

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
April 17, 2018

- A. CALL TO ORDER:** The meeting was called to order at 4:30 p.m. by President Johnson, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Judi Johnson, Director Mike Alcorn, Director Robert J. Rodriguez II (present for Closed Session only), Director Ann Ross, and Director Honor Spencer.
- C. PUBLIC COMMENT ON CLOSED SESSION MATTERS:** Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of 3 minutes per speaker.
- D. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.6:** President Johnson closed the meeting to the public at 4:31 p.m. so the Board could discuss employee negotiations with labor negotiators Mike Alcorn, Honor Spencer, and Don Ridenhour.
- President Johnson reconvened the meeting to open session at 5:17 p.m. Director Rodriguez excused himself from the remainder of the meeting at 5:17 p.m.
- E. PLEDGE OF ALLEGIANCE:** Director Spencer led Directors, staff, and public in the Pledge of Allegiance.
- F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:** Attorney Heidi Quinn reported that direction was provided to the negotiators, and no reportable action was taken by the Board.
- G. APPROVAL OF AGENDA:** Upon motion made by Director Ross, seconded by Director Alcorn, and carried 4-0 (Director Rodriguez absent), the agenda was approved as presented.
- H. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. There were no comments.

Staff present for Open Session: General Manager/Secretary Don Ridenhour, Attorney Heidi Quinn, Executive Assistant/Stenographer Carol Porteur, Finance and Human Resource

Manager Cathy Buck, Water/Wastewater Superintendent Jim Filice, and Assistant Engineer Rob Hillebrecht.

I. CONSENT AGENDA:

1. Approval of Minutes – for the Regular Meeting of March 20, 2018.
2. Allowance of Claims– to ratify disbursements for the period from March 13, 2018 through April 9, 2018, totaling \$1,116,969.61, which includes \$737,342.21 for payments to vendors and employees, \$337,161.00 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$2,466.40 for customer refunds and deductions for customer checks returned. The last check written was check # 25609. The list of disbursements is as follows:

Date	Number	Name	Amount
03/15/18	ACH 1125	EFTPS	-233.20
03/16/18	ACH 1126	RETURNED ACH (ACH Ret. 03-01)	-182.40
03/16/18	ACH 1127	RETURNED ACH (ACH Ret. 03-02)	-132.63
03/16/18	ACH 1128	RETURNED ACH (ACH Ret. 03-03)	-81.36
03/30/18	ACH 1129	EFTPS	-24,714.02
03/30/18	ACH 1130	Employment Dev. Dept. (EDD) DE88 Pmts.	-10,679.98
03/30/18	ACH 1131	CalPERS - Retirement	-1,036.00
03/30/18	ACH 1132	CalPERS - Retirement	-1,817.31
03/30/18	ACH 1133	CalPERS - Retirement	-27,657.11
03/30/18	ACH 1134	CalPERS - Health Insurance	-14,125.37
03/16/18	ACH 1135	RETURNED CHECK (Ck. Ret 03-01)	-150.00
03/19/18	ACH 1136	RETURNED ACH (ACH Ret. 03-04)	-135.71
03/19/18	ACH 1137	RETURNED ACH (ACH Ret. 03-05)	-135.71
03/19/18	ACH 1138	RETURNED ACH (ACH Ret. 03-06)	-165.74
03/19/18	ACH 1139	RETURNED ACH (ACH Ret. 03-07)	-178.47
03/19/18	ACH 1140	RETURNED ACH (ACH Ret. 03-08)	-135.71
03/23/18	ACH 1141	RETURNED CHECK (Ck. Ret 03-02)	-141.87
04/03/18	ACH 1142	First Data Merchant Services	-1,736.01
03/15/18	DD 2190	Alcorn, Michael H.	-184.70
03/15/18	DD 2191	Johnson, Judi H.	-442.75
03/15/18	DD 2192	Rodriguez, II, Robert J.	-184.70
03/15/18	DD 2193	Ross, Ann C.	-184.70
03/15/18	DD 2194	Spencer, Honor A.	-277.05
03/30/18	DD 2195	Alvarez, Abel	-5,517.90
03/30/18	DD 2196	Bernal, Melissa M	-631.50
03/30/18	DD 2197	Boltz, William K	-6,378.87
03/30/18	DD 2198	Brill, Kelly L.	-4,766.00
03/30/18	DD 2199	Buck, Cathy L.	-6,433.73
03/30/18	DD 2200	Burbank, Jr., Dee J.	-4,487.47
03/30/18	DD 2201	Castro, Kevin G.	-5,654.54

