District, Twenty-Five Dollars (\$25.00), for each worker employed in the execution of the contract by him/her or by any subcontractor, for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3, (commencing with Section 1810) of the Labor Code of the State of California. Every Contractor and subcontractor shall keep an accurate payroll record, certify the records, and make them available for inspection pursuant to Labor Code Section 1776 and 1812.

7. Apprentices: In accordance with the provisions of Section 1777.5 of the Labor Code and in accordance with the rules and procedures of the California Apprenticeship Council, properly indentured apprentices shall be employed in the prosecution of the work. Civil Penalties of \$100 per day shall be assessed in accordance with Section 1777.7 of the Labor Code of the State of California for violation of Labor Code Section 1777.5. Furthermore, a Contractor who knowingly violates Section 1777.5 shall be denied the right to bid on future public works contracts by the Administrator of Apprenticeship.

Information relative to number of apprentices, identifications, wages, hours of employment and standards of working conditions shall be obtained from Administrative of Apprenticeship.

8. Labor Discrimination: Attention is directed to Section 1735 of the Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status or sex of such persons, except as provided in Section 12940 of the Government Code, and every contractor for public works violating this

section is subject to all the penalties imposed for a violation of this chapter."

9. Workers' Compensation Insurance: In accordance with the provisions of Division 2, Part 7, Chapter 1, Article 5 (commencing with Section 1860) and Division 4, Part 1, Chapter 4 (commencing with Section 3700) of the Labor Code of the State of California, the Contractor is required to secure the payment of employee compensation and shall for that purpose obtain and keep in effect adequate Workers' Compensation Insurance.

The undersigned Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing performance of the work of this contract.

IN WITNESS WHEREOF the Montara Water and Sanitary District, has caused these presents to be executed by its officers, thereunto duly authorized, and Contractor has subscribed same, all on the day and year first above written.

CONTRACTOR

By \_\_\_\_\_

By \_\_\_\_\_

ATTEST:

MONTARA WATER AND SANITARY DISTRICT  
a Public Entity

By \_\_\_\_\_

By \_\_\_\_\_

(SEAL)

**SECTION 00420**

**FAITHFUL PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS: that, WHEREAS, the Board of Directors of the Montara Water and Sanitary District, San Mateo County, State of California, has awarded to \_\_\_\_\_, hereinafter designated as the "Principal," a Contract, the terms and provisions of which Contract are incorporated herein by reference, for constructing 2020-2021 Sewer Improvement Project And Spot Repairs, And

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract;

NOW, THEREFORE, we the Principal, and \_\_\_\_\_, as surety, are held and firmly bound unto the Montara Water and Sanitary District, San Mateo, California, in the penal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), lawful money of the United States, being one hundred percent (100%) of the Contract amount, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, Principal's heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and faithfully perform the covenants, conditions and agreements in the said Contract and any alterations made as therein provided, on the Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Montara Water and Sanitary District, its officers and agents, as therein stipulated, then this obligation shall be null and void; otherwise it shall be and remain in full force and virtue.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation shall hold good for a period on one (1) year after the completion and acceptance of the said work, during which time, if the above bounden Principal, Principal's heirs, executors, administrators, successors or assigns shall fail to make full, complete and satisfactory repair and replacements or totally protect the said District from loss or damage made evident during said period of one (1) year from the date of acceptance of said work, and resulting from or caused by defective materials or faulty installation, in the prosecution of the work done, the above obligation shall be and remain in full force and virtue.

And the said Surety, for value received, hereby stipulates and agrees to waive the provisions of California Civil Code Section 2819 regarding consent to change, extension of time, alteration or addition to the terms of the Contract, or to the work to be performed thereunder, or the Specifications accompanying the same shall in any way affect its obligations on this bond; and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract, or to the work, or to the Specifications.

In the event the District, or its successors or assigns, shall be the prevailing party in an action brought upon this bond, then, in addition to the penal sum hereinabove specified, we agree to pay to the said District, or its successors or assigns, a reasonable sum on account of attorney's fees in such action, which sum shall be fixed by the court.

In WITNESS THEREOF, the above bounden parties have executed this instrument under their seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the name and corporate

seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

ATTEST:

\_\_\_\_\_  
Principal Secretary

\_\_\_\_\_  
Principal

(SEAL)

By \_\_\_\_\_

\_\_\_\_\_  
Witness as to Principal

\_\_\_\_\_

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
Witness to Surety

\_\_\_\_\_  
Surety

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Attorney-in-Fact

\_\_\_\_\_  
Address

If CONTRACTOR is partnership, all partners must execute BOND

**SECTION 00430**

**PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS:

That we, \_\_\_\_\_, as Principal, and \_\_\_\_\_, organized and existing under the laws of the State of \_\_\_\_\_, and authorized to execute bonds and undertaking as sole surety, as Surety, are held and firmly bound unto any and all persons named in California Civil Code Section 3181, whose claim has not been paid by the Contractor, company or corporation in the aggregate total of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (being 100% of the Contract amount) for payment whereof, well and truly to be made, said Principal and Surety bond themselves, their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that, whereas the above bounden Principal has entered into a Contract dated \_\_\_\_\_, 20\_\_\_\_, with the Montara Water and Sanitary District, to do the following work, to wit: Construct the 2020-2021 Sewer Improvement Project And Spot Repairs.

NOW, THEREFORE, if the above bounden Principal or his/her subcontractors fail to pay any of the persons named in Section 3181 of the Civil Code of the State of California, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the Contract, or for any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the Contractor or his/her subcontractor pursuant to Section 13020 of the Unemployment Insurance Code of the State of California, with respect to such work and labor, the surety will pay for the same, in the amount not exceeding the sum specified in this bond, and also, in case suit is brought upon this bond, a reasonable attorney's fee, to be fixed by the court.

This bond shall inure to the benefit of any person named in Section 3181 of the Civil Code of the State of California so as to give a right of action to them or their assignees in suit brought upon this bond.

This bond is executed and filed to comply with the provisions of the act of Legislature of the State of California as designated in Civil Code Section 3247 to 3252, inclusive, and all amendments thereto.

And the said Surety, for value received, hereby stipulates and agrees to waive the provisions of California Civil Code Section 2819 regarding consent to change, extension of time alteration, or addition to the terms of the Contract, or to the work to be performed thereunder, or the Specifications accompanying the same, shall in any way affect its obligations on this bond; and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract, or to the work, or to the Specifications.

In the event the District, or its successors or assigns, shall be the prevailing party in an action brought upon this bond, then, in addition to the penal sum hereinabove specified, we agree to pay to the said District, or its successors or assigns, a reasonable sum on account of attorney's fees in such action, which sum shall be fixed by the court.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

ATTEST:

\_\_\_\_\_  
Principal Secretary

(SEAL)

\_\_\_\_\_  
Witness as to Principal

\_\_\_\_\_  
Address

\_\_\_\_\_  
Witness to Surety

\_\_\_\_\_  
Address

\_\_\_\_\_  
Principal

By \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Address

\_\_\_\_\_  
Surety

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Attorney-in-Fact

\_\_\_\_\_  
Address

If CONTRACTOR is partnership, all partners must execute BOND.  
The signature of the Surety on this bond must be acknowledged before a Notary Public.



## SECTION 00700

### GENERAL CONDITIONS

#### PART 1 - DEFINITIONS AND INTERPRETATION OF PLANS AND SPECIFICATIONS

##### 1.01 DEFINITION OF TERMS

Wherever in these Specifications or in any of the Contract Documents or instruments in construction which specifications govern, the following terms or pronouns in place of them are used, the intent and meaning shall be interpreted as follows:

District or Owner - Montara Water and Sanitary District, San Mateo County, California, acting directly or through properly authorized agents.

District Board or Board of Directors - The Governing Board of the Montara Water and Sanitary District.

Manager - The Manager of the District acting either directly or through authorized agents.

District Inspector - The engineer or technical inspector or inspectors duly appointed and authorized by the District, limited to the particular duties entrusted to him, her or them.

Consulting Engineer - The Consulting Engineer, Nute Engineering, Civil and Sanitary Consultants, acting directly or through properly authorized agents.

County - The County of San Mateo.

County Inspector - The engineer or technical inspector or inspectors duly appointed and authorized by the County of San Mateo.

Bidder - Any individual, firm, or corporation submitting a bid for the work under the contract.

Bid - The offer of the bidder for the work when made out and submitted on the prescribed bid form, properly signed and guaranteed.

Contractor - The person or persons, co-partnership or corporation who have entered into a contract with the District as party or parties of the second part or his/her or their legal representatives.

Contract Documents - The Contract Documents consist of the following, to wit:

- The Agreement
- Notice Inviting Sealed Bids
- Instructions to Bidders
- Accepted Bid
- Faithful Performance Bond
- Payment Bond
- General Conditions
- Special Provisions
- Technical Provisions

Appendices  
Design Standards  
Plans, Profiles, and Detailed Drawings  
Written Addenda  
Written Amendments to the Contract signed by both parties  
Executed Change Orders, if any  
Written Interpretations issued by the District

The Contract - The Contract Documents form the Contract. The Contract represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral, including the bidding documents.

Plans - Those certain plans, profiles, sections and working drawings duly approved by the District Board on the date thereon recorded which have been prepared for the District as the basis for bids and subsequent construction of the project and made a part of the Contract by incorporation and reference; all drawings submitted by the successful bidder in pursuance of the terms of the Contract, if and when approved by the District; and all drawings submitted by the District to the Contractor during the progress of the work as provided hereinafter.

Day - Shall mean a calendar day or days of twenty-four hours each.

The Work - The term work includes all labor necessary to produce the construction required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such construction.

The Project - The project is the total construction designed by the Consulting Engineer of which the work performed under the Contract Documents may be the whole or a part.

## 1.02 AUTHORITY OF THE DISTRICT

- A. All work done under the Contract shall be accomplished in a competent manner and to the satisfaction of the District. The District Inspector will make periodic visits to the site to familiarize himself/herself generally with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the Contract Documents. The District Inspector will keep the District informed of the progress of the work and will endeavor to guard the District against defects and deficiencies in the work of the Contractor based on his/her on-site observations. Said periodic on-site observations by the District Inspector will be in the form of construction review only, and are not intended to provide job superintendence and are not intended to include a review of adequate safety measures in, on, or near the construction site. The Contractor shall be solely and completely responsible for job safety.
- B. The District shall decide any and all questions which may arise as to the quality and acceptability of the work performed; as to the quality and acceptability of materials furnished; and as to the manner of performance and rate of progress of the work; and shall decide all questions which may arise as to the interpretation of the Plans and Specifications, and all questions as to the acceptable fulfillment of the Contract on the part of the Contractor as to compensation. The District's decision shall be final and the District shall have authority to enforce and make effective such decisions and orders which the Contractor fails promptly to carry out.

- C. The estimate and decision of the District shall in all matters be a condition precedent to an appeal to the District Board, or the right of the Contractor to receive or claim any money or other compensation under the Agreement and as condition precedent to any liability on the part of the District to the Contractor on account of the Contract.

#### 1.03 SUGGESTIONS TO CONTRACTOR

Any plan or method for work suggested by the District to the Contractor, but not specified or required, if adopted or followed by the Contractor in whole or in part, shall be used at the risk and responsibility of the Contractor. The District shall not assume any responsibility therefor.

#### 1.04 PERFORMANCE TO BE IN ACCORD WITH THE TRUE INTENT

- A. The Contractor shall perform and complete the work in conformity with the true meaning and intent of the Plans, Specifications and all provisions of the Contract.
- B. The intent of the Plans and Specifications is to describe the details for the construction and completion of the work which the Contractor undertakes to perform in accordance with the terms of the Contract. Where the Plans or Specifications describe portions of the work in general terms, but not in complete detail, it is understood that only the best general practice is to prevail and that only materials and installation of the finest quality are to be used.

#### 1.05 INTERPRETATION OF PLANS AND SPECIFICATIONS

- A. Should it appear that the work to be done or any of the matters relative thereto are not sufficiently detailed or explained on the Plans or by the Specifications, the Contractor shall apply to the District for such further explanations as may be necessary and shall conform to this explanation as part of the Contract inasmuch as it is consistent with the original Specifications.
- B. The Plans and Specifications are intended to be mutually explanatory. Any work indicated on the Plans and not in the Specifications, or vice versa, is to be executed as if indicated in both.
- C. Where not specifically stated otherwise, all work and materials necessary for each unit of construction, including special construction for any specific brand or shape or material called for, even though only briefly mentioned or indicated, shall be furnished and installed fully and completely as part of the Contract.
- D. Lists, rules and regulations referred to are recognized printed standards and shall be considered as one and a part of these Specifications within the limits specified. Catalog numbers shall likewise be so considered.
- E. If the Contractor, during the course of the work, discovers any discrepancies between the Plans and the conditions in the field or any errors or omissions on the Plans or in the layout given by stakes, points or instructions, he/she shall inform the District immediately in writing, and the District shall promptly verify the same. Any work done after such discovery until authorized, will be done at the Contractor's risk.
- F. All work shown on the Plans, the dimensions of which are not figured, shall be accurately followed to the scale to which the Plans are made; but figured dimensions

are in all cases to be followed, where given, although they differ from scaled measurements.

- G. In addition to the Plans incorporated in the Contract at the time of signing, the Engineer may furnish such other drawings from time to time as may be necessary to make clear, and to define in greater detail, the intent of the Plans and Specifications; and the Contractor's work shall conform to all such drawings.
- H. In case of conflict between plans and specifications, or between any parts of the specifications, they shall in general be governed in descending order of precedence as follows:
  - 1. Addenda, Supplemental Agreements, and Change Orders, the one dated later having precedence over another dated earlier.
  - 2. Agreement
  - 3. Encroachment Permits and Other Permits
  - 4. General Requirements
  - 5. General Conditions
  - 6. Instructions to Bidders
  - 7. Project Plans
  - 8. Technical Specifications
  - 9. Typical Details

#### 1.06 CONTRACTOR SUBMITTALS

The Contractor shall supply such working drawings of pipelines, pipework, structures and equipment in accordance with the requirements of Section 01601 of these specifications.

#### 1.07 LINES AND ELEVATIONS

- A. All work done under this Contract shall conform in all respects to lines, grades and dimensions shown on the Plans or as modified by the District. The District will establish a bench mark as the official datum to which all elevations set forth herein or shown on the Plans are referred and will provide one set of construction stakes, as set forth in the Special Provisions.
- B. Following favorable review of the Pothole Log Submittal, the Contractor shall notify the District at least one (1) week before construction stakes are required.
- C. The costs of staking in addition to that listed above and the cost of resetting stakes established by the District which have been destroyed or lost due to willful or negligent action on the part of the Contractor or his/her employees shall be paid for by the Contractor at the prevailing hourly rates.
- D. The Contractor shall furnish all additional stakes, templates and other material necessary for accurately transferring lines and grades to the bottom of trenches or excavations for the construction of pipelines and structures. For this purpose, the Contractor shall employ competent personnel or an independent licensed Civil Engineer or licensed Land Surveyor acceptable to the District who shall be responsible for accurately performing this work.

## 1.08 ACCESS TO WORK

The District and its authorized assistants shall at all times have access to the work during its construction. All work done and all materials furnished shall be subject to the inspection of the District and its authorized assistants.

## 1.09 INSPECTION

The inspection of the work shall not relieve the Contractor of any of his/her obligations to fulfill the Contract as prescribed, and defective work shall be made good, and unsuitable materials may be rejected notwithstanding that such defective work and materials have been previously overlooked by the District and accepted or estimated for payment.

## 1.10 CHANGED CONDITIONS

- A. In accordance with Section 7104 of the Public Contract Code, the Contractor shall promptly, and before the following conditions are disturbed, notify the District, in writing, of any:
1. Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law.
  2. Subsurface or latent physical conditions at the site differing from those indicated.
  3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.
- B. The District shall promptly investigate the conditions, and if the District finds that the conditions materially differ, or involve hazardous waste, and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the work, the District shall issue a change order under the procedures described in the contract.
- C. In the event that a dispute arises between the District and the Contractor, whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the work, the Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. The Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.
- D. Conditions shall not be deemed to materially differ if 1) the Contractor has failed to comply in any respect with the provisions of Section 1.12 A. hereinbelow, or 2) the Contractor has failed to make such independent investigation, tests or examinations as a prudent contractor would deem necessary to be satisfied as to conditions to be encountered in performance of the work.

## 1.11 CHANGE ORDERS

- A. The District shall be at liberty to order changes in Plans and Specifications or alterations, additions to, or omissions from, the work at any time and such changes shall in no way affect or make void the Contract. No change or deviation from the original Plans and Specifications or in the work shall be made unless such change is authorized by a written order of the District setting forth a complete description of the change.
- B. Work called for by a change order shall be performed fully and completely and in accordance with the original Contract Plans and Specifications except for the specific change order mentioned in the written change order. Drawings accompanying change orders shall be deemed a part of the change order.
- C. Responsibility for any change or deviation from Plans and Specifications without the authority of written change order shall rest entirely with the Contractor.
- D. Adjustments, if any, in the amounts to be paid the Contractor by reason of any change order resulting in an addition to or deduction from the work shall be determined by one or more of the methods hereinafter stipulated under the section of Measurement and Payments.
- E. Should the Contractor disagree with any terms or conditions set forth in an approved Contract Change Order which he/she has not executed, the Contractor shall submit a written protest to the Engineer within 15 days after receipt of such approved Contract Change Order. The protest shall state the points of disagreement and, if possible, the Contract specifications references, quantities and costs involved. If a written protest is not submitted, payment will be made as set forth in the approved Contract Change Order and such payment shall constitute full compensation for all work included therein or required thereby. Such unprotested approved Contract Change Orders will be considered as executed Contract Change Orders.
- F. No claim by the Contractor for extra, additional or omitted work shall be allowed if asserted after five (5) working days of encountering a changed condition or performing said extra, additional or omitted work.

## 1.12 EXAMINATION OF SITE, PLANS, AND SPECIFICATIONS, ETC.

- A. Before submitting a bid, the Contractor shall visit the site of the proposed work and become fully acquainted with the conditions to be encountered as to the character, quality, quantities of work to be performed, and materials to be furnished so that he/she shall fully understand the facilities, difficulties, and restrictions attending the execution of the work under the Contract. The Contractor shall thoroughly examine and be familiar with the Plans and Specifications. The failure or omission of the Contractor to receive or examine any form, instrument, addendum or other document or to visit the site and become acquainted with conditions therein existing shall in no way relieve the Contractor from obligation with respect to his/her bid or to the Contract. The submission of a bid shall be taken as prima facie evidence of compliance with this paragraph.
- B. When a log of test borings showing a record of the investigations of subsurface conditions is included with the Contract Documents, it is expressly understood and agreed that this log of test borings does not constitute a part of the Contract, represents only the opinion of the District or the Consulting Engineer as to the nature

of the materials encountered by the test borings, and is included only for the convenience of the Contractor.

- C. When any supplementary information is furnished to bidders or the Contractor, this supplementary information shall not be construed as part of the Contract or as modifying the provisions of the first paragraph of this section. The Contractor is cautioned to make such independent investigations or examinations deemed necessary to become informed as to conditions to be encountered in performance of the work.

### 1.13 RESOLUTION OF CONSTRUCTION CLAIMS

- A. Section 20104.2 of the Public Contract Code prescribes a process utilizing informal conferences, non-binding judicially supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000, or less.
- B. This article shall not apply to any claims resulting from a contract between a contractor and the District when the District has elected to resolve any disputes pursuant to Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2 of the Public Contract Code.
- C. "Claim" means a separate demand by the Contractor for (1) a time extension, (2) payment of money or damages arising from work done by or on behalf of the Contractor pursuant to the Contract and payment of which is not otherwise expressly provided for or the Contractor is not otherwise entitled to, or (3) an amount the payment of which is disputed by the District.
- D. For any claim subject to this section, the following requirements apply:
  - 1. The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing in this subsection is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.
  - 2. For claims of less than fifty thousand dollars (\$50,000)
    - a. The District shall respond in writing to any written claim within forty-five (45) days of receipt of the claim, or may request in writing within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the District may have against the Contractor.
    - b. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the District and the Contractor.
    - c. The District's written response to the claim, as further documented, shall be submitted to the Contractor within fifteen (15) days after receipt of the further documentation or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.
  - 3. For claims of over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000)

- a. The District shall respond in writing to all written claims within sixty (60) days of receipt of the claim, or may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the District may have against the Contractor.
  - b. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the District and the Contractor.
  - c. The District's written response to the claim, as further documented, shall be submitted to the Contractor within thirty (30) days after receipt of the further documentation or within a period of time no greater than that taken by the Contractor in producing the additional information, whichever is greater.
4. If the Contractor disputes the District's written response, or the District fails to respond within the time prescribed, the Contractor may so notify the District, in writing, either within fifteen (15) days of receipt of the District's response or within fifteen (15) days of the District's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, the District shall schedule a meet and confer conference within thirty (30) days for settlement of the dispute.
  5. If following the meet and confer conference, the claim or any portion remains in dispute, the Contractor may file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to Section D.1 above until the time the claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.
  6. This section does not apply to tort claims and nothing in this section is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.
- E. The following procedures are established for all civil actions filed to resolve claims subject to this section:
1. Within sixty (60) days, but no earlier than thirty (30) days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within fifteen (15) days by both parties of a disinterested third person as mediator, shall be commenced within thirty (30) days of the submittal, and shall be concluded within fifteen (15) days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of parties. If the parties fail to select a mediator within the fifteen (15) day period, any party may petition the court to appoint a mediator.



2. a. If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.
  - b. Notwithstanding any other provision of the law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by State or County funds.
  - c. In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party, who, after receiving an arbitration award, requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party arising out of trial de novo.
  - d. The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.
- F. 1. The District shall not fail to pay money as to any portion of a claim which is undisputed except as otherwise provided in the Contract.
  2. In any suit filed under Section 20104 of the Public Contract Code, the District shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.

## PART 2 - DUTIES AND RESPONSIBILITIES OF THE CONTRACTOR

### 2.01 GENERAL LIABILITY OF THE CONTRACTOR

- A. The Contractor shall do all the work and furnish all the material, labor, tools and equipment necessary or proper for performing and completing the work herein required and in the manner and within the time herein specified.
- B. Until the completion and final acceptance by the District of all the work under and implied by the Contract, the work shall be under the Contractor's responsible care and charge.
- C. The Contractor shall protect the work and materials from damage, the action of the elements, trespassers, or any other cause whatsoever, until the completion and acceptance of the work. Neither the District Board, the Consulting Engineer or any of their officers, agents or employees assume any responsibility for collecting indemnity from any person or persons causing damage to the work of the Contractor.

## 2.02 SUPERINTENDENCE

- A. The Contractor shall keep on the work during its progress a competent superintendent and necessary assistants all satisfactory to the District. The superintendent shall represent the Contractor in his/her absence, and all directions given to the superintendent shall be binding as if given to the Contractor.
- B. Before initial work is begun, the Contractor and his/her superintendent shall file with the District addresses and telephone numbers where they can be reached during non-working hours.

## 2.03 COOPERATION OF THE CONTRACTOR

### A. GENERAL

- 1. Whenever the Contractor is not present on any part of the work where it may be desired to give instructions, orders will be given by the District in writing and shall be received and obeyed by the superintendent or lead worker who shall be left in charge of the particular work in question.
- 2. The Contractor shall cooperate with all subcontractors who may be employed by him/her on the work, and as hereinbefore stipulated, the Contractor shall also cooperate fully with other Contractors on any other project units not included in the Contract.

### B. CHARACTER OF WORKERS

The Contractor shall employ only workers who are competent and skilled in their respective trades, and whenever the District shall notify the Contractor that any person of the work is, in his/her opinion, incompetent, unfaithful or disorderly, or refuses to carry out the provisions of the Contract, or uses abusive or threatening language to any person on the work representing the District, such person shall be immediately discharged from the work and shall not be reemployed upon it except with the written consent of the District.

### C. ESTABLISHMENT AND MAINTENANCE OF MARKS AND STAKES

- 1. At the request of the District, the Contractor shall provide workers from his/her force and tools, stakes and other materials to assist the District temporarily in making measurements and surveys and in establishing temporary or permanent reference marks and elevations.
- 2. The Contractor shall carefully preserve bench marks, reference points, and stakes; and in case of willful or careless destruction, he/she shall be charged with the resulting expense of replacement and shall be responsible for any mistakes or expense that may be caused by their loss or disturbance.

### D. RESPONSIBILITY FOR ACCURACY

- 1. The Contractor shall furnish all required labor, instruments and equipment necessary to adjust, correct and coordinate his/her work with the work of others so that no discrepancies shall result in the whole work. The Contractor shall obtain all necessary measurements for and from the work and shall check

dimensions, elevations and grades for all layout and construction work and shall supervise such work for the accuracy of all of which he/she shall be responsible.

2. Where the work of one trade joins or is on other work, there shall be no discrepancy when the same is completed.

#### 2.04 CONTRACTOR NOT AN AGENT

The right of general control by the District shall not make the Contractor an agent of the District or the Consulting Engineer, and the liability of the Contractor for all damages to persons and/or to public or private property arising from the Contractor's execution of the work shall not be lessened because of such general control.

#### 2.05 INSPECTION AND PAYMENTS NO WAIVER OF CONTRACT PROVISIONS

Neither the inspection by the District or by any inspector, nor any order, measurement, approved modification or payment of money, nor acceptance of any part or whole of the work by the District, Consulting Engineer or their agents shall operate as a waiver of any provision of the Contract.

#### 2.06 INSURANCE REQUIREMENTS FOR CONTRACTORS

##### A. GENERAL

The Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance or the work hereunder by the Contractor, his/her agents, representatives, employees or subcontractors.

The lack of insurance does not negate the Contractor's obligations under the contract.

##### B. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.
4. Course of Construction Insurance covering for all risks of loss.

##### C. MINIMUM LIMITS OF INSURANCE

The Contractor shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall

apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

#### D. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insurance retention shall not exceed \$25,000 unless otherwise approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the District guaranteeing payment or losses and related investigations, claim administration and defense expenses.

#### E. OTHER INSURANCE PROVISIONS

All general liability and automobile liability policies shall be primary insurance and shall include the following, their officers, officials, employees, agents and volunteers as "Additional Insureds":

- Montara Water and Sanitary District  
8888 Cabrillo Highway  
Montara, CA 94037
- Nute Engineering  
907 Mission Ave  
San Rafael, CA 94901
- Caltrans  
111 Grand Avenue  
Oakland, CA 94623
- San Mateo County  
555 County Center, First Floor  
Redwood City, CA 94063-1665
- Sewer Authority Mid-Coastside  
1000 N. Cabrillo Hwy, PO Box 3100  
Half Moon Bay, CA 94019

The certificate holder of the Certificate of Liability Insurance shall be the Montara Water and Sanitary District. All general liability and automobile policies are to contain or be endorsed to contain the following provisions:

1. The "Additional Insureds" are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.
2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the "Additional Insureds". Any insurance or self-insurance maintained by the "Additional Insureds" shall be excess of the Contractor's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days'

prior written notice by certified mail, return receipt requested, has been given to the District.

Course of construction policies shall contain the following provisions:

1. The District shall be named as loss payee.
2. The insurer shall waive all rights of subrogation against the District.

#### F. ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII.

#### G. VERIFICATION OF COVERAGE

The Contractor shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these Specifications at any time.

#### H. SUBCONTRACTORS

The Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

### 2.07 INDEMNITY

- A. The Contractor shall indemnify, defend and hold harmless the "Additional Insureds" from and against all claims, legal or administrative proceedings, liabilities, suits, damages, losses and expenses, including attorney fees and costs arising directly or indirectly out of the performance of the work described herein, caused in whole or in part by any act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not well founded in fact or in law, except where caused by the active negligence or willful misconduct of the "Additional Insureds". The Contractor shall, by separate contractual agreement, require all subcontractors employed to similarly indemnify the "Additional Insureds".
- B. Indebtedness incurred for any cause arising out of the Contractor's acts or omissions in connection with work must be paid by the Contractor; and the "Additional Insureds" are hereby relieved at all times from any indebtedness or claim other than the contract sum.

### 2.08 RESPONSIBILITIES FOR DAMAGE OR LOSS

- A. Any loss or damage to the work or materials is at the Contractor's risk. The "Additional Insureds" shall not be answerable or accountable in any manner: for any loss or damage that may happen to the work or any part thereof; for any loss or damage to any of the materials or other things used or employed in performing the work; for injury to or death of any person, either workers or the public; or for

damage to property from any cause which might have been prevented by the Contractor or his/her Subcontractors or their employees and agents.

- B. The Contractor shall be responsible for any liability imposed by law and for injuries to or death of any person or damage to property resulting from defects or obstructions or from any cause whatsoever during the progress of the work or at any time before its completion and final acceptance.
- C. The Contractor shall assume the defense of, and indemnify and save harmless the "Additional Insureds" from all claims, suits, or actions of every name, kind and description brought for or on account of injuries to or death of any person or damage to property resulting from the construction of the work or by or in consequence of any negligence in guarding the work; use of improper materials in construction of the work; or by or on account of any act or omission by the Contractor or his/her employees and agents during the progress of the work or at any time before its completion and final acceptance.
- D. In addition to any remedy authorized by law, as much of the money due the Contractor under and by virtue of the Contract as shall be considered necessary by the District may be retained by the District until disposition has been made of such suits or claims for damages as aforesaid.

## 2.09 LAWS TO BE OBSERVED

The Contractor shall be fully informed of all State and Federal laws and county and municipal ordinances and regulations which in any manner affect those engaged or employed in the work, the materials used in the work, the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with, and shall cause all his/her agents and employees to observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees of bodies or tribunals having any jurisdiction or authority over the work; and shall protect and indemnify the "Additional Insureds" against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or his/her employees or subcontractors. If any discrepancy or inconsistency is discovered in the Plans, Drawings, Specifications or Contract for the work in relation to any such law, ordinance, regulation, order or decree, the Contractor shall forthwith report the same to the District.

## 2.10 VEHICLE CODE TO BE OBSERVED

- A. The Contractor shall take all necessary precautions for safe operation of equipment and the protection of the public from injury and damage from such equipment and conform to all applicable Vehicle Code requirements.
- B. Unless expressly permitted in the Special Provisions, construction equipment or vehicles of any kind which, laden or unladen, exceed the maximum weight limitations set forth in Division 15 of the Vehicle Code, shall not be operated over completed or existing treated base, surfacing, pavement or structures in any areas within the limits of the project.
- C. The Contractor shall investigate the load limits on all roads to be used for access to the work area and within the work area.

- D. The Contractor shall be responsible for any damage to roads damaged by the Contractor or his/her subcontractors within the work area or outside of the work area where load limits may have been exceeded.

## 2.11 PERMITS AND LICENSES

- A. The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incident to the due and lawful prosecution of the work.
- B. A Business License is required by each incorporated City and Town and the County of San Mateo.
- C. Before proceeding with the work, the Contractor shall obtain a permit for all required shoring in trenches five feet or more in depth from the California Division of Industrial Safety. At the time of submittal to the Division of Industrial Safety, the Contractor shall submit to the District a copy of his/her submittal letter to the State, together with a copy of the submitted sheets. The Contractor shall submit to the District an affidavit that Cal/OSHA has been notified that the Contractor is going to undertake the work.

## 2.12 PATENTS

The Contractor shall assume all costs arising from the use of patented materials, equipment, devices or processes used on or incorporated in the work; and the Contractor shall indemnify and save harmless the "Additional Insureds" from all suits at law or actions of every nature for or on account of the use of any patented materials, equipment, devices or processes in the construction of and/or subsequent operation of the project.

## 2.13 ANTITRUST CLAIM ASSIGNMENT

The Contractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment by the parties.

## 2.14 AIR POLLUTION

During the term of this Agreement, to the extent required by law, Contractor shall provide vehicles in full compliance with applicable federal, state, and local air pollution control laws and regulations.

## 2.15 WATER POLLUTION

- A. The Contractor shall protect streams, lakes, reservoirs, bays and coastal waters from pollution with fuels, oils, bitumens, calcium chloride and other harmful materials and shall conduct and schedule the work so as to avoid or minimize muddying and silting of said streams, lakes, reservoirs, bays and coastal waters.

- B. The Contractor shall be responsible for compliance with the Fish and Game Code, all provisions of the Water Code and the Federal Clean Water Act, and/or other applicable statutes relating to the prevention or abatement of water pollution.

## 2.16 USE OF EXPLOSIVES

The use of explosives is prohibited.

## 2.17 DUST CONTROL

- A. The Contractor shall conduct the work in a manner which will protect adjacent property from annoyance or damage from dust caused by the work. When necessary, the Contractor shall take steps to control dust by the application of water, dust palliative, salt or other suitable means. The Contractor shall be responsible for dust control during both working and non-working hours. No separate payment shall be made for dust control, and its cost shall be included in the prices paid for contract items.
- B. When extreme conditions exist which make it impossible to control the dust, the Contractor shall cease operations until conditions improve.
- C. If the Contractor fails to comply with the above requirements, the District may order the work to be stopped and may take whatever action is necessary to reduce the dust problem; the cost thereof shall be paid by the Contractor.

## 2.18 NOISE

All the Contractor's equipment shall be equipped with mufflers or silencers, and noise shall be kept to a minimum insofar as feasible and pursuant to applicable laws and ordinances.

## 2.19 PRESERVATION OF PROPERTY

- A. Due care shall be exercised to avoid injury to existing improvements or facilities, utility facilities, adjacent property, and roadside trees, shrubs and other plants that are not to be removed.
- B. Roadside trees, shrubs and other plants that are not to be removed and pole lines, fences, signs, markers and monuments, buildings and structures, conduits, pipelines under or above ground, sewer and water lines, all highway facilities, and any other improvements or facilities within or adjacent to the work area shall be protected from injury or damage. If ordered by the District, the Contractor shall provide and install suitable safeguards approved by the District to protect such objects from injury or damage. If such objects are injured or damaged by the Contractor's operations, they shall be replaced or restored at the Contractor's expense. The facilities shall be replaced or restored to a condition as good as when the Contractor entered upon the work, or as good as required by the Specifications accompanying the Contract, if any such objects are a part of the work being performed under the Contract. The District may make or cause to be made temporary repairs required to restore any damaged facility to service. The cost of such repairs shall be borne by the Contractor and may be deducted from any monies due or to become due to the Contractor under the Contract.



- C. Full compensation for furnishing all labor, materials, tools, equipment and incidentals and for doing all work involved in protecting or repairing property as specified in this section shall be considered as included in the prices paid for the various contract items of work, and no additional compensation will be allowed therefor.

## 2.20 PRESERVATION OF SURVEY MONUMENTS

The Contractor shall be responsible for protecting all survey monuments, bench marks, or property corner stakes. If a survey monument bench mark or property corner stake is in the trench alignment or in the work area where disturbance cannot be avoided the Contractor shall notify the Engineer at least five (5) working days in advance of the disturbance so the Engineer can reference out the monument. If the Contractor does not provide the five (5) working day notification to the Engineer in advance of such disturbance or carelessly disturbs a survey monument, bench mark or property corner stake, the Contractor shall pay the cost of replacing such points which are destroyed in the course of the work and shall be responsible for any mistakes or expenses that may be caused by their loss or disturbance.

## 2.21 PUBLIC CONVENIENCE

- A. The Contractor shall conduct the work in a manner which will result in the least possible obstruction and inconvenience to the public. The Contractor shall undertake no greater length or amount of work than he/she can prosecute properly with due regard to the rights of the public.
- B. Unless otherwise provided in the Special Provisions, all public traffic shall be permitted to pass through the work with as little inconvenience and delay as possible. Spillage resulting from hauling operations along or across any public traveled way shall be removed immediately by the Contractor at his/her expense.
- C. Existing traffic signal and highway lighting systems shall be kept in operation for the benefit of the traveling public during progress of the work, and other forces will continue routine maintenance of existing systems.
- D. Construction operations shall be conducted in a manner which will cause as little inconvenience as possible to abutting property owners.
- E. Convenient access to driveways, house and buildings along the line of the work shall be maintained. Temporary approaches to crossings or intersecting streets shall be provided and kept in good condition. When the abutting property owner's access across the right-of-way line is to be eliminated or to be replaced under the Contract by other access facilities, the existing access shall not be closed until the replacement access facilities are usable.

## 2.22 SAFETY

### A. GENERAL

In accordance with generally accepted construction practices and State Law, the Contractor shall be solely and completely responsible for conditions on the job site, including safety of all persons and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours.

The services of the District or the Engineer in conducting construction review of the Contractor's performance is not intended to include review of the adequacy of the Contractor's work methods, equipment, bracing or scaffolding, or safety measures, in, on or near the construction site.

The Contractor is hereby informed that work on this project could be hazardous. The Contractor shall carefully instruct all personnel working in potentially hazardous work area as to potential dangers and shall provide such necessary safety equipment and instructions as are necessary to prevent injury to personnel and damage to property. Special care shall be exercised relative to work underground.

All work and materials shall be in strict accordance with all applicable Federal, State, City, County and District Rules, Regulations and Codes, and attention is drawn to the requirements of Cal/OSHA. The Contractor's attention is called to the fact that provisions of Sections 6402 through 6407 of the Labor Code, including all subsequent revisions thereof, will be included as part of this contract.

Nothing in these Specifications is to be construed to permit work not conforming to governing codes. When Contract Documents differ from governing codes, the Contractor shall furnish and install the higher standards called for without extra charge. All equipment furnished shall be grounded and provided with guards and protection as required by safety codes. Where vapor-tight or explosion-proof electrical installation is required by code, this shall be provided.

#### B. CONFINED SPACE PROCEDURES

The Project requires work in confined spaces and requires compliance with CAL/OSHA and Federal OSHA requirements. Confined spaces for the purposes of this section shall be as defined by the Division of Industrial Safety. Notwithstanding any classifications relative to the Tunnel Safety Orders, work within confined spaces of this project is subject to the definitions and applicable provisions of Section 5156 et. seq., Title 8, Division 1, Chapter 4, Subchapter 7, Group 16, Article 108 of California Code of Regulations.

In addition the Owner classifies the following existing facilities as confined space: the interior of sewers, vaults, manholes, reservoirs and any other such stricture of space which is similarly surrounded by confining surfaces as to permit the accumulation of dangerous gases or vapors. The confined spaces are "permit" confined spaces as defined by OSHA and therefor entry is allowed only through compliance with a confined space entry permit program by the contractor that meets the requirements of CAL/OSHA Section 5157. The Owner has adopted its own safety program for confined space entry which is consistent with General Industrial Safety Orders (GISO) Section 5157. While working on this project, the Contractor and all subcontractors shall comply with the Owner's Safety Manual confine space entry procedures for all permit space entries (see Section 00490). While the above mentioned locations have been identified as permit confined spaces, other permit confined spaces may exist. It shall be the responsibility of the Contractor to identify and classify these confined spaces. Sources of ignition, including smoking, shall be prohibited in any confined space.

It is anticipated that the Contractor may encounter hazardous conditions within these permit confined spaces which include, but are not limited to the following:

1. Exposure to hydrogen sulfide, methane, carbon dioxide and other gases and vapors commonly found in municipal sewers which could have or has the potential of having Immediate Danger to Life or Health Conditions (IDLH).
2. Exposure to atmosphere containing insufficient oxygen to support human life.
3. Exposure to combustible, flammable and/or explosive atmosphere.
4. Exposure to sewage which may contain bacteriological, chemical and other constituents harmful to humans.
5. Work in conditions where engulfment or entrapment may occur.
6. Work in environments which may be slippery and/or have uneven work surfaces.
7. Work in structures which have limited and/or restricted access and egress.
8. Work in structures where workers may trip, slip and/or fall several feet.

#### C. HAZARDOUS MATERIAL EXPOSURE

The Contractor shall so perform its work as not to expose personnel to, or to discharge into the atmosphere from any source whatever, smoke, dust, asbestos, toxic chemicals or other air contaminants in violation of the laws, rules, and regulations of the governmental entities having jurisdiction. Contractor or subcontractors removing 100 or more square feet of asbestos must be "Certified" in accordance with state law. All work involving exposure to asbestos and all other hazardous materials shall be performed with protection of personnel in compliance with all applicable regulations and safety requirements.

#### D. SPECIFIC SAFETY REQUIREMENTS

The Contractor shall:

1. Notify its employees, vendors and subcontractors of the job safety requirements.
2. Ensure that its employees, vendors and subcontractors have the safety training and equipment appropriate for the job.
3. Provide its employees, vendors and subcontractors with the appropriate MSDS sheets and instructions required for the job.
4. All of the above shall be in accordance with the Contractor's Safety program.

#### E. SUBMITTALS

Before work is started, the Contractor shall submit his/her safety program and those of all listed subcontractors. Each element shall include requirements for personal protective equipment and training.

## 2.23 SCAFFOLDING, SHORING AND BRACING

The Contractor shall furnish and maintain all scaffolding, shoring and bracing required in the prosecution of the work of building construction and trenching. All such auxiliary construction shall be made and maintained in accordance with any and all statutes, laws, ordinances, rules or regulations of the State of California or other authorities or insurance companies having jurisdiction thereover. The Contractor's attention is called to Section 6700 and following of the Labor Code, which is the section covering trench safety, which is included as a part of this Contract.

In accordance with Section 6705 of the Labor Code, the Contractor shall submit to the District specific plans to show details of provisions for worker protection from caving ground. This in no way relieves the Contractor from the requirement of maintaining safety in all operations performed by him or his subcontractors. The detailed plan showing design of shoring, bracing, sloping or other provisions shall be prepared by a registered Civil or Structural Engineer as required. Acceptance by the District or its designated agent only constitutes acknowledgment of the submission and does not constitute review or approval of the design, design assumptions or criteria, completeness of submissions, applicability to areas of intended use, nor implementation of the plans, which are solely the responsibility of the Contractor and his registered engineer.

## 2.24 REMOVAL OF DEFECTIVE OR UNAUTHORIZED WORK

All work which has been rejected shall be remedied or removed or replaced in an acceptable manner by the Contractor at his/her own expense, and no compensation will be allowed him/her for such remedy, removal or replacement.

## 2.25 ASSIGNMENT OF CONTRACT

Neither the Contract, nor any part thereof, nor any money due or to become due thereunder may be assigned by the Contractor without the prior written approval of the District Board upon written request of the Contractor.

## 2.26 SUBCONTRACTORS

- A. The subletting of the whole or any part of the Contract may be made only upon the formal approval of the District Board upon written request of the Contractor.
- B. No subcontractor shall be recognized as such, and all persons engaged on the work of construction by the Contractor shall be considered employees of the Contractor, and their work shall be subject to the provisions of the Contract.
- C. The District and its representatives will deal only with the Contractor, who shall be responsible for the proper execution of the entire work.
- D. No subcontractor shall interfere with the work of others, and if in the judgment of the District there is unnecessary interference, the Contractor shall adjust and arrange his/her program of work as directed by the District.

## 2.27 COORDINATION OF WORK WITH OTHERS

The Contractor shall coordinate his/her work with others to assure completion of the project in accordance with the Plans and Specifications.

## 2.28 TRAFFIC CONTROL

The Contractor shall provide a traffic control plan which must be reviewed and approved by the agency issuing the Encroachment Permit. The traffic control plan shall be approved one week before construction is planned. The traffic plan shall incorporate, but is not limited to, the following conditions:

- A. One way traffic flow at a minimum shall be provided at all times when possible in the judgment of the District.
- B. If in the determination of the Engineer that one way traffic flow cannot be established, the roadway may be closed. The roadway shall be reopened at intervals to provide no longer than 30 minute delays in traffic. The Agency issuing the Encroachment Permit shall be notified 24 hours in advance of all closures.
- C. All work shall be controlled by a minimum of two flaggers when there is only one lane available for traffic.
- D. Access to all out-of-project areas shall be maintained during Project construction.
- E. The Contractor shall not terminate access through the area without providing adequate alternate routing for local traffic and emergency access. The Contractor shall provide additional trench plates to be put in place by the Contractor for emergency access when requested.
- F. At the end of the day, any alternative route shall be made safe and clearly delineated.

