

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
August 13, 2014

- A. CALL TO ORDER:** The meeting was called to order at 4:30 p.m. by President Villalon, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Danny Villalon; Directors Dave Clapham, Kathleen Hill, John M. Johnson, and Dave Meraz.
- C. PUBLIC COMMENT ON CLOSED SESSION MATTERS:** None.

D. CLOSED SESSION:

1. Conference with labor negotiators: Dave Meraz & Dave Clapham – The Board held discussion in closed session regarding labor negotiations.
2. Discuss Well #12 Negotiators: Don Ridenhour & Sean Knight.

President Villalon reconvened the meeting to open session at 5:15 p.m.

- E. PLEDGE OF ALLEGIANCE:** Director Hill led Directors, staff, and public in the Pledge of Allegiance.

F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:

1. Attorney David Laredo reported that the Board provided direction to staff on the labor negotiations, which will be reported in item J-4.
2. The Board provided direction to staff on the negotiations for Well #12 property and staff will return to the Board in open session at the September meeting.

- G. APPROVAL OF AGENDA:** Upon motion made by Director Meraz, seconded by Director Johnson, and carried 5-0, 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 David Laredo; Executive Assistant/Stenographer Carol Porteur; Water/Wastewater Superintendent Jim Filice, and Associate Engineer Sean Knight.

Others present: Anabel Zavala, Kim Malko, Kelly Brill, Pat Jackson, Ernie Eclarin, and Pat Hagins.

I. CONSENT AGENDA:

1. Approval of Minutes – for the Regular Meeting of July 9, 2014 and Special Meeting of July 10, 2014.
2. Allowance of Claims – Ratify disbursements for the period July 1, 2014 through August 4, 2014 totaling \$735,196.63, which includes \$397,920.58 paid to vendors and for

employee compensation, \$334,810.22 paid to the City of Hollister for payments collected on their customer's sewer billings net of our fees, and \$2,465.83 for customer refunds and deductions for checks returned for insufficient funds. The last check written as of August 4, 2014 was check #19929. The list of disbursements is as follows:

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
07/15/14	ACH 0610	EFTPS	-384.40
07/03/14	ACH 0611	Merchant Services	-742.66
07/07/14	ACH 0612	Intuit, Inc.	-336.71
07/07/14	ACH 0613	Intuit, Inc.	-109.34
07/16/14	ACH 0614	RETURNED ACH (ACH Ret 07-01)	-132.01
07/16/14	ACH 0615	RETURNED ACH (ACH Ret 07-02)	-180.46
07/17/14	ACH 0616	RETURNED ACH (ACH Ret 07-03)	-169.52
07/11/14	ACH 0617	RETURNED CHECK (Ck. Ret 07-01)	-257.18
07/15/14	ACH 0618	RETURNED CHECK (Ck. Ret 07-02)	-238.00
07/17/14	ACH 0619	RETURNED CHECK (Ck. Ret 07-03)	-175.00
07/18/14	ACH 0620	RETURNED CHECK (Ck. Ret 07-05)	-375.00
07/31/14	ACH 0621	EFTPS	-20,841.98
07/17/14	ACH 0622	RETURNED CHECK (Ck. Ret 07-04)	-147.59
07/21/14	ACH 0623	RETURNED CHECK (Ck. Ret 07-06)	-90.00
07/22/14	ACH 0624	RETURNED CHECK (Ck. Ret 07-07)	-284.74
07/25/14	ACH 0625	RETURNED ACH (ACH Ret 07-04)	-169.52
08/04/14	ACH 0626	Merchant Services	-741.45
07/15/14	DD 1154	Clapham, David G	-513.10
07/15/14	DD 1155	Johnson, John M	-266.05
07/15/14	DD 1156	Meraz, David E	-183.70
07/15/14	DD 1157	Villalon, Daniel	-344.40
07/31/14	DD 1158	Alvarez, Abel	-5,054.46
07/31/14	DD 1159	Brill, Kelly L.	-4,892.78
07/31/14	DD 1160	Buck, Cathy L.	-6,527.46
07/31/14	DD 1161	Castro, Kevin G.	-4,495.48
07/31/14	DD 1162	Chavez, Jr., Manuel T.	-5,958.15
07/31/14	DD 1163	Eclarin, Ernesto P.	-4,391.91
07/31/14	DD 1164	Estrada, Thomas A.	-4,406.63
07/31/14	DD 1165	Filice, James L.	-6,573.45
07/31/14	DD 1166	Hagins, Patrick M.	-4,503.85
07/31/14	DD 1167	Jackson, Patrick W.	-6,309.92
07/31/14	DD 1168	Knight, Sean W.	-5,639.22
07/31/14	DD 1169	Malko, Kim A.	-2,736.02
07/31/14	DD 1170	Norman, III, Walter R.	-5,588.17
07/31/14	DD 1171	Padilla, David	-5,479.32
07/31/14	DD 1172	Porteur, Carol A.	-4,007.09
07/31/14	DD 1173	Ridenhour, Donald G	-9,837.42
07/31/14	DD 1174	Watson, Scott A.	-4,987.71
07/31/14	DD 1175	Zavala, Anabel G.	-4,129.28
07/07/14	19841	Ace Hardware (Johnson Lumber Co.)	-860.82
07/07/14	19842	AT&T	-230.59
07/07/14	19843	Calvista Insurance Agency Inc.	-53,813.00
07/07/14	19844	Corbin Willits Systems, Inc. (MOM's)	-8,056.20
07/07/14	19845	Electrical Distributors Co.	-227.08
07/07/14	19846	Everbank Commercial Finance, Inc.	-224.60
07/07/14	19847	Ferguson Enterprises, Inc.	-25.25
07/07/14	19848	Hach Company	-252.47
07/07/14	19849	Hollister Safe & Lock Inc.	-257.04
07/07/14	19850	John Smith Road Landfill	-12.00
07/07/14	19851	MBS Business Systems	-2,488.37
07/07/14	19852	Postmaster	-78.80
07/07/14	19853	San Benito County Water District	-494.25
07/07/14	19854	South Valley Internet, Inc.	-20.45
07/07/14	19855	Staples	-32.55
07/14/14	19856	Norman, III, Walter R.	-118.79
07/14/14	19857	AICPA	-335.00
07/14/14	19858	AT&T	-18.06

