



**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

November 5, 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/83692817872?pwd=L3RUMjIjK2pmT1pNUFo4QUcyakowQT09>

MEETING ID: 836 9281 7872

Password: 183584

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 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) 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 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 October 1, and October 15, 2020.](#)
2. [Approve Financial Statements for September 2020.](#)
3. [Approve Warrants for November 1, 2020.](#)
4. [SAM Flow Report for September 2020.](#)
5. [Monthly Review of Current Investment Portfolio.](#)
6. [Connection Permit Applications Received.](#)
7. [Monthly Water Production Report.](#)
8. [Rain Report.](#)
9. [Monthly Solar Energy Report.](#)
10. [Monthly Public Agency Retirement Service Report for August 2020.](#)

OLD BUSINESS (none)

NEW BUSINESS

1. [Review and Possible Action Concerning Adoption of a Debt Management Policy.](#)
2. [Review and Possible Action Concerning General Obligation Bond Refinancing.](#)
3. [Review and Acceptance of the June 30, 2020 GASB 68 Actuarial Valuation.](#)
4. [Review and Possible Action Concerning Receipt of the June 30, 2019 Actuarial Valuation and Adjustments to Contribution Rates.](#)
5. [Review and Possible Action Concerning Mutual Aid Agreement with Water/Wastewater Member Agencies in CalWARN.](#)
6. [Review and Possible Action Concerning Acceptance of the Agreement for Construction and Acquisition of Sewer Main Extension at 540 Stetson Street.](#)
7. [Information Related to SFPUC Construction Atop Montara Mountain.](#)
8. [Review and Possible Action Concerning the Local Agency Formation Commission East Palo Alto Sanitary District Municipal Service Review.](#)

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 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)

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code §54956.8)

Property: 771 Rivera Rd., Montara, CA

Agency Negotiator(s): District General Manager; District General Counsel; District Real Estate Broker

Negotiating parties: Coast Wholesale Florists, a corporation/Miller-Havice Ranch

Under Negotiation: To be determined.

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
October 1, 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, Lohman, and Slater-Carter

Directors Absent: Harvey

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

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

PRESIDENT'S STATEMENT - none

ORAL COMMENTS

Gregg Dieguez, Montara resident, stated he was interviewed by the Half Moon Bay Editorial Board today, and in the course of that discussion comments were made that led him to believe he should write an article about the impact of the lawsuit on SAM governance, the member agencies, and the public. He has done research on the legal expenses of Half Moon Bay, and feels he can't hold on to it any longer. He invited anyone watching this video (or later) to send him any thoughts he/she has on what the impacts of this lawsuit have been on Montara Water and Sanitary District (MWSD) and its supply. He also inquired if a Strategic Planning meeting is still planned, and the possibility of forming a task force to study the issue of consolidation. He volunteered to be on the task force as he has already done some research on it. He also mentioned that he found an email from 2010, in which Half Moon Bay was on the verge of voting to dissolve, due to their financial difficulties. This ties back to his theory that Half Moon Bay was preoccupied with their finances in 2009, and that is when they denied the maintenance on the IPS, which led to the spill. Will MWSD have the Strategic Plan session? If so, when, and what would be on the agenda, and so forth? Lastly, on the issue of firefighting water storage, he found out that CA Fire indicated Big Wave will require 360,000 gallons of firefighting water storage. Has this Board considered that this amount is in excess to the fire storage already reserved? He realizes that MWSD has 1.4 million gallons in total, but the rest of that is for other purposes. Will MWSD consider the fire storage for Big Wave and Midpoint, as these projects will undoubtedly will require additional firefighting water storage as they negotiate with the applicants for connections? Is MWSD aware of these fire fighting storage needs for Big Wave and other applicants?

Director Slater-Carter replied that until MWSD has a written condition of approval from the Fire District or the County in reference to these specific projects, they have no reason to take any action or consideration on this.

Gregg Dieguez asked if they filed a permit with MWSD indicating that information?

General Manager, Clemens Heldmaier replied that there is a permit issued for a main line extension and that is what MWSD has currently permitted.

Director Boyd said they have over a million gallons of storage, and Mr. Dieguez cited a number that was less than a quarter of that and made the assertion that it was somehow a deficit. He doesn't understand Mr. Dieguez's math.

Gregg Dieguez, Montara resident, said it is possible to fight a fire with the water that the District has in storage. What happens if it exceeds the amount reserved for firefighting? Where does that water come from? That storage is allocated to other

things. What happens to the other things to which that storage is allocated if that amount is used up? One presumes we replenish the tanks—although he doesn't know how long that takes.

Director Boyd replied that the District has water, and there is no deficit. If Mr. Dieguez needs more information, it is in the Public Works Plan.

General Manager, Clemens Heldmaier added that the District has 1.3 million gallons in storage which can be used for fire suppression. Recharging the tank would take a day or less.

Gregg Dieguez, Montara resident reiterated his question. If the big development requires more water than is allocated for firefighting storage, what is the District going to do?

General Manager, Clemens Heldmaier replied that the fire fighting number is an arbitrary number that MWSD set as a goal. It doesn't mean that the District doesn't have more water available for fire suppression. They have 1.3 million gallons available to fight fires in Montara and Moss Beach.

Director Slater-Carter suggested that Mr. Dieguez check with the Fire Department and the County if they have approved the plans.

PUBLIC HEARING – none

CONSENT AGENDA

- 1. Approve Minutes for Regular Scheduled Board Meeting September 3, and September 17, 2020**
- 2. Approve Financial Statements for August 2020**
- 3. Approve Warrants for October 1, 2020**
- 4. SAM Flow Report for August 2020**
- 5. Monthly Review of Current Investment Portfolio**
- 6. Connection Permit Applications Received**
- 7. Monthly Water Production Report**
- 8. Rain Report**
- 9. Monthly Solar Energy Report**
- 10. Monthly Public Agency Retirement Service Report for July 2020**

Director Lohman made a motion to approve the Consent Agenda and Director Dekker seconded the motion. A roll-call vote was taken, and the motion passed unanimously 4-0.

OLD BUSINESS - none

NEW BUSINESS

1. District Virtual Tour – October 14th 6:30pm

General Manager, Clemens Heldmaier stated that MWSD had planned site tours for the public in March. However, due to public health concerns at the time it was postponed. The District has announced a virtual tour of the water and sanitary systems on October 14th at 6:30pm, and postcards have already been sent to all residents. This tour will be recorded and available to watch on *You Tube* and the MWSD website <http://mwsd.montara.org/>. He invited all to join and participate.

Director Slater-Carter asked if posters will be distributed.

Alison Kastama replied that they are in process and will be printed next week.

2. Review and Possible Action Concerning Authorization to Award the Contract for 2020-2021 Sewer Improvement Project and Spot Repairs.

General Manager, Clemens Heldmaier thanked Mr. Cavagnaro for his work in this process. He was pleased with the competitive bids received. He recommends spending a little more money, since the Caltrans permit will probably be delayed for the Cabrillo Highway project a bit (the billing will fall in the next fiscal year), and the bid was so favorable.

District Sewer Engineer, Pippin Cavagnaro stated that approximately every year since 2007, MWSD has provided a capital plan and project to maintain, upgrade and rehabilitate the collection system. They have two scales of projects this year-- the typical annual project of neighborhood sewers, and the larger trunk sewer project or alternately a pump station project. Earlier in the year, they had budgeted \$750,000-850,000 dollars. Due to the current climate of economic uncertainty in the last few months, prices had dropped significantly. So, they added to the project additional sewer segment work that was for next year's plan, and they priced it in the plan so the contractor would have to provide the same pricing for the base work as the alternate work. This will prevent the contractor from increasing the price for the second half of the project. The lowest bid was from Pacific Trenchless for \$689,360 dollars--\$160,000 less than the estimate. They have done good significant work for MWSD in the past. So, the combined recommendation is \$689,360 dollars for the base bid and \$398,934 dollars for the alternate bid for a total of \$1,088,294 dollars. Areas targeted this year are: near the Date/Harte pump station, Virginia Street, and near Wave in Moss Beach. And the alternate work proposed is near Stetson and Admiral. They will also televise the sewer lines around the areas being worked on and/or the areas SAM has difficulty cleaning giving MWSD more information to assess priorities and risks.

Director Slater-Carter said that at a recent SAM meeting it was alleged that Montara had excess I&I (Inflow & Infiltration). However, with the maintenance that MWSD does, does Mr. Cavagnaro feel that is an accurate statement?

District Sewer Engineer Pippin Cavagnaro replied that it is not accurate. There are topography differences which might change the relative percentage of inflow versus infiltration. All three districts suffer from a similar amount of inflow and infiltration. If you average out the numbers, that statement is not accurate. All three districts have a similar amount. In his opinion, Montara is doing better than some of the member agencies and many of the sewer agencies out there, since MWSD has been upgrading, repairing, and replacing sewer laterals in the neighborhoods for several years, reducing inflow and infiltration.

Director Slater-Carter said that Montara has 20% (or less) of the flow and Half Moon Bay 56%. Was Mr. Cavagnaro referring to gallonage or percentage of flow?

District Sewer Engineer, Pippin Cavagnaro replied that he was referring to percentage. It is a percentage increase--all the districts are a similar average. The gallons are generally scaled as to the size of the collection systems and the size of the population. The ownership of the plant, the split that exists, would be the approximate split in gallons.

Gregg Dieguez Montara resident asked how this might overlap for capital projects done in advance, with the money split to benefit existing customers as opposed to benefit new customers. Does any of this work justify monies to be held aside to be charged later for new developments?

General Manager, Clemens Heldmaier replied that MWSD is only fixing existing pipes, nothing for new customers.

Director Lohman asked if Half Moon Bay has 2.5 times the flow that Montara does, by proportion, it would have 2.5 times the amount of I & I in gallons.

District Sewer Engineer, Pippin Cavagnaro replied that was a fair statement. It is a ratio of how many pipes, connections, and customers each has.

Director Dekker made a motion to adopt the resolution approving contract documents and authorizing award of the contract for construction of the 2020-2021 sewer improvement project and spot repairs to Pacific Trenchless. Director Lohman seconded the motion. A roll-call vote was taken, and the motion passed unanimously 4-0.

3. Review and Possible Action Concerning Review of Recology 2021 Solid Waste Rate Increase

General Manager, Clemens Heldmaier stated that this is done every year per their contract with Recology. Recology provides financial information for the rate increase and it is reviewed. They are requesting a 1.97% rate increase. Thus, the monthly rate for a standard 32 gallon can, now \$32.53, would increase to \$33.17, effective January 1, 2021. Staff recommendation is to receive Maze & Associates' presentation on the review of the suggested rate increase and associated information, and authorize the general Manager to prepare and distribute a Prop 218 notice for the suggested solid waste rate increase to all customers for a public hearing on December 3, 2020.

District Accountant, Peter Medina stated he was given Exhibit E, which shows how the rate is calculated for 2021. The contract is dated as of 2013, and every few years there is a cost-based adjustment which goes back to their audited financial statements. This year was not one of those years. This was an index-based adjustment year. The financial records have been reviewed and verified as accurate.

Director Dekker commented that residents have been complaining of trails of oil leaking from the garbage trucks.

General Manager, Clemens Heldmaier replied that they get these complaints on a regular basis and Recology investigates every complaint. One repair to a truck was made in the past. However, most of the time it is a result of the different sheens on the asphalt, and not the trucks.

Director Dekker said he will keep tracking it, and when he has a specific location and he is sure it is oil, he will report it to General Manager.

Director Slater-Carter suggested that leakage be marked with colored masking tape, so that it can be inspected later to see if it is still there. She said General Manager Porter has reported that residents put various items in garbage or trash that liquify when squished.

Director Boyd made a motion to receive Maze & Associates' presentation on the review of the suggested rate increase and associated information, and authorize the general Manager to prepare and distribute a Prop 218 notice for the suggested solid waste rate increase to all customers for a public hearing on December 3, 2020. Director Lohman seconded the motion. A roll-call vote was taken, and the motion passed unanimously 4-0.

4. Review and Possible Action Concerning Real Estate Broker Services

Director Lohman stated he is recusing himself from this item as one of his personal residences is close in proximity to the properties identified in this item. His video/audio was turned off.

General Manager, Clemens Heldmaier stated that at the last Board meeting he and Legal Counsel Christine Fitzgerald were appointed as property negotiators for the sale and purchase of specific properties. He would like to add Iver Hystad of SellSF.com as a property negotiator. He is a real estate broker with a lot of experience that the District would like to engage with. Staff recommendation is to approve Professional Services agreement with Iver Hystad, CEO of SellSF.com (CA DRE#01378163), to represent the District in connection with the property, and authorize the General Manager to execute a Professional Services agreement and take other necessary actions to perform the District's obligations under said agreement and in connection with the property; and appoint Iver Hystad as additional District Negotiator.

District Counsel, Christine Fitzgerald added that it pertains to the specific property listed on the report, 771 Rivera Road, in Montara and the Caltrans Right-of-Way.

Director Boyd made a motion to approve professional services agreement with Iver Hystad, CEO of SellSF.com (CA DRE#01378163), to represent the District in connection with the property, and authorize the General Manager to execute a Professional Services agreement and take other necessary actions to perform the District's obligations under said agreement and in connection with the property; and appoint Iver Hystad as additional District Negotiator. Director Dekker seconded the motion. A roll-call vote was taken of the remaining directors, and the motion passed unanimously 3-0. Director Lohman recused himself, and could not be seen nor heard during the deliberation and vote, and Director Harvey was not present.

REPORTS

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

Director Lohman stated it was mostly about basic repairs, and things like that.

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

3. CSDA Report (Lohman) – none

4. LAFCo Report (Lohman) –

Director Lohman stated that the voting is now on-going for the special districts' representative to LAFCo.

5. Attorney's Report (Fitzgerald) – none

6. Directors' Report – none

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

FUTURE AGENDAS

- 1. MWSD Defined Benefit Plan Actuarial Evaluation
- 2. Strategic Community Planning Workshop

District Counsel, Christine Fitzgerald stated that Director Lohman will need to recuse himself in open session for the Closed Session item two, relating to the property at 771 Rivera Road, and the conflict of interest under government code section 87100. Does he agree with that statement?

Director Lohman stated he agrees with that statement, and will recuse himself again from Closed Session item two. His video/audio will be turned off when they get to that item.

BRIEF RECESS

REGULAR MEETING ENDED AT 8:21 PM

CONVENE IN CLOSED SESSION

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)*

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code §54956.8)

Property: 771 Rivera Rd. in Montara, CA

Agency Negotiator(s): General Manager; District General Counsel; and _____ [to be designated by open session agenda item above]

Negotiating parties: Coast Wholesale Florists, a corporation/Miller-Havice Ranch
Under Negotiation: To Be Determined

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 5th, November 2020

Signed _____
President



MONTARA WATER & SANITARY
DISTRICT

BOARD OF DIRECTORS MEETING
October 15, 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 7:31 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 Sewer Engineer, Pippin Cavagnaro
Kastama Consulting, Alison Kastama

PRESIDENT'S STATEMENT

Director Slater Carter commented about the passing of two Coastal warriors, John Lynch and Chris Thollaug. Both created and preserved a Coast that is a very good place to live. They both gave selflessly of their time and energies on so many different issues. Tributes to what they have done can be seen all the way up and down the Coast. Any time anyone drives through the tunnel, thank those people that made it happen. The County and State didn't want it and it took a concentrated effort to have the Tunnel instead of a six-lane highway. John lived in Half Moon Bay, and Chris served on the Board at the Montara Water and Sanitary District (MWSD). He is one of those people, in his tenure, that helped get the wet weather flow retention system (at least in concept). He saved Montara a lot of money, because Half Moon Bay wanted to upgrade the wet weather flow system with a parallel force main that would have cost 16-17 million dollars. Had they had done that; she hesitates to even speculate what that would cost Montara given the current contentions between Half Moon Bay and Montara in the letter in the paper today from two member of the City Council. They would be trying to stick Montara and Granada with the entire cost of maintaining an expensive force main. Chris had vision and foresight for many things and they will miss him as a member of this community. Please read the article in the *Half Moon Bay Review* about Chris and John. They were role models and an inspiration to us all.

Director Lohman commented that we live in a paradise, and are lucky to have some really good people working in the community who have done amazing things. John and Chris were two great examples.

Director Boyd told of how he and John, after the vote on Measure T, went out to what is now the South Portal of the Tunnel, and John dug out the first shovel of dirt. He wouldn't be on the Board if it weren't for Chris' constant encouragement. They didn't always agree, but steel sharpens steel, and the agency and the community are better off for the work Chris did here. Even when he was really pushing on them, he made them work better and work as a team. He is grateful for the time they got to spend with him.

Director Lohman added good people on the Coast don't necessarily agree all the time.

Director Harvey commented that Chris was dedicated to the Coastside, Montara, Tunnel and the District, and issues on the Coastside. He would see Chris often on the hill, and Chris would always have something to say. It seems he spent a great deal of time on issues on the Coastside, and was extremely dedicated to what was happening here. They owe him a lot.

Director Dekker had seen him on the trail and greeted him—they really never got to talk to each other much. He heard about Chris' activities and how much he did for the community and is saddened by his passing.

District Sewer Engineer, Pippin Cavagnaro stated that he worked with Chris briefly and heard a number of times when he came to the Board to ask tough questions as a citizen. He was an inspiration for the way politics is supposed to work. He was respectful even if he had a completely different point of view, and had a willingness to find a common ground.

General Manager, Clemens Heldmaier said he worked with Chris for a number of years, and Chris was the Treasurer for quite some time. He restructured the finances in the District completely. They didn't always see things the same way, but he helped to get a really close handle on the numbers, and they have kept it in the District.

Director Lohman added that studies have shown that having diverse opinions and viewpoints in a group is much more successful than a group in which everyone agrees.

ORAL COMMENTS

Gregg Dieguez, Montara resident, recollected that he had coffee with Chris a day before his first aneurism, going over the document he presented on consolidation, and he got Chris to agree there was no economies of scale for consolidation. Chris was very passionate, intense, and a very committed guy.

Director Slater-Carter commented that Chris was one of the first people she met when she became involved in public health issues in Montara and Moss Beach. Chris, John Lynch, and many other people—many of whom are in this zoom meeting—are inspirations and role models.

PUBLIC HEARING – none

CONSENT AGENDA - none

OLD BUSINESS - none

NEW BUSINESS

1. Public Information Item Regarding Half Moon Bay Lawsuit

District Counsel Christine Fitzgerald reminded the Board that this is an information item only regarding the Half Moon Bay lawsuit against the Sewer Authority Mid-Coastside (SAM) and the member agencies. The intent is not to discuss confidential matters appropriate for Closed Session nor is there any intent to waive the attorney client privilege. It is simply to provide the public with the current status of the litigation in light of the failed settlement efforts.

General Manager, Clemens Heldmaier said this is an information item regarding the Half Moon Bay lawsuit. In July of 2017, the City of Half Moon Bay filed a lawsuit against Sewer Authority Mid-Coastside (SAM), Granada Community Services District (GCSD), and Montara Water and Sanitary District (MWSD). In the lawsuit, the City seeks to avoid its contractual responsibility for costs and expenses related to SAM's Intertie Pipeline System, also called the IPS, and that ties together SAM's joint sewer treatment system and is a critical component of managing our mid-coast sewage and protecting our coastal environment. The Sewer Authority Mid-Coastside has existed under a Joint Powers Agreement since 1976, serving the community with an integrated wastewater treatment system to treat the combined sewage from all three member agencies. The IPS is a Sewer Authority Mid-coastside owned asset that the City has historically paid for over 40 years. Half Moon Bay is seeking to renege on its obligation to contribute its proportionate share to maintain and operate this essential joint system resulting in a disproportional burden on the remaining SAM members disproportionately, in contravention of the JPA agreement. Soon after the filing of the lawsuit, the member agencies spent two years participating in the formal mediation process in an effort to resolve the dispute informally. When this effort recently failed, the City imputed blame on Montara and Granada, with inaccurate self-serving public statements related to the settlement efforts. In light of the above developments, the City has requested that the matter proceed to trial in Superior Court, in the County of Santa Clara. A trial setting conference has been set for March 9, 2021. The Montara Water and Sanitary District stand ready to defend our rate payers. As Christine says, this is an information item, and there is no action required.

Director Lohman stated that one of the agreements when they were forced into litigation is that none of the three agencies would reveal any information from the mediation. Those were intended to be internal, not intended for the general public. In Half Moon Bays publicity stunt that was published, they not only back-slapped themselves for being able to attempt to pass costs on to the north communities and saving their rate payers, but the implications of what they said, as far as he is concerned, revealed information from the mediation. It is morally wrong, possibly legally wrong. Montara and Granada has abided by all the rules. Half Moon Bay couldn't even abide by those rules.

Director Boyd added that the Board is going to maintain that confidentiality. They are not going to be addressing point by point in public some of the claims made. They, as an agency take issue with how some of these things have been said, and he feels they use a lot of words to say "it is all our fault."

Director Harvey said they always tried to work with Half Moon Bay on the JPA. They accepted the proposal to work and possibly to change the JPA, and were working on that time. Then the lawsuit came; they will continue on and do the best they can.

Director Dekker added he was surprised the way Half Moon Bay started that lawsuit.

Director Slater-Carter stated that Mr. Dieguez and other people have commented “why not consider consolidation?” She likened consolidation to a marriage with which there is no divorce. SAM was like the three agencies living together, trying to make things work out. By the way they have been treated, “living together,” a “marriage” would be a failure. As Mr. Dieguez said, there is no economy of scale, and this is a good example of why consolidation won’t work, because Half Moon Bay is not thinking of the public health and the welfare of the entire coastside, just its own rate payers. She doesn’t think, based on the self-serving statements by Half Moon Bay and the statements put out today in the paper made by two City Council members, consolidation is an option anymore.

Director Lohman said there was some discussion at SAM a year ago about some ambiguous language in the JPA. They all agreed, all three agencies, to enter into a study or a re-evaluation of the JPA, and budgeted \$71,000 dollars to start the process. Then, Half Moon Bay filed the lawsuit. He attended a business meeting that afternoon and was asked the question, “would I support consolidation?” A year ago, he would have considered that, but now he knows that Half Moon Bay would never accept a consolidation that they were not in control of, and all of the recent activities support that. Any possibility of consolidation has dimmed. Why would anyone north of Half Moon Bay consider consolidating with Half Moon Bay, after they sued MWSD for millions of dollars in legal fees? All of that money could have been better spent on other things. How could consolidation occur right now, if Half Moon Bay demands they control it? That’s not consolidation, that’s a takeover.

Director Boyd added that they had been working on a strategic plan and vision for the Sewer Authority Mid-coastside with the three member agencies over a significant amount of time a few years ago, and had finally reached an accord about a shared vision for SAM, spending some very good time together working on building on a 40 year working partnership, finding ways to work together through their differences. Back when SAM was created, Montara had just finished building its own treatment plant. They didn’t need to ship anything seven miles to the south through a pipeline that didn’t exist yet. They were on their own and self-sufficient. Then the County, along with the State, forced Montara, Granada and Half Moon Bay to join forces. The County has been trying to force the Coastside to merge with Half Moon Bay forever. That has been a plan since the late 50s. But for 40 years, they made it work. So, a few days after they had reached an accord, Half Moon Bay decided to sue its business partners. In the world of politics, we know someone who sues all his business partners, and most people know that getting into business with someone who does that is not such a great idea. What Half Moon Bay said they are suing about is trying to get out from underneath that partnership where the cost of the Intertie is the thing that ties the agencies together into the partnership, and they don’t want to pay any part of that. MWSD had a plant in Montara that worked fine for the residents of Moss Beach and Montara, and the

County made them send waste to Half Moon Bay through a new pipeline seven miles long. They didn't need the expense of building the pipeline, pumping everything, and maintaining those pumps for 40 years. The only reason they are doing that is because they are in partnership with Half Moon Bay. They could, if they were bigger and stronger, have said "let's put the treatment plant in Montara," and then "the shoe is on the other foot." Would we say "we don't want to pay for the pipeline—Half Moon Bay that's your problem,"? That doesn't make any sense. That pipeline is the thing that ties the agencies all together; that is what makes it a shared interest. That treatment plant could have been anywhere else. They've had a contract for 40 years, and executed according to that contract, where they shared costs based on the relative sizes of the agencies and how much fluid goes to the plant. All of that decades long partnership is lost to save a few million dollars. There is some context about how they got here, and when people talk about consolidation you have to understand who and what you are dealing with and ask yourself if you can build a partnership on that. Partnership is strategic plan meetings; partnership is what they have been doing for 40 years. That kind of consolidation was forced on MWSD 40 years ago, and that is what SAM is. The whole business of refusing to pay, that is not a partnership, that is someone trying to weasel out of their obligation.

Director Slater-Carter added that after Half Moon Bay filed the lawsuit, for six months, refused to pay SAM. Their lack of care and concern for SAM staff was reprehensible. Then, after six months, they decided that any payments associated with the Intertie would be paid "under protest." Thus, if Half Moon Bay wins the lawsuit, they will be demanding millions of dollars from Montara and Moss Beach. This is from our "friends" in Half Moon Bay, who say they are worried about their voters. This is a campaign move.

Director Lohman added that Half Moon Bay said if they lose the lawsuit, they won't pay any of their bills. They are going to take their ball and go home if they lose.

Gregg Dieguez asked if Director Lohman's comment was public knowledge.

Director Lohman said they have stated that the whole process of what they have been doing for a year now, every major development or enhancement, the construction of the IPS, including the recent expansion of the wet weather project, they are saying is that they are all under protest. And "under protest" according to earlier discussions, if they lose the lawsuit, they will not pay those. That is the whole point of the protest.

Gregg Dieguez replied even if they lose the lawsuit, and the Court says they have to pay, they are saying they are not going to pay?

Director Lohman said they will have to work that out with the legal authorities. But that is why they put it "under protest." If you don't agree with us, and pay millions of

dollars, then we aren't going to pay our millions of dollars and you are screwed both ways you do it.

Gregg Dieguez stated that the public statement is a big improvement over the last one emailed a few days ago. He suggested adding "rate-payers and tax-payers," as not all rate-payers are not tax payers, etc. This is just something to consider. He added that he had been doing some research on this issue, and held off on publishing it and now it is time to move forward with it. In his experience in business, you win or lose in the jungle, but everyone loses in court. That's where they are. He hopes that message gets to Half Moon Bay.

Director Boyd said he was serving on the SAM Board when the lawsuit was filed, and Half Moon Bay started saying they are paying under protest. He wants people to understand that these are the words they are saying at the Board meetings. In the context of the Joint Powers Agreement, those are meaningless words. There is no binding anything. It has no merit and no weight on how SAM operates. Please pay attention how they terrified the staff at SAM by withholding their payments. There was never any question as to whether they owed money to SAM. That is all on the record, and something that was discussed extensively at meetings.

Gregg Dieguez, Montara resident asked if Half Moon Bay withheld all payments.

Director Boyd replied that there were payments due that were withheld and deferred for a significant amount of time. There was a great amount of consternation, and efforts were made to ensure the crew knew they had jobs and paychecks. All the chaos and turmoil came from people who are saying "under protest, we are suing you, we are not paying you, we don't believe you, you are trying to steal from us." That's projection.

Director Slater-Carter suggested Mr. Dieguez ask Kishen or George about the timeline it took for Half Moon Bay to catch up with their payments to SAM. It is on record. She commended SAM staff on their hard work and dedication to the community. Other agencies offered positions to staff, but they remained steadfast. She feels that Half Moon Bay could have been responsible for putting SAM in jeopardy if any of the staff left.

Michelle Dragon said that it is very opaque to everyone else as to what is going on with the lawsuit. Her understanding was that Half Moon Bay was saying that they don't need the Intertie for their system, therefore they shouldn't pay for it. If they, in a big storm, there is run-off, shut off SAM to the Mid-coast, are they not using the Intertie to manage their sewage system and their water?

General Manager, Clemens Heldmaier confirmed that this is what he said in his presentation yesterday.

Director Slater-Carter added that she asked repeatedly for Half Moon Bay to put in their own storage tanks in. And with Half Moon Bay using 60% of capacity during wet weather events, they may need to do that anyway, and they have refused.

Director Lohman said that part of the original agreement to solve all these problems that is now be discussed, they itemized 20-30 items that were SAM property, saying these are the community system and here are all the things—including the IPS, pipelines, pumps –that were going to be shared expenses. That was locked into the contract. Half Moon Bay says they don't care, and it's not in Half Moon Bay, and they aren't going to pay for it. That is the bottom line of the lawsuit, they are blowing off the contract.

Gregg Dieguez, Montara resident, said he has a statement from Kishen about the function of the IPS and how it benefits. And the obvious thing is, think of the cost of that treatment plant if they didn't have partners? The other agencies saved them money.

REPORTS

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

Director Slater-Carter said they talked about Baker tanks—they are the big blue tanks you see when driving down Highway One. They collect excess flow. Historically, they have been located in Montara and El Granada. She asked Kishen if the location of the Baker tanks being in Montara and El Granada was an example of excess inflow and infiltration (I & I), and he replied that it is not. It is due to the convenience to the pump station (and no other reason). He also confirmed what District Sewer Engineer Pippin Cavagnaro stated earlier, that Half Moon Bay has just as much I & I as do Montara and Granada combined.

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

3. CSDA Report (Lohman) –

Director Lohman said there will be a meeting on October 28th, in which two California senate candidates will speak. If anyone is interested please let him know and he can get him/her access to the meeting.

4. LAFCo Report (Lohman) – none

5. Attorney's Report (Fitzgerald) –

District Counsel, Christine Fitzgerald reported that last month AB 992 was signed into law by the Governor, amending the Brown Act rules for public officials who use social media platforms to communicate. The law clarifies that most communications on social media are still permissible, with the following

exceptions: confirming that a majority of the members of a legislative body may not respond to the same communication on social media, but more importantly, the law prohibits direct communication between individual legislative body members. In other words, officials may not respond directly on social media to communication posted by another official of the same Board. This precludes the posting of a smiley face or a thumbs up emoji, or re-tweeting a post by one official is prohibited. Previously, the Brown Act did not prohibit these types of communications, unless they involved a majority of the Board. So, the law provides some clarification for social media. For the most part, that is how most officials communicate these days.

Director Harvey asked for clarification. So, two Board members can communicate on the phone, but cannot communicate on social media.

District Counsel, Christine Fitzgerald confirmed that was correct if it was about District business.

Director Harvey asked if this includes texting.

District Counsel, Christine Fitzgerald replied that texting is not within the definition of the new law. It does not constitute a social media platform. A social media platform is one that is open and free of charge to the public.

Director Slater Carter added that they can communicate one to one via email, but not to any other Board member about the same subject.

District Counsel, Christine Fitzgerald said social media platforms includes Snapchat, Instagram, Facebook, Twitter, blogs, Tik Tok and Reddit.

Director Boyd asked that District Counsel, Christine Fitzgerald send the link to that legislation to all the Board members.

6. Directors' Report

Director Harvey commended General Manager, Clemens Heldmaier and Alison for an informative and great Virtual Tour. He really enjoyed it.

7. General Manager's Report (Heldmaier) –

General Manager, Clemens Heldmaier said that MWSD is re-financing the General Obligation Bond at a rate of 1.14%. These savings go directly to the tax-payers. This item will be agenized at the next meeting, and the directors will have an opportunity to review the details.

FUTURE AGENDAS

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

BRIEF RECESS

REGULAR MEETING ENDED AT 8:34 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 5th, November 2020

Signed _____
President



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 05, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

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

**Budget vs. Actual – Sewer July 2020 thru September 2020 - Variances over
\$2,000:**

- 4610 Property Tax Receipts, \$15,537 below Budget – First major tax assessment comes in November.
- 4710 Sewer Service Charges, \$811,621 below Budget – First major property tax assessment comes in November.
- **Overall Total Operating Income for the period ending September 30, 2020 was \$826,965 below budget. Total income received to date is \$71,056.**
- 5190 Bank Fees, \$2,000 above budget – Due to the one-time payment of PNC finance charge for debt.
- 5200 Board of Directors, \$2,050 below Budget – The Board has chosen to forego \$75 director fee per board meeting.
- 5300 Insurance, \$2,125 below Budget – No activity in current fiscal year.
- 5400 Legal, \$12,790 below Budget – additional expenses expected as fiscal year moves forward.
- 5630 Consulting, \$2,685 above Budget – Payment to Bartle Wells for Sewer rate study.
- 5640 Data Services, \$10,323 above Budget – Payment of the sewer service program was made in August.
- 5720 Telephone & Internet, \$2,675 above Budget – Increased operational costs.
- 5800 Labor, \$4,697 below Budget – Variance to decrease as merit increases occur further in fiscal year.
- 6170 Claims, Property Damage, \$5,000 below Budget – No activity to date.
- 6200 Engineering, \$8,825 below Budget – Engineering costs capitalized in August due to project development.
- 6600 Collection/transmission, \$2,500 below Budget -No activity in current fiscal year.
- 6910 SAM Collections & Operations, \$21,179 below & above Budget – Due to booking error which has been corrected. No budget variance.
- 6940 SAM Maintenance, Collection Sys, \$10,000 below Budget – No activity in current fiscal year.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 05, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6950 SAM Maintenance, Pumping, \$3,780 below Budget – One expenditure made to SAM for work performed at 873 Ocean.
- **Overall Total Operating Expenses for the period ending September 30, 2020 were \$26,339 below Budget.**
- **Total overall Expenses for the period ending September 30, 2020 were \$36,192 below budget. For a net ordinary loss of \$790,773, budget vs. actual. Actual net ordinary loss is \$576,160.**
- 7100 Connection Fees, \$37,323 below Budget – No new connections sold in September.
- 7200 Interest Income, LAIF, \$15,000 below budget – 1st interest allocation to be recognized in September, yet to be booked.
- 8000 CIP, \$463,408 below Budget – Major projects deferred to later in fiscal year.
- 9200 I-Bank Loan, \$9,219 below Budget - Due to timing.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 05, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

Budget vs. Actual – Water July 2020 Thru September 2020 - Variances over \$2,000:

- 4610 Property Tax Receipts, \$15,536 below Budget First major property tax assessment comes in November.
- 4740 Testing, Backflow, \$2,448 above Budget – Frequent testing in August.
- 4810 Water Sales, Domestic, \$269,507 above Budget – Difference mainly due to timing of collections.
- **Overall Total Operating Income for the period ending September 30, 2020 was \$255,469 below budget. Total revenue received to date is \$815,094.**
- 5200 Board of Directors, \$2,050 below Budget – The Board has chosen to forego \$75 director fee per board meeting.
- 5240 CDPH, \$2,750 below Budget – No activity in current fiscal year.
- 5400 Legal, \$12,262 below Budget – additional expenses expected as fiscal year moves forward.
- 5530 Memberships, \$6,305 below Budget – Majority of memberships paid in January.
- 5640 Consulting, \$3,900 below Budget – Water rate study consulting fee was less than expected.
- 5720 Telephone & Internet, \$2,675 above Budget – Increased operational costs.
- 5800 Labor, \$15,817 below Budget – Difference due to timing in payment of workers compensation premiums. The invoice is paid on a quarterly basis.
- 6170 Claims, Property Damage \$2,500 below Budget – No claims have been paid in current fiscal year.
- 6180 Communications, \$3,054 below Budget – SCADA expenses have been less than expected so far through fiscal year.
- 6195 Education & Training, \$2,185 below Budget – One recertification in current fiscal year.
- 6200 Engineering, \$48,498 below Budget – Majority of costs have been capitalized during the fiscal year.
- 6320 Equipment & Tools, Expensed, \$2,506 below Budget – no equipment purchases needed in the month of September.
- 6330 Facilities, \$2,810 below Budget- Minimal charges for landscaping have occurred, which is unexpected.
- 6400 Pumping, \$10,664 below Budget – Large PG&E “catch-up” bill expected later in fiscal year.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 05, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6500 Supply, \$9,120 below Budget – No payments for water purchases have been made thus far in the fiscal year.
- 6600 Collection/Transmission, \$9,246 below Budget – Minimal activity to date.
- 6700 Treatment, \$7,447 below Budget – Minimal activity in the current fiscal year.
- 6800 Vehicles, \$2,888 below budget – fuel expense has been kept under budget in current fiscal year.
- **Overall Total Operating Expenses for the period ending September 30, 2020 were \$100,675 below Budget.**
- **Total overall Expenses for the period ending September 30, 2020 were \$144,243 below budget. For a net ordinary income of \$399,712, budgeted vs. actual. Actual net ordinary income is \$487,993.**
- 7100 Connection Fees, \$28,885 above Budget – 4 New Construction/connections fees PFP sold in September.
- 7600 Bond Revenues, G.O. \$191,739 below Budget – Additional funds received as bond payment nears.
- 7650 Water System Reliability, \$25,000 below Budget – First assessment expected in November.
- 8000 CIP, \$239,043 below Budget – Minimal activity to date.
- 9100 Interest Expense, \$88,828 – GO Bonds below Budget - Difference due to timing.
- 9150 SRF Loan, \$35,766 below Budget — Difference due to timing.