Date	Number	Name	Amount
03/30/18	DD 2202	Chavez, Jr., Manuel T.	-7,835.53
03/30/18	DD 2203	Eclarin, Ernesto P.	-6,398.75
03/30/18	DD 2204	Filice, James L.	-7,444.36
03/30/18	DD 2205	Hagins, Patrick M.	-4,274.47
03/30/18	DD 2206	Hernandez, Bazilio	-5,436.29
03/30/18	DD 2207	Hillebrecht, Robert B.	-4,171.26
03/30/18	DD 2208	Jackson, Patrick W.	-5,902.42
03/30/18	DD 2209	Malko, Kim A.	-3,543.11
03/30/18	DD 2210	Norman, III, Walter R.	-5,164.31
03/30/18	DD 2211	Padilla, David	-5,309.49
03/30/18	DD 2212	Porteur, Carol A.	-4,376.48
03/30/18	DD 2213	Quick, Troy E.	-2,433.02
03/30/18	DD 2214	Ridenhour, Donald G.	-10,688.17
03/30/18	DD 2215	Sanchez, Ricardo A.	-4,911.97
03/30/18	DD 2216	Watson, Scott A.	-7,054.81
03/30/18	DD 2217	Zavala, Anabel G.	-4,656.16
03/19/18	25521	City of Hollister - Finance	-29,161.86
03/19/18	25522	CALLA ZOE BERTAO	-400.00
03/19/18	25523	JARROD FASSIO	-227.34
03/19/18	25524	DELIA V LEON	-93.41
03/19/18	25525	JEANENE SEILER	-166.41
03/19/18	25526	LINDA B & MICHAEL A WARD	-139.64
03/19/18	25527	A-1 Services	-403.00
03/19/18	25528	Bracewell Engineering, Inc.	-126.00
03/19/18	25529	Brenntag Pacific, Inc.	-10,421.31
03/19/18	25530	Central Ag Supply LLC	-1,907.76
03/19/18	25531	City of Hollister-Finance Dept.	-377,161.00
03/19/18	25532	CM Analytical, Inc.	-11,298.75
03/19/18	25533	De Lay & Laredo	-2,100.00
03/19/18	25534	Edges Electrical Group, LLC	-209.42
03/19/18	25535	First Trust Alarm Company	-698.00
03/19/18	25536	J L Wingert Co.	-849.47
03/19/18	25537	John Smith Road Landfill	-2,944.50
03/19/18	25538	Kruger	-57,549.92
03/19/18	25539	Mark Nicholson, Inc.	-4,830.00
03/19/18	25540	PAPA	-80.00
03/19/18	25541	PlaceWorks, Inc.	-772.50
03/19/18	25542	Radio Shack (Crystal T.V.)	-35.16
03/19/18	25543	San Benito County Water District-Pumping	-14,987.96
03/19/18	25544	SUEZ WTS Analytical Instruments, Inc.	-471.10
03/19/18	25545	Trans Union LLC	-154.63
03/19/18	25546	Verder, Inc.	-3,639.66
03/22/18	25547	Postmaster	-188.24
03/26/18	25548	AT&T	-314.55
03/26/18	25549	Atlas Copco Compressors, Inc.	-570.00