## 2.29 STORM WATER POLLUTION PREVENTION

The Contractor shall prepare a Storm Water Pollution Prevention Plan (SWPPP) in accordance with the requirements of the County of San Mateo, and the San Mateo County Stormwater Pollution Prevention Program (SMCSWPPP).

The intent of these provisions is to enforce federal, state, and other local agencies regulations designed to eliminate storm water pollution. Storm drains discharge directly to water courses without treatment. Storm water pollution due to construction operations shall be controlled by keeping pollution out of storm drain systems, reducing the exposure and discharge of materials and wastes to storm water, and by reducing erosion and sedimentation.

In this Section, the term "storm drain system" shall refer to any storm water conduits, storm drain inlets amid other storm drain structures, street gutters, channels, watercourses, creeks, lakes, the bay or ocean.

### A. MATERIAL STORAGE

The Contractor shall comply with the following practices for materials storage:

- 1. The Contractor shall propose designated areas of the project site, for approval by the Engineer, suitable for material delivery, storage, and waste collection that, to the maximum extent practicable, are near construction entrances and at least ten (10) feet away from catch basins, gutters, drainage courses, and creeks.

2. During wet weather or when rain is forecast within 72 hours, the Contractor shall store materials that can contaminate rainwater or be transported by storm water or other runoff to the storm drain system inside a building or cover them with a tarp or any other waterproof material secured in a manner that would prevent any of the materials from contacting the rainwater.
3. The storage and disposal of all hazardous materials such as paints, thinners, solvents, and fuels, and all hazardous wastes such as waste oil, must meet all federal, state, and local standards and requirements.

#### B. STREET SWEEPING

At the end of each working day or as directed by the Engineer, the Contractor shall clean and sweep roadways and on-site paved areas of all materials attributed to or involved in the work. The Contractor shall not use water to flush down streets in place of street sweeping.

#### C. HAZARDOUS/WASTE MANAGEMENT

The storage and disposal of all hazardous materials, such as pesticides, paints, thinners, solvents, and fuels, and all hazardous wastes, such as waste oil and antifreeze, shall comply with all federal, state, and local standards and requirements. When rain is forecast within 72 hours or during wet weather, the Engineer may prevent the Contractor from applying chemicals in the outside area.

#### D. SPILL PREVENTION AND CONTROL

The Contractor shall take any and all precautions to prevent accidental spills during the Work under this contract. The Contractor shall keep a stockpile of spill cleanup materials such as rags or absorbents, readily accessible on-site. In the event of a spill, the Contractor shall immediately contain and prevent leaks and spills from entering the storm drain system, and properly clean up and dispose of the waste and cleanup materials. If the waste is hazardous, the Contractor shall comply with all federal, state, and local hazardous waste requirements.

The Contractor shall not wash any spilled material into the streets, gutters, storm drains, or creeks.

#### E. DE-WATERING OPERATIONS

All groundwater removed from the trench must be de-silted prior to discharging it into the storm drain system through filtering materials methods meeting the Association of Bay Area Governments (ABAG) Standards For Erosion & Sediment Control Measures and/or through methods and procedures described in the California Storm Water Best Management Practice Handbook - Construction Activity (latest edition).

The Contractor shall reuse the water for other needs, such as dust control and irrigation, to the maximum extent practicable. The rinse water shall be permitted to infiltrate in dirt area.

## F. PAVEMENT SAW-CUTTING OPERATIONS

The Contractor shall prevent any saw-cutting debris from entering the storm drain system. The Contractor, preferably, shall use dry cutting techniques and sweep up residue. If wet methods are used, the Contractor shall vacuum slurry as cutting proceeds or collect all waste water by constructing a sandbag sediment barrier. The bermed area shall be of adequate size to collect all waste water and solids. The Contractor shall allow collected water to evaporate if the waste water volume is minimal and if maintaining the ponding area does not interfere with public use of the street area or create a safety hazard. If approved by the Engineer, the Contractor may direct or pump saw-cutting waste water to a dirt area and allow to infiltrate. The dirt area shall be adequate to contain all the waste water. After waste water has infiltrated, all remaining saw-cutting residue must be removed and disposed of properly. With the approval of the Engineer, the Contractor shall filter the saw-cutting waste water through filtering materials and methods meeting ABAG Standards for Erosion and Sedimentation Control Measures (latest edition) before discharging to the storm drain.

## G. PAVEMENT OPERATIONS

The Contractor shall prevent the discharge of pollutants from paving operations by using measures to prevent run-on and runoff pollution, properly disposing of wastes, and by implementing the following practices:

1. No paving during wet weather.
2. Proper Material Storage (refer to Paragraph 2.29A).
3. Cover inlets and manholes when applying asphalt, seal coat, tack coat, slurry seal, or fog seal.
4. Place drip pans or absorbent materials under paving equipment when not in use. During wet weather, store contaminated paving equipment indoors or cover with tarp or other waterproof covering.
5. If paving involves portland cement concrete, refer to Paragraph 2.29H.

## H. CONCRETE OPERATIONS

The Contractor shall prevent the discharge of pollutants from concrete operations by properly disposing of wastes, and by implementing the following practices:

1. Store all materials in waterproof containers or under cover away from drain inlets or drainage areas.
2. Avoid mixing excess amount of portland cement material.
3. Do not wash out concrete trucks into storm drains, open ditches, streets, streams, etc. Whenever possible, perform washout of concrete trucks off site where discharge is controlled and not permitted to discharge into the storm drain system. For on site washout, locate washout area at least fifty (50) feet from storm drains, open ditches, or other water bodies, preferably in a dirt area. Control runoff from this area by constructing a temporary pit or bermed area large enough for the liquid and solid waste.

4. Wash out concrete wastes into the temporary pit where the concrete can set, be broken up and then disposed of properly. If the volume of water is greater than what will allow concrete to set, allow the wash water to infiltrate and/or evaporate, if possible. Remove or vacuum the remaining silt and debris from the pond or bermed area and dispose of it properly.
5. Dispose of waste water from washing of exposed aggregate to dirt area. The dirt area shall be adequate to contain all the waste water and once the waste water has infiltrated, any remaining residue must be removed. If a suitable dirt area is not available, then the Contractor shall filter the wash water through straw bales or other filtering materials meeting ABAG Standards For Erosion and Sediment Control Measures.
6. Collect and return sweepings from exposed aggregate concrete to a stockpile or dispose of the waste in trash container.

#### I. GRADING AND EXCAVATION OPERATIONS

The Contractor shall implement sedimentation and erosion control measures to prevent sediments or excavated material from entering the storm drain system.

The erosion and sedimentation control materials and methods shall be in accordance with ABAG Standards for Erosion and Sediment Control Measures and/or the procedures and methods described in the California Storm Water Best Management Practices Handbook - Construction Activity (latest edition).

#### J. VEHICLE/EQUIPMENT CLEANING

The Contractor shall not perform vehicle or equipment cleaning on site or in the street using soaps, solvents, degreasers, steam cleaning equipment, or equivalent methods. The Contractor shall perform vehicle or equipment cleaning, with water only, in a designated, bermed area that will not allow rinse water to run off-site or into the storm drain system.

The Contractor shall dispose of wash water from the cleaning of water base paint equipment and tools as a hazardous waste.

If using oil based paint, to the maximum extent practicable, the Contractor shall filter the paint thinner and solvents for reuse and dispose of the waste thinner and solvent, and sludge from cleaning of equipment and tools as hazardous waste.

#### K. VEHICLE/EQUIPMENT MAINTENANCE AND FUELING

The Contractor shall perform maintenance and fueling of vehicles or equipment in a designated, bermed area or over a drip pan that will not allow run-on of storm water or runoff of spills. The Contractor shall use secondary containment, such as a drip pan, to catch leaks or spills any time that vehicle or equipment fluids are dispensed, changed, or poured. The Contractor shall clean up leaks and spills of vehicle or equipment fluids immediately and dispose of the waste and cleanup materials as hazardous waste.

The Contractor shall inspect vehicles and equipment arriving on-site for leaking fluids and shall promptly repair leaking vehicles and equipment. Drip pans shall be used to catch leaks until repairs are made. The Contractor shall recycle waste oil and



antifreeze to the maximum extent practicable. The Contractor shall comply with Federal, State, and other local agencies for aboveground tanks.

#### L. CONTRACTOR TRAINING AND AWARENESS

The Contractor shall train all employees and subcontractors on the water pollution prevention requirements contained in these provisions. The Contractor shall inform all subcontractors of the water pollution prevention control requirements and include appropriate subcontract provisions to ensure that these requirements are met.

#### M. PAYMENT

Full compensation for conforming to the provisions herein specified shall be considered as included in the prices paid for the contract items of work involved in compliance with said provisions and no additional compensation will be allowed.

### PART 3 - PROSECUTION OF THE WORK

#### 3.01 WORK TO BE DONE

The work to be done by the Contractor shall comprise of furnishing all labor, materials, methods of processes, implements, tools, machinery and equipment required to construct, install and place in satisfactory operating condition the facilities and improvements as shown on the Plans and as specified.

#### 3.02 TIME OF COMPLETION IS ESSENCE OF CONTRACT

In accepting the Contract, the Contractor expressly agrees that time is material and of the essence of the Contract for each and every person thereof as set forth in the Special Provisions of the Contract Documents.

#### 3.03 TIME FOR SIGNING CONTRACT

A. Upon being duly awarded the Contract between the District and the Contractor, the bidder shall enter into the Contract for the work as hereinafter stipulated.

B. The Contractor will be allowed fifteen (15) days after the date upon which the Contract is awarded by the District in which to deliver to the District the Contract with his/her signature affixed thereto, together with the insurance certificates and bonds prescribed by law and these Specifications. The District will issue a written Notice to Proceed after the Contract has been signed by both parties and the insurance certificates and bonds have been furnished to the District.

#### 3.04 NOTICE TO PROCEED

Upon receiving the necessary bonds and insurance, the District shall issue to the Contractor a Notice to Proceed. The Contractor shall not commence any work prior to the date of the Notice to Proceed.

#### 3.05 STARTING DATE OF THE CONTRACT

The starting date of the Contract shall be the date of the Notice to Proceed.

### 3.06 TIME FOR COMMENCING WORK

- A. The Contractor shall commence work within eight (8) calendar days after the date of the Notice to Proceed and diligently prosecute the work to completion. The Contractor shall obligate himself/herself satisfactorily to complete his/her work and indicated portions of his/her work on or before the date determined from the starting date.
- B. The Contractor shall not commence construction on any of the work until he/she has, on the ground, or can furnish definite assurance that there will be available when required, all materials necessary to complete the portion of work on which work is begun.
- C. The time necessary for ordering, fabricating and delivering materials is considered a part of the overall time of completion of the work as specified in the Special Provisions.
- D. The District Board shall have the power to extend the time of completion.

### 3.07 PROGRAMMING OF THE WORK

Within one (1) week after the signing of the Contract, the Contractor shall submit to the District, in chart form, a practical schedule of operations, giving the estimated times that each part or class of work will be or has been started or completed (including procurement or materials, plant and equipment). The schedule must be legible.

### 3.08 PROGRAMMING REQUIREMENTS

- A. In connection with programming the work of construction, the Contractor shall be governed by the specific programming requirements as shown on the Plans and as specified as well as recommendations of the District in respect to the specific items or work, with the intent that all avoidable delays may be obviated.
- B. The Contractor shall, to every reasonable extent, carry on the work of construction of the various elements of the entire project concurrently and shall not defer construction of any portion of the work in favor of any other portion without the written approval of the District.
- C. Where the Contractor proposes to deviate from specific program requirements of the Plans or Specifications, he/she shall obtain written approval from the District.

### 3.09 ACCELERATION OF THE WORK

- A. When, in the judgment of the District, the progress of the work is deviating or threatening to deviate from the specific programming requirements of the Plans or Specifications or the Contractor's approved work program, it will become necessary to accelerate the work. The Contractor, when so ordered by the District, shall forthwith accelerate said work and/or shall cease work at any particular point and concentrate his/her forces at such other point or points as required by the District; and the Contractor shall execute such portions of his/her work as may be required to enable himself/herself and/or others to hasten and properly engage in and carry on the work as a whole. Said acceleration may also include a requirement to work overtime or on weekends.

- B. The cost for accelerating the work shall be included in the bid price for the job, and there shall be no extra compensation therefor.

### 3.10 ANTICIPATING ADVERSE WEATHER CONDITIONS

In anticipation of possible adverse weather conditions, the programming and expediting of the work shall apply particularly to the completion of excavation and fill for structural foundations, the construction of structural footings and ground slabs, and the installation of pipelines of whatever class or material.

### 3.11 UNAVOIDABLE DELAYS

- A. Unavoidable delays in the prosecution or completion of the work shall include all delays which may result through causes beyond the control of the Contractor and which he/she could not have provided against by the exercise of care, prudence, foresight and diligence.
- B. Orders issued by the District, changing the amount of work to be done, the quantity of material to be furnished, or the manner in which the work is to be prosecuted, and unforeseen delays in the completion of the work of other contractors employed by the District, will be considered unavoidable delays, insofar as they necessarily interfere with the Contractor's completion of the whole of the work.
- C. Delays due to adverse weather conditions, acts of God, fire, unusual storms, floods, tidal waves, earthquakes, strikes, labor disputes, freight embargos and shortages of materials shall be considered as unavoidable delays insofar as they prevent the Contractor from proceeding with at least seventy-five percent (75%) of the normal labor and equipment force for at least five (5) hours per day toward completion of the current controlling item on the accepted critical path schedule.

Should abnormal conditions prevent the work from beginning at the usual starting time, or prevent the Contractor from proceeding with seventy-five percent (75%) of the normal labor and equipment force for a period of at least five (5) hours per day, and the crew is dismissed as a result thereof, he/she will not be charged for a working day whether or not conditions change so that the major portion of the day could be considered to be suitable for work on the controlling item. The normal labor and equipment work force shall be the average of such labor and equipment which has been actively utilized at the job site for the previous fourteen (14) days.

### 3.12 AVOIDABLE DELAYS

- A. Avoidable delays in the prosecution of the work shall include all delays which might have been avoided by the exercise of care, prudence, foresight, and diligence on the part of the Contractor.
- B. Delays in the prosecution of parts of the work, which may in themselves be unavoidable but do not necessarily prevent or delay the prosecution of other parts of the work, nor the completion of the whole work within the time herein specified; reasonable loss of time resulting from the necessity of submitting plans to the District for approval and from such interruptions as may occur in the prosecution of the work on account of the reasonable interference of other contractors employed by the District, which do not necessarily prevent the completion of the whole work within the time herein specified, will NOT be considered by the District as unavoidable delays within the meaning of the Contract.

### 3.13 CONTRACTOR TO SERVE NOTICE OF DELAYS

- A. Whenever the Contractor foresees any delay in the prosecution of the work, and in any event immediately upon the occurrence of any delay of any nature, the Contractor shall notify the District in writing of the probability or the occurrence of such delay and its cause, in order that the District may take immediate steps to prevent, if possible, the occurrence or continuance of the delay, or, if this cannot be done, may determine whether the delay is to be considered avoidable or unavoidable, how long it continues, and to what extent the prosecution and completion of the work are delayed thereby.
- B. After completion of any part or the whole of the work, the District, in estimating the amount due the Contractor, will assume that any and all delays which may have occurred in its prosecution and completion have been avoidable delays, except such delays as shall have been called to the attention of the District at the time of their occurrence and found by the District to have been unavoidable. The Contractor hereby agrees to make no claim that any delay not called to the attention of the District by him/her at the time of its occurrence has been an unavoidable delay.

### 3.14 APPLICATION FOR EXTENSION OF TIME

Should the Contractor require an extension of time within which to complete his/her work, an application for such extension shall be filed with the District not later than five (5) calendar days before the date of expiration of the time for the completion specified in the Contract, or immediately upon the occurrence of such delay. Such application shall be in writing and shall set forth in detail the reasons why the Contractor finds it necessary to apply for such extension.

### 3.15 NO PAYMENT TO BE MADE BY DISTRICT FOR DELAYS

Apart from granting the Contractor extensions of time for unavoidable delays, no payment or allowance of any kind shall be made to the Contractor as compensation or damages on account of any hindrance or delay from any cause in the progress of the work or any portion thereof, whether such delay be avoidable or unavoidable. No payment of any kind will be made for the cost to the Contractor of any work or delay occasioned by establishing or checking lines and grades or making necessary measurements, or for inspection.

### 3.16 EXTENSION OF TIME DOES NOT WAIVE DISTRICT'S RIGHTS

The granting of any extension of time desired by the Contractor on account of delays, which in the judgment of the District, are avoidable delays shall in no way operate as a waiver on the part of the District of its right to collect liquidated damages as provided, or of any other rights of the District under the Contract.

### 3.17 LIQUIDATED DAMAGES FOR DELAY

Liquidated damages will be assessed if the contract time is exceeded as specified in Section 01010.

### 3.18 STOP WORK ORDER

Whenever work is proceeding contrary to Plans or Specifications, or in violation of applicable ordinances or laws, or in such way as to endanger life or property, the

District may order the work stopped by notice in writing served on any persons engaged in doing or causing such work to be done, and such persons shall forthwith stop such work until authorized to proceed by the District.

### 3.19 TEMPORARY SUSPENSION OF WORK

- A. The District shall have the authority to suspend the work, wholly or in part, for such period as he/she may deem necessary due to unsuitable weather or to such other conditions as are considered unfavorable for the suitable prosecution of the work.
- B. A temporary suspension of work for the above reasons, insofar as it affects prosecution of the entire work, shall be considered an unavoidable delay.

### 3.20 SUSPENSION AND TERMINATION OF CONTRACT

- A. If at any time, in the opinion of the District Board, the Contractor has failed to supply an adequate working force or material of proper quality or has failed in any other respect to prosecute the work with diligence and force specified and intended in and by the terms of the Contract, notice thereof in writing will be served upon him/her, and should the Contractor neglect or refuse to provide means for a satisfactory compliance with the Contract as directed by the District within the time specified in such notice, the District Board in any such case shall have the power to suspend operations of the Contract and terminate the Contract. The District also reserves the right to terminate the Contract in the event of bankruptcy of the Contractor and in accordance with Section 4410 of the Government Code.
- B. Upon receiving notice of such suspension, the Contractor shall discontinue said work or such parts of it as the District may designate. Upon such suspension, the Contractor's control shall terminate, and thereupon the District Board or its duly authorized representative may take possession of all or any part of the Contractor's tools, materials, equipment and appliances upon the premises and use the same for the purpose of completing said Contract and hire such force and buy or rent such additional machinery, tools and appliances and buy such additional supplies and materials at the Contractor's expense as may be necessary for the proper conduct of the work and for completion thereof; or may employ other parties to carry the Contract to completion, employ the necessary workers, substitute other machinery or materials, and purchase the material contracted for in such manner as the District Board may deem proper; or the District Board may annul and cancel the Contract and relet the work or any part thereof. Any excess of cost arising therefrom over and above the contract price will be charged against the Contractor and his/her sureties, who will be liable therefor.
- C. In the event of such suspension, all money due the Contractor or retained under the terms of this Contract shall be forfeited to the District; but such forfeiture will not release the Contractor or his/her sureties from liability or failure to fulfill the Contract. The Contractor and his/her sureties will be credited with the amount of money so forfeited toward any excess of cost over and above the contract price arising from the suspension of the operations of the Contract and the completion of the work by the District as above provided, and the Contractor will be so credited with any surplus remaining after all just claims for such completion have been paid.
- D. In determination of the question whether there has been any such noncompliance with the Contract as to warrant the suspension or annulment thereof, the decision of the District Board shall be binding on all parties to the Contract.

### 3.21 PRELIMINARY AND TEMPORARY WORK

#### A. CLEARING SITE

The site shall include all areas within which work of any kind embodied in the Contract is to be performed. Only those trees or shrubs designated for removal may be taken out and disposed of. All other trees or shrubs shall be carefully and diligently protected as hereinafter specified.

#### B. DATUM AND REFERENCE POINTS

1. All elevations shown on the Plans for the various parts of the work refer to the official datum of the District. All elevations shall be accurately related to existing official bench marks designated by the District.
2. All pipelines shall conform to the alignment shown on the Plans, and the specific location of valves, hydrants and appurtenant structures shall be in accordance with the District's stationing and at precise distances from points of reference given by the District.

#### C. CARE AND PROTECTION

The Contractor shall be entirely responsible for any damage to the District's or contiguous properties due to hauling materials or other causes attributable to the conduct of his/her work, and all such damage shall be repaired by the Contractor when and as directed by the District and as required to place the property in as good condition as before the commencement of the work.

#### D. ROADS

The Contractor shall maintain suitable temporary roads and other means of access to the building sites for all purposes of construction. The roads shall be kept passable at all times and restored to their original condition of the condition specified and/or shown on the Plans.

#### E. SANITARY PROVISIONS

The Contractor shall provide and maintain during the entire progress of the work proper toilet facilities for all his/her employees.

#### F. UTILITIES

All utilities necessary for the work shall be furnished by the Contractor at his/her expense.

### 3.22 CONTRACTOR'S EQUIPMENT

The Contractor shall provide adequate and suitable equipment and means of construction to meet all the requirements of the work. When ordered to do so by the District, the Contractor shall remove unsuitable equipment from the work and discontinue the operation of unsatisfactory equipment. The use of any means of construction which is obsolete as to type, in bad condition, or worn out will not be permitted on the work.

### 3.23 MATERIALS AND QUALITY

All materials to be furnished shall conform to the requirements of Section 01600 of these specifications.

### 3.24 CLEANUP

- A. During the progress of the work the Contractor shall keep the premises occupied by him/her in a neat and clean condition, disposing of refuse in a satisfactory manner as often as directed, or as may be necessary, so that there shall at no time be any unsightly accumulation of rubbish.
- B. Upon completion of any portion of the work, the Contractor shall promptly remove from the vicinity all of his/her equipment, temporary structures and surplus material, except as otherwise provided, and shall satisfactorily dispose of all refuse resulting from the work, leaving the premises in a neat and clean condition acceptable to the District.
- C. At regular intervals, or as directed, rubbish and debris shall be collected and removed by the Contractor.
- D. All areas shall be kept reasonably clean during the progress of the work and shall be cleaned and restored immediately after completion of construction and the facilities have been tested.

### 3.25 SALVAGE

Prior to the start of any demolition work, the Contractor shall meet with the District to determine the disposition of all furnishings, equipment, buildings, parts, etc., that the District wants to salvage. The Contractor shall then remove all items in a careful reasonable manner and either deliver the items to the District at the job site or carefully store the items for reinstallation as noted on the Drawings. All other items which the District does not wish to salvage shall be removed from the job site by the Contractor.

## PART 4 - MEASUREMENT AND PAYMENT

### 4.01 PROGRESS PAYMENTS

- A. The Contractor shall, once each month, submit to the District an itemized statement of the work accomplished to date as provided herein. Upon receipt of the Contractor's statement, the District shall, once in each month, cause an estimate in writing to be made of the total amount of work done and the acceptable materials furnished and delivered by the Contractor on the ground and not used at the time of such estimate, and the value thereof. The District shall retain ten percent (10%) of such estimated value of the work done and fifty percent (50%) of the value of the materials so estimated to have been furnished and delivered and unused as aforesaid as part security for the fulfillment of the Contract by the Contractor; and shall monthly pay to the Contractor, while carrying on the work, the balance not retained as aforesaid, after deducting therefrom all previous payments and all sums to be kept or retained under the provisions of the Contract.
- B. No such estimate or payment shall be required to be made when, in the judgment of the District, the work is not proceeding in accordance with the provisions of the

Contract or when, in his/her judgment, the total value of the work done since the last estimate amounts to less than One Thousand Dollars (\$1,000).

- C. Pursuant to Section 22300 of the Public Contract Code of the State of California, securities may be substituted for any moneys withheld by a public agency to ensure performance under a contract. At the request and expense of the Contractor, a securities equivalent to the amount withheld shall be deposited with the District, or with a state or federally chartered bank as the escrow agent, who shall pay such moneys to the Contractor upon satisfactory completion of the Contract.

Securities eligible for substitution under this section shall include those listed in Section 16430 of the Government Code of the State of California or bank or savings and loan certificate of deposit, interest-bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by the Contractor and the District.

The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall receive any interest thereon.

Any Contractor who elects to receive interest on moneys withheld in retention by the District shall, at the request of any subcontractor, make that option available to the subcontractor regarding any moneys withheld in retention by the Contractor from the subcontractor, in accordance with Section 22300 of the Public Contract Code.

Any escrow agreement entered into pursuant to this section shall be substantially similar to the form entitled "Escrow Agreement for Security Deposits in Lieu of Retention" contained in Section 22300 of the Public Contract Code.

- D. Neither the payment of any estimate nor retained percentage shall relieve the Contractor of his/her obligation to correct defective work or material.

#### 4.02 EXTRA, ADDITIONAL OR OMITTED WORK PAYMENT

- A. The District Board may require changes in, additions to, or deductions from the work to be performed or the materials to be furnished pursuant to the provisions of this agreement or any other Contract Documents.

- B. Adjustments, if any, in the amounts to be paid to the Contractor by reason of any such change, addition or deduction, shall be determined by one or more of the following methods:

1. By an acceptable lump-sum bid from the Contractor.
2. By unit prices contained in the Contractor's original bid and incorporated in the Contract Documents or fixed by subsequent agreement between the District and the Contractor.
3. By ordering the Contractor to proceed with the work and to keep and present in such form as the District may direct a correct account of the cost of the change, together with all vouchers therefor. The cost may include an allowance for overhead and profit not to exceed 15% of the net cost.

- C. The method of payment agreed upon shall be set forth in the change order.



- D. No extra work shall be performed or change made unless in pursuance of a written order from the District stating that the extra work or change is authorized, and no claim for an addition to the contract sum shall be valid unless so ordered; provided, however, that nothing in this paragraph shall excuse the Contractor from proceeding with the prosecution of the work.
- E. The Contractor shall, when required by the District, furnish an itemized breakdown of the quantities and prices used in computing the value of any change that might be ordered.
- F. No claim by the Contractor for extra, additional or omitted work shall be allowed if asserted after five (5) working days of encountering a changed condition or performing said extra, additional or omitted work.

#### 4.03 PUNCH LIST

When the Contractor and the District jointly determine that the Contractor is nearing completion, he/she may request that the District prepare a list of incomplete or unsatisfactory items called a punch list. The punch list can be added to as incomplete or unsatisfactory items become apparent. Once all items on the punch list are completed, the Engineer will recommend that the project is complete and that the District file a Notice of Completion with the County Recorder's Office.

#### 4.04 FINAL PAYMENT

- A. The District shall, after the completion of the Contract, make a final estimate of the amount of work done thereunder and the value of such work, and the District shall pay the entire sum so found to be due after deducting therefrom all previous payments and all amounts to be kept and all amounts to be retained under the provisions of the Contract. All prior partial estimated payments shall be subject to correction in the final estimate and payment.

The final payment shall not be due and payable until the expiration of thirty-five (35) days from the date of recording the Notice of Completion by the District. In the event of a dispute between the District and the Contractor, the District may withhold from the final payment an amount of 150 percent of the disputed amount.

- B. It is mutually agreed between the parties to the Contract that no certificate given or payments made under the Contract, except the final certificate or final payment, shall be conclusive evidence of the performance of the Contract, either wholly or in part, against any claim of the District; and no payment shall be construed to be an acceptance of any defective work or improper materials.

#### 4.05 RELEASE

The Contractor agrees that the payment of the final amount due under the Contract and the adjustment and payment for any work done in accordance with any alterations of the same shall release the District, Consulting Engineer and each of their officers, agents and employees from any and all claims or liability on account of work performed under the Contract or by alteration thereof.

END OF SECTION

## SECTION 01010

### PROJECT SCOPE AND TIME OF COMPLETION

#### 1.01 GENERAL

The Contractor shall sufficiently obligate himself/herself and take the necessary precautions so as to perform and complete the work in accordance with the requirements of the contract documents and specifications and/or as shown on the plans and within the time limit specified herein.

#### 1.02 DESCRIPTION OF WORK

##### A. WORK INCLUDED IN THIS CONTRACT

Work covered in these contract documents for the construction of the 2020-2021 Sewer Improvement Project And Spot Repairs consists of the following:

1. Provide pre-construction Close Circuit Televising (CCTV) inspections videos and logs of sewer mains and laterals.
2. Construct and rehabilitate gravity sewers by pipebursting and open cut trenching.
3. Construct manholes and rodholes.
4. Locate manholes, rodholes, locate and pothole all sewer and utility service laterals and conflicting utilities in the field.
5. Install laterals, main to house, together with double wye cleanouts and backflow prevention devices in precast utility boxes.
6. Connect new sewers to existing manholes, rebuild channels, plug holes and seal leaks.
7. Perform spot repairs and spot repair removals.
8. Reset manhole castings with new grade rings and new frame and cover.
9. Restore landscaping damaged by lateral installation.
10. Restore pavement and improvements.
11. Provide Close Circuit Television (CCTV) inspection videos and logs for post-construction improvements.
12. As-built record drawings of final installations.
13. Provide Smoke testing if requested by District as extra work.
14. Secure all necessary permits and business licenses.

## B. COORDINATION

1. The Contractor shall coordinate his/her operations with the District, Sewer Authority Mid-Coastside (SAM), and others working in the immediate area.
2. The Contractor shall conduct his/her operations so as to assure that the existing pumping stations, as well as all other utilities, are kept in continuous operation throughout the execution of this contract. The Contractor, therefore shall schedule and conduct his work so as to minimize interference with operation and maintenance of these facilities. Methods, schedules and sequences of construction which prevent or jeopardize the District's compliance with Clean Water Standards or the NPDES Permit are not acceptable.
3. When modification, addition or connection to existing pipelines, structures, systems, circuits or equipment is required, the Contractor shall schedule such activities with the Engineer. The Contractor shall notify the Engineer, in writing, one (1) week in advance of the time when construction operations will require connection to, or modification of, in-service portions of the existing facility. No pipeline system, structure, circuit or individual unit shall be cut, modified, dewatered or removed from the facility unless authorized by the Engineer.
4. In the event that the Contractor accidentally damages operating pipes, pump stations or treatment facilities, he/she shall immediately effect the necessary repairs. The Contractor shall maintain an inventory of repair clamps and materials for small pipelines, including temporary pumps, bypass pipelines, electrical conductors or other facilities necessary to maintain operation of sewerage facilities while the repairs are being made. The Contractor shall provide telephone numbers of standby personnel who will respond during non-working hours to repair facilities which interrupt normal operations.
5. If the Contractor fails to respond to a request by the Engineer, the District reserves the right to effect the repair with its own forces or by another contractor. The cost for repairs performed by others will be deducted from the payment due the Contractor.
- 6.

## 1.03 TIME LIMITS AND LIQUIDATED DAMAGES

### A. CONTRACT TIME

The Contractor shall sufficiently obligate himself/herself to complete the work for the construction of the 2020-2021 Sewer Improvement Project And Spot Repairs including bid alternates authorized by the District within **eighty-five (105) consecutive calendar days** from the date of the Notice to Proceed.

### B. ADVERSE WEATHER

The Contractor shall not perform construction work during rainy periods. During rains, the Contractor shall place trench plate or "hot mix" pavement (no cutback) over the trench and restore the street to normal traffic flow.

The contract time set forth above is based on the following number of days of unavoidable delays due to adverse weather conditions by month groups:

August through October	4 days
November through April	40 days
May through July	4 days

Time extensions will be given only for unavoidable delays for adverse weather conditions which exceed the above number of days.

### C. LIQUIDATED DAMAGES

The Contractor is cautioned that the specific time limits specified above are the essence of this contract, and he/she will be expected to take whatever measures are necessary to finish the work during this period, including overtime work and working on weekends.

Should the completion of the work required under this contract be delayed beyond the overall contract time, as specified above, or such extension of time as may be allowed by reason of unavoidable delays, there shall be deducted from the total contract price for the work, for each and every calendar day by which such completion shall be delayed beyond said specified time or such extension thereof, the sum of five hundred dollars (\$500.00).

It is further understood and agreed that said sum shall be considered not as penalties but as liquidated damages which the District will suffer in expenses for District staff and for engineering by reason of the failure of the Contractor to perform and complete all the required work within the period specified or such extension of said period as may be allowed by reason of unavoidable delays.

Any money due or to become due the Contractor shall be retained by the District to cover said liquidated damages, and should such money not be sufficient to cover such damages, the District shall have the right to recover the balance from the Contractor or his/her sureties.

The filing of any bid for work shall constitute acknowledgment by the bidder that he/she understands, agrees and has ascertained that the District will actually suffer damages in the amounts hereinabove fixed for each and every calendar day that the completion of the work required shall be delayed beyond the expiration of the period fixed for such completion or such extension of said period as may be allowed by reason of unavoidable delays.

### D. METHOD OF COMPUTING LIQUIDATED DAMAGES

In computing liquidated damages, the Engineer will add to the date determined as the date for the completion of the work of the specific order of completion item, the number of calendar days of unavoidable delay, if any, which the District shall have found to have occurred in the prosecution of the work. This corrected date so adjusted as to include the number of calendar days of unavoidable delay, shall be taken as the date allowed under the contract for the completion of said work. The number of calendar days elapsing between this corrected date for completion and the actual date of completion of said work, multiplied by the number of dollars per day for liquidated damages fixed in the specifications, will be the amount in dollars of liquidated damages which shall be deducted from the contract price on account of late completion of the work.

## 1.04 CONTRACTOR'S WORK SCHEDULE

### A. GENERAL

Unless arrangements are made in advance with the District for overtime or Holiday work, the Contractor shall conform to the work hours and work days listed below.

### B. WORK HOURS

No work or traffic detouring shall commence before 8:00 AM and all work shall have been completed and traffic restored no later than 5:00 PM.

### C. WORK DAYS

No work shall be allowed on Saturdays, Sundays or the following holidays:

1. January 1st, known as New Year's Day
2. The third Monday in January, known as Martin Luther King, Jr. Day
3. The third Monday in February, known as Presidents' Day
4. The last Monday in May, known as Memorial Day
5. July 4th, known as Independence Day
6. The first Monday in September, known as Labor Day
7. November 11th, known as Veteran's Day
8. The fourth Thursday in November, known as Thanksgiving Day
9. The day after Thanksgiving Day
10. December 24th - starting at noon, known as Christmas Eve
11. December 25th, known as Christmas Day
12. December 31st - starting at noon, known as New Year's Eve

When a holiday falls on a Sunday, no work shall take place on the following Monday. When a holiday falls on a Saturday, no work shall take place on the preceding Friday. When New Year's Day falls on a Saturday, no work shall take place on the following Monday.

END OF SECTION

## SECTION 01025

### DETAILED BID ITEM DESCRIPTIONS

#### 1.01 GENERAL – BASE BID

The detailed description of bid items and their respective measurement for payment for the 2020-2021 Sewer Improvement Project and Spot Repairs is included below.

#### 1. MOBILIZATION, DEMOBILIZATION, SWPPP, PERMITS AND LICENCES AND INSTALL PROJECT SIGNS

Shall include the Contractor's mobilization, shop drawing submittals, preparation and provision of a Storm Water Pollution Prevention Plan, notifications, etc. at the beginning of the project, obtaining all required permits, encroachment permits and business licenses necessary for this project together with agency notifications and project signs to be posted on either side of the construction area in advance of the work, inspection coordination, project site cleaning during the project, and the demobilization, cleanup and project site restoration at the completion of the project.

Payment for this bid item shall be a lump sum (LS) not exceeding 5% of the base bid; 50% of which shall be payable at the beginning of the job upon mobilization and 50% shall be payable at the job completion.

#### 2. PRECONSTRUCTION CLEANING AND TELEVISION AND LOCATION OF EXISTING SEWER MAINS

Shall include preliminary preconstruction cleaning and internal close circuit television (CCTV) video and video logs of the interior of the existing sewer mains and connected sewer lateral to the house including sewers requiring spot repairs to determine their condition, and pipe diameter using a cleaning ball and necessary pipe diameter gauge and length, locate all defects needing repair, locate all sewer laterals connected to the main being rehabilitated, and complete separate pre-construction closed circuit television (CCTV) videos and video logs for each sewer line shown on the plans, including the televised recording and inspection report as required in Section 02659 of the Specifications to be submitted to the District Engineer for review at least one (1) week prior to scheduling rehabilitation work, including all notifications to residents, control of sewage flow, all reverse set ups and all necessary verification televising after repairs have been made. These preconstruction video inspections do not have to be completed by PACP Nassco certified crews.

Measurement for payment will be by linear foot (LF) of sewer main length between manholes and linear feet (LF) of sewer laterals between the sewer main and the home for the preliminary preconstruction cleaning and televising of the existing sewer mains and laterals and shall include submittal of DVDs, thumb drives and inspection reports. All necessary potholes and reverse setups shall be at no extra cost.

#### 3. PIPEBURST (E) 6" VCP SEWER WITH 6.63" OD DR17 HDPE

Shall include all sawcutting, potholing of all utility mains and services in advance of trenching, excavation including hand excavation in easements and tight areas, disposal of all asphalt and excavated materials at a legal disposal site, dewatering, continuous conveyance and control of sewage flow, furnishing and installing 6.63" OD HDPE

DR17 pipe by pipebursting, pipe bedding at all insertion pits, lateral connections, locator wire, imported backfill material, temporary asphalt surfacing, culvert restoration, all required compaction, restoration of all improvements, turf, landscaping and irrigation systems, v-ditch and drainage swale restoration, fences, cleaning and testing of the completed pipeline, and all other work necessary to install the new sewer main, complete, in-place.

Measurement for payment will be in linear foot (LF) of sewer main.

#### **4. REMOVE EXISTING SEWER RODHOLE**

Shall include all sawcutting, potholing of utility mains and services in advance of excavation including hand excavation in easements and tight areas, disposal of excavated materials at a legal disposal site, including removal of portions of existing sewer pipe, all rodhole materials, dewatering, control of sewage flow, and including imported backfill material, bedding of the base, compaction, all temporary and permanent pipe connections, temporary and permanent landscaping and resurfacing, complete, in place.

Measurement for payment will be per each (EA) rodhole.

#### **5. INSTALL NEW RODHOLE AND RAISE TO GRADE**

Shall include sawcutting, careful excavation around all existing utilities as necessary, removal of pipe and excavated materials as required, disposal of excavated materials at a legal disposal site, dewatering, construction of new rodhole with cast-in-place concrete collar, new cast iron frame, and cover as shown in the standard details, and raise to grade including all required pipes and fittings to connect to new or existing sewer pipelines, control of sewage flow, imported backfill material, compaction, temporary asphalt resurfacing, complete, in place.

Payment will be for each (EA) rodhole.

#### **6. CONNECT TO EXISTING MANHOLE AND REBUILD MANHOLE CHANNEL(S)**

Shall include connection to the existing manholes, two waterstop gaskets on each new sewer pipe, connected as shown on the plans, chipping out and disposal of existing concrete and pipe material at a legal disposal site, cleaning existing concrete and treating with Concessive or approved equal concrete preparation and bonding agent to aid water tight seal to existing concrete, non-shrink grout and chipping and reshaping of the manhole channel(s) as necessary to accommodate the new sewer main, complete, in place.

Measurement for payment will be for each (EA) connection.

#### **7. REPLACE MANHOLE FRAME & COVER AND RAISE TO GRADE**

Shall include all work and equipment and materials for the removal of and replacement and resetting of a new manhole frame and cover and raise to grade as required, as shown on the plans including all sawcutting, excavation and disposal of excavated material at a legal disposal site, installation of new grade rings, restoration of all

disturbed and damaged surfaces, compact subgrade to ninety-five percent (95%) in relative compaction, prepare for the placement hot-mix asphalt (AC) repaving up to an 8' x 8' square around the manhole cover, a minimum of four (4) inches thick, restore any damaged concrete curb and gutter, drainage swales, and restore all damaged surfaces to pre-project conditions complete, in place.

Measurement for payment will be for each (EA) manhole frame and cover replacement and raise to grade. AC will be paid for by the Ton under AC Bid Item therefore and no additional compensation will be allowed.

#### **8. FIELD LOCATE AND POTHOLE EXISTING SEWER LATERALS**

Shall include physical location and potholing of sewer laterals connected to sewer main pipes being replaced or rehabilitated in this project in advance of the sewer main construction, excavation of the sewer lateral at sewer main tie-in point and at the tie-in point of the existing lateral at the property line, facilitate rehabilitation and CCTV inspection of laterals by determining if lateral is live at least one (1) week prior to sewer main and/or sewer lateral construction, temporary control of sewage, temporary covering of the excavation with steel plates or with plywood weighted down with sand bags and barricaded off in unimproved areas and removal and disposal of excavated material at a legal disposal site, complete, in place.

Measurement for payment will be for each (EA) sewer lateral located and potholed.

#### **9. INSTALL NEW 4" LATERAL TWO-WAY CLEANOUT, SEWER RELIEF VALVE AND CLEANOUT BOX**

Shall include excavation, control of sewage flow, furnishing and installing 4" CI or HDPE two-way cleanouts when approved by District Engineer and sewer relief valve as shown on the plans and in locations designated by the District, all fittings, stainless steel shear band couplings or electrofusion couplings and precast cleanout box with cast iron lid, imported backfill material, backfilling, compaction and including all necessary materials, equipment and labor, complete, in place.

Measurements for payment will be for each (EA) lateral cleanout, sewer relief valve and precast cleanout box installed.

#### **10. REPLACE 4" LOWER LATERALS TO HOUSE**

Shall include all sawcutting, potholing of utility mains and services in advance of trenching, excavation including hand excavation in easements and tight areas, disposal of all asphalt and excavated materials at a legal disposal site, dewatering, control of sewage flow, including removal of portions of existing lateral pipe and cleanouts as necessary to install 4.5" OD HDPE DR17 pipe by pipebursting, if upon review of the CCTV videos of the laterals the District Engineer determines a significant sag needs to be repaired or a portion of the lateral needs to be relocated, open trenching of the sewer lateral may be required, including removal of portions of existing lateral pipe and cleanouts as necessary to readjust the HDPE pipe grade or install 4" PVC C-900 DR17 pipe by open trenching, including all fittings including all fittings and connection to the sewer main and existing building sewer, installation of trench dams on the sewer main upstream of each lateral connection, imported backfill, backfilling, compaction, temporary asphalt and restoration of all improvements, testing and all other work necessary to rehabilitate the sewer laterals, complete, in place.



Measurements for payment will be by linear feet (LF) of sewer lateral installed.

#### **11. REMOVE AND REPLACE CONCRETE ROAD OR CONCRETE DRIVEWAY**

Shall include all excavation, saw cutting, removal and disposal of concrete road subgrade up to 12" thick at a legal disposal site, subgrade compaction, formwork, placement of concrete, resetting utility boxes and iron castings, as necessary for replacement of damaged concrete sidewalks and driveway approaches, complete, in place.

Measurement for payment will be by the square foot (SF) of concrete road subgrade removed.

#### **12. ASPHALT CONCRETE TRENCH REPAIR AND RESTORATION**

Shall include sawcutting and/or grinding a minimum of 6" wider than the trench line or around potholes, removal and disposal of existing asphalt and temporary asphalt at a legal disposal site, compaction, re-compaction of the Class 2 aggregate base material in the trench to 95% relative compaction, a subgrade material below the new asphalt, furnishing, placing and compacting of asphalt concrete to restore asphalt surfacing over trenches and in other locations shown on the plans or designated by the District or required by the relevant permits(s), including all replacement of all pavement markings, complete, in place.

Measurement for payment shall be by ton (TON) of asphalt placed.

#### **13. REPLACE PAVEMENT MARKINGS**

Shall include the removal and proper disposal of existing pavement markings and striping in compliance with Lead Compliance Plan and all other regulations for disposal of hazardous materials, and the replacement, in kind, of all existing pavement markings, striping, and traffic loops (if present) that are removed, damaged or otherwise obliterated by the construction work including restriping crosswalks or other striping outside the work area to make uniform striping to the satisfaction of the City or County, using only thermoplastic markings, striping, stencils and symbols and all raised pavement markers and reflectors and curb paint, and traffic loops including all necessary equipment, materials and labor, complete, in place.

Measurement for payment will be a lump sum (LS) for all pavement markings excluding pavement markings removed or damaged by the slurry seal bid item.

