Purissima Hills Water District

Minutes of the Regular Meeting of the Board of Directors

November 10, 2010

1. **Call to Order, Roll Call, and Pledge of Allegiance:** President Waldeck called the regular meeting to order at 6:30 p.m. in the District office.

   Directors Present: President Gary Waldeck, Vice President Robert N. Anderson, and Directors Brian Holtz, Stephen A. Jordan, and Ernest Solomon.

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

   Gary Kremen attended part of the meeting through teleconferencing.

   The Pledge of Allegiance was recited.

2. **Comments from the Public:** Dick Jones, former Board member, was present.

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

   A. Approval of Minutes: Regular Meeting of October 13, 2010
   B. Approval and Ratification of October 2010 Disbursements—$927,171.85
   C. Financial Reports for October 2010:
      - Income and Capital Improvement Plan
      - Revenues and Expenditures
      - Balance Sheet
      - Consumption and Billing
      - Investments

4. **Water Supply Augmentation—Quarry Hills Lake Water:** (Director Waldeck requested that this item be moved up to Item 4.) The Engineer reported that the District’s consultant, Erler and Kalinowski, Inc. (EKI), had submitted a Technical Memorandum providing a complete summary for Alternative 5, a revised preferred alternative. This alternative would entail the use of an existing pumping facility infrastructure, including a sump with inlet, adjacent to the lake which is owned by the owner of the lake.

   The Engineer showed slides of where the District might possibly install infrastructure in order to utilize the Owner’s existing facilities. He noted that a meeting had been scheduled the following week for Staff and the Advisory Committee to meet with the owner.

5. **Water Rate Setting Strategy:** The Engineer continued his presentation from last month, comparing the District’s capital improvement budget with eight other agencies’ budgets. Each agency’s information, including the District’s, was broken down by capital reinvestment per number of accounts, per area size (acres), and per service population. The Board then discussed what type of maintenance costs could be reduced and FAQ items which can be posted on the District’s website.
6. ENGINEER’S REPORT:

A. Zone 2.5 Project—Phase II The Engineer reviewed his memo of November 5, noting that during the month of October, the District’s contractor, Stoloski & Gonzalez (SG), had completed the remaining punch list items and had slurry sealed the project site. He noted that the Phase II portion of the project is complete and reviewed the Balancing Change Order and Final Change Order Analysis.

As of October 29, 2010, SG has completed 100% of the contractual work.

B. Zone 2.5 Project, Phase III The Engineer reviewed his memo of November 4. The District’s contractor, Stoloski & Gonzalez (SG), had begun the installation of a 12-inch main along La Barranca and Purissima Roads. Work had included two in-line 12-inch gate valves and two 6-inch fire hydrant assemblies, as well as miscellaneous fittings, tees, and bends.

As of October 29, 2010, SG has completed 58% of the contractual work.

7. MANAGER’S REPORT / COMMUNICATIONS ITEMS:

A. Field Report The Manager reported the following:

- A service line had been relocated and a 2-inch backflow had been installed for a customer on Alexander Place.
- The work to abandon a cross-country main from Wild Flower Lane to Golden Hill Court was continuing.
- The McCann pump station improvement project was continuing.
- Lewis and Tibbitts, who had constructed the emergency interconnection with the California Water Service on Robleda Road, had repaired an asphalt problem at the site close to the connection.
- A small leak had occurred on the main connecting the valve at Becky Lane and Elena Road.
- A full circle crack on a cross-country main had occurred near Black Mountain and Altamont Roads.

B. Consultant Services for Development of Strategic Plan The Manager reviewed a proposal from Strategy Support Associates for the development of a strategic plan for the District. After discussion, it was moved by Director Anderson, seconded by Director Solomon, that the Manager engage Strategy Support Associates in the amount of $15,000, including all expenses. Motion carried with Director Holtz voting no.

C. Consultant Services for Development of Training Plan The Manager reviewed a proposal from Stratam to identify training needs for management and employees. After discussion, it was moved by Director Anderson, seconded by Director Holtz, that the Manager obtain an additional proposal from a preferred vendor through the Association of California Water Agencies for this training, not to exceed the amount of $11,500, including all expenses, and then to choose the consultant best suited for this training plan. Motion carried unanimously—voice vote.
D. San Francisco Public Utilities Commission—Interim Supply Allocation The Manager reported that the staff of the San Francisco Public Utilities Commission (SFPUC) had given a presentation the day prior to its Board of Directors. No decision was made by the Board and the staff proposed a third alternative regarding the draft interim supply allocations (ISAs) for each member agency of the Bay Area Water Supply and Conservation Agency.

E. District Website The Manager gave an update regarding the Directors' contact information on the District’s website.

8. RESOLUTION 2010-6—SUPPORTING ASSOCIATION OF CALIFORNIA WATER AGENCIES POLICY PRINCIPLES ON IMPLEMENTATION OF STATE AND FEDERAL ENDANGERED SPECIES ACT: The Manager reviewed a sample resolution submitted by the Association of California Water Agencies (ACWA) requesting support of ACWA policy principles on the implementation of the State and Federal Endangered Species Act (ESA). ACWA's belief is that, if left unchecked, the ESA can both generate significant benefits but create substantial economic harm to California's water future in terms of restoration and supply reliability. ACWA had recommended best management practices to mitigate water supply issues in the State.

After discussion, the Board agreed that, while it concurred with ACWA's policy principles, it would not vote on the resolution because of its ambiguous wording and because the District does not currently face ESA issues.

9. DIRECTORS' REPORT:

A. Ratify Action to Reimburse Director Anderson's Attendance at NACE Conference The Attorney noted that, at the previous meeting, the Board had voted to reimburse Director Anderson for the registration cost of $450 to attend a meeting of the National Association of Corrosion Engineers. He said that the Board should now ratify that motion, as that item had not been on the agenda. It was moved by Director Holtz, seconded by Director Solomon, to ratify the action of reimbursing Director Anderson for the registration cost of $450. Motion carried unanimously—voice vote.

B. Bay Area Water Supply and Conservation Agency (BAWSCA) Issues Director Anderson had no report on BAWSCA issues, as the meeting would be held the next week.

Director Solomon reported on the subject of “pictometry” whereby pictures are loaded into software that gives new ways of looking at buildings and roadways and gives a 360 degree view. He said that the District might consider the use of this technology which is currently being used in Ohio County classrooms. The Engineer said he would look into this technology to see if it is viable for the District.

C. Agenda Item Requests The Board identified agenda items for the December 8, 2010, meeting.

10. CLOSED SESSION: The meeting was convened to closed session at 8:30 p.m., pursuant to Government Code Section 54957, for the performance evaluation of the General Manager.
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11. **OPEN SESSION:** The meeting was reconvened to open session at 9:05 p.m. No action was taken by the Board in closed session.

12. **ADJOURNMENT:** The meeting was adjourned at 9:06 p.m. to reconvene next at the regular meeting on December 8, 2010, at 6:30 p.m., at the District’s office.

Respectfully submitted

[Signature]
Lucy E. Xavier, District Secretary

Approved: [Signature]
Robert N. Anderson, Vice President