RECOMMENDATION:

This is for Board information only

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

	Jul - Sep 20	Sewer Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease	9,606.06	9,375.00	231.06
4400 · Fees			
4410 · Administrative Fee (New Constr)	1,096.00	900.00	196.00
4420 · Administrative Fee (Remodel)	0.00	249.99	-249.99
4430 · Inspection Fee (New Constr)	518.00	875.01	-357.01
4440 · Inspection Fee (Remodel)	0.00	249.99	-249.99
4460 · Remodel Fees	0.00	999.99	-999.99
Total 4400 · Fees	1,614.00	3,274.98	-1,660.98
4510 · Grants	136.00		
4610 · Property Tax Receipts	53,213.37	68,750.01	-15,536.64
4710 · Sewer Service Charges	0.00	811,621.74	-811,621.74
4720 · Sewer Service Refunds, Customer	-166.60	-999.99	833.39
4760 · Waste Collection Revenues	6,644.26	6,000.00	644.26
4990 · Other Revenue	9.51		
Total Income	71,056.60	898,021.74	-826,965.14
Gross Profit	71,056.60	898,021.74	-826,965.14
Expense			
5000 · Administrative			
5190 · Bank Fees	3,687.10	1,687.50	1,999.60
5200 · Board of Directors			
5210 · Board Meetings	450.00	750.00	-300.00
5220 · Director Fees	0.00	500.01	-500.01
5230 · Election Expenses	0.00	1,250.01	-1,250.01
Total 5200 · Board of Directors	450.00	2,500.02	-2,050.02
5250 · Conference Attendance	0.00	624.99	-624.99
5270 · Information Systems	50.00	999.99	-949.99
5300 · Insurance			
5310 · Fidelity Bond	0.00	125.01	-125.01
5320 · Property & Liability Insurance	0.00	2,000.01	-2,000.01
Total 5300 · Insurance	0.00	2,125.02	-2,125.02
5350 · LAFCO Assessment	0.00	624.99	-624.99
5400 · Legal			
5430 · General Legal	5,715.00	24,999.99	-19,284.99
5440 · Litigation	6,495.00		
Total 5400 · Legal	12,210.00	24,999.99	-12,789.99
5510 · Maintenance, Office	713.92	2,000.01	-1,286.09
5540 · Office Supplies	534.19	1,500.00	-965.81
5550 · Postage	78.03	500.01	-421.98
5560 · Printing & Publishing	436.30	1,250.01	-813.71

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

	Jul - Sep 20	Sewer Budget	\$ Over Budget
5600 · Professional Services			
5610 · Accounting	7,750.00	8,000.01	-250.01
5620 · Audit	4,000.00	3,249.99	750.01
5630 · Consulting	11,435.24	8,750.01	2,685.23
5640 · Data Services	11,873.05	1,550.01	10,323.04
5650 · Labor & HR Support	640.50	624.99	15.51
5660 · Payroll Services	222.39	249.99	-27.60
Total 5600 · Professional Services	35,921.18	22,425.00	13,496.18
5710 · San Mateo Co. Tax Roll Charges	0.00	249.99	-249.99
5720 · Telephone & Internet	7,675.34	5,000.01	2,675.33
5730 · Mileage Reimbursement	0.00	375.00	-375.00
5740 · Reference Materials	0.00	50.01	-50.01
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	4,311.60	4,377.00	-65.40
5820 · Employee Benefits	11,916.48	12,273.99	-357.51
5830 · Disability Insurance	289.22	468.99	-179.77
5840 · Payroll Taxes	3,493.49	4,783.50	-1,290.01
5850 · PARS	4,161.72	4,265.49	-103.77
5900 · Wages			
5910 · Management	26,994.48	29,052.75	-2,058.27
5920 · Staff	33,257.07	33,476.25	-219.18
5930 · Staff Certification	600.00	450.00	150.00
5940 · Staff Overtime	789.00	440.01	348.99
Total 5900 · Wages	61,640.55	63,419.01	-1,778.46
5960 · Worker's Comp Insurance	0.00	921.99	-921.99
Total 5800 · Labor	85,813.06	90,509.97	-4,696.91
Total 5000 · Administrative	147,569.12	157,422.51	-9,853.39
6000 · Operations			
6170 · Claims, Property Damage	0.00	5,000.01	-5,000.01
6195 · Education & Training	0.00	249.99	-249.99
6200 · Engineering			
6220 · General Engineering	6,175.00	15,000.00	-8,825.00
Total 6200 · Engineering	6,175.00	15,000.00	-8,825.00
6320 · Equipment & Tools, Expensed	0.00	249.99	-249.99
6330 · Facilities			
6335 · Alarm Services	1,465.66	2,499.99	-1,034.33
6337 · Landscaping	1,000.00	1,500.00	-500.00
Total 6330 · Facilities	2,465.66	3,999.99	-1,534.33
6400 · Pumping			
6410 · Pumping Fuel & Electricity	10,030.07	11,250.00	-1,219.93
Total 6400 · Pumping	10,030.07	11,250.00	-1,219.93

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

	Jul - Sep 20	Sewer Budget	\$ Over Budget
6600 · Collection/Transmission			
6660 · Maintenance, Collection System	0.00	2,499.99	-2,499.99
Total 6600 · Collection/Transmission	0.00	2,499.99	-2,499.99
6800 · Vehicles			
6810 · Fuel	0.00	249.99	-249.99
6820 · Truck Equipment, Expensed	0.00	39.99	-39.99
6830 · Truck Repairs	0.00	249.99	-249.99
Total 6800 · Vehicles	0.00	539.97	-539.97
6900 · Sewer Authority Midcoastside			
6910 · SAM Collections	42,358.84	63,538.26	-21,179.42
6920 · SAM Operations	417,338.66	396,159.24	21,179.42
6940 · SAM Maintenance, Collection Sys	0.00	9,999.99	-9,999.99
6950 · SAM Maintenance, Pumping	21,280.19	17,499.99	3,780.20
Total 6900 · Sewer Authority Midcoastside	480,977.69	487,197.48	-6,219.79
Total 6000 · Operations	499,648.42	525,987.42	-26,339.00
Total Expense	647,217.54	683,409.93	-36,192.39
Net Ordinary Income	-576,160.94	214,611.81	-790,772.75
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	177.00	24,999.99	-24,822.99
7120 · Connection Fees (Remodel)	0.00	12,500.01	-12,500.01
Total 7100 · Connection Fees	177.00	37,500.00	-37,323.00
7200 · Interest Income - LAIF	0.00	15,000.00	-15,000.00
Total 7000 · Capital Account Revenues	177.00	52,500.00	-52,323.00
Total Other Income	177.00	52,500.00	-52,323.00
Other Expense			
8000 · Capital Improvement Program			
8075 · Sewer	32,909.55	496,317.99	-463,408.44
Total 8000 · Capital Improvement Program	32,909.55	496,317.99	-463,408.44
9000 · Capital Account Expenses			
9125 · PNC Equipment Lease Interest	1,750.72	3,365.25	-1,614.53
9200 · I-Bank Loan	1,843.77	11,063.00	-9,219.23
Total 9000 · Capital Account Expenses	3,594.49	14,428.25	-10,833.76
Total Other Expense	36,504.04	510,746.24	-474,242.20
Net Other Income	-36,327.04	-458,246.24	421,919.20
Net Income	-612,487.98	-243,634.43	-368,853.55

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2020

	Water		\$ Over Budget
	Jul - Sep 20	Budget	
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease	9,606.08	9,375.00	231.08
4400 · Fees			
4410 · Administrative Fee (New Constr)	1,096.00	1,250.01	-154.01
4430 · Inspection Fee (New Constr)	1,036.00	999.99	36.01
4440 · Inspection Fee (Remodel)	0.00	249.99	-249.99
4450 · Mainline Extension Fees	548.00	750.00	-202.00
4460 · Remodel Fees	0.00	500.01	-500.01
Total 4400 · Fees	2,680.00	3,750.00	-1,070.00
4510 · Grants	136.00		
4610 · Property Tax Receipts	53,213.36	68,750.01	-15,536.65
4740 · Testing, Backflow	6,948.00	4,500.00	2,448.00
4810 · Water Sales, Domestic	743,507.23	474,000.00	269,507.23
4850 · Water Sales Refunds, Customer	-1,037.10	-750.00	-287.10
4990 · Other Revenue	40.52		
Total Income	815,094.09	559,625.01	255,469.08
Gross Profit	815,094.09	559,625.01	255,469.08
Expense			
5000 · Administrative			
5190 · Bank Fees	407.26	375.00	32.26
5200 · Board of Directors			
5210 · Board Meetings	450.00	750.00	-300.00
5220 · Director Fees	0.00	500.01	-500.01
5230 · Election Expenses	0.00	1,250.01	-1,250.01
Total 5200 · Board of Directors	450.00	2,500.02	-2,050.02
5240 · CDPH Fees	0.00	2,750.01	-2,750.01
5250 · Conference Attendance	0.00	750.00	-750.00
5270 · Information Systems	50.00	1,250.01	-1,200.01
5300 · Insurance			
5310 · Fidelity Bond	0.00	125.01	-125.01
5320 · Property & Liability Insurance	0.00	1,250.01	-1,250.01
Total 5300 · Insurance	0.00	1,375.02	-1,375.02
5350 · LAFCO Assessment	0.00	624.99	-624.99
5400 · Legal			
5430 · General Legal	12,738.00	24,999.99	-12,261.99
Total 5400 · Legal	12,738.00	24,999.99	-12,261.99
5510 · Maintenance, Office	3,414.14	2,000.01	1,414.13
5530 · Memberships	445.00	6,750.00	-6,305.00
5540 · Office Supplies	534.15	1,500.00	-965.85
5550 · Postage	2,822.57	999.99	1,822.58
5560 · Printing & Publishing	436.31	1,749.99	-1,313.68

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2020

	Jul - Sep 20	Water Budget	\$ Over Budget
5600 · Professional Services			
5610 · Accounting	7,750.00	8,000.01	-250.01
5620 · Audit	4,000.00	3,249.99	750.01
5630 · Consulting	9,849.35	13,749.99	-3,900.64
5640 · Data Services	899.50	750.00	149.50
5650 · Labor & HR Support	640.50	624.99	15.51
5660 · Payroll Services	222.39	249.99	-27.60
Total 5600 · Professional Services	23,361.74	26,624.97	-3,263.23
5710 · San Mateo Co. Tax Roll Charges	0.00	750.00	-750.00
5720 · Telephone & Internet	8,825.51	5,000.01	3,825.50
5730 · Mileage Reimbursement	6.00	500.01	-494.01
5740 · Reference Materials	0.00	200.01	-200.01
5790 · Other Administrative	0.00	249.99	-249.99
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	11,132.09	11,237.01	-104.92
5820 · Employee Benefits	22,803.38	26,903.49	-4,100.11
5830 · Disability Insurance	666.16	1,188.00	-521.84
5840 · Payroll Taxes	11,295.39	12,816.75	-1,521.36
5850 · PARS	9,629.75	9,673.74	-43.99
5900 · Wages			
5910 · Management	26,994.54	29,052.75	-2,058.21
5920 · Staff	113,912.14	116,190.51	-2,278.37
5930 · Staff Certification	2,700.00	2,850.00	-150.00
5940 · Staff Overtime	12,955.54	13,695.24	-739.70
5950 · Staff Standby	7,063.15	5,750.76	1,312.39
Total 5900 · Wages	163,625.37	167,539.26	-3,913.89
5960 · Worker's Comp Insurance	0.00	5,610.99	-5,610.99
Total 5800 · Labor	219,152.14	234,969.24	-15,817.10
Total 5000 · Administrative	272,642.82	315,919.26	-43,276.44
6000 · Operations			
6160 · Backflow Prevention	0.00	249.99	-249.99
6170 · Claims, Property Damage	0.00	2,499.99	-2,499.99
6180 · Communications			
6185 · SCADA Maintenance	196.26	3,249.99	-3,053.73
Total 6180 · Communications	196.26	3,249.99	-3,053.73
6195 · Education & Training	65.35	2,250.00	-2,184.65
6200 · Engineering			
6220 · General Engineering	0.00	5,000.01	-5,000.01
6230 · Water Quality Engineering	6,502.50	50,000.01	-43,497.51
Total 6200 · Engineering	6,502.50	55,000.02	-48,497.52
6320 · Equipment & Tools, Expensed	493.71	3,000.00	-2,506.29

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

July through September 2020

	Water		\$ Over Budget
	Jul - Sep 20	Budget	
6330 · Facilities			
6335 · Alarm Services	290.26	1,250.01	-959.75
6337 · Landscaping	900.00	3,750.00	-2,850.00
Total 6330 · Facilities	1,190.26	5,000.01	-3,809.75
6370 · Lab Supplies & Equipment	30.59	999.99	-969.40
6380 · Meter Reading	120.94		
6400 · Pumping			
6410 · Pumping Fuel & Electricity	16,074.53	22,500.00	-6,425.47
6420 · Pumping Maintenance, Generators	0.00	3,750.00	-3,750.00
6430 · Pumping Maintenance, General	0.00	1,250.01	-1,250.01
6440 · Pumping Equipment, Expensed	0.00	174.99	-174.99
6400 · Pumping - Other	935.89		
Total 6400 · Pumping	17,010.42	27,675.00	-10,664.58
6500 · Supply			
6510 · Maintenance, Raw Water Mains	0.00	624.99	-624.99
6520 · Maintenance, Wells	255.16	1,250.01	-994.85
6530 · Water Purchases	0.00	7,500.00	-7,500.00
Total 6500 · Supply	255.16	9,375.00	-9,119.84
6600 · Collection/Transmission			
6610 · Hydrants	3,351.11	249.99	3,101.12
6620 · Maintenance, Water Mains	5,361.11	12,500.01	-7,138.90
6630 · Maintenance, Water Svc Lines	0.00	3,750.00	-3,750.00
6640 · Maintenance, Tanks	2,129.18	999.99	1,129.19
6650 · Maint., Distribution General	37.10	2,000.01	-1,962.91
6670 · Meters	0.00	624.99	-624.99
Total 6600 · Collection/Transmission	10,878.50	20,124.99	-9,246.49
6700 · Treatment			
6710 · Chemicals & Filtering	1,730.34	5,000.01	-3,269.67
6720 · Maintenance, Treatment Equip.	2,634.86	5,000.01	-2,365.15
6730 · Treatment Analysis	9,437.45	11,250.00	-1,812.55
Total 6700 · Treatment	13,802.65	21,250.02	-7,447.37
6770 · Uniforms	0.00	500.01	-500.01
6800 · Vehicles			
6810 · Fuel	1,114.10	2,499.99	-1,385.89
6820 · Truck Equipment, Expensed	181.91	500.01	-318.10
6830 · Truck Repairs	66.26	1,250.01	-1,183.75
Total 6800 · Vehicles	1,362.27	4,250.01	-2,887.74
6890 · Other Operations	2,549.77		
Total 6000 · Operations	54,458.38	155,425.02	-100,966.64
Total Expense	327,101.20	471,344.28	-144,243.08
Net Ordinary Income	487,992.89	88,280.73	399,712.16

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2020

	Jul - Sep 20	Water Budget	\$ Over Budget
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	0.00	24,999.99	-24,999.99
7130 · Conn. Fees, PFP (New Constr)	52,386.20	12,500.01	39,886.19
7140 · Conn. Fees, PFP (Remodel)	13,999.37		
Total 7100 · Connection Fees	66,385.57	37,500.00	28,885.57
7600 · Bond Revenues, G.O.	6,734.41	287,609.01	-280,874.60
7650 · Water System Reliability	0.00	249,999.99	-249,999.99
Total 7000 · Capital Account Revenues	73,119.98	575,109.00	-501,989.02
Total Other Income	73,119.98	575,109.00	-501,989.02
Other Expense			
8000 · Capital Improvement Program			
8100 · Water	38,144.42	277,187.49	-239,043.07
Total 8000 · Capital Improvement Program	38,144.42	277,187.49	-239,043.07
9000 · Capital Account Expenses			
9100 · Interest Expense - GO Bonds	17,765.69	106,594.00	-88,828.31
9125 · PNC Equipment Lease Interest	1,750.72	3,365.25	-1,614.53
9150 · SRF Loan	0.00	35,766.00	-35,766.00
9210 · Conservation Program/Rebates	150.00	750.00	-600.00
Total 9000 · Capital Account Expenses	19,666.41	146,475.25	-126,808.84
Total Other Expense	57,810.83	423,662.74	-365,851.91
Net Other Income	15,309.15	151,446.26	-136,137.11
Net Income	503,302.04	239,726.99	263,575.05

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2020

	Sewer	Water	TOTAL
ASSETS			
Current Assets			
Checking/Savings			
Sewer - Bank Accounts			
Wells Fargo Operating - Sewer	1,546,367.03	0.00	1,546,367.03
LAIIF Investment Fund			
Capital Reserve	3,970,253.27	0.00	3,970,253.27
Connection Fees Reserve	194,600.00	0.00	194,600.00
Operating Reserve	406,882.00	0.00	406,882.00
Total LAIF Investment Fund	4,571,735.27	0.00	4,571,735.27
Total Sewer - Bank Accounts	6,118,102.30	0.00	6,118,102.30
Water - Bank Accounts			
Wells Fargo Operating - Water	0.00	757,180.73	757,180.73
Capital Reserve	0.00	398,249.00	398,249.00
Operating Reserve	0.00	46,009.00	46,009.00
SRF Reserve	0.00	48,222.00	48,222.00
Restricted Cash			
Connection Fees Reserve	0.00	253,020.00	253,020.00
GO Bonds Fund	0.00	920,220.52	920,220.52
Total Restricted Cash	0.00	1,173,240.52	1,173,240.52
Total Water - Bank Accounts	0.00	2,422,901.25	2,422,901.25
Total Checking/Savings	6,118,102.30	2,422,901.25	8,541,003.55
Accounts Receivable			
Sewer - Accounts Receivable			
Accounts Receivable	2,859.19	0.00	2,859.19
Property Tax Receivable	1,506.32	0.00	1,506.32
Sewer - Accounts Receivable - Other	-10,061.79	0.00	-10,061.79
Total Sewer - Accounts Receivable	-5,696.28	0.00	-5,696.28
Water - Accounts Receivable			
Accounts Receivable	0.00	-291.66	-291.66
Accounts Rec. - Backflow	0.00	19,973.11	19,973.11
Accounts Rec. - Water Residents	0.00	397,543.53	397,543.53
Property Tax Receivable	0.00	1,506.34	1,506.34
Unbilled Water Receivables	0.00	264,854.59	264,854.59
Total Water - Accounts Receivable	0.00	683,585.91	683,585.91
Total Accounts Receivable	-5,696.28	683,585.91	677,889.63
Other Current Assets			
Prepaid Expenses	6,060.00	6,060.00	12,120.00
Due from Kathryn Slater-Carter	232.31	382.31	614.62
Maint/Parts Inventory	0.00	42,656.32	42,656.32
Total Other Current Assets	6,292.31	49,098.63	55,390.94
Total Current Assets	6,118,698.33	3,155,585.79	9,274,284.12
Fixed Assets			
Sewer - Fixed Assets			
General Plant	6,549,969.71	0.00	6,549,969.71
Land	5,000.00	0.00	5,000.00
Other Capital Improv.			
Sewer-Original Cost	685,599.18	0.00	685,599.18
Other Cap. Improv.	2,564,810.39	0.00	2,564,810.39
Total Other Capital Improv.	3,250,409.57	0.00	3,250,409.57
Seal Cove Collection System	995,505.00	0.00	995,505.00
Sewage Collection Facility			
Collection Facility - Org. Cost	1,349,064.00	0.00	1,349,064.00
Collection Facility - Other	3,991,243.33	0.00	3,991,243.33
Total Sewage Collection Facility	5,340,307.33	0.00	5,340,307.33
Treatment Facility	244,539.84	0.00	244,539.84
Accumulated Depreciation	-9,345,853.00	0.00	-9,345,853.00
Total Sewer - Fixed Assets	7,039,878.45	0.00	7,039,878.45

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2020

Water - Fixed Assets			
General Plant	0.00	28,221,310.18	28,221,310.18
Land & Easements	0.00	734,500.00	734,500.00
Surface Water Rights	0.00	300,000.00	300,000.00
Water Meters	0.00	1,058,985.00	1,058,985.00
Fixed Assets - Other	0.00	48,171.78	48,171.78
Accumulated Depreciation	0.00	-12,791,924.00	-12,791,924.00
Total Water - Fixed Assets	<u>0.00</u>	<u>17,571,042.96</u>	<u>17,571,042.96</u>
Total Fixed Assets	7,039,878.45	17,571,042.96	24,610,921.41
Other Assets			
Sewer - Other Assets			
Def'd Amts Related to Pensions	92,939.00	0.00	92,939.00
Joint Power Authority			
SAM - Orig Collection Facility	981,592.00	0.00	981,592.00
SAM - Expansion	1,705,955.08	0.00	1,705,955.08
Total Joint Power Authority	<u>2,687,547.08</u>	<u>0.00</u>	<u>2,687,547.08</u>
Total Sewer - Other Assets	2,780,486.08	0.00	2,780,486.08
Water - Other Assets			
Def'd Amts Related to Pensions	0.00	174,114.00	174,114.00
Due from Sewer	0.00	283,585.00	283,585.00
Bond Acquisition Cost OID	0.00	38,092.40	38,092.40
Bond Issue Cost	0.00	41,127.65	41,127.65
Total Water - Other Assets	<u>0.00</u>	<u>536,919.05</u>	<u>536,919.05</u>
Total Other Assets	2,780,486.08	536,919.05	3,317,405.13
TOTAL ASSETS	<u>15,939,062.86</u>	<u>21,263,547.80</u>	<u>37,202,610.66</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable - Sewer	190,940.47	0.00	190,940.47
Accounts Payable - Water	0.00	71,216.93	71,216.93
Total Accounts Payable	190,940.47	71,216.93	262,157.40
Other Current Liabilities			
Water - Net Pension Liability	0.00	-60,375.00	-60,375.00
Sewer - Net Pension Liability	-32,045.00	0.00	-32,045.00
Sewer - Current Liabilities			
Accrued Vacations	7,058.69	0.00	7,058.69
Deposits Payable	14,874.43	0.00	14,874.43
Interest Payable	-656.12	0.00	-656.12
PNC Equip. Loan - S/T	52,275.87	0.00	52,275.87
Total Sewer - Current Liabilities	<u>73,552.87</u>	<u>0.00</u>	<u>73,552.87</u>
Water - Current Liabilities			
Accrued Vacations	0.00	19,382.98	19,382.98
Deposits Payable	0.00	-45,701.48	-45,701.48
GO Bonds - S/T	0.00	473,200.98	473,200.98
PFP Water Deposits	0.00	4,302.50	4,302.50
PNC Equip. Loan - S/T	0.00	52,275.87	52,275.87
SRF Loan Payable X109 - Current	0.00	172,494.67	172,494.67
Temporary Construction Meter	0.00	16,709.52	16,709.52
Total Water - Current Liabilities	<u>0.00</u>	<u>692,665.04</u>	<u>692,665.04</u>
Payroll Liabilities			
Employee Benefits Payable	12,722.21	0.00	12,722.21
Total Payroll Liabilities	<u>12,722.21</u>	<u>0.00</u>	<u>12,722.21</u>
Total Other Current Liabilities	<u>54,230.08</u>	<u>632,290.04</u>	<u>686,520.12</u>
Total Current Liabilities	245,170.55	703,506.97	948,677.52

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2020

Long Term Liabilities			
Sewer - Long Term Liabilities			
Due to Water Fund	283,585.00	0.00	283,585.00
Accrued Vacations	16,419.93	0.00	16,419.93
I-Bank Loan	694,575.67	0.00	694,575.67
PNC Equip. Loan - L/T	422,013.42	0.00	422,013.42
Total Sewer - Long Term Liabilities	1,416,594.02	0.00	1,416,594.02
Water - Long Term Liabilities			
Accrued Vacations	0.00	21,526.17	21,526.17
Deferred on Refunding	0.00	-150,668.00	-150,668.00
GO Bonds - L/T	0.00	7,843,407.24	7,843,407.24
PNC Equip. Loan - L/T	0.00	422,013.48	422,013.48
SRF Loan Payable - X109	0.00	2,875,134.12	2,875,134.12
Total Water - Long Term Liabilities	0.00	11,011,413.01	11,011,413.01
Deferred Inflows (Pensions)			
Sewer	20,838.00	0.00	20,838.00
Water	0.00	39,012.00	39,012.00
Total Deferred Inflows (Pensions)	20,838.00	39,012.00	59,850.00
Total Long Term Liabilities	1,437,432.02	11,050,425.01	12,487,857.03
Total Liabilities	1,682,602.57	11,753,931.98	13,436,534.55
Equity			
Sewer - Equity Accounts			
Capital Assets Net	3,408,252.20	0.00	3,408,252.20
Fund Balance - Unrestricted	8,646,292.87	0.00	8,646,292.87
Retained Earnings	223,673.34	0.00	223,673.34
Total Sewer - Equity Accounts	12,278,218.41	0.00	12,278,218.41
Water - Equity Accounts			
Capital Assets Net	0.00	2,868,858.70	2,868,858.70
Restricted Debt Service	0.00	1,384,997.90	1,384,997.90
Unrestricted	0.00	-1,562,801.59	-1,562,801.59
Retained Earnings	0.00	-223,673.34	-223,673.34
Total Water - Equity Accounts	0.00	2,467,381.67	2,467,381.67
Equity Adjustment Account	2,590,729.86	6,538,932.11	9,129,661.97
Net Income	-612,487.98	503,302.04	-109,185.94
Total Equity	14,256,460.29	9,509,615.82	23,766,076.11
TOTAL LIABILITIES & EQUITY	<u>15,939,062.86</u>	<u>21,263,547.80</u>	<u>37,202,610.66</u>

Montara Water & Sanitary District
Restricted and Non Restricted Cash Assets
July 2020 through June 2021

Assets and Reserves Information

Year to Date Cash Information	July	August	September	October	November	December	January	February	March	April	May	June	Target Reserves	\$ Over/(Under) Targets	% Over/Under Targets
Sewer - Operations															
Wells Fargo Operating - Sewer	1,775,920.55	1,643,549.38	1,546,367.03												
Sewer - Reserve Accounts															
LAIF -															
Capital Reserve	3,970,253.27	3,970,253.27	3,970,253.27										3,162,272.00	807,981.27	126%
Connection Fees Reserve	194,600.00	194,600.00	194,600.00										150,000.00	44,600.00	130%
Operating Reserve	406,882.00	406,882.00	406,882.00										455,607.00	(48,725.00)	89%
Sub-total	4,571,735.27	4,571,735.27	4,571,735.27	-	-	-	-	-	-	-	-	-			
Water - Operations															
Wells Fargo Operating - Water	723,431.14	739,953.42	757,180.73										314,230.00	409,201.14	230%
Water - Reserve Accounts															
Wells Fargo Bank-															
Capital Reserve	398,249.00	398,249.00	398,249.00										1,858,750.00	(1,460,501.00)	21%
Connection Fees Reserve	253,020.00	253,020.00	253,020.00										150,000.00	103,020.00	169%
SRF Reserve	48,222.00	48,222.00	48,222.00										48,222.00	-	100%
Additional Reserve	46,009.00	46,009.00	46,009.00												
Sub-total	745,500.00	745,500.00	745,500.00	-	-	-	-	-	-	-	-	-			
Water - Restricted accounts															
First Republic Bank - Water															
GO Bonds Fund	1,476,753.57	913,486.11	920,220.52												
Sub-total	1,476,753.57	913,486.11	920,220.52	-	-	-	-	-	-	-	-	-			
Total Cash and equivalents	9,293,340.53	8,614,224.18	8,541,003.55	-											

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense																
Income																
4220 · Cell Tower Lease	3,171.06	3,217.50	3,217.50										9,606.06	12,500.00	-2,893.94	76.85%
4400 · Fees																
4410 · Administrative Fee (New Constr)			1,096.00										1,096.00	1,200.00	-104.00	91.33%
4420 · Administrative Fee (Remodel)														333.36	-333.36	
4430 · Inspection Fee (New Constr)			518.00										518.00	1,166.64	-648.64	44.4%
4440 · Inspection Fee (Remodel)														333.36	-333.36	
4460 · Remodel Fees														1,333.36	-1,333.36	
Total 4400 · Fees			1,614.00										1,614.00	4,366.72	-2,752.72	36.96%
4510 · Grants		136.00											136.00			
4610 · Property Tax Receipts		1,565.73	51,647.64										53,213.37	91,666.64	-38,453.27	58.05%
4710 · Sewer Service Charges														1,082,162.36	-1,082,162.36	
4720 · Sewer Service Refunds, Customer			-166.60										-166.60	-1,333.36	1,166.76	12.5%
4760 · Waste Collection Revenues	1,454.35	3,806.28	1,383.63										6,644.26	8,000.00	-1,355.74	83.05%
4990 · Other Revenue		9.51											9.51			
Total Income	4,625.41	8,735.02	57,696.17										71,056.60	1,197,362.36	-1,126,305.76	5.93%
Gross Profit	4,625.41	8,735.02	57,696.17										71,056.60	1,197,362.36	-1,126,305.76	5.93%
Expense																
5000 · Administrative																
5190 · Bank Fees	2,634.56	528.05	524.49										3,687.10	2,250.00	1,437.10	163.87%
5200 · Board of Directors																
5210 · Board Meetings		300.00	150.00										450.00	1,000.00	-550.00	45.0%
5220 · Director Fees														666.64	-666.64	
5230 · Election Expenses														1,666.64	-1,666.64	
Total 5200 · Board of Directors		300.00	150.00										450.00	3,333.28	-2,883.28	13.5%
5250 · Conference Attendance														833.36	-833.36	
5270 · Information Systems		50.00											50.00	1,333.36	-1,283.36	3.75%
5300 · Insurance																
5310 · Fidelity Bond														166.64	-166.64	
5320 · Property & Liability Insurance														2,666.64	-2,666.64	
Total 5300 · Insurance														2,833.28	-2,833.28	
5350 · LAFCO Assessment														833.36	-833.36	
5400 · Legal																
5430 · General Legal		1,291.00	4,424.00										5,715.00	33,333.36	-27,618.36	17.15%
5440 · Litigation		6,000.00	495.00										6,495.00			
Total 5400 · Legal		7,291.00	4,919.00										12,210.00	33,333.36	-21,123.36	36.63%
5510 · Maintenance, Office		260.00	453.92										713.92	2,666.64	-1,952.72	26.77%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
5540 · Office Supplies	108.03	235.76	190.40										534.19	2,000.00	-1,465.81	26.71%
5550 · Postage			78.03										78.03	666.64	-588.61	11.71%
5560 · Printing & Publishing		233.80	202.50										436.30	1,666.64	-1,230.34	26.18%
5600 · Professional Services																
5610 · Accounting		2,500.00	5,250.00										7,750.00	10,666.64	-2,916.64	72.66%
5620 · Audit		4,000.00											4,000.00	4,333.36	-333.36	92.31%
5630 · Consulting	8,925.00	1,994.72	515.52										11,435.24	11,666.64	-231.40	98.02%
5640 · Data Services		11,873.05											11,873.05	2,066.64	9,806.41	574.51%
5650 · Labor & HR Support		427.00	213.50										640.50	833.36	-192.86	76.86%
5660 · Payroll Services	72.32	74.13	75.94										222.39	333.36	-110.97	66.71%
Total 5600 · Professional Services	8,997.32	20,868.90	6,054.96										35,921.18	29,900.00	6,021.18	120.14%
5710 · San Mateo Co. Tax Roll Charges														333.36	-333.36	
5720 · Telephone & Internet	2,528.07	2,611.86	2,535.41										7,675.34	6,666.64	1,008.70	115.13%
5730 · Mileage Reimbursement														500.00	-500.00	
5740 · Reference Materials														66.64	-66.64	
5800 · Labor																
5810 · CalPERS 457 Deferred Plan	1,450.81	1,400.09	1,460.70										4,311.60	5,836.00	-1,524.40	73.88%
5820 · Employee Benefits	3,972.16	3,972.16	3,972.16										11,916.48	16,365.36	-4,448.88	72.82%
5830 · Disability Insurance	144.61	144.61											289.22	625.36	-336.14	46.25%
5840 · Payroll Taxes	1,481.29	972.22	1,039.98										3,493.49	6,378.00	-2,884.51	54.77%
5850 · PARS	1,415.89	1,355.47	1,390.36										4,161.72	5,687.36	-1,525.64	73.18%
5900 · Wages																
5910 · Management	8,998.16	8,998.16	8,998.16										26,994.48	38,737.00	-11,742.52	69.69%
5920 · Staff	11,553.04	10,589.88	11,114.15										33,257.07	44,635.00	-11,377.93	74.51%
5930 · Staff Certification	200.00	200.00	200.00										600.00	600.00		100.0%
5940 · Staff Overtime		213.69	575.31										789.00	586.64	202.36	134.5%
Total 5900 · Wages	20,751.20	20,001.73	20,887.62										61,640.55	84,558.64	-22,918.09	72.9%
5960 · Worker's Comp Insurance														1,229.36	-1,229.36	
Total 5800 · Labor	29,215.96	27,846.28	28,750.82										85,813.06	120,680.08	-34,867.02	71.11%
Total 5000 · Administrative	43,483.94	60,225.65	43,859.53										147,569.12	209,896.64	-62,327.52	70.31%
6000 · Operations																
6170 · Claims, Property Damage														6,666.64	-6,666.64	
6195 · Education & Training														333.36	-333.36	
6200 · Engineering																
6210 · Meeting Attendance, Engineering																
6220 · General Engineering	3,705.00		2,470.00										6,175.00	20,000.00	-13,825.00	30.88%
Total 6200 · Engineering	3,705.00		2,470.00										6,175.00	20,000.00	-13,825.00	30.88%
6320 · Equipment & Tools, Expensed														333.36	-333.36	