Date	Number	Name	Amount
03/26/18	25550	Brenntag Pacific, Inc.	-3,874.21
03/26/18	25551	Green Line	-1,740.00
03/26/18	25552	Konica Minolta Premier Finance	-412.91
03/26/18	25553	Postal Graphics (was Post Net)	-53.83
03/26/18	25554	Radio Shack (Crystal T.V.)	-68.15
03/26/18	25555	South Valley Internet, Inc.	-20.45
03/26/18	25556	Toro Petroleum Corp.	-1,538.71
03/26/18	25557	Hagins, Patrick M.	-130.79
03/30/18	25558	Nationwide Retirements Solutions	-23,256.08
03/30/18	25559	United Way of San Benito County	-150.00
03/30/18	25560	ACWA/JPIA	0.00
03/30/18	25561	Dearborn National Life Insurance Company	-352.00
03/30/18	25562	HealthSmart Benefit Solutions, Inc. (VSP)	-302.24
03/30/18	25563	Premier Access Insurance Co.	-2,989.92
03/30/18	25564	Postmaster	-2,008.73
03/30/18	25565	Petty Cash	-78.02
04/02/18	25566	Ace Hardware (Johnson Lumber Co.)	-424.39
04/02/18	25567	Al's Septic Tank Service	-500.00
04/02/18	25568	AT&T	-305.61
04/02/18	25569	Brenntag Pacific, Inc.	-13,103.59
04/02/18	25570	Calcon System, Inc.	-639.00
04/02/18	25571	City National Bank	-168,881.16
04/02/18	25572	Corix Water Products	-1,185.35
04/02/18	25573	First Trust Alarm Company	-120.00
04/02/18	25574	Itron, Inc.	-1,468.39
04/02/18	25575	Mid Valley Supply	-165.49
04/02/18	25576	Mission Uniform Service	-1,018.22
04/02/18	25577	Neopost USA, Inc.	-2,297.88
04/02/18	25578	O'Reilly Auto Parts	-50.37
04/02/18	25579	Palace Business Solutions	-826.57
04/02/18	25580	Postmaster	0.00
04/02/18	25581	Razzolink.com	-76.95
04/02/18	25582	San Benito Tire Pros & Automotive	-813.64
04/02/18	25583	Staples Advantage	-99.70
04/02/18	25584	State Water Resources Control Board-OOC	-330.00
04/02/18	25585	Verizon Wireless	-444.36
04/02/18	25586	Postmaster	-1,244.44
04/03/18	25587	ACWA/JPIA	-12,814.60
04/09/18	25588	Accurate Air Engineering Inc. - Lodi	-842.37
04/09/18	25589	Ace Hardware (Johnson Lumber Co.)	-43.25
04/09/18	25590	AT&T	-222.94
04/09/18	25591	Ben Caputo Printing	-3,973.66
04/09/18	25592	Bracewell Engineering, Inc.	-126.00
04/09/18	25593	Brigantino Irrigation	-8.62
04/09/18	25594	CA Dept. of Tax & Fee Administration	-9.20

Date	Number	Name	Amount
04/09/18	25595	Central Ag Supply LLC	-1,112.16
04/09/18	25596	Corix Water Products	-3,716.74
04/09/18	25597	Edges Electrical Group, LLC	-356.58
04/09/18	25598	Fastenal Company	-7.44
04/09/18	25599	Hach Company	-330.21
04/09/18	25600	John Smith Road Landfill	-282.00
04/09/18	25601	Kennedy/Jenks Consultants	-117,331.25
04/09/18	25602	O'Reilly Auto Parts	-31.81
04/09/18	25603	P G & E	-8,742.29
04/09/18	25604	Recology San Benito County	-128.51
04/09/18	25605	Silke Communications, Inc.	-635.94
04/09/18	25606	Toro Petroleum Corp.	-1,465.13
04/09/18	25607	Trans Union LLC	-120.35
04/09/18	25608	U.S. Bank Corporate Payment Systems	-3,578.33
04/09/18	25609	Wright Bros. Industrial Supply	-34.38
Total Disbursements			-1,116,969.61

President Johnson stated that she had several questions on the disbursement list which she had answered by Cathy Buck earlier in the day.

