PURISSIMA HILLS WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
6:30 P.M. WEDNESDAY JULY 11, 2018

Agenda

6:30 1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

6:35 2. COMMENTS FROM THE PUBLIC

6:40 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 THE BOARD JUNE 14, 2018
   B. APPROVAL AND RATIFICATION OF JUNE 2018 DISBURSEMENTS PAID IN JULY 2018 IN ACCORDANCE WITH RESOLUTION 2013-9 (DISBURSEMENTS SIGNED BY DIRECTOR ANDERSON, PATRICK WALTER, AND RAYLENE COLLINS)
   C. FINANCIAL REPORTS FOR: INCOME AND CAPITAL IMPROVEMENT PLANS JUNE 2018 REVENUES AND EXPENDITURES, BALANCE SHEETS

6:45 4. LA CRESTA TANK SITE LEASE: TECHNICAL, SAFETY, AND OPERATIONS ISSUES DISCUSSION

7:15 5. BARTLE WELLS RATE STUDY SUPPORTING PROPOSED RATE INCREASE AND COST OF SERVICE FOR EACH TIER DISCUSSION/ACTION

7:45 6. FINAL BUDGET FY 18/19 DISCUSSION/ACTION

8:00 7. RESOLUTION 2018-03 REQUEST FOR AND CONSENT TO CONSOLIDATION OF ELECTIONS UPDATE/ACTION

8:05 8. ENGINEER’S REPORT UPDATE

8:10 9. ATTORNEY’S REPORT UPDATE

8:15 10. MANAGER’S REPORT UPDATE/DISCUSSION
   A. FIELD REPORT
   B. CUSTOMER COMMUNICATIONS
DIRECTORS’ REPORT

A. MEETING UPDATE OF THE PHWD COMMITTEE AND LOS ALTOS HILLS COUNTY FIRE DISTRICT (LAHCFD) COMMITTEE

B. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA) RESOLUTIONS AND SAN FRANCISCO PUBLIC UTILITY COMMISSION (SFPUC) WATER AVAILABILITY

C. BAWSCA, ACWA/JPIA, SCVWD, AND OTHER AGENCY ISSUES

D. DIRECTORS’ COMMENTS

AGENDA ITEMS FOR AUGUST 2018 BOARD MEETING

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.
CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE  President Jordan called the regular meeting to order at 6:30 p.m. in the District office.

Directors Present: President Jordan, Directors Peter Evans, Robert N. Anderson, and Ernie Solomon

Staff Present: Patrick Walter, General Manager; Phil Witt, General Foreman; Joubin Pakpour, Pakpour Engineering; Julie Sherman, Attorney, Hanson Bridgett; and Ray Collins, Office Manager/District Secretary

The Pledge of Allegiance was recited.

COMMENTS FROM THE PUBLIC

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

DRAFT RATE STUDY PRESENTATION FROM BARTLE WELLS Alex Handlers from Bartle Wells presented the Draft Rate Study. The study included a comparison of rates among 25 Bay Area water providers, which revealed that the District has some of the lowest rates and readiness to serve charges among its peer agencies. Mr. Handlers provided an analysis of the District’s consumption and billing, wholesale purchases, fund reserves and historical finances. Mr. Handlers then discussed two cash flow projections that may enable the District to fund priority capital projects with and without debt financing. Mr. Handlers will revise the projections based on the Board’s comments, and return with an updated study for the Board’s consideration at their meeting on July 11, 2018.

DRAFT BUDGET FY 18/19 The GM reviewed the Draft Budget for FY 2018/2019. Because forecasts are pending for capital improvement spending and potential rate increases, he provided an operations budget focusing on operating and maintenance expenses. The GM will return with a revised draft budget for the Board’s consideration at their meeting on July 11, 2018.

ENGINEER’S REPORT The Engineer continued to calibrate the hydraulic model by testing 12 sites in Zone 3 to correlate with the model. He will model the hydraulic effect of a break in the asbestos cement main on Taaffe Rd. Replacing this main is a high priority because it is an important component of the District backbone infrastructure.

ATTORNEY’S REPORT Nothing to report.

STATE SENATE BILL 606 The GM explained that the purpose of SB 606 is to further the State’s goal of making conservation a way of life by requiring urban water providers to calculate and compare actual water use to the target based on 55 gallons per person per day, along with other water efficient measures. The District is not considered an urban water provider, because it has less than 3000 connections and supplies less than 3,000 acre-feet of water annually, and is therefore not affected by the requirements in SB606.

MANAGER’S REPORT

A. FIELD REPORT
Chloramine Boost Station. The GM received a preliminary quote for the installation of the chlorine generation equipment.

Altamont Electrical. Triad and Holmes Surveyors are developing necessary documents for new easements.

