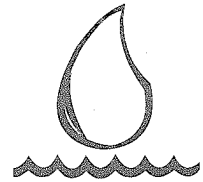


PURISSIMA HILLS WATER DISTRICT

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
November 14, 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, Gary Kremen, and Ernest Solomon

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

The Pledge of Allegiance was recited.

2. **COMMENTS FROM THE PUBLIC:** Member of the public present was Chris Brown, Senior Manager at Charles Z. Fedak & Company, an accounting firm.

3. **CONSENT CALENDAR:**

It was moved by Director Holtz, seconded by Director Solomon that the minutes of the October 19, 2012 Special Meeting be approved as amended.

Ayes: Directors Holtz, Jordan, Anderson, Kremen, and Solomon

Noes:

Absent:

It was moved by Director Solomon and seconded by Director Anderson that the Consent Calendar be approved.

Ayes: Directors Holtz, Jordan, Anderson, Kremen, and Solomon

Noes:

Absent:

4. **AUDIT REPORT FOR FY2011-12 (CHARLES Z. FEDAK & COMPANY, CPA)**

A. Chris Brown, Senior Manager at Charles Z. Fedak & Company, presented their 2012 Audit Results for the District which analyzed significant audit areas of cash and cash equivalents, receivables, capital assets, payables, debt, and an explanation of the major variances for revenues and expenses. Mr. Brown then discussed the Management Report and Financial Highlights and reported that he is providing an unqualified or "clean" opinion on the District's financial statements. The Board will submit any questions or edits and the draft audit will be placed on the December 12, 2012 consent calendar for the Board's approval.

5. **RESOLUTION 2012 - 9 AMENDING AND ADOPTING THE CONFLICT OF INTEREST CODE**

- A. The Attorney reviewed the updates of the Conflict of Interest code, as provided by the Clerk of the Board, Santa Clara County. It was moved by Director Anderson and seconded by Director Jordan that the Conflict of Interest Code be approved.

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

6. **RESOLUTION 2012 - 10 APPROVING PLANS AND SPECIFICATIONS FOR THE LA CRESTA TANK NO. 2 INTERIOR RECOATING PROJECT AND AUTHORIZATION OF ADVERTISEMENT FOR BID.**

- A. The Engineer stated that the interior coating of La Cresta Tank No. 2 has failed on the underside of the roof above the water line. The proposed project includes sand blasting to remove the existing interior coating and repainting the entire interior, painting the exterior roof beige, and installing additional vents to decrease interior temperatures. The work is planned to begin in early February 2013, with the tank scheduled to be back in service by mid May. It was moved by Director Anderson, and seconded by Director Solomon to authorize the Engineer to go out for bid for the project.

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

7. **RESULTS OF OCTOBER 20, 2012 EMERGENCY RESPONSE DRILL**

- A. Director Anderson reported that 60 CERTS and 12 radio operators participated in the Emergency Response Drill. During the drill, it was discovered that emergency responders could not locate the District's facilities and tanks, and thus would not be able to check on the functionality of system after an earthquake. The General Manager offered a tour of the facilities to CERT responders and radio operators. Director Anderson, who operated the District's HAM radio during the drill, requested that the office should keep survival supplies for at least two people for two days.

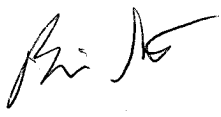
8. **EMERGENCY PREPARDNESS AND COMMUNITY INVOLVEMENT** Nothing to report

- C. DIRECTORS' COMMENTS. Director Anderson asked about the annual Christmas party usually held in January. Director Solomon mentioned being prepared for emergencies keeping in mind recent natural disasters and the District's potential liabilities
- D. AGENDA ITEMS FOR DECEMBER 12, 2012 BOARD MEETING
The 2012 Audit will be placed on the Consent Calendar, and the annual review of General Manager
- 12. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL** The regular meeting of the Board of Directors was closed for conference with legal counsel at 9:00 p.m. No action was taken.
- 13. **RETURN TO OPEN SESSION**
The regular meeting of the Board of Directors was reopened at 9:18 p.m.
- 14. **ADJOURNMENT** The meeting was adjourned at 9:21 p.m.

Respectfully submitted

Raylene Collins, District Secretary

Approved: _____


Brian Holtz, President