Purissima Hills Water District
MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
AUGUST 12, 2009

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, Vice President Gary C. Waldeck, and Directors Robert N. Anderson and Stephen A. Jordan. Director Brian Holtz was absent.

Staff Present: Patrick D. Walter, General Manager; Patrick T. Miyaki, Attorney; Joubin Pakpour, Engineer; and Lucy E. Xavier, District Secretary.

The Pledge of Allegiance was recited.

2. COMMENTS FROM THE PUBLIC: Former Directors Janet Fenwick and Dick Jones (Item 6) were present.

3. CONSENT CALENDAR: It was moved by Director Anderson, seconded by Director Jordan, that the Consent Calendar be approved. Motion carried unanimously—voice vote.

   A. Approval of Minutes: Regular Meeting of July 8, 2009

   B. Approval and Ratification of July 2009 Disbursements—$544,415.75

   C. Financial Reports for July 2009: Income and Capital Improvement Plan
      Revenues and Expenditures
      Balance Sheet
      Consumption and Billing
      Investments

4. BREEENE KERR, COUNCIL MEMBER, TOWN OF LOS ALTOS HILLS—PROPOSAL FOR THE DEVELOPMENT OF FACILITIES TO CAPTURE/STORE ON-SITE WATER AT WESTWIND BARN: Council Member Kerr and Carl Cahill, Town Manager, were present to discuss a proposal for the onsite capture and storage of water, or rainwater harvesting, at the Westwind Barn.

Mr. Kerr began by noting that the Westwind Barn is owned by the Town and boards approximately 75 horses. The Barn runs several programs and is considered a community asset. He said that the Barn is currently preparing for a seismic retrofitting project and that the Town will be focusing on reducing energy and water use, as well. He noted that the Barn’s average use is approximately 100,000 gallons per month, with 95% of the water being used for dust control, stall cleaning, and washing horses.

Mr. Kerr explained that the proposed rainwater harvesting project is not only for pure economic value, but has the potential to be a demonstration project. He then went on to describe the project in more detail, which includes harvesting light gray water and gray water, noting that this could save up to 15 million gallons of Hetch Hetchy water over a 20 year period.
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Mr. Kerr said that the project cost could be as much as $125,000. He said that he had already contacted the Packard Foundation regarding a donation and was also requesting a financial contribution between $50,000-$75,000 from the District.

After discussion, the Board said that they would need additional information about the project before making a financial commitment. Mr. Kerr said that he could address the Board in September, noting that he would also have more firm budget numbers by that time, as well.

5. **RESOLUTION 2009-8—AUTHORIZING THE AWARD OF CONTRACT FOR THE ALTAMONT PUMP STATION UPGRADES TO PLEASANTON ENGINEERING CONTRACTORS, INC.**: The Engineer reviewed his memo of August 7, noting that the bid opening had occurred on July 29 and that nine bids had been submitted out of a total of 13 prospective eligible bidders. He noted that the apparent low bidder was Pleasanton Engineering, Inc., with a bid of $126,000—54% below the Engineer’s Estimate.

The Engineer said that there had been several minor irregularities in the proposal documents but legal counsel had concluded that these discrepancies did not give Pleasanton Engineering any competitive advantage over other bidders and, therefore, these minor irregularities could be waived by the District.

After discussion, it was moved by Director Anderson, seconded by Director Jordan, to waive the minor irregularities of the low bidder’s proposal and that Resolution 2009-8, attached hereto, authorizing the award of contract for the Altamont Pump Station Upgrades to Pleasanton Engineering, Inc., for a total cost of $126,000, be adopted. Motion carried—roll call vote.

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

6. **PRESENTATION ON WATER RATES BY FORMER DIRECTOR DICK JONES**: Mr. Jones was present to talk to the Board about a proposal for an alternate billing method for recovering fixed expenses. He noted that this method would eliminate the District’s monthly readiness-to-serve charge.

Mr. Jones’ written proposal stated: “The plan is achieved each month by dividing the fixed expense to be collected that month by the actual total units billed that month, using the result as that month’s per-unit fixed charge (in addition to the charge for consumption-dependent expense, of course). So the exact amount of fixed expense planned for that month is collected, no matter how the usage might differ from the base year. PHWD is (perhaps uniquely) in a position to do this because all the meters are read within a very short period of time. Thus, the total number of units for the month is known before the bills are prepared. It is true that the month’s per-unit fixed charge would have to be computed and entered manually, but it is simple to compute and uses easily available numbers.”

After discussion, the Board thanked Mr. Jones for his presentation.