Upon motion made by Director Ross, seconded by Director Alcorn, and carried 4-0 (Director Rodriguez absent), the consent agenda was approved as presented.

J. NEW BUSINESS:

- PUBLIC HEARING – CONSIDER APPROVAL OF RESOLUTION NO. _____ INITIATING PROCEEDINGS FOR THE ANNEXATION OF THE RIDGEMARK BLUFFS (APN’s 025-420-005 AND 025-420-119) AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE DOCUMENTS TO SUBMIT AN APPLICATION TO LAFCO FOR THE ANNEXATION. (An EIR in compliance with CEQA was adopted and Certified by the San Benito Planning Commission on April 2, 2018 via Resolution No.____):** President Johnson opened the Public Hearing and General Manager/Secretary Ridenhour explained that he had a resolution before the Board to consider annexation of a piece of property adjacent to a Ridgemark development. This project was up for approval by the San Benito County Planning Commission (SBCPC) on April 2nd, however, there was an appeal filed so the approval was stayed for their environmental document and project. The District is relying on their environmental document to move forward with this resolution, and to start the proceedings for the annexation. General Manager/Secretary Ridenhour requested that a motion be made to continue this item, hopefully to the May 15th Board Meeting. May 8th is the scheduled date for the San Benito County Board of Supervisors to hear this appeal, should this date be delayed, then the item will have to be brought back to the Board at a later date.

Upon motion made by Director Alcorn, seconded by Director Ross and carried 4-0 (Director Rodriguez absent), the Board continued this agenda item to the May 15th Board Meeting.

K. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** No meeting.
2. **Water/Wastewater Committee:** No meeting.
3. **Finance Committee:** No meeting.
4. **Policy and Procedure Committee:** No meeting.
5. **Personnel Committee:** President Johnson reported that the Committee met on March 22nd, March 29th, April 3rd, and April 10th. The report on those meetings was heard in closed session.
6. **Water Resources Association of San Benito County (WRA):** No meeting.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck prepared her monthly written narrative report on the Operations Summary (thru March 31, 2018), Statement of Income (thru February 28, 2018), and Investment Summary (thru March 31, 2018).

Ms. Cathy Buck noted that this fiscal year water revenue thru nine months is \$4,280,141 compared to \$3,484,164 last fiscal year, which represents an increase of \$795,977 in water sales revenue year over year.

Ms. Buck asked if the Board had any questions and there were none. President Johnson stated that all reports are available for the public to view, even when they are unable to attend a meeting.

The District's Investment Summary report reflects the total cash balance as of March 31, 2018 of \$ 12,036,484.80, which includes posted interest totaling \$ 41,189.03 (nine months interest on the CDs, and interest on the LAIF investment that posted in July, October, and January).

Ms. Buck pointed out that the District's total cash and invested funds is \$12,036,485 as of March 31, 2018, and is up \$391,000 compared to last month. General Manager/Secretary

Ridenhour commented that the increased capacity fees is a big help in paying for the Crosstown Pipeline, and avoids having to borrow the funds for the project.

Water/Wastewater Superintendent Jim Filice reported on the March 31, 2018 Maintenance Staff Report, and asked the Board if there were any questions. President Johnson stated that she had already asked several questions on the Maintenance Staff Report, which were answered by Mr. Filice, but she wanted him to explain #9 under “Water”: Meet with Hollister School District to set up lead sampling at schools. Mr. Filice explained that there is a new rule, to sample for lead at K-12 schools. The District currently has five schools in the Hollister School District that are within the District’s boundaries. We are required to sample from five sites at each school, from locations such as faucets and drinking fountains that are continually used. Mr. Filice also stated that the District has about 41 homes in the District that were built prior to 1986, which have continually been sampled for lead, which is done every three years.