Matadero Pump Station. DACO is installing the steel bracing for the pipes.

Backflows. Three backflows were installed at properties on Via Arline, Briones Way and Alejandro Ct.

McCann Electrical Panel was installed and Pump 1 is fully operational.

SCVWD Grant Proposal. Execution of the agreement with SCVWD is expected by the end of June.

State Water Resources Control Board – Division of Drinking Water representative inspected District operations and facilities. A follow-up report is expected in June or July.

Toyon Yard. Continued working on the rehabilitation project to repair flood damage.

Foothill College. Staff inspected the installation of an 1-1/2” domestic service, a fire service and a relocated fire hydrant for the new district office across from the Foothill Fire Station.

La Cresta Tank 1 and McCann Tank 1 are back in service after touch up painting for the new roof hatches.

Page Mill Tank was cleaned.

The Confidence Consumer Report was sent to the printer for mailing by July 1, 2018. The report is on the website.

A survey was sent to 26 Bay Area Water Supply and Conservation Agency (BAWSCA) members inquiring about the likelihood of allowing antennas on the center of their tanks. Ten members responded to the survey and said they did not allow antennas on top of their tanks, though some do have antennas attached to the sides of tanks. See Exhibit A.

A. CUSTOMER COMMUNICATIONS

None

10. DIRECTORS’ REPORT

A. MEETING UPDATE OF THE PHWD COMMITTEE AND LOS ALTOS HILLS COUNTY FIRE DISTRICT (LAHCFD) COMMITTEE. Director Jordon reported that the committees met on May 2, 2018 and discussed potential shared funding for priority capital projects that benefit both agencies.

B. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA), ACWA/JPIA, SCVWD, AND OTHER AGENCY ISSUES The District Secretary reported that she attended the BAWSCA Directors meeting held on May 17, 2018 on behalf of Director Anderson.

C. DIRECTORS’ COMMENTS Director Jordan discussed his findings regarding the District’s charter and authority to generate revenues from antenna leases. Rules of the California Water Code and the Local Agency Formation Commission (LAFCO) allow additional revenue sources, such as commercial antenna leases. See Exhibit B. He proposed holding a closed session at the Board meeting July 11, 2018 to discuss this item, pending legal counsel review. Director Jordan added that he attended the Sustainable Silicon Valley Conference held on May 31, 2018.

11. AGENDA ITEMS FOR JULY 2018 BOARD MEETING

Potential Closed session – Negotiation of Real Property

Updated Rate Study

12. ADJOURNMENT The meeting adjourned at 9:30 p.m.
<table>
<thead>
<tr>
<th>Agency</th>
<th>Contact</th>
<th>Title</th>
<th>Do you have any cases currently with large antenna on top at the center of your tanks?</th>
<th>Would you allow third parties to mount large antenna on top at the center of your tanks?</th>
<th>Would you have any concerns about such an antenna on your critical steel tanks?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Penninsula WD</td>
<td>Rene Ramirez</td>
<td>GF</td>
<td>We do not have any antennas of any size mounted on top at center of any tank. We have a couple that are steadied through mounts along the sides of our tanks, but at getting away from this and when we replace a tank we require the antenna to be removed from tank.</td>
<td>No!</td>
<td>Yes. We have allowed cell companies to lease property on tank sites with their antennas as stand alone facilities, though we aren't seeking to add more antennas to our tank sites.</td>
</tr>
<tr>
<td>Mid Penninsula WD</td>
<td>Tammy Ruddock</td>
<td>GM</td>
<td>No</td>
<td>No</td>
<td>Yes, besides the potential for damage to public property as a result of the antenna installation, there is the ultimate potential for liability by the 3rd party's access to the equipment, O&amp;M, and future replacement. Monopole construction is what the MPWD requires.</td>
</tr>
<tr>
<td>City of Menlo Park</td>
<td>Pam Lowe</td>
<td>PE</td>
<td>We also do not have any antennas on our tanks. I agree with Jeff below 100%.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foster City</td>
<td>Jeff Moneda</td>
<td>Public Works Director</td>
<td>We currently do not have any antennas on our tanks.</td>
<td>I would not allow an antenna to be placed on top.</td>
<td>Due to security reasons, I would not want to have any private properties enter City property, especially having access to potable water facilities. The same concerns were raised when I previously worked in Orange County.</td>
</tr>
<tr>
<td>Coastside County WD</td>
<td>Dave Dickson</td>
<td>GM</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
## Results of BAWSCA Antenna Survey