#### **14. SHORING FOR ALL EXCAVATIONS**

Shall include all bracing, shoring and sheathing for all excavation as necessary to protect workers and prevent movement of trench bottom and adjacent improvements. Groundwater will be present in trench backfill of existing utilities. Contractor shall design shoring and dewatering systems to mitigate against washout or raveling of materials from existing utility trenches.

Measurement and payment for temporary bracing, shoring and sheeting or equivalent method will be based upon the completion of all planning, design, engineering, furnishing, and construction and the removal and disposal of all such temporary

bracing, shoring and sheeting as a lump sum (LS) item, complete, as required under the provisions of any permits, and in accordance with the requirements of OSHA and the Construction Safety Orders of the State of California, pursuant to the provisions of Section 6707 and Section 6705 of the California Labor Code.

Payment for all bracing, shoring and sheeting or equivalent method shall be by lump sum (LS), which price named in the Bid Form under this item shall constitute full compensation for completion of all such work as required per contract documents.

#### 15. TRAFFIC CONTROL AND PUBLIC NOTIFICATIONS

Shall include the design and preparation of a traffic control plan for the safe and orderly movement of traffic through the construction area, provision, installation and maintenance of all proposed temporary traffic control devices, delineators, separators and flaggers, any required temporary pavement markings, street signs, including all necessary materials, equipment, incidentals and labor to provide for the safe flow of all modes of traffic through the project area at all times, including printing of written notifications and delivering to residents and businesses in the affected areas, furnishing and installation and maintenance of project signs for the duration of the project in accordance with the project plans and specifications and encroachment permit requirements, removal of project and traffic control devices including all necessary materials, equipment and labor, complete, in place.

Measurement for payment will be a lump sum (LS) for all traffic control, maintenance of project signs and all required notifications.

#### 16. EXCAVATE AND SPOT REPAIR SEWER PIPE

Shall include potholing of utility mains and services in advance of trenching, sawcutting, excavation of the repair area up to 10 feet deep and 14 feet long and 3 feet wide, disposal of excavated materials at a legal disposal site, removal of portions of existing sewer pipe, dewatering, control of sewage flow, replacement of the required pipe pipes segments approximately 10 LF long as shown on the plans, new lateral wye and lateral connections if required, imported pipe bedding and backfill material, compaction, temporary asphalt restoration of all improvements, reconnection of live laterals, and all other work necessary to install the new sewer pipe spot repair into the existing sewer main, complete, in place.

Measurements for payment will be for each (EA) spot repair.

#### 17. POTHOLE UTILITY MAINS

Shall include potholing down to utility mains determined to possibly be in conflict with the work using backhoe excavation only for AC removal and initial excavation, then by hand digging as required or by vactor excavation and exposing utility lines near the sewer mains and sewer laterals to be trenched or pipeburst, preparation and submission of a neatly written or type written log in sequential order according to station, indicating station, depth to top of exposed utility, type, material and approximate size of utility, and marking the pavement with the utility type and depth, removing the soil beneath utility lines and services until the pipebursting head has successfully passed by, or new sewer main has been placed, disposal of excavated material, temporary resurfacing, all necessary shoring, backfill, compaction and temporary resurfacing of the excavation.

Measurement for payment will be (EA) for each pothole of utility mains dug. Potholing of utility services shall be included in the bid price for sewer line or lateral construction and no additional compensation will be allowed. Potholing of sewer laterals shall be included in the bid price therefor and no additional compensation will be allowed.

#### 18. INTERNAL TELEVISIONING OF NEW SEWER MAINS AND ADDITIONAL SEWERS, PACP

Shall include cleaning and internal close circuit television (CCTV) video and video logs of the interior of the new sewer mains including existing sewers with spot repairs performed, and cleaning and televising of additional existing sewers shown on the plans and directed by the District, including televised recording and inspection report as required in Section 02659 of the Specifications to be submitted to the District Engineer for review at least one (1) week prior to punch list review, and including all notifications to residents, control of sewage flow, all reverse set ups and all necessary verification televising after repairs have been made. These CCTV shall be in compliance with PACP Nassco certification standards, and an Access Database of the inspection data shall be included in the electronic submittal.

Measurement for payment will be linear foot (LF) sewer main length between manholes of the new sewer mains and shall include submittal of DVDs or Thumb Drive and inspection reports. All necessary potholes and reverse setups shall be at no extra cost.

#### 19. INTERNAL TELEVISIONING OF NEW SEWER LATERALS

Shall include internal close circuit television (CCTV) video and video logs of the interior of the new sewer laterals from sewer main to the home, including the televised recording and inspection report as required in Section 02659 of the Specifications to be submitted to the District Engineer for review at least one (1) week prior to punch list review, and including all notifications to residents, control of sewage flow, all reverse set ups and all necessary verification televising after repairs have been made.

Measurement for payment will be for each (EA) of sewer lateral televised and shall include submittal of DVDs or Thumb Drive and inspection reports. All necessary potholes and reverse setups shall be at no extra cost.

#### 20. PERMITS AND LICENSES

Shall include securing and payment of all fees and costs for all permits, licenses and any and all other regulatory and legal requirements or special inspections.

Measurement for payment will be a lump sum (LS). The District will reimburse the Contractor separately for the encroachment permit fee only.

#### 21. RECORD DRAWINGS

Shall include all work related to maintaining record drawings to show all changes made during the construction process and providing a completed as-built set of as-built drawings to the District at the end of the project.

The drawings shall include recording the actual depths, horizontal and vertical location of underground pipes, duct banks, and other buried utilities; referencing dimensions to permanent surface features; identifying specific details of pipe connections, location of existing buried features located during excavation, and the final locations of piping, manholes, and appurtenances; making annotations with erasable colored pencil conforming to the following color code: Additions (Red), Deletions (Green), Comments (Blue), and Dimensions (Graphite).

Payment for this item will be a lump sum (LS), in the amount specified on the Bid Form attached hereto, for District approved as-built drawings.

## 1.02 ADDITIVE ALTERNATE BID ITEMS

The detailed description for the 2020-2021 Sewer Improvement Project and Spot Repairs for the Additive Alternate Bid Items A-1 through A-21 are the same descriptions as the Base Bid Items 1 – 21 listed above.

Payment Note: Additive Alternate Total Amount for each unit price item is equal to Base Bid Unit Price times the Additive Alternate Quantity (Does not apply to Lump Sum Bid Items). Record Drawing Lump Sum prices are specified on the Bid Form separately for the Base Bid and the Additive Alternate Bid.

**END OF SECTION**

**SECTION 01030**  
**SPECIAL CONDITIONS**

1.01 GENERAL

The Contractor shall comply with the following special conditions.

1.02 PERMITS TO BE OBTAINED BY THE CONTRACTOR

A. GENERAL

The Contractor shall be solely responsible to obtain all necessary permits, pay all permit and inspection fees, and comply with all requirements and obligations imposed upon him/her in the conditions of the permits issued, including but not limited to:

1. Encroachment Permits – County of San Mateo
2. Shoring and Tunneling Permits
3. Business Licenses
4. Montara Water and Sanitary District Water Use and Temporary Construction Meter

The Contractor shall furnish the Engineer with a copy of each of the permits which he/she has obtained for the conduct of the construction work.

B. COST OF PERMIT COMPLIANCE

All permit and business license costs, inspection costs associated with construction permits, and all costs of compliance with the requirements of all agencies exercising jurisdiction over the work shall be included in the bid price and no additional compensation will be allowed therefor. The District will reimburse the Contractor for the encroachment permit fee only.

1.03 PRECONSTRUCTION PHOTOGRAPHS

Prior to commencement of any construction activity, the District or the District Engineer will take photographs of all work areas.

The Engineer will notify the Contractor at least forty-eight (48) hours in advance of the photography work so that the Contractor and/or his/her inspector(s) can be present. The Contractor may obtain a duplicate set of photographs from the District at cost.

The Contractor is responsible for taking his or her own preconstruction pictures or video in addition to any pictures taken by the District or District engineer.

1.04 FIELD SURVEYS - LINE AND GRADE

All work done under this contract shall conform in all respects to lines, grades and dimensions shown on the plans or as modified by the Engineer. Following a favorable review of the Pothole Log Submittal, the Contractor may request staking information. The District will provide one (1) set of the construction staking if required with information consisting of the following:

1. One (1) set of offset stakes designating Station and cut to pipe invert.

2. One (1) set of stakes and reference points designating the Station and center and cut to invert of manholes and structures.

Before any construction stakes are set by the Engineer, the Engineer and the Contractor shall confer regarding the location of the construction stakes so that they will not be destroyed before they are used and so that they are convenient to the work. Where there is brush or overburden which needs to be cleared or removed along the pipeline alignment, the Contractor shall clear the brush, remove the overburden or otherwise clear and grub the working area before the construction stakes are set. If construction stakes are destroyed or must be relocated after they are set, the Contractor shall reimburse the District for the expense of re-establishing the construction stakes.

The Contractor shall be responsible for accurately transferring line and grade from the offset stakes to the pipeline or structures. For the pipeline, a minimum of three (3) offset points shall be used at all times in setting the stringline templates or laser for the pipeline or structures. Any discrepancies noted in the stakes or marked information on the stakes shall be immediately reported to the Engineer.

## 1.05 UTILITIES, POTHOLING AND RELOCATIONS

### A. GENERAL

No excavations were made to verify the locations shown for underground utilities. The service connections to these utilities may be, but are not necessarily, shown on the drawings. Overhead utilities including wires, poles and guys are not necessarily shown on the plans and shall be determined from the Contractor's visit to the site. It shall be the responsibility of the Contractor to determine the exact location of all utilities and service connections thereto ahead of any excavations through "potholing." The Contractor shall make his/her own investigations, including exploratory excavations, referenced herein as potholing, to determine the locations and type of existing utilities, including service connections, prior to commencing work which could result in damage to such utilities. The Contractor shall immediately notify the Engineer as to any utility discovered by him/her in a different position than shown on the drawings or which is not shown on the drawings.

### B. UTILITY LOCATIONS

Prior to fabrication of engineered pipe and prior to commencing any trenching or excavation work, the Contractor shall contact all affected utility owners and request them to locate and mark the location of their respective utilities on the ground. The Contractor shall then undertake "potholing" procedures as described hereinbelow. If a utility owner is not equipped to provide the locating service, the Contractor shall provide for it. The location of said underground pipes and conduits shall be clearly marked on the pavement or with suitable markers if not on pavement. In addition to the location of metallic pipes and conduits, non-metallic pipe, ducts and conduits shall also be similarly located using surface indicators and shall then be similarly marked.

### C. POTHOLING

Immediately following the utility identification and marking described above, and prior to fabrication of engineered pipe, the Contractor shall commence "potholing" to determine the actual location of each of the utility pipes, ducts or conduits. The Contractor shall uncover all underground utilities mains and services, including, but not limited to, sewers and storm drains. Underground nearby or conflicting utilities mains and services shall be uncovered to a point one (1) foot below the pipe, where crossing,

possible interferences or pipe connections prior to the preparation of shop drawings, trenching or excavating for any pipe or structure, in order to determine actual elevations. Once uncovered, the Contractor shall record the depth of the utility at the pothole and clearly mark the depth on the pavement. Any variation in the actual elevations and the indicated elevations shall be brought to the Engineer's attention. If the Contractor does not expose all required utilities prior to shop drawing preparation and trenching, he/she shall not be entitled to additional compensation for work necessary to avoid interferences, nor for repair to damaged utilities. Excavations around underground electrical ducts, conduits and gas pipes shall be performed using extreme caution to prevent injury or damage to workers or any utility. Similar precautions shall be exercised around water, fiber optic, telephone, television cables and any other utilities discovered in the field.

#### D. UTILITY RELOCATION PROCEDURES

Any utility relocations shall be coordinated with and/or performed by the owner of the respective utility. In case it should be necessary to remove, relocate or temporarily maintain a utility because of interference with the work, the work on the utility shall be performed and paid for as follows:

1. When it is necessary to remove, relocate or temporarily maintain a service connection, the Contractor shall bear all expenses incidental to the work on the service connection. The work on the service connection shall be done in a manner satisfactory to the owner thereof; it being understood that the owner of the service connection has the option of doing such work with his/her own forces, or permitting the work to be done by the Contractor.
2. When it is necessary to remove, relocate or temporarily maintain a utility which is reasonably close to the position shown on the drawings, the cost of which is not required to be borne by the owner thereof, the Contractor shall bear all expenses incidental to the work on the utility. The work on the utility shall be done in a manner satisfactory to the owner thereof; it being understood that the owner of the utility has the option of doing such work with his/her own forces, or permitting the work to be done by the Contractor.
3. When it is necessary to remove, relocate or temporarily maintain a utility which is not shown on the drawings or is in a position materially different from that shown on the drawings and were it in the position shown on the drawings would not need to be removed, relocated or temporarily maintained, the District will make arrangements with the owner of the utility for such work to be done at no cost to the Contractor, or will require the Contractor to do such work in accordance with the article on changes in the work or will make changes in the alignment and grade of the work to obviate the necessity to remove, relocate or temporarily maintain the utility. Changes in alignment and grade will be ordered in accordance with the article on changes in the work.

The right is reserved to governmental agencies and to owners of utilities to enter at any time upon any street, alley, right-of-way or easement for the purpose of making changes in their property made necessary by the work and for the purpose of maintaining and making repairs to their property.

The Contractor shall be compensated for the costs of locating, repairing damage not due to the failure of the Contractor to exercise reasonable care, and removing or relocating such utility facilities not indicated in the plans and specifications with reasonable accuracy and for equipment on the project necessarily idled during such

work. The Contractor will not be assessed liquidated damages for delay in completion of the project, when such delay was caused by the failure of the public agency or the owner of the utility to provide for removal or relocation of such facilities.

#### E. UTILITY LOCATIONS

All utilities have reviewed the plans and may be aware of specific problems in respect to their own utilities which may require work on their part to clear the proposed pipeline construction. Prior to starting work, the Contractor shall contact the following people regarding their utilities and any protection work:

##### Cable Services

Comcast

Technical Support 800/945-2288

Emergency: 800/266-2278

Russ Dunn – Contract Cable Locator, CableCom of California - 415-760-6406

##### Gas Mains and Services, Electrical Utilities

Pacific Gas and Electric Company

Engineer: Joe Galager 650/598-7408

Field Office:

Bill Spiker, Gas 650/598-4628

Scott Robinson, Electric 650/798-1223

Ray Matzon 650/598-7437

Walt McElroy 650/598-7339

##### Water Mains and Services

Montara Water & Sanitary District

Manager: 650/728-3545

Emergency: 650/728-3545

##### Sewer Force Mains (Local and IPS) and Pump Station Services

SAM (Sewer Authority Mid-Coastside)

Emergency: 650/726-0124

Services Supervisor: Kevin Antonelli: 650/726-0124

< kevin@samcleanswater.org >

##### Telephone Utilities

SBC/AT&T, San Mateo County

Engineering Department:

Arthur J. Page, 408/493-7237

Rosemary Hamill, 925/944-8416

Emergency: 800/310-2355

#### F. RESPONSIBILITY

The Contractor shall call "CALL BEFORE YOU DIG" at 800-227-2600 or 811.

The Contractor shall be responsible for all damage to underground utilities whether they are shown on the plans or not, or whether they have been potholed or not. The Contractor shall determine the location of all underground utilities and services through conferring with the utility companies and through potholing as described hereinabove.



## G. PAYMENT

The cost of potholing utility mains and services shall be included in the bid price for pipeline construction and no additional allowance will be made therefor.

### 1.06 CONTRACTOR'S OPERATIONS

The Contractor shall conduct the operations in a manner which will protect adjacent property from annoyance or damage from dust caused by the operations. When necessary, he/she shall take steps to control dust by the application of water, dust palliative, salt or other suitable means. The Contractor shall be responsible for dust control during both working and non-working hours.

During working hours, any open trenches or excavations left unattended shall be covered or properly barricaded with lighted barricades with guard rails. The Contractor shall, at all times, make provision for adequate pedestrian and local vehicle access to residences. The Contractor shall conduct the operations in a manner which will assure the maintenance of public safety at all times.

### 1.07 WORK IN PUBLIC STREETS AND RIGHTS-OF-WAY

#### A. GENERAL

Before commencing work, the Contractor shall obtain Encroachment Permits from the County of San Mateo and shall comply with all Encroachment Permit requirements.

Unless otherwise specified in the Encroachment Permit for the work, requirements for work within the public right-of-way, including the pedestrian path, will include, but are not limited to, the following:

1. The Contractor shall not have more than fifty (50) feet of trench under construction without backfill and temporary pavement. Each night all trenches and excavations shall either be backfilled and surfaced with temporary pavement or shall be covered with steel plates with the edges of the plates properly beveled with A.C.
2. At the end of each day, all streets in the work area shall be thoroughly cleaned.
3. Intermediate backfill material and placement shall be in accordance with the standard trench details as shown on the plans, with the provision that in public streets use of native material as backfill will not be allowed except for construction of clay plugs, as shown on the plans.
4. The Contractor shall conduct his operations in a manner which will protect adjacent property from annoyance or damage from dust caused by his operations. When necessary, he shall take steps to control dust by the application of water, dust palliative, salt or other suitable means. The Contractor shall be responsible for dust control during both working and non-working hours.
5. During working hours, any open trenches or excavations left unattended shall be covered or properly barricaded with lighted barricades with guard rails. The Contractor shall, at all times, make provision for adequate pedestrian and local vehicle access to residences. The Contractor shall conduct his operations in a manner which will assure the maintenance of public safety at all times.

B. PAYMENT

The cost of work in public streets and rights of way shall be included in the bid price for pipeline construction and no additional allowance will be made therefor.

1.08 TRAFFIC CONTROL

A. GENERAL

The Contractor shall provide and maintain safe and adequate passage for vehicular and pedestrian traffic over, around, and adjacent to trenches and other excavations by bridging, backfilling and paving, or other approved means as specified herein under the description of detours.

B. TRAFFIC CONTROL

The Contractor shall be responsible for providing adequate traffic control to assure the minimum disruption of and inconvenience to the traffic. The Contractor shall direct and detour traffic in accordance with the traffic control and signing plan, as directed by the Engineer, as directed by representatives of the County of San Mateo (and their permits) and as specified herein.

C. SIGNS AND LIGHTS

Temporary signs, lights, and devices shall be in accordance with the California State Division of Highways "Manual of Warning Signs, Lights and Devices for Use in Performance of Work upon Highways," current edition. During the hours of darkness, approved lights or flares shall be maintained in sufficient numbers, in proper working order, and in proper locations to adequately illuminate the area and alert approaching traffic.

D. NOTICE TO AGENCIES

At least forty-eight (48) hours prior to instituting any detours, the Contractor shall notify, in writing, of the proposed detour or closure, the Montara Water and Sanitary District, the Point Montara Fire Protection District, San Mateo County Sheriff and San Mateo County Department of Public Works and if required, notify Caltrans. Roadway closures shall not be allowed.

E. DETOUR USE AND ACCESS

During all detours, the Contractor shall provide for movement of emergency vehicles through the work area. Local access to driveways and houses shall be provided within the work area during working hours to the extent feasible. During non-working hours, no driveway or house shall be denied access to a public roadway.

F. BARRIERS AND CROSSOVERS

The Contractor shall provide temporary crossovers at all driveways and streets where it is necessary to maintain traffic. The Contractor shall provide flaggers where necessary to direct traffic. Trenches shall be adequately barricaded and lighted for the protection and safety of the public.

## G. PAYMENT

The cost of all traffic control shall be included in the cost for pipeline construction, and no additional allowance will be made therefor, unless a specific Bid Item is listed for Traffic Control.

## 1.09 PROTECTION AND RESTORATION OF IMPROVEMENTS

### A. GENERAL

The Contractor shall protect, shore, brace, support, and maintain all existing surface and subsurface improvements uncovered or otherwise affected by his construction operations. All pavement, surfacing, driveways, curbs, walks, buildings, utility poles, guy wires, fences, and other surface structures affected by construction operations, together with all sod, plantings, and shrubs, shall be restored to match their original condition or better. All replacements shall be made with new materials.

Contractor will be held responsible for any damage to existing structures, work, materials, or equipment because of his operations and shall repair or replace any damaged structures, work materials, or equipment to the satisfaction of, and at no additional cost to, the District.

### B. DOCUMENT PRECONSTRUCTION CONDITION

Contractor shall be responsible for preconstruction surveys to document the condition of existing improvements. The Contractor shall be responsible to adequately document the condition for size, kind, quantity and the extent of existing improvements. For sanitary sewer laterals, the Contractor shall provide not less than two still photographs of each lateral location, with date and address noted on back. Photographs shall be for the purpose of documenting the pre-existing condition at the site of work. All surveys shall be delivered to the District prior to commencing work on any given lateral. In the absence of adequate pre-construction documentation, the District's judgment shall be final.

### C. TREE AND PLANT PROTECTION

No trees or cultured plants shall be removed or damaged, unless the Contractor obtains the written permission of the property owner and Engineer. Whenever practicable, Contractor shall tunnel beneath trees when on or near the line of trench. Hand excavation shall be employed as necessary to prevent injury to trees and other plants. All trees and other vegetation that are removed shall be disposed of by the Contractor as approved by the Engineer. All trees and plants not removed shall be protected against injury from construction operations.

Each tree injured beyond repair or removed shall be replaced with a similar tree of the nearest size possible. All trimming, repair, and replacement of trees and plants shall be performed by qualified nurserymen or horticulturists.

The Contractor shall take the following measures when working in the vicinity of trees and shrubs:

1. All pruning and treating of trees shall be done by a professional arborist or established tree service whose operators are skilled in the care of trees, at the expense of the Contractor. The arborist or tree service selected shall be subject to approval by the Engineer.

2. Where a tree to be left standing is so close to the work area that it could not be adequately protected during a conventional trenching operation, the Contractor shall employ an alternative method of excavation for the pipeline such as tunneling or boring.
3. No tree roots shall be unnecessarily cut in excavating or trenching operations. Major roots, defined as roots 2" or larger, which are encountered in the course of excavation shall be exposed but not severed, and they shall be wrapped in plastic as a protective measure while exposed. All other roots that are cut shall be pruned cleanly so that jagged or torn ends do not exist. Where a root has been shattered or jaggedly cut, the Contractor shall dig back to a sound point, but as close as possible to the point of tearing, shattering or splitting and prune the root cleanly.
4. The Contractor shall be responsible for the recovery of any trees damaged or disturbed during construction for a period of one year following the completion of the project.

#### D. LAWN RESTORATION

All lawn areas that have been disturbed by the contractor's construction activities or by parking of equipment, shall be restored using methods approved by the District. The top surface elevation of the new sod shall match the preconstruction elevation.

The soil used in the repair work shall be commercially available processed topsoil. Sod shall be cut in strips or rectangular sections which may vary in length, but shall be of equal width and of a size that will permit the sections to be lifted and rolled without breaking. All sod shall be cut to a thickness of 1/2 to 3/4 inch.

Fertilizer shall be pelleted or granulated and shall have an analysis of equal parts of available nitrogen, phosphorus, and potassium in percent by weight in order to supply the number of pounds of the pure chemicals per square foot recommended by the manufacturer. Water shall be free from any substances harmful to the growth of grass and shall be from a source approved by the District prior to use.

Sod shall be placed after the soil has been adequately prepared and after the fertilizer has been applied as recommended by the manufacturer. Sod shall be laid smoothly, edge to edge, and with staggered joints.

All sodded areas shall be maintained in accordance with Section 20 of the "Technical Provisions." Maintenance shall include watering, re-sodding, repair of erosion damage, and all other operations necessary to obtain an acceptable grass cover. Watering shall be required if natural rainfall is not sufficient to maintain the sod bed in a thoroughly moist condition. Contractor shall provide water for watering. Sodded areas that have turned brown prior to final acceptance of the project shall be re-sodded. Original grades of the grass-covered areas shall be maintained after commencement of sodding operations and during the maintenance period.

#### E. FENCES

All existing fences affected by the work shall be maintained by the Contractor until completion of the work.

Fences which interfere with construction operations shall not be relocated or dismantled until written permission is obtained from the Engineer and owner of the fence and the

period the fence may be left relocated or dismantled has been agreed upon. Where fences must be maintained, adequate gates shall be installed. Gates shall be kept closed and locked at all times when not in use.

On completion of the work across any tract of land, Contractor shall restore all fences to their original or to a better condition and to their original location.

#### F. RESTORATION OF DRIVEWAYS, SIDEWALKS, RETAINING WALLS, CURBS AND GUTTERS

The Contractor shall observe the following requirements:

To the extent possible, construction shall be conducted without disturbing concrete driveways. All concrete curbs, gutters, aprons, patios, walls, driveways, and sidewalks which are broken, crushed, or damaged by the installation of the improvements shall be reconstructed by and at the expense of the Contractor. All restoration shall be of the same kind of material, quality, and of the same dimensions as the original work. The minimum thickness for concrete slabs, etc. shall be no less than adjoining pavement in thickness, or as indicated on the Drawings, or as specified, whichever is the greater. The repairs shall be made by removing the damaged portions between cold joints, or to nearest weakened plane joint cut by a concrete saw and by replacing the entire portions. Reinforcing dowels shall be placed in existing concrete as approved by the Engineer. Patching the damaged part is not allowed. All work shall match the appearance of the existing improvements as nearly as practicable.

A power-driven pavement saw shall be used to cut existing Portland cement concrete sidewalk, driveway, curb, and gutter where it is necessary to remove the concrete. Sidewalk shall be saw-cut at existing score marks. Driveway aprons shall be removed and replaced as a whole without saw-cutting. The kerf shall be a minimum of 1-1/2 inches and straight; and, if two cuts are made they shall be parallel. The kerf shall be deep enough to permit complete breakage of the concrete without ragged edges.

All edges of concrete shall be edged with a cement edger of the size 2-3/4 inches in width with a 3/16 inch radius. All joints or grooves that are indicated on the Plans or are required by the Engineer shall be marked with cement groovers or jointers 4 inches in width and having a groove 3/8 inch wide at the top and a depth of 1/4 inch to 1/2 inches.

All new or previously existing concrete surfaces shall be left neat, clean, and free from concrete droppings. The Contractor shall be responsible for preventing vandals or others from disfiguring or defacing the finished surfaces. Any new concrete surfaces disfigured, shall be replaced at the Contractor's expense.

#### G. PAYMENT

The cost of restoration of AC pavement, concrete sidewalks, and concrete curbs and gutters within the public right of way shall be included in the bid items therefor. The cost of restoration of all surface features on private property including sidewalks, retaining walls, patios, fences, gravel, lawn, dirt, and driveways; underground service utilities such as water, phone, power, gas, cable TV, landscaping sprinklers and drain pipes shall be included in the bid price for pipeline construction and no additional allowance will be made therefor. All surface and subsurface features shall be restored to their original construction, function and appearance to the satisfaction of the District.

## 1.10 ALIGNMENT CHANGES

In the event the Contractor requests a change in alignment to gain the advantage of reduced interference with utilities or other physical hazards and said change is agreed to by the District, the Contractor thereafter shall assume all responsibility for any physical hazards encountered along the realigned route at no additional cost to the District.

The costs of engineering, including surveys and administrative work, incurred by the District in connection with said requested change shall be deducted from payments due the Contractor.

## 1.11 SOILS INVESTIGATIONS

No soil borings were taken specifically for this project.

The records of investigation of subsurface conditions which are made available by the Engineer are not part of the Contract and are solely for the convenience of the Bidder or Contractor. It is expressly understood and agreed that neither the District nor the Engineer assumes any responsibility whatsoever in respect to the sufficiency or accuracy of the investigations thus made, the records thereof, or the interpretations set forth therein, and there is no warranty or guarantee, either expressed or implied, that the conditions indicated by such investigations or records are representative of those existing throughout such areas or any part thereof, or that unlooked-for developments may not occur, or that materials other than or in proportions different from those indicated, may not be encountered.

## 1.12 SOILS TESTING DURING CONSTRUCTION

The District will retain a Soils Engineer who will conduct soils tests, such as on the trench backfill material, to determine compliance with the provisions of these specifications. When requested by the Engineer, the Contractor shall provide personnel to dig and properly shore holes in locations and at depths requested by the Soils Engineer so that the necessary soils tests can be performed.

Soil compaction tests will be performed at intervals and at depths necessary for determining compliance with the compaction requirements for pipe bedding, intermediate backfill and surface restoration materials. If the material as placed does not meet the compaction requirements, the Contractor shall recompact the material or remove, replace and recompact. New soils tests will be taken on the recompact material until compaction requirements are met. All such repeated soils compaction tests will be performed at the Contractor's cost.

The Contractor shall provide samples of material for testing by the District's Soils Engineer.

## 1.13 OTHER TESTS

The Contractor shall provide for other tests as required in the specifications.

## 1.14 DISPOSAL OF EXCAVATED MATERIAL

The Contractor shall be responsible for making his/her own arrangements for disposal of all excavated material or other materials at a legal disposal site.

## 1.15 CONTRACTOR STORAGE YARD

The Contractor shall make his/her own arrangements for storage of construction materials.

END OF SECTION

## SECTION 01601

### MATERIALS AND EQUIPMENT

#### 1.01 GENERAL

The Contractor shall qualify all items proposed to be furnished, furnish operating and maintenance data, and protect, install, test and commission all materials and equipment as specified herein below.

#### 1.02 EQUIPMENT, MATERIALS AND/OR PRODUCTS TO BE FURNISHED

The work, unless otherwise permitted or approved by the District, shall be completed with the incorporated use of equipment, materials and/or products where such are specified. Substitutions and equal alternatives will be permitted as provided in this article; however, neither the request for substitution nor the offer of alternatives shall in any way by their submittal obligate the District to assent to any request or offer. Failure of the Contractor awarded the work to either submit requests for substitutions or to offer alternatives within the required times provided in this General Condition will be considered as evidence that the work shall be accomplished with trade-named equipment, materials and/or products as identified in the Technical Provisions and/or the Project Drawings.

Unless otherwise provided elsewhere in the Contract, all equipment, materials and/or products incorporated into the work shall be new and, where not specified, shall be of the highest quality of the respective kinds for the intended use, and all installation shall meet or exceed applicable construction industry standards and practices. If equipment, materials and/or products are designated by listing named manufacturers of particular equipment, materials and/or products followed by the words "or equal," then the Contractor may furnish the named equipment, materials and/or products or any equal equipment, materials and/or products. The first named manufacturer of particular equipment, materials and/or products is the basis for the design shown on the Project Drawings. A subsequently named manufacturer or particular equipment, materials and/or products has been determined to be an acceptable substitution but may require modifications in the Project's design and its ultimate construction to accommodate its use. If such subsequently named items are selected by the Contractor for incorporation into the work, the Contractor shall assume all costs required for modifications to the equipment, materials and/or products, and the Project design and construction as may be required for said items' use. Substitutions for an unnamed "equal" item of material shall be permitted upon compliance with the procedures set forth herein. If a Contractor makes use of an unnamed "equal" product as a substitute for a specifically named material or product, the Contractor shall assume all costs required to make the necessary revisions or modifications to accommodate the use of said unnamed product.

Before beginning the work and as soon as possible after award of the Contract, the Contractor shall submit a List of Materials to the District for review. The List shall include all items of equipment, materials and/or products to be incorporated into the work and the names of suppliers with whom purchase orders have been placed. The names on the List shall be arranged in the same order as in the specifications, and shall contain sufficient data to identify precisely the items of equipment, materials and/or products the Contractor proposes to furnish. The List shall include specification or Project Drawing references. Once the submission is determined to be acceptable to the District, it shall be returned to the Contractor.



If required by the District, the Contractor shall furnish sample specimens of materials proposed to be furnished.

### 1.03 SUBSTITUTIONS

Substitution for those equipment, materials and/or products specified shall only be permitted when the proposed unnamed "equal" product or material to be furnished is both equal in quality and utility and after the Contractor has complied with the following provisions: (1) All substitutions shall be reviewed by the District. (2) The District must approve such substitution in writing prior to its incorporation into the work. (3) Unless otherwise authorized in writing by the District, the Contractor shall, prior to award and placing any purchase orders, and at least thirty (30) calendar days before it requires approval of any such alternative item, submit to the District sufficient data, drawings, samples, literature, or other detailed information as will demonstrate to the District that the proposed substitute is equal in quality and utility to the equipment, materials and/or products specified.

Within thirty (30) calendar days following receipt of all requested information from the Contractor, the District will determine whether the proposed alternative is equal in quality and utility and meets the requirements of the Contract and will inform the Contractor in writing of such determination. The burden of substantiating the quality and utility of alternatives shall be upon the Contractor, and the Contractor shall furnish all necessary information requested and required by the District. The District will be the sole judge as to the quality and utility of alternative equipment, materials and/or products, and the District's decision shall be final. An acceptance by the District of a substitution shall not relieve the Contractor from complying with the requirements of the Project Drawings and Specifications. Acceptance by the District shall not relieve the Contractor from full responsibility for the efficiency, sufficiency and quality and performance of the substitute equipment, materials and/or products, in the same manner and degree as the equipment, materials and/or products specified by name.

Failure of the Contractor to submit proposed substitutions for review in the manner described above and within the time prescribed shall be sufficient cause for rejection by the District of any other proposed substitutions.

In determining whether a proposed product is equal in quality and utility, the District is not restricted to such basic issues as performance and durability, but may consider any other issues that the District, in the discretion of the District, deems appropriate. Said issues may, but are not required to include, nor are they limited to, such additional factors as comparable performance, reliability, efficiency of operation, ease of operation, adaptability, ease of maintenance, capital costs, life-cycle costs, operational characteristics, costs of training personnel, maintenance history, warranties, problems created by the resulting overall warranty system, availability of qualified service, availability of parts, the history of any supplier, and compatibility with existing facilities.

No one factor or group of factors, including such issues as savings on capital costs, shall be determinative of whether the proposed product or material is equal in quality and utility. The decision of the District shall be based on those factors deemed by the District to be relevant and any data, drawings, samples, literature or other detailed information furnished by the Contractor with respect to the proposed substitution.

Each decision as to whether a product or material is equal in quality and utility shall be made by the District on a case-by-case basis.

The Contractor shall be responsible for any and all costs, including consultant costs, incurred by the District with respect to the proposed substitution that exceed the costs inherent in the normal and reasonable review of drawings and other standard data, information and documents concerning any proposed substitution. The Contractor shall be responsible for this cost, regardless of whether or not the substitution is approved by the District.

#### 1.04 SUBMITTAL AND REVIEW PROCEDURE

##### A. GENERAL

The Contractor shall submit drawings and information describing materials or equipment in sufficient detail to determine whether the materials or equipment conform to the specifications in accordance with these instructions. The contractor may request a numbered list of the required submittals and submittal instructions. Unless otherwise indicated, all submittals required shall be furnished to the District within twenty (20) calendar days after the date of the Notice to Proceed. All copies of all submittals shall be accompanied by its own transmittal form sheet that includes all of the following information:

1. Project Name
2. Owner's Project or Contract Number
3. Engineer's Project Number
4. Submittal Date
5. Submittal Subject or Title
6. Supplier and/or Manufacturer
7. Submittal Item Number (see table below)
8. Specification Section, Page No. and Plan Sheet References
9. Submittal Revision Number
10. Submittal Preparers Name and Contact Information

When submitting paper copies, the Contractor shall submit to the District six (6) copies of each submittal for each item (seven (7) copies of electrical submittals and three (3) each of the SWPPP and Safety Plan), each with its own complete transmittal form and, in the case of material to be tested, samples of the specified quantity each with its' own completed transmittal.

By pre-approved arrangement the Contractor may submit one (1) hard copy and an electronic copy. In addition to emailing submittals, the Contractor shall also submit to the District three (3) hard copies of each submittal that is too large to review by email (or requested by the District) including three (3) copies of electrical submittals and three (3) each of the SWPPP and Safety Plan, each with its own complete transmittal form.

Submittals prepared and submitted in accordance with these instructions will be deemed complete and will be processed. Incomplete submittals will be returned without comment. The Contractor shall submit packages for each of the items listed below, each with their own transmittal sheets. The Engineer will assign a number to each of the submittals as they are received.

The following is a preliminary list and actual required submittals for this project may not be limited to those below including and in addition to changes per Addenda and official Contract Change Orders that are not shown on this list and additional items as requested by the Engineer. The Engineer may send out a letter with additional

submittal items and supplemental submittal instructions.

1. Contractors Work Schedule
2. Pothole Log
3. Pre-construction television Videos and Log of Sewer Mains and Laterals
4. Water Pollution Control Plan / SWPPP
5. Contractors Shoring and Safety Plans
6. Aggregate Base and Drain Rock
7. Contractors Traffic Control Plan for Daytime Construction
8. Permanent Pavement Markings
9. AC Paving Materials and Mixes
10. Concrete Mixes: Manhole Bases & Collars, Sidewalks, Curbs and Gutters, etc.
11. Water Stop, Ramnek
12. Manhole Collar Rebar
13. Precast Manhole Materials: Barrels (if required), Cones (if required), and Grade Rings
14. Manhole and/or Rodhole Castings
15. HDPE Pipe
16. HDPE Electrofusion Saddles, Fittings and Couplings
17. PVC C-900 DR-18, SDR-26 Pipe and Fittings
18. 4" Two-Way Cleanouts, Riser and Sewer Relief Valve
19. Cleanout Boxes, CI Lids for Cleanout Boxes
20. County Encroachment Permit and Special Conditions
21. NACP Nasco Database of Post Construction CCTV records and records of other sewers.
22. Post Construction Television Report including Logs and Videos of Sewer Mains and laterals
23. One Complete As-Built Plan Set Band Bid and Additive Alternate Bid if that is selected by District (due prior to Notice of Completion)

When prior submittal is required, the Contractor shall submit to the District six (6) copies of the specified information or, in the case of material to be tested, samples of the specified quantity. After review of the submittal, the District shall return two (2) marked-up copies indicating one of the following actions:

1. If the review indicates that the material, equipment or work method is in general conformance with the design concept and complies with the drawings and specifications, submittal copies will be marked "NO EXCEPTIONS TAKEN." In this event, the Contractor may begin immediately to implement the work method or incorporate the material or equipment covered by the submittal.
2. If the review indicated limited corrections are required, copies will be marked "MAKE CORRECTIONS NOTED." The Contractor may immediately begin

implementing the work method or incorporating the material and equipment covered by the submittal in accordance with the noted corrections.

3. If the review reveals that the submittal is insufficient or contains incorrect data, copies will be marked "REVISE AND RESUBMIT." Except at his/her own risk, the Contractor shall not undertake work covered by this submittal until it has been revised, resubmitted and returned marked either "NO EXCEPTIONS TAKEN" or "MAKE CORRECTIONS NOTED."
4. If the review indicates that the material, equipment or work method is not in general conformance with the design concept or in compliance with the drawings and specifications, copies of the submittal will be marked "REJECTED - SEE REMARKS." Submittals with deviations which have not been identified clearly may be rejected. Except at his/her own risk, the Contractor shall not undertake work covered by such submittals until a new submittal is made and returned marked either "NO EXCEPTIONS TAKEN" or "MAKE CORRECTIONS NOTED."

In reviewing the submittals, the District is checking only for general conformance with the design concept of the project and general compliance with the information given in the Contract Documents. Any action shown is subject to the requirements of the plans and specifications. The Contractor shall be responsible for dimensions which shall be confirmed and correlated at the job site: fabrication processes and techniques of construction; coordination of the work with that of all other trades; and satisfactory performance of the work.

The Contractor agrees that shop drawing submittals processed by the District are not Change Orders; that the purpose of shop drawing submittals by the Contractor is to demonstrate to the District that he/she understands the design concept, that the Contractor demonstrates his/her understanding by indicating which equipment and material he/she intends to furnish and install and by detailing the proposed fabrication and installation methods. The Contractor further agrees that if deviations, discrepancies or conflicts between shop drawing submittals and the Contract Documents in the form of design drawings and specifications are discovered either prior to or after shop drawing submittals are processed by the District, the design drawings and specifications shall control and shall be followed.

## B. CONTRACTOR'S PROCEDURE

The Contractor shall verify that the materials or equipment described in each submittal conform to all requirements of the specifications and drawings. Where the detailed specifications require specific submittal data, all data shall be submitted at the same time. The submittals shall be accompanied by a transmittal form, in sextuplet, septuplet for electrical submittals. If the submittal involves equipment driven by an electric motor, six copies of the motor data submittal sheet shall also be included (seven copies for electrical submittals) with the submittal package. The District will return for re-submittal any information not accompanied by the specified transmittal form, properly completed. The Contractor shall provide the required number of transmittal forms.

The Contractor may authorize a material or equipment supplier to deal directly with the District with regard to a submittal. Such authorization shall be in writing by the Contractor, with a copy directed to the District, and shall state that the supplier is in fact a bona fide supplier, under contract to the Contractor or one of his/her subcontractors. Such dealings will be for the purpose of interpretations of contract requirements and

shall not be construed as irrevocable commitments on the part of the District. All written communications with the District shall be directed through the Contractor.

A separate transmittal form shall be used for each specific item or class of material or equipment for which a submittal is required. Submittals on various items using a single transmittal form will be permitted only when the items taken together constitute a manufacturer's "package" or are so functionally related that expediency indicates checking or review of the group or "package" as a whole.

#### C. EFFECT OF ACCEPTANCE OF CONTRACTOR'S INFORMATION

Acceptance by District of any drawings, method of work, or any information regarding materials or equipment the Contractor proposes to provide, shall not relieve the Contractor of his/her responsibility for any errors therein and shall not be regarded as an assumption of risks or liability by the District, or by any officer or employee thereof, and the Contractor shall have no claim under the contract on account of the failure or partial failure or inefficiency or insufficiency of any plan or method or work or materials or equipment so accepted. Such acceptance shall be considered to mean merely that the District has no objection to the Contractor using, upon his/her own full responsibility, the plan or method of work proposed, or providing the materials or equipment proposed.

#### D. DEVIATIONS FROM CONTRACT

If the Contractor proposes to provide material or equipment which does not conform to all of the specifications and drawings, the transmittal form accompanying the submittal copies shall indicate under "comments" the deviations and shall request a Change Order to cover the deviations.

### 1.05 PROTECTION OF MATERIALS AND EQUIPMENT

#### A. GENERAL

The Contractor shall be responsible for the materials and equipment included in this contract until it has been finally inspected, tested and accepted in accordance with the requirements of these specifications. The Contractor shall make his/her own provisions for properly storing and protecting all material and equipment against theft, injury or damage from any and all causes. Materials and equipment shall be shipped, handled, stored and installed by methods which will prevent damage to the items. Damaged items will not be permitted as part of the work except in cases of minor damage that have been satisfactorily repaired and are acceptable to the District.

#### B. PIPE

Pipe and appurtenances shall be handled, stored and installed as recommended by the manufacturer. Pipes with soft coatings such as coal tar enamel, paint or the like shall be stored to protect the coating from physical damage or other deterioration and shall only be handled with padded, wide slings. Pipes shipped with interior bracing shall have the bracing removed only when recommended by the pipe manufacturer.

#### C. DELIVERY OF MATERIAL OR EQUIPMENT

The District's personnel or representatives of the District will not accept materials or equipment deliveries for the Contractor.

## 1.06 INSTALLATION

All materials and equipment shall be installed in accordance with the manufacturer's recommendations and requirements.

All materials and equipment shall be installed by specialists properly skilled in the trades and professions required to assure first-class installation. Where required by detailed specifications, the Contractor shall cause the installation of specific equipment items to be accomplished under the supervision of factory-trained installation specialists furnished by equipment manufacturers. The Contractor shall be prepared to document the skills and training of all workers engaged in the installation of all equipment furnished by the Contractor or the District.

## 1.07 DEFECTIVE MATERIALS TO BE REMOVED

All materials not conforming to the requirements of these Specifications shall be considered as defective; and all such materials, whether in place or not, shall be rejected and shall be removed immediately from the site of the work.

## 1.08 RECORD DRAWINGS

The Contractor shall maintain at the site a set of drawings on which shall be accurately shown the actual installation of all work under this section, indicating thereon any variations from contract drawings, including any changes in sizes, locations and dimensions. For this purpose, the District will furnish two (2) sets of blue or black line on white prints.

