Purissima Hills Water District
Minutes of the Regular Meeting
Of the
Board of Directors
OCTOBER 14, 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.


   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:** No public was present.

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

   A. Approval of Minutes: Regular Meeting of September 9, 2009 Special Meeting of September 17, 2009

   B. Approval and Ratification of September 2009 Disbursements—$554,118.81

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

4. **Engineer’s Report:**

   A. **Altamont Pump Station Upgrades** The Engineer reviewed his memo of October 9. He noted that, as of this day, the contractor had completed 60% of the work, which included installation of the generator support structure, retaining wall, electrical conduits, and grounding wires. He said that the generator should arrive onsite in mid-November.

   B. **Zone 2.5 Project** The Engineer reported that letters had been sent out to residents that would be affected by this project which was scheduled to start on November 2. A pre-construction meeting with the contractor, Stoloski & Gonzalez, had occurred the prior day.

   The Engineer noted that Phase III is currently in design and should be completed by April of 2010.
5. **PRELIMINARY DISCUSSIONS REGARDING POSSIBLE RATE INCREASE:** The Manager noted that last year the cost of water purchased from the San Francisco Public Utilities Commission had been $1.45 per unit (100 cubic feet) and was now $1.65 per unit. He said that the cost would increase again in July 2010.

Discussion then ensued regarding operations and capital improvement spending and what funding might be needed for the next fiscal year. After discussion, the Manager said he would submit a rate increase plan to the Board at the November meeting.

6. **WATER SUPPLY AUGMENTATION:**

   A. **Quarry Hills Lake Water—Approval of Contract for Feasibility Study with Erier & Kalinowski, Inc.** The Engineer reviewed a revised proposal from Erier & Kalinowski, Inc. (EKI) for *Professional Services for Evaluation of Quarry Lake as an Emergency Water Source*. The scope of work in this contract will include 1) develop and evaluate alternatives for Quarry Lake to serve as an emergency water supply; 2) evaluate the San Francisco Public Utilities Commission’s Water Supply Improvement Plan project schedules and impacts on District water supply reliability; and 3) provide a preliminary review of regional hydrogeology.

   After discussion, it was moved by Director Anderson, seconded by Director Jordan, that the Board accept EKI’s proposal in the amount of $25,000. Motion carried unanimously—voice vote. The Engineer noted that the study should be completed in approximately 60 days from the issuance of the Notice to Proceed.

   The Engineer then submitted a data report from Armand Ruby Consulting which showed the preliminary results for the third round of testing performed on August 20 of the Quarry Lake water.

   B. **Merits of Seeking an Increased Supply Allocation from San Francisco or to Negotiate an Additional Allocation from Another District** The Engineer reported that he and the Manager had met with staff in the utilities department of the City of Palo Alto. At that meeting, staff stated that a decision had been made to delay issuing an RFP to sell its excess allocation under the SFPUC agreement. Staff also informed the District that the sale of this allocation may be limited to Palo Alto’s recycled water program. The Engineer noted that Palo Alto is seeking a way to obtain funds to help defray the $35 million cost to bring recycled water to Palo Alto’s largest users, such as Stanford Park.

   The Board discussed how the District might participate in Palo Alto’s recycled water program. The Engineer said he would bring suggestions to the Board next month.

   The Manager noted that he had sent out letters to two agencies which had indicated interest in further discussions regarding the sale of a portion of their excess water allocation to the District. One agency had responded that its Board had decided not to sell any portion of its excess allocation.

   The Engineer then reviewed a spreadsheet showing what the cost of 100 cubic feet of water would cost if obtained from groundwater or the Santa Clara Valley Water District.

7. **DISCUSSION OF CUSTOMER PROPOSALS FOR WATER CONSERVATION AND CUSTOMER INCENTIVE PROGRAMS:** The Manager reviewed a draft of a notice to customers asking for their proposals for home irrigation and landscape projects that will reduce annual water usage. After discussion, Board directed Staff to work on the draft for review at the next meeting.
8. **MANAGER'S REPORT / COMMUNICATIONS ITEMS:**

   A. **Field Report** The Manager reported the following:
      - Two services were installed.
      - A broken valve had been replaced at the intersection of Altamont and Taaffe Roads.
      - A contractor installed a new service and a main for a property on Old Page Mill Road.

   B. **Customer Communications** There were no customer communications.

9. **DIRECTORS' REPORT:**

   A. **Procedure to Elect Board Officers** Director Solomon noted that the procedure to elect Board officers on a yearly basis was basically ad hoc and that he preferred that the president and vice president be selected on a rotating basis—that way each director has the opportunity to preside as president. The Board thought it a good idea and directed the Attorney to research this issue and report back to the Board.

   B. **Bay Area Water Supply and Conservation Agency (BAWSCA) Issues** Director Anderson reported on BAWSCA issues.

   C. **Town of Los Altos Hills Water Conservation Committee Issues** Director Holtz reported on this committee meeting. The Board also discussed issues regarding AB 1881.

   D. **Agenda Item Requests** The Board identified agenda items for the November 11, 2009, meeting.

10. **CLOSED SESSION:** The meeting was convened to closed session at 9:03 p.m., pursuant to Government Code Section 54957, for the performance evaluation of the General Manager.

11. **OPEN SESSION:** The meeting was reconvened to open session at 10:03 p.m. The Board, by a unanimous vote, approved a 2.5% pay rate increase in the Manager’s compensation, effective November 1, 2009.

12. **ADJOURNMENT:** The meeting was adjourned at 10:05 p.m. to reconvene at the next regular meeting on November 11, 2009, at 6:30 p.m., at the District’s office.

   Respectfully submitted

   Lucy E. Xavier, District Secretary

   Approved:

   Ernest Solomon, President