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<th>Do you have any cases currently with large antenna on top at the center of your tanks?</th>
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<tr>
<td>Alameda County WD</td>
<td>Leonard Ash</td>
<td>Operations</td>
<td>I do not know of any antennas on the top center of our tanks. I do not believe we would allow it but if we did it would be a lengthy engineering and legal review process that would take several years</td>
<td>Installation of anything substantial on a &quot;critical&quot; steel tank will require structural engineering analysis. A 43' pole can impose substantial loads at the base. That said, it may be very doable since it will be guyed</td>
<td>However, we would NOT allow a third-party access to the top of our tank. Security of WQ and safety/liability concerns would preclude this.</td>
</tr>
<tr>
<td>City of Mountain View</td>
<td>Gregg Hosfeldt</td>
<td>Assistant Public Works Director</td>
<td>There are no water storage tanks owned by the City. That said, my assumption is we would be reluctant to give anyone access to our water storage facilities unless directly related to City operations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Santa Clara</td>
<td>Gary Welling</td>
<td>Director of Water &amp; Sewer Utilities</td>
<td>No we do not</td>
<td>No, I would not</td>
<td>I would not want 3rd parties touching this type of critical infrastructure or having access to a water tank. We have cellular towers on the tank sites but these are stand alone installations were 3rd parties can complete maintenance and install new equipment, they do not touch any of our critical infrastructure. Have the 3rd party install their own antenna infrastructure at your site away from the tank.</td>
</tr>
<tr>
<td>City of Sunnyvale</td>
<td>Mansour Nasser</td>
<td>Water &amp; Sewer Manager</td>
<td>No</td>
<td>No</td>
<td>Yes ..not to mention possible radio signal interference. Not worth it for us</td>
</tr>
</tbody>
</table>
PHWD charter and its relevance to third party antennae

<table>
<thead>
<tr>
<th>Principle</th>
<th>Charter</th>
<th>Relevance to antennae</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA Water Code sections that address county water district &quot;powers&quot;</td>
<td>31020: A district may do any act necessary to furnish sufficient water in the district for any present or future beneficial use; including store water for the benefit of the district, conserve water for future use, and appropriate, acquire, and conserve water and water rights for any useful purpose.</td>
<td>Allows additional revenue sources to reduce rates.</td>
</tr>
<tr>
<td>LAFCO 1980 review of PHWD</td>
<td>Sections 31100-31106 authorize county water districts to acquire, construct, and operate facilities for the collection, treatment and disposal of sewage, waste and storm water of the district and its inhabitants.</td>
<td></td>
</tr>
<tr>
<td>LAFCO review of 2011</td>
<td>The District may acquire water rights, store and conserve water, salvage storm and sewage water, generate and sell incidental hydroelectric power, operate sewage facilities, operate irrigation works or power development with the U.S. Government, provide recreational facilities, own firefighting equipment, reclaim lands and sell or lease mineral or oil rights. (1984)</td>
<td></td>
</tr>
<tr>
<td>Prop 218 Income</td>
<td>PHWD provides domestic water services to its residents in the form of distribution to its customers. The District does not provide treatment, as all water is pre-treated by the SFPUC and delivered through SFPUC’s Hetch Hetchy Water system. Can add additional revenue sources. Presently the District leases 6 antennae sites to cellular service providers.</td>
<td>Income from cellular leases is allowed as part of purpose to reduce PHWD expense or provide additional revenue source. (Note: We should notify LAFCO of our treatment operation.)</td>
</tr>
<tr>
<td>Prop 218 Expense</td>
<td>We interpret Prop 218 as allowing PHWD to reduce required revenue and therefore rates.</td>
<td>Cellular leases reduce water rates</td>
</tr>
<tr>
<td></td>
<td>Costs to build or maintain non PHWD antenna would not be chargeable to customers unless these are necessary for provision of water service.</td>
<td>PHWD may not pass on these costs to its customers</td>
</tr>
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RESOLUTION NO. 2018-03
REQUEST FOR AND CONSENT TO CONSOLIDATION OF ELECTIONS
PURISSIMA HILLS WATER DISTRICT

STATE OF CALIFORNIA )
) ss
County of Santa Clara )

WHEREAS, a Biennial General District Election has been ordered to be held on Tuesday, November 6, 2018, in the Purissima Hills Water District of Santa Clara County for the purpose of electing two Directors of the Board of Directors of the District; and

WHEREAS, pursuant to Part 3 (commencing with Section 10400) of the Elections Code, such election may be either completely or partially consolidated; and

WHEREAS, Resolution 2018-02 approved April 12, 2018 by the Board of Directors contained an error of electing three Directors instead of two and this Resolution 2018-03 corrects that error.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That the Board of Directors of the Purissima Hills Water District calls for an election to be held on November 6, 2018, and requests the Board of Supervisors of Santa Clara County to completely consolidate the election with statewide election.

Section 2. That the Board of Directors of the Purissima Hills Water District requests the Board of Supervisors of Santa Clara County to hold and conduct the election in the manner prescribed in Section 10418 of the Election Code of the State of California and to further provide that the Registrar of Voters canvass the returns of the election.