The District may periodically inspect the record drawings at the site. The proper and current maintenance of the information required on these drawings shall be a condition precedent to approval of requisitions for periodic payment.

At the completion of the work, the Contractor shall submit a complete set of record drawings to the District.

## 1.09 WARRANTIES

The Contractor shall provide warranties on all labor and materials effective for one (1) year after the date of the project acceptance. Warranties shall be in favor of the Sanitary District.

END OF SECTION

**SECTION 02200**  
**EXCAVATION AND BACKFILL**

**PART 1 - GENERAL**

**1.01 DESCRIPTION**

**A. SCOPE OF WORK**

The Contractor shall perform all operations necessary to excavate whatever substance encountered, including earth, sand, gravel, rock, buried structures, pipes or debris, to the depth shown on the plans and required for the installation, to remove unsuitable material and replace with suitable material for bedding and backfill, and to restore the ground surface or pavement to conditions satisfactory to the Engineer.

**B. RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS**

1. Section 02500: Surface Restoration
2. Section 02600: Pipeline Construction – Direct Burial
3. Section 02602: Trenchless Pipe Replacement
4. Section 02605: Manholes

**1.02 DEFINITIONS**

**A. PIPE BEDDING**

Pipe bedding shall be composed of that portion of the backfill material placed in the bottom of the trench for the pipe barrel to rest on.

**B. PIPE ZONE BACKFILL**

Pipe zone backfill shall comprise that portion of the backfill surrounding the installed pipe, extending after compaction from the foundation to a level twelve (12) inches above the top of the pipe.

**C. INTERMEDIATE BACKFILL**

Intermediate backfill shall comprise the portion of the backfill from twelve (12) inches above the top of the pipe to the surface.

**D. SOUND EARTH**

Sound earth shall mean most native soils, with the exception of highly organic spongy soils and fat, highly plastic expansive clays.

**E. SOUND GRANULAR SOIL**

Sand with a maximum particle size of ¼-inch, or gravel with a minimum grain size of ¼-inch, or pea gravel, or crushed rock mixed with sand shall comprise sound granular soil.

## F. RELATIVE COMPACTION

Relative compaction shall be taken to mean field density values expressed as a percentage of the laboratory standard maximum density, as determined by the methods of ASTM D-1557-91 and D-1556-90 or ASTM D-2292-91 and D-3017-88 (Nuclear Method).

### 1.03 QUALITY ASSURANCE

The District will retain a Soils Engineer who will conduct compaction tests to determine compliance with soil compaction requirements as described herein above.

### 1.04 SUBMITTALS

- A. The Contractor shall submit to the Engineer copies of his/her proposed methods of sheeting, shoring and bracing as approved by the Division of Industrial Safety, per these specifications.
- B. The Contractor shall submit to the Engineer samples of all materials proposed for use as pipe bedding and backfill. When requested by the Engineer, the Contractor shall submit a sieve analysis of the materials proposed to be used at no cost to the District.

### 1.05 BRACING AND SHEATHING

- A. The Contractor shall do and be solely responsible for all bracing, sheathing and shoring necessary to perform and protect all excavations as required for reasons of safety and to conform to governing laws. Where required by the Division of Industrial Safety, shoring shall be designed by a registered Civil Engineer. Excavations shall be supported so that the ground alongside the excavations will not slide, and all existing improvements, either on public or private property, will be fully protected from damage. Additional supports requested by the Engineer shall in no way relieve the Contractor of his/her responsibility for the sufficiency of his/her precautions.
- B. All shoring, bracing and sheathing above the top of the pipe shall be removed from the trench or excavation. Sheathing which has been driven below the invert of the pipe must not be removed. Under wet soil conditions, sheathing shall be left in the trench up to the top of the pipe.
- C. The cost of such bracing, shoring and sheathing shall be included in the price for shoring and no additional allowance will be made therefor.

### 1.06 CONTROL OF WATER

- A. The Contractor shall remove all water which may accumulate in the excavation during the progress of the work by pumping or other suitable methods so that all work can be done in the dry. Trenches and other excavations shall be kept free of water while the pipe or structures are being installed, while concrete is setting, and until backfill has progressed to a sufficient height to anchor the work against possible flotation or leakage. Water shall be disposed of in such a manner as to cause no injury to public or private property or be a menace to the public health.
- B. Where water is encountered, the trench excavation shall be carried twelve (12) inches below the pipe invert in which case the pipe bedding material shall be 1½-inch crushed rock.



- C. The cost of such removal of water and additional excavation and pipe bedding material shall be included in the unit bid price per lineal foot of pipeline and no additional allowance will be made therefor.

1.07 REMOVAL OF UNSTABLE MATERIAL

- A. Where unstable soil is encountered or where the bearing capacity is unsatisfactory to the Engineer, the soil shall be removed to a depth of twelve (12) inches below the pipe barrel and replaced with 1½-inch crushed rock.
- B. The Contractor shall not be relieved thereby of his/her responsibility otherwise to employ procedures necessary to keep the trench bottom in a workable condition and provide a firm and adequate bedding for the pipe.
- C. The cost of trench stabilization shall be included in the price per lineal foot of pipeline and no additional allowance will be made therefor.

PART 2 - PRODUCTS

2.01 MATERIALS

A. GENERAL

The Contractor shall provide and install all materials as shown on the drawings and/or as specified herein.

B. CRUSHED ROCK

1. Crushed rock shall be hard, sound and durable and shall not slake or disintegrate in water.
2. One and one-half inch (1½") crushed rock shall be uniformly graded with one hundred percent (100%) passing a 1½" sieve and not more than five percent (5%) passing a 3/8" sieve.
3. Three-quarter inch (¾") crushed rock shall be uniformly graded with one hundred percent (100%) passing a ¾" sieve and not more than five percent (5%) passing a ¼" sieve.

C. CLASS 2 AGGREGATE BASE

Class 2 aggregate base shall conform to Section 26, AGGREGATE BASES, of the Standard Specifications, Paragraph 26-1.02B. The grading shall be ¾" maximum. All Class 2 aggregate base shall be virgin material.

D. SLURRY CEMENT BACKFILL (ALSO INDICATED ON PLANS AS CDF)

Slurry cement backfill shall be a cement slurry mix consisting of the following per cubic yard:

94 lbs	Cement
250 lbs	Pozzolan
1,618 lbs	C-33 Sand
1,121 lbs	3/8 x No. 8 per Pea Gravel
8 - 12%	Air Entrainment

After placement, the slurry mix shall not be disturbed.

#### E. TOPSOIL

Topsoil shall be imported, fertile, friable, natural, productive soil containing a normal amount of humus and capable of sustaining healthy plant life. Topsoil shall be free of subsoil, heavy or stiff clay, rocks, gravel, brush, roots, weeds, noxious seeds, sticks, trash and other deleterious substances. Soil shall not be infested with nematodes or with other noxious animal life or toxic substances. Soil shall be obtained from well-drained, arable land and shall be of an even texture. Soil shall not be taken from areas on which are growing any noxious weeds, such as Morning Glory, Sorrel, or Bermuda Grass.

#### F. WATER

Water used for dust control and moisture conditions for compaction shall be reasonably free of objectionable quantities of silt, oil, organic matter, alkali, salts and other impurities as determined by the Engineer. Bay water or water from drainage ditches on the project site shall not be used. Treated and disinfected effluent from the District treatment plant may be used for these purposes providing all water trucks or pipelines are clearly marked with signs stating, "WASTEWATER - DO NOT DRINK." All use of reclaimed wastewater must conform to Health Department Requirements.

### PART 3 - EXECUTION

#### 3.01 EXCAVATION

- A. The excavation shall be made to enable the pipe to be laid to the grades and alignment shown on the plans. Excavated materials not required for fill or backfill shall be removed from the site of the work.
- B. Trenches shall be excavated either by hand or by machine beginning at the outlet structure and proceeding up grade, except as may otherwise be permitted by the Engineer. Hand excavation, tunneling, jacking or boring will be required when use of a machine will cause unnecessary destruction of trees, shrubs, lawns and existing structures above or below ground.
- C. The narrowest practicable trench width which will allow proper densification of pipe zone backfill materials shall be maintained with vertical sidewalls from the foundation to at least the top of the pipe. Trench width at the top of the pipe shall not exceed the maximum trench width shown in the County Specifications. Where general conditions make this impractical, means must be provided, with the approval of the Engineer, for adequately supporting the increased load on the pipe which such widening will cause.
- D. Where sheathing is required, the width of trench shall be increased sufficiently to accommodate the sheathing and timbers.
- E. Excavation for manholes and other structures shall have twelve (12) inch minimum and twenty four (24) inch maximum clearance on all sides. Bell holes shall be excavated accurately to size by hand.
- F. Excavation shall not be carried below the required level. Excess excavation below the required level shall be backfilled at the Contractor's expense with gravel, crushed rock or concrete, as directed by the Engineer, and thoroughly tamped.

- G. In rock, excavation shall be carried six (6) inches below the bottom of the pipe and replaced with an approved material thoroughly tamped to provide a uniform support for the pipe. Permits for blasting shall be secured by the Contractor from the proper authorities. The cost of drilling and blasting shall be included in the unit bid price for lineal foot of pipeline and no additional allowance will be made therefor.
- H. The bottom of all trenches shall be excavated accurately to the required grade with a firm bed to fit the barrel of the pipe. Minor adjustments in elevation required to produce the required invert slope shall be made by adequately bedding the pipe with sound granular pipe bedding materials, as hereinbefore defined, thoroughly compacted along the length of the pipe, underneath, and on both sides. It is essential that a uniform solid bearing be provided under the entire section of pipe.
- I. For flexible pipe (PVC and polyethylene pipe), the pipe bedding (bottom of trench) shall be firm, but not hard, and shall consist of pipe zone backfill, free from stones or lumps exceeding one (1) inch in greatest dimension which might bear against the pipe. Suitable foundations shall be prepared by providing a one (1) inch minimum leveling course with loose bedding material graded uniformly in one plane for the full length of the pipe. Foundations shall provide uniform support under the haunches of the pipe up to the spring line along the full length of each pipe section.

### 3.02 BACKFILL

#### A. GENERAL

- 1. After the pipelines and their appurtenances have been properly constructed and inspected and after joints, plaster and concrete have set sufficiently to prevent damage, backfilling shall be done with approved material free from large clods or stones.
- 2. The Contractor's attention is called to the fact that it will be his/her responsibility to obtain an encroachment permit for all work to be done in streets, roads, highways or railroad rights-of-way from the proper agency having jurisdiction and that the method of backfilling of trenches must conform to the requirements of such agency. Where imported materials will be required, the cost of furnishing and placing such materials shall be included in his/her bid price for sewer construction and no additional allowance will be made therefor.

#### B. PIPE ZONE BACKFILL

- 1. Backfill materials shall be so placed that the pipe will not be displaced, excessively deflected, or damaged. Materials placed as pipe zone backfill shall be free of stones or lumps exceeding one (1) inch in greatest dimension and shall be so placed as to prevent the formation of voids.
- 2. Pipe zone backfill preparation shall be placed and compacted determined on the basis of local native soil conditions and such that vertical ring deflection of flexible pipe will be limited to five percent (5%) of the nominal pipe diameter.
- 3. In general, pipe zone backfill shall be placed immediately after laying the pipe, provided the pipe is true to line and grade.

#### C. INTERMEDIATE BACKFILL

- 1. The backfill shall be blended sufficiently to secure the best practicable degree of compaction and stability.

2. Compaction may be performed by mechanical or hand tamping methods or by hydraulic methods as is necessary to achieve the required relative compaction.
3. Care shall be taken during compaction to prevent displacement of the pipe due to floating or shifting and to prevent hydrostatic or impact damage to the pipe and foundation. Heavy mechanical tamping or rolling equipment directly over the top of the pipe, such as might result in excessive reduction of the vertical diameter of the installed pipe, shall be avoided.
4. Intermediate backfill above the pipe zone backfill shall not be placed until conformance with specified relative compaction of pipe zone backfill material has been confirmed.

### 3.03 MINIMUM COVER

Where the pipe has less than thirty (30) inches cover within a street right-of-way or other areas subject to traffic, an eight (8) inch concrete slab cover shall be poured over the back-filled trench. Such slab shall be as detailed on the plans or as a minimum shall be reinforced with Number 5 bars at twelve (12) inches c.c. each way and shall be at least twelve (12) inches wider than the trench. The concrete slab mix shall contain not less than six (6) sacks per yard and a water cement ratio of five (5) gallons per sack.

### 3.04 PRECAUTION AGAINST FLOTATION

The Contractor shall take every precaution against the flotation of the pipe due to water entering the trench or while pouring concrete encasement. In case of flotation, the Contractor shall replace the pipeline or portions thereof at his/her own expense and make good any injury or damage that may have resulted.

### 3.05 BACKFILL DEFECTS

Within one (1) year after acceptance of the project, the Contractor shall promptly refill and repair all trenches which settle or otherwise show defects. All shrubs, trees, lawns, patios, structures and other property disturbed during the course of the work shall be restored to their original condition to the satisfaction of the Engineer.

### 3.06 PAYMENT

The cost of excavation, backfilling, watering, compacting and imported material, if necessary shall be included in the bid price for construction and no additional allowance will be made therefor.

END OF SECTION

**SECTION 02500**  
**SURFACE RESTORATION**

**PART 1 - GENERAL**

**1.01 DESCRIPTION**

**A. SCOPE OF WORK**

Work included in this section shall consist of furnishing all labor, material, equipment, tools and services required for the performance of paving and surfacing operations, including repair of curbs, gutters, sidewalks, etc., as specified herein and/or as shown on the Drawings, or as necessary to complete the project. Any concrete curbs, gutters or sidewalks damaged by the work shall be repaired or replaced in kind.

**B. RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS**

1. Section 02200: Excavation and Backfill
2. Section 02600: Pipeline Construction – Direct Burial
3. Section 02602: Trenchless Pipe Replacement
4. Section 02605: Manholes

**1.02 SUBMITTALS**

The Contractor shall submit to the Engineer data describing the proposed surface restoration materials.

**1.03 PAYMENT**

- A. Unless specifically itemized as a bid item, payment for restoration of all surfaces and surface improvements damaged as a part of the work, including asphalt pavement, paths, sidewalks, curbs, gutters, landscaping, etc., shall be included in the bid price for the construction of the pipeline and structures and no additional allowance will be made therefor.
- B. The Contractor shall be responsible for any off-site improvements which are damaged as a result of the Contractor's operation or by the travel of trucks on roads to and from the work area. Any such off-site damage shall be replaced at the Contractor's expense.

**PART 2 - PRODUCTS**

**2.01 GENERAL**

- A. Materials for paving and surfacing shall conform to the applicable provisions of the State Standard Specifications and the County Specifications.
- B. Pavement restoration for public roads shall conform to the requirements of the agency having jurisdiction over the roadway right-of-way.

**2.02 PAVING AND SURFACING MATERIALS**

**A. AGGREGATE BASE**

Aggregate base shall be Class 2, conforming to Section 26 of the State Standard Specifications. Minimum relative compaction shall be 95%. If pavement having a structural section greater than 15" is cut, additional base material may be required by the Engineer. Base shall be placed and compacted prior to placing of temporary paving.

#### B. ASPHALT CONCRETE

1. Asphalt concrete shall conform to the applicable requirements of Section 39 of the State Standard Specifications for Type B aggregate. Paragraph 39-8 is not applicable. Surface courses shall be constructed using 1/2-inch maximum graded aggregate. Lower courses shall be constructed using 3/4-inch maximum graded aggregate.
2. Paving asphalt shall be PG-64-10 or 64-16, conforming to the requirements of Section 92 of the State Standard Specifications. Six (6) percent bituminous binder shall be provided.

#### C. CONCRETE

Concrete for replacement of curbs, gutters, sidewalks, valley gutters, etc. shall be minimum six (6) sack mix.

### PART 3 - EXECUTION

#### 3.01 PLACEMENT OF ASPHALT CONCRETE

##### A. DELIVERY AND SPREADING

Bituminous mixtures shall be delivered to the roadbed at temperatures specified in Section 39 of the State Standard Specifications. Spreading of the mixture shall be in accordance with Section 39 of the State Standard Specifications. All loads shall be covered with tarpaulin or other material during transportation.

##### B. COMPACTION

Initial or breakdown rolling and the final rolling of the uppermost layer of the asphalt concrete shall be compacted in accordance with Section 39 of the State Standard Specifications. Compaction by vehicular traffic shall not be permitted.

##### C. PAVEMENT THICKNESS

Pavement shall match the existing adjoining pavement in thickness, or as indicated on the Drawings, or as specified, whichever is greater.

##### D. JOINING PAVEMENT

The joints between old and new pavements or between successive days' work shall be carefully made in such manner as to insure a continuous bond between old and new sections of the course. Edges of existing pavement shall be exposed and cleaned and edges cut to straight, vertical surfaces. All joints shall be painted with a uniform coat of tack coat before the fresh mixture is placed.

## E. PAVEMENT CUTTING

Trenches and other excavations in asphalt paved areas shall be cut by means of a saw cut or spade tool to the full depth of the pavement. Pavement cuts shall be laid out by a chalk line and care shall be taken to ensure neat, straight edges.

After the Engineer has approved a section of trench for final paving, the Contractor shall strip out all temporary pavement to the full depth of the new pavement section as specified. Spalled or cracked sections of pavement beyond the excavation limits which, in the opinion of the Engineer, show signs of having separated from the adjoining pavement or are moveable, shall be removed and replaced with new pavement. Broken edges of pavement shall be trimmed along lines parallel to the trench edges. Exposed subgrade materials shall be compacted to the same standards as the adjoining trench backfill.

## F. CONFORMANCE TO EXISTING IMPROVEMENTS

Asphalt concrete overlays shall be tapered to conform to existing paving, gutters, catch basins, etc. as directed by the Engineer.

## G. PLACEMENT OF THERMOPLASTIC TRAFFIC STRIPES AND PAVEMENT MARKERS

Restore all thermoplastic traffic striping and pavement markers to match existing which was damaged as part of the project.

### 3.02 RESTORING OTHER AREAS

- A. Other surfaced areas other than pavement shall be restored by replacement of identical surface and base when practicable. In no case shall the thickness and method of placement of curbs, sidewalks, driveway approaches, valley gutters, etc., be less than that specified in the County Specifications.

All concrete curbs, gutters, aprons, patios, driveways and sidewalks which are broken, crushed or damaged by the installation of the improvements shall be reconstructed by and at the expense of the Contractor, of the same kind of material and of the same dimensions as the original work, with the minimum requirement that concrete shall be Class B (5-sack), and the minimum thickness for concrete slabs, etc., shall be four (4) inches. The repairs shall be made by removing or replacing the entire portions between joints or score lines by removing the damage portions by concrete saw and not by merely refinishing the damaged part. All work shall match the appearance of the existing improvements as nearly as practicable.

- B. All trenches in landscaped or cultivated areas shall have the top twelve (12) inches backfilled with topsoil. After installation, the topsoil and any adjacent unimproved land which has been compacted by the operation of the Contractor shall be thoroughly scarified and the surface cleaned of all large clods, stones or debris.
- C. In lawn areas, the Contractor shall replace any grass removed for excavations, or which is damaged by his operations, with sod. Ground cover materials other than lawn shall be replaced in kind to the satisfaction of the Engineer.
- D. All landscape irrigation piping and control wires which are damaged by the work shall be replaced in kind.

- E. The Contractor shall maintain all restored lawn and landscaped areas for a minimum of thirty (30) days after acceptance of the project by the District.

END OF SECTION



## SECTION 02600

### PIPELINE CONSTRUCTION – DIRECT BURIAL

#### PART 1 - GENERAL

##### 1.01 DESCRIPTION

###### A. SCOPE OF WORK

Work included in this section shall consist of furnishing all materials, labor, equipment, tools, and services required for the fabrication, construction, and laying of gravity sewers, laterals, force mains and storm drains installed by direct burial methods and appurtenances as specified herein, and/or as shown on the drawings, or as necessary to complete the project.

###### B. RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS

1. Section 02200: Excavation and Backfill
2. Section 02500: Surface Restoration
3. Section 02602: Trenchless Pipe Replacement
4. Section 02605: Manholes
5. Section 02659: Cleaning and Video Inspection

##### 1.02 DEFINITIONS

###### JOINT PULL

Joint pull shall be taken to mean the interior joint separation, measured from the inside shoulder step of the bell of one pipe to the end of the spigot of the adjacent pipe.

##### 1.03 SUBMITTALS

- A. Prior to manufacture, the Contractor shall furnish drawings for the information to the Engineer showing details of fabrication, including details of the joint he proposes to use, design of special fittings and bends, closures, and deflection of pipe joints as required to conform to the plan and profile of the pipeline.
- B. Submittals for engineered pipe fittings shall reflect the results of the potholing survey required in Section 01030.

##### 1.04 PAYMENT

The cost of pipelines, pipeline installation, including the installation of lateral connections and wyes as specified above, and testing shall be included in the bid price per lineal foot of pipeline, and no additional allowance will be made therefor.

#### PART 2 - PRODUCTS

##### 2.01 GENERAL

- A. All materials shall be new, shall conform to these specifications and to the sizes, details and requirements shown on the plans. All materials shall be subject to test by the Contractor at the point of manufacture or at the site of the work. All materials which may fail to meet the requirements of the specifications herein referred to shall be rejected and shall be removed from the site of the work.

- B. Pipe diameters shown on the plans are nominal pipe sizes.

## 2.02 PIPELINE MATERIALS

### A. GENERAL

Pipeline materials allowable for each pipeline are shown on the plans. The pipe and materials specified in this section include all the types of pipe materials which could be used for one or more items in the project.

### B. POLYVINYL CHLORIDE (PVC) PLASTIC PRESSURE SEWER PIPE AND FITTINGS, C-900 AND C-905 (RUBBER RING JOINTS) - ALL DIRECT BURIAL GRAVITY SEWER MAINS AND LATERALS.

1. SCOPE. This specification designates general requirements for unplasticized polyvinyl chloride (PVC) Plastic Pipe with integral wall bell-and-spigot joints. All PVC pipe shall be white or green. If green or white pipe cannot be obtained the Contractor shall bag the pipe in an 8 mil green polyethylene bag and place twelve inch (12") wide polyethylene tape above the pipe.
2. MATERIALS. PVC Pipe and Fittings shall conform to all the requirements of AWWA C-900 for pipe diameters 4" through 12" and AWWA C-905 for pipe diameters 14" through 24" with a DR = 18.
3. TYPE AND MANUFACTURE. All pipe, fittings, and accessories shall be of the same manufacture in order that bell-and-spigot configurations will be identical. Pipe shall be made up with rubber ring joints to provide for expansion and contraction. The bell shall consist of an integral wall section stiffened with two PVC retainer rings which securely lock the solid cross section rubber ring into position. Methods of installation shall be in strict conformance with the recommendations of the manufacturer.
4. RUBBER RINGS. The rubber ring gaskets shall consist of synthetic rubber compounds meeting the requirements of ASTM F-477.
5. FITTINGS. All fittings for C-900 and C-905 pipe shall be one piece and shall meet the requirements of ASTM D-1784. Fittings shall conform to requirements of DR 25. Fittings shall be designed to withstand a minimum of 755 psi quick burst pressure @ 76° F tested in accordance with ASTM D-1599. Bells shall be gasketed joint conforming to ASTM D-3139 with gaskets conforming to ASTM F-477.

## 2.03 ADAPTER COUPLINGS (FLEXIBLE COUPLINGS) FOR SEWERS

### A. PVC SEWER MAINS

On the sewer mains, i.e., sewers 6" diameter or larger of the same material, adapter couplings shall be factory fabricated PVC fittings for PVC pipe.

### B. SEWER LATERALS AND SEWER MAINS OF DIFFERENT MATERIALS

Adapter couplings for sewer laterals and sewer mains of different materials shall be Caulder, Fernco, or approved equal, and shall be made from elastomeric polyvinyl chloride (PVC) with external adjustable Series 300 stainless steel shear bands, clamps and bolts.

## PART 3 - EXECUTION

### 3.01 GENERAL

- A. All pipelines shall be installed using procedures which will insure the integrity of the completed pipeline. Each section of pipe shall have its support well distributed under the pipe by providing proper bedding. Semi-rigid or flexible pipe shall be kept substantially round during unloading, storage, and throughout backfilling operations. This requires care in providing proper embedment with uniform support from the soil on the sides of the pipe as well as on the bottom.
- B. The manufacturer's recommendation for assembling pipe sections and completing joint protection will be enforced. Rubber gaskets shall be stretched uniformly when in position on spigots; joint surfaces and gasket shall be clean and well lubricated; entry of spigot end into bell of adjacent pipe section shall be performed with reasonable care; position of the gasket shall be checked after joint closure; and, in the case of cement-lined and coated pipe, the inside and outside joint recess shall be correctly filled with cement mortar.
- C. The Contractor shall perform the work of installation of the pipeline and appurtenances in accordance with the following procedures. Where conditions are found to exist which in the opinion of the Engineer will subject the pipe to severe or unusual loading conditions, the pipe manufacturer shall be consulted for recommendations in regard to alternate procedures. Alternate or modified procedures shall be subject to approval of the Engineer.

### 3.02 HANDLING PIPE AND FITTINGS

- A. Proper tools, implements, and facilities satisfactory to the Engineer shall be provided and used by the Contractor for the safe and convenient prosecution of the work. During loading, transportation, and unloading, Contractors shall take every precaution to prevent injury to any and all pipe.
- B. No pipe shall be dropped from cars or trucks nor allowed to roll down skids without proper restraining ropes. Each section of pipe shall be delivered in the field as near as practicable to the place where it is to be installed, and all bells shall be faced in the proper direction for laying. Pipe shall be distributed along the trench opposite to the spoil bank within easy reach of the workmen installing the pipe in the trench.
- C. Pipe shall not be rolled nor dragged on the ground. Where pipe is placed in stockpiles, it shall be neatly piled and blocked with strips between tiers and with all bells facing in the same direction. Any pipe which may have been damaged in transportation or handling shall either be repaired by the Contractor before installation to the satisfaction of the Engineer or shall be permanently removed from the job site.

### 3.03 LOCATING THE ALIGNMENT OF EXISTING SEWERS

- A. The plans show the alignment of existing sewers schematically and the actual alignment may vary and wander into or out of the alignment of the new sewer. Where the new sewer follows or is close to the alignment of the existing sewer the Contractor shall locate the existing sewer using electronic and/or electromagnetic sewer mole line location methods prior to sawcutting for the new sewer. The alignment of the existing sewer as located shall be marked with paint on the pavement.

- B. The cost of locating the alignment of the existing sewer shall be included in the bid price for sewer construction and no additional compensation will be allowed. If the Contractor elects not to locate the alignment of the existing sewer and the existing sewer is different from the alignment shown on the plans no additional compensation will be allowed.

### 3.04 PIPELINE ALIGNMENT AND GRADE

- A. The Contractor shall employ competent personnel or an independent licensed Civil Engineer acceptable to the Engineer who shall be responsible for accurately transferring lines and grades to the bottom of trenches or excavations for the construction of pipelines and structures.
- B. All pipelines shall be laid true to line and grade. Pipe alignment shall reasonably conform to that shown on the plans, and in no event shall joint deflections exceed the pipe manufacturer's recommendations. The grade of all gravity sewers shall be within  $\pm 0.05$  foot of the elevations and grades shown on the plans with the provision that in no event shall a gravity sewer or drain be allowed to have a sag or standing water greater than 0.10 feet deep in ten (10) inches or smaller inside diameter pipe and 0.20 feet deep in pipe larger than ten (10) inches inside pipe diameter. Pipeline grades which exceed this standard as determined by the television inspection to be performed by the Contractor shall be relaid at no expense to the District.

### 3.05 LOCATION AND POTHOLING OF SEWER LATERALS

- A. The Contractor shall locate all existing live sewer laterals which connect to the pipe to be rehabilitated as specified herein and as defined on the plans. Laterals shall be located by televising the sewer main lines, and by inserting a "ferret" locating device, and by any other generally accepted non-destructive technique. A video log shall be produced and the log and video submitted to the District one week prior to construction.
- B. Once the lateral is located it shall be potholed at the point of connection with the house lateral to determine that it is "live". The Contractor shall demonstrate to the District's Representative that the lateral is "live".
- C. The cost of locating the laterals shall be paid for in accordance with the unit bid price in the proposal, and no additional allowance will be made therefor.
- D. Sewer laterals that are proposed to be pipeburst shall be televised in the presence of the District's Representative to demonstrate the suitability of the lateral for replacement by the pipeburst method. See supplemental requirements on the plans. The Contractor will provide video logs and DVD video recordings of the lateral televising to the District prior to pipebursting.

### 3.06 LATERAL RECONNECTIONS

- A. The Contractor shall reconnect all existing live sewer laterals on PVC pipelines 10" in diameter or smaller with a fabricated PVC wye in the sewer main. For pipelines 12" in diameter or larger, sewer laterals may be connected with an "Inserta Tee" connection.
- B. The Contractor shall reconnect all existing live sewer laterals to HDPE pipe with electrofusion saddle as shown on the plans.
- C. The cost of the fabricated wye or Inserta Tee shall be included in the bid price for sewer construction.

### 3.07 TESTING, CLEANING AND TELEVISIONING OF GRAVITY SEWERS

## A. GENERAL

1. Gravity sewer lines, laterals and appurtenances shall be substantially watertight. All precautions shall be taken by the Contractor to secure watertightness throughout the component parts of the system. All jointing of pipe shall be subject to rigorous inspection by the Engineer or his representative. In addition, before the acceptance of the work and prior to the admission of any sewage into the system, the Contractor shall perform the tests herein specified and otherwise demonstrate to the satisfaction of the Engineer the watertightness of the sewer lines, including laterals and manholes and appurtenances. All leakage in excess of the maximum allowable amount hereinafter stipulated shall be corrected.
2. Testing shall be performed after backfilling and after manholes are finished. The Contractor shall make whatever preliminary tests he deems necessary prior to backfilling to satisfy himself that the completed and backfilled line will meet the hydrostatic tests herein required.
3. The test shall be conducted to include the new sewer mains and all new house connecting sewers and laterals. The test shall meet the requirements as herein specified. Any visible infiltration into sewers or manholes, no matter how slight, shall be repaired.
4. The Contractor shall furnish all facilities, including labor, materials, pumps, equipment, and tools necessary to conduct the tests and cleaning operations, and he shall repair all leaks. The cost of testing and cleaning sewers shall be included in the unit bid price per lineal foot of sewer, and no additional allowance will be made therefor.

## B. ISOLATION FROM EXISTING SYSTEM

The Contractor shall flush all sewer lines after backfilling and prior to testing. Accumulated material shall be removed at each manhole, and no material shall be allowed to enter the existing sewer system.

## C. SIDE SEWER TESTING

All newly rehabilitated side sewers (laterals) shall be plugged at the cleanout and tested together with the sewer main.

## D. AIR TESTING

Air testing of the sewer pipe will be permitted. The air test pressure shall be four (4) psi at the beginning of the test. For all pipe diameters there shall be no pressure drop over a ten (10) minute test period. Any leaks discovered shall be repaired by the Contractor at his expense.

## E. SEWER CLEANING

After all grading and paving operations in the vicinity of the sewer lines are completed, the Contractor shall clean all lines of dirt and debris. The cleaning operation shall consist of hydrocleaning or passing a rubber ball the same diameter as the pipe through each line in the presence of the Inspector. The ball shall be a standard cleaning ball attached to a rope or cable and forced through the line by maintaining a head of water behind it. Debris shall be caught and removed from the downstream manhole on each section of line as it is cleaned with a vactor truck.

## F. TELEVISION INSPECTION

After the sewers have been backfilled, completed, tested and cleaned, but before acceptance of the job, the Contractor shall arrange and pay for closed circuit television inspection of the sewer mains and each lateral. All televising shall be performed by a firm experienced in closed circuit televising of sewer lines acceptable to the District. Televising shall be in color and done in the presence of the District Inspector, and the Contractor shall furnish to the District a DVD (sewer main only) of the complete television inspection, one file per sewer line. The television camera shall be equipped with a measuring device so that the depth of any sags can be accurately determined. The television camera shall be equipped with an articulating camera head which would allow the camera to inspect the lateral stub connection and pipe joints. Defects, including but not limited to sags, leaks, breaks, excessive pipe deflection, etc., which are in excess of the limits specified in Section 3.04 herein, revealed by the television inspection shall be promptly corrected by the Contractor at no expense to the District. Television inspection will be paid for on a lineal foot basis in accordance with the bid item therefor.

After correction of the defect or defects found by the television inspection, the pipeline where the corrections were made shall be retelevised, structure to structure, at the Contractor's expense.

### 3.08 PRECAUTION AGAINST FLOTATION

- A. The Contractor shall take every precaution against the flotation of the pipe due to water entering the trench. In case of flotation, the Contractor shall replace the pipeline or portions thereof at his own expense and make good any injury or damage that may have resulted.
- B. Care shall be taken in backfilling the pipe so as not to disturb the material supporting the pipe or otherwise cause displacement of the pipeline.

### 3.09 PRESERVATION AND CLEANING UP

- A. The Contractor shall properly preserve and clean the work as it progresses. At regular intervals, or as directed, rubbish and debris shall be collected and removed by the Contractor.
- B. Upon the completion of the work, the Contractor shall clean up the whole work, and all false-work, equipment, tools, rubbish, and other temporary material shall be removed from the site, which shall be left in a clean condition acceptable to the Engineer.

END OF SECTION

## **SECTION 02602**

### **PIPEBURSTING**

#### **PART 1 - GENERAL**

##### **1.01 DESCRIPTION**

###### **A. SCOPE OF WORK**

Work included in this section shall consist of furnishing all materials, labor, equipment, tools, and services required for the fabrication, construction, and trenchless replacement of pipelines by pipebursting together with appurtenances as specified herein, and/or as shown on the drawings, or as necessary to complete the project.

###### **B. RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS**

1. Section 02200: Excavation and Backfill
2. Section 02500: Surface Restoration
3. Section 02600: Pipeline Construction - Direct Burial
4. Section 02605: Manholes
5. Section 02659: Cleaning and Video Inspection

##### **1.02 SUBMITTALS**

Prior to construction, the Contractor shall submit information to the Engineer showing details of the trenchless pipe replacement method he proposes to use, together with information of the pipe materials and lateral connections and the design of special fittings and bends, closures, and deflection of pipe joints as required to conform to the plan and profile of the pipeline.

##### **1.03 PAYMENT**

The cost of all trenchless pipe replacement, including all lateral connections and testing, shall be included in the bid price per linear foot of pipeline and no additional allowance will be made therefor.

#### **PART 2 - PRODUCTS**

##### **2.01 GENERAL**

A. All materials shall be new, shall conform to these specifications and to the sizes and details shown on the plans. All materials shall be subject to test by the Contractor at the point of manufacture or at the site of the work. All materials which may fail to meet the requirements of the specifications herein referred to shall be rejected and shall be removed from the site of the work.

B. Pipe diameters shown on the plans are nominal pipe sizes.

##### **2.02 PIPELINE MATERIALS**

###### **A. GENERAL**

Pipeline materials allowable for each pipeline are shown on the plans. The pipe and materials specified in this Section include all the types of pipe materials which could be used for one or more items in the project.

**B. POLYETHYLENE PIPE AND FITTINGS (HDPE PIPE)**

1. GENERAL. Where polyethylene pipe and fittings are shown on the Plans and/or specified, the Contractor shall furnish and install polyethylene pipe manufactured to conform to the following specifications.
2. TYPE AND MANUFACTURE. Polyethylene pipe and fittings shall be Type III Category 5, Grade P47, ASTM D-3035, and F-714 (PPI designation P 4710), with a DR= 17, 125 PSI and shall meet or exceed the following properties:

<u>Property</u>	<u>Value</u>	<u>ASTM Test</u>
Density, min.	0.950-0.960 gms/cc	D-1505
Melt Flow - Condition E	0.10 gms/10 min	D-1238
or Condition F	4-20 gms/10 min	D-1238
Environmental Stress Cracking		
Resistance w/no failures or stress		
crack initiation (Condition C)	1,000 hrs	D-1693
Tensile Strength, Yield 2 in/min	3500 psi	D-638
Brittleness Temperature	103° F	D-746
Long-Term Strength @ 73° F	1,000 psi	D-2837
@ 140° F	630 psi	D-2837
Cell Classification	445474C	D-3350
Pipe shall be listed as meeting	NSF-61	

Polyethylene pipe shall be DriscoPlex pipe, Dupont, or equal. The pipe interior shall be grey.

3. The polyethylene resin shall contain 2% carbon black antioxidant, well dispersed, and be stabilized against ultraviolet degradation to provide protection during processing and subsequent weather exposure.
4. Pipe shall be made to diameter and tolerances as shown in manufacturer's literature.
5. All pipe shall be made from virgin material. All resin in all the pipe and fittings must be produced by a single resin manufacturer and shall be fully traceable. No rework compound, except that obtained from the manufacturer's own production of the same formulation, shall be used.

All pipe fittings and specials shall be furnished by the same pipe manufacturer.

6. Pipe shall be homogeneous throughout and be free of visible cracks, holes, foreign material, blisters, or other deleterious faults. Any portion of pipe with sidewall damage greater than 10% of wall thickness shall be removed.
7. The Contractor shall furnish and install the proper connecting pieces and/or transition sleeves in every case where it is necessary to join pipes of different diameters, materials, or types of joint.



8. Fusion joining and other procedures necessary for correct assembly of the polyethylene pipe and fittings will be done only by personnel trained in those skills to the satisfaction of the Engineer and the pipe supplier.
9. Only those tools designed for joining procedures and approved by the pipe supplier and Engineer shall be used for assembly of pipe and fittings to insure proper installation.
10. Where shown on the plans, polyethylene pipe shall be connected to systems or fitting of other materials by means of an assembly consisting of a polyethylene flange adapter butt-fused to the pipe, a backup ring of stainless steel made to ASA B-16 dimensional standards (with modified pressure rating, bolts of stainless steel and compound gasket).
11. The supplier shall provide polyethylene pipe with a permanently imprinted manufacturer's brand name, pipe size, and other identification for tracing pipe quality to raw material source. The HDPE pipe shall also be identified with green stripes on the exterior and shall have a white or light gray interior.
12. The pipe supplier shall furnish the system components, fusion machine of type specified and pipe support stands. The Contractor shall supply the power source for operation of the fusion machine.
13. The Contractor shall cut out and replace defective joints at no additional cost to the District. Any section of the pipe with a gash, blister, abrasion, nick, scar, or other deleterious fault greater in depth than ten percent (10%) of the wall thickness (ASTM 585), shall not be used and must be removed from the site. However, a defective area of the pipe may be cut out and the joint fused in accordance with the procedures stated above. In addition, any section of the pipe having other defects such as concentrated ridges, discoloration, excessive spot roughness, pitting, variable wall thickness or any other defect of manufacturing or handling as determined by the District shall be discarded and not used.
14. Terminal sections of pipe that are joined within the insertion pit shall be connected with an electrofusion coupling (e.g., Central Plastic or equivalent).

## PART 3 - EXECUTION

### 3.01 GENERAL

- A. Where shown on the plans, the Contractor shall rehabilitate sanitary sewers by a trenchless pipe replacement method as specified herein.
- B. The trenchless pipe replacement process shall utilize High Density Polyethylene Pipe as the carrier pipe.
- C. All pipe bursting shall be done by a licensed Contractor. The pipe bursting Contractor shall be experienced in this type of work having successfully completed three similar projects of 2000 LF or more each in the last three years.
- D. Trench dams may be required to prevent water migration along the pipe annular space as detailed on the Plans. Install where shown on the Plans or where directed by the District.

### 3.02 LOCATION AND POTHOLING OF SEWER LATERALS

- A. The Contractor shall locate all existing live sewer laterals which connect to the pipe to be rehabilitated. Laterals shall be located either by television inspection, inserting a "ferret" locating device, dye testing while televising or by potholing with verification that the lateral is live.
- B. Once the lateral is located it shall be potholed at the point of connection with the building lateral and/or sewer main.
- C. The cost of locating the laterals shall be paid for in accordance with the unit bid price in the proposal, and no additional allowance will be made therefor.

### 3.03 PIPEBURSTING

- A. When shown on the plans sewer mains shall be pipeburst using a method that will not cause undue vibration or impact in the ground around the pipe or damage adjacent utilities. All adjacent or crossing utility mains, laterals and services shall be potholed to provide clearance. The contractor shall only utilize pipe bursting equipment with a pneumatic hammer attached to the pipe bursting head. Installation shall be in accordance with the ASTM section Standard Practice for Underground Installation of Thermoplastic Pipe, ASTM D-2321, D-2657, F-2620, related ASTM sections.
- B. The size-for-size or upsizing installation of new pipe shall be accomplished by the following procedures:
  - 1. The polyethylene pipe shall be attached to the rear of the pipe bursting machine with the hose lines and cables passing through the annulus of the replacement pipe.
  - 2. A cable or chain shall be inserted from the launching trench through the existing pipe to the reception manhole where it shall be attached to the winch and the pipe bursting head of outside diameter as described by the International Pipe Bursting Association (IPBA) Guide for Pipe Bursting suitable for the upsized pipes designated on the Plans.
  - 3. The pipe bursting system with the replacement polyethylene pipe attached shall be lowered into the launching trench while the directional winch chain is simultaneously being tensioned, locating the pipe bursting head in the existing sewer line.
  - 4. The pipe bursting action shall be initiated following the continuously tensioned cable, and the winch shall be continuously ratcheted toward the receiving manhole.
  - 5. The maximum length of any continuous pipe burst pull or reach shall be 350 LF unless pre-approved by the District. Connections in the sewer main to for pipe segments where the continuous reach from manhole to manhole is not completed shall be made with electro fusion couplings.
  - 6. When the system reaches the reception manhole or the point of connection to an existing pipeline the polyethylene pipe shall be disconnected from the rear of the machine and the unit prepared for the next run.
- C. All rehabilitated sewer mains shall be tested, cleaned and TV-inspected as specified herein.

### 3.05 LATERAL RECONNECTIONS

The Contractor, after a suitable relaxation period for the new HDPE pipeline shall reconnect all service connections.

The installed pipe shall be allowed the manufacturer's recommended amount of time, but not less than four (4) hours, for cooling and relaxation due to tensile stressing prior to any reconnection of service lines.

Lateral connections to HDPE pipe shall be made by electrofusion HDPE saddles, Central, Friatec or approved equal.

The connection between the existing lateral and new polyethylene lateral shall be by an electrofusion coupling, Central, Friatec or approved equal.

New HDPE laterals shall be reconnected to the new pipe by means of an electrofusion saddle. The polyethylene pipe shall be drilled out to the same diameter as the saddle and deburred.

### 3.06 MANHOLE CONNECTIONS

All pipeline connections to manholes shall be made by encasing a rubber adapter coupling which is installed around the pipe in the poured concrete manhole base to make a watertight connection.

After the polyethylene pipe has been inserted in the existing manhole, the Contractor shall trim the polyethylene pipe and anchor the pipe to the manhole base. Care must be exercised to prevent the new pipe from slipping out of position prior to final sealing of the manhole. The polyethylene replacement pipe shall protrude far enough into the manhole to allow the sealing and trimming operations to be performed.

A minimum of twelve hours after pipe insertion, a rubber seal shall be placed in the annular space between the polyethylene pipe outside diameter and the inside diameter of the existing hole in the manhole at each manhole location, together with caulking and non shrink grout to form a water-tight seal.

### 3.07 TESTING AND CLEANING OF GRAVITY SEWERS

Testing and cleaning of gravity sewers installed by trenchless methods shall conform to all requirements of Section 02600, Paragraph 3.07.

### 3.08 PRECAUTION AGAINST FLOTATION

- A. The Contractor shall take every precaution against the flotation of the pipe due to water entering the trench or the pipe burst equipment leaving the existing pipe alignment. In case of flotation or misalignment, the Contractor shall replace the pipeline or portions thereof at his own expense and make good any injury or damage that may have resulted.
- B. Care shall be taken in backfilling the pipe so as not to disturb the material supporting the pipe or otherwise cause displacement of the pipeline and shall be in accordance with direct burial backfill and compaction standards.

