

PURISSIMA HILLS WATER DISTRICT

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

JUNE 10, 2009



1. **CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE:** President Solomon called the regular meeting to order at 6:30 p.m. in the District office.

Directors Present: President Ernest Solomon, Vice President Gary C. Waldeck, and Directors Robert N. Anderson, Brian Holtz, and Stephen A. Jordan.

Staff Present: Patrick D. Walter, General Manager; Patrick T. Miyaki, Attorney; Joubin Pakpour, Engineer; and Lucy E. Xavier, District Secretary.

The Pledge of Allegiance was recited.

2. **COMMENTS FROM THE PUBLIC:** See Item 4.

3. **CONSENT CALENDAR:** It was moved by Director Waldeck, seconded by Director Anderson, that Item C on the Consent Calendar, Financial Reports, be removed for discussion under Item 11, Adopt Budget for FY 2009-2010. Motion carried unanimously—voice vote.

It was moved by Director Anderson, seconded by Director Holtz, that Items A and B on the Consent Calendar be approved. Motion carried unanimously—voice vote.

A. Approval of Minutes: Workshop/Special and Regular Meeting of May 13, 2009

B. Approval and Ratification of May 2009 Disbursements—\$336,463.41

C. Financial Reports for May 2009:
Income and Capital Improvement Plan
Revenues and Expenditures
Balance Sheet
Consumption and Billing
Investments

4. **ROY WOOLSEY—INSTALLATION OF BACKFLOW PREVENTION DEVICE ON PROPERTY:** Mr. and Mrs. Roy Woolsey, customers of the District, were present to dispute the installation of a new backflow prevention device. The Manager explained that, in order to comply with the Regulations of the California Department of Public Health (CDPH), the District had informed Mr. Woolsey that a backflow prevention device already installed on his property needed to be replaced with one close to his meter.

Mr. Woolsey reviewed his letter of June 3, previously sent to the Board, which stated the following: 1) he has had a backflow prevention device for 20 years which is located where his main comes out of the ground before any other connections; 2) a backflow located near the meter and driveway is subject to being struck by a moving vehicle and to vandalism; and 3) the backflow would need to be placed two feet above ground near the driveway that serves three neighbors and would be unsightly to the owners and guests.

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The Manager noted that he had called the CDPH to ask if there were any exceptions to this regulation. He was told that the District could leave the backflow where it is, if it could be proven in court, beyond a reasonable doubt, that there was no chance of cross-connection. The Manager said that he would not allow the District to take that risk of liability.

Board and Staff then discussed the possible solutions to Mr. Woolsey's concerns. At the end of the discussion, the Board directed that the Manager comply with CDPH regulations and install a new backflow device close to Mr. Woolsey's meter. The Manager said he would work with Mr. Woosley to mitigate his concerns.

5. **ALEXSIS SHIELDS, DISTRICT'S WATER CONSERVATION SPECIALIST:** Ms. Shields gave a presentation on the District's water conservation incentives that are provided by the Santa Clara Valley Water District (SCVWD). The SCVWD is a wholesale supplier that assists all water agencies in Santa Clara County with conservation. Ms. Shields described each incentive offered:

- Water Wise House Call Program
- Complimentary Aerators, Shower Heads, Toilet Leak Detection Tablets
- High Efficiency Clothes Washer Rebate Program
- Residential High Efficiency Toilet Rebate Program
- Water Efficient Landscape Rebate Program

Ms. Shields then described the District's internal conservation assistance which she supplies to customers:

- Provides information on the following via the District's monthly newsletter:
 - Rebate information
 - Tips on reducing water
 - Water use and landscape assistance
 - Seasonal information, such as garden tours and plant sales
 - Updates on water conditions
- Calls customers who have unusually high usage and offers leak inspections and/or landscape information. May suggest that the customer have a Water Wise House Call.
- Provides graphs of water use to customers who have an Orion profiler head on their water meters and explains data.