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
6330 · Facilities																
6335 · Alarm Services	391.80	391.80	682.06										1,465.66	3,333.36	-1,867.70	43.97%
6337 · Landscaping		500.00	500.00										1,000.00	2,000.00	-1,000.00	50.0%
Total 6330 · Facilities	391.80	891.80	1,182.06										2,465.66	5,333.36	-2,867.70	46.23%
6400 · Pumping																
6410 · Pumping Fuel & Electricity	3,269.52	3,332.03	3,428.52										10,030.07	15,000.00	-4,969.93	66.87%
Total 6400 · Pumping	3,269.52	3,332.03	3,428.52										10,030.07	15,000.00	-4,969.93	66.87%
6600 · Collection/Transmission																
6660 · Maintenance, Collection System														3,333.36	-3,333.36	
Total 6600 · Collection/Transmission														3,333.36	-3,333.36	
6800 · Vehicles																
6810 · Fuel														333.36	-333.36	
6820 · Truck Equipment, Expensed														53.36	-53.36	
6830 · Truck Repairs														333.36	-333.36	
Total 6800 · Vehicles														720.08	-720.08	
6900 · Sewer Authority Midcoastside																
6910 · SAM Collections	21,179.42	21,179.42											42,358.84	84,717.64	-42,358.80	50.0%
6920 · SAM Operations	132,053.08	132,053.08	153,232.50										417,338.66	528,212.36	-110,873.70	79.01%
6940 · SAM Maintenance, Collection Sys														13,333.36	-13,333.36	
6950 · SAM Maintenance, Pumping	2,171.92		19,108.27										21,280.19	23,333.36	-2,053.17	91.2%
Total 6900 · Sewer Authority Midcoastside	155,404.42	153,232.50	172,340.77										480,977.69	649,596.72	-168,619.03	74.04%
Total 6000 · Operations	162,770.74	157,456.33	179,421.35										499,648.42	701,316.88	-201,668.46	71.24%
Total Expense	206,254.68	217,681.98	223,280.88										647,217.54	911,213.52	-263,995.98	71.03%
Net Ordinary Income	-201,629.27	-208,946.96	-165,584.71										-576,160.94	286,148.84	-862,309.78	-201.35%
Other Income/Expense																
Other Income																
7000 · Capital Account Revenues																
7100 · Connection Fees																
7110 · Connection Fees (New Constr)		177.00											177.00	33,333.36	-33,156.36	0.53%
7120 · Connection Fees (Remodel)														16,666.64	-16,666.64	
Total 7100 · Connection Fees		177.00											177.00	50,000.00	-49,823.00	0.35%
7200 · Interest Income - LAIF														15,000.00	-15,000.00	
Total 7000 · Capital Account Revenues		177.00											177.00	65,000.00	-64,823.00	0.27%
Total Other Income		177.00											177.00	65,000.00	-64,823.00	0.27%
Other Expense																
8000 · Capital Improvement Program																
8075 · Sewer	6,393.00		26,516.55										32,909.55	661,757.36	-628,847.81	4.97%
Total 8000 · Capital Improvement Program	6,393.00		26,516.55										32,909.55	661,757.36	-628,847.81	4.97%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
 July 2020 through June 2021

												TOTAL				
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
9000 · Capital Account Expenses																
9125 · PNC Equipment Lease Interest	583.84		1,166.88										1,750.72	4,487.00	-2,736.28	39.02%
9200 · I-Bank Loan	1,843.77												1,843.77	11,063.00	-9,219.23	16.67%
Total 9000 · Capital Account Expenses	2,427.61		1,166.88										3,594.49	15,550.00	-11,955.51	23.12%
Total Other Expense	8,820.61		27,683.43										36,504.04	677,307.36	-640,803.32	5.39%
Net Other Income	-8,820.61	177.00	-27,683.43										-36,327.04	-612,307.36	575,980.32	5.93%
Net Income	-210,449.88	-208,769.96	-193,268.14										-612,487.98	-326,158.52	-286,329.46	187.79%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense																
Income																
4220 · Cell Tower Lease	3,171.06	3,217.51	3,217.51										9,606.08	12,500.00	-2,893.92	76.85%
4400 · Fees																
4410 · Administrative Fee (New Constr)		548.00	548.00										1,096.00	1,666.64	-570.64	65.76%
4430 · Inspection Fee (New Constr)		518.00	518.00										1,036.00	1,333.36	-297.36	77.7%
4440 · Inspection Fee (Remodel)														333.36	-333.36	
4450 · Mainline Extension Fees		548.00											548.00	1,000.00	-452.00	54.8%
4460 · Remodel Fees														666.64	-666.64	
Total 4400 · Fees		1,614.00	1,066.00										2,680.00	5,000.00	-2,320.00	53.6%
4510 · Grants		136.00											136.00			
4610 · Property Tax Receipts		1,565.72	51,647.64										53,213.36	91,666.64	-38,453.28	58.05%
4740 · Testing, Backflow	1,913.00	3,355.00	1,680.00										6,948.00	6,000.00	948.00	115.8%
4810 · Water Sales, Domestic	385,849.40	-29,524.82	387,182.65										743,507.23	632,000.00	111,507.23	117.64%
4850 · Water Sales Refunds, Customer	-1,037.10												-1,037.10	-1,000.00	-37.10	103.71%
4990 · Other Revenue		40.52											40.52			
Total Income	389,896.36	-19,596.07	444,793.80										815,094.09	746,166.64	68,927.45	109.24%
Gross Profit	389,896.36	-19,596.07	444,793.80										815,094.09	746,166.64	68,927.45	109.24%
Expense																
5000 · Administrative																
5190 · Bank Fees	146.01	123.25	138.00										407.26	500.00	-92.74	81.45%
5200 · Board of Directors																
5210 · Board Meetings		300.00	150.00										450.00	1,000.00	-550.00	45.0%
5220 · Director Fees														666.64	-666.64	
5230 · Election Expenses														1,666.64	-1,666.64	
Total 5200 · Board of Directors		300.00	150.00										450.00	3,333.28	-2,883.28	13.5%
5240 · CDPH Fees														3,666.64	-3,666.64	
5250 · Conference Attendance														1,000.00	-1,000.00	
5270 · Information Systems		50.00											50.00	1,666.64	-1,616.64	3.0%
5300 · Insurance																
5310 · Fidelity Bond														166.64	-166.64	
5320 · Property & Liability Insurance														1,666.64	-1,666.64	
Total 5300 · Insurance														1,833.28	-1,833.28	
5350 · LAFCO Assessment														833.36	-833.36	
5400 · Legal																
5430 · General Legal		8,059.00	4,679.00										12,738.00	33,333.36	-20,595.36	38.21%
Total 5400 · Legal		8,059.00	4,679.00										12,738.00	33,333.36	-20,595.36	38.21%
5510 · Maintenance, Office		260.00	3,154.14										3,414.14	2,666.64	747.50	128.03%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
5530 · Memberships	445.00												445.00	9,000.00	-8,555.00	4.94%
5540 · Office Supplies	108.01	235.77	190.37										534.15	2,000.00	-1,465.85	26.71%
5550 · Postage	1,210.48	1,534.07	78.02										2,822.57	1,333.36	1,489.21	211.69%
5560 · Printing & Publishing		233.81	202.50										436.31	2,333.36	-1,897.05	18.7%
5600 · Professional Services																
5610 · Accounting		2,500.00	5,250.00										7,750.00	10,666.64	-2,916.64	72.66%
5620 · Audit		4,000.00											4,000.00	4,333.36	-333.36	92.31%
5630 · Consulting	7,339.11	1,994.71	515.53										9,849.35	18,333.36	-8,484.01	53.72%
5640 · Data Services		899.50											899.50	1,000.00	-100.50	89.95%
5650 · Labor & HR Support		427.00	213.50										640.50	833.36	-192.86	76.86%
5660 · Payroll Services	72.32	74.13	75.94										222.39	333.36	-110.97	66.71%
Total 5600 · Professional Services	7,411.43	9,895.34	6,054.97										23,361.74	35,500.08	-12,138.34	65.81%
5710 · San Mateo Co. Tax Roll Charges														1,000.00	-1,000.00	
5720 · Telephone & Internet	3,204.25	2,729.67	2,891.59										8,825.51	6,666.64	2,158.87	132.38%
5730 · Mileage Reimbursement		6.00											6.00	666.64	-660.64	0.9%
5740 · Reference Materials														266.64	-266.64	
5790 · Other Administrative														333.36	-333.36	
5800 · Labor																
5810 · CalPERS 457 Deferred Plan	3,810.16	3,573.68	3,748.25										11,132.09	14,982.64	-3,850.55	74.3%
5820 · Employee Benefits	7,270.47	8,262.44	7,270.47										22,803.38	35,871.36	-13,067.98	63.57%
5830 · Disability Insurance	333.08	333.08											666.16	1,584.00	-917.84	42.06%
5840 · Payroll Taxes	4,178.76	3,469.02	3,647.61										11,295.39	17,089.00	-5,793.61	66.1%
5850 · PARS	3,324.35	3,093.86	3,211.54										9,629.75	12,898.36	-3,268.61	74.66%
5900 · Wages																
5910 · Management	8,998.18	8,998.18	8,998.18										26,994.54	38,737.00	-11,742.46	69.69%
5920 · Staff	39,625.96	36,300.35	37,985.83										113,912.14	154,920.64	-41,008.50	73.53%
5930 · Staff Certification	900.00	900.00	900.00										2,700.00	3,800.00	-1,100.00	71.05%
5940 · Staff Overtime	3,789.68	4,208.91	4,956.95										12,955.54	18,260.36	-5,304.82	70.95%
5950 · Staff Standby	2,698.60	2,231.74	2,132.81										7,063.15	7,667.64	-604.49	92.12%
Total 5900 · Wages	56,012.42	52,639.18	54,973.77										163,625.37	223,385.64	-59,760.27	73.25%
5960 · Worker's Comp Insurance														7,481.36	-7,481.36	
Total 5800 · Labor	74,929.24	71,371.26	72,851.64										219,152.14	313,292.36	-94,140.22	69.95%
Total 5000 · Administrative	87,454.42	94,798.17	90,390.23										272,642.82	421,225.64	-148,582.82	64.73%
6000 · Operations																
6160 · Backflow Prevention														333.36	-333.36	
6170 · Claims, Property Damage														3,333.36	-3,333.36	
6180 · Communications																
6185 · SCADA Maintenance		196.26											196.26	4,333.36	-4,137.10	4.53%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2020 through June 2021

													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
Total 6180 · Communications		196.26											196.26	4,333.36	-4,137.10	4.53%
6195 · Education & Training			65.35										65.35	3,000.00	-2,934.65	2.18%
6200 · Engineering																
6210 · Meeting Attendance, Engineering																
6220 · General Engineering														6,666.64	-6,666.64	
6230 · Water Quality Engineering		3,442.50	3,060.00										6,502.50	66,666.64	-60,164.14	9.75%
Total 6200 · Engineering		3,442.50	3,060.00										6,502.50	73,333.28	-66,830.78	8.87%
6320 · Equipment & Tools, Expensed	52.52	236.94	204.25										493.71	4,000.00	-3,506.29	12.34%
6330 · Facilities																
6335 · Alarm Services			290.26										290.26	1,666.64	-1,376.38	17.42%
6337 · Landscaping		350.00	550.00										900.00	5,000.00	-4,100.00	18.0%
6330 · Facilities - Other																
Total 6330 · Facilities		350.00	840.26										1,190.26	6,666.64	-5,476.38	17.85%
6370 · Lab Supplies & Equipment		30.59											30.59	1,333.36	-1,302.77	2.29%
6380 · Meter Reading	22.94	63.00	35.00										120.94			
6400 · Pumping																
6410 · Pumping Fuel & Electricity	4,652.82	6,356.95	5,064.76										16,074.53	30,000.00	-13,925.47	53.58%
6420 · Pumping Maintenance, Generators														5,000.00	-5,000.00	
6430 · Pumping Maintenance, General														1,666.64	-1,666.64	
6440 · Pumping Equipment, Expensed														233.36	-233.36	
6400 · Pumping - Other			935.89										935.89			
Total 6400 · Pumping	4,652.82	6,356.95	6,000.65										17,010.42	36,900.00	-19,889.58	46.1%
6500 · Supply																
6510 · Maintenance, Raw Water Mains														833.36	-833.36	
6520 · Maintenance, Wells	255.16												255.16	1,666.64	-1,411.48	15.31%
6530 · Water Purchases														10,000.00	-10,000.00	
Total 6500 · Supply	255.16												255.16	12,500.00	-12,244.84	2.04%
6600 · Collection/Transmission																
6610 · Hydrants	593.00		2,758.11										3,351.11	333.36	3,017.75	1,005.25%
6620 · Maintenance, Water Mains			5,361.11										5,361.11	16,666.64	-11,305.53	32.17%
6630 · Maintenance, Water Svc Lines														5,000.00	-5,000.00	
6640 · Maintenance, Tanks	2,129.18												2,129.18	1,333.36	795.82	159.69%
6650 · Maint., Distribution General			37.10										37.10	2,666.64	-2,629.54	1.39%
6670 · Meters														833.36	-833.36	
Total 6600 · Collection/Transmission	2,722.18		8,156.32										10,878.50	26,833.36	-15,954.86	40.54%
6700 · Treatment																
6710 · Chemicals & Filtering	817.82	7.16	905.36										1,730.34	6,666.64	-4,936.30	25.96%
6720 · Maintenance, Treatment Equip.		965.69	1,669.17										2,634.86	6,666.64	-4,031.78	39.52%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
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													TOTAL			
	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
6730 · Treatment Analysis	4,889.00	967.55	3,580.90										9,437.45	15,000.00	-5,562.55	62.92%
Total 6700 · Treatment	5,706.82	1,940.40	6,155.43										13,802.65	28,333.28	-14,530.63	48.72%
6770 · Uniforms														666.64	-666.64	
6800 · Vehicles																
6810 · Fuel	484.10	630.00											1,114.10	3,333.36	-2,219.26	33.42%
6820 · Truck Equipment, Expensed		181.91											181.91	666.64	-484.73	27.29%
6830 · Truck Repairs		66.26											66.26	1,666.64	-1,600.38	3.98%
Total 6800 · Vehicles	484.10	878.17											1,362.27	5,666.64	-4,304.37	24.04%
6890 · Other Operations		2,549.77											2,549.77			
6000 · Operations - Other																
Total 6000 · Operations	13,896.54	16,044.58	24,517.26										54,458.38	207,233.28	-152,774.90	26.28%
Total Expense	101,350.96	110,842.75	114,907.49										327,101.20	628,458.92	-301,357.72	52.05%
Net Ordinary Income	288,545.40	-130,438.82	329,886.31										487,992.89	117,707.72	370,285.17	414.58%
Other Income/Expense																
Other Income																
7000 · Capital Account Revenues																
7100 · Connection Fees																
7110 · Connection Fees (New Constr)														33,333.36	-33,333.36	
7130 · Conn. Fees, PFP (New Constr)		40,727.18	11,659.02										52,386.20	16,666.64	35,719.56	314.32%
7140 · Conn. Fees, PFP (Remodel)	13,999.37												13,999.37			
Total 7100 · Connection Fees	13,999.37	40,727.18	11,659.02										66,385.57	50,000.00	16,385.57	132.77%
7600 · Bond Revenues, G.O.			6,734.41										6,734.41	383,478.64	-376,744.23	1.76%
7650 · Water System Reliability														333,333.36	-333,333.36	
Total 7000 · Capital Account Revenues	13,999.37	40,727.18	18,393.43										73,119.98	766,812.00	-693,692.02	9.54%
Total Other Income	13,999.37	40,727.18	18,393.43										73,119.98	766,812.00	-693,692.02	9.54%
Other Expense																
8000 · Capital Improvement Program																
8100 · Water	14,307.00	4,686.25	19,151.17										38,144.42	369,583.36	-331,438.94	10.32%
Total 8000 · Capital Improvement Program	14,307.00	4,686.25	19,151.17										38,144.42	369,583.36	-331,438.94	10.32%
9000 · Capital Account Expenses																
9100 · Interest Expense - GO Bonds		17,765.69											17,765.69	106,594.00	-88,828.31	16.67%
9125 · PNC Equipment Lease Interest	583.84		1,166.88										1,750.72	4,487.00	-2,736.28	39.02%
9150 · SRF Loan														35,766.00	-35,766.00	
9210 · Conservation Program/Rebates		150.00											150.00	1,000.00	-850.00	15.0%
Total 9000 · Capital Account Expenses	583.84	17,915.69	1,166.88										19,666.41	147,847.00	-128,180.59	13.3%
Total Other Expense	14,890.84	22,601.94	20,318.05										57,810.83	517,430.36	-459,619.53	11.17%
Net Other Income	-891.47	18,125.24	-1,924.62										15,309.15	249,381.64	-234,072.49	6.14%
Net Income	287,653.93	-112,313.58	327,961.69										503,302.04	367,089.36	136,212.68	137.11%

Montara Water & Sanitary District Check Detail

October 26 - 31, 2020

Date	Num	Name	Paid Amount	
SPLIT				
10/15/2020	11801	ACWA/JPIA	-11,242.63	PAID
10/15/2020	11802	ACWA/JPIA	-4,288.90	PAID
10/19/2020	11811	AlpenImage	-500.00	PAID
10/15/2020	11805	California Public Employees' Retirement S	-300.00	PAID
10/02/2020	11779	CalPERS 457 Plan	-6,261.62	PAID
10/02/2020	11780	CoastsideNet, Inc.	-64.95	PAID
10/02/2020	11781	Comcast	-280.77	PAID
10/19/2020	11813	Half Moon Bay Review	-405.00	PAID
10/15/2020	11807	IEDA	-427.00	PAID
10/02/2020	11783	Kastama Strategic Consulting	-8,111.25	PAID
10/02/2020	11784	Kastama Strategic Consulting	-4,331.25	PAID
10/02/2020	11785	KBA Document Solutions	-53.20	PAID
10/02/2020	11793	Massoud Vossugh	-4,133.50	PAID
10/02/2020	11786	Office Depot	-69.53	PAID
10/02/2020	11797	Pitney Bowes Purchase Power	-39.59	PAID
10/02/2020	11788	PNC Equipment Finance, LLC	-12,740.00	PAID
10/02/2020	11789	Rauch Communication Consultants, Inc.	-78.75	PAID
10/02/2020	11798	Standard Insurance Co.	-477.69	PAID
10/15/2020	11809	Tech Solutions	-600.00	PAID
10/05/2020	11800	U.S. Bank PARS	-8,361.12	PAID
10/15/2020	11810	White Glove Housekeeping	-620.00	PAID
10/28/2020	11814	A-B Communications	-174.55	
10/28/2020	11816	AT&T	-317.82	
10/28/2020	11817	AT&T	-71.61	
10/28/2020	11818	AT&T	-152.18	
10/28/2020	11819	AT&T	-3,717.92	
10/28/2020	11820	AT&T	-332.74	
10/28/2020	11823	Aztec Gardens	-850.00	
10/28/2020	11824	Bay Alarm Company	-254.04	
10/28/2020	11826	CalPERS 457 Plan	-6,222.54	
10/28/2020	11828	Fitzgerald Law Offices	-16,530.00	
10/28/2020	11830	KBA Document Solutions	-27.21	
10/28/2020	11831	Maze & Associates	-4,100.00	
10/28/2020	11835	Office Depot	-146.62	
10/28/2020	11837	Pacific Gas & Electric	-6,553.76	
10/28/2020	11838	PARS	-819.55	
10/28/2020	11839	PCT	-600.00	
10/28/2020	11842	Standard Insurance Co.	-477.69	
10/28/2020	11843	U.S. Bank PARS	-8,361.12	
10/28/2020	11846	Kastama Strategic Consulting	-16,748.42	

Montara Water & Sanitary District Check Detail

October 26 - 31, 2020

Date	Num	Name	Paid Amount	
WATER				
10/02/2020	11775	Andreini Brothers, Inc.	-3,087.35	PAID
10/15/2020	11803	Andreini Brothers, Inc.	-15,211.48	PAID
10/02/2020	11776	AT&T Mobility	-309.67	PAID
10/02/2020	11777	Badger Meter, Inc.	-3,050.00	PAID
10/15/2020	11804	BSK Lab	-4,052.30	PAID
10/02/2020	11778	Calcon Systems, Inc.	-6,780.00	PAID
10/15/2020	11806	Evoqua Water Technologies	-2,503.00	PAID
10/19/2020	11812	Grundfos CBS	-13,978.64	PAID
10/02/2020	11796	Hassette Ace Hardware	-424.38	PAID
10/02/2020	11795	Karen Niles	-277.92	PAID
10/15/2020	11808	Mossa Excavation	-10,500.00	PAID
10/02/2020	11787	Pacific Gas & Electric	-1,349.46	PAID
10/05/2020	11799	Pacific Gas & Electric	-1,589.42	PAID
10/02/2020	11790	SRT Consultants	-19,636.54	PAID
10/02/2020	11791	USA Blue Book	-183.49	PAID
10/02/2020	11792	Useware, Inc.	-5,000.00	PAID
10/28/2020	11815	Andreini Brothers, Inc.	-2,999.71	
10/28/2020	11821	AT&T Mobility	-310.47	
10/28/2020	11822	AT&T Mobility	-44.08	
10/28/2020	11825	California Special Districts Association	-7,253.00	
10/28/2020	11827	ERRG	-232.34	
10/28/2020	11829	Hue & Cry Security Systems, Inc.	-391.80	
10/28/2020	11832	Mossa Excavation	-1,015.72	
10/28/2020	11833	North Coast County Water District	-450.00	
10/28/2020	11836	Pacific Gas & Electric	-1,250.77	
10/28/2020	11844	Wells Fargo Remittance Center	-3,343.34	

Montara Water & Sanitary District Check Detail

October 26 - 31, 2020

Date	Num	Name	Paid Amount	
SEWER				
10/02/2020	11782	CSRMA	-9,851.00	PAID
10/28/2020	11845	Christine Cowdery	-1,660.74	
10/28/2020	11834	Nute Engineering	-15,520.00	
10/28/2020	11840	Sewer Authority Mid-Coastside	-132,053.08	
10/28/2020	11841	Sewer Authority Mid-Coastside	-21,179.42	



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

SUBJECT: SAM Flow Report for August 2020

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

- Flow Report for August 2020.
- Collection System Monthly Overflow Report – August 2020.

The Average Daily Flow for Montara was 0.256 MGD in August 2020. There was no reportable overflow in August in the Montara System. SAM indicates there were 0.20 inches of rain in August 2020.

RECOMMENDATION:

Review and file.

Attachments

Sewer Authority Mid-Coastside

Monthly Collection System Activity/SSO Distribution Report, August 2020

Attachment C

August 2020

	Total	Number of S.S.O.'s		
		HMB	GCSD	MWSD
Roots	1	0	1	0
Grease	0	0	0	0
Mechanical	0	0	0	0
Wet Weather	0	0	0	0
Other	1	1	0	0
Total	2	50%	50%	0

12 Month Moving Total

	Total	12 month rolling Number		
		HMB	GCSD	MWSD
Roots	1	0	1	0
Grease	0	0	0	0
Mechanical	0	0	0	0
Wet Weather	0	0	0	0
Other	3	1	1	0
Total	4	25%	50%	25%

Reportable SSOs

	Total	Reportable Number of S.S.O.'s		
		HMB	GCSD	MWSD
August 2020	2	1	1	0
12 Month Moving Total	4	1	2	0

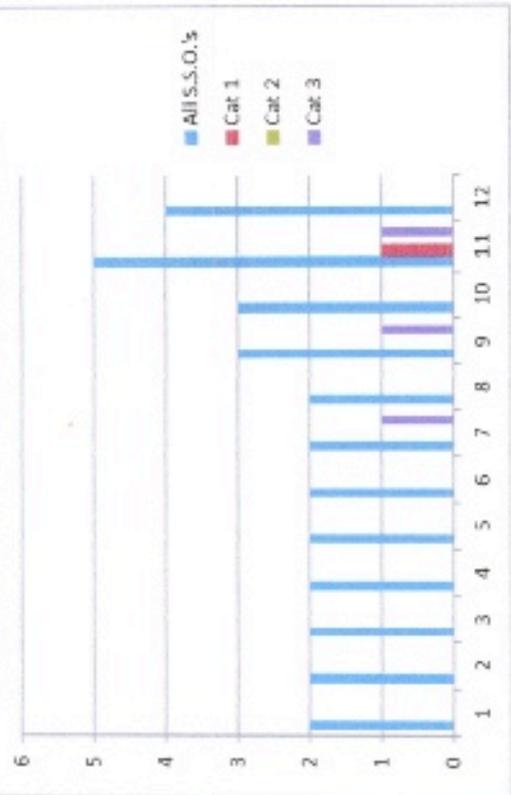
SSOs / Year / 100 Miles

	Total	Number of S.S.O.'s / Year/100 Miles		
		HMB	GCSD	MWSD
August 2020	1.9	2.7	3.0	0.0
12 Month Moving Total	3.8	2.7	6.0	0.0
Category 1	1.0	0.0	3.0	0.0
Category 2	0.0	0.0	0.0	0.0
Category 3	2.9	2.7	3.0	0.0
Miles of Sewers	104.5	37.0	33.2	27.0
		35.4%	31.8%	25.8%
				7.3
				7.0%

12 Month Rolling Total Sewer Cleaning Summary

Month	HMB	GCSD	MWSD	Total Feet	Total Miles
Sept - 19	7,292	18,063	11,618	36,973	7.0
Oct - 19	16,104	14,144	13,611	43,859	8.3
Nov - 19	6,171	23,308	10,135	39,614	7.5
Dec - 19	6,660	18,277	9,422	34,359	6.5
Jan - 20	6,947	11,809	11,218	29,974	5.7
Feb - 20	7,403	7,463	10,503	25,369	4.8
Mar - 20	10,957	11,948	10,023	32,928	6.2
Apr - 20	9,893	10,803	10,420	31,116	5.9
May - 20	10,453	12,618	10,308	33,379	6.3
June - 20	11,026	17,691	6,463	35,180	6.7
July - 20	16,890	18,514	14,262	49,666	9.4
Aug - 20	15,475	20,299	7,883	43,657	8.3
Annual ft.	125,271	184,937	125,866	436,074	
Annual Mi.	23.7	35.0	23.8		82.6

12 Month Moving SSO Totals Through August 2020



Attachment A

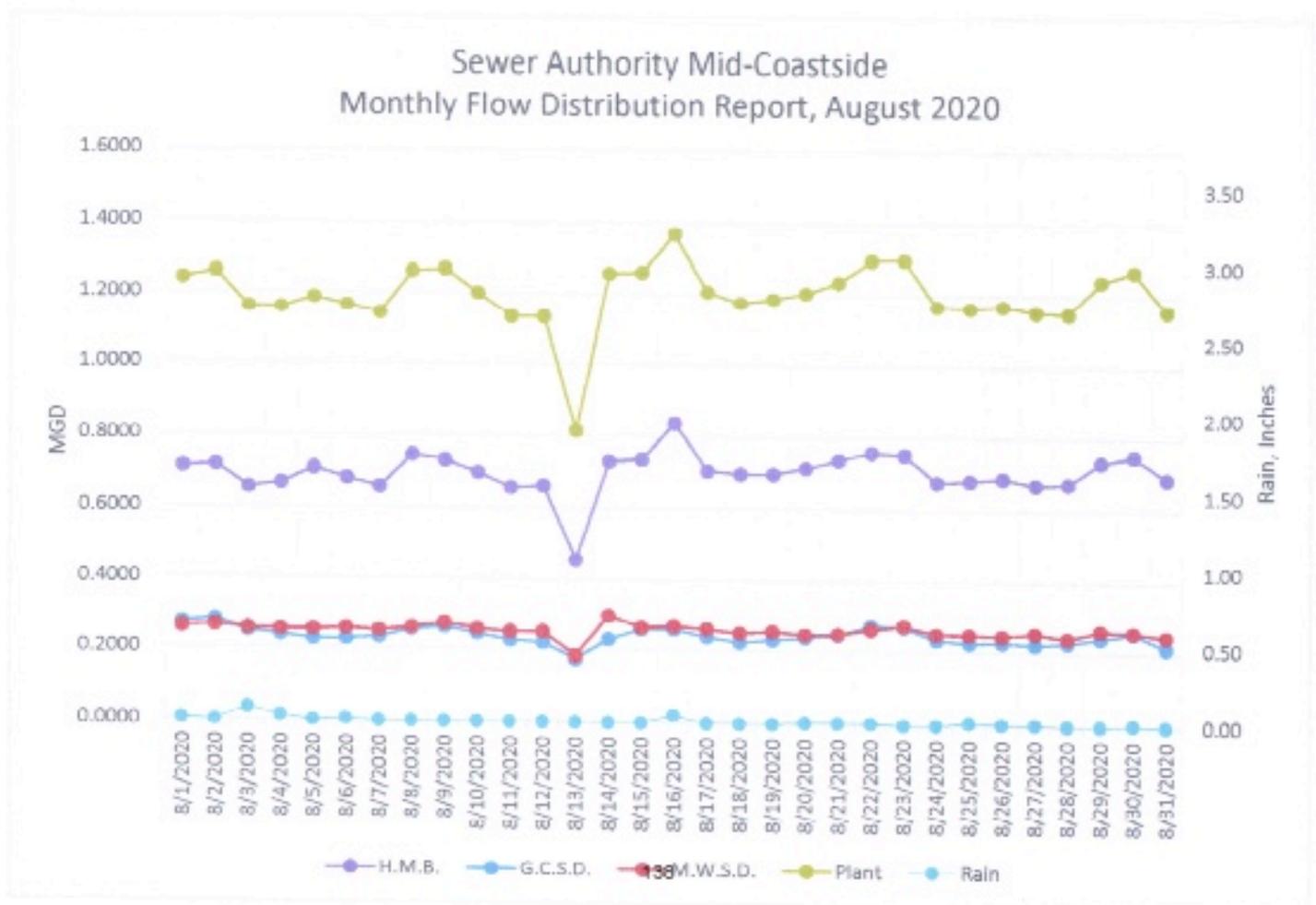
Flow Distribution Report Summary for August 2020

The daily flow report figures for the month of August 2020 have been converted to an Average

Daily Flow (ADF) for each Member Agency.
The results are attached for your review.

The summary of the ADF information is as follows:

	<u>MGD</u>	<u>%</u>
The City of Half Moon Bay	0.700	58.5%
Granada Community Services District	0.240	20.1%
Montara Water and Sanitary District	<u>0.256</u>	<u>21.4%</u>
Total	1.196	100.0%



Sewer Authority Mid-Coastside

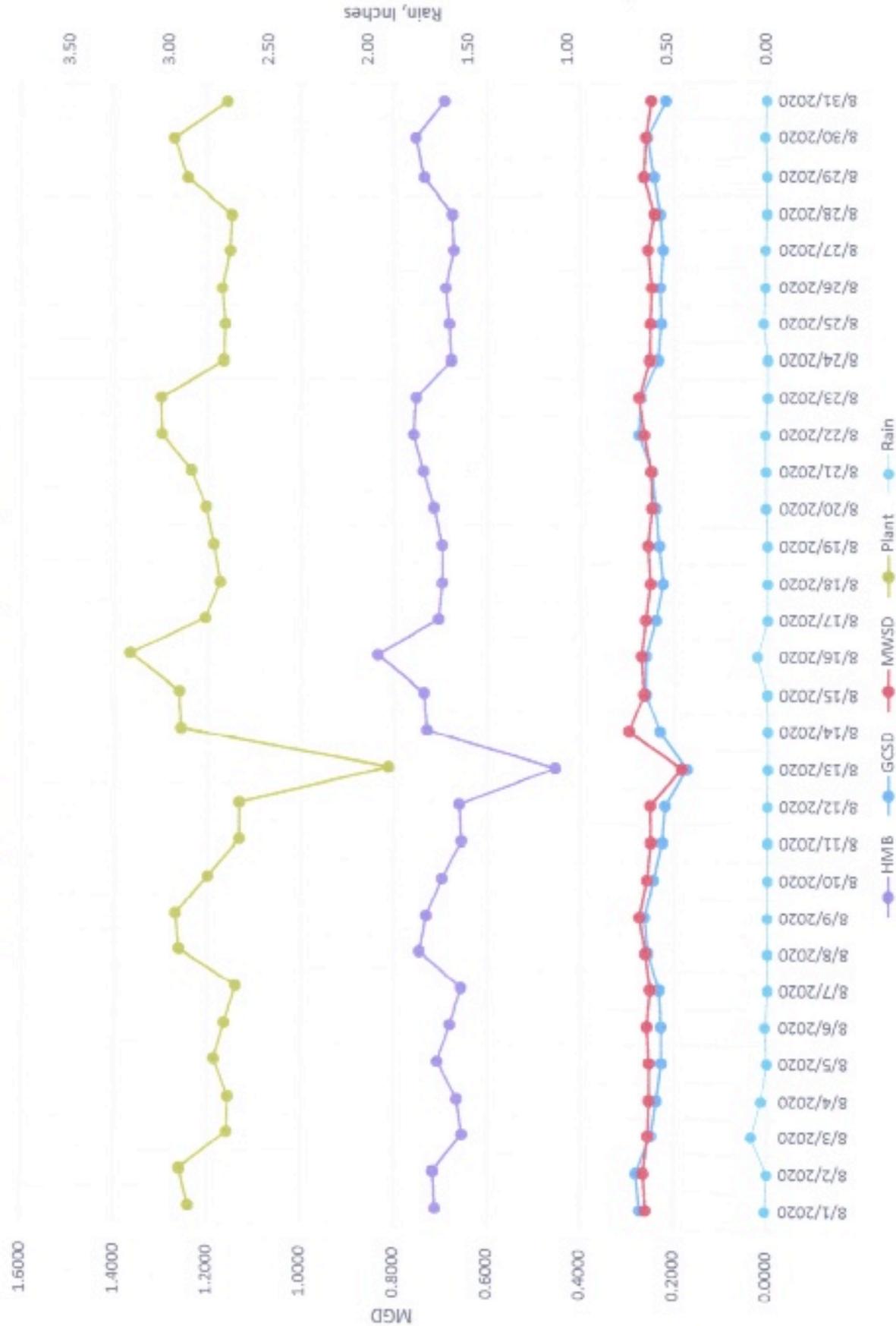
Monthly Flow Distribution Report for August 2020

<u>Date</u>	<u>HMB</u>	<u>GCSD</u>	<u>MWSD</u>	<u>Plant</u>	<u>Rain Plant</u>	<u>Rain Portola</u>	<u>Rain Montara</u>
8/1/2020	0.7104	0.272	0.259	1.242	0.01	0.01	0.00
8/2/2020	0.7161	0.280	0.264	1.261	0.00	0.00	0.01
8/3/2020	0.6544	0.249	0.255	1.159	0.08	0.01	0.03
8/4/2020	0.6661	0.238	0.253	1.157	0.03	0.02	0.09
8/5/2020	0.7072	0.226	0.253	1.186	0.00	0.00	0.00
8/6/2020	0.6803	0.227	0.257	1.164	0.01	0.00	0.00
8/7/2020	0.6570	0.233	0.251	1.141	0.00	0.00	0.00
8/8/2020	0.7457	0.256	0.261	1.262	0.00	0.00	0.00
8/9/2020	0.7316	0.263	0.274	1.269	0.00	0.00	0.00
8/10/2020	0.6975	0.245	0.258	1.200	0.00	0.00	0.00
8/11/2020	0.6563	0.226	0.250	1.133	0.00	0.00	0.00
8/12/2020	0.6611	0.220	0.251	1.132	0.00	0.00	0.00
8/13/2020	0.4556	0.174	0.184	0.813	0.00	0.00	0.00
8/14/2020	0.7299	0.231	0.297	1.258	0.00	0.00	0.00
8/15/2020	0.7366	0.260	0.265	1.262	0.00	0.00	0.00
8/16/2020	0.8363	0.260	0.270	1.367	0.05	0.04	0.06
8/17/2020	0.7058	0.239	0.261	1.206	0.00	0.00	0.00
8/18/2020	0.6977	0.225	0.251	1.174	0.00	0.00	0.00
8/19/2020	0.6978	0.233	0.256	1.186	0.00	0.00	0.00
8/20/2020	0.7156	0.240	0.248	1.204	0.01	0.01	0.00
8/21/2020	0.7377	0.248	0.250	1.236	0.01	0.01	0.00
8/22/2020	0.7590	0.275	0.264	1.299	0.01	0.00	0.00
8/23/2020	0.7536	0.272	0.275	1.300	0.00	0.00	0.00
8/24/2020	0.6781	0.236	0.252	1.166	0.00	0.00	0.00
8/25/2020	0.6827	0.228	0.251	1.161	0.02	0.00	0.00
8/26/2020	0.6900	0.230	0.248	1.168	0.01	0.01	0.00
8/27/2020	0.6721	0.224	0.256	1.152	0.01	0.00	0.01
8/28/2020	0.6754	0.230	0.242	1.147	0.00	0.01	0.00
8/29/2020	0.7349	0.243	0.264	1.242	0.00	0.00	0.00
8/30/2020	0.7529	0.258	0.260	1.271	0.01	0.00	0.00
8/31/2020	0.6907	0.217	0.248	1.155	0.00	0.00	0.00
Totals	21.686	7.455	7.928	37.069	0.26	0.12	0.20