### 3.09 TELEVISION INSPECTION

Television inspection shall conform to all requirements of Section 02659.

### 3.10 PRESERVATION AND CLEANING UP

- A. The Contractor shall properly preserve and clean the work as it progresses. At regular intervals, or as directed, rubbish and debris shall be collected and removed to a legal disposal site by the Contractor.

END OF SECTION

## SECTION 02605

### MANHOLES

#### PART 1 - GENERAL

##### 1.01 DESCRIPTION

###### A. SCOPE OF WORK

Work included in this section shall consist of furnishing all materials, labor, equipment, tools, and services required for the fabrication, construction, and laying of pipelines and appurtenances as specified herein, and/or as shown on the drawings, or as necessary to complete the project, including compliance with the District's Confined Space Safety procedures.

###### B. RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS

1. Section 02200: Excavation and Backfill
2. Section 02500: Surface Restoration
3. Section 02600: Sewer Line Construction - Direct Burial
4. Section 02602: Trenchless Pipe Replacement

##### 1.02 SUBMITTALS

Prior to manufacture, the Contractor shall furnish drawings for the information to the Engineer showing details of fabrication of the manholes proposed to be used.

##### 1.03 QUALITY CONTROL

All manhole and casting materials shall be inspected and approved prior to installation. The acceptance of any material or finished members by the Inspector shall not be a bar to their subsequent rejection, if found defective. Rejected material shall be immediately removed from the site and replaced promptly by the Contractor.

##### 1.04 PAYMENT

The cost of all manhole construction including all excavation, manhole base, forming of channels, cast iron frame and cover, rebar, backfilling, compaction and steel plates, temporary resurfacing shall be paid for per manhole in accordance with bid item therefor and no additional allowance will be made therefor.

#### PART 2 - PRODUCTS

##### 2.01 CONCRETE MANHOLES

All manhole sections shall conform to ASTM C-478, except that Type II modified Portland cement shall be used. The design, the specifications and the name of the manufacturer of any manhole units shall be submitted to the District for approval prior to purchase.

## 2.02 CASTINGS

Castings shall conform to the requirements of ASTM A-48, Class 30.

Castings shall conform to the shape and dimensions shown on the Standard Drawings. All castings shall be clean and free from blow or sand holes or defects of any kind.

The cover and its seat in the frame shall be machined so that the cover will sit evenly and firmly in the frame.

Cast iron frames and covers shall be dipped or painted with asphalt which will form a tough, tenacious, non-scaling coating which does not have a tendency to become brittle when cold or sticky when hot. Covers shall be easily removable.

## PART 3 - EXECUTION

### 3.01 MANHOLE CONSTRUCTION

An approved form ring conforming to the dimensions of the barrel section joint shall be used to form a joint groove in the manhole base prior to setting the first barrel section. The concrete base shall be sufficiently cured to the satisfaction of the District before the first barrel section is set. All joint surfaces of sections and the manhole base shall be thoroughly cleaned prior to setting precast sections. These various sections shall be set in a Ram-Nek sealing gasket, or equal, and installed in accordance with the manufacturer's recommendations.

Handling of barrel sections after the sealing gasket has been affixed shall be carefully controlled to avoid bumping the gasket and thus displacing it or covering it with dirt or other foreign materials. Any gaskets so disturbed shall be removed and replaced if damaged and repositioned if displaced. Care shall be taken to properly align the manhole section with the previously set section before it is lowered into position.

Use of precast manhole bases will not be permitted. Poured in place concrete manhole bases must be used.

### 3.02 MANHOLE CHANNELS

Pipe shall be used as a form for the channel if the proper positions of the flexible joints can be maintained. Whether pipe or channel forms are used, after the manhole base concrete has taken a set, the channel shall be checked with the proper template. All channels shall be finished smooth with a steel trowel.

### 3.03 ADJUSTING OR REPAIRING MANHOLES

All workmanship and materials shall conform to these Specifications and to the details shown on the Plans. In the case of existing brick or cast-in-place concrete manholes, repair or adjustment in kind or with grade ring, may be permitted upon approval of the District. Standard undamaged frames and covers shall be reinstalled unless otherwise directed by the District. Where the completed manhole throat will exceed twelve (12) inches, adjustment shall be made by removing the upper portion of the manhole down to the first barrel section. Concrete barrel and cone sections shall be used to reconstruct the upper portion of the manhole in accordance with the Standard Drawings.

Before any work is started on adjusting or repairing a manhole, the channel inside the manhole base shall be covered with a temporary debris cover, consisting of plywood and canvas. This temporary debris cover shall be kept in place during all work, and upon completion, the canvas and the plywood shall be carefully removed from the manhole interior allowing no debris to fall or to remain in the manhole.

### 3.04 TEMPORARY COVERS AND PLUGS FOR MANHOLES

The District must have accessibility to manholes on all live sewers to allow maintenance of the system at all times. In streets, avenues, intersections, lanes, any public thoroughfares involving automobile traffic, buses, trucks, etc., the permanent manhole casting and cover shall be installed on all actively used sewers and sewer mains, including manholes, where live laterals are being used. The permanent manhole, casting and cover shall be brought up to the grade of the temporary asphalt. The manhole, frame and cover shall at a later date be raised to grade when the final permanent paving is done.

Temporary steel plate covers of approved design shall only be used on inactive sewer lines during the construction in subdivisions or other areas not subject to active vehicular traffic where final grades for unfinished roadbeds have not been determined, or where approved or ordered by the District. If the sewer being constructed is actively used, the Contractor shall install the permanent manhole frame and cover so the District can have access to the sewer for maintenance.

A temporary debris cover shall be placed over the base of any existing manhole prior to beginning any adjustment or repair work.

### 3.05 MANHOLE TESTING

#### A. GENERAL

All new sanitary sewer manholes shall be watertight. All manholes shall be successfully tested either with clean water or by vacuum testing.

#### B. WATER TESTING OF MANHOLES

When a manhole is to be water tested the inlet and outlet sewers shall be plugged and the water shall be brought up above the cone section so that the water level is at least three (3) feet above the level of groundwater outside the manhole. Manholes shall be watertight with zero (0) leakage of water as tested over a fifteen (15) minute period. The Contractor shall repair any and all leaks into the manhole noted during conditions of high groundwater.

#### C. VACUUM TESTING OF MANHOLES

1. Sanitary sewer manholes may be vacuum tested in lieu of water testing. Vacuum testing of manholes shall be performed twice, first after installation but prior to backfilling and then again after backfilling.
2. Vacuum testing of manholes shall conform to the standard set for in ASTM C1244-93 Standard Test Method for Concrete Sewer Manholes by the Negative Air Pressure (Vacuum) Test.

3. The District representative shall be notified a minimum of two working days prior to the testing of the manholes.
4. The Contractor shall be responsible to perform the tests. The District's representative shall be present during all tests.
5. The Contractor shall document the tests and submit this documentation to the District.
6. Manholes shall be prepared for vacuum testing as follows:
  - a. All lift holes shall be plugged.
  - b. All pipes entering the manhole shall be temporarily plugged, taking care to securely brace the pipes and plugs to prevent them from being drawn into the manhole.
7. Vacuum testing of manholes shall be conducted as follows:
  - a. The test head shall be placed at the top of the manhole in accordance with the manufacturer's recommendations.
  - b. A vacuum of 10 inches of mercury shall be drawn on the manhole, the valve on the vacuum line of the test head closed, and the vacuum pump shut off. The time shall be measured for the vacuum to drop to 9 inches of mercury.
  - c. The manhole shall pass if the time for the vacuum readings to drop from 10 inches of mercury to 9 inches of mercury meets or exceeds the values indicated in Table 1.
  - d. If the manhole fails the initial test the leaks shall be located and the necessary repairs made by an approved method. The manhole shall then be retested until a satisfactory test is obtained.

<b>TABLE 1 - VACUUM TEST TIMETABLE</b>			
<b>MANHOLE DEPTH-FEET</b>	<b>MANHOLE DIAMETER-INCHES</b>		
	48"	60"	72 "
4'	10 sec.	13 sec.	16 sec.
8'	20 sec.	26 sec.	32 sec.
12'	30 sec.	39 sec.	48 sec.
16'	40 sec.	52 sec.	64 sec.
20'	50 sec.	65 sec.	80 sec.
24'	60 sec.	78 sec.	96 sec.
*	5.0 sec.	6.5 sec.	8.0 sec.

\* Add "T" times for each additional 2' depth.  
 (The values listed above have been extrapolated from ASTM designation C924-85.)

8. If the vacuum test fails, or 10" Hg vacuum cannot be obtained the following procedure shall be followed to locate the leaks.
  - Shut off vacuum pump
  - Remove vacuum test plate from manhole
  - Then, using a 2 gallon hand pump sprayer (like a garden sprayer), spray the interior surface of the manhole with a soap and water mixture
  - Begin testing



- After 30 second, stop vacuum and remove vacuum test plate once again
- Check the inside of manhole for soapy bubbles, indicating the areas that leak

END OF SECTION

## SECTION 02606

### MANHOLE REHABILITATION

#### PART 1 GENERAL

##### 1.01 SUMMARY

- A. This specification covers all labor, materials, equipment and services necessary to complete the rehabilitation and installation of corrosion protection for concrete and masonry wastewater structures as herein specified.
- B. Related Sections:
  - 1. Project Safety Documents: Appendix A

##### 1.02 REFERENCES

- A. ACI 506.2-77 - Specifications for Materials, Proportioning, and Application of Shotcrete.
- B. ASCE Manual No. 92 – Manuals and Reports on Engineering Practice; Manhole Inspection and Rehabilitation (2008 Update).
- C. ASTM D638 - Tensile Properties of Plastics.
- D. ASTM D790 - Flexural Properties of Unreinforced and Reinforced Plastics.
- E. ASTM D695 - Compressive Properties of Rigid Plastics.
- F. ASTM D1638 – Fluid Viscosity
- G. ASTM D1653 – Water Vapor Transmission of Organic Coating Films
- H. ASTM D4541 - Pull-off Strength of Coatings Using a Portable Adhesion Tester.
- I. ASTM D7234 - Pull-Off Adhesion Strength of Coatings on Concrete Using Portable Pull-Off Adhesion Testers.
- J. ASTM D4787 Standard Practice for Continuity Verification of Liquid or Sheet Linings Applied to Concrete Substrates.
- K. ASTM D2584 - Volatile Matter Content.
- L. ASTM D543 - Resistance of Plastics to Chemical Reagents.
- M. ASTM D4258 - Standard Practice for Surface Cleaning Concrete for Coating
- N. ASTM D4259 - Standard Practice for Abrading Concrete
- O. ASTM C109 - Compressive Strength Hydraulic Cement Mortars.
- P. ASTM C579 - Compressive Strength of Chemically Setting Silicate and Silica Chemical Resistant Mortars.
- Q. ICRI Technical Guideline No. 03732 - Selecting and Specifying Concrete Surface Preparation for Sealers, Coatings, and Polymer Overlays.
- R. SSPC SP-13/NACE No. 6 – Surface Preparation of Concrete.
- S. SSPWC 210-2.3.3 & 211-2 - Chemical Resistance Test (Pickle Jar Test).
- T. SSPWC 500-2 – Manhole and Structure Rehabilitation.

- U. ASCE – The published Manuals and Reports on Engineering Practices of the American Society of Civil Engineers
- V. ASTM - The published standards of the American Society for Testing and Materials, West Conshohocken, PA.
- W. ICRI – The published standards of the International Concrete Repair Institute, Des Plaines, IL.
- X. NACE - The published standards of National Association of Corrosion Engineers (NACE International), Houston, TX.
- Y. SSPC - The published standards of the Society of Protective Coatings, Pittsburgh, PA.
- Z. SSPWC – Standard Specifications for Public Works Construction (otherwise known as “The Greenbook” ).

### 1.03 SUBMITTALS

#### A. Product Data:

1. Technical data sheet for each repair and coating product to be used; including application, cure time, surface preparation procedures and certification from coating product manufacturer as to the compatibility of the repair material(s) and coating system.
2. Material Safety Data Sheet (MSDS) for each product to be used.
3. Copies of independent testing performed on the coating product indicating the product meets the requirements as specified herein.
4. Coating product physical properties shall be substantiated through submittal of testing results as documented by an accredited third party laboratory and shall be representative of the actual field applied product including cure mechanism(s) as to be employed in the field.
5. Five (5) references of manufacturer indicating successful coating system performance greater than five (5) years in age of the submitted coating product(s) within the municipal wastewater environment.

#### B. Contractor Data:

1. Current documentation from repair and coating product manufacturer(s) certifying Contractor’s training and equipment complies with the Quality Assurance requirements specified herein (Section 1.04).
2. Five (5) references of Contractor indicating successful coating system installation performance greater than five years in age of coating product(s) of the same material type as specified herein, applied by spray application within the municipal wastewater environment.

3. Documentation of requirements of Section 1.06 B & C.

1.04 QUALITY ASSURANCE

- A. Coating and repair products(s) shall be produced by a single manufacturer or the repair products may be from multiple manufacturers providing the underlayment, filler compounds, base coat and top coat materials are compatible.
- B. Coating and repair product(s) shall be capable of being installed and curing properly within the specified environment(s); specifically within environmental conditions of a typical sanitary sewer. Coating product(s) shall be resistant to all forms of chemical or bacteriological attack found in municipal sanitary sewer systems.
- C. Coating and Repair product(s) shall be fully compatible; including ability to bond effectively (as tested for in Section 3.05 C.) to each other and/or the host substrate, forming a composite system.
- D. Contractor shall utilize equipment for the application of the coating and repair product(s) which has been approved by the product manufacturer; and Contractor shall have received training on the operation and maintenance of said equipment from the product manufacturer. Written certification of such approval(s) and training shall be submitted by the coating and repair product manufacturer(s).
- E. Contractor and contractor personnel shall be certified by, or have their training approved and certified by, the coating and repair product(s) manufacturer(s) for the handling, mixing, application and inspection of the product(s) to be used as specified herein. Written certification of such training shall be submitted by the coating and repair product manufacturer(s) and shall include the individual contractor personnel to be employed on the project.
- F. Inspectors shall be trained in the use of testing or inspection instrumentation and knowledgeable of the proper use, preparation and installation of the product(s) to be used as specified herein.
- G. Contractor shall initiate and enforce quality control procedures consistent with the coating product(s) manufacturer recommendations and applicable NACE, SSPC, ICRI or other standards as referenced herein.
- H. Pre-construction meeting shall take place no less than two weeks prior to Contractor mobilization. All parties to have physical presence on the project during construction shall be present. At this meeting responsibilities and authorities during construction shall be discerned; comments and questions

regarding materials and execution of these specifications shall be presented and addressed.

- I. Design Conditions: The following design conditions shall be assumed for all structures being rehabilitated with the approved coating system:

<b>PARAMETER</b>	<b>DESIGN REQUIREMENT</b>
1. Structure Condition	Partially/Fully deteriorated, based on condition of the existing structure(s).
2. Soil Type	Saturated/Unsaturated
3. Design Thickness	ASTM 1216-Appendix XI
4. Ovality	Not greater than 4%
5. Soil Load	120 lbs./cu. ft.
6. Traffic Highway	Load AASHTO-HS-20-44
7. Soil	Modulus > 500 psi. < 1000 psi.
8. Safety	Factor 2.0.
9. Soil Cover	Distance from finished grade to invert of sewage or conduit pipe
10. Water Table	Same as Soil Cover unless changed by Owner or Owner's Agent (Saturated).

Wall thickness design calculations for each structure to be rehabilitated utilizing the specified resin technology systems must be submitted, along with supporting formulas that document that version of formula used. Additionally, product specific strength values, including the short term flexural modulus and the long term flexural modulus strength, must be substantiated by third party testing which shall be submitted. The materials utilized for the contracted project shall be of a quality equal to or better than the materials used in the long term test with respect to the initial flexural modulus and the long term reduction factor used in design

#### 1.05 DELIVERY, STORAGE, AND HANDLING

- A. Materials are to be kept dry, protected from weather and stored under cover.
- B. Coating and repair materials are to be stored between 50 deg F and 90 deg Fahrenheit. Do not store near flame, heat or strong oxidants.
- C. All materials are to be handled according to their material safety data sheets.

#### 1.06 SITE CONDITIONS

- A. Contractor shall conform with all local, state and federal regulations including those set forth by OSHA, RCRA and the EPA and any other applicable authorities.

- B. Confined space entry program and other required safety training certifications shall be submitted by Contractor to Owner as necessary to perform the specified work.
- C. Flow diversion and/or bypass plans shall be submitted by Contractor to Owner as necessary to perform the specified work.

## 1.07 WARRANTY

- A. Contractor shall warrant all work against defects in materials and workmanship for a period of three (3) years, from the date of final acceptance of the project. Contractor shall, within a reasonable time after receipt of written notice thereof, repair defects in materials or workmanship which may develop during said three (3) year period, and any damage to other work caused by such defects or the repairing of same, at his own expense and without cost to the Owner.
- B. Coating and repair product supplier(s) shall warrant all coating materials for a period of three (3) years from the date of final acceptance, unless otherwise noted, to be free of manufacturing defects; and products will meet current published physical properties when applied and tested in accordance with the manufacturer's standards. If, within said three (3) year period, any product does not meet the physical properties or is defective in manufacture the manufacturer will either replace the defective product or refund the purchase price.

## PART 2 PRODUCTS

### 2.01 MANHOLE REPAIR PRODUCTS

- A. Manhole repair products shall be used to fill voids or bugholes, smooth transitions between components, replace lost mortar in masonry structures, smooth rough surfaces, rebuild severely deteriorated substrates and/or to remediate infiltration prior to the installation of the coating product(s).
- B. Repair materials must be supplied by the coating product(s) manufacturer or shall be expressly approved by the coating product(s) manufacturer in writing for compatible with the specified coating product(s).
- C. All materials shall be mixed, applied and cured in accordance with the manufacturer's recommendations.
- D. Repair product physical properties shall be substantiated through submittal of accredited third party testing results and shall be representative of the actual field applied product and cure mechanism(s) to be employed in the field.

## 2.02 LEAK PLUGGING AND PATCHING OF CRACKS AND HOLES

- A. Leak plugging and patching of cracks and holes of manholes and waste water structures: Use a factory blended, rapid setting, non-shrink, non-metallic, hydraulic cement mortar for plugging leaks and eliminating infiltration remediation.
- B. Manufacturer: As applicable (See Plans, Table 1 on plans for approved products)

## 2.03 STRUCTURAL REPAIR

- A. Structural repair of manholes and waste water structures: Use a factory blended, high-early strength, non-shrink, non-metallic, silica cementitious repair mortar to be trowel or pneumatically spray applied to the surface.
- B. Manufacturer: As applicable (See Table 1 on plans for approved manufacturers.)

## 2.04 MORTAR BASE COAT

- A. Mortar Base Coat: Use a factory blended, non-shrink, non-metallic, silica cementitious mortar or a calcium aluminate repair mortar to be trowel or pneumatically spray applied to the entire surface with a minimum thickness of ½ inch.
- B. Manufacturer: As applicable (See Table 1 on plans for approved products).

## 2.05 TOP COAT/CORROSION BARRIER

- A. The top coat/corrosion barrier product shall be applied to all interior surfaces to protect the host substrate and repair materials from all forms of chemical or bacteriological attack typically found in municipal sanitary sewer systems and to impart a degree of structural enhancement. All products must be: solvent-free and VOC-free.
- B. Coating product physical properties shall be substantiated through submittal of accredited third party testing results and shall be representative of the actual field applied product and cure mechanism(s) to be employed in the field.
- C. EPOXY COATING OPTION: 100% solids, solvent-free, ultra-high build epoxy coating to all interior surfaces of exposed concrete as detailed on the plans. (See Plans, Table 1 on plans for approved products).

- D. POLYURETHANE COATING OPTION: 100% Solids, Solvent-Free, spray applied or self priming structural polyurethane coating.As applicable (See Table 1 on plans for approved products)

## PART 3 EXECUTION

### 3.01 EXAMINATION AND PREPARATION

- A. Appropriate actions shall be taken by Contractor to comply with local, state and federal regulatory and other applicable agencies with regard to environment, health and safety during work.
- B. Remove existing coatings prior to application of the coating product(s) which may affect the performance and adhesion of the coating product(s).
- C. Thoroughly clean and prepare existing products to effect a seal with and promote the adhesion of the coating product(s).
- D. Standard Portland cement or new concrete must be cured a minimum of 28 days prior to application of the coating product(s) or, if less than 28 days, surfaces must be prepared and coating materials applied according to the coating product manufacturer's recommendations for such conditions.
- E. Any active flows shall be bypass pumped or diverted as required to ensure all liquids are maintained below or away from the surfaces to be coated until final applications are cured as recommended by the manufacturer. Bypass pumping and/or sewer diversion plan(s) must be approved by the District.
- F. Temperature of the surface to be coated should be maintained between 50 and 90 deg F.
- G. Specified surfaces should be shielded to avoid exposure of direct sunlight, other intense heat source or, where cementitious products are employed, excessive ventilation. Where varying surface temperatures do exist, coating installation should be scheduled when the temperature is falling versus rising.
- H. Prior to commencing surface preparation, Contractor shall inspect all surfaces specified to receive the coating and notify Owner, in writing, of any noticeable disparity in the site, structure or surfaces which may interfere with the work, use of materials or procedures as specified herein.

### 3.02 SURFACE PREPARATION AND REPAIRS



- A. Excessive debris, sediment, root intrusion or other foreign materials which may impact the effectiveness of the surface preparation process shall be removed and disposed of at a legal disposal site at the contractors expense prior to the commencement thereof.
- B. Offset structural components, lids, covers, frames, etc. shall be repaired, replaced or reset prior to the commencement of surface preparation.
- C. External soil/fill voids shall be remediated and/or stabilized by replacement or injection of stabilizing grout as determined appropriate by the engineer.
- D. Oils, grease, incompatible existing coatings, waxes, form release, curing compounds, efflorescence, deteriorated substrate, sealers, salts, or other contaminants which may affect the performance and adhesion of the coating to the substrate shall be removed.
- E. Choice of surface preparation method(s) shall be based upon the condition of the structure and concrete or masonry surface, potential contaminants present, access to perform work, and the required cleanliness and profile of the prepared surface to receive the repair and/or coating product(s) and the approved methods of the manufacturer.
- F. The surface preparation method, or combination of methods, that may be used include high-pressure water cleaning, water jetting, abrasive blasting, shotblasting, chipping, grinding, scarifying, detergent water cleaning, hot water cleaning and others as referenced in industry accepted standards.
- G. The surface preparation shall provide a uniform, sound, clean and neutralized surface suitable for the specified coating product(s).
  - 1. Concrete and/or mortar and steel damaged by corrosion, chemical attack or other means of degradation shall be removed so that sound substrate remains.
  - 2. Steel or cast iron or ductile iron surfaces to be coated shall be abrasive blast cleaned.
  - 3. All manhole rungs or stairs shall be removed and the steel burned back to ½ inch below the concrete surface, and holes patched with non-shrink mortar.
  - 4. Blast air shall be free of oil and water.
  - 5. All new and existing concrete, steel or cast iron shall be cleaned by both hydroblast and abrasive blast methods.

6. Abrasive shall be as required to produce the specified level of cleanliness and profile in an efficient and uniform manner. Abrasives shall not be recycled and shall be contained and removed from the sewer line.
  7. Abrasive blasting shall not be performed when the air or steel temperature is below 40 deg F, when the relative humidity exceeds 80%, or when the steel is less than 5 deg F warmer than the dewpoint. The Contractor will provide dehumidification, and/or temperature control as necessary to meet these conditions.
- H. Prior to the application of the coating product repairs shall be completed to ensure the following:
1. All inflow and infiltration shall be eliminated by use of appropriate repair material(s), such as hydraulic cements and/or chemical grouts as described in Section 2.02.
  2. All repairs to joints, pipe seals, mechanical penetrations, benches, inverts, pipes or other appertanences to be coated shall be completed and repaired surfaces prepared according to this section.
  3. Benches or other horizontal surfaces shall have adequate slope (1" rise per lineal foot minimum) to minimize the retention of debris following surcharge.
  4. Inverts or flow channels shall be smooth without lips, rough edges or other features which may cause debris to collect; contoured to minimize turbulent flow; and be sloped to promote adequate flow from the inlet(s) to the outlet pipe.
  5. All joints, pipe seals, removed steps or other penetrations shall be sealed against inflow, infiltration and exfiltration and be adequately filled, smoothed and contoured to promote monolithic coating application.
- I. Areas where reinforcing steel has been exposed shall be repaired in accordance with the Engineer's recommendations prior to coating with the coating product specified or other approved primer as specified by the coating product manufacturer.

### 3.03 APPLICATION OF LEAK REPAIR AND PATCHING PRODUCTS

- A. Leak repair and patching products shall be applied per the manufacturer's recommendations. Cementitious repair products for spot repair may be mixed and applied using hand and/or power tools.

### 3.04 STRUCTURAL REPAIR

- A. Structural repair products used to fill voids, pits, cracks and other surface defects to rebuild the structure, and for repairing severely deteriorated concrete shall be installed per the manufacturer's recommendations.

### 3.05 MORTAR BASE COAT

- A. Mortar base coating products shall be used to repair, smooth or rebuild surfaces with rough profiles to provide a concrete or masonry substrate suitable for the coating product(s) to be applied. These products shall be installed to ½" minimum thickness over the entire concrete surface as recommended by the manufacturer's published guidelines.
- B. The mortar base coat shall be cured per the manufacturer's recommendations prior to application of the corrosion barrier coating.
- C. All repair products shall be handled, mixed, installed and cured in accordance with manufacturer guidelines.
- D. All repaired or resurfaced substrates shall be inspected by the District for cleanliness and suitability to receive the coating product(s).

### 3.06 APPLICATION OF COATING AND LINING PRODUCT(S)

- A. Application procedures shall conform to the recommendations of the coating product(s) manufacturer, including environmental controls, product handling, mixing, application equipment and methods.
- B. Spray equipment shall be specifically designed to accurately ratio and apply the coating product(s) and shall be in proper working order.
- C. Contractors qualified in accordance with section 1.04 of these specifications shall perform all aspects of coating product(s) installation.
- D. Prepared surfaces shall be coated via spray application of the coating product described herein unless otherwise recommended by the coating product manufacturer.
- E. Coating thickness shall be in relation to the profile of the surface to be coated as recommended by the coating product manufacturer.
- F. In all cases the coating product(s) as per section 2.05 C and D shall be applied to a minimum dry film thickness of 125 mils to surface profiles of CSP-4, CSP-5,

CSP-6 or greater. Subsequent topcoating or additional coats of the coating product(s) shall occur within the product's recoat window or 24 hours which ever is less. Additional surface preparation procedures will be required if this recoat window is exceeded.

- G. For resistance to ground water head pressure the coating shall be a minimum of 200 mils minimum dry thickness for depths up to 20'. For depths greater than 20' consult the coating manufacturer for recommendations.
- H. Coating product(s) shall interface with adjoining construction materials/components throughout the manhole structure to effectively seal and protect substrates from attack by corrosive elements and to ensure the effective elimination of infiltration into the sewer system. Seal all joints and surface interfaces as specified on the plans.
- I. Procedures and materials necessary to effect the interface between dissimilar materials and the coating product shall be as recommended by the coating product(s) manufacturer.
- J. Termination points of the coating product(s) shall be made at the bottom manhole frame and top of the last grade ring. Coat the entire manhole, manhole base and flow line, including the manhole invert.
- K. Sewage flow shall be bypassed or diverted as necessary for application of the coating product(s) to the invert and interface with pipe materials.

### 3.05 TESTING AND INSPECTION

- A. During application the Contractor shall use a wet film thickness gauge, meeting ASTM D4414 - Standard Practice for Measurement of Wet Film Thickness of Organic Coatings by Notched Gages. Measurements shall be taken and documented for submission to Owner.
- B. The Contractor shall provide high voltage holiday detection for coating systems installed in corrosive environments, when it can be safely and effectively employed, shall be performed to ensure monolithic protection of the substrate. After the coating product(s) have cured in accordance with manufacturer recommendations, all surfaces shall be inspected for holidays in accordance with NACE RPO 188-99 Discontinuity (Holiday) Testing of New Protective Coatings on Conductive Substrates or ASTM D4787 Standard Practice for Continuity Verification of Liquid or Sheet Linings Applied to Concrete Substrates. All detected holidays shall be marked and repaired according to the coating product(s) manufacturer's recommendations.

- 1. Test voltage shall be a minimum of 100 volts per mil of coating system thickness.

2. Detection of a known or induced holiday in the coating product shall be confirmed to ensure proper operation of the test unit.
  3. All areas repaired shall be retested following cure of the repair material(s).
  4. Documentation of all areas which fail the holiday test and need to be patched and repaired and re-tested, a full report documenting the locations and numbers of repairs, testing results and type of repairs made shall be submitted to the Owner/Engineer by Contractor.
- C. The Contractor shall perform adhesion tests of the coating system to the substrate shall be confirmed in 25% of all of the manholes coated, or for large structures once every 750 square feet of coated area. Testing shall be conducted in accordance with ASTM D7234 Pull-Off Adhesion Strength of Coatings on Concrete Using Portable Pull-Off Adhesion Testers. Owner's representative shall select the manholes or areas to be tested.
1. For each test manhole a minimum of three 20 mm dollies shall be affixed to the coated surface; one at the cone area, one at the mid section and one near the bottom of the structure.
  2. For larger structures a minimum of three 20 mm dolly shall be affixed to the coated surface at random locations within each 500 square foot area or as otherwise agreed upon.
  3. The adhesive used to attach the dollies to the coating shall be rapid setting with tensile strengths in excess of at least twice the anticipated failure point (generally at least 1000 psi) and permitted to cure in accordance with manufacturer recommendations. The coating and dollies shall be adequately cleaned and prepared to receive the adhesive. Failure of the dolly adhesive shall be deemed a non-test and require retesting.
  4. Prior to performing the pull test, the coating shall be scored to the substrate, or within 10 mils of the substrate surface, by mechanical means without disturbing the dolly or coating system bond within the test area.
  5. Two of the three adhesion pulls in each test area shall exceed 250 psi and shall include substrate adhered to the back of the dolly or no visual signs of the coating product in the test hole. Pulls tests with results between 200 and 250 psi may be acceptable if more than 50 percent of the substrate in the test area is adhered to the dolly.
  6. Should a structure, or area, fail to achieve two successful pulls as described above, additional testing shall be performed at the discretion of the Owner or Project Engineer. Any areas detected to have inadequate bond strength shall be

evaluated by the Project Engineer. Further bond tests may be performed in that area to determine the extent of potentially deficient bonded area and repairs shall be made by Contractor.

7. All adhesion testing shall be performed by qualified personnel using calibrated equipment as specified by the applicable ASTM standard(s).
  8. All adhesion testing shall be documented and submitted in a consistent format detailing location, test values, description of the failure point/mode, scoring method employed, adhesive used, cure time of coating and adhesive and other data as deemed necessary by the owner/engineer.
  9. All adhesion test locations shall be repaired by the Contractor at no cost to the Owner.
- D. Visual inspection shall be made by the District's representative. Any deficiencies in the finished coating and joint or interface seal effecting the performance of the coating system or the operational functionality of the structure shall be marked and repaired according to the recommendations of the coating product(s) manufacturer.
- E. The municipal sewer system shall be returned to full operational service as soon as the final inspection has taken place and all coating materials have been adequately cured according to the coating product(s) manufacturer's recommendations.

END OF SECTION

## SECTION 02659

### CLEANING AND VIDEO INSPECTION

#### 1.01 DESCRIPTION

##### A. WORK INCLUDED

The work to be done under this Section consists of furnishing all labor, equipment, materials, plant and supervision necessary to clean and TV inspect the sewer main lines and service lateral lines designated on the Plans and as specified.

Additional required work includes performing the sewer condition assessment in order to identify spot repairs, data input for the Owner's MS Access database and capturing and storing digital images for each event, i.e. lateral connections and all defects, that are recorded as part of the television video and inspection report as the work proceeds.

After correction of any defect or defects found by the final television inspection, the pipeline where the corrections were made shall be retelevised, structure to structure, at the Contractor's expense.

#### 1.02 RELATED WORK SPECIFIED IN OTHER TECHNICAL SECTIONS

1. Section 02200: Excavation and Backfill
2. Section 02500: Surface Restoration
3. Section 02600: Pipeline Construction – Direct Burial
4. Section 02602: Pipebursting Sewer Replacement
5. Section 02605: Manholes

#### 1.03 DELIVERABLES

##### A. CLEANING RECORDS

The Contractor shall make a record of each sewer that is cleaned using the street name, address and structure number of the upstream manhole and the location and type of any problem found.

##### B. VIDEO AND STILL IMAGE INSPECTION RECORDS AND REPORTS

This project requires two separate sets of videos and video reports, one set of videos prior to the installation of the CIPP and HDPE pipe liners in the sewer mains and sewer laterals and one set following the installation of the CIPP and HDPE pipe liners in the sewer mains and sewer laterals. The video files on the DVDs and written Reports shall be ordered first alphabetically by street name and manhole number for the sewer mains and by street name and numerically by street address for the sewer laterals. The Pre-CIPP and HDPE and Post-CIPP and HDPE videos and reports shall be organized and produced such that the order of the filenames, videos and reports for the Pre-CIPP and HDPE work are identical to the Post-CIPP and HDPE filenames, videos and reports. One report shall be identified as Pre-CIPP and HDPE and the other Post-CIPP and HDPE. See Section 1.17, and other sections for additional requirements.

The Contractor shall furnish the following records and reports:

1. Video records of each sewer line TV inspected shall be provided on DVD format. Files for each sewer main and lateral video shall be properly named to identify the street where the sewer line segment lies, nearest street address and number of each manhole or rodhole at each end of the video segment in the correct order of camera travel (or simply the street address in the case of service laterals). For example for sewer mains, a video that begins at manhole #15 on Mohawk Road and goes to manhole #16 would be: "Mohawk Rd. MH15-MH16". The video for the service lateral at #308 Mohawk Road is simply "308 Mohawk Rd."

2. Digital still images of all lateral connections and all defects.
3. List and summary of all proposed spot repair locations.
4. Verification of all CIPP and HDPE sewer main and sewer lateral pipe lengths, diameters, and lateral connection shapes (WYE's or TEE's). A summary of all the proposed CIPP and HDPE materials required for the project. The District shall review this list prior to the Contractor's order for purchase and delivery of CIPP and HDPE materials. Any materials ordered prior to the District's authorization shall be solely at the risk of the Contractor.

#### 1.04 QUALITY REQUIREMENTS

##### A. COMPANY EXPERIENCE

As a minimum the company shall have at least three (3) years' experience and the supervisor two (2) years' experience in this type of work. The Contractor shall demonstrate that he/she owns or has access to backup equipment so that the work does not have to be suspended in the event of equipment breaking down.

##### B. QUALIFICATION OF WORKERS

The Contractor shall provide sufficient skilled workers and supervisor, who shall be present at all times during execution of the work described above, who shall be thoroughly familiar with the type of work involved and the materials and techniques specified. As a minimum the company shall have at least three (3) years' experience and the supervisor two (2) years' experience in this type of work.

##### C. WORKER ATTIRE AND VEHICLES

All workers on the cleaning, televising and locating crew shall wear company uniforms or identical safety vests. Vehicles shall be identified with the firm's name.

#### 1.05 SUBMITTALS

The Contractor shall submit six (6) copies of the following for approval.

- a. Schedule of cleaning and televising.
- b. Brand name, model, specifications of television equipment to be used and sample video as specified in Section 1.15, Equipment, to establish picture quality.
- c. Traffic Control Plan.
- d. Formal procedures demonstrating that current regulatory requirements are conformed to regarding safe manhole entry and verification that all employees are trained on manhole entry procedures.

#### 1.06 NOTIFICATION TO RESIDENTS

The Contractor shall provide the following notifications to the residents in the work area:

- a. Post Notices of the cleaning and televising on power poles within the work area.
- b. Deliver a second notification to the affected properties in the form of a door knob hanger forty-eight (48) hours prior to the actual cleaning and televising work or as required by the Owner. Affected properties shall be defined as all the properties in the vicinity of the work including the properties through which and/or over which the Contractor must traverse and work.



The wording of the public notifications will be developed by the Owner in cooperation with the Contractor and furnished to the Contractor. The notices will have a blank line for the Contractor to write in the date work will be done on the specified property being notified. The Contractor shall make the appropriate number of copies. The Contractor shall remove the posted notices immediately after the work is done.

#### 1.07 SEWER CLEANING

Prior to TV inspection each sewer shall be cleaned. The sewer line cleaning prior to TV inspection shall consist of the use of a hydroflusher, rodder, root cutters including use of hand rodding equipment in easement areas and private yards where necessary as well as any other cleaning equipment necessary to remove foreign materials including adhered grease and dirt from the pipe walls together with all roots, rocks and debris from the sewer main, service laterals, cleanouts, manhole inverts and structures to obtain a clear picture of the internal condition of the line. Use of chemicals or herbicides is not permitted. After the sewer has been cleaned but prior to televised inspection, clean water shall be flowed through the pipe to the satisfaction of the District to ensure sufficient water is provided to completely fill all possible sags in the pipe.

#### 1.08 CLEANING PRECAUTIONS

During sewer cleaning operations, satisfactory precautions shall be taken in the use of cleaning equipment. When hydraulically propelled cleaning tools are to be used, precautions shall be taken to insure that the water pressure created does not damage or cause flooding of public or private property being served by the sewer. No fire hydrant shall be obstructed in case of a fire in the area served by the hydrant. The Contractor shall make his/her own arrangements for a water meter and any other utility service necessary to complete the work.

#### 1.09 MATERIAL REMOVAL

All grease, sludge, dirt, sand, roots, rocks and other solid or semisolid material resulting from the cleaning operation shall be removed at the downstream manhole of the section being cleaned. Passing material from manhole section to manhole section, which could cause line stoppages, accumulations of sand, rocks and debris in pump stations, or damage to pumping equipment, shall not be permitted. All removed material shall be disposed of at a legal disposal site.

#### 1.09 REMOVAL OF ROOTS, PROTRUDING LATERALS AND OTHER OBSTRUCTIONS

Roots, protruding laterals and other obstructions shall be mechanically removed wherever the intrusion is judged to be significant enough to restrict the passage of the camera and/or obtaining a clear picture or will interfere with insertion of the CIPP and HDPE liners. Removal procedure may include the use of rodding or cutting machines. All obstructions found shall be routinely reported on the Television Inspection report and peripheral work, as required as part of the Project. All removed material shall be disposed of at a legal disposal site.

#### 1.10 PLUGGING OR BLOCKING

A sewer line plug shall be inserted into the line upstream of the section being worked. The plug shall be so designated that all or any portion of the sewage can be released. During TV inspection, flow shall be reduced to levels that will allow full inspection of the pipe interior. After the work has been completed, flow shall be restored to normal.

#### 1.11 BYPASS PUMPING

When bypass pumping is required, the Contractor shall supply the pumps, conduits, and other equipment to divert the flow of sewage around the manhole section in which work is to be performed. The bypass system shall be of sufficient capacity to handle existing flow plus any

additional flow that may occur during a rainstorm. The Contractor shall be responsible for furnishing the necessary labor and supervision to set up and operate the bypass pumping system. Engines shall be equipped in a manner to keep noise to a minimum.

#### 1.12 FLOW CONTROL PRECAUTIONS

When flow in a sewer line is plugged, blocked, or bypassed, sufficient precautions must be taken to protect the sewer lines and connected homes from damage that might result from sewer surcharging. The discharge of any sewage from the sewer system to other than a downstream or adjacent sanitary sewer system is prohibited.

#### 1.13 REMOVAL OF WATER IN SAGS

When the sewer has a sag where the TV camera goes under water the Contractor shall use jet or other equipment to remove the water in the sag(s) just prior to televising. The beginning, end and depth of the sag and standing water shall be noted on the TV report.

#### 1.14 TELEVISION INSPECTION

After cleaning, the manhole sections shall be video inspected by means of closed-circuit color television. The inspection will be done one manhole section at a time under a condition of flow control. All pipe inspections shall include a water level gauge mounted in front of the camera which shall be dragged along the pipe invert and be clearly visible in the video record. The water level gauge shall be 0.10 feet deep in ten (10) inches or smaller inside diameter pipe and 0.15 feet deep in pipe larger than ten (10) inches inside pipe diameter.

#### 1.15 EQUIPMENT

The television camera used for the inspection shall be a color format, one specifically designed and constructed for such inspections. It shall be operative in 100 percent humidity conditions. Lighting and camera quality shall be suitable to allow a clear, in-focus picture for a minimum of six lineal feet of the entire inside periphery of the sewer pipe. The camera shall have a minimum capability of 350 line resolutions. The camera must have its own light source suitable to provide a clear picture of the entire interior pipe. The Contractor shall use a camera appropriate for the size and condition of the sewer being televised.

Use a camera with an accurate footage counter that displays on the monitor the exact distance of the camera (to the nearest tenth of a foot) from the centerline of the starting manhole. Use a camera with camera height adjustment so that the camera lens is always centered at one-half the inside diameter, or higher, in the pipe being televised.

The camera, monitor, and other components of the video system shall be capable of producing a picture quality that is adequate for the purpose of inspection as stated in the contract. To insure peak picture quality throughout all conditions encountered during the survey, a variable intensity control of the camera lights and remote control adjustments for focus shall be located at the monitoring station. Focal distance shall be adjustable. Monitors shall have a resolution capability of no less than 525 lines. The date of the survey, number designation of the manhole section being surveyed, and a continuous forward read-out of the camera distance from the manhole of reference shall be continuously displayed on the monitors, as part of the video presentation.

To establish working criteria for video picture quality, which must be maintained throughout the project, the Contractor shall furnish the Owner with a video and documentation of the actual sewer line inspection, that is satisfactory to the Owner and meets the job specifications for television inspection. This video will become the property of the Owner and will be used throughout the project as a standard that the Contractor's video picture quality must meet. The Owner makes no guarantee that all of the sanitary sewer mains proposed to be TV inspected are

clear for the passage of a camera.

The televising equipment must have room for real time monitor viewing by at least two (2) Owner representatives at all times.

## 1.16 DOCUMENTATION

Documentation of the television results shall be provided to the Owner and shall include the following:

### A. TELEVISION INSPECTION REPORTS

Each video file must be accompanied by a television inspection report approved by the Engineer. This report shall identify television inspection video filename, date, time, project number, company, operator, location, notes, upstream manhole number, downstream manhole number, pipe type, pipe diameter, flow and camera direction and any other information required by the Engineer. The report shall contain a listing of all pipe events, defects, sags, service connection locations including quadrant location, infiltration points and conditions, etc., observed on a footage basis.

Each pipe event shall include a rating for the following: cracks, breaks, collapsed sections, offset joints, broken joints, sags, debris, root intrusion, and infiltration. The severity of the defect should also be reported. The beginning of all sags of 1/4 pipe, 1/2 pipe and underwater as well as where the camera pulls out of sag should be reported. For each service connection, clock dial position, its condition and type must be recorded. All other information required for analysis such as degree of deterioration and deformed or collapsed pipe should be reported. All pipe event codes and locations entered on the inspection report must correspond to the event codes, pipe footage and counter displayed on video.

### B. VIDEO RECORDINGS

The purpose of video recording shall be to supply a visual and audio record of sewer line inspection. Video recording playback shall be at the same speed that it was recorded. The Contractor shall have all video files and necessary playback equipment readily accessible for review by the Engineer during the project, and later packaged and delivered to the Engineer as required in Section 1.03.

Video records of each sewer line TV inspected shall be provided on DVD format. Files for each sewer main video shall be properly named to identify the street where the sewer line segment lies, nearest street address and number of each manhole or rodhole at each end of the video segment in the correct order of camera travel or street address in the case of service laterals. For example for sewer mains, a video that begins at manhole #15 on Mohawk Road and goes to manhole #16 would be: "Mohawk Rd. MH15-MH16". The video for the service lateral at #308 Mohawk Road is simply "308 Mohawk Rd."