Date	Num	Name	Amount
07/14/14	19859	Bianchi Kasavan & Pope, LLP	-518.00
07/14/14	19860	CM Analytical, Inc.	-5,910.00
07/14/14	19861	EBCO Pest Control	-55.00
07/14/14	19862	Everbank Commercial Finance, Inc.	-226.87
07/14/14	19863	Harper & Associates Engineering, Inc.	-6,080.00
07/14/14	19864	Independent Business Forms, Inc.	-2,766.47
07/14/14	19865	MBS Business Systems	-1,368.57
07/14/14	19866	NH3 Service Company	-1,776.50
07/14/14	19867	P G & E	-40,818.99
07/14/14	19868	Postal Graphics (was Post Net)	-22.52
07/14/14	19869	Recology San Benito County	-124.80
07/14/14	19870	Security Shoring & Steel Plates, Inc.	-3,255.10
07/14/14	19871	Toro Petroleum Corp.	-1,419.87
07/14/14	19872	U.S. Bank Corporate Payment Systems	-2,185.44
07/15/14	19873	Hill, Kathleen A	-246.05
07/21/14	19874	A-1 Services	-403.00
07/21/14	19875	All Star Ready Mix, LLC	-1,426.32
07/21/14	19876	Bianchi Kasavan & Pope, LLP	-95.68
07/21/14	19877	Bracewell Engineering, Inc.	-126.00
07/21/14	19878	City of Hollister-Finance Dept	-334,810.22
07/21/14	19879	De Lay & Laredo	-2,000.00
07/21/14	19880	Hollister Landscape Supply	-84.17
07/21/14	19881	Independent Business Forms, Inc.	-2,900.05
07/21/14	19882	ltron, Inc.	-759.44
07/21/14	19883	Kart Man's, The	-99.00
07/21/14	19884	Mark Nicholson, Inc.	-1,528.78
07/21/14	19885	San Benito County Water District	-35,874.82
07/21/14	19886	Sierra Chemical Co.	-4,362.77
07/23/14	19887	Postmaster	-281.04
07/28/14	19888	Alvarez, Abel	-118.79
07/28/14	19889	BMC WP LLC	-113.14
07/28/14	19890	JOSEPH SOMAVIA	-57.35
07/28/14	19891	JERRY BELL	-76.32
07/28/14	19892	Enterprise Electric Co.	-3,900.00
07/28/14	19893	VOID	0.00
07/28/14	19894	Toro Petroleum Corp.	-1,112.54
07/28/14	19895	Underground Service Alert	-467.34
07/28/14	19896	All Star Ready Mix, LLC	-1,723.93
07/28/14	19897	AT&T	-369.82
07/28/14	19898	Independent Business Forms, Inc.	-2,622.08
07/28/14	19899	John Smith Road Landfill	-33.88
07/28/14	19900	Radio Shack (Crystal T.V.)	-53.13
07/28/14	19901	Razzolink.com	-209.85
07/28/14	19902	South Valley Internet, Inc.	-20.45
07/31/14	19903	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,386.57
07/31/14	19904	CalPERS - Retirement	-1,036.00
07/31/14	19905	Nationwide Retirements Solutions	-11,754.16
07/31/14	19906	CalPERS - Health Insurance	-15,474.34
07/31/14	19907	CalPERS - Retirement	-31,186.06
07/31/14	19908	Dearborn National Life Insurance Company	-288.00
07/31/14	19909	HealthSmart Benefit Solutions, Inc. (VSP)	-347.38
07/31/14	19910	Premier Access Insurance Co.	-3,311.40
07/30/14	19911	Postmaster	-1,935.80
08/04/14	19912	Ace Hardware (Johnson Lumber Co.)	-482.24
08/04/14	19913	AL's Septic Tank Service Inc.	-622.50
08/04/14	19914	AT&T	-111.32
08/04/14	19915	Backflow Apparatus & Valve Co. (BAVCO)	-715.87
08/04/14	19916	Corix Water Products	-585.80
08/04/14	19917	Electrical Distributors Co.	-566.42
08/04/14	19918	Everbank Commercial Finance, Inc.	-224.60
08/04/14	19919	Gabilan Welding, Inc.	-72.03
08/04/14	19920	Hach Company	-704.65
08/04/14	19921	HDR Engineering, Inc.	-2,735.78