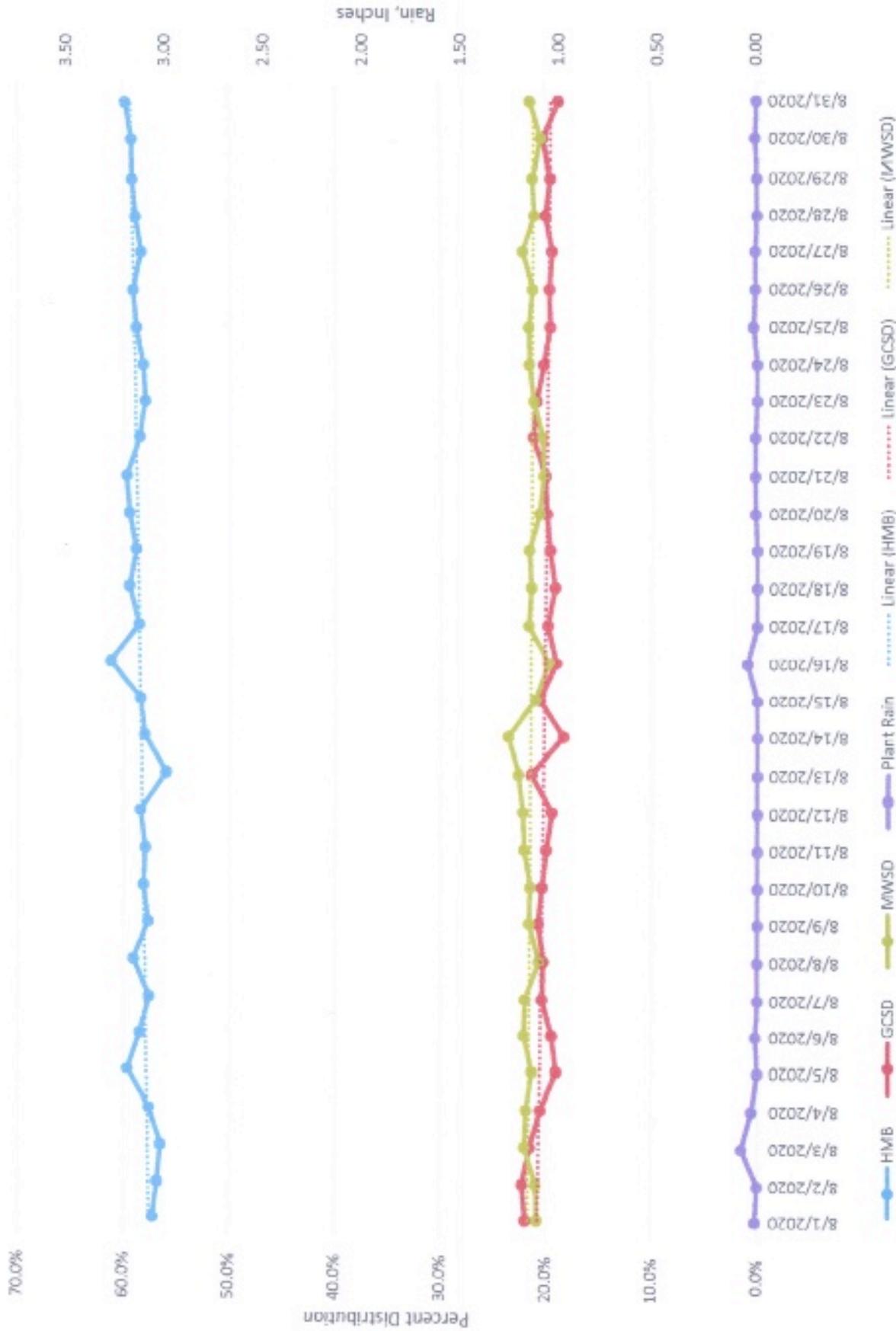
Summary

	<u>HMB</u>	<u>GCSD</u>	<u>MWSD</u>	<u>Plant</u>
Minimum	0.456	0.174	0.184	0.813
Average	0.700	0.240	0.256	1.196
Maximum	0.836	0.280	0.297	1.367
Distribution	58.5%	20.1%	21.4%	100.0%

Sewer Authority Mid-Coastside Monthly Flow Distribution Report, August 2020



Percent Distribution August 2020

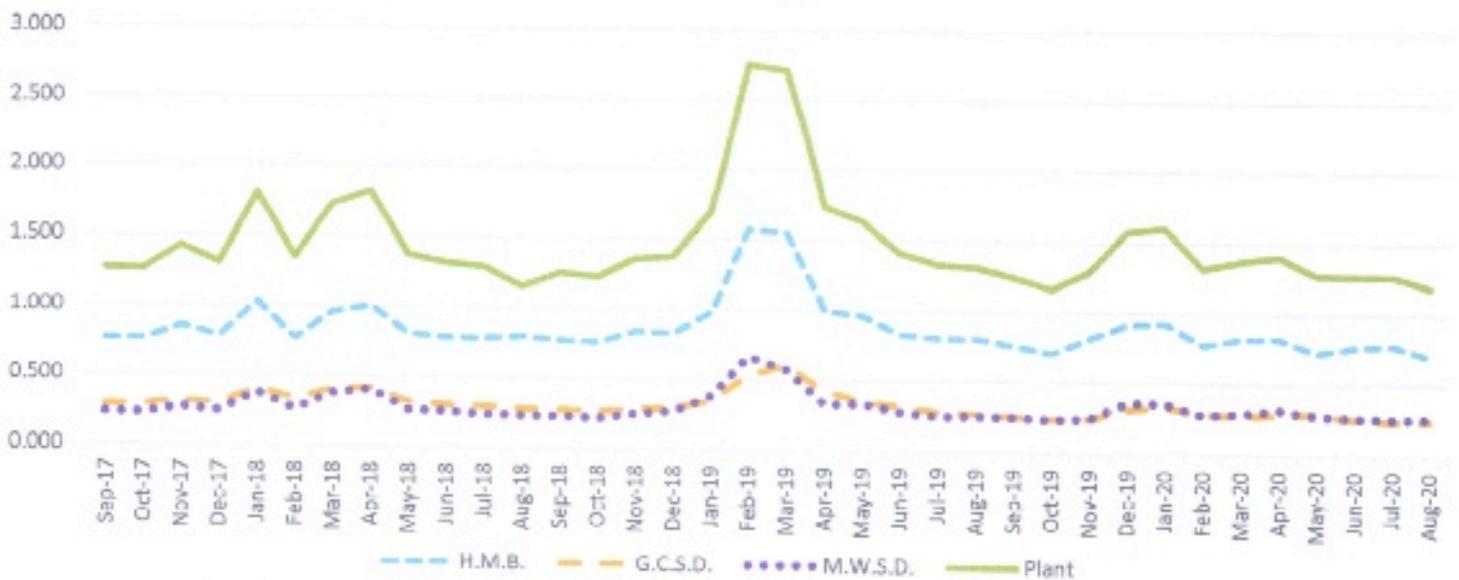


Most recent flow calibration September 2019 PS, September 2019 Plant

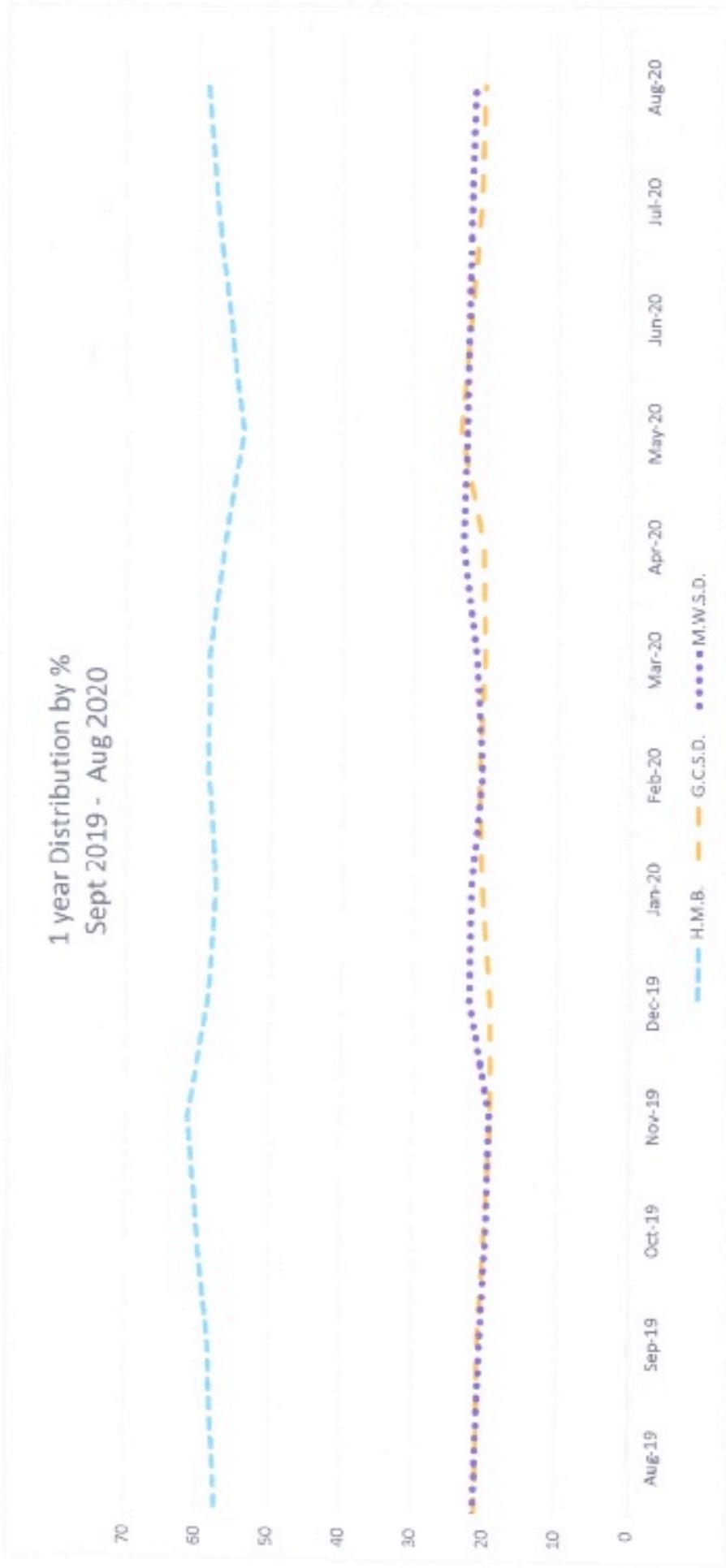
One Year Flow Chgart
Sept 2019 - Aug 2020



Three Year Flow Chart
Sept 2017 - Aug 2020



Flow based percent distribution based for past year





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Review of Current Investment Portfolio

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

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for SEptember 2020 was 0.685%.
- 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: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Connection Permit Applications Received

As of November 5, 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 November 5, 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 November 5, 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: November 5th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

SUBJECT: Monthly Water Production Report

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.

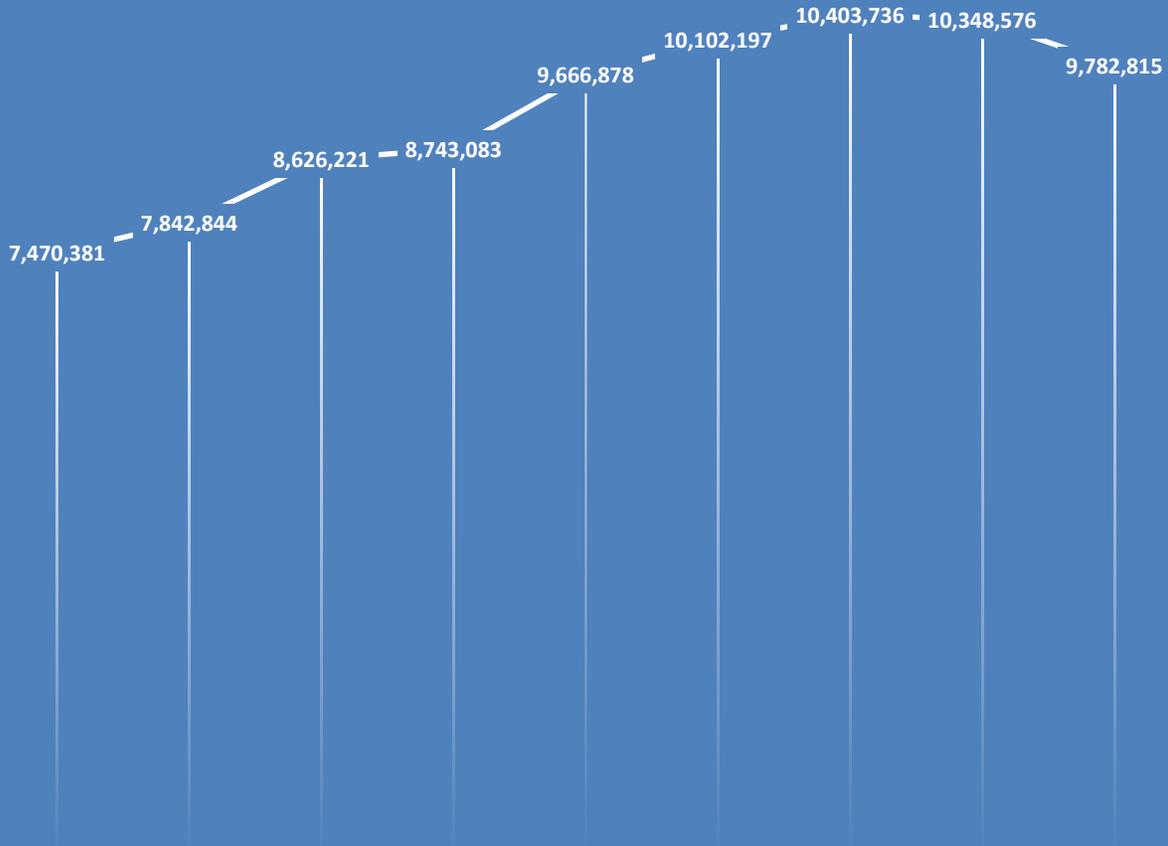
RECOMMENDATION:

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	10,102,197	10,403,736	10,348,576	9,782,815			

MONTH



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting of: November 5th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Rain Report

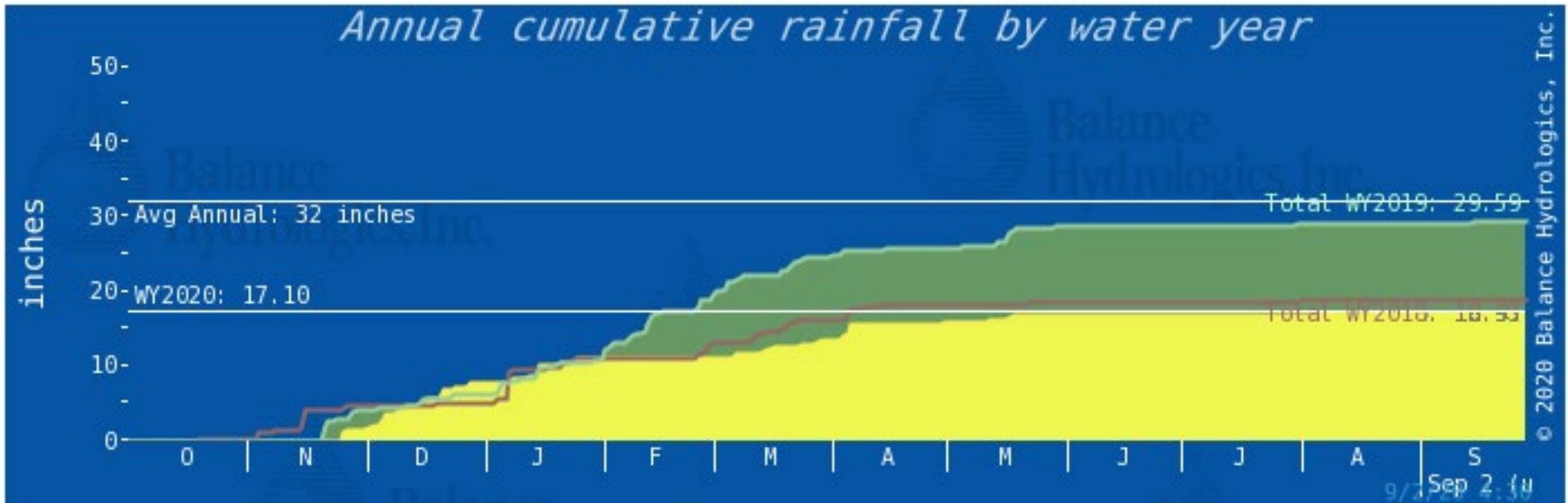
The attached chart shows the monthly rainfall at Alta Vista Treatment Plant for the current and prior water years along with seven-year average rain fall.

RECOMMENDATION:

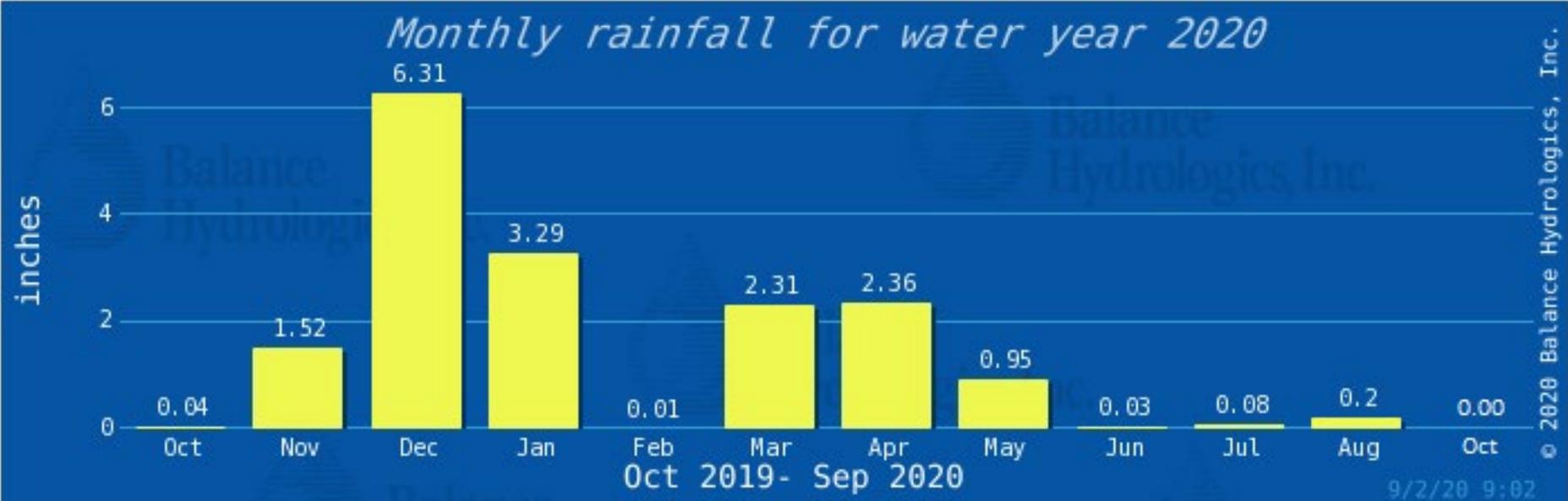
No action is required. These reports are provided for the Board's information only.

Attachments: 2

Annual Cumulative Rainfall



Monthly Cumulative Rainfall





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Monthly Solar Energy Report

The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 45,380kWh and saved 77,146 lbs of CO₂.

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	267	221	204	171			



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

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

The District has received the monthly PARS report for August 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

REC
OCT 13 2020
BY:.....

**Montara Water and Sanitary Dist
Retirement Enhancement Plan**

**Monthly Account Report for the Period
8/1/2020 to 8/31/2020**

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

Plan ID: P7-REP15A

Account Summary

Source	Beginning Balance as of 8/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 8/31/2020
Contributions	\$902,533.89	\$8,911.10	\$35,754.83	\$414.20	\$1,095.22	\$0.00	\$945,690.40
TOTAL	\$902,533.89	\$8,911.10	\$35,754.83	\$414.20	\$1,095.22	\$0.00	\$945,690.40

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	3.94%	10.12%	11.32%	8.02%	-	-	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.

MONTARA WATER AND SANITARY AGENDA

DISTRICT

For Meeting **November 5, 2020**

TO: BOARD OF DIRECTORS



FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Adoption of a
Debt Management Policy**

BACKGROUND

In 2012, to refund existing General Obligation Bonds of the District for savings accruing to the taxpayers, the District issued its \$15,635,000 Montara Sanitary District (San Mateo County, California) General Obligation Bonds, Series 2012.

Given current interest rates, the 2012 Bonds can again be refunded for savings to the taxpayers.

California Government Code Section 8855(i) requires that local public agencies like the District adopt a debt management policy meeting the requirements of said provision prior to incurring long-term bonds and other obligations.

District staff, working with the consultants assisting the District with refunding the 2012 Bonds, have prepared for the District a debt management policy meeting the requirements of California Government Code Section 8855(i) to govern the issuance or incurrence of long-term debt of the District.

DISCUSSION

In connection with the refunding of the 2012 Bonds and issuing any other long-term debt obligations of the District, the District will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance which will include a certification that the District has adopted a debt management policy that meets the requirements of California Government Code 8855(i). Adoption of the debt management policy by the Board will ensure the District in compliance with this requirement. This is a one-time adoption and need not be renewed or reapproved in connection with each future debt obligation of the District; however, the policy may be amended by the Board at any time in the future.

In accordance with Government Code Section 8855(i), a local debt management policy must include all of the following:

- (a) The purposes for which the debt proceeds may be used.
- (b) The types of debt that may be issued.

- (c) The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- (d) Policy goals related to the issuer's planning goals and objectives.
- (e) The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The contemplated debt management policy meets all of these requirements.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends that the Board approve the Debt Management Policy pursuant to the provided resolution.

ATTACHMENTS

1. Resolution No. _____
2. Debt Management Policy

RESOLUTION NO. _____

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT
ADOPTING A DEBT MANAGEMENT POLICY**

WHEREAS, in 2012, to refund existing General Obligation Bonds of the Montara Water and Sanitary District (“District”) for savings accruing to the taxpayers, the District issued its \$15,635,000 Montara Sanitary District (San Mateo County, California) General Obligation Bonds, Series 2012; and

WHEREAS, given current interest rates, the 2012 Bonds can again be refunded for savings to the taxpayers; and

WHEREAS, California Government Code Section 8855(i) requires that, in connection with issuing or incurring long-term obligations, the Board of Directors of the District adopt a debt management policy meeting such requirements, and the Board of Directors wishes to adopt a compliant policy at this time; and

WHEREAS, the proposed Montara Water and Sanitary District Debt Management Policy (“Policy”) has been presented to, and reviewed by the Board of Directors of the District; and,

WHEREAS, the Board of Directors of the District desires to approve the Policy.

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:

Section 1. Adoption of Debt Management Policy. The Board of Directors hereby approves and adopts the Debt Management Policy in the form presented to the Board. The Debt Management Policy shall govern the administration of debt and other long-term obligations issued or incurred by the District, all in accordance and subject to the conditions set forth in such policy.

Section 2. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

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 Directors of the Montara Water and Sanitary District, San Mateo County, California, at a regular meeting on November 5, 2020 by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

Secretary, Montara Water and Sanitary District

Montara Water and Sanitary District

Debt Management Policy

Approved by a Resolution adopted by the Board of Directors on
November 5, 2020

This Debt Management Policy (the “Debt Policy”) of the Montara Water and Sanitary District (the “District”) was approved by the Board of Directors to be effective as of the date first set forth above. The Debt Policy may be utilized by staff with the discretion to deviate as determined appropriate by the General Manager, and may be amended by the Board of Directors of the District as it deems appropriate from time to time in the prudent management of the debt and financing needs of the District.

1. Findings

This Debt Policy is intended to comply with Government Code Section 8855(i), which became effective on January 1, 2017, and shall govern all debt undertaken by the District.

The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Help maintain the District's financial health.
- Ensure the District has the flexibility to meet its financial needs.
- Protect the District's credit-worthiness.
- Ensure that all debt is structured to benefit both current and future constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives.

2. Policies

A. Purposes For Which Debt May Be Issued

(i) Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and/or rehabilitation of capital improvements and facilities, property and other assets, equipment and land to be owned and operated by the District or funded for the benefit of the District.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project or asset to be financed is necessary or beneficial to providing service.
- When the project or asset to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the District and its constituents.
- When the debt is issued to refinance outstanding debt in order to produce savings or to realize other benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for recurring operating expenses and routine maintenance expenses.

(c) The District may use long-term debt financings subject to the following conditions:

- The project and/or costs to be financed must be approved by the District Board.
- The weighted average maturity of the debt will generally not exceed the average useful life of project or asset being financed.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.

(ii) Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects or provide interim funding for capital projects; for example, the District may undertake lease-purchase financing for equipment.

(iii) Financings on Behalf of Other Entities. The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

B. Types of Debt

The following types of debt are allowable under this Debt Policy:

- Installment sale agreements, loans and similar debt-financing contracts
- Loans and contracts with State or Federal agencies, including the United States Department of Agriculture–Rural Development
- Lines of credit
- General obligation bonds (GO Bonds)
- Bond or grant anticipation notes (BANs)
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- Other revenue bonds and Certificates of Participation (COPs)
- Tax and revenue anticipation notes (TRANS)
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- Refunding bonds, notes, loans, and other obligations

The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

C. Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan. Items outside the capital budget or capital improvement plan may also be financed.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that funding is available for capital and non-capital projects when needed in furtherance of the District's public purposes.

D. Policy Goals Related to Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect its constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, minimum net present value debt service savings equal to at least 3.0% of the refunded principal amount.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will only issue debt subject to authorization by resolution of the Board of Directors for each debt issue consistent with applicable State law. The resolution authorizing each debt issue will specify the maximum not-to-exceed amount for each debt issue and may include other terms or requirements as deemed appropriate by the District.

Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12.
- Any reporting obligations to the California Debt and Investment Advisory Commission (CDIAC)
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- The District's investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the General Manager (or his or her designee), or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

END OF DEBT MANAGEMENT POLICY



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning General
Obligation Bond Refinancing**

Agenda Item:

Resolution _____ authorizes the issuance and sale of General Obligation Refunding Bonds, Series 2020 in an amount not to exceed \$8,500,000 for the purpose of refinancing the outstanding 2012 General Obligation Bonds for savings and reduced debt service payments. For repayment security, the Resolution obligates the Board of Directors to have the County levy ad valorem taxes upon all property within the District subject to taxation without limitation of rate or amount, for the payment of debt service on the Series 2020 Bonds.

Background:

In 2001, District voters approved by 82% a proposition authorizing the issuance of up to \$19 million 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. In 2012, the District refinanced the 2003 Bonds via a competitive RFP process resulting in issuance of 2012 General Obligation Bonds issued as a private placement with First Republic Bank at a reduced interest rate of 2.40%. The 2012 Bonds fully refunded the 2003 Bonds and generated \$1.5 million of additional debt that had been previously authorized by voters. The 2012 Bonds also resulted in lower annual debt service payments.

If authorized, the General Obligation Refunding Bonds, Series 2020 would be issued to refund the District's outstanding 2012 Bonds for additional savings and result in lower debt service payments and tax levies on property within the District. The outstanding 2012 Bonds have \$8,316,608 of remaining principal, an annual interest rate of 2.40%, and a final maturity of August 1, 2028. The final issue size of the Series 2020 Refunding Bonds is expected to be below \$8,000,000 due to the anticipated availability of accrued funds that previously were remitted by the County for debt service payments due on the outstanding 2012 General Obligation Bonds and remain available to apply to the refunding.

Bids Solicited via Competitive RFP Process

To take advantage of historically low interest rates and potential for debt service savings, Bartle Wells Associates (BWA) solicited bids from a wide range of banks



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager
and lenders via a competitive RFP process. The winning bid was provided by JP Morgan Chase with an annual interest rate of 1.14%.

Bids were received from 8 lenders with interest rates ranging from 1.14% to 2.52%. The average of all bids was 1.64% and the median was 1.53%. As expected, a number of banks declined to bid due to a variety of factors.

Summary of Bids:

	Interest Rate	Day Count	Principal/Interest Payments	Bank Fees		Rough Est. Annual Pymt
				Legal Review	Other	
Bank 1	1.14%	30/360	Semi-Annual	\$10,000	\$0	\$1,005,861
Bank 2	1.25%	30/360	Annual/Semi-Ann	\$8,500	\$0	\$1,013,263
Bank 3	1.44%	30/360	Semi-Annual	\$0	\$0	\$1,017,150
Bank 4	1.50%	30/360	Semi-Annual	\$8,500	\$0	\$1,020,812
Bank 5	1.56%	30/360	Semi-Annual	\$0	\$0	\$1,022,215
Bank 6	1.72%	tbd	tbd	\$0	\$7,500	\$1,029,999
Bank 7	1.99%	tbd	Semi-Annual	\$7,500	\$0	\$1,041,503
Bank 8	2.52%	30/360	Semi-Annual	\$10,000	\$0	\$1,064,644



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

Savings Estimates:

Savings estimates are summarized below and account for anticipated availability of accrued funds that previously were remitted by the County for debt service payments due on the outstanding 2012 General Obligation Bonds and remain available to apply towards refunding these bonds. The savings estimates account for all costs related to issuance of the Series 2020 Refunding Bonds which are expected to be paid from proceeds of the bonds. The Series 2020 Refunding Bonds are being issued with a final payment of August 1, 2028, which corresponds with the final maturity of the outstanding 2012 General Obligation Bonds.

Gross Savings:	\$409,014 over the term of the refunding bonds
Present Value Savings:	\$356,980
Present Value Savings %:	4.29% of refunded bond principal
Annual Debt Service Reduction:	\$148,627 per fiscal year (accounts for reduced issue size due to anticipated availability of remaining fund balances)

Good Faith Estimates of Debt:

California Government Code Section 5852.1, which became effective on January 1, 2018, requires that prior to authorization of the issuance of bonds with a term greater than 13 months, the governing body of a public body shall obtain and disclose all of the following information in a meeting open to the public:

The true interest cost of the bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of bonds is estimated at 1.1401%.

The finance charge of the bonds, which means the sum of all fees and charges paid to third parties is estimated at \$70,000.00 including costs for bond counsel, bank counsel, municipal advisor, and miscellaneous expenses.

The amount of proceeds received by the public body for sale of the bonds less the finance charge of the bonds described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the bonds is estimated at \$7,593,716 estimated at the total issue of \$ \$7,663,716 less an estimated finance charge of \$70,000.00.

The total payment amount, which means the sum total of all payments the borrower will make to pay debt service on the bonds plus the finance charge of the bonds described in subparagraph (B) not paid with the proceeds of the bonds. The total payment amount shall be calculated to the final maturity of the bonds. Total payments through final maturity including all principal and interest payments on the bonds are estimated at \$8,014,475.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

RECOMMENDATION:

Adopt Resolution No.____, Resolution of the Board of Directors of the Montara Water and Sanitary District, County of San Mateo, Authorizing the Issuance and Sale of Montara Water and Sanitary District (San Mateo County, California), General Obligation Bonds, Series 2020, in an Aggregate Principle Amount not to Exceed \$8,500,000 to Refund Outstanding General Obligation Bonds, and Directing Related Actions/

Attachment

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTARA WATER AND SANITARY DISTRICT, COUNTY OF SAN MATEO, AUTHORIZING THE ISSUANCE AND SALE OF MONTARA WATER AND SANITARY DISTRICT (SAN MATEO COUNTY, CALIFORNIA), GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,500,000 TO REFUND OUTSTANDING GENERAL OBLIGATION BONDS, AND DIRECTING RELATED ACTIONS

Adopted November 5, 2020

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EXHIBIT A FORM OF SERIES 2020 BOND

WHEREAS, an election was duly and regularly held in the Montara Water and Sanitary District (formerly the Montara Sanitary District) (the "District") on November 6, 2001, for the purpose of submitting to the qualified electors of the District the question whether general obligation bonds should be issued in the aggregate principal amount of \$19,000,000 to finance the acquisition and improvement of a domestic water system and service area for the District (the "Project"), at which election more than two-thirds of the votes cast were in favor of the issuance of such bonds;

WHEREAS, pursuant to such voter approval, and upon the authority of Section 31304 of the California Water Code and Resolution No. 1241 adopted September 5, 2002, this Board has heretofore authorized, issued, sold and delivered its \$2,750,000 Montara Sanitary District (San Mateo County, California) General Obligation Promissory Notes, Series 2002, dated October 24, 2002 (the "Notes") to finance a portion of the Project;

WHEREAS, pursuant to such voter approval, and upon the authority of Section 31425 of the California Water Code (the "Bond Law"), Articles 9 and 11 of Title 5 of the California Government Code (the "Refunding Bond Law") and Resolution No. 1261 adopted June 26, 2003 (the "2003 Bond Resolution"), this Board has heretofore authorized, issued, sold and delivered its \$17,500,000 Montara Sanitary District (San Mateo County, California) General Obligation Bonds, Series 2003, dated July 31, 2003 (the "Series 2003 Bonds") to refinance the Notes and finance a portion of the Project not financed with the proceeds of the Notes;

WHEREAS, pursuant to such voter approval, and upon the authority of Section 31425 of the California Water Code, Articles 9 and 11 of Title 5 of the California Government Code (the "Refunding Bond Law") and Resolution No. 1509 adopted April 5, 2012 (the "2012 Bond Resolution"), this Board has heretofore authorized, issued, sold and delivered its \$15,635,000 Montara Sanitary District (San Mateo County, California) General Obligation Bonds, Series 2012, dated April 18, 2012 (the "Series 2012 Bonds") to refinance the Series 2003 Bonds and finance a portion of the Project not financed with the proceeds of the Notes or the Series 2003 Bonds;

WHEREAS, the District's records indicate that certain ad valorem property taxes that have been levied and collected for the repayment of the Series 2012 Bonds are available and the District wishes to contribute such amount to the refunding of the Series 2012 Bonds to further amortize the debt and to increase the amount of savings generated by the refunding transaction for taxpayers;

WHEREAS, at this time, the Board of Directors of the District intends to issue and sell bonds designated "Montara Water and Sanitary District (San Mateo County, California) General Obligation Refunding Bonds, Series 2020" (the "Series 2020 Bonds") in an aggregate principal amount not to exceed \$8,500,000 to refund the outstanding Series 2012 Bonds and to pay for costs of issuing the Series 2012 Bonds;

WHEREAS, the Board of Directors of the District is informed and finds that all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of the Series 2020 Bonds and within all limits prescribed by law;

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Montara Water and Sanitary District, as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

“Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

“Act” means, collectively, Section 6512.7 of the California Health and Safety Code and Sections 31370, et seq. of the California Water Code as they are in effect on the date of adoption hereof and as amended hereafter.

“Authorized Investments” means any investments permitted by law to be made with moneys belonging to, or in the custody of, the District, including, but not limited to, the Local Agency Investment Fund in the California State Treasury and in investment agreements, including guaranteed investment contracts and repurchase agreements exceeding one year in maturity, with a financial entity whose long-term debt is rated by Moody’s Investors Service or S&P AA- or better, and whose short-term debt is rated no lower than the corresponding level of rating category for such debt. Any such investment agreement shall provide that the financial entity shall deposit collateral with a third party in accordance with criteria established by Moody’s Investors Service or S&P in the event that the rating of short- or long-term debt of the financial entity is downgraded below then-current requirements of Moody’s Investors Service or S&P for such investment agreements.

“Board of Directors” means the duly elected Board of Directors acting as the governing body of the District.

“Bond Counsel” means (a) Jones Hall, A Professional Law Corporation or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Year” means the period from August 2 through August 1 of the next calendar year, except the first Bond year shall commence on the Closing Date and end on August 1, 2021.

“Certificate of Bond Terms” means a certificate signed by a District Representative dated the Closing Date setting forth or modifying certain terms of the Series 2020 Bonds, as provided in Section 2.01.

“Closing Date” means the date upon which there is an exchange of Series 2020 Bonds for the proceeds representing the purchase price of the Series 2020 Bonds by the Original Purchaser.

“Costs of Issuance” means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Series 2020 Bonds including, but

not limited to, the origination fee of the Original Purchaser, fees of counsel to the Original Purchaser, fees of the California Debt and Investment Advisory Commission, filing and publication costs, settlement costs, reproduction costs, escrow and verification report fees, legal fees and charges, fees and expenses of any escrow bank, municipal advisor and other professional consultant fees, and charges and fees in connection with the foregoing, as and to the extent applicable.

