

PURISSIMA HILLS WATER DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

6:30 P.M. WEDNESDAY, JULY 8, 2015

26375 FREMONT ROAD, LOS ALTOS HILLS CA 94022

# Agenda

- 6:30 1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE
- 6:35 2. COMMENTS FROM THE PUBLIC
- 6:45 3. CONSENT CALENDAR  
Items appearing on the Consent Calendar are considered routine and will be adopted in one motion, except for any item removed for separate consideration elsewhere on the agenda. The President will ask the Board and the audience for requests to remove these items.
- A. APPROVAL OF MINUTES: REGULAR MEETING OF JUNE 10, 2015
- B. APPROVAL AND RATIFICATION OF JUNE 2015 DISBURSEMENTS PAID IN JUNE IN ACCORDANCE WITH RESOLUTION 2013-9 (DISBURSEMENTS SIGNED BY DIRECTOR JORDAN, PATRICK WALTER, AND RAYLENE COLLINS)
- C. FINANCIAL REPORTS FOR: INCOME AND CAPITAL IMPROVEMENT PLAN JUNE 2015 REVENUES AND EXPENDITURES, BALANCE SHEET
- D. APPROVAL OF AMENDED RATE AND FEE SCHEDULE REFLECTING NEW RATES ADOPTED PURSUANT TO RESOLUTION 2015-02
- 6:50 4. ADOPTION OF RESOLUTION 2015-03 ESTABLISHING THE APPROPRIATIONS LIMIT APPLICABLE TO THE DISTRICT DURING FISCAL YEAR 2015-2016.
- 7:00 5. DRAFT BUDGET FOR FISCAL YEAR 2015-2016 DISCUSSION/ACTION
- 7:15 6. APPROVAL FOR DIRECTOR JORDAN TO REPRESENT THE DISTRICT AT THE JULY 10, 2015 WATER TECHNOLOGY SUMMIT DISCUSSION/ACTION
- 7:20 7. ENGINEER'S REPORT
- A. PAGE MILL TANK RETROFIT UPDATE
- 7:30 8. TOWN'S REQUEST FOR PERMISSION FOR SEWER CONTRACTOR TO USE DISTRICT HYDRANTS FOR SEWER MAINTENANCE DISCUSSION/ACTION
- 7:45 9. MANAGER'S REPORT
- A. PALO ALTO RECYCLED WATER INFORMATION
- B. FIELD REPORT UPDATE
- C. CUSTOMER COMMUNICATIONS UPDATE

PURISSIMA HILLS WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY, **JULY 8**, 2015

- 8:15 10. DIRECTORS' REPORT DISCUSSION**
- A. STATE WATER RESOURCES CONTROL BOARD (SWRCB) CURTAILMENT NOTICE RECEIVED BY SAN FRANCISCO PUBLIC UTILITY COMMISSION (SFPUC)**
  - B. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA), ACWA/JPIA, AND OTHER AGENCY ISSUES**
  - C. DIRECTORS' COMMENTS**
- 8:25 11. AGENDA ITEMS FOR AUGUST 12, 2015 BOARD MEETING DISCUSSION**
- 8:30 12. ADJOURNMENT**

**ASSISTANCE FOR PERSONS WITH DISABILITIES**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District Secretary at 650-948-1217. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

Copies of all agenda reports and supporting data are available for inspection at the District office , 26375 Fremont Road, Los Altos Hills, Ca. A complete agenda and minutes can also be found on the District's website: <http://www.purissimawater.org>.

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. Customer Colin Knight, 27267 Deer Springs Way, stated that the Beacon endpoint installed at his meter has been helpful.

3. **CONSENT CALENDAR**

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

4. **PROPOSAL TO AMEND DISTRICT’S RATE AND FEE SCHEDULE TO ADJUST RATES FOR ALL CUSTOMERS**

**A. OPEN PUBLIC HEARING PURSUANT TO PROPOSITION 218.** The Attorney opened the public hearing.

**B. PRESENTATION OF WATER RATE STUDY BY BARTLE WELLS.** Rate consultant Alex Handlers presented findings of the Rate Study that supports the proposed tiered rate structure.

Public comment:

Customer Geoff Egan questioned long term supply.

Customer Colin Knight explained how more of the cost burden is placed on low users.

Customer Dan Seidel questioned the transparency of the District’s approach to the rate increase and requested to delay the Board’s action until its next meeting July 8, 2015. Mr. Seidel said that customers need more time to understand the Rate Study, and investigate alternatives. He disagreed with the elimination of Tier 6.