All defects and events shall be noted by the narrator on the video recording during the actual video work. The videos shall upon delivery become the property of the Owner. Video files shall be on DVD's. Each DVD shall be computer-labeled with the following information:

Project Name, Date and Location  
Pre or Post Rehabilitation  
Street Names  
Contractor's Name, Disc No., Date(s) Televised  
Date Submitted

## 1.17 DATABASE ENTRY AND DIGITAL STILL IMAGE REQUIREMENTS

Contractor shall provide data to the Owner using an MS Access database with digital images, all provided on DVD's for each event recorded in the television inspection report as the work proceeds. Data entry shall include the TV Date, Upstream Manhole Number, Downstream

Manhole Number, Pipe Size, Pipe Type, Tape Number, Location, Notes, Direction of Camera Travel (D-downstream, U-upstream, DU-downstream and upstream, reverse set-up), Total TV Distance, Event Codes, Event Footages and Digital Event Images. Each digital image shall be saved in a minimum 4.0 MB, 256 colors, and JPEG file format with 80% compression. The footage and event code shall be noted on each digital image. Each digital still image shall be file named with the beginning manhole direction of travel, footage of the event point followed by the event code (for example, from manhole #15, filming downstream at a distance of 107.8' is found an OFFSET, this would be filenamed "**MH15 D 107.8 offset.jpg**"). A digital image shall be captured and stored at every start and finish manhole of a sewer line.

The Contractor shall submit to the Owner a copy of all completed video files, television inspection reports, MS Access database and digital still images on DVD's or Thumb Drive to the Owner.

All video, still photo and data for sewer pipe inventory, condition assessment, rehabilitation recommendations, and deliverables shall be provided in external hard disk drives. References to "DVDs" and "DVD format" refer to the various media and file protocols used to temporarily record and store data. The deliverable shall be on an electronic format that contains all pre-construction information separated from the post-construction information.

All sewer infrastructure inventory and condition assessment information shall, be provided in standard PACP (aka: Pipeline Assessment Certificate Program) format including the "MS Access database".

The Contractor shall present the Owner with documentation for the PACP certifications of operators that will be performing the work."

## 1.18 OPERATION

The camera shall be moved through the line in either direction at a moderate rate, allowing complete visibility of the pipe condition at all times. The camera shall be stopped when necessary to permit proper documentation of the sewer's condition. In no case will the television camera be pulled at a speed greater than 30 feet per minute. Power winches that do not obstruct the camera view or interfere with proper documentation of the sewer conditions may be used to move the camera through the sewer line. If, during the inspection operation, the television camera will not pass through the entire section of sewer due to an obstruction (i.e. offset, break, protruding lateral), the Contractor shall set up his/her equipment so that the inspection can be performed from the opposite manhole, a reverse set-up. The obstruction shall be located on the ground surface by means of a radio wave transmitter and receiver and marked with green paint and/or a stake. Do not paint patios, walls or private property improvements.

The importance of accurate distance measurements is emphasized. Measurement for location of all defects shall be above ground by means of a locator device. Marking on the cable, or the like, which would require interpolation for depth of manhole, will not be allowed. Accuracy of the distance meter shall be checked by use of a walking meter, roll-a-tape, or other suitable device. The accuracy shall be to two tenths (0.2) of a foot.

## 1.19 REVERSE SET-UPS

The Contractor is advised that in some sections of the sewer lines there may be offsets, breaks, protruding laterals or collapsed or broken pipe which cannot be rodded or cut out and which prevent the passage of the cleaning equipment and/or the camera. In such locations, the Contractor shall report the event code "STOP", document the cause of the obstruction, and complete the TV inspection in that section by using the reverse set-up from the opposite manhole. In no case shall a reverse set-up be allowed on account of inadequate cleaning as determined by the Engineer.

The existence of the obstruction shall be reported to the Engineer. The Owner may elect to

make the necessary repair to the sewer to remove the obstruction, in which case the Owner may request that the Contractor re-televiser the sewer.

#### 1.20 FINAL ACCEPTANCE

Acceptance of sewer line cleaning and televising shall be made upon delivery, evaluation and approval of the work products required by these specifications and as measured by the footage successfully televised, verified and approved by the Engineer.

#### 1.21 PAYMENT

The cost for all labor, equipment and materials for sewer cleaning and video inspection shall be included in the respective bid items therefor and no additional compensation will be allowed. Measurement for payment will be by the linear foot for the classification of the sewer cleaned and video inspected.

The cost for reverse set ups for both cleaning and televising shall be included in the bid item therefor and no additional compensation will be allowed. Measurement for payment will be per reverse setup required and no additional compensation will be allowed.

If the Owner repairs an obstruction which did not allow the camera to pass and the Owner requires the Contractor to re-televiser the line, payment will be made on the basis of linear footage of sewer retelevised as set forth in the respective bid items therefor and no additional compensation will be allowed. In retelevising the sewer the Contractor shall record on the video the entire length being retelevised but is not required to take new digital images or classify defects which were taken and classified during the first televising.

END OF SECTION

## APPENDIX A

# COUNTY ENCROACHMENT PERMIT APPLICATION CONDITIONS



For health-related coronavirus updates, go to [smchealth.org/coronavirus](http://smchealth.org/coronavirus). For the latest updates from the County, go to: [www.smcgov.org](http://www.smcgov.org).

Home

## Utility Trench Permit

To dig a utility trench in the right-of-way of San Mateo County's unincorporated districts requires an encroachment permit from the Department of Public Works.



### PERMIT FEES

- Behind walkways, paths, sidewalks - \$119
- For laterals and other services in the travel way - \$358
- For a main line less than or equal to 100 feet - \$1791
- For a main line greater than 100 feet - \$1791 +0.50/foot of trench

### DOCUMENTS

- ☉ [Utility Trench Standard Drawings](#)
- ☉ [Encroachment Permit Checklist for Utility Trench](#)
- ☉ [Encroachment Permit with Special Provisions Application Form](#)

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Main: (650) 363-4000

DEPARTMENT OF PUBLIC WORKS



Road Operations - Permits
455 County Center, 2/FI.
Redwood City, CA 94063
(650) 363-1822

JAMES C. PORTER
Director of Public Works

Date: \_\_\_\_\_
Plan Check #: \_\_\_\_\_
APN: \_\_\_\_\_

ENCROACHMENT PERMIT APPLICATION

To Whom It May Concern:

The undersigned hereby applied for permission to excavate, construct and/or otherwise encroach upon the Right-of-Way of the County of San Mateo road(s) listed:

DESCRIBED LOCATION OF PROPOSED ACTIVITY

\_\_\_\_\_
\_\_\_\_\_

DESCRIBED PROPOSED ACTIVITY: <Attach site plan and sketch or scaled drawing>

\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_

NOTE: State of California Government Code Sections 4216 through 4216.9 require an INQUIRY IDENTIFICATION NUMBER be assigned to every person planning to conduct an excavation in a Public Right-of-Way or Private Easement. If applicable, the applicant shall call the "USA" Regional Notification Center at 800-642-2444 a minimum of two (2) days prior to commencing that excavation. NO PERMIT TO EXCAVATE ISSUED BY SAN MATEO COUNTY SHALL BE VALID UNLESS THE APPLICANT HAS OBTAINED AN INQUIRY ID NUMBER FROM "USA."

PROPOSED ENCROACHMENT DATE(S): START \_\_\_\_\_ FINISH \_\_\_\_\_

Applicant agrees to accomplish the described activity in accordance with applicable County of San Mateo codes, regulations, restrictions and specifications and to be subject to inspection and approval by the Dept. of Public Works.

Applicant shall indemnify and save harmless the County, its officers, agents, employees and servants from all claims, suits or actions on every name, kind and description, brought for, or on account of, injuries to or death of any person or damage to property resulting from the performance of any work authorized or required by the County in conjunction with this request.

Applicant is required to maintain property damage and liability insurance in amounts equivalent to or exceeding the legal minimums as a condition of this permit.

APPLICANT COMPLETE

PLEASE PRINT

"USA" Inquiry

Date

USA Inquiry ID Number

Applicant Name

Mailing Address

City, State Zip

Area Code & Phone and email

Applicant Signature



# **INSTRUCTIONS FOR COMPLETING APPLICATION FOR ENCROACHMENT PERMIT**

April 2014

1. Describe Location of Proposed Activity: Include street address and city/town, and attach a copy of your site plan. The site plan should show the property line and the location and limits of the proposed work.
2. Describe Proposed Activity: Include a brief description of the work to be performed within the public right of way. If any work involves construction other than “County Standard,” include a plan drawing showing the type of work and any details necessary to fully describe the work.

The Department of Public Works publishes “Standard Drawings for Public and Private Construction” and “Special Provisions” for a variety of activities. Drawings for the most frequent types of encroachments are available at no cost at the Planning/Building Counter. The full edition of the Standard Drawings is available for purchase at the Department of Public Works, 555 County Center, 5<sup>th</sup> Floor.

Drawings available at the Planning/Building Counter include:

Driveway Plan/Profile  
Driveway Widths and Curb Openings (Residential & Commercial)  
Interim Access Roads  
Under-Sidewalk Drains  
Trench Backfill and Bedding

Drawings and specifications for County standard sewer structures are available at the Department of Public Works, 555 County Center, 5<sup>th</sup> Floor.

3. Proposed Start and Finish Dates: Must be completed. Allow at least 3 working days for processing of your permit application when completing this section.
4. USA Inquiry: Application must include the date of your USA (Underground Service Alert) contact and the Inquiry ID Number issued by USA for any work involving soil disturbances. Contact information for USA is provided on the application form.
5. **Initial you must agree to the indemnification and insurance clauses.**
6. Applicant Name, Mailing Address and Signature: Must be completed and signed.
7. Telephone Number: Provide telephone number with area code to contact the applicant.
8. Application fee \$\_\_\_\_\_ must accompany this application (for checks please make payable to County of San Mateo. Credit Card payments are accepted with a 3% surcharge). *Note: Projects that involve subdivision improvements, wells and other substantial construction projects may require an inspection deposit. Your DPW Permits staff can assist you with inspection fees and security deposits.*



### **SPECIAL PROVISIONS -2019**

1. **ACCEPTANCE OF SPECIAL PROVISIONS.** It is understood and agreed by the Permittee that the doing of any work under this permit shall constitute acceptance of the Special provisions.
2. **NO PRECEDENT ESTABLISHED.** This Permit is granted with the understanding that this action is not to be considered as establishing any precedent on the question of the expediency of permitting any certain kind of encroachment to be erected within right of way of County streets, roads, highways or other areas.
3. **NOTICE PRIOR TO STARTING WORK.** Before starting work, the Permittee shall notify the Director of Public Works, specifically the Road Division at (650) 363-4103. Such notice shall be given at least 48 hours in advance of the date work is to begin. Any work prior to said notification will be subject to rejection, and/or removal for noncompliance with the notification requirement. The Director of Public Works reserves the right to pass on the responsibility of the contractor who proposes to do the work under this permit.
4. **KEEP PERMIT ON THE SITE.** This Permit or a copy thereof shall be kept at the site of work and a copy must be shown to any representative of that department or any law enforcement officer on demand.
5. **PERMIT FROM OTHER AGENCIES.** The party or parties to whom this Permit is issued shall, whenever the same is required by law, secure the permit or consent to any work hereunder from the Public Utilities' Commission of the State of California, to any other public agency having jurisdiction, and this Permit shall be suspended until such permit is obtained.
6. **PROTECTION OF TRAFFIC.** Adequate provision shall be made for the protection of the traveling public. Barricades shall be placed with warning lights at night and flaggers employed, all as may required by the particular work in progress. All work shall be planned and carried out so that there will be the least possible inconvenience to the traveling public except for the specific work permitted.
7. **STOCKPILING OF MATERIAL.** No construction materials or debris shall be stored within eight feet (8') of the edge of pavement or traveled way, or within any shoulder area where the shoulders are wider than eight feet (8'). In no event will any material be stored in a ditch, swale or any other type of watercourse.

8. **GENERAL CLEAN UP.** Upon completion of the work, all brush, timber, scraps and material shall be entirely removed from the right-of-way and any areas affected by the work shall be left in a presentable condition, and to the satisfaction of the Director of Public Works, Attention is also directed to Section 24, "Water Pollution Control," of this document.
9. **STANDARDS OF CONSTRUCTION.** All works shall conform to the Standard Specifications of the County of San Mateo, State of California, which are identical with the Standard Specifications, May 2006 of the State of California, Business and Transportation Agency, Department of Transportation, except as set forth in Resolution No. 68389 adopted November 14, 2006. **Special notice is given for the preservation of existing survey monuments.** Where needed, the applicant is advised to get the County Surveyor to tie out the location of existing monument(s) prior to any work. Separate fees for services may apply.
10. **SUPERVISION BY DIRECTOR OF PUBLIC WORKS.** All the works shall be done subject to the supervision of and to the satisfaction of the Director of Public Works. The Director may appoint an Engineer and/or an Inspector to supervise and approve the work. The terms "Engineer" and "Inspector" shall have the same meaning for purposes of this Permit.
11. **FUTURE MOVING OF INSTALLATION.** The Permittee is advised that whenever construction, reconstruction, maintenance or any work on the street, highway or other areas may require the removal of the installation permitted herein, the Permittee shall, upon request of the Department, immediately remove the installation at the sole expense of the Permittee.
12. **EXPENSE OF INSPECTION.** For work that requires the presence of an Inspector or Engineer of the Department, the costs associated with salary, traveling expenses, tests on materials and other incidentals shall be paid by the Permittee. The Permittee may be required to deposit with the Department cash in an amount determined by the Director of Public Works to be sufficient to cover the anticipated costs of inspections. Any remaining balance shall be refunded to the Permittee upon completion and acceptance of the permitted work.
13. **LIABILITY FOR DAMAGES.** The Permittee is responsible for all liability for personal injury or property damage that may arise out of work herein permitted or which may arise out of failure on the Permittee's part to perform his obligations under this Permit in respect to maintenance. In the event any claim of such liability is made against the County of San Mateo or any Department, officer, or employee thereof, the Permittee shall defend, indemnify and hold each of them harmless from such claim. This Permit shall not be effective for any purpose unless and until the above named Permittee files with the Department, the following Certificates of Insurance: Public Liability in the amount of \$\_\_\_\_\_ and Property Damage in the amount of \$\_\_\_\_\_. The Permittee shall carry Workmen's Compensation Insurance to cover all labor employed on work covered by this Permit.
14. **MAKING REPAIRS.** If the Director of Public Works shall so elect, repairs to paving and other improvements which have been disturbed shall be made by employees of the Department and the expenses therefor shall be borne by the

Permittee. The Director of Public Works shall require a deposit before starting repairs in an amount sufficient to cover the estimated cost thereof. The Director of Public Works will give reasonable notice of his election to make such repairs. If the Director of Public Works does not so elect, the Permittee shall make such repairs in accordance with the Department's construction standards. In every case, the Permittee shall restore any portion of the street, road, highway or other area which has been excavated or otherwise disturbed, to its former condition or to the minimum standards as set forth in these Special Provisions, except where the Director of Public elects to make repairs as provided in this paragraph and except where provision to the contrary is made in this Permit.

15. **CARE OF DRAINAGE.** If the work item herein contemplated shall interfere with the established drainage, ample provision shall be made by the Permittee to provide for it as may be directed by the Director of Public Works. All storm drainage work shall comply with the provisions of the San Mateo County Drainage Policy and the County's National Pollution Discharge Elimination System (NPDES) permit.
16. **MAINTENANCE.** The Permittee agrees by the acceptance of this Permit to exercise reasonable care to maintain properly any encroachment placed in the street, road, highway or other areas, and to exercise reasonable care in inspecting for and immediately repairing and making good any injury to any portion of the street, road, highway or other areas which occurs as a result of the maintenance of the encroachment in the street, road, highway or other areas, or as a result of the work done under this Permit, including any and all injury to the street, road, highway or other areas which would have occurred had such work not been done or such encroachment not placed therein.

#### **PIPES, CONDUITS, GAS PUMPS, ETC.**

17. **CROSSING ROADWAY.** On select roads or at locations directed by the Director of Public Works, services and other small diameter pipes shall be jacked or otherwise forced underneath pavement without disturbing same. Service pipes will not be permitted inside of metal culvert pipes used as drainage structures. No tree roots two inches or more in diameter shall be cut. Material shall be removed from around root system so as to avoid damage thereto. Roots shall be protected with burlap wrapping while exposed.
18. **TUNNELING.** No tunneling will be permitted except on major work as may be specifically set forth on the face hereof.
19. **DEPTH OF PIPES AND EXCAVATION LIMITS.** There shall be a minimum of two and one-half feet (2 1/2') of cover over all pipes or conduits. The limits of excavation for pipes shall be one-foot (1') minimum outside the outside diameter of the pipe unless otherwise ordered by the Director of Public Works.
20. **BACKFILLING.** Backfilling operations shall conform to the following requirements. Across roadway sections, curbs, sidewalks, and other paved or surfaced areas, material for use as structure backfill shall have a sand equivalent value of not less than 20. The percentage composition by weight as determined by laboratory sieves shall conform to the following grading:

<u>Sieve Size</u>	<u>Percentage Passing Sieves</u>
3"	100
No. 4	35 – 100
No. 30	20 - 100

Backfill material, properly moistened, shall be placed in horizontal, uniform layers not exceeding 0.67-foot in thickness, before compaction, and shall be brought up uniformly. Each layer of backfill material shall be compacted to a relative compaction of not less than 95 percent.

The backfill material at other locations may consist of material from excavation, free from stones or lumps exceeding 3 inches in greatest dimension, vegetable matter, or other unsatisfactory material and shall be compacted to a relative compaction of not less than 90 percent. When the material from excavation is unsuitable for use as backfill, it shall be disposed of as directed by the Inspector and suitable material approved by the Inspector shall be furnished by the Permittee.

**CERTIFICATION OF COMPACTION AND COPIES OF COMPACTION TEST RESULTS SHALL BE SUBMITTED TO THE SAN MATEO COUNTY PUBLIC WORKS DEPARTMENT INSPECTOR FOR REVIEW AND APPROVAL PRIOR TO ACCEPTANCE OF THE WORK BY COUNTY.**

**THE COUNTY INSPECTOR SHALL DETERMINE THE NEED AND FREQUENCY OF THE TESTING. ALL COSTS ASSOCIATED WITH COMPLYING TO THE ABOVE SHALL BE BORNE BY THE APPLICANT/DEVELOPER OR HIS CONTRACTOR.**

**21. SURFACE MATERIALS.**

**A. Aggregate Base:** Mineral aggregate material removed shall be placed with a 3/4" maximum Class 2 Aggregate Base Material, and shall conform to Section 26 of the Standard Specifications of the County of San Mateo. The percentage composition by weight of aggregate base shall conform to the following grading when determined by Test Method No. California 202 modified by Test Method No. California 905 when applicable.

<u>Sieve Size</u>	<u>Individual Test</u>	<u>Percentage Passing Sieves</u> <u>Moving Average</u>
1"	100	100
3/4"	87 – 100	90 – 100
No. 4	30 – 60	35 – 55
No. 30	5 – 35	10 – 30
No. 200	0 – 12	2 - 0

The aggregate base shall conform to the following quality requirement.

<u>Tests</u>	<u>Test Method Northern California</u>	<u>Individual Test</u>	<u>Moving Average</u>
Resistance <R-Value>	301	78 minutes	
Sand Equivalent	217	28 minutes	31 minutes
Durability Index	229	35 minutes	

The depth of aggregate base placed shall be equivalent to the depth of aggregate material removed, unless the existing material is less than 6 inches (6"), in which case, a minimum of 6 inches (6") compacted material will be required.

The aggregate base shall be watered and compacted in layers not to exceed 0.50-foot compacted thickness. The relative compaction of each layer of compacted base material shall not be less than 92 percent of that determined by Test Method No. California 216, for individual tests and not less than 95 percent for moving average.

**B. Asphalt Concrete:** Surfaced material to be used, to replace all other types of pavements, shall consist of 3/4-inch maximum, medium grade, Type B Asphalt Concrete and shall conform to Section 39 of the Standard Specifications of the County of San Mateo. Minimum thickness of Asphalt Concrete placed shall be 0.17-feet in compacted thickness. Steam-refined paving asphalt to be mixed with aggregate shall be Performance Grade (PG) 70-10 or as directed by the Engineer.

**C. Gravel or Crushed Rock Surfaced Roads:** Whenever a gravel or crushed rock surfaced street is trenched, the workmanship and materials involved in backfilling and placing surface material shall conform to Section 27 and 22A, of these Special Provisions. During rolling of the final course of the surface material, it shall be sprinkled with water to the extent that sufficient fines will be flushed to the surface to fill the voids and create a seal surface.

**D. Moratorium – 2 years on Road recently surface treated by the county:** If the Contractor causes any portion of a County road to be excavated and if Contractor's work occurs within two years of the filing of the Notice of Completion for a County street surfacing project, including but not limited to slurry seal, chip seal, resurfacing or road reconstruction, Contractor shall slurry seal the affected County road from edge to edge.

22. **PIPES ALONG ROADWAY.** Pipes and utilities paralleling the pavement shall be located at the distance from traveled way and at such depth as specifically directed on the face hereof. No tree roots two inches or more in diameter shall be cut. Material shall be removed from around root system so as to avoid damage thereto. Roots shall be protected with burlap wrapping while exposed.

**23. SAWCUTTING.** All excavation on existing Asphalt Concrete pavement shall be saw-cut with NO exception. Water from saw cutting operations shall not be allowed to enter into any drainage or watercourse.

**24. WATER POLLUTION CONTROL**

The Permittee is advised that failure to fully comply with the provisions of this Section, and all requirements listed in any resource agency permits obtained for the project, where applicable, shall constitute substantial non-compliance with the requirements of the Clean Water Act, the National Pollution Discharge Elimination System (NPDES) and this Permit.

Construction sites are common sources of water pollution. Materials and wastes that blow or wash into a storm drain, gutter, or street have a direct impact on local creeks and wetlands. San Francisco Bay and the Pacific Ocean. The Permittee shall be responsible for any environmental damage caused by his operations and those of his contactors or employees.

Water pollution shall be defined as including the introduction of any material, including sediment, trash, or other debris, equipment or vehicles into any watercourse, including creeks, ponds, ditches, storm drain facilities, and any surfaces immediately tributary to those areas, except as specifically authorized by any resource agency permits. Water pollution controls are materials and measures that prevent the introduction of any material to any watercourse. Water pollution control materials and measures may consist of temporary silt fencing; straw mulch/straw logs; spill cleanup materials; pavement sweepers; sand bags or continuous berms; etc.

Water pollution controls shall be applied, maintained and removed by the Permittee as specified herein and as directed by the Inspector. For construction activities occurring between June 15 and September 15, sufficient quantities of applicable water pollution control materials shall be available at the work site prior to commencing any work. For construction activities occurring between September 15 and June 15, all applicable water pollution control measures shall be installed and all applicable water pollution control materials shall be available at the work site prior to commencing any work.

If the measures being taken by the Permittee are inadequate to control water pollution effectively, the Inspector may direct the Permittee to revise the operations. No further work shall be performed until the water pollution control measures are adequate and, if also required, a revised water pollution control program has been approved. Attention is directed to "Permittee Response" of this Section for additional provisions relating to correction of the Permittee's water pollution control program, and payment

**Permittee Response**

The Permittee is advised that he may be required to respond to the work site after hours and/or on weekends or holidays to mitigate potential water pollution, soil erosion or sedimentation and/or to repair damaged water pollution controls. Failure to respond within four (4) hours of notification by the Department of Public Works shall constitute substantial noncompliance with these Special Provisions.

Should the County Road Maintenance Division be required to provide any after-hours, weekend or holiday repairs to the Permittee's water pollution controls due to the Permittee's failure to respond, all costs associated with providing that response, including overtime wages, equipment and material costs, shall be deducted from the Permittee's deposit and/or invoiced to Permittee, as applicable. The Permittee shall also be fully responsible for any fines, penalties or mitigations imposed by any regulatory agency caused by his failure to respond, regardless if the County Road Maintenance Division attempts any repairs or pollution prevention work in his absence.

### **Excavation and Grading**

The Permittee shall not commence any excavation, backfilling, grading or stockpiling operations until water pollution control materials have been delivered to the work site. Excavation and grading activities shall be scheduled for dry weather periods. Excavation and grading activities shall not be allowed to commence or continue during periods of rainfall or runoff.

### **General Housekeeping**

The Permittee shall control the amount of runoff entering upon disturbed construction and staging areas, particularly during excavation, to reduce the amount of water pollution controls required. Temporary diversion berms and/or sandbags may be employed to divert runoff from entering upon construction and staging areas as approved by the Inspector.

Paved surfaces shall be dry-swept as necessary to prevent water pollution. If pavement flushing is necessary, silt ponds, gravel sacks or other techniques to trap sediment and other pollutants shall be required.

All wastes shall be disposed of properly outside the highway right-of-way and, where applicable, in accordance with the Permittee's approved Construction Waste Management plan.

### **Stockpiles**

All soil and/or rock stockpiles shall be protected against wind, rainfall and runoff at all times. Plastic sheeting may be used to cover soils (including aggregate base), and shall be securely anchored by sandbags or other suitable means. At no time will any stockpiled materials be allowed to erode into any watercourse or onto any roadway or other tributary surface.

### **Spill Prevention and Response**

Fluid spills shall not be hosed down. The Permittee shall use dry cleanup methods (absorbent materials, cat litter, and/or rags) whenever possible. If water must be used, the Permittee will be required to collect the water and spilled fluids and dispose of it as hazardous waste. Spilled fluids shall not be allowed to soak into the ground or enter into any watercourse.

Spilled dry materials shall be swept up immediately. The Permittee shall not wash down or bury any dry spills. Spills on dirt areas shall be removed by digging up and properly



disposing of contaminated soil. The Permittee shall report significant spills to the Inspector immediately

### **Tire Washing**

Should the Permittee's equipment be tracking soil onto a public road, the Inspector shall require a tire-washing swale at the exit from the construction site and/or staging areas. The Inspector shall also require that soil be removed from the traveled way by whatever means necessary to prevent water pollution, dust or any other nuisance to the public.

### **Roadwork and Paving**

The Permittee shall avoid creating excess dust when breaking and/or removing asphalt or concrete. Broken asphalt and/or concrete pieces shall be completely removed from the site as soon as possible, or shall be stored in a separate, secure stockpile protected against from wind, rainfall and runoff. Material derived from roadway work shall not be allowed to enter any watercourse, or tributary area.

Water/slurry resulting from saw cutting operations shall be shoveled or vacuumed and completely removed from the site. The Permittee shall not be permitted to sweep or flush any saw cutting debris or slurry into any drainage, watercourse, or tributary area.

### **Concrete and Mortar**

The Permittee shall ensure that concrete and mortar are contained within the lines and grades shown on the Plans and not allowed to leave the construction site. Any excess concrete, mortar and/or mix water placed or spilled beyond the limits of concrete construction as shown on the Plans shall be immediately collected, removed and disposed of properly.

No washout of concrete mixers or trucks will be permitted at the project site.

Dry sacks of cement shall be protected against wind, rainfall and runoff. Opened sacks of cement shall be secured and protected from spilling.

James C. Porter  
Director of Public Works  
July 2019

## APPENDIX B

# SEWER AUTHORITY MID-COASTSIDE Confined Space Entry Safety Program



Sewer Authority Mid-Coastside  
**SAM**

# Confined Space Entry Safety Program



45950 Hotchkiss St. • Fremont, CA 94539 • (510) 651-8289 • [du-all.com](http://du-all.com)

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## **Appendices**

- A Confined Space Assessment Flow chart
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- C Confined Space Entry Permit Form
- D Confined Space Inventory
- E Procedures for Atmospheric Testing
- F Confined Space Assessments Completed
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- H Confined Space Entry Equipment Inventory



## **1.0 SCOPE AND APPLICATION**

The Sewer Authority Mid-Coastside is committed to employee safety in the work place and has adopted this Confined Space Program.

This Confined Space Program shall apply to all the Sewer Authority Mid-Coastside employees, contracted employees, general contractors and sub-contractors.

As such no employee is allowed to enter a confined space in which a hazardous atmosphere is deemed to exist.

Appendix A includes a flow chart for identifying confined spaces and Appendix B is a list of identified permit required confined spaces.

This document has been prepared to ensure that employees who may enter or work near confined spaces are able to:

- Recognize, evaluate and control confined space hazards
- Save lives and protect employees from injuries and illnesses
- Promote safe and effective work practices
- Comply with pertinent confined space laws and regulations

Employees who work in or in connection with confined spaces are required to follow the procedures described in this program and to take all appropriate precautions to ensure that the work is performed safely. At no time should an employee enter a confined space or perform work or rescue in the space unless it can be done safely.

## **2.0 REFERENCES**

- a) California Code of Regulations, Title 8, (8CCR), Sections 5156 to 5158
- b) Code of Federal Regulations, Title 29, (29CFR), Section 1910.146
- c) California Code of Regulations, Title 8, (8CCR), Section 5143
- d) California Code of Regulations, Title 8, (8CCR), Section 5155
- e) California Code of Regulations, Title 8, (8CCR), Section 8355

## **3.0 DEFINITIONS**

***“Attendant”*** is an individual stationed outside a permit-required confined space that monitors entrants and performs special duties described in this procedure.

***“Authorized entrant”*** is an employee who is fully trained and authorized by the Sewer Authority Mid-Coastside to enter a confined space.

***“Authorized person”*** is someone who is approved or assigned by the employer to perform specific types of duties or to be at a specific location or locations on the job site.

***“Supervisor”*** is a person in the classification of manager, entry supervisor or lead worker.



**“Competent Person”** is one who is capable of identifying existing and predictable hazards in the surroundings or working conditions that are unsanitary, hazardous or dangerous to employees and has authorization to take prompt corrective measures to eliminate or protect against those hazards.

**“Confined Space”** is a space that:

- 1) is large enough that an employee can enter and perform assigned work; and
- 2) has limited or restricted means for entry or exit; and
- 3) is not designed for continuous occupancy.

**“Engulfment”** means the surrounding and effective capture of a person by a liquid or finely divided solid material that can be aspirated to cause death by filling or plugging the respiratory system or that can exert enough force on the body to cause death by strangulation, constriction, or crushing.

**“Entry”** starts when any part of the first worker’s body crosses the plane of entry into the confined space and continues until all workers have crossed the plane of entry to outside the confined space.

**“Entry supervisor”** is the person responsible for determining if acceptable entry conditions are present at a permit-required confined space where entry is planned and performed. The entry supervisor authorizes, oversees, and terminates work in confined spaces as required. The entry supervisor may perform the duties of the attendant or may delegate the attendant duties and perform the functions of an authorized entrant.

**“Hazardous atmosphere”** is an atmosphere that may expose employees to the risk of death, injury, or acute illness from one or more of the following causes:

- Oxygen deficiency where the oxygen concentration is less than 19.5% or oxygen enrichment where the oxygen concentration is greater than 23.5%;
- Flammable gas or vapor in excess of 10% of its lower flammable limit concentration;
- Toxic gas concentration in excess of the Cal-OSHA permissible exposure limits.

**“Lead Entrant”** is the entry team leader in a permit-required or non-permit-required confined space entry. This may be the entry supervisor, or the most experienced entry worker. Lead entrants will be responsible for continuous atmospheric monitoring while alone or while leading an entry team in the confined space.

**“Non-Permit-Required Confined Space”** is a confined space that does not contain, or with respect to atmosphere, have the potential to contain, any hazard capable of causing death or serious injury {5157 (b)}. Atmosphere testing equipment and a Confined space hazard assessment (Appendix A and B and C) must be used to make the determination prior to each planned entry. Atmosphere monitoring equipment and mechanical ventilation must be used to ensure that the atmosphere remains healthful for the duration of the work in the space.

**“Permit-Required Confined Space”** is a space that meets the definition of a confined space and has any one or more of the following characteristics:

- contains or has the potential to contain a hazardous atmosphere; or

- contains a material that has the potential for engulfing an entrant; or
- has an internal configuration that might cause an entrant to be trapped or asphyxiated by inwardly converging walls or by a floor that slopes downward and tapers to a smaller cross section; and/or
- contains any other recognized serious safety or health hazards.

**“Permit or Confined Space Entry Permit”** is a document that authorizes work in confined spaces. The Entry Supervisor signs the permit and issues it to the assigned attendant who keeps it at the entry point during the entry procedure. The permit form is attached to this document as Appendix C.

**“Personal Protective Equipment (PPE)”** is safety equipment worn by one individual worker, to protect that worker from a hazard. It may include, but not be limited to protection for the head, eyes, hearing, respiratory system, hands, body, or feet.

**“Qualified Person”** is a person designated by the employer; and by reason of training, experience, or instruction has demonstrated the ability to perform safely all assigned duties; and when required is properly licensed in accordance with federal, state, or local laws and regulations.

**“Responding Rescue Assistance Emergency Service”** [San Mateo County Fire Dispatch 650-368-1421 and/or 9-1-1](#) have the capability and will provide all additional technical rescue service response for Sewer Authority Mid-Coastside confined space entry victims if needed to assist in extraction and transport to Medical Services Provider.

**“Retrieval System”** means the harness, lifeline, body hoist, and other equipment used for non-entry rescue of persons from confined spaces.

**“Self-Contained Breathing Apparatus (SCBA)”** means a full-face respirator connected via hose to a portable cylinder containing compressed breathing air.

**“Standby Rescue Entrant”** is a member of the confined space entry team or contracted service who performs either 1) non-entry rescue or 2) entry rescue if they meet the requirements of 8 CCR 5157(k)(1).

## **4.0 RESPONSIBILITIES**

### **4.1 PROGRAM ADMINISTRATOR**

The Confined Space Program Administrator for the Sewer Authority Mid-Coastside is: **Waste Water Treatment Plant Manager or His/Her Designee.**

Responsibilities include:

- Maintain log of confined space entries and classifications, reclassify confined spaces, if necessary.
- Maintain log of entry permits.
- Maintain and inspect all confined space entry equipment and safety equipment as required.
- Maintain inspection records and training records.

- e) Arrange for annual refresher training & proficiency non-entry rescue entry.
- f) Safety Data Sheets (SDSs) for specific confined spaces and make them available for use in entries.
- g) Ensure appropriate equipment recommended in SDSs is available.
- h) Review hazards to ensure appropriate protective measures.
- i) Review incidents, injuries and near-miss incidents to determine appropriate safety measures are taken.
- j) Review all canceled permits within the previous 12 months to ensure compliance of the program.
- k) Ensure annually evaluation checklist, entry permits, and written program are annually reviewed and updated as needed.

#### **4.2 MANAGERS AND SUPERVISORS**

- a) Ensure all equipment pre-use, regulatory and manufacture specified inspections are completed as required and forwarded to the Program Administrator.
- b) Ensure all safety training records are forwarded to the Program Administrator.
- c) Maintain SDS's for specific confined spaces and makes them available for entries.
- d) Ensure appropriate equipment recommended in SDSs is available.
- e) Maintain assigned confined space and fall equipment inspection records and forwarded to the Program Administrator.
- f) Review hazards to ensure appropriate protective measures are in place and all needed equipment has been identified and maintained in accordance with manufacturer instruction and specifications.
- g) Review all injury incidents and near-miss incidents to determine appropriate safety measures that need to be taken and reported to the Program Administrator.
- h) Obtain all required forms and documentation to include but not limited to the assessments, evaluation checklist and cancelled permit(s) immediately following the end of the job.

#### **4.3 WORKING WITH CONTRACTORS**

When the Sewer Authority Mid-Coastside arranges to have employees of another employer perform work that involves a confined space entry covered by this standard, the host employer shall:

- a) Inform contractor that the workplace contains a confined space and that confined space entry is allowed only through compliance with a confined space program meeting the requirements of this section, section 5157 or section 8355, depending which section applies to the contractor;

- b) Apprise the contractor of the elements, including the hazards identified and that the Sewer Authority Mid-Coastside has experience with in the confined space, that make the space in question a confined space;
- c) Apprise the contractor of any precautions or procedures that the Sewer Authority Mid-Coastside has implemented for the protection of employees in or near the confined space where the contractors personnel will be working;
- d) Coordinate entry operations with the contractor, when both Sewer Authority Mid-Coastside personnel and contractor personnel will be working in or near the confined space.
- e) Debrief the contractor at the conclusion of the conclusion of the confined space operation regarding the confined space program followed and any hazards confronted or created in the confined space during entry operations so that the Sewer Authority Mid-Coastside can incorporate the information into their program during the annual review.
- f) NOTE: In addition to complying with the confined space requirements that apply to the Sewer Authority Mid-Coastside, each contractor who is retained to perform confined space entry operations shall:
- g) Obtain any available information regarding confined space hazards and entry operations from the Sewer Authority Mid-Coastside.
- h) Coordinate entry operations with the Sewer Authority Mid-Coastside, when both personnel will be working in or near a confined space.
- i) Inform the Sewer Authority Mid-Coastside of the confined space program that the contractor will follow and of any hazards confronted or created in the confined space, either through debriefing or during the entry operation.

#### **4.4 ENTRY TEAM**

All hazards or potential hazards within a confined space will be evaluated by the entry supervisor before an entry is permitted. Only the person designated as the entry supervisor has the authority to authorize an entry permit. A permit-required confined space entry team for routine entries includes the entry supervisor (who may also be the attendant), authorized entrant(s), at least one attendant who will also serve as the standby rescue attendant if determined in the hazard assessment for the entry and/or coordination with Fire Department (if required). An entry team must be comprised of at least two persons. Before any employee enters a permit-required confined space, written authorization must be obtained from an entry supervisor.

##### **4.4.1 Authorized Entrants**

- a) Must maintain active communication with the attendant so that the attendant can monitor the mental and physical status of the entrant(s).
- b) Must notify the attendant whenever the entrant recognizes any warning sign or symptom of exposure to a hazardous atmosphere or other unsafe condition.

- c) Is required to exit as fast and safely as possible from the space if an evacuation order is given by the attendant or entry supervisor or if any prohibited condition arises, or if the alarm is activated.
- d) Must adhere to the procedures and precautions indicated on the permit and provided in training.
- e) Must know the hazards that may be faced during entry, including information on the mode, signs or symptoms and consequences of the exposure to hazardous atmospheres.
- f) Will be trained in First Aid/CPR/AED.

#### **4.4.2 Attendant (Also performs as the Rescue Attendant)**

- a) Carries a cellular phone for emergency communication.
- b) Primary duty is to monitor space atmosphere and protect the authorized entrant(s). No additional duties will be assigned or permitted which may interfere with the attendant's primary duties.
- c) In the event that an entrant is incapacitated by exposure to hazardous atmosphere or engulfment the attendant will perform the non-entry rescue procedure outlined in (Section 5.7) of this document.
- d) The Attendant shall summon rescue assistance and other emergency services as soon as it has been determined that entrants may need assistance to escape from permit space hazards.
- e) Will be trained in First Aid/CPR/AED.
- f) Must know the hazards that may be faced during entry, including information on the mode, signs or symptoms and consequences of the exposure to hazardous atmospheres.
- g) Keeps the entry permit and any other documentation needed (SDS, hot-work permit, etc.) and the rescue procedure on-hand at the entry location.
- h) Continuously maintains an accurate count of authorized entrants in the permit space.
- i) Remains outside the permit space during entry operations until relieved by another attendant.
- j) Communicates with authorized entrants as necessary to monitor entrant status and to alert entrants of the need to evacuate the space in an emergency.
- k) Reads the gas detection meter every 15 minutes and records the values on the permit form.
- l) Monitors activities inside and outside the space to determine if it is safe for entrants to remain in the space and orders the entrants to evacuate the space immediately under any hazardous situations.
- m) Prevents unauthorized persons from entering the space.

### 4.4.3 Entry Supervisor

- a) Responsible for the overall permit space entry and must coordinate all entry procedures, tests, permits, equipment and other relevant activities.
- b) Knows the hazards that may be faced during the entry, including information on the mode, signs or symptoms and consequences of the exposure.
- c) Knows the duties of authorized entrants, attendant, and standby rescue entrant.
- d) Carries a cellular phone for communication.
- e) Prevents unauthorized persons from entering the space.
- f) Will be trained in First Aid/CPR/AED.
- g) Verifies, by checking the evaluation and permit, that all tests specified by the permit are conducted and that all procedures and equipment specified by the permit are in place before endorsing the permit and allowing entry.
- h) Terminates the entry and cancels the permits when conditions dictate.
- i) Determines that entry operations remain consistent with the terms of the entry permit and that acceptable entry conditions are maintained.
- j) Signs the permit to authorize entry.
- k) Provides and reviews SDS's for all materials used in the confined space with entrants.
- l) For entry into confined spaces, the entry supervisor must notify the WWTP front desk and the San Mateo Emergency Dispatch 650-368-1421 that a confined space entry is being made at a specific location and for a specified period of time.
- m) At the conclusion of the confined space operation, the entry supervisor must notify the Rescue Service that the space has been vacated and secured
- n) Cancels the permit once the job has been completed and submits all completed entry forms and documentation to the Program Administrator for the safety files.

## 5.0 PROCEDURES

### 5.1 PROHIBITION OF ENTRY

No worker will enter a confined space when the following conditions are present, and all workers will evacuate a confined space if the following conditions develop during entry:

- a) The oxygen level is less than 19.5% or greater than 23.5%
- b) The flammable gas concentration is greater than 10% of the Lower Flammable Limit
- c) The carbon monoxide concentration is greater than 25 ppm
- d) The hydrogen sulfide concentration is greater than 10 ppm

- e) Any other toxic in excess of the Permissible Exposure Level (PEL)
- f) The workers are not trained and authorized as specified in (Section 7) of this document

## 5.2 PREVENTION OF UNAUTHORIZED ENTRY

- a) Permit Required Confined Spaces shall be identified by posting danger signs or by any other equally effective means, of the existence, and location of the danger posed by the permit space. A sign reading: **DANGER: CONFINED SPACE or PERMIT REQUIRED CONFINED SPACE - DO NOT ENTER or KEEP OUT** or using other similar language would satisfy the requirement for a sign.
- b) Only authorized personnel are permitted to enter the space. A perimeter with tape, barriers or other means will be established so that a working zone (controlled access zone) is created where only authorized personnel are permitted and this zone is maintained from unauthorized entry by the entry supervisor and attendant.
- c) During an emergency, a safe zone and specific rescue plan procedure will be established for the command post and support personnel, ensuring adequate, distance from the site based on the concentration of any contaminant. The area will be isolated and unauthorized personnel will be denied access.

## 5.3 PERMIT-REQUIRED CONFINED SPACES

**All confined spaces are considered Permit-Required Confined Spaces until the assessment or evaluation procedures demonstrate otherwise. The assessment and evaluation is part of the Confined Space Permit in Appendix C.**

The areas at Sewer Authority Mid-Coastside where conditions requiring a confined space permit may exist include:

- pump/lift stations
- basins
- vaults
- wet wells
- manholes
- waste water treatment plant areas with potential to have a hazardous atmosphere.

Potential hazards that may be associated with these spaces include engulfment, toxic gases; explosive or flammable gases, oxygen deficiency, electrical and mechanical hazards and under certain circumstances include heat or cold stress.

Other spaces may be determined to be permit-required after completion of the evaluation check list. The type of work to be performed in the space could introduce hazards to an otherwise safe space. Working with flammable or toxic substances, welding or other hot work, or drifting vapors from outside sources would make a space hazardous or potentially hazardous and

therefore require a permit to enter. An entry into a confined space is made whenever any part of the body breaks the plane of the opening of the space.

### **Pump/Lift Stations & Wet Wells**

Wet wells have been evaluated and identified as permit-required confined spaces and dry pits will be evaluated prior to entry to determine the appropriate entry procedures.

### **Manholes**

Sanitary sewer manholes are permit-required confined spaces. All other manholes/vaults will be evaluated prior to entry to determine the appropriate entry procedures.

All manholes, regardless of depth, must have an attendant if an entry is made and must have the evaluation checklist completed and a confined space entry permit signed prior to any entry.

