

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

April 8, 2015 Minutes

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, Directors Robert N. Anderson, Steve Jordan, and Peter Evans

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

The Pledge of Allegiance was recited.

2. **COMMENTS FROM THE PUBLIC** Alex Handlers from Bartle Wells attended.

3. **CONSENT CALENDAR**

It was moved by Director Anderson, seconded by Director Solomon, to approve the Consent Calendar. Motion approved unanimously— voice vote.

4. **EXECUTIVE ORDER FROM GOVERNOR BROWN MANDATING A STATEWIDE 25% WATER USE REDUCTION** The Attorney explained the mandate, and the proposed penalties and enforcement actions which are being developed by the State Water Resources Control Board ("SWRCB") pursuant to regulations that will be finalized on May 5 or 6. Preliminarily, it appears that small water suppliers (fewer than 3,000 customers) will be required to reduce usage 25% during the months of June through November measured in relation to 2013 usage over the same time period. Penalties of \$10,000/day could be applied for failure to comply with a cease and desist order issued by the SWRCB. The Board discussed methods to achieve the 25% reduction that could include a rate increase, tier structure adjustment, education, and assertive outreach to high users.

5. **RENEWAL OF EMERGENCY WATER REGULATIONS BY THE STATE WATER RESOURCES CONTROL BOARD (SWRCB); CONSIDER RESOLUTION 2015-01 ADOPTING RESTRICTIONS ON OUTDOOR IRRIGATION REQUIRED BY THE SWRCB**

It was moved by Director Anderson, seconded by Director Jordan, to adopt Resolution 2015-01 as revised. Resolution 2015-01 restricts District customers from outdoor irrigation more than twice per week, and also restricts District customers from irrigating within 48 hours of measurable rainfall.

AYES: Directors Anderson, Jordan, Evans and Solomon

NOES: None

ABSENT: Director Holtz

6. **LEGAL UPDATE REGARDING THREE PROPOSITION 218 CASES.** The Attorney summarized two recent Proposition 218 cases addressing groundwater pumping fees, and discussed a pending appellate opinion regarding tiered water rates in San Juan Capistrano.

7. **UPDATE REGARDING PROPOSED RATE INCREASE – BARTLE WELLS**

Alex Handler of Bartle Wells identified the District's financial challenges and projections relative to a San Francisco Public Utility Commission (SFPUC) rate increase effective July 1, 2015. He then reviewed historical and projected water use and rate structure observations. He proposed rate increases that keep revenues in line with projected expenses. Mr. Handlers then reviewed several options for tier modifications. He noted that rates cannot exceed the proportional cost of service. The Board discussed the Water Shortage Emergency Rate Alternatives presented by Mr. Handlers.

8. CONSIDER SETTING PUBLIC HEARING AND ISSUING

PROPOSITION 218 NOTICE FOR PROPOSED RATE INCREASE It was moved by Director Jordan, seconded by Director Evans, to set a public hearing to consider the rates increase on June 10, 2015, and issue a Proposition 218 notice for: 1) adopting rate proposal Alternative A as a base increase at a system-wide usage of to 790,000 hundred cubic feet; 2) adopting a pass-through of SFPUC wholesale price increases implemented after the SFPUC increase on July 1, 2015; and 3) adopting rates in the event of a water shortage emergency to recoup the revenue the District would lose as a result of reduced water sales.

Motion approved - roll call vote:

AYES: Directors Solomon, Evans, Jordan, Anderson

NOES: None

ABSENT: Director Holtz

9. ENGINEER'S REPORT

A. PAGE MILL TANK RETROFIT The Engineer reported that the structural design is on schedule. He reported that while taking Page Mill Tank out of service on March 20, 2015, it was necessary to utilize the City of Palo Alto intertie to supply Zone 4. The pressure regulating valve may have malfunctioned sending a high pressure spike to Zone 4, causing a significant main leak in an 8" pipe in the cross country area, Byrne Preserve, between the Altamont Tank and Moody Ct. The engineer explained that he will meet with staff to determine the cause of the failure. During the planned retrofit Palo Alto will supply the District's Zone 4 with water.

10. MANAGER'S REPORT

A. FIELD REPORT

- Crews installed a new 1" service for Dori Ln and abandoned the old service.
- Crews inspected a new 1-1/2 service on 26880 Elena Rd and installed a 1-1/2" backflow and meter.
- In conjunction with the seismic improvements, the drainage at Neary Tank is being improved to re-establish the drain valve on piping outside of the tank. Drainage boxes will be located near the overflow and flushing outlets and connected with a piping network to drain water from the tank. Rough grading has been completed such that water around the tank will drain into the boxes.
- Main break repair in Byrne Preserve: Lewis and Tibbitts excavated and backfilled a 10' wide by 30' long hole, while replacing a 20 foot section of ductile iron pipe. Staff met with Town engineers and discussed the repairs that are still in progress including erosion repair on the trail about 1,000 feet up the hill from Moody Ct. They unplugged and cleaned out storm drain culverts, excavated and rebuilt the eroded areas around the culverts
- La Cresta tank had drained due a combination of the Deer Creek pump failed to start while the Deer Creek surge valves opened as a result of the Matadero pumps starting.

B. CUSTOMER COMMUNICATIONS None to report

11. DIRECTORS' REPORT

A. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA), ACWA/JPIA, AND OTHER AGENCY ISSUES. Director Anderson reported on issues relevant to BAWSCA, Director Evans will attend the ACWA Spring conference in Sacramento.

B. STATE WATER PROJECT TAX Director Jordan reported on his presentation to the Town of Los Altos Hills Council on March 31, 2015. He requested the Council send a letter to the SCVWD Board stating a position against the State Water Tax. It is expected that The Town Crier will publish an article regarding this topic.

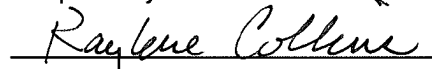
C. DIRECTORS' COMMENTS Director Evans reported on the forum: Innovations in Water Conservation held on March 12 at the Town of Los Altos Hills.

12. AGENDA ITEMS FOR MAY 13, 2015 BOARD MEETING


Prop 218 notice and pending rate increase hearing on June 10, 2015

13. ADJOURNMENT 10:30 p.m.

Respectfully submitted



Raylene Collins, District Secretary

Approved: 

Ernest Solomon, President