Customer Robert Molinari questioned how the District’s costs compare with other districts and noted that when customers conserve well, the price of water goes up. He requested the Board consider subsidizing water runoff recapture systems.

Customer Julie Cates requested greater visibility of the Capital Improvement Plan and questioned if the District had considered financial support for grey water reuse systems.

Customer Mae Chen inquired about a system-wide solution that delivered grey water separate from potable water. Mae requested educational workshops on grey water.

Customer Bob Russ stated that secondary dwelling units substantially increase usage levels to high tiers.

Two residents are thus charged like a single family, and thus should qualify for a suggested dual family rate plan.

Customer Ginn Hua argued that large landscapes already require a minimum of 10 units, the lowest tier. She asked if current rates are the water shortage emergency rates as shown in the Rate Study. She believes the District has not encouraged conservation adequately.

The District had received 26 letters of protest to the rate increase. An additional three letters were rejected because the property owners lived outside the District.

**C. CLOSE PUBLIC HEARING** It was moved by Director Jordan, seconded by Director Anderson to close the public hearing at 8:55 p.m. Motion approved unanimously; voice vote.

**D. CONSIDERATION OF RESOLUTION 2015-02 AMENDING RATE AND FEE SCHEDULE TO ADJUST RATES FOR ALL CUSTOMERS** It was moved by Director Anderson, seconded by Director Holtz, to adopt Resolution 2015-02 as amended. Motion approved-roll call vote:

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

**5. COMPLIANCE WITH STATE WATER RESOURCES CONTROL BOARD (SWRCB) EMERGENCY DROUGHT REGULATIONS** The Attorney provided an update regarding compliance with the SWRCB's emergency drought regulations, and explained that the District had chosen to comply with the second of two compliance options available to small water suppliers. Specifically, pursuant to Resolution 2015-01, the District implemented a two day per week restriction on irrigation of outdoor ornamental landscapes and turf, instead of implementing a 25% reduction in water usage from 2013. A discussion ensued regarding possible additional conservation measures the District could implement. The Board decided to revisit the issue at the Board's meeting on August 12, 2015 when results may be apparent from the initial education and outreach effort.

**6. DRAFT GRANT PROPOSAL FOR AMI METERS** Director Jordan explained his request to the Santa Clara Valley Water District (SCVWD) for a grant to fund the purchase of 700 AMI meters that will be installed on the District's highest users. The meters read hourly usage which is visible from a website where customers can monitor their hourly usage and detect leaks. The meters can verify compliance with the District's two day a week outdoor irrigation restriction because District staff also has access to the website data to monitor daily usage.

**7. DRAFT BUDGET FOR FISCAL YEAR 2015-2016** The General Manager explained the draft budget. The Board will consider it and provide comments to be discussed at the Board meeting July 8, 2015.

**8. ENGINEER'S REPORT**

**A. PAGE MILL TANK RETROFIT** The Engineer reported that the project is on schedule, and expects to obtain approval to request bids at the August Board meeting. He expects that the project will be awarded in September 2015. The intertie with Palo Alto was tested with success. Nevertheless, a temporary 6,500 gallon NSF approved tank will be purchased and installed for back up during renovation.

**B. PAKPOUR CONTRACT RENEWAL** It was moved by Director Anderson, seconded by Director Solomon, to approve the new contract. Approved unanimously-voice vote.

**9. MANAGER'S REPORT**

**A. FIELD REPORT**

- An 8 inch main and three valve set is being installed at Altamont Tank on the Zone 4 cross-country main. The adjacent Zone 3 main will be rerouted for water efficiency.
- An 8 inch cast iron pipe that resides in inaccessible terrain between Foothill Ln to Vogue Ct was abandoned due to several leaks. Vogue Ct was completed and Foothill Ln. is scheduled for the next couple of weeks.
- Air releases were upgraded on Mirmirou, Roble Blanco, and Lupine Way.
- The Deer Creek surge valve was excavated to install a dechloramination device.

**B. CUSTOMER COMMUNICATIONS** None to report

**10. DIRECTORS' REPORT**

**A. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA), ACWA/JPIA, AND OTHER AGENCY ISSUES** Director Anderson reported that new BAWSCA conservation ads have been issued. The Mountain Tunnel, an 11 mile tunnel leading from Hetch Hetchy Reservoir requires repairs that will shut it down while under construction.