Section 3. That pursuant to Section 10508 of the Election Code of the State of California, said officers are to be selected at large.
Section 4. That the divisions, if any, from which said directors are to be elected, and the number of offices to be filled from each, are:

\[
\begin{array}{cc}
(Division) & (Number of Offices) \\
(N/A) & (N/A) \\
\end{array}
\]

Section 5. That pursuant to Section 10514 of the Elections Code of the State of California, the qualifications for election to said offices, as prescribed by the principal act, are: Resident of the Purissima Hills Water District and Voter in the Purissima Hills Water District.

Section 6. That pursuant to Section 10520 of the Election Code of the State of California, each district involved in a district general election in an affected county shall reimburse the county for the actual costs incurred by the county elections official in conducting the district general election for that district.

Section 7. That the candidates’ statements of qualifications shall be limited to 200 words; that the cost of printing, translating and distributing said statements shall be borne by the Purissima Hills Water District and candidates who file such statements (the Purissima Hills Water District with pay 50% of the candidates 200 word statement), and that each candidate who files such a statement shall be required to pay in advance his or her pro rata share of the estimated costs of printing, handling, and mailing said candidate statement, such estimated costs to be determined by the Registrar of Voters.

Section 8. That pursuant to Section 10522 of the Election Code of the State of California, a current map showing the boundaries of the Purissima Hills Water District and the boundaries of the divisions of the Purissima Hills Water District is herewith submitted.

Section 9. That pursuant to Sections 10551 and 15651 of the Election Code of the State of California, the method of determining the winner or winners in the event of a tie vote shall be by a special runoff.
Section 10. That the names of all current Board Members and date each term ends are:

1. Brian Holtz, Director. Term expires on December 16, 2020;
2. Steve Jordan, President. Term expires on December 16, 2020;
3. Ernest Solomon, Director. Term expires on December 16, 2020;
4. Robert N. Anderson, Director. Term expires on December 12, 2018; and
5. Peter Evans, Vice President. Term expires on December 12, 2018.

PASSED AND ADOPTED this 11th day of July 2018, by the following votes:

AYES:

NOES:

ABSENT:

Vice President, Board of Directors
Purissima Hills Water District

ATTEST:

Secretary of the Governing Board
Purissima Hills Water District
Hi Steve,

Thanks for the response.

I would be happy in any forum to describe to you and/or the board the users and uses of the existing and proposed antennas. Briefly, their primary and intended use is to support emergency communications in a time of need. Emergency communications in the Town of Los Altos Hills and in Santa Clara County relies heavily on trained volunteer communicators. These volunteers are specifically integrated into the formal, approved disaster preparedness plans at the town and county levels and are a vital part of public safety. While all are federally licensed Amateur Radio operators, not all “hams” are emergency communicators. Those wishing to act as emergency communicators typically receive formal training, pursue various kinds of certifications (e.g. “EOC operator”, “Mutual Aid Communicator, etc.), participate in drills and exercises, and devote significant personal time, resources, and effort into staying proficient – at no cost to the community.

The Monday Night Net held in Los Altos Hills on the repeater using the La Cresta antenna provides an opportunity for volunteers to gain experience acting as a “Net Control” operator, managing communications on a particular frequency. The net is open to all hams in the coverage area – even those not currently registered as emergency communicators – by design. This allows Net Control operators to experience a more diverse and changing set of participants, providing them with better training, and it acts as a recruiting vehicle to encourage local hams to get involved formally in the emergency communications effort and pursue training and certifications. This longstanding cooperation and synergy between the ham community, the volunteer emergency communicators, and the public agencies (the town itself and the water district) is a critical part of public safety in a town that has extremely limited dedicated public safety personnel. It has roots going back half a century, when the Southern Peninsula Emergency Communications System and it’s weekly nets was first created.

I’d be happy to elaborate further, of course. But I admit I am somewhat confused as to why fundamental questions about these antennas are being raised now. My recollection from the board meeting of the water district that I attended some months ago was that after a review and discussion of the fundamentals, the board acted to formally approve the installation of the new antenna, subject only to a.) working out satisfactory technical details of the installation with the General Manager and b.) to executing appropriate modifications to the agreement between the town and water district. Based on this approval by the board, I (along with other volunteers) proceeded to devote considerable time and effort to resolving those two open issues. As of now, my understanding is that we have solution for mounting the antenna that Patrick considers workable and that the town would likely support the amendments to the agreement as proposed by Patrick. Given the prior approval, I’m confused by where the process stands at the moment and would be grateful for a clarification.

Many thanks,
David Gilmour

Cc: Dru Andersen, Scott Overstreet (LAHECC Co-Chairs)