

**PURISSIMA HILLS WATER DISTRICT
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS**

June 12, 2013 Minutes

1. **CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE** President Jordan called the regular meeting to order at 6:33 p.m. in the District office.

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

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

The Pledge of Allegiance was recited.

2. **COMMENTS FROM THE PUBLIC**. No members of the public were present.

3. **CONSENT CALENDAR**

It was moved by Director Anderson, seconded by Director Solomon, to approve the Consent Calendar as amended. Motion carried – roll call vote.

AYES: Directors Jordan, Solomon, Holtz, Anderson, Kremen

NOES: None

ABSENT: None

4. **PROCEDURES FOR PAYMENT OF DISBURSEMENTS:** The committee will make a recommendation at the August 14th Board meeting.

5. **CONDITION OF DISTRICT VEHICLES:** Director Anderson was concerned about the condition of the District's 1992 pickup truck that delivered water and exhibit materials to the Town of Los Altos Hills picnic. The General Manager agreed to buy a newer truck.

6. **ENGINEER'S REPORT**

- A. **NEARY TANK UTILIZATION PROJECT:** The pipeline and tank retrofitting work are on schedule to advertise for bids. The board of directors will be asked to authorize the pipeline portion of the project to go out to bid at the August 14, 2013 Board meeting. The structural retrofit of Neary Tank will follow a month later. The engineer expects construction to start in October 2013.
- B. **CAPITAL IMPROVEMENT PROGRAM – 2013 UPDATE.** The Engineer distributed the draft CIP Summary of 21 projects with a cost of \$14,240,000. He noted that nine projects are new and 12 are carried over from prior years. He and the General Manager will review the draft CIP with the Los Hills County Fire District. Projects on the draft CIP program will be discussed in detail at the July 10, 2013 Board meeting.

- C. CHRISTOPHER'S LANE: The Engineer explained that the District mailed letters to each of the homeowners on Christopher's Lane and both he and the General Manager have met with residents to discuss the project. There is a consensus with the homeowners for the location and replacement of the pipe.
- D. GRANT SUBMITTAL TO SANTA CLARA VALLEY WATER DISTRICT CLEAN CREEKS PROGRAM. The engineer explained that the grant submittal was rejected because it was considered non compliant with the requirements of the program. SANTA CLARA VALLEY WATER DISTRICT communicated during a follow up conversation that the grant was geared towards discretionary projects. Our project was not viewed as discretionary and therefore did not qualify for consideration.
- E. ACCEPTING THE LA CRESTA TANK NO. 2 INTERIOR RECOATING PROJECT AS COMPLETE AND AUTHORIZING THE RECORDATION OF A NOTICE OF COMPLETION. The Engineer reported the tanks were returned to service May 14, 2013. He recommended that the Board accept the project as complete, and approve final payment to Advanced Industrial Systems (AIS) for \$61,322.00. It was moved by Director Anderson, seconded by Director Solomon, to approve Resolution 2013-7 Accepting the La Cresta Tank No. 2 Interior Recoating Project as Complete and Authorizing The Recordation of a Notice of Completion. Motion carried - roll call vote.

AYES: Directors Jordan, Solomon, Holtz, Anderson, Kremen
 NOES: None
 ABSENT: None

It was moved by Director Anderson, seconded by Director Solomon, to approve final payment of \$61,322.00 to AIS. Motion carried – voice vote.

- F. PAGE MILL TANK. The tank will be cleaned and inspected before finalizing the improvement project plan.
- 7. **SAN FRANCISCO PUBLIC UTILITY COMMISSION (SFPUC) RATE CHANGE FOR FY2013/2014.** The General Manager informed the Board of the SFPUC's new wholesale rate of \$2.45 per unit. He explained that the Bay Area Water Supply and Conservation Agency (BAWSCA), an agency representing 24 utilities that purchase water from SFPUC, refinanced \$28.2M of debt owed to SFPUC that, while adding \$0.35 per unit to our water cost, will provide ongoing savings of \$0.05 per unit. The remaining \$0.13 per unit reduction was due to the SFPUC's delay of capital spending. The manager explained that the surplus will be held in a rate stabilization fund to offset next year's increase from the SFPUC. It was agreed to explain the SFPUC rate change and its affect on the District's customers in the newsletter.
- 8. **DRAFT BUDGET FOR FY 2013-2014.** The General Manager reviewed the budget, and explained that the budget distributed at the meeting had been adjusted in response to Director Jordan's assessment that the usage projection was too high, based on usage for the last four years. The GM discussed the cost and anticipated schedule of projects and expenses. Further comments from the Board will be incorporated in the final budget to be presented at the July 10 Board meeting.
- 9. **HYDRANT SECURITY:** The General Manager explained that, at the request of the District, the Town of Los Altos Hills added a condition for obtaining a building permit that specifies that all applicants for construction project permits must receive approval from the District for the source of water to be used during construction. It is anticipated that this correspondence and required

approval will educate property owners and contractors that hydrants are prohibited for obtaining water for construction.

10. **MANAGER'S REPORT**

A. WATER TANK SITES

1. STATUS OF SEISMIC UPGRADES: Neary Tank 2 and La Cresta Tank 2 are back in service, and McCann Tank 1 and 2 have been cleaned and are waiting for the results of water quality tests before returning to service next week. Neary Tank 1 and La Cresta Tank1 have been drained and are ready for the seismic repairs.
2. STATUS OF LA CRESTA DRAIN LINE. The trench has been excavated for the installation of the drain pipe that will connect to the existing storm drain in the driveway. Conduit that will connect to the Verizon generator is also being installed in the ditch.

B. FIELD REPORT. A main break on the 10" cast iron pipe on Fremont Rd. was repaired by replacing 12 feet of pipe.

C. CUSTOMER COMMUNICATIONS .

1. CUSTOMER RATE PROPOSAL. The General Manager explained the rate plan proposal submitted by customer Nicholas Erndt. The Board concluded that the plan would not be offered.

D. PAYMENT OPTIONS The General Manager explained the two new potential payment options for customers: 1) Automatic debit serviced through the District's billing system and 2) Interactive on-line payment with an electronic check processed on the District website. It was agreed to proceed only with implementing the automatic debit payment option.

E. REPORT ON ACWA/JPIA SPRING CONFERENCE. The General Manager reported on sessions and exhibitions he attended ACWA/JPIA Spring Conference.

11. **DIRECTORS' REPORT**

A. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES. Director Anderson commented on the value of attending the ACWA/JPIA conferences and that he is willing to attend the Fall conference if no one else is interested in attending.

B. DIRECTORS' COMMENTS. Director Solomon commented on his attendance at the ACWA/JPIA Spring conference in Sacramento, and provided a written summary of the sessions he attended. Director Jordan stated that the goals for the General Manager have been finalized.

C. AGENDA ITEMS FOR JULY 10, 2013 BOARD MEETING

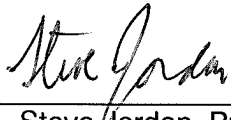
1. Draft CIP Summary
2. Draft FY 2013/2014 Budget.

12. **CLOSED SESSION.** CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to subdivision (c) of Section 54956.9 (one potential case).
No Action was taken.
13. **ADJOURNMENT** The meeting was adjourned at 9:55 pm

Respectfully submitted

Raylene Collins, District Secretary

Approved: _____



Steve Jordan, President