Ms. Shields suggested potential future conservation incentives that the District may consider, such as:

- Provide free *Rain Clicks*. These devices are connected to the neutral wiring of the irrigation controller. When the wick on top of the device gets saturated, the unit will bypass the controller and stop the watering cycle.
- Offer landscape rebates in conjunction with the SCVWD as an incentive to residents to reduce the size of their lawns.

Board and Staff then discussed an email from Peter Evans, a customer of the District, which described his idea for an Irrigation Schedule Calculator which could be posted on the District's website.

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After discussion, the Board requested survey data on those customers that Ms. Shields has visited, or who have received a Water Wise House Call, in order to ascertain whether the customers have lowered their usage. The Board also asked for a series of proposals for water conservation that the District can undertake, including those that had already been suggested. This should include anticipated cost impact and budget.

The Engineer noted that he had heard very positive feedback from contractors in the District as to Ms. Shields' helpfulness and professionalism.

6. **ADOPT RESOLUTIONS REGARDING NEW WATER SUPPLY AGREEMENTS WITH CITY AND COUNTY OF SAN FRANCISCO:** The Attorney reviewed the three resolutions regarding the water supply agreements. He also reviewed provisions of the new Master Water Supply Agreement between San Francisco and the wholesale customers, noting some of the differences between the old and new Agreement.

After discussion, it was moved by Director Anderson, seconded by Director Holtz, that the following resolutions, attached hereto, be adopted:

A. Resolution 2009-2—Adopting Findings for Purposes of the California Environmental Quality Act in Connection with Approval of a Water Supply Agreement with the City and County of San Francisco

B. Resolution 2009-3—Approving Water Supply Agreement with the City and County of San Francisco

C. Resolution 2009-4—Approving Individual Water Sales Contract with the City and County of San Francisco

Motion carried—roll call vote.

Ayes:	Directors Anderson, Holtz, Jordan, Solomon, and Waldeck
Noes:	None
Absent:	None

7. **MERITS OF SEEKING AN INCREASED SUPPLY ALLOCATION FROM SAN FRANCISCO OR TO NEGOTIATE AN ADDITIONAL ALLOCATION FROM ANOTHER DISTRICT:** Director Waldeck began the discussion by noting that there are several agencies that purchase water from San Francisco that are below their supply assurance allotment. One of these agencies may be willing to sell a portion of their allotment to the District. The Engineer noted that the District had discussions with the City of Palo Alto on this subject after the District's 2004 study on water augmentation and that he would supply a summary of actions taken to the Board.

After discussion, the Manager said that Staff would identify those agencies that are below their allocation and begin preliminary discussions with these agencies. The Board requested that this information be acquired for the next Board meeting.

8. **APPROVAL OF AMENDMENT NO. ONE TO AGREEMENT BETWEEN THE CITY OF PALO ALTO AND PURISSIMA HILLS WATER DISTRICT FOR LIMITED EMERGENCY WATER SUPPLY INTERTIE:** The Attorney explained that this Amendment is to the Agreement signed in November 2007 between the District and the City of Palo Alto for a limited emergency water supply intertie. He noted that the District also entered into an

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Agreement with the Los Altos Hills County Fire District (LAHCFD) for a second intertie on Page Mill Road which will benefit both the District and the City of Palo Alto. The Attorney said that this Amendment will establish the terms and conditions for the maintenance and use of the Page Mill Road Connection after construction has been completed and the Connection has been accepted by all three parties.

The Attorney recommended approval by the Board, noting that the Amendment would go before the Palo Alto Council the following week for approval. It was then moved by Director Anderson, seconded by Director Holtz, that Amendment No. One be approved. Motion carried unanimously—voice vote.

9. **ENGINEER'S REPORT:**

A. Deer Creek Pump Station Improvement Project The Engineer reported that 95% of the punch list items had been completed. He noted that negotiations would now begin regarding outstanding change orders and delays caused by the Contractor. He then reviewed pictures of the project.