"County" means the County of San Mateo, California.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Series 2020 Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Debt Service Fund" means the fund designated "Montara Water and Sanitary District, General Obligation Bonds, Series 2020, Debt Service Fund" established and held by the Treasurer under Section 4.03.

"District" means the Montara Water and Sanitary District and any successor thereto, a sanitary district exercising powers of a county water district pursuant to Health and Safety Code Section 6512.7, located within the County, encompassing the territory as of the date of the adoption hereof and any service areas within or without such territory acquired thereby or thereafter annexed thereto, by purchase or otherwise.

"District Manager" means the general manager or other chief administrative officer of the District.

"District Representative" means the President or Vice President of the Board of Directors, the District Manager, the Secretary, the Treasurer, the District Counsel or any other person authorized by action of the Board of Directors to act on behalf of the District with respect to this Resolution and the Series 2020 Bonds.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest if the return paid by such fund is without regard to the source of the investment.

"Federal Securities" means United States Treasury Series 2020 Bonds, bonds, bills or certificates of indebtedness or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

“Financial Advisor” or **“Municipal Advisor”** means Bartle Wells Associates, Berkeley, California, or other firm or firms acting as the District’s municipal advisor.

“Interest Payment Dates” means each February 1 and August 1, commencing on February 1, 2021, or as otherwise specified in the Certificate of Bond Terms.

“Notes” means the \$2,750,000 Montara Sanitary District (San Mateo County, California) General Obligation Promissory Notes, Series 2002.

“Original Purchaser” means the initial purchaser of the Series 2020 Bonds on the Closing Date, its successors and assigns.

“Outstanding,” when used as of any particular time with reference to Series 2020 Bonds means all Series 2020 Bonds except:

(a) Series 2020 Bonds theretofore canceled by the District or surrendered to the District for cancellation;

(b) Series 2020 Bonds paid or deemed to have been paid within the meaning of Section 9.02 hereof; and

(c) Series 2020 Bonds in lieu of or in substitution for which other Series 2020 Bonds shall have been authorized, executed, issued and delivered by the District pursuant to the Resolution.

“Owner” or **“Bondowner”** mean any person who shall be the registered owner of any Outstanding Bond.

“Project” has the meaning given to such term in the recitals.

“Refunding Fund” means the fund designated “Montara Water and Sanitary District, General Obligation Refunding Bonds, Series 2020, Refunding Fund” that may be established and held by the Treasurer under Section 4.02.

“Regulations” means temporary and permanent regulations promulgated under the Tax Code.

“Resolution” means this Resolution authorizing the Series 2020 Bonds and any supplements and amendments thereto.

“S&P” means S&P Global Ratings, and its successors.

“Secretary” means the Secretary or other official who is the duly appointed and acting Secretary of the District.

“Series 2003 Bonds” means the bonds of the District designated “Montara Sanitary District (San Mateo County, California), General Obligation Bonds, Series 2003,” issued under the Series 2003 Bond Resolution in the original principal amount of \$17,500,000.

"Series 2003 Bond Resolution" means Resolution No. 1261 of the Board of Directors of the District, entitled "A Resolution of the Board of Directors of the Montara Sanitary District, County of San Mateo, Authorizing the Issuance and Sale of Montara Sanitary District (San Mateo County, California), General Obligation Bonds, Series 2003, in the Aggregate Principal Amount of Not to Exceed \$17,500,000 to Refund Outstanding Notes and Finance Water System and Service Area Acquisitions and Improvements and Directing Related Actions", adopted on June 26, 2003, authorizing the issuance and sale of the Series 2003 Bonds.

"Series 2012 Bonds" means the bonds of the District designated "Montara Sanitary District (San Mateo County, California), General Obligation Bonds, Series 2012," issued under the Series 2012 Bond Resolution in the original principal amount of \$15,635,000.

"Series 2012 Bond Resolution" means Resolution No. 1509 of the Board of Directors of the District, entitled "A Resolution of the Board of Directors of the Montara Sanitary District, County of San Mateo, Authorizing the Issuance and Sale of Montara Sanitary District (San Mateo County, California), General Obligation Bonds, Series 2012, in an Aggregate Principal Amount of Not to Exceed \$15,635,000 to Refund Outstanding Bonds and Finance Water System Improvements, and Directing Related Actions", adopted on April 5, 2012, authorizing the issuance and sale of the Series 2012 Bonds.

"Series 2020 Bonds" means the bonds of the District designated "Montara Water and Sanitary District (San Mateo County, California), General Obligation Refunding Bonds, Series 2020," as specified in Section 2.01.

"Supplemental Resolution" means any resolution supplemental to or amendatory of this Resolution, adopted by the Board of Directors in accordance with Article VIII hereof.

"Tax Code" means the Internal Revenue Tax Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final Regulations promulgated under the Tax Code.

"Treasurer" means the official of the District who is the financial officer of the District responsible for maintaining funds and accounts of the District.

"Written Request of the District" means an instrument in writing signed by the District Representative or by any other officer of the District duly authorized by the District and listed on a Written Request of the District for that purpose.

Section 1.02. Authority for this Resolution. This resolution is adopted pursuant to the Act, the Refunding Bond Law and the proceedings of the Board for the Project.

ARTICLE II
THE SERIES 2020 BONDS

Section 2.01. Authorization. The Series 2020 Bonds are hereby authorized to be issued by the District under and subject to the terms of the Refunding Bond Law and this Resolution; provided that the aggregate principal amount of the Series 2020 Bonds shall not exceed \$8,500,000.

A District Representative is hereby authorized to execute a Certificate of Bond Terms dated the Closing Date, setting forth or modifying any terms of the Series 2020 Bonds that are described herein, provided that the par amount of the Series 2020 shall not exceed \$8,500,000, the maturity date of the Series 2020 Bonds shall not extend past August 1, 2028, and the net present value savings of issuing the Series 2020 Bonds shall be at least equal to 3.0%.

Each District Representative is further authorized and directed to execute and deliver such additional term sheets, certificates, documents, paying agent agreements, or other agreements as may be required by the Original Purchaser or the District in connection with the issuance and sale of the Series 2020 Bonds to the Original Purchaser, such execution and delivery to be conclusive evidence of the authorization thereof by this Board of Directors. Any term sheets, certificates, documents or agreements executed and delivered by a District Representative in connection with the issuance and sale of the Series 2020 Bonds prior to the date hereof are hereby ratified and confirmed.

Section 2.02. Terms of Series 2020 Bonds.

(a) **Form; Numbering.** The Series 2020 Bonds shall be issued as fully registered Series 2020 Bonds, without coupons, in the principal amount not to exceed \$8,500,000, and shall be numbered R-1.

(b) **Date of Series 2020 Bonds.** The Series 2020 Bonds shall be dated the Closing Date.

(c) **Interest and Payment.** The Series 2020 Bonds shall mature on August 1, 2028, unless sooner redeemed in accordance herewith. The Series 2020 Bonds shall bear interest at the rate set forth in the Certificate of Bond Terms, which interest shall be payable on the Series 2020 Bonds on each Interest Payment Date. For the purposes of this Resolution, interest on the Series 2020 Bonds shall be calculated on the basis of a 360-day year and the actual number of days elapsed. Each Series 2020 Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is registered and authenticated prior to January 15, 2020, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Interest on the

Series 2020 Bonds including the final interest payment upon maturity is payable, so long as the Series 2020 Bonds are owned by the Original Purchaser, by a pre-authorized debit of a District account maintained with the Original Purchaser, and if the Series 2020 Bonds are not owned by the Original Purchaser, by check of the District mailed on the Interest Payment Date via first-class mail to the Owner thereof at such Owner's address as it appears on records maintained by the District at the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date (the "Record Date"), or at such other address as the Owner may have filed with the District for that purpose, or upon written request filed with the District as of the Record Date by an Owner of at least \$1,000,000 in aggregate principal amount of Series 2020 Bonds, by wire transfer without any need of presentment.

(d) **Appointment of Paying Agent.** The District may at any time, without the consent of the Bondholders, appoint a paying agent for the Bonds, which paying agent may be the County if consented to by the County.

Section 2.03. Redemption.

(a) **No Optional Redemption.** The Series 2020 Bonds are not subject to optional redemption prior to maturity.

(b) **Mandatory Sinking-Fund Redemption.** The Series 2020 Bonds are subject to mandatory sinking fund redemption on each February 1 and August 1 and in the amounts set forth in the Certificate of Bond Terms, in each case at a redemption price equal to such amounts, plus interest accrued to the redemption date, without premium.

The District shall not be required to give notice of sinking fund redemption of the Series 2020 Bonds pursuant to paragraph (b) above.

Section 2.04. Form of Series 2020 Bonds. The Series 2020 Bonds, and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as set forth in Exhibit A attached hereto.

Section 2.05. Execution of Series 2020 Bonds. The Series 2020 Bonds shall be executed on behalf of the Board of Directors by the facsimile signatures of the President of the Board of Directors, countersigned by the Secretary who are in office on the date of adoption of this Resolution or at any time thereafter, and the seal of the District may be impressed, imprinted or reproduced by facsimile thereon. If any officer whose signature appears on any Series 2020 Bond ceases to be such officer before delivery of the Series 2020 Bonds to the Original Purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Series 2020 Bonds to the purchaser. Any Series 2020 Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the District although at the nominal date of such Series 2020 Bond any such person shall not have been such officer of the District.

Section 2.06. Transfer of Series 2020 Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept by the District, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond

for cancellation at the Principal Office at the District, accompanied by delivery of a written instrument of transfer in a form approved by the District, duly executed. The District shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Series 2020 Bonds shall be surrendered for transfer, the District shall execute and deliver a new Bond or Series 2020 Bonds, for like aggregate principal amount.

Section 2.07. Series 2020 Bonds Mutilated, Lost, Destroyed or Stolen. If any Series 2020 Bond shall become mutilated, the District, at the expense of the Owner of such Series 2020 Bond, shall execute and deliver, a new Series 2020 Bond of like principal amount in exchange and substitution for the Series 2020 Bond so mutilated, but only upon surrender to the District of the Bond so mutilated. Every mutilated Series 2020 Bond so surrendered to the District shall be canceled by it. If any Series 2020 Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute and deliver, a new Series 2020 Bond of like principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the District in the premises. Any Series 2020 Bond issued under the provisions of this Section 2.08 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Series 2020 Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Series 2020 Bonds issued pursuant to this Resolution.

ARTICLE III

ISSUE AND SALE OF BONDS; APPROVALS; SECURITY FOR BONDS

Section 3.01. Sale of the Series 2020 Bonds. The Series 2020 Bonds shall be sold to the Original Purchaser at their face amount or such other amount set forth in the Certificate of Bond Terms.

Section 3.02. Issuance and Delivery of Series 2020 Bonds. At any time after the adoption of this Resolution and the sale of the Series 2020 Bonds, the District may issue and deliver the Series 2020 Bonds. The District Representative shall be, and is hereby, directed to cause the Series 2020 Bonds to be prepared, executed, registered and to be delivered to the Original Purchaser upon the District's receipt of the purchase price therefor and upon the Original Purchaser's performance of the conditions imposed by the District.

Section 3.03. Official Actions. For the purposes hereof, each District Representative and any and all other officers of the District are each authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions, including execution and delivery of any and all certificates, requisitions, notices, consents and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful sale, issuance and delivery of the Series 2020 Bonds. The Secretary is hereby authorized and directed to cause a copy of this resolution, duly certified as to adoption, to be filed with the Treasurer immediately upon the adoption hereof.

ARTICLE IV

APPLICATION OF BOND PROCEEDS, FUNDS

Section 4.01. Application of Proceeds of Sale of Series 2020 Bonds. On the Closing Date, the proceeds of the sale of the Series 2020 Bonds shall be paid to or upon the direction of the Treasurer. On the Closing Date, the Treasurer is hereby authorized and directed to cause to be established and administered as special funds, separate and distinct from other funds, the Refunding Fund, which is further described in Section 4.02, and the Debt Service Fund, which is further described in Section 4.03. The proceeds of the Series 2020 Bonds shall be deposited in such funds or transferred in the amounts provided in the Certificate of Bond Terms.

Section 4.02. Refunding Fund.

(a) **Establishment.** On or before the Closing Date, the Treasurer shall establish and hold the Refunding Fund to receive the proceeds of the sale of the Series 2020 Bonds as provided in Section 4.01 and to be held by the Treasurer for the benefit of the District.

(b) **Disbursement.** Amounts in the Refunding Fund shall be disbursed from time to time to redeem the Series 2012 Bonds and to pay Costs of Issuance as set forth in a requisition therefor containing respective amounts to be paid to the designated payees and delivered to the Treasurer concurrently with the delivery of the Series 2020 Bonds. The Treasurer shall redeem the Series 2012 Bonds in accordance with the Series 2012 Bonds Resolution. In addition, the Treasurer shall pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of a Written Request of the District requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Treasurer on the Closing Date.

(c) **Investment.** Moneys in the Refunding Fund shall be invested in accordance with Section 4.04 hereof. Interest earnings and profits resulting from such investment shall be retained by the Treasurer in the Refunding Fund to be used for the purposes of such fund, pending its closing.

(d) **Closing of Fund.** The Treasurer shall maintain the Refunding Fund for a period of 90 days from the Closing Date or until the last known Costs of Issuance have been paid, whichever is earlier, and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Debt Service Fund and the Refunding Fund shall be closed.

(e) **Payment of Amounts Directly by Original Purchaser.** Notwithstanding the foregoing provisions of this Section 4.02, the Original Purchaser may directly pay, on behalf of the District, the redemption price of the Series 2012 Bonds and the Costs of Issuance, in which case the Treasurer need not establish a Refunding Fund.

Section 4.03. Debt Service Fund.

(a) **Establishment.** On or before the Closing Date, the Treasurer shall establish and hold the Debt Service Fund as a separate fund to the credit of which deposits shall be made from the proceeds of taxes levied pursuant to Section 5.01 and any other amounts required to be deposited therein by this Resolution, the Refunding Bond Law, or the Act. Moneys in the Debt Service Fund shall be held by the Treasurer for the benefit of the District and the Bond Owners, shall be disbursed for the payment of the principal of, and interest and any premium on, the Series 2020 Bonds as provided below.

(b) **Disbursements.** Moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Series 2020 Bonds as the same become due and payable, shall be applied by the Treasurer, on or before each Interest Payment Date, to make payments of principal and interest on the Series 2020 Bonds to the Bondowners.

(c) **Investment.** Moneys in the Debt Service Fund and the accounts therein shall be invested in accordance with Section 4.04. Interest earnings and profits resulting from such investment and deposit shall be retained in the Debt Service Fund and any account therein.

(d) **Closing of Fund.** The Debt Service Fund shall be closed when all of the principal of and interest on the Series 2020 Bonds has been paid. If, after payment in full of the Series 2020 Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District, and used in accordance with applicable law.

Section 4.04. Investment of Moneys in Funds. Subject in all respects to the provisions hereof, moneys in any fund or account created or established hereunder shall be invested by the Treasurer in Authorized Investments and the following shall apply:

(a) **Principal or Agent.** The Treasurer may act as principal or agent in the acquisition or disposition of any investment. The Treasurer shall incur no liability for losses arising from any investments made pursuant to this Section.

(b) **Commingle.** Subject in all respects to the provisions of Section 4.04(e), investments in any and all funds and accounts may at the discretion of the Treasurer be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of the Treasurer hereunder, provided that the Treasurer shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Resolution.

(c) **Sale of Investments.** The Treasurer shall sell at the highest price reasonably obtainable, or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and the Treasurer shall not be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

(d) **Fair Market Value.** Except as otherwise provided in subsection (e) of this Section, the District covenants that all investments of amounts deposited in any fund or account under this Resolution, or otherwise containing gross proceeds of the Series 2020 Bonds (under section 148 of the Tax Code) shall be acquired, disposed of and valued (as of the date that valuation is required by this Resolution or the Tax Code) at Fair Market Value.

(e) **Yield Restricted Funds.** Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code and (unless valuation is undertaken at least annually) shall be valued at their present value (within the meaning of section 148 of the Tax Code).

ARTICLE V

COVENANTS OF THE BOARD

Section 5.01. Levy of Taxes; Statutory Lien. The Series 2020 Bonds are general obligations of the District, and the Board of Directors has the power, is obligated and shall cause to be levied by the County ad valorem taxes upon all property within the District subject to taxation without limitation of rate or amount, for the payment of the Series 2020 Bonds, so as to enable the District to punctually pay, or cause to be paid, the principal of and interest on the Series 2020 Bonds, in conformity with the terms of the Series 2020 Bonds and of this Resolution. The District shall cause such collection to commence on the County tax roll for the fiscal year 2021-22. Nothing herein contained shall prevent the District from making payment or advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by applicable law.

In accordance with California Government Code Section 53515(a), the Series 2020 Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the ad valorem taxes described in this Section 5.01. The lien shall automatically arise without the need for any action or authorization by the District or the Board of Directors, and shall be valid and binding from the time the Series 2020 Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the ad valorem tax shall be immediately subject to the lien, and the lien shall immediately attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the Board will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Series 2020 Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the District, such claim for interest so extended or funded shall not be entitled, in case of default by the District hereunder, to the benefits of this Resolution, except subject to the prior payment in full of the principal of all of the Series 2020 Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Federal Tax Covenants. The following shall apply to the Series 2020 Bonds under the Tax Code:

(a) **Private Activity Bond Limitation.** The District shall assure that the proceeds of the Series 2020 Bonds are not so used as to cause the Series 2020 Bonds to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

(b) **Federal Guarantee Prohibition.** The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series 2020 Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Tax Code.

(c) **Rebate Requirement.** The District shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Series 2020 Bonds.

(d) **No Arbitrage.** The District shall not take, or permit or suffer to be taken by the Treasurer, or otherwise, any action with respect to the proceeds of the Series 2020 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Series 2020 Bonds would have caused the Series 2020 Bonds to be "arbitrage bonds" within the meaning of section 148 of the Tax Code.

(e) **Maintenance of Tax-Exemption.** The District shall take all actions necessary to assure the exclusion of interest on the Series 2020 Bonds from the gross income of the Owners of the Series 2020 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Series 2020 Bonds.

(f) **Bank Qualification.** The District hereby designates the Bonds for purposes of paragraph (3) of section 265(b) of the Tax Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in section 141 of the Tax Code, except qualified 501(c)(3) bonds as defined in section 145 of the Tax Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including the Bonds, has been or will be issued by the District, including all subordinate entities, during the calendar year 2020.

Section 5.04. Information to be Provided to Bondowners. The District hereby covenants and agrees that it will provide to the Bondowners the following information on an annual basis, no later than March 1 of each year, commencing March 1, 2021:

(a) Audited financial statements of the District, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (GASB).

(b) Assessed valuation of taxable property in the District for the most recent fiscal year available.

(c) Collection information for property taxes levied on taxable property in the District for the most recent fiscal year available.

(d) Such other financial and operating information concerning the District as shall be reasonably requested by the Bondowners.

ARTICLE VI

[RESERVED]

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 7.01. Events of Default. Any one or more of the following events shall constitute an “event of default:”

(a) **Principal.** If default shall be made by the District in the due and punctual payment of the principal of or redemption premium, if any, on any Series 2020 Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) **Interest.** If default shall be made by the District in the due and punctual payment of any installment of interest on any Series 2020 Bond when and as such interest installment shall become due and payable;

(c) **Covenants.** If default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in this Resolution or in the Series 2020 Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District Representative; or

(d) **Bankruptcy.** If the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Application of Funds Upon Default. All of the sums in the Debt Service Fund and accounts provided for in Section 4.02 hereof upon the occurrence of an Event of Default as provided in Section 7.01 hereof, shall be applied in the following order, and upon the surrender thereof if fully paid:

(a) **Expenses.** First, to the payment of the costs and expenses of the Bondowners in declaring such event of default, including reasonable compensation to their agents, attorneys and counsel;

(b) **Interest.** Second, in case the principal of the Series 2020 Bonds shall not have become due and payable, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the interest rate on the Series 2020 Bonds plus 3.0% (to the extent that such interest on overdue installments shall have been collected), such payments to be made ratably to the persons entitled thereto without discrimination or preference;

(c) **Principal.** Third, in case any principal of the Series 2020 Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Series 2020 Bonds for principal and interest, with interest on the overdue principal and installments of interest at the interest rate on the Series 2020 Bonds plus 3.0% (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Series 2020 Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 7.03. Remedies of Bondowners. Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) **Mandamus.** By mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Series 2020 Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) **Equity.** By suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) **Trust.** Upon the happening of any event of default (as defined in Section 7.01 hereof), by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.04. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the Series 2020 Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Series 2020 Bonds to the respective Owners of the Series 2020 Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of action against the District, which is also absolute and unconditional, of such Owners to institute suit against the District to enforce such payment by virtue of the contract embodied in the Series 2020 Bonds.

A waiver of any default by any Bondowner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Series 2020 Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence

therein, and every power and remedy conferred upon the Bondowners by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Series 2020 Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Bondowners, the District and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.05. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Series 2020 Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Owner's Consent. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Board of Directors may be adopted, which shall be approved by the Original Purchaser in writing, to the extent the Original Purchaser is the Owner of the Series 2020 Bonds, or if the Original Purchaser is not the Owner of the Series 2020 Bonds, without the consent of the Owners of the Series 2020 Bonds, and which shall be fully effective in accordance with its terms:

(a) **Covenants.** To add covenants and agreements of the Board of Directors in this Resolution, which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) **Restrictions.** To add limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the Board of Directors which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) **Pledge.** To confirm, as further assurance, any pledge of the District under this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(d) **Cure.** To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(e) **Taxation.** To make such additions, deletions or modifications as may be necessary to assure exclusion from gross income for purposes of federal income taxation of interest on the Series 2020 Bonds.

Section 8.02. Supplemental Resolutions Effective With Owner's Consent. Any modification or amendment of this Resolution and of the rights and obligations of the District and of the Owners of the Series 2020 Bonds, in any particular, may be made by a Supplemental Resolution, with the written consent of the Owners of at least two-thirds in aggregate principal amount of the Series 2020 Bonds Outstanding at the time such consent is given. No such

modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding Series 2020 Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall reduce the percentage of Series 2020 Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change any of the provisions in Section 7.01 hereof relating to Events of Default, or shall reduce the amount of moneys pledged by the District for the repayment of the Series 2020 Bonds without the consent of all the Owners of such Series 2020 Bonds.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the Board of Directors, the District and the Owners of the Series 2020 Bonds, any right, remedy, or claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the Series 2020 Bonds.

Section 9.02. Defeasance.

(a) **Discharge of Resolution.** Series 2020 Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District by:

(i) paying or causing to be paid the principal of and interest on Series 2020 Bonds Outstanding, as and when the same become due and payable; or

(ii) depositing, in trust, at or before maturity, money or securities (as in Section 9.02(c)) in the necessary amount to pay the Series 2020 Bonds Outstanding.

If the District shall pay all Series 2020 Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District, and notwithstanding that any Series 2020 Bonds shall not have been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b).

(b) **Discharge of Liability on Series 2020 Bonds.** Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) to pay any Outstanding Series 2020 Bond (whether upon or prior to its maturity date), then all liability of the District in respect of such Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Series 2020 Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities

deposited in trust as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time cancel any Series 2020 Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Series 2020 Bonds, upon such cancellation, shall be deemed to be paid and retired.

(c) Deposit of Money or Securities with Escrow Bank. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by an escrow bank money or securities in the necessary amount to pay any Series 2020 Bonds, the money or securities so to be deposited or held may include money or securities held by such escrow bank in the funds and accounts established pursuant to this Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Series 2020 Bonds and all unpaid interest thereon to maturity; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant, knowledgeable in calculation of amounts necessary to defease municipal securities, delivered to the District, will provide money sufficient to pay the principal of and all unpaid interest to maturity, on the Series 2020 Bonds to be paid, as such principal and interest become due;

provided, in each case, that such escrow bank shall have been irrevocably instructed (by the terms of this Resolution or by request of the District) to apply such money to the payment of such principal and interest with respect to such Series 2020 Bonds.

(d) Payment of Series 2020 Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, subject to Section 4.04, any moneys held by the District in trust for the payment of the principal of, or interest on, any Series 2020 Bonds and remaining unclaimed for two years after the principal of all of the Series 2020 Bonds has become due and payable, if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Series 2020 Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the District with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the District as aforesaid, the District may first mail to the Owners of all Series 2020 Bonds which have not been paid at the addresses shown on the records maintained by the District a notice in such form as may be deemed appropriate by the District, with respect to the Series 2020 Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Bondowner or Bondowner's attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Series 2020 Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the District or the District Representative in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No board member, officer, agent or employee of the Board of Directors or the District shall be individually or personally liable for the payment of the principal of or interest on the Series 2020 Bonds; but nothing herein contained shall relieve any such boardmember, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Waiver of Jury Trial and Sovereign Immunity; Judicial Reference. To the fullest extent permitted by law, the District waives its right to trial by jury in any action, proceeding and/or hearing on any matter whatsoever arising out of, or in any way connected with, the Bonds, or any documents relating to the Bonds, or the enforcement of any remedy under any law, statute, or regulation. To the extent such waiver is not enforceable, the District hereby consents to the adjudication of any and all such matters pursuant to Judicial Reference as provided in Section 638 of the California Code of Civil Procedure, and the judicial referee shall be empowered to hear and determine any and all issues in such Reference whether fact or law.. To the extent the District has or hereafter may acquire under any applicable law any right to immunity from set-off or legal proceedings on the grounds of sovereignty, the District hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations arising under or related to the Bonds.

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The Board of Directors hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Series 2020 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District Representative in trust for the benefit of the Bondowners. Nothing in this Section 9.05 is intended to create, nor shall the remaining portions of this Resolution create, any liability or obligation of the Board of Directors or the District beyond those specifically imposed by statute.

Section 9.07. Effective Date of Resolution. This Resolution shall take effect immediately upon adoption.

Section 9.08. Website Disclosure. If the District elects or is required to post documentation related to this Resolution on a national public market repository, the District may do so with certain information redacted pursuant to this Section. With respect to any such posting, the District shall provide such documentation to the Original Purchaser for review with reasonable advance notice prior to any posting deadline imposed by applicable law and shall consider in good faith reasonable redaction requests of the Bank Sensitive Data (defined below) that are provided within a reasonable period prior to such posting deadline. The District shall redact such “Bank Sensitive Data” as directed by the Original Purchaser. For the purpose of this Section, “Bank Sensitive Data” means signatures/names, account numbers, wire transfer and payment instructions and any other data that could be reasonably construed as sensitive information.

I HEREBY CERTIFY that the foregoing Resolution No. _____ was duly and regularly adopted and passed by the Board of Directors of the Montara Water and Sanitary District, San Mateo County, California, at a meeting on November 5, 2020 by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

Secretary, Montara Water and Sanitary District

EXHIBIT A

FORM OF SERIES 2020 BOND

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN MATEO**

**MONTARA WATER AND SANITARY DISTRICT
GENERAL OBLIGATION REFUNDING BOND
SERIES 2020**

INTEREST RATE:
____%

MATURITY DATE:
August 1, 2028

BOND DATE
_____, 2020

REGISTERED OWNER: _____

PRINCIPAL SUM: _____ DOLLARS

The MONTARA WATER AND SANITARY DISTRICT, a sanitary district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an Interest Payment Date (as defined below), in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to an interest payment date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such interest payment date, or (iii) this Bond is authenticated on or prior to January 15, 2021, in which event it shall bear interest from the Bond Date stated above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond) until payment of such Principal Sum in full, at the rate per annum stated above, payable on February 1 and August 1 (each an "Interest Payment Date"), in each year, commencing February 1, 2021, calculated on the basis of a 360-day year and the actual number of days elapsed. Principal hereof is payable at the office of the District, in Montara, California. Interest hereon (including the final interest payment upon maturity) is payable by pre-authorized debit of a District account maintained by the District with the Registered Owner, so long as the Bonds are owned by the Registered Owner, and otherwise payable by check or draft of the District mailed by first-class mail to the Owner at the Owner's address as it appears on the records maintained by the District as of the close of business on the fifteenth day of the month next preceding such interest payment date (the "Record Date"), or at such other address as the Owner may have filed with the District for that purpose.

This Bond is one of a duly authorized issue of Series 2020 Bonds of the District designated as "Montara Water and Sanitary District (San Mateo County, California) General Obligation Refunding Bonds, Series 2020" (the "Series 2020 Bonds"), in an aggregate principal amount of \$8,500,000 all of like tenor and date (except for such variation, if any, as may be required to

designate varying numbers, maturities, interest rates or redemption and other provisions). The Series 2020 Bonds have been issued by the District to optional redeem certain outstanding general obligation bonds of the District. The Series 2020 Bonds have been issued pursuant and subject to the conditions specified in Resolution No. ____ of the Board of Directors of the District adopted November 5, 2020 (the "Resolution").

This Bond and the issue of which this Bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. In accordance with California Government Code Section 53515(a), this Bond is secured by a statutory lien on all revenues received pursuant to the levy and collection of the ad valorem taxes described in the Resolution. The lien automatically arises without the need for any action or authorization by the District or the Board of Directors, and shall be valid and binding from the time this Bond is executed and delivered. The revenues received pursuant to the levy and collection of the ad valorem tax are immediately subject to the lien, and the lien immediately attaches to the revenues and is effective, binding, and enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

This Bond is not subject to optional redemption prior to maturity.

This Bond is subject to mandatory redemption on February 1, 2021 and each February 1 and August 1 thereafter in the amounts set forth below, in each case at a redemption price equal to such amounts, plus interest accrued to the redemption date, without premium.

[Sinking funds redemption table to come]

The District shall not be required to give notice of any sinking fund redemption of this Bond.

This Bond is a "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code"), and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for eighty percent (80%) of that portion of such financial institutions' interest expense allocable to interest on this Bond.

This Bond is transferable by the Owner hereof, in person or by his or her attorney duly authorized in writing, at said office of the District in Montara, California, but only in the manner and subject to the limitations provided in the Resolution, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange therefor. The District may treat the Owner hereof as the absolute owner hereof for all purposes, and the District shall not be affected by any notice to the contrary.

Reference is hereby made to the Resolution (copies of which are on file at the office of the District) for a description of the terms on which this Bond is issued and the rights thereunder of the owners of this Bond and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and

agrees. The Resolution may be amended without the consent of the Owners of this Bond to the extent set forth in the Resolution.

The District has certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that all things necessary to consummate the lawful issuance and sale of the this Bond, the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of this Bond permitted to be issued under the Resolution.

IN WITNESS WHEREOF, the Montara Water and Sanitary District, San Mateo County, California, has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the President of the Board of Directors of the District and to be countersigned by the manual or facsimile signature of the Secretary of the District, all as of the Bond Date stated above.

MONTARA WATER AND SANITARY
DISTRICT

By: _____
President of the Board of Directors

COUNTERSIGNED:

Secretary

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____,
attorney, to transfer the same on the registration books of the District, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by a qualified guarantor.

NOTICE: The signature on this assignment
must correspond with the name(s) as written
on the face of the within Bond in every
particular without alteration or enlargement
or any change whatsoever.



Montara Water and Sanitary District



General Obligation Refunding Bonds, Series 2020 *Refunding of 2012 General Obligation Bonds*

Bond Numbers & Savings Analysis
Draft 10/30/20



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
02/01/21	473,200.98	102,017.06	575,218.04		575,218.04
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	8,316,608.22	886,880.42	9,203,488.64	9,203,488.64	9,203,488.64

Table 2
Montara Water & Sanitary District
Refunding Requirement

Outstanding Principal	\$8,316,608.22
Accrued Interest Through Redemption Date	
Interest Rate (Actual / 360)	2.40%
Daily Interest	\$554.44
Prior payment date	08/02/20
Refunding date	11/13/20
Days of Accrued Interest	103
Accrued Interest	\$57,107.38
Total Refunding Requirement on 11/13/20	\$8,373,715.60

Verification of calculations provided by First Republic Bank.

