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

Directors Present: Vice President Robert N. Anderson and Directors Brian Holtz, Stephen A. Jordan, and Ernest Solomon. Director Gary C. Waldeck 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 director Dick Jones was present.

3. **CONSENT CALENDAR:** Item A, Approval of Minutes of July 14, 2010, was removed from the Consent Calendar. It was then moved by Director Solomon, seconded by Director Holtz, that the remaining items on the Consent Calendar be approved. Motion carried unanimously—voice vote.

   B. Approval and Ratification of July 2010 Disbursements—$729,131.71
   
   C. Financial Reports for July 2010:
      - Income and Capital Improvement Plan
      - Revenues and Expenditures
      - Balance Sheet
      - Consumption and Billing
      - Investments

Approval of Minutes of Regular Meeting of July 14, 2010 Director Jordan suggested two amendments to the minutes. After discussion, it was moved by Director Jordan, seconded by Director Solomon, to approve the minutes as amended. Motion carried unanimously—voice vote.

4. **APPROPRIATIONS LIMIT FOR FISCAL YEAR 2010-2011:** The Attorney reviewed the corrected Notice of Determination and, after discussion, it was moved by Director Jordan, seconded by Director Anderson, that Resolution 2010-4, attached hereto, establishing the appropriations limit applicable to the District during fiscal year 2010-2011 at $1,028,007 be adopted. Motion carried—roll call vote.

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

5. **ENGINEER'S REPORT:**

   A. **Zone 2.5 Project—Phase II** The Engineer reviewed his memo of August 5, noting that the District’s contractor, Stoloski & Gonzalez (SG), had completed miscellaneous remaining items on the contract and the abandonment of the existing water mains. He also noted that paving is scheduled for the week of August 9.
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The Engineer reported that the Los Altos Hills County Fire District had approached the District regarding replacement of seven fire hydrants along Natoma Road. The LAHCFD agreed to pay for the design, inspection and construction cost and the District agreed to add these fire hydrants to the Zone 2.5 Phase II project as a change order. A bid was received from SG and the hydrants were replaced during the months of June and July. The LAHCFD will reimburse the District $67,000 for this change order.

The Engineer noted that, as previously reported, several calls had been received from customers complaining of low flow after their services had been switched to the new main. This was due to a problem with the pressure reducing valves (PRV’s) on the customers’ side of the meter that had been installed by SG.

The Engineer said that the PRV manufacturer had changed the PRVs due to lead regulations and, in the process, had changed the body of the PRV, resulting in low flow. The manufacturer had agreed to reimburse the District for the removal and installation of a new PRV model. After further analysis of the costs, it was agreed that the PRV manufacturer would supply the new PRVs at no additional cost and the District would install them through a change order with SG.

As of July 30, 2010, SG has completed 97% of the contractual work.

B. **Zone 2.5 Project, Phase III** The Engineer reviewed his memo of August 5, noting that the District’s contractor, Stoloski & Gonzalez (SG), had begun construction during the month of July, which included the installation of two six-inch fire hydrant heads and the 8-inch reconnect at Roble Ladera Road. SG also installed a 6-inch water main on the driveway leading to two customer’s properties. This work was accelerated to reduce the impact on surrounding residents. Phase III is scheduled to begin in early August.

As of July 30, 2010, SG has completed 7% of the contractual work.

C. **Hungry Horse Tank Monitoring** The Engineer reported that each year survey measurements are taken of the underground Hungry Horse tank to record any movement. Measurements taken this year have not recorded any movement.

D. **Engineering Services for Seismic Upgrades—Neary and Page Mill Tanks** The Engineer reported that a proposal had been received from John Eidinger, G&E Engineering Systems, for the seismic upgrades of the Neary and Page Mill tanks, with an estimated cost of $66,800.

After discussion, it was moved by Director Holtz, seconded by Director Solomon, to authorize entering into an agreement with G&E Engineering Systems based on the proposal as modified by the General Manager, the Engineer, and comments from Director Solomon, and resolution of the contract terms to the satisfaction of the General Manager. Motion carried unanimously—voice vote.

6. **WATER SUPPLY AUGMENTATION:**

A. **Quarry Hills Lake Water** The Engineer reported that Staff had had two meetings with the owner of the lake, both of which had been very positive. One of the meetings had been onsite with the District’s consultant, Erler and Kalinowski, Inc. (EKI).
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The Engineer noted that EKI will be preparing an exhibit of the Quarry Hills Lake facilities and an analysis based on the field meeting. Staff will report back to the Board after a meeting of the Quarry Hills Lake Subcommittee is held (Directors Holtz and Solomon).

B. Status of Request to Purchase Supply Allocation (The Attorney left the room because his law firm serves as general counsel to the District and to North Coast County Water District and cannot represent either agency in connection with any discussions between the two agencies for the sale and purchase of North Coast's excess SFPUC supply guarantee.)

The Manager reported that North Coast County Water District sent a letter to the District that it will be assigning a subcommittee to evaluate the District's request for the purchase of North Coast's excess SFPUC supply guarantee.

Director Anderson noted that, at the last meeting of the Bay Area Water Supply and Conservation Agency (BAWSCA) meeting, he had learned that the San Francisco Public Utilities Commission (SFPUC) will be establishing interim supply allocations for each member agency of BAWSCA (the District is a member).

(The Attorney came back to the meeting.) The Manager then noted that the City of Mountain View had indicated interest in selling its excess SFPUC supply guarantee to the District, but that it would not make any decision until after the SFPUC establishes the supply allocations.

7. CLEARWIRE LEASE AGREEMENT FOR CELL SITE AT LA CRESTA TANK SITE: The Manager reported that Clearwire had requested a lease agreement with the District for the installation of facilities and antennae at the District's La Cresta tank site. After discussion, it was moved by Director Solomon, seconded by Director Jordan, that the District enter into a lease agreement with Clearwire at a monthly rental of $2,700. Motion carried unanimously—voice vote.

8. MANAGER'S REPORT / COMMUNICATIONS ITEMS:

A. Field Report The Manager reported the following:

➢ District crews had assisted the LAHCFD with shutdowns and inspection in replacing fire hydrants as part of the Zone 2.5 project.
➢ The McCann pump station improvement project was continuing.
➢ A one-inch service and 2-inch backflow had been installed.
➢ An air release valve on Roble Vinedo had been replaced.
➢ Two two-inch backflows had been installed and one had been replaced on Altamont Road.

B. Customer Communications Many customer calls had been received regarding water bills—either for leaks or concerns regarding the cost of the water.

9. WATER CONSERVATION:

A. Los Altos Hills / Purissima Hills Water District AB 1881 Compliance Efforts Director Holtz reported that an ordinance establishing water efficient landscape regulations pursuant to the California Water Conservation in Landscaping Act had been adopted by the Town Council.

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10. DIRECTORS’ REPORT:
   
   A. Bay Area Water Supply and Conservation Agency (BAWSCA) Issues Director Anderson noted that BAWSCA had hired a consultant to investigate additional water projects.

   B. Agenda Item Requests The Board identified agenda items for the September 9, 2010, meeting.

11. ADJOURNMENT: The meeting was adjourned at 8:20 p.m. to reconvene next at the regular meeting on September 9, 2010, at 6:30 p.m., at the District’s office.

   Respectfully submitted
   
   Lucy E. Xavier, District Secretary

   Approved: Robert N. Anderson, Vice President