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
08/04/14	19922	Hollister Auto Parts, Inc.	-183.19
08/04/14	19923	Mission Uniform Service	-714.21
08/04/14	19924	O'Reilly Auto Parts	-103.00
08/04/14	19925	Petty Cash	-24.41
08/04/14	19926	Recology San Benito County	-126.03
08/04/14	19927	Toro Petroleum Corp.	-307.73
08/04/14	19928	Verizon Wireless	-377.46
08/04/14	19929	Shape, Inc.	-669.14
Total Disbursements			-735,196.63

Upon motion made by Director Meraz, seconded by Director Hill, and carried 5-0, the consent agenda was approved as presented.

J. NEW BUSINESS:

- 1. CONSIDER ADOPTING THE CONFLICT OF INTEREST CODE UPDATES, AS PROVIDED IN RESOLUTION NO. 533 OF THE SUNNYSLOPE COUNTY WATER DISTRICT, AMENDING THE DISTRICT'S CONFLICT OF INTEREST CODE:** General Manager/Secretary Ridenhour explained that the Political Reform Act requires every agency to review its conflict of interest code biennially and to notify the code reviewing body if their current code is accurate, or alternatively, that their code must be amended (Government Code § 87306.5). With the implementation of eDisclosure by the San Benito County Elections Department, the Biennial review will be processed in the eDisclosure system. If amendments to the District's Conflict of Interest Code are necessary, these changes must be approved first by the District Board before it is submitted to the County Clerk and Board of Supervisors for approval.

The District adopted the model conflict of interest code set forth at California Code of Regulations, Title 2 section 18730. The code includes a listing of the District's designated personnel and disclosure categories, which will be updated as shown in Appendix A and Appendix B upon adoption of the attached proposed Resolution.

General Manager/Secretary Ridenhour stated that the District's biennial review of its Conflict of Interest Code are due in 2014 and the San Benito County Clerk's Office, as our Filing Officer, must receive the District's Biennial Review in eDisclosure by September 1, 2014. Mr. Ridenhour explained that last time there were no changes made, but since have discovered there is a need to modify the title of several designated positions.

Upon motion made by Director Clapham, seconded by Director Meraz, and unanimously carried 5-0, the Board adopted Resolution No. 533 of the Sunnyslope County Water District Amending the District's Conflict of Interest Code.