Table 3
Montara Water & Sanitary District
Sources & Uses of Funds

Sources

Debt Proceeds		\$7,663,715.60
Cash Contribution	tbd	<u>780,000.00</u>
Total sources		8,443,715.60

Uses

Refunding Requirement on 11/13/20		8,373,715.60
Costs of Issuance/Contingency	est	<u>70,000.00</u>
Total uses		8,443,715.60

Table 4
 Montara Water & Sanitary District
 Refunding Issue

Dated Date	11/13/20
Principal	\$7,663,715.60
Interest Rate	1.140%
Day Count	30/360

	Payment Date	Principal	Interest	Period Debt Service	Annual Debt Service	Outstanding Balance
1	02/01/21	\$481,975.31	\$18,929.38	\$500,904.69		7,181,740.29
2	08/01/21	459,968.77	40,935.92	500,904.69	1,001,809.38	6,721,771.52
3	02/01/22	462,590.59	38,314.10	500,904.69		6,259,180.92
4	08/01/22	465,227.36	35,677.33	500,904.69	1,001,809.38	5,793,953.57
5	02/01/23	467,879.15	33,025.54	500,904.69		5,326,074.41
6	08/01/23	470,546.07	30,358.62	500,904.69	1,001,809.38	4,855,528.35
7	02/01/24	473,228.18	27,676.51	500,904.69		4,382,300.17
8	08/01/24	475,925.58	24,979.11	500,904.69	1,001,809.38	3,906,374.59
9	02/01/25	478,638.35	22,266.34	500,904.69		3,427,736.23
10	08/01/25	481,366.59	19,538.10	500,904.69	1,001,809.38	2,946,369.64
11	02/01/26	484,110.38	16,794.31	500,904.69		2,462,259.26
12	08/01/26	486,869.81	14,034.88	500,904.69	1,001,809.38	1,975,389.44
13	02/01/27	489,644.97	11,259.72	500,904.69		1,485,744.47
14	08/01/27	492,435.95	8,468.74	500,904.69	1,001,809.38	993,308.53
15	02/01/28	495,242.83	5,661.86	500,904.69		498,065.70
16	08/01/28	498,065.70	2,838.97	500,904.67	1,001,809.36	0.00
	Total	7,663,715.60	350,759.42	8,014,475.02		

Table 5
Montara Water & Sanitary District
Savings Analysis

Dated Date: 11/13/20

2012 General Obligation Bonds				2020 Refunding Bonds				Gross Savings		Present Value Savings	
Payment Date	Debt Service	Period	PV 1.1400%	Payment Date	Debt Service	Period	PV 1.1400%	Gross Savings	Savings by FY	PV Savings	Savings by FY
02/01/21	575,218.04	0.43	573,803.03	02/01/21	500,904.69	0.43	499,672.49	74,313.35	74,313.35	74,130.54	74,130.54
08/01/21	575,218.04	1.43	570,550.89	08/01/21	500,904.69	1.43	496,840.50	74,313.35		73,710.39	
02/01/22	575,218.04	2.43	567,317.18	02/01/22	500,904.69	2.43	494,024.56	74,313.35	148,626.70	73,292.63	147,003.02
08/01/22	575,218.04	3.43	564,101.80	08/01/22	500,904.69	3.43	491,224.58	74,313.35		72,877.23	
02/01/23	575,218.04	4.43	560,904.64	02/01/23	500,904.69	4.43	488,440.46	74,313.35	148,626.70	72,464.18	145,341.40
08/01/23	575,218.04	5.43	557,725.61	08/01/23	500,904.69	5.43	485,672.13	74,313.35		72,053.47	
02/01/24	575,218.04	6.43	554,564.59	02/01/24	500,904.69	6.43	482,919.49	74,313.35	148,626.70	71,645.10	143,698.57
08/01/24	575,218.04	7.43	551,421.49	08/01/24	500,904.69	7.43	480,182.45	74,313.35		71,239.03	
02/01/25	575,218.04	8.43	548,296.20	02/01/25	500,904.69	8.43	477,460.93	74,313.35	148,626.70	70,835.27	142,074.31
08/01/25	575,218.04	9.43	545,188.62	08/01/25	500,904.69	9.43	474,754.82	74,313.35		70,433.80	
02/01/26	575,218.04	10.43	542,098.66	02/01/26	500,904.69	10.43	472,064.06	74,313.35	148,626.70	70,034.60	140,468.40
08/01/26	575,218.04	11.43	539,026.21	08/01/26	500,904.69	11.43	469,388.54	74,313.35		69,637.67	
02/01/27	575,218.04	12.43	535,971.18	02/01/27	500,904.69	12.43	466,728.19	74,313.35	148,626.70	69,242.98	138,880.65
08/01/27	575,218.04	13.43	532,933.46	08/01/27	500,904.69	13.43	464,082.92	74,313.35		68,850.54	
02/01/28	575,218.04	14.43	529,912.95	02/01/28	500,904.69	14.43	461,452.64	74,313.35	148,626.70	68,460.31	137,310.85
08/01/28	575,218.04	15.43	526,909.57	08/01/28	500,904.67	15.43	458,837.25	74,313.37	74,313.37	68,072.32	68,072.32
Total	9,203,488.64		8,800,726.07		8,014,475.02		7,663,746.00	1,189,013.62	1,189,013.62	1,136,980.07	1,136,980.07
Total Savings								<u>Gross Savings</u>		<u>PV Savings</u>	
Debt Service Savings								1,189,013.62		1,136,980.07	
Less Cash Adjustment on Closing Date								<u>(780,000.00)</u>		<u>(780,000.00)</u>	
Total								409,013.62		356,980.07	
Refunded Principal								8,316,608.22		8,316,608.22	
Savings % of Refunded Principal								4.9180%		4.2924%	

Table 6
 Montara Water & Sanitary District
 Average Life

Dated Date	11/13/20
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	Payment Date	Principal	Period	Period Debt Service
1	02/01/21	\$481,975.31	0.21667	\$104,427.98
2	08/01/21	459,968.77	0.71667	329,644.29
3	02/01/22	462,590.59	1.21667	562,818.55
4	08/01/22	465,227.36	1.71667	798,640.30
5	02/01/23	467,879.15	2.21667	1,037,132.13
6	08/01/23	470,546.07	2.71667	1,278,316.81
7	02/01/24	473,228.18	3.21667	1,522,217.31
8	08/01/24	475,925.58	3.71667	1,768,856.74
9	02/01/25	478,638.35	4.21667	2,018,258.40
10	08/01/25	481,366.59	4.71667	2,270,445.77
11	02/01/26	484,110.38	5.21667	2,525,442.50
12	08/01/26	486,869.81	5.71667	2,783,272.43
13	02/01/27	489,644.97	6.21667	3,043,959.56
14	08/01/27	492,435.95	6.71667	3,307,528.11
15	02/01/28	495,242.83	7.21667	3,574,002.43
16	08/01/28	498,065.70	7.71667	3,843,406.95
	Total	7,663,715.60		30,768,370.25
A Total Principal x Period				30,768,370.25
B Total Principal				7,663,715.60
C Average Life (Years) = A / B				4.01481

Table 7
Montara Water & Sanitary District
True Interest Cost (TIC)

Dated Date	11/13/20
Principal	\$7,663,715.60
Interest Rate	1.140%
Day Count	30/360

Payment Date	Period Debt Service	Semi-Annual Period	TIC 1.1401%	All-In TIC 1.3769%
1 02/01/21	\$500,904.69	0.43333	499,672.38	499,417.72
2 08/01/21	500,904.69	1.43333	496,840.13	496,003.09
3 02/01/22	500,904.69	2.43333	494,023.94	492,611.80
4 08/01/22	500,904.69	3.43333	491,223.72	489,243.70
5 02/01/23	500,904.69	4.43333	488,439.36	485,898.62
6 08/01/23	500,904.69	5.43333	485,670.79	482,576.42
7 02/01/24	500,904.69	6.43333	482,917.91	479,276.93
8 08/01/24	500,904.69	7.43333	480,180.64	476,000.01
9 02/01/25	500,904.69	8.43333	477,458.88	472,745.48
10 08/01/25	500,904.69	9.43333	474,752.55	469,513.21
11 02/01/26	500,904.69	10.43333	472,061.56	466,303.04
12 08/01/26	500,904.69	11.43333	469,385.82	463,114.82
13 02/01/27	500,904.69	12.43333	466,725.25	459,948.39
14 08/01/27	500,904.69	13.43333	464,079.75	456,803.62
15 02/01/28	500,904.69	14.43333	461,449.26	453,680.34
16 08/01/28	500,904.67	15.43333	458,833.65	450,578.41
Total	8,014,475.02		7,663,715.60	7,593,715.60
TIC Target Value				
Par Amount of Bonds			7,663,715.60	7,663,715.60
+ Premium, or - Discount			0.00	0.00
- Bond Insurance Premium			0.00	0.00
- Reserve Fund Surety Bond Fee			0.00	0.00
- Underwriter's Discount			0.00	0.00
- Costs of Issuance/Contingency			0.00	(70,000.00)
+ Accrued interest			0.00	0.00
TIC Target			7,663,715.60	7,593,715.60
True Interest Cost (TIC)			1.1401%	1.3769%



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Acceptance of the June 30, 2020
GASB 68 Actuarial Valuation**

On June 25th, 2012, the Governmental Accounting Standards Board (GASB) approved GASB 68. According to GASB, the objective of the new Statements is to improve financial reporting by state and local governmental pension plans and became effective for fiscal years beginning after June 15, 2014. The statement brought into effect the term Net Pension Liability. Under GASB standards, the unfunded pension liability will be calculated as NPL. Statement No. 68 requires that the NPL be reported on the financial statements (balance sheet) of the District.

The District's Defined Benefit plan was adopted in Fiscal year 2015-2016 and the attached GASB 68 actuarial is the second performed by Bartel & Associates. The report is used to disclose the related pension asset or liability given an agreed upon measurement date, in this case June 30, 2019.

For fiscal year ended June 30, 2020, Bartel & Associates has determined that funding by the District and eligible employees has resulted in a net pension asset of \$81,551 which is an improvement of \$1,570 from previous fiscal year in which it was determined MWSD had a net pension asset of \$79,981.

For reference, during this period the District had a contribution rate of 6.92% and the employee contribution rate was 7.75% of regular wages. The previous contribution rates were as follows: District 6.50%, Employee 8.25% of regular wages.

A representative of Bartel Associates will be presenting the results of the actuarial study.

RECOMMENDATION:

Receive GASB 68 Actuarial Evaluation



BARTEL
ASSOCIATES, LLC

**Montara Water and Sanitary District
PARS Retirement Plan**

June 30, 2020 GASBS 68 Accounting Information
As of Measurement Date June 30, 2019
Based on the June 30, 2019 Actuarial Valuation

Mary Elizabeth Redding, Vice President
Katherine Moore, Associate Actuary
Tina Liu, Associate Actuary
Bartel Associates, LLC

October 20, 2020

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Applicable Dates

Applicable Dates and Periods

	Fiscal Year Ended June 30, 2020
■ Measurement date	June 30, 2019
■ Measurement period	July 1, 2018 to June 30, 2019
■ Actuarial valuation date	June 30, 2019

Note Disclosures

Plan Information

	Fiscal Year Ended June 30, 2020
■ Plan type	Agent Multiple Employer
■ Pension trust	Yes
■ Special funding situation	No
■ Nonemployer contributing entities	No

Note Disclosures

Expected Long-Term Rate of Return

	Target Allocation PARS-Capital Appreciation	Expected Real Rate of Return
■ Asset Class Component		
● Global Equity	73.00%	4.82%
● Fixed Income	20.00%	1.47%
● REITs	2.00%	3.76%
● Cash	5.00%	0.06%
■ Assumed Long-Term Rate of Inflation		2.75%
■ Expected Long-Term Net Rate of Return, Rounded		6.50%

The long-term expected real rates of return are presented as geometric means.

Note Disclosures

Covered Participants

At June 30, 2019, the measurement date, the following numbers of participants were covered by the benefit terms:

	Number of Covered Participants
■ Inactives currently receiving benefits	2
■ Inactives entitled to but not yet receiving benefits	-
■ Active employees	7
■ Total	9

Note Disclosures

Net Pension Liability/(Asset)

	Fiscal Year Ended	
	6/30/19	6/30/20
	Measurement Date 6/30/18	Measurement Date 6/30/19
■ Total Pension Liability (TPL)	\$ 554,568	\$ 685,502
■ Fiduciary Net Position (FNP)	646,988	767,053
■ Net Pension Liability (NPL)	(92,420)	(81,551)
■ Funded status (FNP/TPL)	116.7%	111.9%

Note Disclosures

Changes in Net Pension Liability/(Asset)

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
■ Balance at 6/30/19 (6/30/18 measurement date)	\$ 554,568	\$ 646,988	\$ (92,420)
■ Changes for the year			
● Service Cost	93,834	-	93,834
● Interest	41,731	-	41,731
● Changes of benefit terms	-	-	-
● Actual vs. expected experience	(9,020)	-	(9,020)
● Assumption changes	17,159	-	17,159
● Contributions - employer	-	46,775	(46,775)
● Contributions - employee	-	44,969	(44,969)
● Net investment income	-	41,201	(41,201)
● Benefit payments	(12,770)	(12,770)	-
● Administrative expenses	-	(110)	110
■ Net Changes	130,934	120,065	10,869
■ Balance at 6/30/20 (6/30/19 measurement date)	\$ 685,502	\$ 767,053	\$ (81,551)

Note Disclosures

Sensitivity of Net Pension Liability/(Asset)

■ **Changes in the Discount Rate**

	Discount Rate		
	1% Decrease (5.50%)	Current Rate (6.50%)	1% Increase (7.50%)
■ Net Pension Liability	\$ 70,752	\$ (81,551)	\$ (200,457)

Note Disclosures

Pension Expense/(Income) for Fiscal Year

	2019/20
	Measurement Period 2018/19
■ Pension Expense/(Income)*	\$ 62,513

* See page 25 for pension expense detail, which is not required disclosure.

Note Disclosures

Deferred Outflows/Inflows Balances at June 30, 2020

	June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience	\$ 194,516	\$ 36,011
■ Changes in assumptions	15,741	5,447
■ Net difference between projected and actual earnings on plan investments*	-	13,238
■ Employer contributions made subsequent to the measurement date**	61,267	-
■ Total	271,524	54,696

* Deferred Inflows and Outflows combined for footnote disclosure.

** See page 19 for details.

Note Disclosures

Recognition of Deferred Outflows and Inflows of Resources in Future Pension Expense

FYE June 30	Deferred Outflows/(Inflows) of Resources
■ 2021	\$ 16,424
■ 2022	16,215
■ 2023	21,639
■ 2024	23,416
■ 2025	22,733
■ Thereafter	55,134

Note Disclosures

Significant Actuarial Assumptions Used for Total Pension Liability

Actuarial Assumption	June 30, 2019 Measurement Date
■ Actuarial Valuation Date	■ June 30, 2019
■ Contribution Policy	■ District contributes full ADC
■ Discount Rate and Long-Term Expected Rate of Return on Assets	<ul style="list-style-type: none"> ■ 6.50% at June 30, 2019 ■ 6.50% at June 30, 2018 ■ Expected District contributions projected to keep sufficient plan assets to pay all benefits from trust
■ General Inflation	■ 2.75% annually
■ Mortality, Retirement, Disability, Termination	■ CalPERS 1997-2015 Experience Study
■ Mortality Improvement	■ Mortality projected fully generational with Scale MP-2019
■ Salary Increases	<ul style="list-style-type: none"> ■ Aggregate - 3% annually ■ Merit - CalPERS 1997-2015 Experience Study

Note Disclosures

Changes Since June 30, 2018 Measurement Date

Actuarial Assumption	June 30, 2019 Measurement Date
■ Changes of assumptions	<ul style="list-style-type: none"> ■ Demographic assumptions were updated to CalPERS 1997-2015 Experience Study ■ Mortality improvement scale was updated to Scale MP-2019
■ Changes of benefit terms	■ None

Required Supplementary Information

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios

	2019/20
	Measurement Period 2018/19
■ Changes in Total Pension Liability	
● Service Cost	\$ 93,834
● Interest	41,731
● Changes of benefit terms	-
● Actual vs. expected experience	(9,020)
● Assumption changes	17,159
● Benefit payments	(12,770)
■ Net Changes	130,934
■ Total Pension Liability (beginning of year)	554,568
■ Total Pension Liability (end of year)	685,502

Required Supplementary Information

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios

	2019/20
	Measurement Period 2018/19
■ Changes in Plan Fiduciary Net Position	
● Contributions - employer	\$ 46,775
● Contributions - employee	44,969
● Net investment income	41,201
● Benefit payments	(12,770)
● Administrative expenses	(110)
● Other changes	-
● Net Changes	120,065
■ Plan Fiduciary Net Position (beginning of year)	646,988
■ Plan Fiduciary Net Position (end of year)	767,053

Required Supplementary Information

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios

	2019/20
■ Net Pension Liability/(Asset)	\$ (81,551)
■ Fiduciary Net Position as a percentage of the Total Pension Liability	111.9%
■ Covered employee payroll*	675,929
■ Net Pension Liability as a percentage of covered employee payroll	-12.1%

* For the 12-month period ended on June 30, 2019 (Measurement Date).
As reported by the District.

Required Supplementary Information

Schedule of Employer Contributions

	Fiscal Year 2019/20
■ Actuarially Determined Contribution (ADC)	\$ 61,267
■ Contributions in relation to the actuarially determined contribution*	61,267
■ Contribution deficiency/(excess)	(0)
■ Covered employee payroll**	736,554
■ Contributions as a percentage of covered employee payroll	8.3%

* See page 19 for details.

** For the 12-month period ended on June 30, 2020 (fiscal year end).
As reported by the District.

Required Supplementary Information

**Notes to Schedule of Employer Contribution
Methods and Assumptions for
2019/20 Actuarially Determined Contribution**

■ Valuation Date	■ June 30, 2017
■ Actuarial Cost Method	■ Entry Age Normal, Level % of pay
■ Amortization Method	■ Not applicable, since there is no unfunded actuarial accrued liability. PEPPRA requires continued contribution of normal cost.
■ Amortization Period	■ N/A
■ Asset Valuation Method	■ Market value of assets
■ Discount Rate	■ 6.50%
■ General Inflation	■ 2.75%
■ Mortality	■ CalPERS 1997-2011 experience study
■ Mortality Improvement	■ Post-retirement mortality projected fully generational with Scale MP-2016

Actuarial Certification

This report presents Montara Water and Sanitary District PARS Retirement Plan 2019/20 disclosure under Governmental Accounting Standards Board Statement No. 68 (GASBS 68).

The report provides information intended for reporting under GASBS 68, but may not be appropriate for other purposes. Information provided in this report may be useful to the District for the Plan's financial management. Future valuations may differ significantly if the Plan's experience differs from our assumptions or if there are changes in Plan design, actuarial methods, or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The June 30, 2019 valuation is based on Plan provisions and participant data provided by the District, and asset information, all of which we relied on and did not audit. We reviewed the census data for reasonableness. Additional information on participants included in the valuation and actuarial assumptions can be found in the June 30, 2019 funding actuarial valuation report. As the actuary, Bartel Associates has recommended the assumptions used in this report, and we believe they are reasonable.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. Additionally, in our opinion, actuarial methods and assumptions comply with GASBS 68. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



 Mary Elizabeth Redding, FSA, FCA, MAAA
 Vice President
 Bartel Associates, LLC
 October 20, 2020



 Katherine Moore, ASA, MAAA
 Associate Actuary
 Bartel Associates, LLC
 October 20, 2020



 Tina Liu, EA, FCA, MAAA
 Associate Actuary
 Bartel Associates, LLC
 October 20, 2020

Supporting Calculations

Employer Contributions

	Measurement Period	Measurement Date to FYE	Prior Measurement Date to Prior FYE*
	7/1/18 to 6/30/19	7/1/19 to 6/30/20	Same as Measurement Period
■ Trust contributions	\$ 46,775	\$ 50,970	\$ 46,775
■ Administrative expenses paid outside of trust	-	10,297	-
■ Total employer contributions	46,775	61,267	46,775

Measurement period (7/1/18 to 6/30/19): \$46,775

Fiscal year (7/1/19 to 6/30/20): \$61,267

* Note: Our prior report included \$46,774 as the deferred outflow for contributions after the measurement date.

Supporting Calculations

Average of the Expected Remaining Service Lives

July 1, 2018 (beginning of the measurement period) was not a valuation date and no census data was available to the actuary as of that date. Therefore, the average of the expected remaining service lives was estimated as follows:

Valuation Date	Total expected remaining service lives*	Covered participants*	Average of the expected remaining service lives as of valuation date	Average of the expected remaining service lives as of 7/1/18 (not less than 1 yr)
6/30/19	113.6 years	9	12.6 years	12.1 years
6/30/17	103.6 years	9	11.5 years	

Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2020 Differences between Expected and Actual Experience

Fiscal Year	Initial Amt	Initial Recog Period	Amount Recognized in Pension Expense for FY							Deferred Balances June 30, 2020	
			19/20	20/21	21/22	22/23	23/24	24/25	25/26+	Outflows	(Inflows)
16/17	297,568	11.55	25,763	25,763	25,763	25,763	25,763	25,763	65,701	194,516	-
17/18	(37,021)	11.96	(3,095)	(3,095)	(3,095)	(3,095)	(3,095)	(3,095)	(12,261)	-	(27,736)
18/19	-	-	-	-	-	-	-	-	-	-	-
19/20	(9,020)	12.10	(745)	(745)	(745)	(745)	(745)	(745)	(4,550)	-	(8,275)
Total			21,923	21,923	21,923	21,923	21,923	21,923	48,890	194,516	(36,011)

Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2020 Changes of Assumptions

Fiscal Year	Initial Amt	Initial Recog Period	Amount Recognized in Pension Expense for FY							Deferred Balances June 30, 2020	
			19/20	20/21	21/22	22/23	23/24	24/25	25/26+	Outflows	(Inflows)
16/17	-	-	-	-	-	-	-	-	-	-	-
17/18	(7,271)	11.96	(608)	(608)	(608)	(608)	(608)	(608)	(2,407)	-	(5,447)
18/19	-	-	-	-	-	-	-	-	-	-	-
19/20	17,159	12.10	1,418	1,418	1,418	1,418	1,418	1,418	8,651	15,741	-
Total			810	810	810	810	810	810	6,244	15,741	(5,447)

Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2020 Projected Versus Actual Earnings on Investments

Fiscal Year	Initial Amt	Initial Recog Period	Amount Recognized in Pension Expense for FY							Deferred Balances June 30, 2020	
			19/20	20/21	21/22	22/23	23/24	24/25	25/26+	Outflows	(Inflows)
16/17	1,031	5.0	206	207	-	-	-	-	-	207	-
17/18	(27,112)	5.0	(5,422)	(5,422)	(5,424)	-	-	-	-	-	(10,846)
18/19	(8,885)	5.0	(1,777)	(1,777)	(1,777)	(1,777)	-	-	-	-	(5,331)
19/20	3,415	5.0	683	683	683	683	683	-	-	2,732	-
Total			(6,310)	(6,309)	(6,518)	(1,094)	683	-	-	2,939	(16,177)
Net Deferred Outflows/(Inflows)										-	(13,238)

Calculation of initial amount for 2019/20 (2018/19 measurement period):

Projected earnings on investments of \$44,616 (page 26), less

Actual earnings on investments of \$41,201 (net investment income, page 14)

Supporting Calculations

Recognition of Deferred Outflows/Inflows in Future Pension Expense

	20/21	21/22	22/23	23/24	24/25	Thereafter 25/26+
■ Differences between Expected and Actual Experience	21,923	21,923	21,923	21,923	21,923	48,890
■ Changes of Assumptions	810	810	810	810	810	6,244
■ Projected Versus Actual Earnings on Investments	(6,309)	(6,518)	(1,094)	683	-	-
■ Total	16,424	16,215	21,639	23,416	22,733	55,134

Supporting Calculations

Components of GASBS 68 Pension Expense

	2019/20
	Measurement Period 2018/19
■ Service Cost	\$ 93,834
■ Interest on Total Pension Liability	41,731
■ Projected earnings on investments	(44,616)
■ Employee contributions	(44,969)
■ Administrative expense	110
■ Changes of benefit terms	-
■ Recognition of deferred outflows/(inflows)	
● Experience	21,923
● Assumptions	810
● Asset returns	(6,310)
■ Pension Expense/(Income)	62,513

Supporting Calculations

Components of GASBS 68 Pension Expense
Calculation of Projected Earnings on Investments

	Dollar Amount	Expected Return	Portion of Year	Projected Earnings
■ Fiduciary Net Position (beginning of year)	\$ 646,988	6.50%	100%	\$ 42,054
■ Employer contributions	46,775	6.50%	50%	1,520
■ Employee contributions	44,969	6.50%	50%	1,461
■ Benefit payments	(12,770)	6.50%	50%	(415)
■ Administrative expenses	(110)	6.50%	50%	(4)
■ Projected earnings				44,616

Supporting Calculations

**Components of GASBS 68 Pension Expense
Calculation of Interest on Total Pension Liability**

	Dollar Amount	Discount Rate	Portion of Year	Interest
■ Total Pension Liability	\$ 554,568	6.50%	100%	\$ 36,047
■ Service Cost	93,834	6.50%	100%	6,099
■ Changes of benefit terms	-	6.50%	0%	-
■ Experience*	(9,020)	6.50%	0%	-
■ Assumption changes*	17,159	6.50%	0%	-
■ Benefit payments	(12,770)	6.50%	50%	(415)
■ Total interest				<u>41,731</u>

* Liability determined as of the end of the measurement period, so no interest charge is applicable.

Supporting Calculations

GASBS 68 Balance Equation

	Fiscal Year Ended	
	6/30/19	6/30/20
	Measurement Date 6/30/18	Measurement Date 6/30/19
■ Total Pension Liability	\$ 554,568	\$ 685,502
■ Fiduciary Net Position	<u>646,988</u>	<u>767,053</u>
■ Net Pension Liability/(Asset)	(92,420)	(81,551)
■ Deferred inflows of resources	59,849	54,696
■ Deferred (outflows) of resources	<u>(220,279)</u>	<u>(210,257)</u>
■ Balance Sheet	(252,850)	(237,112)

Check:

■ Balance Sheet 6/30/19	\$ (252,850)
● Pension Expense/(Income)	62,513
● Employer Contributions	(46,775)
■ Balance Sheet 6/30/20	<u>(237,112)</u>



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning Receipt
of the June 30, 2019 Actuarial Valuation and
Adjustments to Contribution Rates**

Beginning with fiscal year 2015/2016, the District adopted a defined benefit plan for employees. The District received an actuarial report to establish contribution rates for both the District and Employees based on current PEPRA laws. At that time, it was decided the District contribution would be 6.5% and the employee portion would be 8.25%.

The Plan has been in existence for four fiscal years. As prescribed by current CA regulations, the District has performed a bi-annual actuarial valuation. The current actuarial makes a number of assumptions regarding discount rates, payroll increases, and mortality. In addition to these assumptions, the actuarial also takes into account plan assets from two years of contributions. The current report shows that the plan is fully funded.

The actuarial recommends adjustment of the employer contribution to 7.01%, an increase of 0.09% from 6.92% used for fiscal year's 2018, 2019 and most of 2020. Employee contribution have been recommended to maintain at 7.75%.

The estimated impact of the 0.09% increase on projected covered payroll of \$797,406 is approximately \$5,000 for the calendar year in additional employer contributions.

Mary Beth Redding with Bartel Associates will be presenting the results of the actuarial study.

RECOMMENDATION:

Receive and accept June 30, 2019 Actuarial Valuation Report of District PARS Retirement Plan and Adopt Resolution No. _____ Adjusting Employer Paid Member Contributions for Fiscal Years 2020/21 and 2021/22.

Attachments

RESOLUTION NO. _____

**RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT
ADJUSTING EMPLOYER PAID MEMBER CONTRTIBUTIONS FOR
FISCAL YEARS 2020/21 & 2021/22**

WHEREAS, the governing body of the of the Montara Water and Sanitary District (“District”) has the authority to implement Government Code Section 20691; and

WHEREAS, the District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer (“Employer Paid Member Contributions”).

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:

The District Board identifies and adopts the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the District.
- This benefit shall consist of paying of the member contributions as Employer Paid Member Contributions set forth in the Bartel Associates, LLC, June 30, 2019 Actuarial Valuation Report of the Montara Water and Sanitary District’s PARS Retirement Plan.
- The effective date of this Resolution shall be the date of its adoption.

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 Directors of the Montara Water and Sanitary District, San Mateo County, California, at a regular meeting on November 5, 2020 by the following vote:

AYES, Directors:

NOES, Directors:

[con't. next page]

ABSENT, Directors:

Secretary, Montara Water and Sanitary District



BARTEL
ASSOCIATES, LLC

**MONTARA WATER AND SANITARY DISTRICT
PARS RETIREMENT PLAN**

June 30, 2019 Actuarial Valuation

Final Results

Presented by **Mary Elizabeth Redding, Vice President & Actuary**
Prepared by Katherine Moore, Associate Actuary
Tina Liu, Associate Actuary
Bartel Associates, LLC
October 28, 2020

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DEFINITIONS

■ PVPB – Present Value of all Projected Benefits

- Expected benefit payments modeled based on:
 - Plan benefit provisions
 - Current employee/retiree population
 - Actuarial assumptions: Retirement/termination, future salary increases, longevity
 - Discounted to measurement date using discount rate (rate invested assets are expected to earn in the long-term future).

■ AAL – Actuarial Accrued Liability

- Discounted value at measurement date (valuation date) of benefits “earned” through measurement date

■ NC – Normal Cost

- Value of benefits “earned” during year after measurement date
- Benefits “earned” in proportion to expected payroll over employee’s working lifetime.



BENEFIT SUMMARY

■ Eligibility	■ Age 62 with 5 years District service
■ Retirement Benefit	■ 2% x Final Pay x benefit service payable at 62 Final Pay is highest average 36 months limited to PEPR limit (\$124,180 in 2019)
■ Service	■ Benefit service is years with District after 7/1/15 and purchased credit for District service before 7/1/2015
■ Death Benefits	■ After 5 years District service – spousal benefit
■ Termination	■ Refund of employee contributions with 3% interest, or ■ Deferred formula benefit calculated at termination
■ Disability	■ Same as termination
■ Employee Contributions	■ ½ of Normal Cost. ■ Calculated as % of pay up to PEPR pay limit. ■ Will depend on discount rate and other actuarial assumptions. ■ Recalculated in each actuarial valuation
■ Service Buy-Back	■ Employees may purchase credit for District service before 7/1/2015 by paying the full actuarial cost.
■ COLA	■ 2% increases per year after retirement
■ Benefit Form	■ Single life annuity, spousal continuation benefits paid by retiree



DATA SUMMARY

Participant Statistics

	6/30/17	6/30/19
■ Actives		
• Count	8	7
• Average Age	42.3	39.5
• Average District Service	5.1	6.2
• Average Benefit Service*	3.2	4.5
• Total Payroll	\$680,000	\$670,000
■ Retirees		
• Count	1	2
• Average Age	64.4	67.2
• Average Monthly Benefit	\$509	\$537

*Includes purchased service credit for District service before 7/1/2015



ACTUARIAL ASSUMPTIONS

Assumption	June 30, 2019 Valuation
■ Valuation Date	<ul style="list-style-type: none"> ■ June 30, 2019 ■ Determines contributions for fiscal years 2020/21 & 2021/22
■ Investments	<ul style="list-style-type: none"> ■ Highmark's passively managed Capital Appreciation portfolio
■ Discount Rate	<ul style="list-style-type: none"> ■ Employer selected 6.50% based on Capital Appreciation Fund. Our modeling shows a probability between 50% and 55% of achieving that average return over the long term. ■ Net of investment expenses
■ Payroll Increase	<ul style="list-style-type: none"> ■ Merit Increases – CalPERS 1997-2015 Experience Study (CalPERS 1997-2011 Experience Study previously) ■ Aggregate payroll increase – 3%
■ Mortality, Withdrawal, Disability and Retirement	<ul style="list-style-type: none"> ■ CalPERS 1997-2015 Experience Study (CalPERS 1997-2011 Experience Study previously) ■ Mortality projected fully generational with Scale MP2019 (MP2016 previously)



ACTUARIAL METHODS

Method	June 30, 2019 Valuation
■ Actuarial Cost Method	■ Entry Age Normal
■ Amortization of Unfunded	■ Not applicable, since there is no unfunded actuarial accrued liability. PEPRA requires continued contribution of normal cost.
■ Administrative Expenses	■ Allowance for administrative expense, if paid from Trust assets, to be added to actuarially determined contribution. Assumed \$100 (two-year rounded average) for fiscal years 20/21 and 21/22 (i.e., all costs paid by District)
■ Future New Entrants	■ Closed group, no new hires
■ Employer Accounting	■ Governed by GASB Statement 68, first applicable for the District 6/30/16. Accounting results will differ from those in this funding report.



ACTUARIAL METHODS

Method	June 30, 2019 Valuation
■ Basis for Assumptions	<p>■ The covered group is not large enough for a study of its own experience to produce valid results. We have selected actuarial assumptions used by CalPERS based on their studies of the experience of a large group of similar employees.</p> <p>■ Mortality improvement is based on the 2019 Society of Actuaries table.</p>



DISCOUNT RATE

Asset Allocation

	Target Allocation of PARS Fund
	Capital Appreciation
■ Equity	75%
■ Fixed Income	20%
■ Cash	5%
■ Total	100%



DISCOUNT RATE

Discount Rate Development

PARS Fund:	Capital Appreciation	
	50%	50%
Confidence Level¹	50%	50%
■ Expected Return	7.01%	7.01%
■ Investment Expenses	<u>0.80%</u>	<u>0.30%</u>
■ Net Return after Expenses	6.21%	6.71%
■ Employer Selected Discount Rate	6.50%	

¹ Based on 5000-trial stochastic modeling, the long-term average return is expected to be equal or higher than the amount shown 50% of the time.



FUNDING RESULTS

Market Value of Assets

	2017/18	2018/19
■ Beginning of Year Balance	\$ 527,896	\$ 638,230
■ Additions		
• Employee Contributions	46,463	45,497
• Employer Contributions	45,248	47,245
• Net Investment Income	<u>45,838</u>	<u>41,200</u>
• Total Additions	137,549	133,942
■ Deductions		
• Benefit Payments	27,105	12,770
• Administrative Expenses	<u>110</u>	<u>110</u>
• Total Deductions	27,215	12,880
■ Net Assets at End of Year	638,230	759,292



FUNDING RESULTS

Actuarial Obligations

	6/30/17 Valuation	6/30/19 Valuation
■ Present Value of Benefits		
• Active Employees	\$ 1,403,464	\$ 1,697,748
• Retirees	<u>86,945</u>	<u>171,091</u>
• Total	1,490,409	1,868,839
■ Actuarial Accrued Liability		
• Active Employees	368,953	514,411
• Retirees	<u>86,945</u>	<u>171,091</u>
• Total	455,898	685,502
■ Value of Assets	<u>527,896</u>	<u>759,292</u>
■ Unfunded (Surplus) AAL	(71,998)	(73,790)
■ Funded Ratio	115.8%	110.8%
■ Employer Normal Cost (middle of year payment)	47,061	48,433*

* For fiscal year 20/21



FUNDING RESULTS

Annual Actuarially Determined Contribution (ADC)

	6/30/17 Valuation 17/18, 18/19 & 19/20 Contributions	6/30/19 Valuation 20/21 & 21/22 Contributions
■ ADC - \$ <ul style="list-style-type: none"> • Normal Cost (Employer) \$ 47,061 • Administrative expenses paid from Trust 300 • Amortization of UAAL* <u>0</u> • Total 47,361 	<ul style="list-style-type: none"> \$ 47,061 300 <u>0</u> 47,361 	<ul style="list-style-type: none"> \$ 48,433 100 <u>0</u> 48,533
■ Projected Payroll (unlimited)	680,306	690,535
■ Employee Contribution Rate (% of PEPRAs-limited pay)	7.75%	7.75%
■ Total Employer Cost (% total projected payroll – unlimited)	6.92%	7.01%

* Total plan has no unfunded actuarial accrued liability (UAAL) (i.e. it is in a surplus position). The amortization of UAAL is \$0, because PEPRAs requires contributions at least equal to the normal cost.



FUNDING RESULTS

Development of Employee Normal Cost Rate

	6/30/19 Valuation 20/21 & 21/22 Contributions
■ Employee normal cost rate from 6/30/17 valuation	7.75%
■ Total 20/21 normal cost from 6/30/19 valuation	\$ 95,279
<ul style="list-style-type: none"> • Expected 20/21 payroll, limited for PEPRAs \$ 604,460 • Total normal cost rate based on PEPRAs-limited payroll 15.763% • Employee contribution rate based on PEPRAs-limited 7.88% 	<ul style="list-style-type: none"> \$ 604,460 15.763% 7.88%
■ Employee contribution rate rounded to nearest ¼%	8.00%
■ Change from prior valuation*?	No
■ Final employee contribution rate to be applied to PEPRAs-limited payroll	7.75%

* Total Normal Cost rate in 6/30/17 valuation was 15.518%. Since the total normal cost change is less than 1% of limited payroll, no adjustment is made to the 7.75% employee contribution rate



FUNDING RESULTS

Actuarial (Gain)/Loss Analysis

	Unfunded (Surplus) AAL (Gain)/Loss
■ June 30, 2017 Actual Value	\$ (71,998)
■ June 30, 2019 Expected Value	\$ (75,494)
• Assumption change: updated CalPERS experience study demographic rates, mortality improvement scale)	17,159
• Investment return greater than expected	(6,435)
• Other, including demographics	<u>(9,020)</u>
■ Total (Gain) or Loss	\$ 1,704
■ June 30, 2019 Actual Value	\$ (73,790)



FUNDING RESULTS

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PLAN RISKS

Discussion of Plan Risks

- Actuarial Standard of Practice No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, requires the actuary to assess and disclose the risk that actual future measurements may differ significantly from expected future measurements.
- The following table presents various measures illustrating the plan's Risk Measures:

Risk Measures	June 30, 2017	June 30, 2019
● Actuarial Accrued Liability (AAL)	\$ 455,898	\$ 685,502
● Market Value of Assets	527,896	759,292
● Unfunded (Surplus) AAL	(71,998)	(73,790)
● Funded Ratio (MVA/AAL)	115.8%	110.8%
● Surplus AAL/Payroll	10.6%	11.0%
● Projected Covered Payroll for Contribution Year (unlimited)	680,306	670,422



PLAN RISKS

- Higher volatility ratios mean that changes in plan assets have a larger impact on contributions than for lower ratios. The following table presents various measures illustrating the plan's Volatility Ratios

Volatility Measures	June 30, 2017	June 30, 2019
● Asset Volatility Index (MVA/Payroll)	78%	113%
● Liability (100% Funded) Volatility Index (AAL/Payroll)	67%	102%
● Maturity Ratio (Retiree Count/Total Count)	11%	22%
● Maturity Ratio (Retiree AAL/Total AAL)	19%	25%



PLAN RISKS

Discussion of Plan Risks

- Plan risks:
 - Investment risk – potential that investment return will be different than expected
 - Asset/liability mismatch risk – potential that changes in asset values are not matched by changes in the value of liabilities
 - Longevity risk – the potential that participants will live longer than projected
 - Contribution risk - the potential that contributions will not be paid to the plan as necessary
- While these risks are inter-related, we believe investment risk is the most significant for this plan, since poor returns reduce the plan’s funded status and increase required contributions. Investment losses will increase the plan’s unfunded actuarial liability by a very large percentage (changing it from surplus to underfunded) and require additional contributions to pay down the new unfunded liability.