President Johnson also wanted Mr. Filice to explain #4 under “Wastewater”: Pump #1 at the Oak Creek Lift station failed on high amperage, we pulled and replaced it with our backup pump. Mr. Filice reported that we always have a spare pump in the shop for when something like this happens. Mr. Filice reported the defective pump was sent out to the manufacturer, where they will rebuild the pump.

In review of the Meter Reading Report for the period of February 14, 2018 to March 14, 2018, the intertie meter data indicates the City received -2.1% of Lessalt Water Treatment Plant water, while the District received 102.1%, and the City received 100% of the West Hills Water Treatment Plant water, while the District received 0%. Mr. Filice reported that a balance in surface water delivery between the City and Sunnyslope is being maintained.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are heading up.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported that a portion of the Crosstown Pipeline which is to go around the High School is out to bid with County Road Project and bids are due April 25th. The remainder of the design is 95% complete and Staff plans to put out to bid in early May. Reimbursement agreements for the construction with both the City and County are complete and will be brought to the Board in May once bid amounts are known. A special Board meeting is planned for May 7th to approve funding; reimbursement agreements with the City and County; and a construction management agreement with Kennedy/Jenks Consultants.

San Benito County Water District had plans to set up a Governance Committee Meeting and then a joint Board meeting with the City and Sunnyslope to discuss support or opposition on the Delta Tunnels Project sometime in May. General Manager/Secretary Ridenhour reported due to negotiations taking place between large State water contractors and large Federal water contractors, meetings to discuss the Delta Tunnels Project are probably a few months out.

A few of the development projects being considered in the Sunnyslope service area include the commercial development within Ridgemark (20,000 sq. ft.), and Fairview Corners (170 units). Projects with potential to be under construction in 2018 include Sunnyside Estates (200 units), Fay/Bennett (88 units), and Santana Ranch. Projects with lots remaining to be built on include Hillcrest Meadows, Santana Ranch, Cerrato, and Rose Bud. Projects with potential in 2019 include Roberts Ranch (200 units) and the Bluffs at Ridgemark (90 units). Expect water connection fee revenue to continue to be strong in the coming year.

The District is beginning the process of extending/renewing our Operations & Maintenance Agreement with San Benito County Water District for the operation of the Lessalt and West Hills Water Treatment Plants.

L. BOARD and STAFF REPORTS

1. **Directors:** President Johnson wanted to congratulate General Manager/Secretary Ridenhour on the front page article of the Free Lance regarding the “West Hills Water Treatment Plant improves water quality”, and noted that a copy of the article is available on the Districts website. President Johnson also commented on the new boardroom configuration that allows the front door of the office to be locked at 5:00 p.m. on meeting nights and allows the boardroom door to be accessed. President Johnson stated that May is “Water Awareness” month; and that there is a free compost give away at the Vets Park this coming weekend from 8:00 a.m. to 12:00 p.m.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Cathy Buck explained the Crosstown pipeline to the visitors that we had in the audience, so they would have some understanding of what some of this evenings discussion was in regards to. Ms. Buck gave an informational report on the results of this year’s sewer factor adjustments that were done for the April billing, explaining how the factor is configured and the number of customers that were affected either with an increase, decrease, or maintaining the same rate in their monthly sewer charge.

4. **Assistant Engineer:** No report.

5. **General Manager:** General Manager/Secretary Ridenhour reported that although the “May Water Awareness” item probably should have been brought to the Board in April, he is planning to put it on the May agenda.

M. FUTURE AGENDA ITEMS: The following agenda items will be brought to future meetings: Special Board Meeting on May 7th for the Crosstown Pipeline project; Declaration of May as Water Awareness Month; possible employee negotiations contract update, and the continued Public Hearing on approval of a resolution for Annexation of the Ridgemark Bluffs Development.

N. ADJOURNMENT: President Johnson adjourned the meeting at 6:05 p.m.

APPROVED BY THE BOARD: *s/ Judi H. Johnson*
Judi H. Johnson, President

RESPECTFULLY SUBMITTED: *s/ Donald G. Ridenhour*
Donald G. Ridenhour, Secretary