- 2. CONSIDER APPROVAL OF ORDINANCE NO. 78, REVISIING THE DISTRICT'S WATER CODE CHAPTER 2.04.010 AND POLICY NO. 7100, MOVING THE REGULAR MEETING DATE OF THE BOARD OF DIRECTORS TO THE SECOND TUESDAY OF THE MONTH:** General Manager/Secretary Ridenhour stated that the Board of Directors Regular Meeting is held on the second Wednesday of the month at 5:15 p.m. The District's Policy No. 7100 and the Water District Code 2.04.010 both specify the Regular Board of Directors Meeting are to be held on the second Wednesday of the month. The Board President has requested the Board consider the requested modification of the regular meeting date. After consideration and discussion the Board modified the the proposed meeting date to the third Tuesday of the month, and should the Board adopt the proposed Ordinance, the

Regular Board Meeting date would be moved from the second Wednesday to the third Tuesday of the month, at 5:15 p.m.

The District's Legal Counsel, Attorney David Laredo, stated he himself has a prior commitment on the third Tuesday of the month but Attorney Heidi Quinn will be available if the Regular meeting date is moved. If the Board decides to modify the meeting schedule, they may do so by approving Ordinance No. 78 by a majority vote of the Board, and the schedule could be modified beginning with the next Regular Board meeting in September 2014.

Upon motion made by Director Meraz, seconded by Director Hill, and unanimously carried (5-0), the Board approved Ordinance No. 78 revising the District's Water Code Chapter 2.04.010 and Policy No. 7100 to reflect moving the Regular meeting date of the Board of Directors to the third Tuesday of the month.

3. CONSIDER AUTHORIZATION TO PROCEED WITH BORROWING FROM CITY NATIONAL BANK TO REFINANCE THE SERIES 2002A REVENUE

BOND DEBT: General Manager/Secretary Ridenhour explained that the District participated in the CSCDA series 2002A Revenue Bond and on April 16, 2002 and issued \$5.2M in bonds. \$4.8M of the proceeds was used for water projects and \$0.4M was used for sewer projects. After the October 2014 payment is made, there will be \$3.91M outstanding bond debt with future interest rates that range from 4.6% to 5.125% over the 18 years remaining on the debt. The final payment is scheduled for October, 2032.

The Finance Committee met on July 31, 2014 to receive a presentation from Alison Lechowicz of Bartle Wells Associates, Independent Public Finance Advisors, outlining three proposed options they were able to negotiate on our behalf. The Finance Committee supports proceeding Bartle Wells' recommendation of a loan from City National Bank and asked Alison to see if it would be possible to look at other options that would shorten the remaining years of repayment and keep the District's annual payment amount close to the same as we currently pay.

The original proposal from City National Bank includes an issuance cost fee of \$25,000, which would be added to the refinanced amount of \$3,910,000, resulting in a loan total of \$3,935,000 and the interest rate proposed is 3.55%. Under this option, the interest savings over the remaining 18 year life of the debt is \$665,600. City National Bank came up with two additional options, a 16 year term at 3.45% interest and a 15 year term at 3.4% interest. The principal amount would be \$3,935,000 for all refinancing options. The refinancing of the CSCDDA 2002A Revenue Bonds could result in interest savings over the next 18 years from \$665,600 to \$968,600, depending on which option is pursued.

Director Meraz stated that he would like to see the Board approve the 15 year option at 3.4% interest, which would increase the annual payment by \$2,400, but would save the District \$968,600 over the remaining term of the loan; and Director Hill agreed (both Directors being the Finance Committee members).

Upon motion made by Director Meraz, seconded by Director Johnson, and unanimously carried (5-0), the Board authorized to proceed with borrowing from City National Bank to refinance the series 2002A Revenue Bond debt for a 15 year term at 3.4% interest.

4. CONSIDER APPROVAL OF A LABOR CONTRACT WITH SUNNYSLOPE COUNTY WATER DISTRICT PERSONNEL:

General Manager/Secretary Ridenhour explained that the Personnel Committee, the Board of Directors, and staff have exchanged ideas and proposals for a new labor contract over the past several months. At a Special Board Meeting held on July 10, 2014, staff of the District and the

Board discussed and exchanged different proposals and information regarding the various District positions and responsibilities.