ACTUARIAL CERTIFICATION

This report presents the Montara Water and Sanitation District PARS Retirement Plan (“Plan”) June 30, 2019 actuarial valuation. The purpose of this valuation is to:

- Determine the Plan’s June 30, 2019 Funded Status,
- Calculate the fiscal years 2020/21 and 2021/22 Actuarially Determined Contributions, and
- Calculate the employee contributions required under PEPRA

The information in this report may not be appropriate for purposes other than Plan funding but may be useful to the District for the Plan’s financial management. Future valuations may differ significantly if the Plan’s experience differs from our assumptions or if there are changes in Plan design, actuarial methods, or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The valuation is based on Plan provisions, participant data, and asset information provided by the District as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



Mary Elizabeth Redding, FSA, MAAA, EA
Vice President
Bartel Associates, LLC
October 28, 2020



Katherine Moore, ASA, MAAA,
Associate Actuary
Bartel Associates, LLC
October 28, 2020



Tina Liu, MAAA, EA
Associate Actuary
Bartel Associates, LLC
October 28, 2020





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Review and Possible Action Concerning Mutual Aid Agreement with Water/Wastewater Member Agencies in CalWARN

The California Water/Wastewater Agency Response Network (CalWARN), composed of over 190 agencies in the State of California, supports and promotes statewide emergency preparedness, disaster response, and mutual assistance processes for public and private water and wastewater utilities. A CalWARN Web Portal (www.CalWarn.org) expands a Signatory Utility's ability to achieve agency, regional and state preparedness by providing new tools and proven practices that can enhance readiness while providing daily value to the agencies and their customers.

The CalWARN Program provides its member utilities with:

- A standard omnibus mutual assistance agreement and process for sharing emergency resources among Signatories statewide.
- The resources to respond and recover more quickly from a disaster.
- A mutual assistance program consistent with other statewide mutual aid programs, the Standardized Emergency Management System (SEMS), and the National Incident Management System (NIMS).
- A forum for developing and maintaining emergency contacts and relationships.
- New ideas from lessons learned in disasters.

MWSD is a registered member of the CalWARN Region 2 that encompasses San Mateo County. However, MWSD is not currently a signatory on the omnibus mutual aid agreement which enables quick access to equipment, personnel, and materials during a local or regional disaster. For example, the recent wide-spread fires were responded to using the CalWARN system where mutual aid assistance was received on the ground within 24 hours. As another example, in a regional disaster involving Northern California, resources from the large water and wastewater utilities can be accessed from the central and southern regions of the State of California such as the Metropolitan Water District of Southern California, City of LADWP, Orange County Water District, and San Diego Water Authority just to name a few. MWSD, along with everyone else, currently do not have the resources to respond to all foreseeable disasters, and could benefit immensely by joining the CalWARN mutual partners.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

Attached to this item are two exhibits including the terms and conditions of the omnibus mutual aid agreement setting forth the procedures and standards for administration of the CalWarn Program and a signatory page to be signed by MWSD. The agreement is in accordance with the California Emergency Services Act (Government Code Section 8550 et seq.).

MWSD obligations under the agreement: Since CalWARN is a voluntary institution, the omnibus agreement does not obligate MWSD to send or request assistance but does require MWSD to notify a requesting member as to whether it will respond with aid. The agreement specifies that if the District requests and receives assistance then it is required to reimburse the member agencies to cover the cost of transport, lodging, and use of personnel, equipment, and materials. The same would be true on the reverse foot if MWSD provides such support itself to another agency. Accurate and complete records must be kept by both the responding and requesting members, and the requesting member the right to review those records prior to payment. The purpose of the omnibus agreement is for elected officials to consider and approve the general terms and conditions during normal non-emergency circumstances since there is no time to do so during an emergency event. In actual practice any regional disaster event subject to a California state of emergency declaration will qualify for reimbursement under FEMA.

Recommendation: Adopt Resolution Authorizing the General Manager to Sign a Mutual Aid Agreement with CalWARN.

RESOLUTION NO. _____

RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING PARTICIPATION IN THE CALIFORNIA WATER/WASTEWATER AGENCY RESPONSE NETWORK WARN 2007 OMNIBUS MUTAL ASSISTANCE AGREEMENT

WHEREAS, the California Office of Emergency Services (OES), the Department of Water Resources, (DWR), the Department of Public Health (DPH), and the California Utilities Emergency Association (CUEA) have expressed a mutual interest in the establishment of a plan to facilitate and encourage mutual assistance agreements between water and wastewater agencies; and

WHEREAS, the California Water Agency Response Network (CalWARN) was originally created to provide a forum for the development of mutual assistance agreements between water and wastewater agencies in the OES Coastal Region and then expanded to all water and wastewater agencies in the State of California; and

WHEREAS, CalWARN Mutual Assistance Agreement sets forth the mutual covenants and agreements for water and wastewater agencies to provide mutual assistance to one another in the form of personnel, equipment, and supplies from outside the area of impact in times of emergency; and

WHEREAS, through this mutual aid and assistance program, members coordinate response activities and share resources during emergencies on an as requested basis, but are not obligated to provide resources; and

WHEREAS, participation in the CalWARN agreement would allow the District to receive and give assistance to agencies outside of San Mateo County; and

WHEREAS, costs related to mutual aid assistance are reimbursable from the entity requesting the aid; and

WHEREAS, considering that the Montara Water and Sanitary District ("District"), along with other similarly situated agencies, currently does not have the resources to respond to all foreseeable disasters and could benefit immensely by joining the CalWARN mutual partners for water and wastewater utility damages in the event of an emergency, staff recommends participation in the California Water/Wastewater Agency Response Network WARN 2007 Omnibus Mutual Assistance Agreement ("CalWARN Agreement"); and

WHEREAS, the CalWARN Agreement is in accord with the California Emergency Services Act set forth in Title 2, Division 1, Chapter 7, of the Government Code, specifically Articles 14 and 17 of the Act; and

RESOLUTION NO. _____

RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT AUTHORIZING PARTICIPATION IN THE CALIFORNIA WATER/WASTEWATER AGENCY RESPONSE NETWORK WARN 2007 OMNIBUS MUTAL ASSISTANCE AGREEMENT

WHEREAS, State OES regulates the Standard Emergency Management System (SEMS), and the CalWARN Agreement is consistent with SEMS, and that it is necessary to have a mutual assistance agreement in place to support requests to FEMA for costs of using assistance during an emergency; and

WHEREAS, the District Board, having been presented with and reviewed the proposed CalWARN Agreement, now desires to enter into said agreement in accordance with and for the purposes set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Montara Water and Sanitary District, a public agency in the County of San Mateo, hereby finds:

1. The California Water/Wastewater Agency Response Network WARN 2007 Omnibus Mutual Assistance Agreement is hereby approved.
2. The District's General Manager is hereby authorized and directed to execute said CalWARN Agreement for and on behalf of the District.
3. In the event of an emergency as defined in this Resolution, the District's General Manager is the Authorized Official, or such other person as the General Manager shall designate in writing, and has authority to provide, request, refuse to provide, or withdraw mutual assistance under the terms of the CalWARN Agreement and to do all other acts necessary and appropriate to implement and administer the terms of the CalWARN Agreement.

President, Montara Water and Sanitary District

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 5th day of November, 2020, by the following vote:

RESOLUTION NO. _____

**RESOLUTION OF THE MONTARA WATER AND SANITARY
DISTRICT AUTHORIZING PARTICIPATION IN THE CALIFORNIA
WATER/WASTEWATER AGENCY RESPONSE NETWORK
WARN 2007 OMNIBUS MUTAL ASSISTANCE AGREEMENT**

AYES, Directors:

ABSTENTION:

NOES, Directors:

ABSENT, Directors:

Secretary, Montara Water and Sanitary District

1 **Articles of Agreement**
2 **California Water/Wastewater Agency Response Network**
3 **WARN 2007 Omnibus Mutual Assistance Agreement**
4

5 This AGREEMENT is made and entered into by those water and wastewater utilities which have
6 adopted and signed this agreement to provide mutual assistance in times of emergency in
7 accordance with the California Emergency Services Act and the California Disaster and Civil
8 Defense Master Mutual Aid Agreement; and to provide reimbursement for equipment, supplies
9 and personnel made available on an emergency basis.

10
11 All of said water and wastewater utilities being herein referred to collectively as "the parties."
12

13 In consideration of the mutual covenants and agreements hereinafter set forth, the parties agree
14 to provide mutual assistance to one another in times of emergency as follows:
15

16
17 **ARTICLE I.**
18 **PURPOSE**
19

20 Recognizing that emergencies may require assistance in the form of personnel, equipment, and
21 supplies from outside the area of impact, the signatory utilities hereby establish an Intrastate
22 Program for Mutual Aid and Assistance. Through the Mutual Aid and Assistance Program,
23 Members coordinate response activities and share resources during emergencies. This
24 Agreement sets forth the procedures and standards for the administration of the Intrastate
25 Mutual Aid and Assistance Program and is available to all water and wastewater utilities, public
26 and private, in the State of California.
27

28
29 **ARTICLE II.**
30 **DEFINITIONS**
31

- 32 A. **Authorized Official** – An employee or officer of a Member who is authorized to: (1) request
33 assistance; (2) offer assistance; (3) refuse to offer assistance or (4) withdraw assistance
34 under this.
35
- 36 B. **Emergency** – A natural or human caused event or circumstance causing, or imminently
37 threatening to cause impact to the operations of a member utility's system, loss of life, injury
38 to person or property, human suffering or financial loss, and includes, but is not limited to,
39 fire, flood, severe weather, earthquake, civil disturbance, riot, explosion, drought, volcanic
40 activity, spills or releases of oil or hazardous material, contamination, utility or transportation
41 emergencies, disease, blight, infestation, intentional acts, sabotage, declaration of war, or
42 other conditions which is, or is likely to be beyond the control of the services, personnel,
43 equipment, and facilities of a Member and requires mutual assistance.
44
- 45 C. **Member** – Any public or private water or wastewater utility that manifests intent to
46 participate in the Mutual Aid and Assistance Program by executing this, the California
47 Water/Wastewater Agency Response Network (CalWARN) Agreement.
48
- 49 D. **Associate Member** – Any non utility participant, approved by the State Steering Committee,
50 that provides a support role for the WARN program, for example State Department of Public

1 Health, or associations, who are members of the Regional or State Steering Committees
2 and do not officially sign the WARN agreement.

- 3
- 4 E. **Confidential Information** - Any document shared with any signatory to this Agreement that
5 is marked confidential, including but not limited to any map, report, notes, papers, opinion,
6 or e-mail which relates to the system vulnerabilities of a Member or Associate Member.
7
- 8 F. **Non-Responding Member** - A Member that does not provide assistance during a Period of
9 Assistance under the Mutual Aid and Assistance Program.
- 10
- 11 G. **Requesting Member** – A Member who requests assistance under the Mutual Aid and
12 Assistance Program.
- 13
- 14 H. **Responding Member** – A Member that responds to a request for assistance under the
15 Mutual Aid and Assistance Program.
- 16
- 17 I. **Period of Assistance** – A specified period of time when a Responding Member assists a
18 Requesting Member. The period commences when personnel, equipment, or supplies
19 depart from Responding Member’s facility and ends when the resources return to their
20 facility (portal to portal). All protections identified in the Agreement apply during this period.
21 The specified Period of Assistance may occur during response to or recovery from an
22 Emergency.
- 23
- 24 J. **National Incident Management System (NIMS)** - A national, standardized approach to
25 incident management and response that sets uniform processes and procedures for
26 emergency response operations.
- 27
- 28 K. **Standardized Emergency Management System (SEMS)** - A standardized approach to
29 field command and jurisdictional management and response set forth by State of California
30 Code of Regulations for multi-agency or multi-jurisdictional response to an emergency.
31

32

33 **ARTICLE III.**
34 **ADMINISTRATION**

35

36 The administration of the Water/Wastewater Agency Response Network (WARN) will be
37 through WARN Regional Steering Committees (RSC) and the WARN State Steering Committee
38 (SSC).

39

40 The WARN RSCs will be established by representatives from the Members in that region. A
41 chair and co-chair will be elected and act as administrators for that region. The chair will
42 represent the region on the WARN SSC. Each WARN RSC will sponsor an annual meeting for
43 Members, maintain a data base of all water and wastewater utilities who have signed this
44 Agreement, and meet as a committee to address concerns and procedures for requesting
45 mutual assistance in that region. The regions will be comprised of one or more of the six Office
46 of Emergency Services (OES) mutual aid regions.

47

48 The WARN SSC will include the chairs of the regional steering committees, and a
49 representative from the California Department of Public Health (CDPH), California Utilities
50 Emergency Association (CUEA), Department of Water Resources (DWR), the American Water
51 Works Association (AWWA) Emergency Planning Committee, California Rural Water

1 Association (CRWA) and California Sanitation Risk Management Authority (CSRMA). The SSC
2 will identify a Chair for the purpose of leading the SSC and act as a point of contact for the
3 WARN SSC. At a minimum, the WARN SSC will meet annually and issue a list of participating
4 utilities. The database will be maintained on the WARN website, managed by a volunteer
5 Member, as appointed by the SSC.
6
7

8 **ARTICLE IV.**
9 **PROCEDURES**

- 10
11 A. In coordination with the Regional Steering Committees, emergency management and public
12 health system of the state, the State Steering Committee shall develop operational and
13 planning procedures for the Mutual Aid and Assistance Program. These procedures shall
14 be consistent with the Standardized Emergency Management System (SEMS) and the
15 National Incident Management System (NIMS), reviewed at least annually and updated as
16 needed by the State Steering Committee.
17
18 B. Requests for emergency assistance under this Agreement shall be directed to the
19 appropriate Authorized Official(s) from the list of Members.
20
21 C. Consistent with SEMS, when more than one County is impacted by a disaster, requests for
22 mutual assistance under this Agreement may be channeled through the CUEA Utility
23 Operation Center to ensure maximum effectiveness in allocating resources to the highest
24 priority needs.
25

26
27 **ARTICLE V.**
28 **REQUESTS FOR ASSISTANCE**

29
30 In general, assistance will be in the form of resources, such as equipment, supplies, and
31 personnel. Assistance shall be given only when Responding Member determines that its own
32 needs can be met while rendering assistance. The execution of this Agreement shall not create
33 any duty to respond on the part of any party hereto. A potential Responding Member shall not
34 be held liable for failing to provide assistance. A potential Responding Member has the
35 absolute discretion to decline to provide any requested assistance.
36

- 37 A. **Member Responsibility** - Members shall identify an Authorized Official and alternates;
38 provide contact information including 24-hour access; and maintain resource information
39 made available by the utility for mutual aid and assistance response, as allowed by utility
40 policy. Such information shall be updated annually or as changes occur (whichever is
41 sooner), provided to the State Steering Committee, and uploaded into the statewide
42 database.
43
44 B. **Member Request** - In the event of an Emergency, a Member's Authorized Official may
45 request mutual aid and assistance from a participating Member. Requests for assistance
46 can be made orally or in writing. When made orally, the request for personnel, equipment,
47 and supplies shall also be prepared in writing and submitted to the participating Member as
48 soon as practicable. Requests for assistance shall be directed to the Authorized Official of
49 the participating Member. Specific protocols for requesting aid shall be provided in the
50 procedures developed under Article IV.
51

- 1 C. **Response to a Request for Assistance** – Members are not obligated to respond to a
2 request. After a Member receives a request for assistance, the Authorized Official evaluates
3 whether or not to respond, whether resources are available to respond, or if other
4 circumstances would hinder response. Following the evaluation, the Authorized
5 Representative shall inform, as soon as possible, the Requesting Member whether it will
6 respond. If the Member is willing and able to provide assistance, the Member shall inform
7 the Requesting Member about the type of available resources and the approximate arrival
8 time of such assistance.
9
- 10 D. **Discretion of Responding Member’s Authorized Official** – Execution of this Agreement
11 does not create any duty to respond to a request for assistance. When a Member receives
12 a request for assistance, the Authorized Official shall have sole and absolute discretion as to
13 whether or not to respond, or the availability of resources to be used in such response. An
14 Authorized Member’s decisions on the availability of resources shall be final.
15
16

17 **ARTICLE VI.**
18 **RESPONSE COORDINATION**
19

20 When providing assistance under this Agreement, the Requesting Member and Responding
21 Member shall be organized and shall function under the Standard Emergency Management
22 System and National Incident Management System protocols and procedures.
23

- 24 A. **Personnel** – Responding Member retains right to identify the employees who are willing
25 to participate and the resources that are available.
26
- 27 B. **Control** – While employees so provided may be under the supervision of the
28 Responding Member, the Responding Member’s employees come under the direction
29 and control of the Requesting Member, consistent with the NIMS Incident Command
30 System to address the needs identified by the Requesting Member. The Requesting
31 Member’s Authorized Official shall coordinate response activities with the designated
32 supervisor(s) of the Responding Member(s). Whenever practical, Responding
33 Member personnel must be self sufficient for up to 72 hours. The Responding Member’s
34 designated supervisor(s) must keep accurate records of work performed by personnel
35 during the specified Period of Assistance.
36
- 37 C. **Food and Shelter** – When possible, the Requesting Member shall supply reasonable food
38 and shelter for Responding Member personnel. If the Requesting Member is unable to
39 provide food and shelter for Responding Member personnel, the Responding Member’s
40 designated supervisor is authorized to secure the resources necessary to meet the needs of
41 its personnel. Except as provided below, the cost for such resources must not exceed the
42 State per diem rates for that area. To the extent Food and Shelter costs exceed the State
43 per diem rates for the area, the Responding Member must demonstrate that the additional
44 costs were reasonable and necessary under the circumstances. Unless otherwise agreed
45 to in writing, the Requesting Member remains responsible for reimbursing the Responding
46 Member for all reasonable and necessary costs associated with providing food and shelter,
47 if such resources are not provided.
48
- 49 D. **Communication** – The Requesting Member shall provide Responding Member personnel
50 with radio equipment as available, or radio frequency information to program existing radio,
51 in order to facilitate communications with local responders and utility personnel.

- 1
2 E. **Status** - Unless otherwise provided by law, the Responding Member's officers and
3 employees retain the same privileges, immunities, rights, duties and benefits as provided in
4 their respective jurisdictions.
5
6 F. **Licenses and Permits** – To the extent permitted by law, Responding Member personnel
7 who hold licenses, certificates, or permits evidencing professional, mechanical, or other
8 skills shall be allowed to carry out activities and tasks relevant and related to their respective
9 credentials during the specified Period of Assistance.
10
11 G. **Right to Withdraw Resources** - The Responding Member's Authorized Official retains the
12 right to withdraw some or all of its resources at any time for any reason in the Responding
13 Member's sole and absolute discretion. Notice of intention to withdraw must be
14 communicated to the Requesting Member's Authorized Official as soon as soon as is
15 practicable under the circumstances.
16
17

18 **ARTICLE VII.**
19 **COST REIMBURSEMENT**
20

21 Unless otherwise mutually agreed in whole or in part by both parties, the Requesting Member
22 shall reimburse the Responding Member for each of the following categories of costs incurred
23 while providing aid and assistance during the specified Period of Assistance.
24

- 25 A. **Personnel** – Responding Member will make such employees as are willing to
26 participate available to Requesting Member at Requesting Member's expense equal to
27 Responding Member's full cost, i.e., equal to the employee's applicable salary or hourly
28 wage plus fringe benefits and overhead, and consistent with Responding Member's
29 collective bargaining agreements or other conditions of employment. All costs incurred
30 for work performed during the specified Period of Assistance will be included. The
31 Requesting Member shall be responsible for all direct and indirect labor costs.
32
33 B. **Equipment** – Use of equipment, such as construction equipment, vehicles, tools, pumps
34 and generators, shall be at Responding Member's current equipment rate and subject to the
35 following conditions: The Requesting Member shall reimburse the Responding Member for
36 the use of equipment during the specified Period of Assistance, including, but not limited to,
37 reasonable rental rates, all fuel, lubrication, maintenance, transportation, and
38 loading/unloading of loaned equipment. All equipment shall be returned to the Responding
39 Member as soon as is practicable and reasonable under the circumstances.
40 (a) At the option of Responding Member, equipment may be provided with an
41 operator.
42 (b) Equipment shall be returned to Responding Member within 24 hours after receipt
43 of an oral or written request for return.
44 (c) Requesting Member shall, at its own expense, supply all fuel, lubrication and
45 maintenance for furnished equipment.
46 (d) Responding Member's cost related to the transportation, handling and
47 loading/unloading of equipment shall be chargeable to Requesting Member.
48 (e) In the event equipment is damaged while being dispatched to Requesting Member,
49 or while in the custody and use of Requesting Member, Requesting Member shall
50 reimburse Responding Member for the reasonable cost of repairing said damaged
51 equipment. If the equipment cannot be repaired, then Requesting Member shall

1 reimburse Responding Member for the cost of replacing such equipment with
2 equipment that is of at least equal capability as determined by the Responding
3 Member. If Responding Member must lease a piece of equipment while Requesting
4 Member equipment is being repaired or replaced, Requesting Member shall
5 reimburse Responding Member for such lease costs.
6

- 7 C. **Materials and Supplies** – Requesting Member shall reimburse Responding Member in
8 kind or at actual replacement cost, plus handling charges, for use of expendable or non-
9 returnable supplies. Other supplies and reusable items that are returned to Responding
10 Member in a clean, damage-free condition shall not be charged to the Requesting
11 Member and no rental fee will be charged; otherwise, they shall be treated as
12 expendable supplies. Supplies that are returned to the Responding Member with
13 damage must be treated as expendable supplies for purposes of cost reimbursement.
14
- 15 D. **Payment Period** – The Responding Member shall provide an itemized bill to the Requesting
16 Member for all expenses incurred by the Responding Member while providing assistance
17 under this Agreement. The Requesting Member shall send the itemized bill not later than
18 (90) ninety days following the end of the Period of Assistance. The Responding Member
19 may request additional periods of time within which to submit the itemized bill, and
20 Requesting Member shall not unreasonably withhold consent to such request. The
21 Requesting Member agrees to reimburse the Responding Member within 60 days from
22 receipt of an invoice for assistance provided under this Agreement. The Requesting
23 Member may request additional periods of time within which to pay the itemized bill, and
24 Responding Member shall not unreasonably withhold consent to such request, provided,
25 however, that all payment shall occur not later than one-year after the date a final itemized
26 bill is submitted to the Requesting Member.
27
- 28 E. **Records** - Each Responding Member and its duly authorized representatives shall have
29 access to a Requesting Member's books, documents, notes, reports, papers and records
30 which are directly pertinent to this Agreement for the purposes of reviewing the accuracy of
31 a cost bill or making a financial, maintenance or regulatory audit. Each Requesting Member
32 and its duly authorized representatives shall have access to a Responding Member's books,
33 documents, notes, reports, papers and records which are directly pertinent to this
34 Agreement for the purposes of reviewing the accuracy of a cost bill or making a financial,
35 maintenance or regulatory audit. Such records shall be maintained for at least three (3)
36 years or longer where required by law and as needed for federal reimbursement practices.
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39 **ARTICLE VIII.**
40 **ARBITRATION**
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42 If any controversy or claim arises out of, or relates to, the Agreement, including, but not limited
43 to an alleged breach of the Agreement, the disputing Members shall first attempt to resolve the
44 dispute by negotiation, followed by mediation and finally shall be settled by arbitration in
45 accordance with the Rules of the American Arbitration Association. Judgment on the award
46 rendered by the arbitrator(s) may be entered in any court having jurisdiction.
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ARTICLE IX.
REQUESTING MEMBER'S DUTY TO INDEMNIFY

Pursuant to Government Code Section 895.4, and subject to Article X, Requesting Member shall assume the defense of, fully indemnify and hold harmless Responding Member, its Directors, Council Members, Supervisors, officers and employees, from all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from the Requesting Member's work hereunder, including, but not limited to, negligent or wrongful use of equipment, supplies or personnel provided to Requesting Member or faulty workmanship or other negligent acts, errors or omissions by Responding Member, or by personnel provided to Requesting Member from the time assistance is requested and rendered until the assistance is returned to Responding Member's control, portal to portal.

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ARTICLE X.
SIGNATORY INDEMNIFICATION

In the event of a liability, claim, demand, action or proceeding, of whatever kind or nature arising out of the rendering of assistance through this Agreement, the parties involved in rendering or receiving assistance agree to indemnify and hold harmless all Members whose only involvement is the execution and approval of this Agreement, in the transaction or occurrence which is the subject of such claim, action, demand or other proceeding. Such indemnification shall include indemnity for all claims, demands, liability, damages and costs, including reasonable attorneys' fees and other costs of defense, for injury, property damage and workers compensation.

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ARTICLE XI.
WORKER'S COMPENSATION CLAIMS

The Responding Member is responsible for providing worker's compensation benefits and administering worker's compensation for its employees. The Requesting Member is responsible for providing worker's compensation benefits and administering worker's compensation for its employees.

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ARTICLE XII.
NOTICE

Each party hereto shall give to the others prompt and timely written notice of any claim made or any suit instituted coming to its knowledge, which in any way, directly or indirectly, contingently or otherwise, affects or might affect them, and each Member shall have the right to participate in the defense of the same, as it considers necessary to protect its own interests.

1 **ARTICLE XIII.**
2 **INSURANCE**
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4 Members shall maintain an insurance policy or maintain a self insurance program that covers
5 activities that it may undertake by virtue of membership in the Mutual Aid and Assistance
6 Program.
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9 **ARTICLE XIV.**
10 **CONFIDENTIAL INFORMATION**
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12 To the extent allowed by law, any Member or Associate Member shall maintain in the strictest
13 confidence and shall take all reasonable steps necessary to prevent the disclosure of any
14 Confidential Information provided to it by another Member pursuant to this Agreement. If any
15 Member, Associate Member, or third party requests or demands, by subpoena or otherwise,
16 that a Member or Associate Member disclose any Confidential Information provided to it under
17 this Agreement, the Member or Associate Member shall immediately notify the owner of the
18 Confidential Information and shall take all reasonable steps necessary to prevent the disclosure
19 of any Confidential Information by asserting all applicable rights and privileges with respect to
20 such information and shall cooperate fully in any judicial or administrative proceeding relating
21 thereto.
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24 **ARTICLE XV.**
25 **EFFECTIVE DATE**
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27 This Agreement shall take effect for a new party immediately upon its execution by said
28 party.
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31 **ARTICLE XVI.**
32 **WITHDRAWAL**
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34 Any party may terminate its participation in this Agreement by written notice to the Chair of the
35 appropriate RSC and to the SSC Chair. Withdrawal takes effect 60 days after the appropriate
36 officials receive notice. Withdrawal from this Agreement shall in no way affect a Requesting
37 Member's duty to reimburse a Responding Member for cost incurred during a Period of
38 Assistance, which duty shall survive such withdrawal.
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41 **ARTICLE XVII.**
42 **MODIFICATION**
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44 No provision of this Agreement may be modified, altered or rescinded by individual parties to the
45 Agreement. Modifications to this Agreement require a simple majority vote of Members within
46 each region and unanimous agreement among the regions. The State Steering Committee will
47 notify all parties of modifications to this Agreement in writing and those modifications shall be
48 effective upon 60 days written notice to the parties.
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2 **ARTICLE XVIII.**
3 **SEVERABILITY**
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5 If any term or provision of this Agreement is declared by a court of competent jurisdiction to be
6 illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be
7 affected, and the rights and obligations of the parties shall be construed and enforced as if the
8 Agreement did not contain the particular term or provision held to be invalid.
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11 **ARTICLE XIX.**
12 **PRIOR AGREEMENTS**
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14 To the extent that prior agreements among signatories to this Agreement for mutual assistance
15 are inconsistent with this Agreement, such agreements are hereby superseded. This
16 Agreement supersedes the 1996 Omnibus Mutual Aid Agreement, the WARN 1997 Omnibus
17 Mutual Aid Agreement, and the WARN 2001 Omnibus Mutual Aid and Assistance Agreement.
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20 **ARTICLE XX.**
21 **PROHIBITION ON THIRD PARTIES AND ASSIGNMENT OF RIGHTS/DUTIES**
22

23 This Agreement is for the sole benefit of the Members and no other person or entity has rights
24 under this Agreement as a third party beneficiary. Assignment of benefits or delegation of
25 duties created by this Agreement to third parties that are not Members is prohibited and without
26 effect.
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29 **ARTICLE XXI.**
30 **TORT CLAIMS**
31

32 This Agreement in no way abrogates or waives any immunity or defense available under
33 California law.
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36 **ARTICLE XXII.**
37 **INTRASTATE AND INTERSTATE MUTUAL AID AND ASSISTANCE PROGRAMS**
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39 To the extent practicable, Members retain the right to participate in mutual aid and assistance
40 activities conducted under the State of California Intrastate WARN Mutual Aid and Assistance
41 Program and the Interstate Emergency Management Assistance Compact (EMAC) and similar
42 programs.
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California Water/Wastewater Agency Response Network (CalWARN) 2007 Omnibus Mutual Assistance Agreement

WHEREAS, the California Office of Emergency Services (OES), the Department of Water Resources (DWR), the Department of Public Health (DPH) and the California Utilities Emergency Association (CUEA) have expressed a mutual interest in the establishment of a plan to facilitate and encourage water agency mutual assistance agreements between water agencies; and

WHEREAS, the California Water Agency Response Network (CalWARN) was originally created to provide a forum for the development of mutual assistance agreements between water agencies in the OES Coastal Region of California; and later expanded to all water and wastewater agencies in the State of California, and

WHEREAS, the CALIFORNIA WATER/WASTEWATER AGENCY RESPONSE NETWORK (CalWARN) 2007 OMNIBUS MUTUAL ASSISTANCE AGREEMENT is a continuation of the WARN 1996 OMNIBUS MUTUAL AID and 2001 OMNIBUS MUTUAL AID AGREEMENT and sets forth the mutual covenants and agreements for water and wastewater agencies to provide mutual assistance to one another in times of emergency; and

WHEREAS, State OES regulates the SEMS program, and this agreement is consistent with SEMS, and that it is necessary to have a mutual assistance agreement in place to support requests to FEMA for costs of using assistance during an emergency, and

WHEREAS, the water or wastewater agency hereto has determined that it would be in its best interests to enter into an agreement that implements that plan and sets forth procedures and the responsibilities of the agency whenever emergency personnel, equipment and facility assistance are provided from one agency to the other; and

WHEREAS, no water or wastewater agency should be in a position of unreasonably using its own resources, facilities, or services providing such mutual assistance; and

WHEREAS, it is the intent of WARN to revise this agreement as necessary and to annually publish a list of all water and wastewater agencies participating in this agreement, as posted on www.calwarn.org; and

WHEREAS, such an agreement is in accord with the California Emergency Services Act set forth in Title 2, Division 1, Chapter 7 (Section 8550 et seq.) of the Government Code and specifically with Articles 14 and 17 (Section 8630 et seq.) of the Act.

NOW, THEREFORE, in consideration of the conditions and covenants contained therein, the

(Utility)

agrees to abide by the current CalWARN Omnibus Mutual Assistance Agreement and the CalWARN ACS Chapter Governance Document.

Date:

Name: (printed)

(signature)

Title:

Please return a signed copy of this page to: CWC-ACS@YourACS.org



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

SUBJECT: Review and Possible Action Concerning Acceptance of the Agreement for Construction and Acquisition of Sewer Main Extension at 540 Stetson Street.

In September 2019 Sandra Goldstein put in an application for a new construction and sewer connection permit for APN 037-084-260, 540 Stetson Street, Moss Beach. The existing District owned and maintained sewer main pipe must be extended further north in Stetson Street to the frontage of the applicant's property to allow for a perpendicular sewer lateral connection to the District main.

The sewer plan has been reviewed by District Engineer Nute Engineering for the "Sanitary Sewer Plan Goldstein Property" and Agreement from Ms. Goldstein. The District and Ms. Goldstein propose to enter into the Agreement for Construction and Acquisition of Sewer Main Extension at 540 Stetson Street, which will include a one-year warranty bond and the applicant paying all costs and related fees.

Once the project construction has been completed and a sewer permit Final issued to San Mateo County, the warranty period will start.

Pippin Cavagnaro, P.E., from Nute Engineering, will review the sewer with the SAM maintenance crew, and after the year warranty has concluded will determine if any deficiencies in the pipeline exist. The applicant will be responsible for corrections if needed. Thereafter, the District will accept the main extension and the remainder of the unused Bond payment will be refunded to the applicant.

RECOMMENDATION:

For the Board Authorize the General Manager to release the warranty bond and adopt RESOLUTION NO. _____, RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING A MAIN SEWER EXTENSION AND AUTHORIZING EXECUTION OF AGREEMENT FOR CONSTRUCTION AND ACQUISITION OF SEWER MAIN EXTENSION.

Attachment

RESOLUTION NO. _____

RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING A MAIN SEWER EXTENSION AND AUTHORIZING EXECUTION OF AGREEMENT FOR CONSTRUCTION AND ACQUISITION OF SEWER MAIN EXTENSION (APN 037-084-260)

WHEREAS, Sandra Goldstein ("Applicant") owns real property located at 0 Vallemar Street and Juliana Avenue, Moss Beach, California, as more particularly described as Assessor Parcel Number 037-084-260 and located at 540 Stetson Street, Moss Beach, CA ("Real Property"); and

WHEREAS, Applicant applied for a permit to connect and serve the Real Property to the District's sewer system ("Permit") in accordance with the Montara Water and Sanitary District ("District") Code Section 3-6.100 ("Service Application"), which requires the financing, construction and dedication of a Public Sewer Extension ("Main Sewer") beyond the District's existing facilities; and

WHEREAS, Applicant submitted plans, profiles and specifications for the Main Sewer, which have been reviewed and approved by the District's Engineer for conformance with District's requirements under District Code Section 3-6.300; and

WHEREAS, pursuant to District Code Section 3-4.300, the District and the Applicant have agreed upon the terms and conditions for the Main Sewer and that are included in the agreement entitled "Agreement for Construction and Acquisition of Sewer Main Extension" ("Agreement"); and

WHEREAS, the District Board desires to enter into the Agreement, approve Applicant's Service Application and issue the Permit.

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. Applicant's Service Application is hereby approved subject to the terms and conditions contained in the attached form of the Agreement, which is further approved, and the General Manager is authorized to execute and record the Agreement.
2. Applicant's plans, profiles and specifications for the Main Sewer comply with the District's Code and the District's rules and regulations and the

RESOLUTION NO. _____

RESOLUTION OF THE MONTARA WATER AND SANITARY DISTRICT APPROVING A MAIN SEWER EXTENSION AND AUTHORIZING EXECUTION OF AGREEMENT FOR CONSTRUCTION AND ACQUISITION OF SEWER MAIN EXTENSION (APN 037-084-260)

General Manager is authorized to issue a Permit to Applicant subject to the terms and conditions contained in the attached form of the Agreement.

President, Montara Water and Sanitary District

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 5th day of November 2020, by the following vote:

AYES, Directors:

ABSTENTION:

NOES, Directors:

ABSENT, Directors:

Secretary, Montara Water and Sanitary District

**RECORDING REQUESTED BY,
AND WHEN RECORDED, MAIL TO:**

Montara Water and Sanitary District
Attn: Clemens Heldmaier, General Manager
8888 Cabrillo Hwy
Montara, CA 94037

SPACE ABOVE THIS LINE FOR RECORDER'S USE

EXEMPT FROM RECORDING FEES
PURSUANT TO GOV. CODE SEC. 6103

**AGREEMENT FOR CONSTRUCTION AND
ACQUISITION OF SEWER MAIN EXTENSION**
(APN: 037-084-260)

THIS AGREEMENT, made and entered as of _____, _____ by and between the **MONTARA WATER AND SANITARY DISTRICT**, a public agency in the County of San Mateo, California (“District;” also “Party”) and **SANDRA GOLDSTEIN**, Property Owner (“Applicant;” also “Party”).