## **5.4 NON-PERMIT REQUIRED CONFINED SPACE-ALTERNATE ENTRY**

- a) A non-permit-required confined space is a space that has been determined to be free from hazardous atmosphere and other hazards of entrapment, engulfment, electrocution, or other hazards that could cause serious physical injury.
- b) Atmosphere testing equipment and a confined space assessment must be used to make the determination prior to each planned entry.
- c) Employees must follow all of the Sewer Authority Mid-Coastside's safety policies and procedures including fall protection, personal protective equipment and lockout-tagout hazardous energy control program, etc.

## **5.5 ALTERNATE ENTRY/RE-CLASSIFICATION OF SPACE**

This procedure may be used to enter a permit space when the only hazard in the permit space is an **actual or potential atmospheric hazard and the hazard can be controlled by continuous ventilation and atmosphere monitoring** and is verified and documented using the evaluation checklist.

All confined spaces are considered **permit-required confined spaces** until physical and atmospheric hazards have been controlled or eliminated. **All confined spaces are considered Permit-Required Confined Spaces until the Assessment or Evaluation Procedures demonstrate otherwise. (See Appendices C for additional resources)**

- a) All unsafe conditions are eliminated, tested and documented using the evaluation checklist prior to the confined space cover opening and removal.
- b) If isolation of hazards requires entry into the space, then a confined space entry permit is required.
- c) Continuous atmosphere monitoring equipment and mechanical ventilation must be used to ensure that the atmosphere remains healthful for the duration of the work in the space.



- d) Employees shall follow all the Sewer Authority Mid-Coastside's safety policies and procedures including fall protection, personal protective equipment and lockout-tagout hazardous energy control program, etc.
- e) All monitoring, inspection data and certification information are to be made available to each employee entering the space.
- f) The authorized entrant completes the initial air monitoring test of the cover and interior of the confined space for oxygen deficiency, flammable vapors, carbon monoxide, and hydrogen sulfide using a pre-use gas bumped tested and current in calibration direct read air monitoring instrument. The entrant documents all on the confined space evaluation checklist.
- g) The entrance leading edge is guarded with a temporary railing or other type of barrier to prevent falls through the opening and to protect entrants in the space.
- h) If initial monitoring alarm occurs, re-evaluate your ventilation set up and retest accordingly.
- i) If ventilation renders the space to acceptable entry levels then continuous forced air ventilation is to be used ensuring the air supply is from a clean air source and will not create any additional hazards.
- j) The air supply is to be directed to employees' work area.
- k) The entrant determines that all conditions evaluated and documented on the confined space evaluation checklist have been met for safe entry. The entrant certifies on the evaluation checklist that all hazards have been eliminated prior to entry. (Note: If required to enter space to eliminate hazards then a permit-required entry must be completed).
- l) The entrant monitors conditions in the space continuously. If conditions become unsafe, and the gas monitor alarms, the entrant evacuates the space promptly and safely.
- m) If the job task has not been completed due to unsafe conditions then it will be required that the entrant try to determine why the gas monitor alarmed and work to control the hazard.
- n) **NOTE:** If a hazardous atmosphere develops in the space, or other hazards arise, alternate procedures can no longer be used and the space must be reclassified as a fully permitted confined space.
- o) If the hazard condition still exist and the work task has not been completed, the entrant must determine if a permit required entry team will be necessary or, for public safety, the Local Emergency Service (9-1-1) should be notified.
- p) The completed evaluation checklist is kept by the entrant during the duration of the job.
- q) When the job is completed, the entrant submits the evaluation checklist and all other documentation to the Program Administrator for the safety files.

## **5.6 ENTRY OF A PERMIT-REQUIRED SPACE**

### **5.6.1 Confined Space Entry Permit**

Confined space entry permits (Appendix C) are issued for a specific location, a specific work crew, and for a specified period of time. The entry permit serves as the assessment procedure and is also a written authorization of the location and type of work to be done. It also authorizes the personnel assigned to the job, verifies that potential hazards have been evaluated using the evaluation checklist and the entry permit, documents that all potential hazards identified have either been controlled or eliminated, and that proper safety precautions have been taken, and that it is safe for workers to enter to perform assigned work tasks.

Completion of a Confined Space Entry Permit (Appendix C) is mandatory before the entry supervisor gives approval to enter a permit-required confined space. These permits must be kept at the job site for the duration of the job.

Completion of the Confined Space Permit form shall document the following:

- a) The surrounding area is surveyed to assess hazards such as drifting vapors, unsecured equipment, water pressure or flow, and unauthorized personnel.
- b) The gas detector is current in calibration and zeroed and received the logged daily pre-use/pre-entry gas bump tests prior to zeroing out to ensure all sensors are operating.
- c) The atmosphere of the confined space is surveyed with the gas detector to determine if there is oxygen deficiency or excess levels of flammable vapor, carbon monoxide, hydrogen sulfide or other toxics and logged on the Entry Permit.
- d) Ventilation is provided to the space by making additional openings to the atmosphere or placement of portable ventilation blowers and ducts to augment natural air circulation. After a suitable ventilation period, the atmosphere testing is repeated.
- e) Entry may not begin until testing demonstrates that the hazardous atmosphere is eliminated and all required lockout-tagout procedures have been completed.
- f) The entry supervisor has reviewed the conditions described in the evaluation checklist and permit, given assignments to the attendant and authorized entrant(s), and authorized the entry team to proceed with entry operations.
- g) Upon completion of the entry procedures, the entry supervisor submits all completed entry forms and documentation to the Program Administrator for the safety files.
- h) The duration of retention of confined space records is at the discretion of the Program Administrator but no less than one year as the regulations require. These records will be made available to authorized personnel upon request.

### **5.6.2 Pre-Entry Procedures**

- a) Determine (by entry supervisor or other competent trained person) what hazards or potential hazards are within the confined space.
- b) Check that all safety equipment is available and in good safe working condition and all pre-use inspections have been completed in accordance with manufacturer specification and instruction.

- c) Check that all atmospheric monitoring equipment has had the pre-day use documented gas bump test and is current in calibration in accordance with manufacturer specifications and instructions and documented on forms.
- d) Without entering the space complete the evaluation checklist.
- e) Check that ventilation system(s) are operating properly.
- f) Set up controlled access zone of project work area and ensure only authorized personnel are allowed in it.
- g) Set up barriers or other fall protection around entrance to prevent accidental falls or falling objects into the space.
- h) Check for physical hazards such as poor footing, structures and equipment that hinder movement, and extreme temperatures or humidity that could affect worker safety.
- i) Secure and lock out tag out or lock out block out (LOTO/LOBO) all energy sources (electrical, mechanical, hydraulic, pneumatic, and chemical) that are potentially hazardous to entrants.
- j) Follow all Sewer Authority Mid-Coastside's Lockout-Tagout Hazardous Energy Control Programs and Procedures.
- k) Disconnect, blind, or block lines to prevent development of hazardous conditions.
- l) Use continuous forced air ventilation if hazardous conditions exists or could potentially develop. Ensure that there is no recirculation of exhausted air from blowers or the introduction of contaminants from the outside sources, such as traffic exhaust, vapors, and toxic substances from other areas. Place blower(s) intake at least 10 feet away from opening of space.
- m) Entry supervisor or competent trained person verify by review of and evaluation checklist, entry permit and authorizes entry by signing the permit **ONLY** if the space is safe to enter and all preparatory steps required for safe entry have been completed.
- n) Ensure rescue plan/procedure is in place and specific to the space and location. Notification by phone of the WWTP front desk and San Mateo County Emergency Dispatch at 650-368-1421 prior to entry.

### 5.6.3 Entry Procedures

When atmospheric hazards can be controlled by continuous forced air ventilation and entry is required to eliminate physical hazards, permit-required entry procedures must be followed.

All hot work (cutting, grinding & welding) shall be permit required entries only and shall follow Sewer Authority Mid-Coastside's Hot Work program and permit procedures in conjunction with confined space entry procedures.

- a) Only authorized, competent and qualified employees who have been trained on the Sewer Authority Mid-Coastside's confined space entry and work procedures are allowed to work in or around confined spaces.

- b) As needed or required, on site staff will assist with directing Emergency Response Personnel (Fire Department) through access gates, and shall direct emergency response personnel to the entry location.
- c) The entry attendant shall be at the exterior of the entrance to the confined space at all times and shall be prepared to initiate non-entry rescue retrieval in the event of emergency evacuation, injury or entrapment of an entrant.
- d) The Standby Rescue Entrant shall provide immediate victim assistance (non-entry rescue retrieval using entry equipment devices) until the Fire Department has arrived and then the Standby Rescue Entrant will provide assistance as directed by the Incident Commander.
- e) The attendant shall keep the permit, and a copy of this procedure and the rescue procedures at the entry site for ready reference.
- f) The attendant must maintain continuous communication with the entrant(s).
- g) Every entrant must wear a safety harness. The harness must be inspected according to the manufacturer specifications prior to each use and designed for connection to a lifeline and hoist so that an unconscious entrant would be suspended in the upright position during non-entry rescue.
- h) The harness of each entrant will be attached to a lifeline. The first entrant is hooked to the hoist cable, all subsequent entrants will have lifelines attached to their harness and secured outside the confined space. When the entry must be through a top opening, the line must be secured to a hoist that is located outside the entry opening. The hoist must be mounted securely and be rated and maintained to lift at least 5,000 pounds.
- i) The attendant will monitor entrance gas detector and record acceptable entry conditions are being maintained every 15 minutes on the monitoring log.
- j) All entrant(s) will have personal current in calibration gas detectors on when working in the space. The detector must be operating continuously and set to alarm at the warning levels listed in section 5.1.
- k) The attendant will also record every 15 minutes the entrant monitor readings of acceptable entry conditions on the monitoring log.
- l) The attendant maintains communication with the entrant(s). If there is no response from an entrant, or the entrant becomes entrapped or disabled the entry supervisor/attendant will initiate non-entry rescue retrieval and call and initiate the Fire Department emergency response assistance procedures.

## **5.6.4 Post-Entry Procedures**

### ***5.6.4.1. Entry Supervisor***

- a) Ensures entrants/tools/safety equipment is out of the confined space.
- b) Cancels the permit by entering date and time of cancellation with signature.

- c) In comments section or reverse side of permit, makes note of any problems the entry team encountered during the entry operations.
- d) Submits cancelled entry permit to the Program Administrator for the safety files.
- e) Notifies the Program Administrator immediately if any equipment, safety gear or tools need to be repaired or replaced.

## 5.7 RESCUE PROCEDURES

**NOTE: Emergency Rescue must be coordinated prior to any entry into a confined space and documented on the Entry Permit. (See Appendix C for the Entry Permit and Appendix G – Rescue Plan Procedures)**

### 5.7.1 Rescue and Emergency Services

- a) Members of a permit space entry team must be knowledgeable of the hazards or potential hazards, able to recognize the signs/symptoms of exposure, be trained in the selection and use of personal protective equipment, and be certified in first-aid/CPR/AED. It is the Sewer Authority Mid-Coastside’s policy prior to each entry; the team will plan and prepare for both self-rescue and non-entry rescue.
- b) Entry rescue will be performed by the Rescue Service (Fire Department or contracted company if certified in Confined Space Technical Rescue). Note: For any confined space entry rescue, three qualified rescuers are required: 1) rescue entrant, 2) second rescue entrant that remains outside the space, serves as the Incident Commander and also available for support, and 3) a backup person to assist. All these staff must be certified in Confined Space Technical Rescue to perform an entry rescue.
- c) All personnel will be able to inform the Confined Space Rescue Team of the hazards they may encounter when required perform rescue at the entry site.
- d) Non-entry rescue shall be performed by utilizing the retrieval system in permit space entries where the retrieval system has been used for entry. Retrieval systems will comply with this program.
- e) All entrants/attendants must be trained in First Aid/CPR.

### 5.7.2 Levels of Rescue for Routine Entry

#### 5.7.2.1. Self-Rescue

Entrants immediately leave the confined space:

- a) When an alarm sounds
- b) At the first sign of any exposure symptoms.
- c) When ordered to evacuate by attendant or entry supervisor.

### **5.7.2.2. Non-Entry Rescue**

If the entrants cannot immediately evacuate (self-rescue) the space at the first sign of trouble, the attendant shall initiate non-entry rescue by retrieving the entrant using the rescue retrieval hoist/lifeline system equipment.

The attendant must not enter the space.

Retrieval systems must be used in vertical permit spaces more than five feet deep.

### **5.7.2.3. Standby Rescue Entrant (Entrant for Non-entry Rescue)**

The standby rescue entrant will be staged and at the immediate ready to perform confined space rescue should any of the following conditions exist:

- a) Atmospheric hazards cannot be eliminated or fully controlled through LOTO/LOBO or site specific ventilation from the PRCS or,
- b) If authorized entrant(s) must disconnect from their non-entry rescue retrieval systems, or
- c) If the authorized entrant(s) are out of sight and/or communication during the entry, or
- d) If the space configuration is convoluted and will inhibit the extrication of the entrant using the non-entry rescue retrieval system.

The standby rescue entrant may only perform non-entry rescue unless they are certified for Confined Space Technical Rescue had have the required three persons present to support an entry rescue with the proper rescue equipment.

Should the employer choose to contract out a rescue team to perform confined space rescue, the contracted service must be certified for Confined Space Technical Rescue and must provide all necessary rescue equipment and a fully-documented rescue plan.

### **5.7.2.4. Fire Department Assisted Technical Entry Rescue**

NOTE: Emergency Entry Rescue operations shall be done by the local Fire Department.

- a) Authorized Entrant Rescuers - call 650-368-1421 or 9-1-1 to activate the rescue service.
- b) At no time is an employee allowed to enter the confined space to assist in rescue unless they hold a current Technical Rescue Training Certification.
- c) Rescuers must meet all the training requirements and have the necessary knowledge and skills to be authorized to perform the duties of a rescuer in Confined Spaces. Rescuers are to assume that a IDLH, hazardous atmosphere exists if an entrant has slurred speech, appears dizzy, disorientated, confused, unconscious, or displays any unusual behavior, or if communication with entrant is lost.
- e) A self-contained breathing apparatus (SCBA) must be worn for entry rescues.
- f) The local Fire Department shall be called to rescue entrants who have had traumatic injuries and are unable to self-rescue.

## 6.0 EQUIPMENT

The Sewer Authority Mid-Coastside maintains all required Confined Space Entry Equipment and the equipment inventory can be found in **Appendix H**. All employees shall complete a pre-use inspection as outlined by the manufacturer's instruction and specification for each piece of equipment and as identified in their respective equipment user manuals.

Air monitoring equipment shall be bump tested and calibrated prior to use, authorized entrants are required to wear personal air monitors for self-monitoring.

The attendant shall monitor space atmosphere with a separate air monitor and pump system for official atmospheric readings at all access/egress location(s).

If the use of respiratory protective equipment is required there shall be at least one person trained in First Aid/CPR and shall be immediately available and also an effective means of communication shall be provided and used whenever employees inside a confined space are out of sight of the standby rescue employee(s).

All affected employees shall be trained in the use of such communication system and the system tested before each use to confirm its effective operation.

## 7.0 TRAINING

Training will be provided by a qualified trainer.

All Sewer Authority Mid-Coastside employees who will make permit required confined space entry will receive **8** hours of annual training to qualify them to perform work as an **authorized entrant, attendant and entry supervisor**.

**Standby rescue entrants, if so designated**, shall be trained in accordance with the requirements as identified in 8 CCR 5157(k) and perform annually a simulated proficiency entry rescue with immediate follow up on entry policy, procedures, equipment or issues that arose during the annual proficiency entry. Any person approved for Entry Rescue must be complete an annual Certification for Confined Space Rescue.

Training will be provided in the following circumstances to ensure safety and compliance with the regulations:

- a) Before the employee are first assigned duties under the program;
- b) Whenever there is a change in the assigned duties;
- c) Whenever a new or revised procedure is introduced;
- d) Whenever there is a change in the procedures that presents a hazard for which an employee has not previously been trained;
- e) Whenever a review of the program reveals that procedures are not being strictly adhered to;
- f) Whenever a review of the program reveals inadequacies in the program; and
- g) Whenever procedures are changed.
- h) Employees whose work requires the use of any of the air monitors/detectors shall be trained in accordance with manufacturer's instructions and specifications prior to being

assigned its use and as necessary thereafter to ensure knowledge/skills/ability in its proper use when needed.

Training shall include instruction on each procedure, a demonstration of the procedure and an opportunity for each employee to demonstrate proficiency in confined space non-entry rescue and/or entry rescue annually for each assigned responsibility and procedure.

Employees will be trained in CPR, AED, Automated External Defibrillation and First Aid.

## **8.0 RECORDKEEPING**

The Program Administrator shall maintain:

- a) Training records.
- b) Written training Certification Record containing the name of the employee trained the name of the person who conducted the training, and the date of the training for confined space.
- c) All assessments, evaluation checklists, entry permits and other associated documentation in the safety file and will review annually in conjunction with the written program.



## APPENDIX C

# CERTIFICATE OF EXEMPTION OR EXCLUSION FROM A COASTAL DEVELOPMENT PERMIT (CDX)

# Certificate of Exemption or Exclusion from a Coastal Development Permit

455 County Center, 2nd Floor • Redwood City, CA • 94063  
Mail Drop: PLN 122 • TEL (650) 363-4161 • FAX (650) 363-4849

Permanent Record  
Microfilming Required

Permit #: PLN \_\_\_\_\_  
Permit #: BLD \_\_\_\_\_

## 1. Basic Information

**Owner**  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ Zip: \_\_\_\_\_  
Phone, W: \_\_\_\_\_ H: \_\_\_\_\_  
Email Address: \_\_\_\_\_

**Applicant**  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ Zip: \_\_\_\_\_  
Phone, W: \_\_\_\_\_ H: \_\_\_\_\_  
Email Address: \_\_\_\_\_

## 2. Project Information

**Project Description:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Assessor's Parcel Number(s):**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Existing water source:**  
 Utility connection \_\_\_\_\_  
 Well \_\_\_\_\_

**Proposed water source:**  
 Utility connection \_\_\_\_\_  
 Well \_\_\_\_\_

**Staking of well location and property lines are required.**  
 Provide site plan depicting location and all trees.  
 Will this require any grading or vegetation/tree removal? Yes  No

If Yes, additional permits may be required. Such as: Tree Removal Permit, Grading Permit, Land Clearing Permit, Coastal Development Permit.

## 3. Signatures

We have reviewed this form as completed above and the basis for this exemption or exclusion. The information herein and the basis for exemption or exclusion are true and correct to the best of our knowledge and we hereby agree to carry out this project in accordance with the terms of the exemption/exclusion category selected on reverse. We also understand and agree that any exemption or exclusion issued for a water well and/or storage tank in the single family exclusion area will be invalidated in the event the future house, the well, and/or storage tank requires a variance.

.....  
Owner Date Applicant Date

(Both Owner and Applicant must sign unless this Application for Exemption or Exclusion accompanies a Building Permit Application for which the Applicant is an agent for the Owner acceptable to the Building Inspection Section.)

# Staff Use Only

## 4. Basis of Exemption or Exclusion

Use attached review sheet to determine basis of exemption and whether project qualifies. Review basis of exemption with applicant/owner and initial appropriate category below:

- Initial**
- |  |  |
|--|--|
| <p><input type="checkbox"/> A. Improvements to Existing Single Family Residence. [PRC 30610(a), CCR13250, ZR 6328.5(a)]</p> <p><input type="checkbox"/> B. Improvements to Existing Structure Other Than Single Family Residence or Public Works Facility. [PRC 30610(b), CCR13253, ZR 6328.5(b)]</p> <p><input type="checkbox"/> C. Existing Navigation Channel. [PRC 30610(c), ZR 6328.5(c)]</p> <p><input type="checkbox"/> D. Repair or Maintenance Activity. [PRC 30610(d), CCR13252, ZR 6328.5(d)]</p> <p><input type="checkbox"/> E. Single Family Residence Categorical Exclusion Area. [PRC 30610(e), CCR13240, AB 643, ZR 6328.5(e)]</p> | <p><input type="checkbox"/> F. Agriculturally-Related Development Categorical Exclusion Area. [PRC 30610(e), CCR13240, ORDERS E-79-7 and E-81-1, ZR 6328.5(e)]</p> <p><input type="checkbox"/> G. Utility Connections. [PRC 30610(f), ZR 6328.5(f)]</p> <p><input type="checkbox"/> H. Replacement of Structures Following Disasters. [PRC 30610(g), ZR 6328.5(g)]</p> <p><input type="checkbox"/> I. Emergency Activities. [PRC 30611, ZR 6328.5(h)]</p> <p><input type="checkbox"/> J. Lot Line Adjustment. [ZR 6328.5(i)]</p> <p><input type="checkbox"/> K. Land Division for Public Recreation Purposes. [ZR 6328.5(l)]</p> |
|--|--|

## 5. Well Inspection - All Coastal Zone Areas

- Required                       Not Required

Inspection made by: \_\_\_\_\_ Date of Inspection: \_\_\_\_\_

Yes	No
<input type="checkbox"/>	<input type="checkbox"/> Removal of trees?
<input type="checkbox"/>	<input type="checkbox"/> If Yes, is tree removal permit included?
<input type="checkbox"/>	<input type="checkbox"/> Trimming of trees?
<input type="checkbox"/>	<input type="checkbox"/> Excessive removal of vegetation?
<input type="checkbox"/>	<input type="checkbox"/> Excessive grading? (If Yes, CDP is required)
<input type="checkbox"/>	<input type="checkbox"/> Erosion control plan required?

- Approval of Permit is subject to the following: (check if applicable)**
- Submittal and Approval of a Tree Removal Permit
  - Submittal and Approval of a Grading Permit
  - Submittal and Approval of an Erosion Control Plan
  - Submittal and Approval of a Coastal Dev. Permit

## 6. Approval

I have reviewed the above-described project and have determined that it meets all criteria for the exemption/exclusion checked above.

**Exemption/Exclusion is approved.**

-----  
 Planning Department \_\_\_\_\_ Date \_\_\_\_\_

Project is subject to the following condition(s) of approval: \_\_\_\_\_

## 7. Processing

- |   |  |
|---|--|
| <p><input type="checkbox"/> Fee collected</p> <p><input type="checkbox"/> Original Certificate of Exemption to Building Inspection file.</p> <p><input type="checkbox"/> Copies of Certificate of Exemption to:</p> <ol style="list-style-type: none"> <li>1. Applicant/Owner.</li> <li>2. Planning Department Exemption Binder.</li> </ol> | <ol style="list-style-type: none"> <li>3. Any relevant Planning or Building Inspection files.</li> <li>4. California Coastal Commission, 45 Fremont Street, Suite 2000, San Francisco, CA 94105</li> </ol> <p><input type="checkbox"/> Update Permit*Plan Case Screen and Activities</p> |
|---|--|



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Receive Information about Education  
Reimbursement Augmentation Fund Concerns**

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Large portions of MWSD's property tax receipts are withheld by the State of California and placed in the Education Reimbursement Augmentation Fund (ERAF). The proceeds are used to supplement the public-school system in California. The system is diverting funds from one public agency system, special District's that are mainly operating California's infrastructure, to another public agency system, schools.

The State Legislative Analyst's Office (LAO) reviewed the ERAF system in March this year and is claiming that certain counties ERAF calculations, including San Mateo County, are not consistent with the applicable law. Senator Mitchell and Assembly Member Ting are seeking to introduce an amendment to the Revenue and Taxation Code that would further restrict Special District tax revenues and introduce punitive measures against counties. This could lead to the State requesting the return of already paid out funds.

MWSD has been supporting San Mateo County and the California Special District Association in their efforts to represent the interests of Special Districts.

## RECOMMENDATION:

This is for Board Information only.

Attachments



June 19, 2020

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol, Room 1173  
Sacramento, CA 95814

**RE: Opposition to Excess Educational Revenue Augmentation Fund (ERAF)  
Changes Through Budget Process**

Dear Governor Newsom,

We, the undersigned entities, respectfully oppose the proposed Excess Educational Revenue Augmentation Fund (ERAF) Calculation Penalty in the Education Omnibus Trailer Bill (#161) and oppose any effort that would presume to resolve disagreements over interpretations of state law governing the calculation of the Excess ERAF by imposing Department of Finance (DOF) guidance on the five Excess ERAF counties of Santa Clara, Marin, Napa, San

Mateo, and the City and County of San Francisco (the counties). The initially proposed budget trailer bill that would impose civil penalties on the counties is punitive and unnecessary. We respectfully request that this change in law, and any change that would move the authority to oversee the counties' calculations of Excess ERAF from the elected State Controller to DOF, not be enacted.

This proposal would have significant, adverse financial consequences on funding used by counties, cities, and special districts to provide critical local services from fire, police, and flood protection, to water supply, environmental stewardship, and public libraries. Before any change in the Excess ERAF calculations are made, a clear legal analysis as to how the current method is not compliant with existing law should be completed. Also needed is further legal analysis to demonstrate to the impacted local entities how a taking of these local funds is not a violation of Proposition 1A (2004) and Proposition 22 (2010). A rush to take these local funds now without working with the impacted local entities will create an atmosphere that makes future cooperation more difficult.

The Legislative Analyst's Office report released on March 6, 2020, titled "Excess ERAF: A review of the Calculations Affecting School Funding," raised several concerns with the methodology used by some counties in calculating Excess ERAF. There is significant disagreement between the county auditor-controllers, the State Controller, and DOF on how to move forward. This issue is compounded by the fact that the State Controller's Office has audited at least two counties' ERAF calculations and found no issues, and the financial impact calculations by DOF and the Legislative Analyst's Office differ by approximately \$100 million. Clearly, there are multiple interpretations of a very complex tax law by public officials who are acting in good faith. The Legislature and your Administration should allow all the parties to work together to ensure the appropriate, lawful allocation of property taxes, both now and in the future.

Additionally, the proposed imposition of civil penalties on counties for failing to follow DOF guidelines that were just recently released would place counties in an unwinnable position. There is no possibility the counties could have followed guidelines that did not exist when the allocations were calculated. Adding retroactivity going back to the 2018-19 fiscal year allocations that have already been spent by local agencies, only ensures that punitive penalties would be imposed and is simply unjust.

We respectfully oppose this budget trailer bill proposal and any effort that would transfer funds from counties, cities, and special districts without a clear

demonstration of how current methodologies are not lawful and how a proposed transfer of funds is not itself a violation of law. Every level of government is facing shortfalls because of the COVID-19 pandemic and it is imperative that lawful and just solutions are found.

Sincerely,

**Noemi Camargo-Martinez**  
District Manager  
Bel Marin Keys Community Services District

**Mary Rogren**  
General Manager  
Coastside County Water District

**Kenneth Emanuels**  
President of the Board of Directors  
Inverness Public Utility District

**Mike Prinz, PE**  
General Manager  
Las Gallinas Valley Sanitary District

**Eric Dreikosen**  
District Manager  
Marinwood Community Service District

**Clemens Heldmaier**  
General Manager  
Montara Water and Sanitary District

**Mary Halley**  
District Manager  
Muir Beach Community Services District

**Bill Tyler**  
Fire Chief  
Novato Fire District

**Sandeep Karkal, P.E.**  
General Manager-Chief Engineer  
Novato Sanitary District

**Phil Witt**  
General Manager  
Purissima Hills Water District

**Jordan Eldridge**  
Chair, Board of Districts  
Rancho Rinconada Recreation and Park District

**James B. Pruett**  
General Manager  
San Mateo County Harbor District

**Chindi Peavey, Ph.D.**  
District Manager  
San Mateo County Mosquito & Vector Control District

**Jennifer Weeks**  
County Librarian  
Santa Clara County Library District

**Bart Broome**  
Director, State Government Relations  
Santa Clara Valley Water District (Valley Water)

**Joseph Long Jr.**  
Chairman of the Board of Fire Commissioners  
Saratoga Fire Protection District

**Ted Peterson**  
Deputy Fire Chief  
Southern Marin Fire District

**Heather Abrams**  
General Manager  
Tamalpais Community Services District

**Robert A. Linder**  
Fire Chief  
Woodside Fire Protection District



May 22, 2020

The Honorable Holly J. Mitchell  
 Senate Budget & Fiscal Review Committee, Chair  
 State Capitol, Room 5050  
 Sacramento, CA 95814

The Honorable Philip Ting  
 Assembly Budget Committee, Chair  
 State Capitol, Room 6026  
 Sacramento, CA 95814

**RE: Proposed Amendments to Revenue & Taxation Code Section 97.2 in Education Omnibus Trailer Bill with May Revision Amendments – OPPOSE**

Dear Senator Mitchell and Assembly Member Ting:

This letter is written on behalf of the auditor-controllers for the City and County of San Francisco and the Counties of Marin, Napa, San Mateo and Santa Clara (collectively, the “Counties”). The Counties strongly oppose the provision in Education Omnibus Trailer Bill with May Revision Amendments (p. 96) that would amend Revenue and Taxation Code section 97.2 to add a new subsection (d)(2)(B) to impose civil penalties and inappropriately provide the Department of Finance with a punitive mechanism against the Counties.

The State Controller’s Office (SCO) is the State agency granted the authority to oversee the county auditor-controllers, through its duties from the State Constitution, statutory authority, and its historical role and expertise in auditing and issuing guidance regarding property taxes. By usurping the duties and responsibilities of the SCO, and delegating that role to the Department of Finance (DOF), this misguided legislation deprives the voters of their right to elect an independent official to oversee the tax collection and distribution of State and local revenue for thousands of governmental entities.

This amendment is unnecessary, and it should be deleted from the bill for the reasons discussed below. The proposed changes are a disingenuous attempt to shift funds to assist the State budget, and, troublingly, are done in a manner that would punish the Counties retroactively, suggesting that the Counties purposely disregarded clear guidance to the contrary. Such guidance was never provided, and, in fact, the Counties were attempting to obtain the legal basis for the DOF’s position until those efforts were interrupted by the COVID-19 pandemic. We understand that the State is in the midst of unprecedented times and major budget deficit issues — both of which the



Counties and other local jurisdictions are also facing — but this amendment is fundamentally unjust and should be rejected.

### Background

In February 2019, certain of the Counties learned that there were some inconsistencies in the methodologies they were employing to determine their Educational Revenue Augmentation Fund (ERAF) calculations. For more than a year, those Counties have been diligently engaged in conversations with their respective county offices of education as well as among themselves with the goal of identifying a reliable, consistent, and mutually-understood methodology that could be used by all Counties, the State Controller, and other state agencies when calculating ERAF entitlements to school districts. Subsequently, in January 2020, conversations transpired between the local county offices of education, the Department of Education (CDE), the DOF, and the Legislative Analyst’s Office (LAO) without any engagement with the auditor-controllers.

On March 6, 2020, the LAO issued a report titled “Excess ERAF: A Review of the Calculations Affecting School Funding” (“LAO Report”). The LAO Report contains several major misrepresentations, does not explain how or why the Counties’ ERAF calculations fail to comply with the law, and makes the unfounded accusation that County auditor-controllers are trying to maximize revenues to certain entities resulting from a purported lack of State oversight over the ERAF process. The LAO did not meet with the Counties or SCO before issuing the LAO Report. Nor does the LAO Report mention that the SCO conducts regular audits of the Counties’ property tax distributions and has never found any problems with regard to the Counties’ ERAF distributions, and certainly has never concluded that the Counties have acted in bad faith in calculating school district ERAF entitlement amounts.

### Retroactive Changes Are Not Appropriate

The proposed amendment would apply retroactively back to fiscal year 2018-19. There is no justification to do so. The Counties only recently learned that the DOF may have issues related to how ERAF is allocated, and conversations between the Counties and the State, which were interrupted due to the COVID-19 pandemic, have only just begun. To impose retroactive penalties on the Counties for purportedly erroneous calculations that were not previously identified or challenged would be unfairly punitive, and would further harm local jurisdictions during the midst of their crucial efforts to deal with the pandemic and the associated economic fallout.

### Civil Penalties Are Unnecessary and Punitive

The Counties firmly believe that their auditor-controllers have acted in full compliance with the law. Nevertheless, if it is ultimately determined that their calculations were not in accordance with existing law, the Counties would promptly come into compliance. There is no evidence to suggest otherwise. State law already gives the SCO extraordinary remedies to obtain funds improperly withheld from state agencies, including the ability to impose liens and offset

revenues.<sup>1</sup> Those remedies extend to funds improperly withheld from school districts.<sup>2</sup> Therefore, the SCO already has ample remedies to address any possible noncompliance situation.

Imposing civil penalties on the Counties for recently alleged (and still not fully explained) purported errors would also be draconian and unwarranted. The law presumes that public agencies will comply with the law. Until recently, the Counties had no notice that the State believed the Counties' auditor-controllers were improperly allocating ERAF, and the Counties have been engaged in good-faith efforts to understand and resolve these newfound concerns. The proposed civil penalties would add further insult to this injury and fundamentally mistreat the Counties.

### Regular Audits Justify the Counties' Distributions

Under Government Code section 12468, the SCO is required to audit the Counties' apportionment and allocation of property tax revenue, which audits include ERAF allocations. For the Counties, these audits must occur every three years.<sup>3</sup> SCO has not issued any findings regarding the Counties' ERAF-related calculations.

Consistent with its role as the State's fiscal superintendent, the SCO routinely publishes manuals and other guidance documents for public agencies, including county auditor-controllers.<sup>4</sup> Among the SCO's numerous guidance documents is a 556-page Accounting Standards and Procedures for Counties.<sup>5</sup> It also publishes and maintains several manuals related to property taxes, including the County Tax Collector's Reference Manual.<sup>6</sup>

In contrast to the SCO and the fiduciary and independent responsibilities of county auditor-controllers, the DOF Director is appointed by and holds office at the pleasure of the Governor.<sup>7</sup> The DOF's mission "is to serve as the Governor's chief fiscal policy advisor and to promote long-term economic sustainability and responsible resource allocation."<sup>8</sup> While the DOF has some financial responsibilities under state law, reviewing allocation of property tax revenues, including ERAF allocations, for compliance with state law falls squarely under SCO's statutory jurisdiction.<sup>9</sup>

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<sup>1</sup> Gov't Code §§ 12419.4–12419.9.

<sup>2</sup> *Id.* § 12419.9.

<sup>3</sup> *Id.* § 12468(b).

<sup>4</sup> The SCO's guidance documents for local governments can be found at: [https://www.sco.ca.gov/ard\\_local\\_info\\_resources.html](https://www.sco.ca.gov/ard_local_info_resources.html).

<sup>5</sup> The SCO's Accounting Standards and Procedures for Counties can be found at: [https://www.sco.ca.gov/ardtax\\_prop\\_tax\\_collection.html](https://www.sco.ca.gov/ardtax_prop_tax_collection.html).

<sup>6</sup> The SCO's property tax manuals and guidance documents can be found at: [https://www.sco.ca.gov/ardtax\\_prop\\_tax\\_collection.html](https://www.sco.ca.gov/ardtax_prop_tax_collection.html).

<sup>7</sup> Gov't Code § 13002.

<sup>8</sup> DOF's mission statement can be found on its homepage at: <http://www.dof.ca.gov/>.

<sup>9</sup> Gov't Code § 12468.

If state law is going to direct a particular State agency or department to issue guidance on ERAF issues, then the SCO is more suited to that task based on its statutory duties and historical role and expertise in auditing and issuing guidance for county auditor-controllers and other local agencies regarding property tax and ERAF calculations. The proposed amendments represent a radical and inappropriate shift in this longstanding oversight structure to an entity with a direct fiscal interest in the matter.

The Counties understand the struggles the State faces with its budget. We are facing the same difficulties. But a backdoor attempt to transfer funds to the State at the expense of local jurisdictions is wrong. Even worse, imposing civil penalties on counties in this context is unfair, unprecedented, and unwarranted. In a time when all levels of government should be working together to solve the crisis at hand, this aggressive proposal is especially unfounded. We urge you to reject it in its entirety.

Sincerely,




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Alan Minato, Director, Finance Agency  
County of Santa Clara




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Juan Raigoza, Controller  
County of San Mateo




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Ben Rosenfield, Controller  
City and County of San Francisco




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Roy Given, CPA, Director of Finance  
County of Marin




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Tracy A. Schulze, CPA, Auditor-Controller  
County of Napa

cc: Honorable Board of Supervisors, County of Santa Clara  
Honorable Board of Supervisors, County of San Mateo  
Honorable Mayor and Board of Supervisors, City and County of San Francisco  
Honorable Board of Supervisors, County of Marin  
Honorable Board of Supervisors, County of Napa  
County of Santa Clara Legislative Delegation  
County of San Mateo Legislative Delegation  
City and County of San Francisco Legislative Delegation  
County of Marin Legislative Delegation  
County of Napa Legislative Delegation



May 22, 2020

Via U.S. Mail and Electronic Mail ([gabe.petek@lao.ca.gov](mailto:gabe.petek@lao.ca.gov))

Gabriel Petek  
 Legislative Analyst  
 925 L Street, Suite 1000  
 Sacramento, CA 95814

**RE: Auditor-Controllers' Response to LAO's March 6, 2020, Report on Excess ERAF**

Dear Mr. Petek,

This letter is on behalf of the auditor-controllers for the counties of Marin, Napa, San Mateo and Santa Clara, and the City and County of San Francisco (collectively, the "Counties") in response to LAO's March 6, 2020 report titled "Excess ERAF: A Review of the Calculations Affecting School Funding" (the "Report"). The Counties strongly disagree with the Report. As you may be aware, after reviewing the Report, the Counties requested a meeting with the LAO, as well as representatives from the Department of Finance and Department of Education, to discuss the issues it raised. Although that meeting was cancelled in light of the COVID-19 pandemic, we write this letter to briefly address the issues raised by the Report as well as various misrepresentations that are contained therein.

The Report was incomplete and misinterprets several of the statutes governing the allocation and apportionment of local property taxes on several key points. Generally, the Report:

- Is not grounded in California statutory or constitutional law and does not set forth the legal support or methodology for the stated \$350 million annual fiscal impact;
- Does not explain how the Counties' apportionment of redevelopment residual funds are improperly increasing Excess ERAF; and
- Incorrectly asserts that county auditor-controllers are trying to maximize revenues to certain entities resulting from a purported lack of State oversight over the ERAF process.

Although the Report claims that the Counties' allocation methodologies affect "approximately \$350 million in property tax revenue," it does not discuss the methodologies that the LAO believes should have been utilized. Similarly, while the Report suggests that the Counties were not following State law, it contains no citations to the specific statutes or constitutional provisions supporting the Report's findings and recommendations.

Understanding the statutory and constitutional bases for the LAO's allocation methodologies is critical for a number of reasons. First, the alleged \$350 million impact estimated in the Report appears to be significantly inaccurate and does not appear to rely upon Counties' current calculations to arrive at its estimates. Second, the LAO's assertion that counties are not following State law cannot be evaluated unless the LAO first presents its interpretations of the applicable statutes and the resulting methodologies that it claims should be used. The Report's general references to Proposition 98 and AB 1484 do not provide sufficient detail to discern how the LAO formulated its opinion.

Contrary to assertions in the Report, there is existing State oversight of county auditor-controller's administration of property tax laws. Under State law, the State Controller's Office is responsible for auditing the counties' allocation and apportionment of local property taxes, including reviewing excess ERAF calculations, and has not identified problems with the Counties' calculations in prior audits spanning many years. This fact is not mentioned or addressed in the LAO's report.

We look forward to meeting with the LAO to discuss and clarify these issues, and were disappointed to have not been provided an opportunity to review them with the LAO prior to finalization of the report. Our hope is to work with you to resolve any misrepresentations, misunderstandings, and disagreements regarding the questions and concerns raised in the Report.

Sincerely,




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Alan Minato, Director, Finance Agency  
County of Santa Clara




---

Juan Raigoza, Controller  
County of San Mateo




---

Ben Rosenfield, Controller  
City and County of San Francisco




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Roy Given, CPA, Director of Finance  
County of Marin




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Tracy A. Schulze, CPA, Auditor-Controller  
County of Napa

cc: Brian Uhler, Deputy Legislative Analyst (brian.uhler@lao.ca.gov)  
Kenneth Kapphahn, Principal Fiscal & Policy Analyst (kenneth.kapphahn@lao.ca.gov)



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Review and Possible Action Concerning Professional Services Agreement with Strategic Communications Outreach Consultant.**

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In October 2019, the District engaged Alison Kastama of Kastama Strategic Consulting to support outreach and engagement with District stakeholders. During this period, the District has distributed four bi-monthly newsletters with customer billings and through community and website postings. Ms. Kastama has also provided development and design of District messaging and fact sheets on various topics, including Infrastructure, Rates, Budget and Finance. These materials, as well as development and distribution of our required two 2020 Proposition 218 mailings, has greatly assisted the District in distributing consistent and accurate information to our community.

Staff has prepared a 2020-21 contract with Kastama Strategic Consulting for Board consideration. This contract will continue outreach and communications support through June 2021. Anticipated work includes continued bi-monthly newsletters, messaging and fact sheet development, planning for District Open Houses and/or a public Budget workshop, potential community mailings, as well as website posting, media relations and other as needed outreach support.

## **RECOMMENDATION:**

Authorize the General Manager to execute the 2020-21 contract with Kastama Strategic Consulting, beginning July 1, 2020. Ms. Kastama will be available to discuss outreach planning for 2020-21.

Attachments



# **MONTARA WATER AND SANITARY DISTRICT AGENDA**

For Meeting Of: July 2, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**PROFESSIONAL SERVICES AGREEMENT**  
(Alison Kastama dba Kastama Strategic Consulting)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into by and between the MONTARA WATER AND SANITARY DISTRICT, (hereinafter "DISTRICT"), and ALISON KASTAMA DBA KASTAMA STRATEGIC CONSULTING (hereinafter "CONSULTANT").

**RECITALS**

- A. DISTRICT requires the professional services of a public relations and communications consultant.
- B. CONSULTANT has the necessary experience in providing professional services and advice.
- C. Selection of CONSULTANT is expected to achieve the desired results in an expedited fashion.
- D. CONSULTANT has submitted a proposal to DISTRICT and has affirmed its willingness and ability to perform such work.

**NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

- 1. SCOPE OF SERVICES.** CONSULTANT shall perform the services described in Exhibit "A" attached hereto and incorporated herein by reference. The services shall be performed by, or under the direct supervision of, CONSULTANT'S Authorized Representative: Alison Kastama. CONSULTANT shall not replace its Authorized Representative, nor shall CONSULTANT replace any of the personnel listed in Exhibit "A," nor shall CONSULTANT use any subcontractors or subconsultants, without the prior written consent of the DISTRICT.
- 2. TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. CONSULTANT shall commence performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CONSULTANT shall submit all requests for extensions of time to the DISTRICT in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. DISTRICT shall grant or deny such requests at its sole discretion.
- 3. STANDARD OF PERFORMANCE.** While performing the Services, CONSULTANT will exercise the reasonable professional care and skill customarily exercised by reputable members of CONSULTANT'S profession practicing in the urban Northern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.



**4. SOLE PROPRIETOR INDEPENDENT CONTRACTOR STATUS.**

CONSULTANT is a sole proprietor independent contractor and is solely responsible for all acts of owner, agents, or subconsultants, including any negligent acts or omissions. CONSULTANT is not DISTRICT's employee and CONSULTANT shall have no authority, express or implied, to act on behalf of the DISTRICT as an agent, or to bind the DISTRICT to any obligation whatsoever, unless the DISTRICT provides prior written authorization to CONSULTANT. Contractors and CONSULTANT are free to work for other entities while under contract with the DISTRICT. Contractors and CONSULTANT are not entitled to DISTRICT benefits.

**5. CONFLICTS OF INTEREST.** CONSULTANT (including its owner, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. In the event that CONSULTANT maintains or acquires such a conflicting interest, any contract (including this Agreement) involving CONSULTANT's conflicting interest may be terminated by the DISTRICT.

**6. COMPENSATION.**

6.1. For services performed by CONSULTANT in accordance with this Agreement, DISTRICT shall pay CONSULTANT on a time and expense basis, at the billing rates set forth in Exhibit "B," attached hereto and incorporated herein by reference. CONSULTANT's fee for this Agreement is Not-To-Exceed \$40,000. CONSULTANT'S billing rates shall cover all costs and expenses of every kind and nature for CONSULTANT's performance of this Agreement. CONSULTANT shall perform no work in excess of the Not-To-Exceed amount without the prior written approval of the DISTRICT.

