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

Directors Present: Directors Peter Evans, Robert N. Anderson, Ernie Solomon, Brian Holtz, and Steve Jordan (teleconference)

Staff Present: Patrick Walter, General Manager; Phil Witt, General Foreman; Brandon Laurie, Engineer, Pakpour Engineering; Catherine Groves, Attorney, Hanson Bridgett; and Ray Collins, Office Manager/District Secretary

The Pledge of Allegiance was recited.

2. COMMENTS FROM THE PUBLIC None

3. CONSENT CALENDAR It was moved by Director Jordan, seconded by Director Solomon, to approve the Consent Calendar. Motion approved (4-0) roll call vote. Director Holtz abstained.

It was moved by Director Jordan, seconded by Director Holtz to move Item 10 of the Agenda to Item 4. Motion approved unanimously – roll call vote.

4. APPROVAL FOR CONSTRUCTION OF A 12” DIP MAIN ON PURISSIMA RD. FROM RHODA DR. TO ELENA RD. NOT TO EXCEED $130,000. CONSIDER AN EXTENSION TO VISCAINO RD. The GM explained the reason for the pipe replacement is that numerous leaks occurred on this pipe. He then provided a map illustrating the location of Phase I, the proposed pipe replacement for $130,000, and two additional replacements: Phase II on Purissima Rd. from Elena Rd. to Viscaino and Phase III on Viscanio Rd from Canario Way to Roble Ladera. He further discussed the unique opportunity of a timely, low bid of $731,000 ($260 per linear foot) from contractor Stoloski and Gonzales for all three phases. It was moved by Director Jordan, seconded by Director Solomon, to approve $130,000 for the construction of Phase I of the Purissima Rd. Main Replacement Project, and waive the procurement policy as the Board determined that it was in the best interests of the District to proceed with an alternative method of procurement. Motion approved unanimously - roll call vote. The Board will consider the approval of Phase II and III at a Special Meeting to be held on August 13, 2018.

5. UPDATE REGARDING PROPOSED RATE INCREASE – BARTLE WELLS Alex Handlers of Bartle Wells discussed various rate increases and cash flow projections, including borrowing funds, that generate sufficient revenue to support the District’s Capital Improvement Plan and maintain a reserve. He recommended a three year phase-in of rate increases. Director Evans said that since conservation tools and education could drive usage down he suggested a stress-test cash flow scenario based on 700,000 units of water sales. The District’s fixed charges are low compared with other agencies’ charges and have not been increased in a decade.

It was moved by Director Holtz, seconded by Director Anderson, to draft a Proposition 218 notice to phase-in an increase of the Monthly Readiness to Serve Charge on a ¾ inch meter to $25.00 with the volumetric rate increases not to exceed 4% each year for three years. Motion tabled. This item will be discussed at the upcoming Special Meeting.
5. **CONSIDER SETTING PUBLIC HEARING AND ISSUING PROPOSITION 218 NOTICE FOR PROPOSED RATE INCREASE** This item is moved to the upcoming Special Meeting.

6. **DISCUSS POTENTIAL RESOLUTION FOR PHWD SPENDING ON ITEMS REQUESTED BY OTHER AGENCIES.** Director Jordan explained that the District is obligated to restrict expenditures on contracts or employ labor in ways that do not carry out the purposes of the District. Director Jordan explained that adopting this policy would help the District to continue to restrict District expenditures to items which fall within the District's statutory powers and purposes, especially when evaluating potential partnerships with other agencies. Director Evans remarked that the proposed resolution creates an obstacle to the District's ability to participate in community objectives. Director Holtz agreed with the spirit of the resolution but stated that the current discussion has achieved the resolution's goal of ensuring that the Board has an opportunity to consider and discuss potential partnerships with other agencies. No action taken.

7. **RESOLUTION 2018-04 ESTABLISHING THE APPROPRIATIONS LIMIT APPLICABLE TO THE DISTRICT DURING FY2018/2019** It was moved by Director Anderson, seconded by Director Solomon, to approve Resolution 2018-04. Motion approved unanimously - roll call vote.

8. **RESOLUTION 2018-05 AUTHORIZING BAY AREA WATER SUPPLY AND CONSERVATION AGENCY TO NEGOTIATE WITH THE CITY AND COUNTY OF SAN FRANCISCO TO AMEND THE WATER SUPPLY AGREEMENT** It was moved by Director Anderson, seconded by Director Solomon, to approve Resolution 2018-05. Motion approved unanimously - roll call vote.

9. **APPROVE PAKPOUR CONSULTING GROUP DESIGN PROPOSAL FOR THE TAAFFE AND ELENA RD. WATER MAIN REPLACEMENT PROJECT** The Engineer presented the proposal to prepare plans, specifications, and cost estimates for the project for a fee of $274,235. A topographic survey could be completed by the end of October 2018. It was moved by Director Solomon, seconded by Director Anderson, to approve $65,000 for Task 2 which includes the topographic survey, and to begin Task 1, Meetings/Field Investigations/Project Management. Motion approved unanimously – roll call vote.

11. **ENGINEER'S REPORT** Nothing to Report

12. **ATTORNEY’S REPORT** Nothing to Report

13. **MANAGER’S REPORT**

A. **FIELD REPORT**

**CHLORAMINE BOOST STATION.** The chlorine generation equipment was installed and is running. Crews installed a 1” copper pipe to the station for an adequate water supply.

**MATADERO PUMP STATION** DACO installed the steel bracing for the pipes. Steel grates will be manufactured and the pump station is expected to go back in service this month.

**BROKEN SERVICE ON BYRNE PARK** Comcast hit a 1” copper service that was mismarked.

**PURISSIMA LEAK at CALLE DE SOL** A leaking saddle and corr stop were repaired.

**ALTAMONT Rd at NATOMA Rd** Staff has excavated a couple of holes to find the leak without success.

**ALTAMONT ELECTRICAL** Triad and Holmes Surveyors completed the documents for new electrical and waterline easements.

**MCCANN.** The McCann panel board for pump II was ordered.
B. CUSTOMER COMMUNICATIONS  The GM discussed a letter received from a customer about noise from a pump and generator at Altamont Tank site.

14. DIRECTORS' REPORT

A. MEETING UPDATE PHWD AND LOS ALTOS HILLS COUNTY FIRE DISTRICT (LAHCFD) COMMITTEES  Director Evans reported that the LAHCFD adopted Resolution 2018-20 which supports the consideration of a joint pipeline capital improvement program with PHWD (Pipeline Program) such that the program insures adequate water resources to combat fires.

B. UPDATE LOS ALTOS HILLS EMERGENCY COMMUNICATION COMMITTEE (ECC) ANTENNA ON LA CRESTA TANK  Director Jordan reported that he and the GM met with Councilman Waldeck and City Manager Carl Cahill about permitting, electricity, insurance, and reimbursement issues regarding the existing antenna at La Cresta Tank. Meetings continue regarding the proposed antenna.

C. BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA) RESOLUTIONS AND SAN FRANCISCO PUBLIC UTILITY COMMISSION (SFPUC) WATER AVAILABILITY.  Nothing to Report

D. BAWSCA, ACWA/JPIA, SCVWD, AND OTHER AGENCY ISSUES  Director Anderson reported on issues related to BAWSCA

E. DIRECTORS' COMMENTS  None

15. AGENDA ITEMS FOR SEPTEMBER 12, 2018 BOARD MEETING

16. ADJOURNMENT  The meeting adjourned at 10:00 p.m.

Respectfully submitted

[Signature]
Raylene Collins, District Secretary

Approved: [Signature]
Peter Evans, Vice President