7. **ENGINEER’S REPORT**:

A. **Deer Creek Pump Station Improvement Project** The Engineer reviewed his memo of August 5, noting that the Contractor had completed 100% of the contractual work, as well as 95% of the punch list items. He also reviewed Change Order No. 5.
B. Zone 2.5 Phase II Project

1. Resolution 2009-6—Adopting an Addendum to the Negative Declaration for the Zone 2.5 Project: The Engineer explained that, due to easement restraints and constructability issues, a small portion of the original water main alignment will not be constructed, and a small portion of the water main will follow a different alignment.

The Attorney then explained that the Los Altos Hills County Fire District had served as the lead agency under Phase I of the Zone 2.5 Project and had adopted a Negative Declaration for the entire Project in February 2007.

The Attorney noted that, because the District is the lead agency for Phase II of the Project, the District will need to file an Addendum to the Negative Declaration. He said that an updated Environmental Checklist Form had been prepared which includes the minor revisions and technical changes to the Project, as cited above, and which raises no new issues regarding significant effects upon the environment.

After discussion, it was then moved by Director Anderson, seconded by Director Waldeck, that Resolution 2009-6, attached hereto, adopting an addendum to the Negative Declaration for the Zone 2.5 Project, be adopted. Motion carried—roll call vote.

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

2. Resolution 2009-7—Approving Plans and Specifications for Construction of the Zone 2.5 Project, Phase II; Authorizing Advertisement for Bids: The Engineer noted that the plans and specifications for construction of the Zone 2.5 Project, Phase II, had been completed and Staff was now requesting authorization to go out to bid. The Engineer noted that a mandatory pre-bid meeting was scheduled for August 26.

After discussion, it was moved by Director Anderson, seconded by Director Waldeck, that Resolution 2009-7, attached hereto, approving the plans and specifications for the construction of the Zone 2.5 Project, Phase II, and authorizing that the project be sent out to bid, be adopted. Motion carried—roll call vote.

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

8. MERITS OF SEEKING AN INCREASED SUPPLY ALLOCATION FROM SAN FRANCISCO OR TO NEGOTIATE AN ADDITIONAL ALLOCATION FROM ANOTHER DISTRICT: The Manager noted that last month he had reported to the Board that the City of Palo Alto will be selling its excess allocation and will be issuing Requests for Proposals in October.
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He now reported that he had also contacted seven other agencies that have excess allocation to see if they would be willing to sell a portion. Four of the agencies had said no and three agencies indicated that they would be willing to discuss the request further.

The Board discussed the matter and Staff said it would draft letters to be sent out to the agencies who had shown interest in the District's request.

9. MANAGER'S REPORT / COMMUNICATIONS ITEMS:
   A. Field Report The Manager reported the following:
      - Yearly backflow testing is proceeding.
      - A new service and meter had been installed for a new residence.
      - 23 Orion meters had been installed.
      - A physical inventory count of parts is nearly complete.
      - A backflow had been moved and re-installed on Snell Lane.
      - A broken 8-inch gate valve had been replaced on Elena Road.
      - A broken 6-inch gate valve had been replaced on Altamont Road.
      - A service had been moved and an air release installed on Westwind Way.
      - Two leaks had occurred—one on Kriste Lane at Taaffe Road and the other on Robleda Road, between Elena Road and Duval Way.

   B. Customer Communications There were no customer communications.

10. DIRECTORS’ REPORT:
   A. Bay Area Water Supply and Conservation Agency (BAWSCA) Issues Director Anderson reported that, as of yesterday, all the BAWSCA agencies had approved the Water Supply Agreement with San Francisco. He also reported that BAWSCA is preparing a template for an indoor/outdoor water use ordinance for conservation which will create uniformity within the BAWSCA agencies who buy Hetch Hetchy water. The Manager said that the Town is interested in this ordinance, as well. Director Anderson noted that BAWSCA will also be hiring a consultant for long term water supply strategy.

   B. Town of Los Altos Hills Water Conservation Committee Issues Director Waldeck reported that the Town is drafting a model ordinance to be used in preparation for AB 1881 which goes into effect January 1, 2010. The Board discussed other matters associated with AB 1881.

   C. Emergency Preparedness The Manager noted that he hoped to have an emergency drill in September.

   D. Issues with Leaks on Customer Side of Meter The Board discussed issues that may come up when a customer's water is turned off because of a leak and the customer is not home or on vacation. The Manager described the procedure that the District currently has in place, which is to isolate the leak, if possible, and then leave a door hanger noting what was done. After discussion, it was suggested that the District continue following its procedure but obtain as much contact information from customers so that they can be notified as quickly as possible if their water has been shut off because of a leak on their side of the meter.
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E. Agenda Item Requests The Board identified agenda items for the September 9, 2009, meeting.

11. ADJOURNMENT: The meeting was adjourned at 9:40 p.m. to reconvene at the next regular meeting on September 9, 2009, at 6:30 p.m., at the District’s office.

Respectfully submitted

[Signature]
Lucy E. Xavier, District Secretary

Approved: [Signature]
Ernest Solomon, President