6.2. CONSULTANT shall submit monthly invoices to the DISTRICT describing the services performed, including times, dates, and names of persons performing the service.

6.3. Within thirty (30) days after the DISTRICT's receipt of invoice, DISTRICT shall make payment to the CONSULTANT based upon the services described on the invoice and approved by the DISTRICT.

**7. TERMINATION.** Either party (DISTRICT or CONSULTANT) may terminate this Agreement by giving ten (10) days written notice to other party. Upon termination, CONSULTANT shall give the DISTRICT all original documents, including preliminary drafts and supporting documents, prepared by CONSULTANT for this Agreement. The DISTRICT shall pay CONSULTANT for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

**8. OWNERSHIP OF WORK.** All original documents or electronic content prepared by CONSULTANT for this Agreement, whether complete or in progress, are the property of the DISTRICT, and shall be given to the DISTRICT at the completion of CONSULTANT's services, or upon demand from the DISTRICT. No such documents shall be revealed or made available by CONSULTANT to any third party without the prior written consent of the DISTRICT.

## 9. INDEMNIFICATION.

**9.1.** CONSULTANT shall indemnify, defend, and hold harmless the DISTRICT (including its elected officials, officers, agents, volunteers, and employees) from and against any and all claims, demands, damages, liabilities, costs, and expenses (including court costs and attorney's fees) arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT in the performance of services under this Agreement or failure to comply with any obligations contained in this Agreement, except such loss or damage which is caused by the sole active negligence or willful misconduct of the DISTRICT.

**9.2** DISTRICT shall indemnify, defend, and hold harmless the CONSULTANT (including owners, agents, and subcontractors) from and against any and all claims, demands, damages, liabilities, costs, and expenses (including court costs and attorney's fees) arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of DISTRICT in the performance of services under this Agreement or failure to comply with any obligations contained in this Agreement, except such loss or damage which is caused by the sole active negligence or willful misconduct of the CONSULTANT.

## 10. INSURANCE.

**10.1. General.** CONSULTANT shall, throughout the duration of this Agreement, maintain insurance to cover CONSULTANT, its agents and representatives in connection with the performance of services under this Agreement at the minimum levels set forth herein.

**10.2. Commercial General Liability** (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$2,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

**10.3. Automobile Liability** (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$500,000 per accident for bodily injury and \$100,000 per accident for property damage.

**10.4. Workers' Compensation** coverage shall be maintained as required by the State of California. (Not required if consultant provides written verification it has no employees.)

**10.5. Professional Liability (Errors and Omissions)** "claims made" coverage shall be maintained to cover damages appropriate to CONSULTANT'S profession, that may be the result of errors, omissions, or negligent acts of CONSULTANT in an amount not less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

**10.6. Endorsements.** CONSULTANT shall obtain endorsements to the commercial general liability with the following provisions:

**10.6.1** The DISTRICT (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional “insured.”

**10.6.2** For any claims related to this Agreement, CONSULTANT’S coverage shall be primary insurance with respect to the DISTRICT. Any insurance maintained by the DISTRICT shall be in excess of the CONSULTANT’S insurance and shall not contribute with it.

**10.7. Notice of Cancellation.** CONSULTANT shall obtain endorsements to all insurance policies by which each insurer is required to provide thirty (30) days prior written notice to the DISTRICT should the policy be canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

**10.8. Authorized Insurers.** All insurance companies providing coverage to CONSULTANT shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

**10.9. Insurance Certificate.** CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the DISTRICT, no later than ten (10) days after the execution of this Agreement.

**11. ASSIGNMENT AND DELEGATION.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT’S duties be delegated, without the written consent of the DISTRICT. Any attempt to assign or delegate this Agreement without the written consent of the DISTRICT shall be void and of no force and effect. A consent by the DISTRICT to one assignment shall not be deemed to be a consent to any subsequent assignment.

**12. NOTICES.** All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the respective party as follows:

**To DISTRICT:**

Clemens Heldmaier, General Manager  
Montara Water & Sanitary District  
8888 Cabrillo Hwy  
Montara, CA 94017

**To CONSULTANT:**

Alison Kastama  
DBA Kastama Strategic Consulting  
1 Kelton Court 5M  
Oakland, CA 94611

Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated above, or (2) three working days following the deposit in the United States Mail of registered or certified mail, sent to the address designated above.

**13. MODIFICATIONS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.

**14. WAIVERS.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

**15. SEVERABILITY.** In the event any term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect.

**16. JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Mateo.

**17. ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed for this project. This Agreement supersedes all prior negotiations, representations, or agreements.

**18. COMPLIANCE WITH THE LAW.** CONSULTANT shall comply with all local, state, and federal laws, whether or not said laws are expressly stated in this Agreement.

**19. SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the DISTRICT. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

DISTRICT

By: Clemens Heldmaier

Title: General Manager \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_

By:

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CONSULTANT

\_\_\_\_\_

By: Alison Anja Kastama

Title: Principal \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT A

KASTAMA STRATEGIC CONSULTING

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SCOPE

To: Clemens Heldmaier, Montara Water and Sanitary District  
From: Alison A. Kastama, Principal, Kastama Strategic Consulting  
Re: Strategic Counsel and Communications Contract Proposal

Thank you for your understanding during my recent transition period and consideration of this revised scope of work under my sole proprietorship, Kastama Strategic Consulting. I look forward to continuing my support of the District as you address pressing financial and water supply security challenges.

I have more than 15 years of experience delivering public relations and communications services to a broad cross section of public agencies in California and particularly the San Francisco Bay Area. In addition, I have ten years of direct experience addressing public affairs, outreach (including rates), issues and crisis management for two of the largest public water agencies here in the Bay Area: the San Francisco Public Utilities Commission – Hetch Hetchy Regional Water System and the East Bay Municipal Utility District. I look forward to bringing our expertise in public affairs, issues management, outreach and communications to serve your district.

As previously discussed, I, through Kastama Strategic Consulting, will provide the following scope of work:

- **Strategic Counsel and Issues Management:** Kastama Strategic Consulting will work in coordination with the General Manager, District Legal Counsel, and Board of Directors to advise the District's on actions related to your rates package and next steps in water supply and infrastructure planning. These discussions will include considerations for messaging, public affairs, and outreach plan development.
- **Key Message Development:** Kastama Strategic Consulting will develop clear messaging for each effort, ensuring that the information and tone is accurate to the District's decided direction and sensitive to the local community.
- **Public Affairs advocacy with elected officials and representatives:** Kastama Strategic Consulting will work to identify and connect the District with various elected officials, representatives and regional stakeholders to properly position the District's efforts.
- **Community Advocacy:** Kastama Strategic Consulting will work with the District to plan an appropriate schedule of outreach to ensure the local Montara and coast-side communities are informed and proactively engaged on each issue and action of the District. This will include planning oversight of staff and Board engagement with residents and local organizations.
- **Media and Press:** Kastama Strategic Consulting will provide:
  - **Media Monitoring:** Throughout our contract period, Kastama Strategic Consulting will monitor local media for Montara WSD and water rates-related news and content.
  - **Local Media:** Kastama Strategic Consulting will advise on interactions with local and countywide news

publications, including identifying opportunities to pitch stories and content.

· **Communications Materials Development:** Kastama Strategic Consulting will develop content and coordinate limited graphic design services for outreach materials as discussed with the District. These materials will be provided in electronic form for the printing and distribution by the District and its Board of Directors.

This can include:

- District mailers, fact sheets, postcards
- District website content
- Community newsletter content
- Social media content

## **Budget**

### **Fees**

Kastama Strategic Consulting's fees from October 2019 through June 2020 will average between \$4,000 to \$6,000 per month dependent on activity and consultation with the District. All charges will be based on actual work and in accordance with the attached rate sheet.

### **Out-of-Pocket Fees**

We anticipate limited out-of-pocket costs unless discussed and agreed to with the District.

**Total Budget 2019-2020: \$45,000 (October 2019 - June 2020)**

Thank you for your consideration of this transfer of contract and revised scope of work. I look forward to moving forward on this project with the District.

**ATTACHMENT A**

**KASTAMA STRATEGIC CONSULTING RATE SCHEDULE**  
**HOURLY RATES**

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PRINCIPAL 300.00

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**OUT-OF-POCKET EXPENSES**

Kastama Strategic Consulting charges all clients a flat rate 5% technology fee to cover all local and long distance phone calls, fax charges, online services, online research fees, and other technology services.

Transportation, accommodations and related expenses for trips authorized by the client, and all other expenses incurred in connection with providing our services, including overnight mail, cable, messenger, mass mailing charges, etc., will be billed to you at cost.

Costs of advertising and collateral production, printing and creative services will be billed to you monthly after we have received the supplier invoices and have satisfied ourselves that they are correct. Supporting documentation for these expenses will be retained on file and will be provided on request. These items will be marked up by the standard advertising industry rate of 17.65%.

We reserve the right to request payment in advance for any large out-of-pocket expenses and typically ask for a 50% deposit prior to beginning work on any collateral materials.

All fee and expense invoices are assumed to be undisputed unless you advise us otherwise in writing within ten (10) days of receipt of the invoice.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning District Election on November 3, 2020**

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The District has received correspondence from the Chief Elections Officer regarding nominations for District Board of Directors Elections to be held on November 3, 2020. The Candidate filing period will open on July 13<sup>th</sup> and close August 7, 2020.

In accordance with prior years MWSD election procedure, the candidate's statement is limited to 200 words. The candidate is responsible for the cost of the statement.

All candidates running for office are required to file a Form 700 Statement of Economic Interest no later than the deadline for filing a Declaration of Candidacy.

This year the District is asked to renew the agreement with SMC by accompanying Resolution

## RECOMMENDATION:

Adopt Resolution No. \_\_\_, Resolution of the Montara Water and Sanitary District Calling for an Election to be Held on November 3, 2020 for the Election of Three Members of the Governing Board.

Attachments

**RESOLUTION NO.**

**A RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT CALLING FOR AN ELECTION TO BE HELD ON NOVEMBER, 3, 2020, FOR THE ELECTION OF THREE MEMBERS OF THE GOVERNING BOARD**

The Governing Board of the Montara Water and Sanitary District hereby resolves as follows:

**WHEREAS**, an election is hereby called to be held in and for the Montaras Water and Sanitary District on November 3, 2020, to elect two members of the Governing Board for a full term of four years each, and one member of the Governing Board for a short term of 2 years.

**WHEREAS**, pursuant to Elections Code 10002, the Governing Board of the Montara Water and Sanitary District hereby requests the Board of Supervisors of the County of San Mateo to make available the services of the San Mateo County Chief Elections Officer & Assessor – County Clerk – Recorder (the “Chief Elections Officer”) as the County Elections Official for the purpose of rendering services in the conduct of the election to be held on November 3, 2020.

**WHEREAS**, the election to be held on November 3, 2020 will be conducted at-large.

Each governing board member shall reside in the jurisdiction and shall be elected by the registered voters of the entire jurisdiction.

**WHEREAS**, pursuant to Elections Code 10509, not less than 125 days prior to the date of the election, the jurisdiction secretary shall deliver a notice to the Chief Elections Officer. The notice shall bear the secretary's signature and the district seal and shall also contain both of the following:

- (a) The elective offices of the jurisdiction to be filled at the next general district election, specifying which offices, if any, are for the balance of an unexpired term.
- (b) Whether the jurisdiction or the candidate is to pay for the publication of a candidate statement.

**WHEREAS**, pursuant to Elections Code 10522, not less than 125 days prior to the date of the election, the Montara Water and Sanitary District shall deliver to the Chief Elections Officer a map showing the boundaries of the jurisdiction and the boundaries of the divisions of the jurisdiction, if any, within the County and a statement indicating in which divisions a member of the Governing Board is to be elected and whether any elective officer is to be elected at large at the next general district election.

**WHEREAS**, the General Manager of the Montara Water and Sanitary District hereby is authorized and directed to enter an Elections Service Agreement with the Chief Elections Officer regarding the election to be held on November 3, 2020 to outline the detailed services to be provided by both the Montara Water and Sanitary District and the Chief Elections Officer.

**WHEREAS**, the Chief Elections Officer shall send an itemized invoice to the Montara Water and Sanitary District for all services provided pursuant to the Elections Service Agreement after the election is conducted and all related costs are determined. The Montara Water and Sanitary District agrees to submit payment on the full amount of the invoice to the County of San Mateo within forty-five (45) days of the date of the invoice.

**BE IT FURTHER RESOLVED** that pursuant to Elections Code 13307, each candidate for the Governing Board to be voted in the election to be held on November 3, 2020 may prepare a candidate statement on the appropriate form provided by the Chief Elections Officer. Such statement shall be limited to 200 words. The prorated costs of printing, mailing and translating the statements shall be paid by the candidate.

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President, Montara Water and Sanitary District

COUNTERSIGNED:

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Secretary, Montara Water and Sanitary District

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_ duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, County of San Mateo, California, at a Regular Adjourned Meeting thereof held on the 2nd day of July 2020, by the following vote:

AYES, Directors:

ABSTENTION:

NOES, Directors:

ABSENT, Directors:

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Secretary, Montara Water and Sanitary District



OFFICE OF  
**ASSESSOR-COUNTY CLERK-  
RECORDER & ELECTIONS**  
COUNTY OF SAN MATEO

**MARK CHURCH**  
CHIEF ELECTIONS OFFICER &  
ASSESSOR-COUNTY CLERK-RECORDER

Dear General Manager:

I hope this message finds you well in these extraordinary times.

Amidst the challenges imposed by the COVID-19 pandemic, the November 3, 2020 Presidential General Election promises to be the largest election in the history of San Mateo County. As a jurisdiction participating in this historic election, I wish to share with you how we are preparing for its unique challenges, and to advise you of your school district's responsibilities.

A major factor contributing to this election's unprecedented size is the implementation of SB 415, the California Voters Participation Rights Act, which moved governing board elections to even-numbered years. Many of the jurisdictions affected by SB 415 will be holding their first even-year contest in this election, with a total of 64 participating jurisdictions (19 cities, 24 school districts, and 21 special districts). With an estimated 250 candidates running for these offices, and numerous local measures and state propositions, voters can expect to see a long, multiple-page ballot.

Adding to this complexity, the current COVID-19 pandemic will require face coverings and social distancing at all in-person voting locations. We will also be taking additional steps to provide the safest voting environment possible, including dedicated staff responsible for sanitizing voting equipment and entrances, and to prevent facilities from becoming overcrowded. Our voters' health and safety are our top priorities.

With all this in mind, we expect long lines and longer-than-usual voting experiences. However, every voter will also receive a Vote by Mail ballot, providing the opportunity to vote from the comfort and ease of their homes and to vote as early as 29 days before Election Day. We encourage you to share this information with your voters, so your constituents can make the decision that best suits their needs.

There is also information our office needs from you, to ensure your election is conducted properly. State law requires that each special district provide the following information to the Chief Election Officer no later than July 1, 2020 (125 days prior to the election):

- Map showing the jurisdiction's boundaries effective for the election.
- Elective offices to be filled, specifying which offices, if any, are for the balance of an unexpired term and whether the election will be conducted at-large or by district.
- A policy statement determining whether:
  - a candidate's statement will be limited to 200 or 400 words; and
  - the candidate or the jurisdiction will pay for the candidate's statement.

(Elec. Code, §§10522, 10509, 13307.)

A form resolution calling for an election for approval by your board is enclosed for your convenience. Also enclosed are two additional forms, the "Candidate Policy" and "Administrative Contact & Incumbent List."

Completion and return of all three documents, plus the map showing your jurisdiction's boundaries, will fulfill the jurisdiction's obligations for this election. Please mail or deliver them no later than **July 1, 2020** to:

Registration & Elections Division  
Attn: Michelle Yue, Candidate Filing Officer  
40 Tower Road  
San Mateo, CA 94402

In light of the Covid-19 pandemic, please also scan the documents and email a PDF file to our Lead Candidate Services Representative Michelle Yue at [myue@smcacre.org](mailto:myue@smcacre.org).

The Candidate Filing period for the November 3, 2020 Presidential General Election will open on July 13 and close on August 7, 2020. We have developed a Candidate Guide and a Candidate Seminar to help candidates understand their responsibilities and the resources available to them. Candidates may attend one of the two online candidate seminars, which will be held on Wednesday, July 8 at 10:00 a.m. and Thursday, July 23 at 2:00 p.m.

Thank you in advance for your prompt attention to this matter. If you have any questions, please do not hesitate to contact our Candidate Services team (Candidate Filing Officer: Jim Irizarry at 650.363.1808 or [jirizarry@smcacre.org](mailto:jirizarry@smcacre.org), Candidate Filing Supervisor: Michael Lui at 650.312.5238 or [mlui@smcacre.org](mailto:mlui@smcacre.org), and Candidate Filing Lead: Michelle Yue at 650.312.5293 or [myue@smcacre.org](mailto:myue@smcacre.org)).

Sincerely,



Mark Church

Enclosures

**SERVICE AGREEMENT FOR THE PROVISION OF ELECTION SERVICES  
BETWEEN THE MONTARA WATER AND SANITARY DISTRICT AND  
SAN MATEO COUNTY CHIEF ELECTIONS OFFICER & ASSESSOR - COUNTY CLERK - RECORDER**

This Service Agreement for the Provision of Election Services (“Agreement”), entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the Montara Water and Sanitary District (the “District”) and San Mateo County Chief Elections Officer & Assessor – County Clerk – Recorder (the “Chief Elections Officer”);

WHEREAS, it is necessary and desirable that the Chief Elections Officer be retained for the purpose of conducting an election, described in more detail below, relating to the District; and

WHEREAS, the Chief Elections Officer has been asked by the District to conduct an election on November 3, 2020 (the “Election”).

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

SERVICES TO BE PERFORMED BY THE DISTRICT:

- 1) Within the time frame set by statute, the District will request the Board of Supervisors, through the Chief Elections Officer, to conduct an election relating to the District on November 3, 2020 and will request the services of the Chief Elections Officer in relation to the Election.
- 2) The District will prepare and deliver to the Chief Elections Officer the ballot pamphlet information containing, as applicable, the ballot measure and tax rate statement by 88 days prior to the Election and/or the offices to be voted on by 125 days prior to the Election.
- 3) The District, if applicable, will review and sign off on the official ballot wording for measures.
- 4) The District will complete any other non-delegable tasks required by law in relation to the Election.
- 5) The District shall maintain records/maps regarding the boundaries of the District and will notify the Chief Elections Officer of any changes/additions to those boundaries by 125 days prior to the Election.

SERVICES TO BE PERFORMED BY CHIEF ELECTIONS OFFICER:

- 1) The Chief Elections Officer will publish the Notice of Election and, if applicable, the Notice to File Arguments For or Against any measure.
- 2) The Chief Elections Officer will select the sample and official ballot printer(s) and translators.
- 3) The Chief Elections Officer will prepare and deliver all election information to the printers and translators.
- 4) The Chief Elections Officer will determine the appropriate translation and transliteration of all pertinent documents.
- 5) The Chief Elections Officer will issue, receive, and process vote by mail ballots.
- 6) The Chief Elections Officer will set up ADA compliant Vote Centers, publish any required notices, and conduct the Election.
- 7) The Chief Elections Officer will provide services for any official recount or election contest, if applicable.
- 8) The Chief Elections Officer will conduct all aspects of the Canvass of Votes Cast. Pursuant to Section 10262 of the Elections Code, the Chief Elections Officer will submit a Certificate of Chief Elections Officer to the District’s governing body certifying the results of the Election.

- 9) The Chief Elections Officer will conduct other various and miscellaneous election-related activities directly required to conduct the Election itself. To the extent that the District has obligations under law to perform various duties that relate to the Election beyond those directly involved with conducting the Election, those duties remain the responsibility of the District. If the District wishes to have any such duties performed by the Chief Elections Officer, the parties must mutually agree in advance in writing to have the Chief Elections Officer perform such duties. By way of example only, if the District is required to send certain notices or adopt resolutions relating to the Election, those duties remain duties of the District.

TERMS:

This Agreement shall be in effect for the performance of all services incident to the preparation and conduct of the Election to be held on November 3, 2020, including before and after said Election date.

In the event the Chief Elections Officer is unable to perform services required under this Agreement as a result of employer/employee relation conditions, vendor conditions, the unavailability of Federal, State, or County funds, COVID-19-related limitations, and/or other conditions beyond the control of the Chief Elections Officer, the Chief Elections Officer will be relieved of all obligations under this Agreement. The Chief Elections Officer may terminate this Agreement after giving 72 hours written notice, at which time the Chief Elections Officer will be relieved of all obligations under this Agreement.

This Agreement can be terminated by the District upon 30 days written notice.

COST FOR SERVICES:

In consideration of the performance of services and supplies provided by the Chief Elections Officer, including 1) any and all costs incurred during a recount or election contest that are not reimbursed by the voter requesting the recount or filing the contest as specified in the Elections Code and 2) any other costs associated with the Election, such as return postage costs and costs for ensuring voter accessibility, the District shall pay to the Chief Elections Officer a sum equal to the full cost of the Election, including all such services, supplies, and other costs.

The Chief Elections Officer shall send an itemized invoice to the District for all services provided pursuant to this Agreement after the Election is conducted and all related costs are determined. Payment on the full amount of the invoice shall be due and the District shall submit payment to the County of San Mateo within forty-five (45) days of the date of the invoice (the "Due Date"). If the amount is not paid in full within this time, interest shall accrue monthly at a rate of 0.25% per month (equivalent to 3% annually) on the unpaid balance starting at the Due Date. Thereafter, invoices will be sent and shall be payable within thirty (30) days of the date of the invoice, with interest being added each month for any unpaid balance.

DISTRICT

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

COUNTY

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_





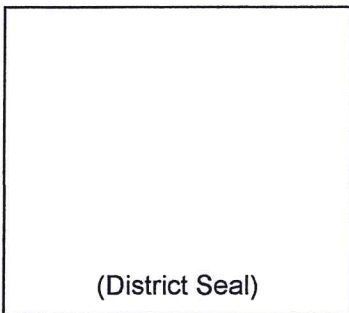
OFFICE OF  
**ASSESSOR-COUNTY CLERK-RECORDER & ELECTIONS**  
**REGISTRATION & ELECTIONS DIVISION**  
 COUNTY OF SAN MATEO

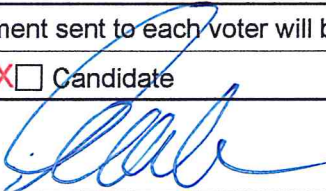
**Candidate Policy Form for Special Districts**  
**November 3, 2020**  
**Presidential General Election**

**Please complete and return this form by July 1, 2020 (EC §10509, §10522)**

**Our District Board adopts the following policies effective for the November 3, 2020 Presidential General Election:**

1	The <i>number of members</i> to be elected to the Governing Board for a <b>4-year term</b> : <u>  2  </u>	
	Names of incumbents currently holding these seats (Indicate Sub District if election is by district)	
	Kathryn Slater-Carter                      Subdistrict	Name    Subdistrict
	Scott Boyd                                      Subdistrict	Name    Subdistrict
2	The <i>number of members</i> to be elected to the Governing Board for a <b>2-year term</b> (if applicable to fill balance of an unexpired term): <u>  1  </u>	
	Name(s) of incumbent(s) currently holding or who previously held and has vacated this seat(s)	
	Peter Dekker                                  Subdistrict	Name    Subdistrict
	Name    Subdistrict	Name    Subdistrict
3	Election type	
	<input checked="" type="checkbox"/> <b>At-large:</b> Each governing board member shall reside in the jurisdiction and shall be elected by the registered voters of the entire jurisdiction  <input type="checkbox"/> <b>By district:</b> Each governing board member shall reside in the sub district area where she or he seeks to represent and shall be elected (choose one): <input type="checkbox"/> By the registered voters of that particular sub district area <input type="checkbox"/> By the registered voters of the entire jurisdiction	
4	The word limit for a candidate statement will be (EC §13307)	
	<input checked="" type="checkbox"/> 200-word statement <input type="checkbox"/> 400-word statement	
5	The cost of the candidate's statement sent to each voter will be paid by (EC §13307)	
	<input type="checkbox"/> District (Jurisdiction) <input checked="" type="checkbox"/> Candidate	





\_\_\_\_\_  
 Signature of the General Manager or Administrator and Date

\_\_\_\_\_  
 Clemens Heldmaier, General Manager  
 Print Name and Title

\_\_\_\_\_  
 Montara Water and Sanitary District  
 Official District Name (**to be used as ballot heading**)

40 Tower Road, San Mateo, CA 94402

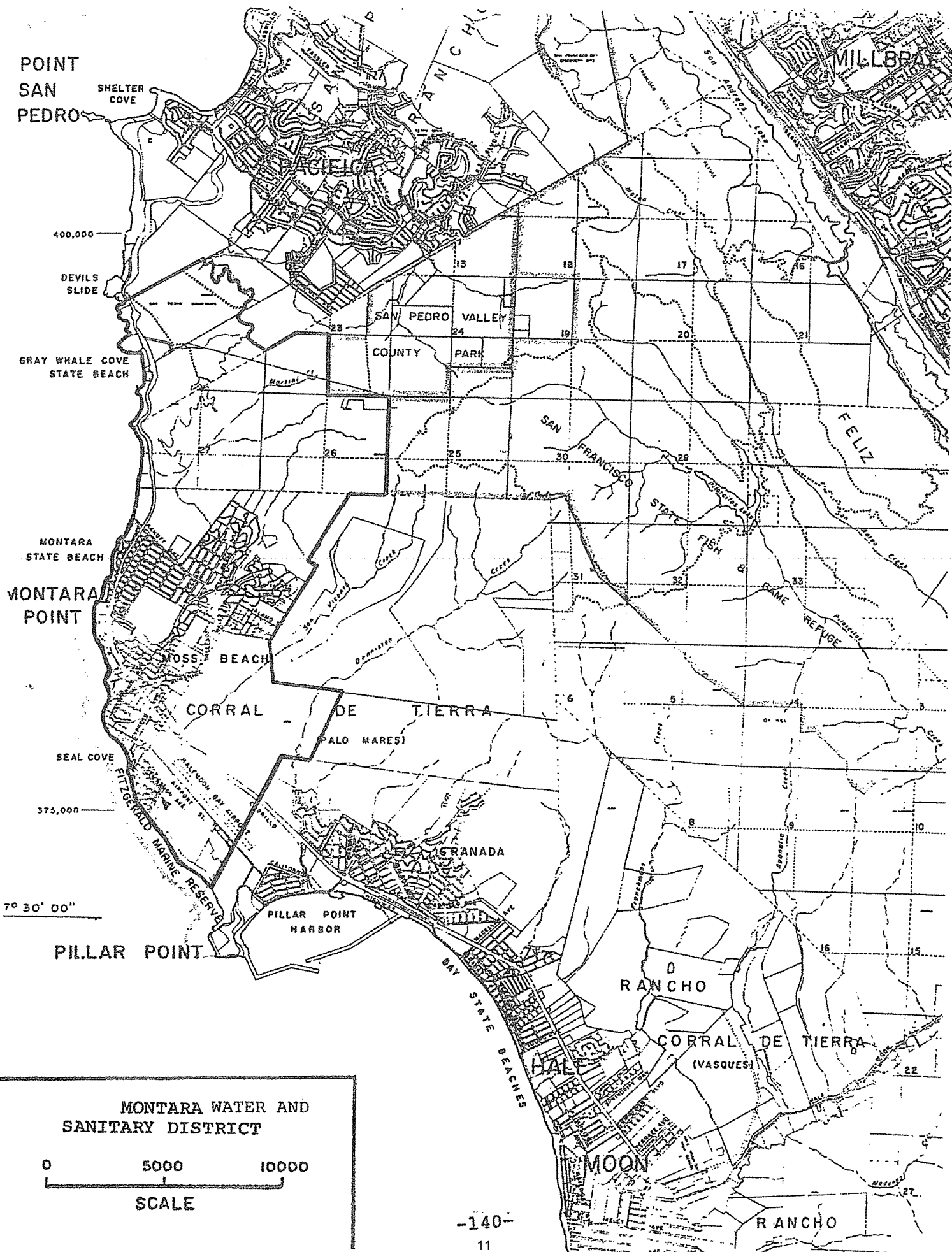


OFFICE OF  
**ASSESSOR-COUNTY CLERK-RECORDER & ELECTIONS**  
**REGISTRATION & ELECTIONS DIVISION**  
 COUNTY OF SAN MATEO

**Administrative Contact & Incumbent List Form**  
**for the November 3, 2020**  
**Presidential General Election**

**Official District (Jurisdiction) Name:** Montara Water and Sanitary District \_\_\_\_\_

Primary Administrative Contact		
<b>Clemens Heldmaier</b>		<b>(650)728-3545</b>
<b>Clemens@mwsd.net</b>		<b>(650)728-8556</b>
Secondary Administrative Contact		
<b>Tracy Beardsley</b>		<b>(650)728-3545</b>
<b>Tracy@mwsd.net</b>		<b>(650)728-8556</b>
Complete List of Incumbent Board Members – Also Name Incumbent’s Trustee Area/Subdistrict Area if Elected by District – Circle Appointed or Elected		
<b>Kathryn Slater-Carter</b>		<b>Elected 2016</b>
<b>Scott Boyd</b>		<b>Elected 2016</b>
<b>Peter Dekker</b>		<b>Appointed 2019</b>
<b>James Harvey</b>		<b>Elected 2018</b>
<b>Richard Lohman</b>		<b>Elected 2018</b>
Name	Trustee Area/ Subdistrict Area	Most Recent Date (Appointed / Elected)
Name	Trustee Area/ Subdistrict Area	Most Recent Date (Appointed / Elected)
Name	Trustee Area/ Subdistrict Area	Most Recent Date (Appointed / Elected)
Name	Trustee Area/ Subdistrict Area	Most Recent Date (Appointed / Elected)



POINT  
SAN  
PEDRO

MILLBRAE

400,000

DEVILS  
SLIDE

GRAY WHALE COVE  
STATE BEACH

SAN PEDRO VALLEY  
COUNTY PARK

SAN FRANCISCO  
STATE PARK

FELIZ

MONTARA  
STATE BEACH

MONTARA  
POINT

MOSS BEACH

CORRAL DE TIERRA

(PALO MARES)

SEAL COVE

375,000

7° 30' 00"

PILLAR POINT

PILLAR POINT  
HARBOR

GRANADA

RANCHO

CORRAL DE TIERRA

(VASQUES)

MOON

RANCHO

MONTARA WATER AND  
SANITARY DISTRICT

0 5000 10000

SCALE

**SERVICE AGREEMENT FOR THE PROVISION OF ELECTION SERVICES  
BETWEEN THE MONTARA WATER AND SANITARY DISTRICT AND  
SAN MATEO COUNTY CHIEF ELECTIONS OFFICER & ASSESSOR - COUNTY CLERK - RECORDER**

This Service Agreement for the Provision of Election Services ("Agreement"), entered into this 25<sup>th</sup> day of June, 2010, by and between the Montara Water and Sanitary District (the "District") and San Mateo County Chief Elections Officer & Assessor – County Clerk – Recorder (the "Chief Elections Officer");

WHEREAS, it is necessary and desirable that the Chief Elections Officer be retained for the purpose of conducting an election, described in more detail below, relating to the District; and

WHEREAS, the Chief Elections Officer has been asked by the District to conduct an election on November 3, 2020 (the "Election").

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

SERVICES TO BE PERFORMED BY THE DISTRICT:

- 1) Within the time frame set by statute, the District will request the Board of Supervisors, through the Chief Elections Officer, to conduct an election relating to the District on November 3, 2020 and will request the services of the Chief Elections Officer in relation to the Election.
- 2) The District will prepare and deliver to the Chief Elections Officer the ballot pamphlet information containing, as applicable, the ballot measure and tax rate statement by 88 days prior to the Election and/or the offices to be voted on by 125 days prior to the Election.
- 3) The District, if applicable, will review and sign off on the official ballot wording for measures.
- 4) The District will complete any other non-delegable tasks required by law in relation to the Election.
- 5) The District shall maintain records/maps regarding the boundaries of the District and will notify the Chief Elections Officer of any changes/additions to those boundaries by 125 days prior to the Election.

SERVICES TO BE PERFORMED BY CHIEF ELECTIONS OFFICER:

- 1) The Chief Elections Officer will publish the Notice of Election and, if applicable, the Notice to File Arguments For or Against any measure.
- 2) The Chief Elections Officer will select the sample and official ballot printer(s) and translators.
- 3) The Chief Elections Officer will prepare and deliver all election information to the printers and translators.
- 4) The Chief Elections Officer will determine the appropriate translation and transliteration of all pertinent documents.
- 5) The Chief Elections Officer will issue, receive, and process vote by mail ballots.
- 6) The Chief Elections Officer will set up ADA compliant Vote Centers, publish any required notices, and conduct the Election.
- 7) The Chief Elections Officer will provide services for any official recount or election contest, if applicable.
- 8) The Chief Elections Officer will conduct all aspects of the Canvass of Votes Cast. Pursuant to Section 10262 of the Elections Code, the Chief Elections Officer will submit a Certificate of Chief Elections Officer to the District's governing body certifying the results of the Election.

- 9) The Chief Elections Officer will conduct other various and miscellaneous election-related activities directly required to conduct the Election itself. To the extent that the District has obligations under law to perform various duties that relate to the Election beyond those directly involved with conducting the Election, those duties remain the responsibility of the District. If the District wishes to have any such duties performed by the Chief Elections Officer, the parties must mutually agree in advance in writing to have the Chief Elections Officer perform such duties. By way of example only, if the District is required to send certain notices or adopt resolutions relating to the Election, those duties remain duties of the District.

TERMS:

This Agreement shall be in effect for the performance of all services incident to the preparation and conduct of the Election to be held on November 3, 2020, including before and after said Election date.

In the event the Chief Elections Officer is unable to perform services required under this Agreement as a result of employer/employee relation conditions, vendor conditions, the unavailability of Federal, State, or County funds, COVID-19-related limitations, and/or other conditions beyond the control of the Chief Elections Officer, the Chief Elections Officer will be relieved of all obligations under this Agreement. The Chief Elections Officer may terminate this Agreement after giving 72 hours written notice, at which time the Chief Elections Officer will be relieved of all obligations under this Agreement.

This Agreement can be terminated by the District upon 30 days written notice.

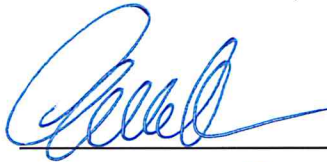
COST FOR SERVICES:

In consideration of the performance of services and supplies provided by the Chief Elections Officer, including 1) any and all costs incurred during a recount or election contest that are not reimbursed by the voter requesting the recount or filing the contest as specified in the Elections Code and 2) any other costs associated with the Election, such as return postage costs and costs for ensuring voter accessibility, the District shall pay to the Chief Elections Officer a sum equal to the full cost of the Election, including all such services, supplies, and other costs.

The Chief Elections Officer shall send an itemized invoice to the District for all services provided pursuant to this Agreement after the Election is conducted and all related costs are determined. Payment on the full amount of the invoice shall be due and the District shall submit payment to the County of San Mateo within forty-five (45) days of the date of the invoice (the "Due Date"). If the amount is not paid in full within this time, interest shall accrue monthly at a rate of 0.25% per month (equivalent to 3% annually) on the unpaid balance starting at the Due Date. Thereafter, invoices will be sent and shall be payable within thirty (30) days of the date of the invoice, with interest being added each month for any unpaid balance.

DISTRICT

Signature: \_\_\_\_\_



Date: June 25, 2020

Print Name: \_\_\_\_\_

Clemens Heldmaier

Title: \_\_\_\_\_

General Manager

COUNTY

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_


Title: \_\_\_\_\_



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Review and Possible Action Concerning Local Agency Formation Commission Special District Member.**

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The Local Agency Formation Commission(LAFCo) is calling for nominations for the position as the independent special district alternate member for the upcoming four-year term ending May 2024.

Director Ric Lohman is currently holding the position, has extensive experience serving on local San Mateo boards, like LAFCo, CSDA and others. He indicate that he is willing to serve another term.

## RECOMMENDATION:

Adopt Resolution No. \_\_\_\_, Resolution of the Montara Water and Sanitary District Authorizing the Nomination of Ric Lohman as Special District Representative to the San Mateo County LAFCo

Attachment

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

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING THE NOMINATION OF RIC LOHMAN AS SPECIAL DISTRICT REPRESENTATIVE TO THE SAN MATEO COUNTY LAFCO**

WHEREAS, the San Mateo County Local Agency Commission (LAFCo) is soliciting nominations for the open seat representing Independent Special Districts; and

WHEREAS, any nominations of this District may be appointed through Board action confirmed in writing; and

WHEREAS, District Board Member and Director Ric Lohman is interested in continuing to serve on the San Mateo County LAFCo and possesses all the skills and background necessary to perform in an exemplary manner;

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

1. Director Ric Lohman is hereby nominated by this Board to serve on the San Mateo County LAFCo for a term which expires in May 2024.
2. A copy of this resolution shall be presented to LAFCo as a record of the Board's nomination.

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

COUNTERSIGNED:

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

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, San Mateo County, California, at a meeting thereof held on the 2<sup>nd</sup> day of July 2020, by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

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



# LOCAL AGENCY FORMATION COMMISSION

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

**Please forward to Board President**

**June 25, 2020**

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

**Subject:** Call for Nominations: Special District Selection Committee Mail Ballot to Elect Regular Special District Members on San Mateo LAFCo Pursuant to Government Code Section 56332

As you know, San Mateo LAFCo is comprised of two county supervisor members appointed by the Board of Supervisors, two city council members appointed by the City Selection Committee (also known as the Council of Mayors), two special district members selected by the Special Districts Selection Committee (comprised of the presiding officers of the independent special districts), and one public member appointed by the six members of the Commission. An alternate for each type of membership is also selected in the same manner as regular members. Terms are four years ending on the first Monday in May and members serve until reappointed or their successor is appointed. Government Code Section 56332 directs that the LAFCo Executive Officer shall call a meeting or provide for mail ballot to appoint independent special district members to LAFCo to fill vacancies or expiring terms.

The purpose of this letter is to open the nomination period for the Independent Special District Selection Committee (SDSC) to fill the independent special district regular member expiring in May 2024. The regular member position with a term ending May 2024 is currently held by Ric Loman of Montara Water and Sanitary District. (The mail ballot process for the Alternate Member position held by Kati Martin of the San Mateo County Mosquito and Vector Control District will be conducted in a separate mail ballot process once the regular member is complete.)

In this case, it has been determined that the nomination and election of both the regular and alternate special district members for the upcoming four-year term ending May 2024 shall be held by mail in **two separate mail ballot processes**. For the nomination period, LAFCo will accept written nominations on your district's letterhead signed by your board president or board-appointed alternate for the regular member position. No board action is necessary unless your board president is not able to participate. Nominations for the regular member may

**COMMISSIONERS:** JOSHUA COSGROVE, CHAIR, SPECIAL DISTRICT ▪ WARREN SLOCUM, VICE CHAIR, COUNTY ▪ RICH GARBARINO, CITY ▪ DON HORSLEY, COUNTY ▪ MIKE O'NEILL, CITY ▪ RIC LOHMAN, SPECIAL DISTRICT ▪ ANN DRAPER, PUBLIC

**ALTERNATES:** KATI MARTIN, SPECIAL DISTRICT ▪ HARVEY RARBACK, CITY ▪ JAMES O'NEILL, PUBLIC ▪ DAVE PINE, COUNTY

**STAFF:** MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ ROB BARTOLI, MANAGEMENT ANALYST ▪ ANGELA MONTES, CLERK



only be submitted in writing via mail, fax or e-mail and with the signature of the Special District President/Chair (or Board-appointed alternate board member) and must be received by LAFCo by 5:00 p.m. July 27, 2020. Nominations and voting for the alternate member will commence upon completion of the regular member selection process.

Once the nomination period is closed, the LAFCo Executive Officer will distribute a notice and mail ballots, requesting return of the ballot no later than 21 days from the date of the notice. Section 56332(c)(2) provides for distribution of mail ballots by certified mail or by electronic mail with the consent of the district. For both expediency and cost savings it is hoped that districts will consent to distribution of the ballots by electronic mail. To this end, it is requested that your District return the attached "Authorization to transmit the LAFCo Special District Member Ballot by Electronic Mail" and provide LAFCo with the desired email address for distribution of the ballot.

In summary, nominations are now open for the independent special district regular member position with term ending May 2024 and we need your district's authorization to transmit an election ballot via email.

Board presidents or board-appointed alternates are requested to complete the following two steps:

1. Submit written nominations for the regular LAFCo member on your district's letterhead with your signature or that of a board-appointed alternate.
2. Complete and submit the "Authorization to transmit the LAFCo Special District Member Mail Ballot by Electronic Mail."

**You must return your authorization form and all nominations to LAFCo no later than 5:00 pm, Monday, July 27, 2020.**

If you have questions concerning this process, please contact me directly.

Sincerely,

Martha Poyatos  
Executive Officer

Attachment: Authorization Form  
San Mateo LAFCo Fact Sheet

Distribution: Presiding Officers of Independent Special Districts in San Mateo County

**Authorization to Transmit Special District Selection Committee Ballot  
by Electronic Mail  
[Pursuant to Section 56332 (C) (2)]**

The \_\_\_\_\_ District hereby authorizes LAFCo  
(name of district)

to send the Special District Selection Committee Ballot by electronic mail to:

\_\_\_\_\_  
(Name of board president or board authorized voting delegate **and e-mail address**)

for the purpose of voting for alternate special district term ending May 2020.

Submitted by: \_\_\_\_\_  
Printed Name of District President or District Manager/Chief

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please return by July 27, 2020 by mail, fax or electronic mail to:

Martha Poyatos, Executive Officer  
San Mateo LAFCo  
455 County Center  
Redwood City, CA 94063  
650/363-4224 – phone  
650/363-4849 – fax

Electronic mail: **mpoyatos@smcgov.org**

Independent Special Districts in San Mateo County as of 6/24/20  
For Purposes of voting for Special District Members on LAFCo

Bayshore Sanitary District  
Broadmoor Police Protection District  
Coastside County Water District  
Coastside Fire Protection District  
Colma Fire Protection District  
East Palo Alto Sanitary District  
Granada Community Services District  
Highlands Recreation District  
Ladera Recreation District  
Menlo Park Fire Protection District  
MidPeninsula County Water District  
Montara Water and Sanitary District  
North Coast County Water District  
Peninsula Health Care District  
San Mateo County Harbor District  
San Mateo County Mosquito Abatement District  
San Mateo County Resource Conservation District  
Sequoia Health Care District  
West Bay Sanitary District  
Westborough County Water District  
Woodside Fire Protection District

Note: Midpeninsula Regional Open Space District is not included because the majority of the District's territory is located in Santa Clara County.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 2, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

## **SUBJECT: General Manager's Report**

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**Operations:** MWSD Operations staff repaired 1 water distribution leak at Park Avenue without added contractor, responded to 18 Underground Service Alerts, investigated 8 customer leaks, 1 fixture unit count, 1 new meter install and backflow testing, 12 monthly BacT samples, 8 monthly other samples taken and delivered to Manteca, leak reads, meter reading, construction of retaining wall form strip and clean up at District operations shop, office building layout for new security system, 2x generator exercise, 39 valves exercised, 30 backflow tests, 11 Hydrants painted and serviced, public boardx meeting setup, AVTP altitude valve rebuild, touch up paint at Schoolhouse Tank, PRTP pipe clean up work and valve isolation.

**Projects:** The Highway 1 crossing Sewer Project is also close to completion. Hydroseeding on MWSD property is still outstanding. A possible change order to further improve the MWSD access road runoff may be brought to the MWSD board soon.

**Covid-19:** MWSD offices remain closed to the public since March 16. SOP's for Covid-19 office and employee safety were updated since new health orders were issued. Non-essential construction and permitting is allowed in SMC and MWSD operations is working at full capacity always adhering to social distancing guidelines.

**Vacation:** The General Manager will be on vacation from July 6-8.

### RECOMMENDATION:

This is for Board information only.