

PURISSIMA HILLS WATER DISTRICT

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS



FEBRUARY 8, 2012

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

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

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

The Pledge of Allegiance was recited.

2. **COMMENTS FROM THE PUBLIC:** Dick Jones, former Board member, noted that he was not in agreement with Director Kremen's recommendation that the District engage in a "best and final offer" process regarding award of construction projects.

3. **WATER SUPPLY AUGMENTATION—QUARRY HILLS LAKE WATER:** Staff recapped what the District has done in terms of its own emergency plan, emergency coordination with other regional agencies, and the matter of obtaining an agreement with the owner of the lake for the possible use of the water during a major disaster.

4. **CONSENT CALENDAR:** It was moved by Director Anderson, seconded by Director Solomon, that the Consent Calendar be approved. Motion carried unanimously—voice vote.

- A. Approval of Minutes: Regular Meeting of January 11, 2012
- B. Approval and Ratification of January 2012 Disbursements—\$326,710.51
- C. Financial Reports for January 2012: Income and Capital Improvement Plan
Revenues and Expenditures
Balance Sheet
Consumption and Billing
Investments

5. **EVALUATION OF RATE INCREASE:** The Engineer reviewed the draft Water Rate Study. The Board suggested changes and directed that the Engineer incorporate any additional edits from the Board before finalizing the report. After discussion, it was moved by Director Anderson, seconded by Director Solomon, to approve the Proposition 218 Notice to District customers which is to be mailed out no less than 45 days before the April 11, 2012, public hearing.

6. **DISTRICT POLICY AND PROCEDURES FOR AWARD OF CONSTRUCTION PROJECTS:** At the January meeting, the Board had discussed the District's contract award procedures for construction contracts. A question had arisen as to whether the District could negotiate price with the low bidder or engage in a "best and final offer" process.

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The Attorney reviewed the public policy supporting the low bid contract award process, as well as some of the potential detriments involved with deviating from the policy. After discussion, the Board's consensus was that no changes would be made to the District's current policy and procedures for award of District construction projects to the lowest responsive and responsible bidder.

7. **ENGINEER'S REPORT:**

A. Water Tank Seismic Improvements The Engineer reported that the design documents for the water tank seismic improvements project for six tanks are due from the structural engineer on February 10. The Engineer noted that, compared with the four other agencies for which he serves as district engineer, none are as robustly identifying projects to mitigate damage in the event of a major earthquake as this District. Director Anderson also noted that the Manager of the Bay Area Water Supply and Conservation Agency had commented on how well the District is preparing for a major catastrophe.

B. McCann Pump Station Upgrades The Engineer reported that the contractor's documents are being reviewed by the Attorney. A pre-construction meeting has been scheduled for February 14 and construction should begin February 20.

8. **RESOLUTION 2012-2—ADOPTING THE ASSOCIATION OF BAY AREA GOVERNMENTS MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN AND PURISSIMA HILLS WATER DISTRICT ANNEX:** The Engineer explained that the federal Disaster Mitigation Act of 2000 requires all cities, counties, and special districts to adopt a Local Hazard Mitigation Plan in order to receive funding of 6.25% that would normally not be refunded from FEMA. He noted that the District became a full participant in 2009 of the multi-jurisdictional Local Hazard Mitigation Plan and that the District has identified and prioritized mitigation strategies and reviewed preliminary budgets and potential funding sources for strategies designated as high priority for District-owned-and-operated facilities. The Engineer then reviewed the document "Annex to 2010 Association of Bay Area Governments Local Hazard Mitigation Plan *Taming Natural Disasters*," dated September 1, 2011.

After discussion, it was moved by Director Anderson, seconded by Director Solomon, that Resolution 2012-2, attached hereto, adopting as its Local Hazard Mitigation Plan, the Association of the Bay Area Governments Multi-Jurisdictional Local Hazard Mitigation Plan for the San Francisco Bay Area, adapted with the District's local annex, be adopted. Motion carried—roll call vote.

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

9. **MANAGER'S REPORT / COMMUNICATION ITEMS:**

A. Water Tank Sites The Manager reported that new "mushroom" style vents had been installed on the Altamont, Page Mill, Neary, and Elena tanks which offer more protection than the old style. He said that the La Cresta and Altamont tanks had been cleaned and a drain in the Altamont pump station, which had become clogged with tree roots, had also been cleaned out.

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- B. Field Report The Manager reported the following:
- 1½-inch service lines had been installed on Tripoli Court and Campo Vista. This type of upgrade is normally due to the installation of fire sprinklers in the home.
 - A main leak had occurred on Estralita Place. Tree roots had caused the 6-inch AC main to crack.
 - A main leak had occurred on a 2-inch steel main on Byrd Lane.

The Manager noted that he was pleased with the Local Agencies Formation Commission's (LAFCO) 2011 Countywide Water Service Review Report concerning the implementation of recommendations for improving the accountability and transparency of agencies through changes in their operations, management, and administration. The report noted only one recommendation—to enhance water conservation program efforts to address large lots. The Manager said that he would provide a written response to LAFCO describing District conservation efforts and programs.

C. Customer Communications There were no customer communications to report.

D. Issues Related to State Water Project The Manager reported that in 1962 the Santa Clara Valley Water District (SCVWD) spent \$42 million to install facilities for the State Water Project. Santa Clara County property owners were then taxed to finance this expenditure although some property owners did not benefit from the Project.

For a number of years, the SCVWD gave a refund to those agencies in Santa Clara County, such as the District, which supplied their customers with water purchased from the San Francisco Public Utilities Commission-Hetchy Hetchy System. However, this refund ("Hetch Hetchy credit") was discontinued in 1981, although Santa Clara County property owners continued to be taxed. The Manager noted that he will be further exploring the District's rights with relation to this State Water Project tax matter.

10. DIRECTORS' REPORT:

A. Bay Area Water Supply and Conservation Agency (BAWSCA) Issues Director Anderson noted that he had been reappointed to the BAWSCA Board Policy Committee. He then reported on BAWSCA issues.

B. Directors' Comments Board members commented on matters of interest to the Board.

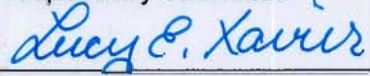
C. Agenda Item Requests The Board identified agenda items for the March 14, 2012, meeting.

After brief discussion, an Advisory Committee comprised of Directors Jordan and Kremen was formed to have discussions with the Los Altos Hills County Fire District on behalf of the District. Director Holtz directed that the item to form an advisory committee for the Santa Clara Valley Water District tax matter be on the March agenda.

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11. **ADJOURNMENT:** The meeting was adjourned at 9:05 p.m. to reconvene next at the regular meeting on March 14, 2012, at 6:30 p.m., at the District's office.

Respectfully submitted



Lucy E. Xavier, District Secretary

Approved: 

Brian Holtz, President