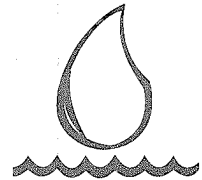


PURISSIMA HILLS WATER DISTRICT

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS



December 12, 2012 Minutes

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, Directors Robert N. Anderson, Ernest Solomon.

Staff Present: Patrick D. Walter, General Manager; David S. Gehrig, Attorney; Joubin Pakpour, Engineer; and Ray Collins, Office Manager/District Secretary

The Pledge of Allegiance was recited.

2. **ADMINISTER OATHS OF OFFICE:** Oaths of Office were administered to Directors Ernest Solomon, Brian Holtz, and Stephen Jordan.

3. **COMMENTS FROM THE PUBLIC:** Member of the public present was Art Jensen, Chief Executive Officer and General Manager of the Bay Area Water Supply and Conservation Agency (BAWSCA).

4. **CONSENT CALENDAR:**

It was moved by Director Anderson , seconded by Director Holtz that the Consent Calendar be approved. Motion carried unanimously – voice vote.

5. **PARTICIPATION IN BAWSCA'S BOND ISSUANCE TO PREPAY CAPITAL DEBT OWED TO SAN FRANCISCO.** Art Jensen described the origin of capital debt of \$367M owed to the San Francisco Public Utilities Commission (SFPUC) by the BAWSCA agencies. He then described how the proposed BAWSCA bond issuance would reduce the current interest rate of 5.13% and meet the primary objective of lowering the cost of water purchased from San Francisco. Mr. Jensen discussed how the bond interest rate would be allocated among agencies and the effect of a blended interest rate applied to the member water agencies.

6. **RESOLUTION 2012 - 11 AUTHORIZING THE MAKING OF A PREPAYMENT UNDER THE WATER SUPPLY AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO AND RELATED MATTERS**

It was moved by Director Anderson and seconded by Director Solomon to approve Resolution 2012-11 Authorizing the Making of a Prepayment Under the Water Supply Agreement With the City and County of San Francisco as amended. Motion carried - Roll Call Vote.

Ayes: Directors Holtz, Jordan, Anderson, and Solomon

Noes:

Absent: Director Kremen

7. **ENGINEER'S REPORT**

- A. LA CRESTA #2 RECOATING PROJECT. The Engineer stated the project is currently out to bid. Ten contractors attended the pre-bid meeting held on December 10, 2012. A recommendation to award the contract will be made to the District at the January 2013 Board meeting. Welding work is in progress and will be completed prior to the recoating which is planned to begin early February 2013.
- B. NEARY TANK UTILIZATION PROJECT. The Engineer stated the route is being surveyed including the accurate location of sewer lines which is critical to the installation of water lines.
- C. QUARRY HILLS LAKE WATER: The Engineer reported he and the General Manager are finalizing the scope and budget proposal with EKI to design and identify a range of equipment alternatives that can pump water from the lake for emergency purposes.

8. **MANAGER'S REPORT**

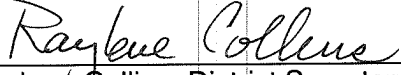
- A. FIELD REPORT. The Manager reported Alexis Shields, the District's Conservation Specialist is resigning from the position. Backflow testing is half complete. La Cresta Tank is going out of service and welding will begin in 7 – 10 days. Main leaks on Lupine Rd. and Almaden Crt. were repaired. Paving is complete on prior main leak repairs. The flushing valve on Laurel Lane will be repaired.
- B. CUSTOMER COMMUNICATIONS: None
- C. WATER TANK SITES. Reported under Engineer's Report.

9. **DIRECTORS' REPORT**

- A. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES. Already discussed under agenda item 6.
- B. WORKSHOP BUDGET BASED WATER RATES. Director Holtz commented on the Budget Based Water Rates implemented by the City of Redwood City and its similarity with the Town of Los Altos Hills compliance with State of California AB 1881. The General Manager will attend an introductory workshop on Budget Based Water Rates January 15, 2013.
- C. ADVISORY COMMITTEES—UPDATES
 - 1) COST REDUCTION STRATEGIES (DIRECTORS JORDAN AND KREMEN) The General Manager reported on a meeting attended by himself, Director Kremen, Joubin Pakpour, the District's engineer, and Santa Clara County Valley Water District (SCVWD) staff regarding emergency water supply.
- D. DIRECTORS' COMMENTS. Director Solomon reminded the Board about the significance of the Capital Improvement Plan in light of the recent high number of main leaks in the Bay Area community. Director Anderson attended the 2012 Fall ACWA/JPIA Conference and reported on insurance issues, ethics training, and inverse condemnation lawsuits.
- E. AGENDA ITEMS FOR THE JANUARY 9, BOARD MEETING. The Board agreed to add a motion to confirm appointment of new President and Vice President in accordance with Resolution 2009-11 Adopting a Policy Regarding the Annual Election of a President and Vice President of the Board of Directors on a Rotating Basis Based on Board Seniority.

10. **CLOSED SESSION** The regular meeting of the Board of Directors was closed for a public employee evaluation at 8:31 p.m. No action was taken.
11. **RETURN TO OPEN SESSION** The regular meeting of the Board of Directors was reopened at 8:40 p.m.
12. **ADJOURNMENT** The meeting was adjourned at 8:45 p.m.

Respectfully submitted


Raylene Collins, District Secretary

Approved: 

Brian Holtz, President