The Board of Directors held a Special Board Meeting on August 12, 2014 and a Closed Session on August 13, 2014 to discuss a revised labor contract proposal which included the following: a three year term beginning July 1, 2014 and ending June 30, 2017; no cost of living adjustments for the term of the contract; employees to pay any increase in the CalPERS contribution each year beginning with the change on July 1, 2014 and effective October 1, 2014; eliminate Step K from the salary steps for the Water/Wastewater Utility Maintenance position; modifying the job description and duties for a Water/Wastewater Utility Maintenance employee at step J as of October 1, 2014 to include Lead Worker responsibilities; no more than one Water/Wastewater Utility Maintenance worker may be at Step J and fill the Lead Worker role in the Water/Wastewater Utility Maintenance series; the Operations and Maintenance Crew Chief position will be converted to an exempt management position effective October 1, 2014, will no longer qualify for overtime, and will receive 80 hours of management leave annually (prorated for fiscal year 2014/2015); eliminate steps G and H from the salary steps for the Finance and Human Resources Manager position; and all other benefits and compensation to remain the same as the current contract that ended on June 30, 2014.

Kelly Brill stated that she didn't understand why the Board was now bringing a new proposal back for approval instead of using the proposal that was initially proposed to staff. Ms. Brill stated that staff attended the July 10th Special Board Meeting and presented the Board with staff's counter proposal and discussed with the Board the reasons behind the counter proposal. Ms. Brill asked the Board why the proposal handed out at this meeting was not the original proposal, since they were not considering staff's counter proposal and why the Board was now making additional cuts. Ms. Brill expressed her disappointment in the new proposal and many of the staff in attendance agreed they were very disappointed as well. The Board responded to the questions asked and explained with how they utilized the compensation survey to arrive at the current proposal.

Upon motion made by Director Meraz, seconded by Director Clapham, and unanimously carried (5-0), the Board approved the Labor Contract for the Sunnyslope County Water District Personnel as presented and discussed.

5. CONSIDER ACCEPTANCE OF GRANT OF EASEMENT FOR SANITARY SEWER PURPOSES RELATED TO THE TYLER KNOLL DEVELOPMENT:

Associate Engineer Sean Knight explained that during the design and development of the Tyler Knoll subdivision, located in Ridgemark Estates on Ralph's Drive, several options for sanitary sewer conveyance were discussed. The various options were a lift station serving the small 20 home development, a gravity pipeline extending and connecting to the existing sanitary sewer infrastructure (which currently goes behind several houses), and a gravity pipe line run in-between two lots on Wild Oak Drive in the Quail Hollow subdivision, where a storm drain easement already exists.

Mr. Knight stated that after discussions with the developer and all of the property owners involved in the various options, the option for a gravity pipeline to run between two lots on Wild Oak Drive was the best option for all parties involved. This option allows the District to have a shorter run of pipe with easy access for maintenance, it is under existing concrete so access to repair or replace it was better than the other options, and it allowed for a more conventional slope for both the run of pipe and the upstream piping.

Upon motion made by Director Meraz, seconded by Director Clapham, and unanimously carried (5-0), the Board accepted the Grant of Easement for sanitary sewer purposes related to the Tyler Knoll Development and authorized the General Manager to sign and record the document.

K. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** General Manager/Secretary Ridenhour reported the next meeting is scheduled for August 20th.
- 2. Water/Wastewater Committee:** General Manager/Secretary Ridenhour reported the next meeting is scheduled for August 18th.
- 3. Finance Committee:** Director Meraz reported the committee met on July 31st and discussed the refinancing of the 2002A CSCDA Revenue Bonds, as previously discussed on today's agenda.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported the next meeting is scheduled for September 16th.
- 5. Personnel Committee:** Director Meraz reported that the committee met on July 10th and August 12th as a full Board to discuss employee negotiations, as previously discussed on today's agenda.
- 6. Water Resources Association of San Benito County (WRA):** Director Johnson reported the committee met on July 10th and discussed the State mandates, the turf removal program, and the plumbing retrofit program.
- 7. Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** The Board reviewed the Operations Summary (thru July 31, 2014), Statement of Income (thru June 30, 2014), and Investment Summary (thru July 31, 2014). General Manager/Secretary Ridenhour explained to the Board that water sales were down about 18% in April and May, then increased about 9.7% in June, then fell back down in July to about 18.4% and noted that the decrease may be due in part to water conservation from customers due to the drought situation.

General Manager/Secretary Ridenhour noted the increase on the Statement of Income is due to reimbursement received from San Benito County Water District for out of pocket expenses on the Lessalt design and upgrade; rate stabilization funds received from San Benito County Water District; and receiving our half of the Hollister-Sunnyslope Water Treatment Agency reserves when the joint powers agreement was dissolved.

The District's Investment Summary report reflects the total cash balance as of July 31, 2014 of \$7,258,372.52, which includes one-months earned interest totaling \$2,735.67.

Water/Wastewater Superintendent Jim Filice reviewed the July 2014, