1. 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.

2. COMMENTS FROM THE PUBLIC

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

4. 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.

5. 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.

6. 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.

7. ATTORNEY’S REPORT Nothing to report.

8. 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.

9. 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 Jordan 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.

Respectfully submitted

Raylene Collins, District Secretary

Approved: Steve Jordan, President