WITNESSETH:

WHEREAS, Applicant is the fee owner of the real property described in Exhibit “A” hereof and by this reference incorporated herein (“Property;” also designated by Assessor Parcel Number 037-084-260); and

WHEREAS, environmental review pursuant to the California Environmental Quality Act (Pub. Res. C. §21000 et seq.) for proposed development of the Property designated “540 Stetson Street, Moss Beach, APN: 037-084-260” has been completed and a final subdivision map or lot line adjustment of the Property and related entitlements have been conditionally approved by the County of San Mateo as set forth in the Letter of Decision, PLN 2019-00158, dated January 16, 2020 (“Conditions of Approval”, a copy of which is attached hereto as Exhibit “B” and by this reference incorporated herein), including the condition that sewer service is available for the Property to be provided by District; and

WHEREAS, Applicant has applied for a permit to connect the Property to District's sewer system ("Permit Application") pursuant to the provisions of Section 3-6.100, et. seq. of the Montara Water and Sanitary District Code ("District Code"); and

WHEREAS, a sewer main extension ("Extension") is required in order to serve the Property, along with the pertinent conditions of the District set forth in the Conditions of Approval; and

WHEREAS, Applicant submitted the Permit Application together with the plans, profiles, drawings and specifications for the Extension, which have been approved by District's Engineer, and considered and approved by the District's governing Board, for conformance with District's requirements under District Code Section 3-6.300; and

WHEREAS, this Agreement is entered into pursuant to District Code Section 3-6.100, et. seq.;

NOW, THEREFORE, the parties hereto agree as follows:

1. Extension. Applicant shall, at Applicant's own cost and expense, construct or provide for the construction of the Extension and furnish all the materials, equipment, machinery, vehicles and perform all labor, and do all other work necessary to complete the construction in strict accordance with the plans, profiles, drawings and specifications (collectively, "Plans") prepared for Application by Charles M. Kissick, Registered Professional Engineer # 62264 entitled, "Sanitary Sewer Plan Goldstein Property 540 Stetson Street, Moss Beach, California," dated 6/30/2020, prepared by Sigma Prime Geosciences, Inc., and approved by District's governing Board on November 5, 2020, including District's Standard Specifications on file in District's Administrative Offices, the applicable provisions of which are incorporated herein by this reference. If a conflict exists between the Plans and District's Standard Specifications or the District's Code for a particular portion or component of the Extension, the stricter standard shall govern to the extent of such conflict. Applicant shall complete construction of the Extension subject to such exceptions and time extensions as may be allowed under Paragraph 12 (Force Majeure) or otherwise approved for good cause by District's Sanitary System Engineer, on or before November 30, 2021.

2. Inspection. Applicant hereby grants District, its officers, employees, consultants, agents and designees the right and permission to enter upon the Property

and the construction site or sites of the Extension to inspect the work of construction and to test or observe the testing of the Extension to ensure that the Extension are constructed in accordance with the Plans and applicable provisions of District's Code and otherwise conform to the conditions for approval and acceptance of the Extension by District.

3. Property Interests. Prior to commencing construction of the Extension, Applicant shall submit to District for review deed(s) of easement(s), or other evidence(s) of property interest(s) title to which is vested in Applicant and is otherwise sufficient and free of encumbrances or claims by others to allow for the construction of the Extension by Application, for District's right of entry pursuant to Paragraph 2 herein and for District's acceptance of the Extension. Upon completion of construction of the Extension and acceptance thereof by District, Applicant shall grant District an easement, or such other property interest as may be specified by District, in the real property in which the Extension and appurtenances are located and convey title to the Extension and appurtenances to District free and clear of any encumbrances, except such encumbrances as may expressly in writing be accepted by District. Such easement or other interest shall include, without limitation, the right to operate, maintain, repair, replace (in the original or any other size), construct and install a sewer main or mains and appurtenances thereto. Applicant agrees and covenants that, prior to execution of such conveyances, Applicant shall not convey to any other person or entity or entities the same interest or any other interest that may conflict with the interest or interests to be conveyed to District. Title to the Extension and associated easements or other requisite property interests (as determined by District) shall vest absolutely in District upon District's acceptance thereof. Conveyance of title to District shall be conducted through escrow acceptable to District. All conveyancing costs including, without limitation, costs of preparing documents, escrow, title insurance for the benefit of District, and recordation shall be borne by Applicant. All deeds or other form of conveyancing documents described above shall be subject to approval by District's legal counsel. Applicant shall, prior to commencement of construction of the Extension, obtain and provide District with a copy of a title report for the Property and such other property within which the Extension is to be constructed.

4. Security. Prior to commencing construction of the Extension, Applicant shall file with or provide to District's General Manager a faithful performance bond or cash deposit in the amount of the total estimated cost of the work securing payment for all work and the construction of the Extension within the time herein specified. The amount of the security shall be Five Thousand Seven Hundred Dollars and No One Hundredths Dollars (\$5,700.00.) The refundable cash deposit or faithful performance bond shall be conditioned upon the performance of the terms and conditions of the Permit and shall guarantee the correction of faulty workmanship and the replacement of defective materials for a period of one (1) year after the date of acceptance of the work.

Likewise prior to commencing construction of the Extension, Applicant shall file with District's General Manager a payment bond securing payment by Applicant of all costs for labor and materials incurred in the construction of the Extension and all other work herein agreed to be performed by Applicant. The amount of the security shall be Five Thousand Seven Hundred Dollars and No One Hundredths Dollars (\$5,700.00.).

The aforementioned security shall include, in addition to the principal amounts, guarantee of the payment of costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by District in the event of successful enforcement of such security. All bonds shall be issued by California admitted surety insurers satisfactory to the District.

5. Reimbursement; Deposits for District's Costs. The Parties acknowledge that Applicant has deposited with District the sum of Five hundred forty-eight and NO One Hundredths Dollars (\$548.00), (the "Initial Deposit") receipt of which is hereby acknowledged by District. The deposit shall be used by District to pay for its costs incurred in administering this Agreement and carrying out its duties for construction and acceptance of the Extension including, without limitation, costs of reviewing the Plans for the Extension, costs incidental to inspection of the construction of the Extension, administrative, engineering and legal services costs and other costs and expenses incurred by District pursuant to the aforesaid District Code Sections or otherwise related to this Agreement and construction of the Extension.

If the Initial Deposit is insufficient to pay all such estimated costs and expenses, District shall notify Applicant in writing thereof, whereupon Applicant shall replenish the

deposit in the amount estimated by District that is necessary to cover District's remaining estimated costs and expenses. If such insufficiency occurs, District shall not be obligated to perform any further services hereunder or under the District Code unless and until a replenishment deposit is made. Upon completion of the construction of the Extension, Applicant shall pay any additional costs and expenses of District not covered by the Initial Deposit and, if applicable, replenishments thereof, prior to acceptance of the Extension by District. District shall refund to Applicant any balance of the deposit(s) remaining after acceptance of the Extension.

Applicant hereby acknowledges and agrees that the aforesaid deposit(s) shall not be deemed as payment, or excuse payment, of any other fees and charges duly imposed by District and payable by Applicant for use of, or connection to, District's sewer system.

6. Hold Harmless. Applicant shall protect, indemnify, and hold harmless District, its governing board, committees, officers, employees, agents and consultants (collectively, "Indemnitees") from and against any and all liabilities, losses, damages, claims, expenses, causes of action and judgments, including reasonable attorneys' fees, arising out of or attributable to Applicant's performance or failure to perform under this Agreement or relating to the Abandoned Sewer including, without limitation, any accident, occurrence or incident related to the construction of the Extension, or the negligent performance of, or failure to perform, any other responsibility of Applicant hereunder. Applicant shall also protect, indemnify, and hold harmless Indemnitees from and against any and all liability related to the use of any copyrighted material in the Plans or the use of any patent or patented article or process by Applicant in the construction of the Extension. Applicant's duty to defend and indemnify includes the responsibility to provide legal representation, the selection of whom shall be subject to District's approval.

Applicant's obligation to indemnify, hold harmless and defend District shall extend to injuries to property or persons and damages to or alleged taking of property resulting from the design or construction of the Extension or relating to the Abandoned Sewer and shall likewise extend to adjacent property owners asserting claims based upon the design or construction of the Extension. District's acceptance of the Extension

shall not constitute an assumption by District of any responsibility or liability for any damage or alleged taking of property referenced herein. District shall not be responsible or liable for the design or construction of the Extension or for the subdivision that includes the Extension or for the Abandoned Sewer. After District's acceptance of the Extension, Applicant shall remain obligated to correct or eliminate all dangerous conditions created by defects in design or construction; provided, however, that Applicant shall not be responsible for routine maintenance. Applicant acknowledges and agrees that Applicant shall be responsible and liable for the design and construction of the Extension and other work done pursuant to this Agreement, and District shall not be liable for any acts or omissions in approving, reviewing, checking, correcting or modifying the Plans or in inspecting, reviewing or approving any work related to construction of the Extension. Applicant's Improvement security shall not be required to secure Applicant's obligations under this Paragraph beyond the one-year guarantee and warranty period described in Paragraph 10. If, in any judicial proceedings involving statutory immunity under the Tort Claims Act (Government Code 810, et seq.) asserted by District, or its officers, employees, agents or consultants is determined by a court of competent jurisdiction to be inapplicable or unavailable to immunize District, or its officers, employees, agents or consultants, from potential liability for any alleged acts or omissions under this Paragraph, then such rights or obligations of indemnification hereunder shall be governed by principles of comparative fault.

7. Insurance. Applicant shall obtain and maintain in full force and effect during the term of this Agreement, at Applicant's cost, a comprehensive general liability insurance policy naming District, its governing board, commissions, committees, officers, agents, and employees (collectively, "District's Insureds") as insureds or additional insureds, insuring them against liability for personal injury (including death) and property damage (including loss of use thereof) arising out of the construction of the Extension or from Applicant's performance or failure to perform Applicant's obligations under this Agreement. Said insurance shall be in the minimum limits of \$1,000,000 for personal injuries to, or death of, any one person, \$3,000,000 for personal injuries or death arising out of any one occurrence and \$1,000,000 for property damage arising out of any one occurrence. Said insurance shall expressly insure against contractual liability

assumed by Applicant under this Agreement including, without limitation, the provisions of Paragraph 1.

The foregoing policies or endorsements thereto shall provide that: (i) the insurer shall notify District in writing thirty (30) days in advance of the insurer's intention to cancel or materially change the terms of said policy or policies, (ii) coverage for District's Insureds shall be severable from that of other insureds if the insurance covers Applicant, another entity, or person(s) in addition to District's Insureds (cross liability or severability of interest provision) and (iii) such insurance shall be primary regarding District's Insureds and that any insurance or self-insurance maintained by District shall be excess of Applicant's insurance, and not contributory with it. Upon execution of this Agreement Applicant shall file with District's General Manager copies of the policies or the policies' declaration page(s) or information page(s) with such endorsements that show compliance with all of the requirements of this Paragraph, together with a certificate or certificates of the insurance.

8. Acceptance. Construction of the Extension in conformance with the Plans and the provisions of Chapter V, Article 4, Division 2 ("Extension of Facilities") of the District Code shall be subject to the approval of District's Sanitary System Engineer. Upon completion of the construction in full compliance with this Agreement and upon recommendation of said Engineer, the District shall accept the Extension. The security required hereunder shall not be released until such acceptance. Upon acceptance, Applicant shall furnish District with a complete set of the Plans and drawings showing the Extension in their actual or "as built" condition and location.

9. Time of the Essence. Time is of the essence of this Agreement and if Applicant defaults in the performance of Applicant's obligations hereunder not excused by reason of Force Majeure under paragraph 12, Applicant hereby agrees that District may, at District's option: (i) treat any deposits and payments made by Applicant hereunder as compensation or reimbursement for District's costs and expenses hereunder and terminate this Agreement, or (ii) if District desires that the Extension shall be completed, District may enforce the provisions hereof against Applicant and Applicant's sureties and recover any and all costs incurred therewith, including, without limitation, costs of suit and reasonable attorney's fees.

10. Guarantee of Workmanship and Materials. Applicant agrees that, if within a period of one (1) year after acceptance of the Extension, the Extension or any part or component thereof fails to fulfill any of the requirements of this Agreement, or of the Plans, District's Standard Specifications and the provisions of Chapter V, Article 4, Division 2 ("Extension of Facilities") of the District Code, Applicant shall, upon written notice from District directing the work to be done, without delay and without any cost to District, repair, replace or reconstruct any defective or otherwise unsatisfactory part or parts of the Extension. Should Applicant fail to act promptly to make such repair, replacement, or reconstruction, or otherwise to act in accordance with the requirement to repair, replace, or reconstruct, or should the exigencies of the case require that repair, replacement, or reconstruction be made before Applicant can be notified, District may, at its option, make the necessary repair, replacement, or reconstruction or perform the necessary work, and Applicant shall pay to District the actual cost of thereof plus fifteen (15) percent.

11. Security to Insure Guarantee. Applicant agrees, as a condition precedent to District's acceptance of the Extension, to submit to District a bond or cash deposit in the amount of ten percent (10%) of the costs of construction of the Extension guaranteeing and securing to District Applicant's compliance with the provisions of Paragraph 10 for a period of one (1) year after acceptance of the Extension by District. Applicant shall provide District copies of all invoices for and proof of payment of the costs of construction of the Extension concurrently with submittal of the bond or cash deposit.

12. Force Majeure. Applicant shall not be in default of any provision of this Agreement where timely performance or timely compliance thereof is prevented by acts of God, including natural disasters, or unusually inclement weather, civil emergencies, inability to obtain materials (except for such inability occasioned by the act, or failure to act, of Applicant), unanticipated change in governmental regulations, labor strike or disturbance (except that pertaining to Applicant's employees or agents) or similar acts which are beyond Applicant's reasonable ability to control; provided, that Applicant shall be obligated to perform or comply within a reasonable time after the event or action which precluded Applicant's timely performance no longer exists.

13. Independent Contractor. Neither Applicant, nor any of Applicant's agents or contractors are, or shall be, agents or employees of District in connection with the performance of Applicant's obligations under this Agreement. Applicant is, and shall be, an independent contractor hereunder.

14. Release and Discharge. To the extent that Applicant's proposed development of the Property, including Applicant's grading and construction activities and the location and construction of any utilities and improvements, impacts, affects or otherwise disturbs the Abandoned Sewer, Applicant fully, finally, unconditionally, and forever discharges and releases the District and its respective elected officials, appointed officials, officers, employees, contractors, agents, attorneys, administrators, assigns, and insurers—and anyone else acting on their behalf in connection with the Abandoned Sewer—from all injuries to persons or property (including the environment), whether the injuries are known or unknown, suspected or unsuspected, or anticipated or unanticipated, as well as all liabilities, claims, demands, causes of action, obligations, damages, losses, costs, attorneys' fees and expenses of any kind and nature whatsoever, known or unknown, arising out of, connected with, or related to, the Abandoned Sewer.

Applicant has read California Civil Code section 1542 ("Section 1542") and understands that Section 1542 gives Applicant the right not to release existing claims of which Applicant is not now aware, unless Applicant voluntarily chooses to do so. Applicant nevertheless hereby voluntarily waives Section 1542 and elects to assume all risks for claims against the District relating to the Abandoned Sewer, whether known or unknown. Section 1542 reads as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

15. Assignability. Applicant may assign this Agreement subject to District's prior written approval and to such conditions and covenants that District may require in order to effectuate the purposes of this Agreement.

16. Successors. The rights and obligations of the parties hereunder shall inure to the benefit of, and be binding upon their respective successors, assigns, administrators and heirs.

17. Joint and Several. If Applicant, as named above, consists of two or more persons or entities (irrespective of whether the form of such entity or entities is corporate, partnership, association or other form), the obligations and responsibilities under this Agreement of each and all of them are joint and several.

18. Recordation. Either Party hereto may submit this Agreement or a memorandum thereof to the San Mateo County Clerk-Recorder for recordation in County's Official Records.

19. Attorneys' Fees. If suit is brought by one Party against the other for damages or otherwise to enforce the provisions of this Agreement, the prevailing Party shall recover costs of suit including reasonable fees of expert witnesses and reasonable attorneys' fees.

20. Entire Agreement. This Agreement comprises the entire agreement between the Parties and integrates any and all prior writings, documents or understandings, between them pertaining to the subject matter hereof.

21. Paragraph Headings. Paragraph headings as used herein are for convenience of reference and shall not be deemed to amend or alter the contents of the paragraphs headed thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

MONTARA WATER AND SANITARY DISTRICT, a public agency ("District")

By: _____

General Manager

Sandra Goldstein ("Applicant")

By: _____

Exhibit A

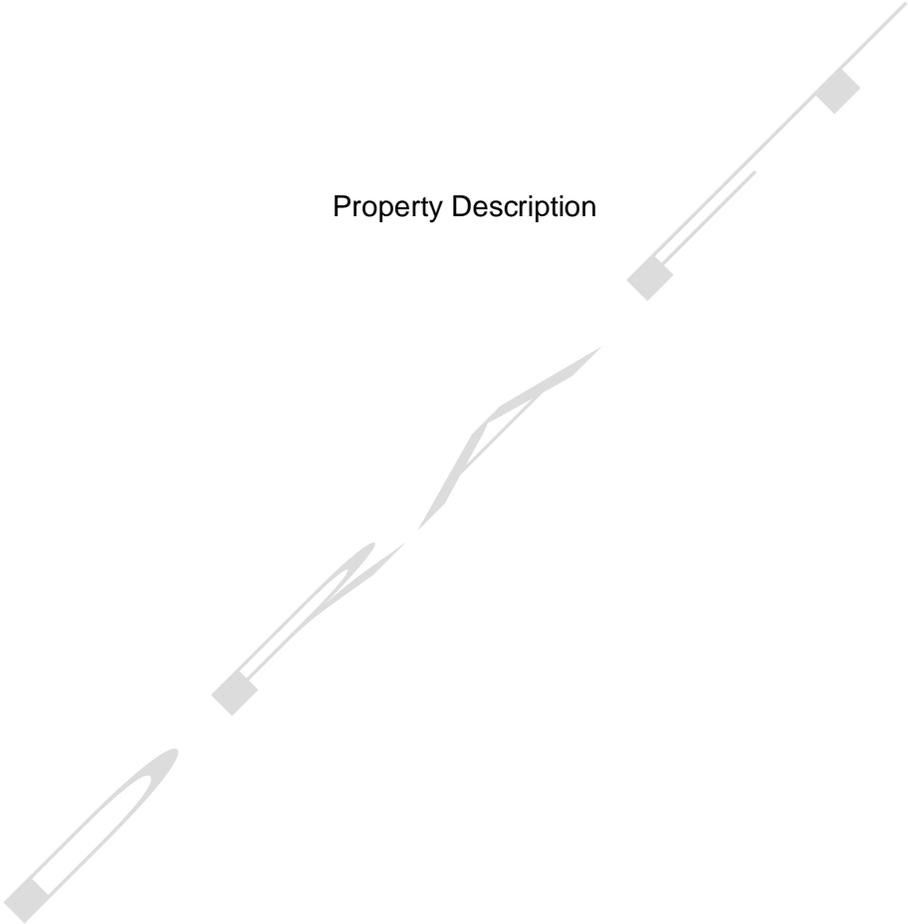
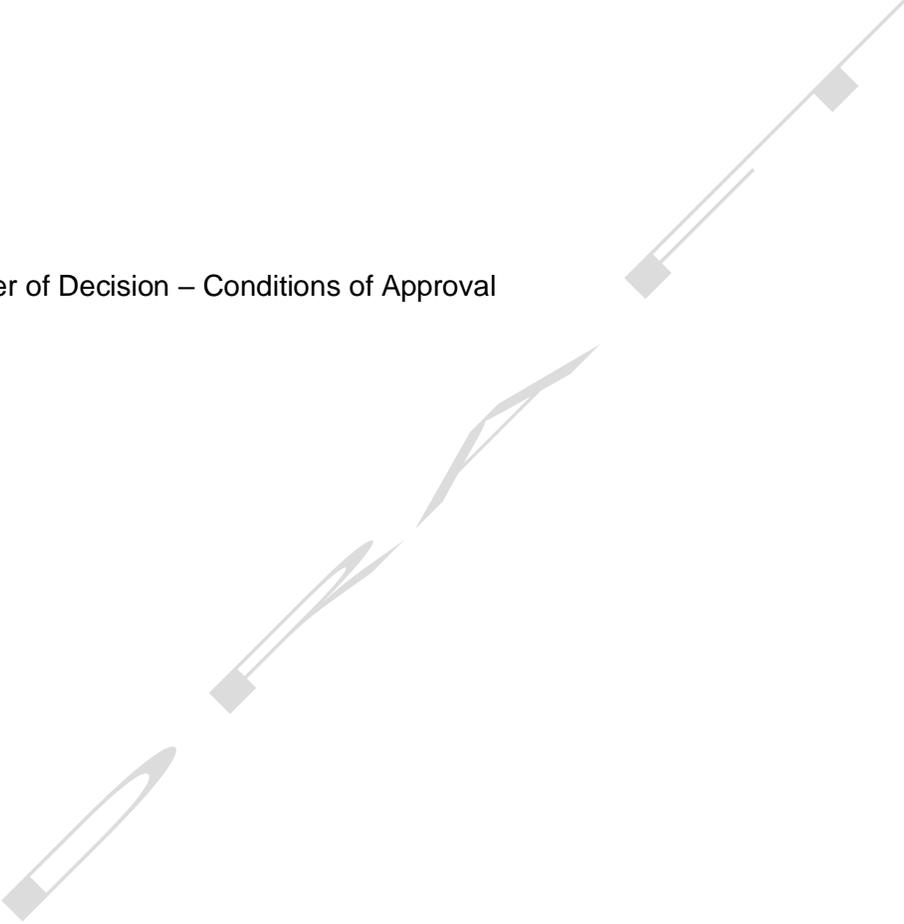
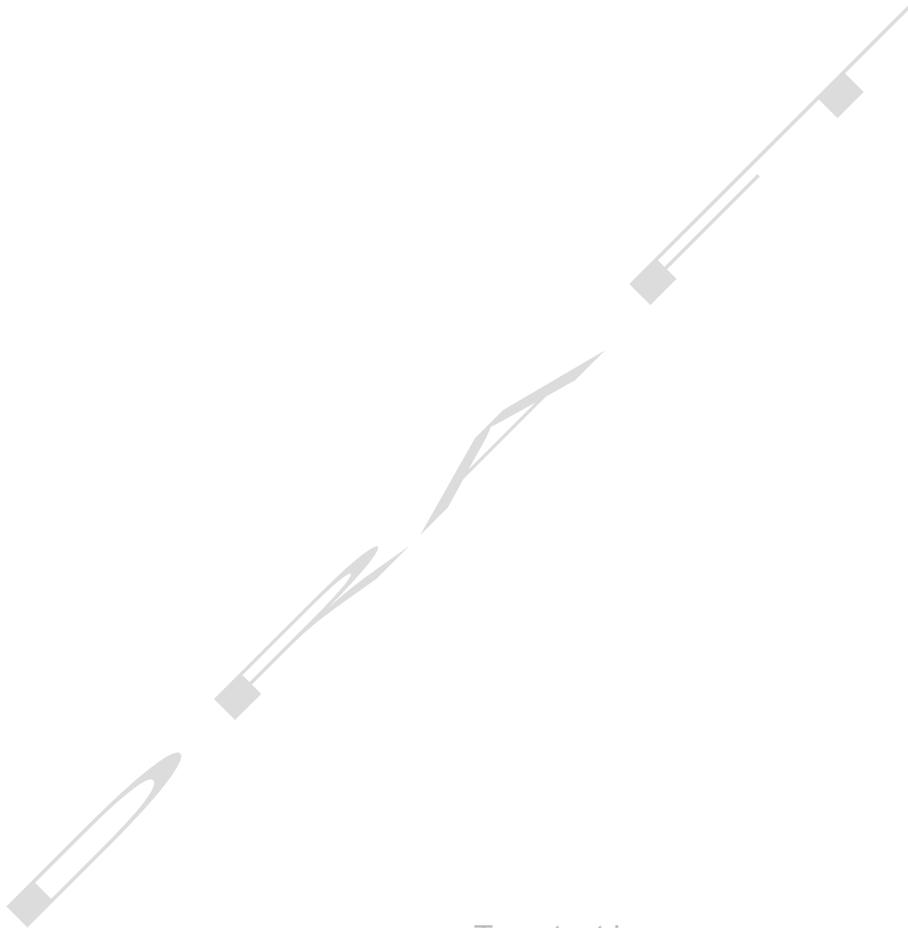


Exhibit B

County Letter of Decision – Conditions of Approval





Type text here



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: Information Related to SFPUC Construction Atop Montara Mountain

Montara Water and Sanitary District (MWSD or District) has sought information related to construction activities on Montara Mountain from the San Francisco Public Utilities Commission (SFPUC). This work is related to the SFPUC's Montara Mountain Rainfall Prediction and Radio Replacement Project (Project).

This Project consists of two components: (1) installation of an Advanced Quantitative Precipitation Information (AQPI) system and (2) replacement of components of an existing SFPUC radio system (the Radio Replacement Project), both on SFPUC-owned land on Montara Mountain.

The Montara AQPI system will be a component in the Regional AQPI Program, in collaboration with the National Oceanic and Atmospheric Administration's (NOAA) Earth Science Research Laboratory, U.S. Geological Survey, Colorado State University's Cooperative Institute for Research in the Atmosphere, and local water and flood control agencies. The Montara AQPI system will be one of at least five AQPI radar systems being installed throughout the San Francisco Bay Area by different local water and flood control agencies as part of this regional effort. The goal of the Regional AQPI Program is to improve early warning systems with better predictions of precipitation, streamflow, and storm surges through research and climatic monitoring by improving the regional weather radar network and incorporation of the data into weather models. This Program addresses the needs and technical capabilities of many users at SFPUC and other agencies in San Francisco and the region.

The Montara AQPI system consists of X-band radar data collection/monitoring equipment (collecting weather data at a more accurate 3000' elevation versus conventional 5000' elevation) and equipment to transmit the data to NOAA for processing and utilization. The Montara radar is being purchased with funds from a grant from the California Department of Water Resources; the grant is administered by Sonoma Water, and is part of the San Francisco Bay Area Integrated Regional Water Management efforts. SFPUC will pay the installation costs for the Montara system. The Radio Replacement Project replaces an outdated and inadequate SFPUC voice radio system with a modern digital communications system that would be portable and easy to use, improve



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager
coverage, enhance safety, and provide reliable communications during a disaster.

This combined Project includes the following elements:

- Site improvements including vegetation removal, construction of a 150' access road, and engineered foundations for the radar and radio tower
- Installation of a radar and support structure
- Installation of a 45-foot monopole tower with communications antennas and a small dish
- Connection to existing power lines
- Installation of a backup power system
- Installation of security fencing

Following community concerns, SFPUC staff met with local stakeholders late last year to discuss preserving access to the mountain top viewpoint for hikers. The SFPUC has committed to construct a community accessible viewpoint adjacent to the radar site as part of the Project. This viewpoint will resolve community access while preserving watershed and radar site security.

RECOMMENDATION:

This item is informational only.



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Water Enterprise AGENDA NO. 9
 MEETING DATE August 13, 2019

Adopt the Final Mitigated Negative Declaration and Approve Project: Regular Calendar
Project Manager: Alexis Dufour

Approve Montara Mountain Rainfall Prediction and Radio Replacement Project

<p>Summary of Proposed Commission Action:</p>	<p>Adopt the Final Mitigated Negative Declaration (FMND), the Mitigation Monitoring and Reporting Program (MMRP), and the Findings as required by the California Environmental Quality Act (CEQA) for the Montara Mountain Rainfall Prediction and Radio Replacement Project; approve Water Enterprise-funded Montara Mountain Rainfall Prediction and Radio Replacement Project to install a weather radar and communications tower on Montara Mountain (the Project); adopt the required CEQA Findings, FMND and MMRP; and authorize the General Manager to implement the Project. This action constitutes the Approval Action for the project for the purposes of the California Environmental Quality Act (CEQA), pursuant to Section 31.04(h) of the San Francisco Administrative Code.</p>
<p>Background:</p>	<p>The Montara Mountain Rainfall Prediction and Radio Replacement Project (Project) consists of two components: (1) installation of an Advanced Quantitative Precipitation Information (AQPI) system and (2) replacement of components of an existing SFPUC radio system (the Radio Replacement Project), both on SFPUC-owned land on Montara Mountain.</p> <p>The Montara AQPI system will be a component in the Regional AQPI Program, in collaboration with the National Oceanic and Atmospheric Administration’s (NOAA) Earth Science Research Laboratory, U.S. Geological Survey, Colorado State University’s Cooperative Institute for Research in the Atmosphere, and local water and flood control agencies. The Montara AQPI system will be one of at least five AQPI radar systems being installed throughout the San Francisco Bay Area by different local water and flood control agencies as part of this regional effort. The goal of the Regional AQPI Program is to improve early warning systems with better predictions of precipitation, streamflow, and storm surges through research and climatic monitoring by improving the regional weather radar network and</p>

APPROVAL: _____
 COMMISSION SECRETARY Donna Hood

	<p>incorporation of the data into weather models. This Program addresses the needs and technical capabilities of many users at SFPUC and other agencies in San Francisco and the region. The Montara AQPI system would consist of X-band radar data collection/monitoring equipment and equipment to transmit the data to NOAA for processing and utilization. The Montara radar is being purchased with funds from a grant from the California Department of Water Resources; the grant is administered by Sonoma Water. SFPUC will pay the installation costs for the Montara system.</p> <p>The Radio Replacement Project originated from a study and recommendation by AECOM completed in 2015, which called for the replacement of the outdated and inadequate SFPUC Water Enterprise voice radio system with a modern digital communications system that would be portable and easy to use, improve coverage, enhance safety, and provide reliable communications during a disaster. The proposed radio system replacement would increase coverage in the watershed and would provide coverage from Pacifica to Half Moon Bay. The Radio Replacement Project would replace the existing SFPUC Water Enterprise low band land mobile radio (LMR) system with a modern Project 25 (standard) Motorola high band digital LMR system.</p> <p>This combined Project includes the following elements:</p> <ul style="list-style-type: none"> • Site improvements including vegetation removal, construction of a 150’ access road, and engineered foundations for the radar and radio tower • Installation of a radar and support structure • Installation of a 45-foot monopole tower with communications antennas and a small dish • Connection to existing power lines • Installation of a backup power system • Installation of security fencing <p>Implementation of the Project will be mostly performed by SFPUC staff, including the Engineering Management Bureau (design), Water Supply and Treatment Division (access, site, and security improvements), Natural Resource and Lands Management Division (site improvements and regulatory compliance), and Information Technology Services (communications, power, and electrical). There will be limited use of purchase orders. Radar set-up and testing will be performed by Regional AQPI Program collaborators.</p>
<p>Result of Inaction:</p>	<p>A delay in approving this project will delay installation of the radar and radio equipment until summer of 2020, preventing potential improvements to water system operations, communications, and implementation of safety measures in the case of heavy rains or disaster in the winter of 2019-2020.</p>
<p>Description of</p>	<p>To implement the Project, this Commission must approve the Project</p>

Project Action:	and adopt the Final Mitigated Negative Declaration (FMND) and the Mitigation Monitoring and Reporting Program (MMRP). The MMRP and FMND are attached to this agenda (Attachments A and B).
Schedule:	Access and Site Improvements: August – November 2019 Installation of AQPI system: October 2019 – January 2020 Installation of WRRP system: 2020-2021 Installation of backup power system: 2020
Budget and Funding:	Purchase of the radar equipment is funded by a grant from the California Department of Water Resources under Proposition 84 that is being administered by Sonoma Water. All other costs related to the project will be funded by the Water Enterprise Programmatic Budget Project No. 10034527 Montara Mountain Rainfall Prediction and Radio Replacement Project.
Environmental Review:	
Recommendation:	SFPUC staff recommends that this Commission adopt the attached resolution.
Attachments:	<ol style="list-style-type: none"> 1. Final Mitigated Negative Declaration for the Montara Mountain Rainfall Prediction and Radio Replacement Project 2. Mitigation Monitoring and Reporting Program

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. _____

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff have developed a project description for the installation of an Advanced Quantitative Precipitation Information (AQPI) system and replacement of components of an existing SFPUC radio system on SFPUC-owned land on Montara Mountain otherwise known as Project No. 10034527, Montara Mountain Rainfall Prediction and Radio Replacement Project; and

WHEREAS, The objectives of the Project are to 1) deploy monitoring equipment on Montara Mountain to collect atmospheric data in real time, and to use the data to generate rainfall forecasts with improved spatial, temporal, and volumetric accuracy, 2) use the improved forecasts in conjunction with the SFPUC Water Enterprise hydraulic model to better manage SFPUC infrastructure, and 3) to maintain and protect the City of San Francisco's critical infrastructure, by providing communications to ensure that operations and maintenance could proceed uninterrupted during emergencies; and

WHEREAS, Purchase of the radar equipment is funded by a grant from the California Department of Water Resources under Proposition 84 that is being administered by Sonoma Water, and funds for all other costs related to the project are available from Water Enterprise Programmatic Budget Project No. 10034527, Montara Mountain Rainfall Prediction and Radio Replacement Project; and

WHEREAS, The Planning Department reviewed and considered the Final Mitigated Negative Declaration (FMND) for the Project, and found that the contents of said report and the procedures through which the FMND was prepared, publicized and reviewed complied with the provisions of the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.)(CEQA), 14 California Code of Regulations Sections 15000 et seq. (the CEQA Guidelines), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

WHEREAS, On June 19, 2019, The Environmental Review Officer found the FMND was adequate, accurate and objective, reflected the independent analysis and judgement of the Planning Department (and the summary of comments and responses contained no significant revisions to the Preliminary Mitigated Negative Declaration), and certified approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31; and

WHEREAS, The Planning Department is the custodian of records, located at 1650 Mission Street, Fourth Floor, San Francisco, California; and

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) staff prepared a Mitigation and Monitoring Reporting Program (MMRP), which material was made available to the public and this Commission's review, consideration and action: now therefore, be it

RESOLVED, That this Commission has reviewed and considered the FMND and the record as a whole, and finds that the FMND is adequate for its use as the decision making body for the Project, that there is no substantial evidence that the Project could have a significant effect on the environment with the adoption of the mitigation measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and that the FMND reflects the City's independent judgment and analysis, and hereby adopts the FMND and the MMRP; and be it

FURTHER RESOLVED, That this Commission hereby approves Water Enterprise Programmatic Budget-funded Project No. 10034527, Montara Mountain Rainfall Prediction and Radio Replacement Project and authorizes the General Manager to direct staff to implement the Project.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of August 13, 2019.

Secretary, Public Utilities Commission



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 5, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning the
Local Agency Formation Commission East Palo
Alto Sanitary District Municipal Service Review**

This item has been placed on the agenda to allow a report from Director Ric Lohman about the topic. Director Lohman has been selected to serve on LAFCo for the Regular Special District term ending May, 2024.

The last Municipal Service Review for East Palo Alto was adopted in 2009

RECOMMENDATION:

This is for Board information and discussion.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

SUBJECT: General Manager's Report

Operations:

U.S.As – 18

Work orders – 22 : 8 leak investigations, 5 profiles, 4 move in move out, 2 meter off, 2 fixture unit counts

Leaks – 3 : 711 Lancaster service repair, 676 Sierra service abandonment and re-tap, 10th street service and failed valve

Back-flows – 11

Valves exercise – 17

Monthly samples – 1

Work with Calcon to trouble shoot issues at Drake, PRTP, and AW3 – 7

Tamper repairs / register head replacements – 3

Raw water line flushing – 1

New service line taps – 2

Vessel exchange – 2

Leak log paperwork update – 3

Barbwire replacement @ P3

Meet with surveyors @ AVTP

PRTP fire flow pump replacement process started

AVTP booster pump replacement process started

PRV station inspections – 14

Office lab clean up and organization

Well sounding

Clean inside of coms sheds at well sites and clean outside of P3 chlorine shed

Code paperwork

Clear salts from well site chlorine vats

Take well amperage readings

Clean up dirt and debris from Los Banos leak over the weekend

Take and put together photos for the virtual system tour

Meet with SAM for photos

Guide generator service guys to sites for load bank test

Investigate Marine mystery main

Covid Zoom Meeting

Troubleshoot PRTP booster pump issue and external VFD issue

Meet for Airport road main extension project

Booster pump shipping packaging

Repair Alta vista well flow meter



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 5, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

Box of files located for Tracy
Troubleshoot Drake flow issue

Projects: This year's Sewer Improvement Project is scheduled to commence soon.

Pavement of the road on MWSD property to the Sewer Authority Mid-Coastside Pump-Station has commenced and is close to completion. The project is jointly funded by MWSD and SAM.

Big Wave water mainline construction along Airport Street is progressing according to schedule. Completion is planned in mid-December

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.

Conferences: The General Manager participated in a presentation at last week's American Water Works Association by Jerome Navarro about the District's Tracer Study. The implementation of the study saved MWSD the construction of a dedicated clear well at estimated \$500,000.

RECOMMENDATION:

This is for Board information only.