**B. DIRECTORS' COMMENTS** Director Evans reported that he drafted a water waste prohibition ordinance to be considered by the Town of Los Altos Hills City Council. The ordinance is intended to provide consistent restrictions though out the town that overlay the differing requirements of two water districts. Director Jordan requested approval to represent the District at the July 10, 2015 Water Technology Summit.

**11. AGENDA ITEMS FOR JULY 8, 2015 BOARD MEETING**

- Approval of Director Jordan attendance to Water Technology Summit.
- Appropriations limit.
- Update rate and fee schedule (consent calendar)

**12. ADJOURNMENT** It was moved by Director Jordan, seconded by Director Solomon, to adjourn the meeting at 10:10 p.m.

**RESOLUTION NO. 2015-03**

**ESTABLISHING THE APPROPRIATIONS LIMIT  
APPLICABLE TO THE DISTRICT  
DURING FISCAL YEAR 2015-2016**

**PURISSIMA HILLS WATER DISTRICT**

**WHEREAS**, Article XIII B of the California Constitution requires that each local agency subject thereto establish an appropriations limit primarily applicable to expenditure of proceeds of property taxes, and to adjust that appropriations limit annually based on changes in the cost of living and population; and

**WHEREAS**, the Board of Directors of the Purissima Hills Water District established the appropriations limit applicable to the District during the Fiscal Year 2014-2015 as \$1,225,136; and

**WHEREAS**, the District is now required to establish by resolution the applicable appropriations limit during Fiscal Year 2015-2016 by applying to the limit for Fiscal Year 2014-2015 the factors, as issued by the California Department of Finance, reflecting changes in the California per capita personal income and in population; and

**WHEREAS**, the calculations showing the applications of those factors have been forwarded to the Board of Directors for review and have been made available for public inspection at least fifteen days prior to the date hereof; and

**WHEREAS**, the applicable factors are as follows: (1) the change in the California per capita personal income was 3.82%; and (2) the applicable change in population from January 2014 to January 2015 was 1.13%.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Purissima Hills Water District that the appropriations limit for Fiscal Year 2015-2016 is established as \$1,286,271.

Passed and adopted this 8th day of July, 2015, by the following vote of the Board.

AYES:

NOES:

ABSENT:

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President, Board of Directors  
Purissima Hills Water District

ATTEST:

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Secretary of the District

## San Francisco Ordered to Stop Using Century-Old Water Rights

KQED By **Lauren Sommer** JUNE 26, 2015

State water managers have ordered the city of San Francisco to stop taking water from the Tuolumne River, restricting some of the city's senior water rights. The orders are part of a larger effort by the state to limit water use from thousands of water rights holders, in order to manage dwindling supplies during the drought.

It's an historic moment for San Francisco, whose [early water rights](#) and [exclusive water system](#) has kept the city out of the water battles that have plagued most of the state.

The city says it may choose to fight the cuts and take legal action, as other senior water rights holders [have recently done](#).

San Francisco's Hetch Hetchy system stretches more than 100 miles into the high Sierra Nevada, where pristine water is captured from the Tuolumne River in the Hetch Hetchy Reservoir, [built inside Yosemite National Park](#). It serves [more than a million residents](#) in San Francisco and other water districts on the Peninsula and the South Bay.

"We'll be taking the appropriate action to protect our water rights."  
**Steve Ritchie, San Francisco Public Utilities Commission**

Hetch Hetchy water users aren't expected to see any short term impacts, because the reservoir is fuller than most others in California, and the San Francisco Public Utilities Commission can continue to draw on that water.

"Our reservoir was as full as it was going to get already," said Steve Ritchie, assistant general manager for water for the SFPUC. "We have plenty of water in storage."

The SFPUC is still waiting to see the order from the State Water Resources Control Board to gauge the volume of water affected.

"The bigger issue for us is not the practical effect of curtailment, but the legality and precedence issues represented by it," said Ritchie. "We may choose to file legal action."

Several lawsuits have already been filed by senior water rights holders who are [challenging the state water board's authority](#) to cut their rights. Questions have been raised about whether the orders are actual "cease and desist" orders that must be followed, or are simply advisories.

The city has several more water rights going back to 1901 that have not been curtailed, but could be in coming weeks. "As supplies continue to decline through the summer, it is expected that more senior rights will be impacted by limited water availability," the State Water Resources Control Board said in its release.

"We'll be taking the appropriate action to protect our water rights," Ritchie said.