B. Zone 2.5 Phase II Project The Engineer reported that the design portion is on schedule.

C. Quarry Hills Lake Water Quality The Engineer reported that Staff had met with a consultant regarding a feasibility study for the use of the water in the Quarry Hills Lake. The consultant will be submitting a scope and budget for this project.

10. **AUTHORIZATION TO PURCHASE NEW BILLING SOFTWARE FROM CUSI:** The Manager reviewed his spreadsheet comparing the upgrade costs for the current billing software, Springbrook, to a new billing system, CUSI. He compared essential core software, add-on modules with implementation and training services, and the annual maintenance.

After discussion, it was moved by Director Anderson, seconded by Director Waldeck, that the Manager be authorized to purchase the CUSI core software, not to exceed \$20,000. Motion carried unanimously—voice vote.

11. **ADOPT BUDGET FOR FY 2009-2010:** The Manager continued his review of the draft budget summary and capital improvement plan for fiscal year 2009-2010. The Board discussed potential cuts in revenues by the State in property taxes and demand reduction.

Director Waldeck questioned if there should be a rate increase due to the following reasons: San Francisco will be raising its rates, District usage will remain stable, and expenses will not increase. The Manager noted that he would prefer to wait until after the summer period when the District receives most of its income and which will determine the outlook for the financial year. He said that rate increases historically occur in November or December, which should give Staff enough time to evaluate whether or not a rate increase is warranted. Director Waldeck said that he did not see revenues keeping up with expense costs.

Director Anderson recommended adopting the budget and revisiting it at a later date, if necessary, depending on loss of income from property taxes. The Attorney confirmed that budget adjustments can be made during the year. The Board continued discussions, after which it was moved by Director Anderson, seconded by Director Solomon, that the budget for fiscal year 2009-2010 be adopted. Motion carried—voice vote.

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Ayes: Directors Anderson, Holtz, Jordan, and Solomon
Noes: Director Waldeck
Absent: None

12. MANAGER'S REPORT / COMMUNICATIONS ITEMS:

A. Field Report The Manager reported the following:

- Hungry Horse and Neary tanks were cleaned and put in service for the summer.
- Forty-two Orion meters had been installed.
- A blow-off had been abandoned and a fire hydrant will be used instead.
- A pump at the Matadero pump station will need to be repaired.
- Two backflows had been replaced.
- The two Altamont tanks had been cleaned.

B. Customer Communications The Manager said that a customer had emailed him with drought concern questions. He had emailed the customer back, asking him to call to discuss his concerns.

13. DIRECTORS' REPORT:

A. Bay Area Water Supply and Conservation Agency (BAWSCA) Issues Director Anderson reported on BAWSCA issues.

B. Reports on ACWA/JPIA Board of Directors Meeting and ACWA Conference Directors Anderson and Solomon gave their reports on the meetings and conference they had attended in Sacramento.

C. Coverage of Duties in the Event of a Pandemic Flu Director Anderson asked that Director Solomon, Board member for the ACWA/JPIA, request course information from the District's insurance carrier with regard to preparing for a pandemic flu event. Director Solomon said he would call and report back at the next meeting.

Director Anderson also requested that the Board members have identification badges in case of an emergency. He noted that Steve Garcia, the Town's Safety Officer, would be able to help obtain these. Director Waldeck also requested that hats or badges be obtained for the Directors to be used for events, such as the Town picnic.

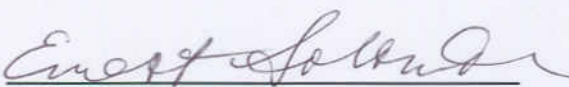
D. Agenda Item Requests The Board identified agenda items for the July 8, 2009, meeting.

14. ADJOURNMENT: The meeting was adjourned at 10:15 p.m. to reconvene at the next regular meeting on July 8, 2009, at 6:30 p.m., at the District's office.

Respectfully submitted



Lucy E. Xavier, District Secretary

Approved: 

Ernest Solomon, President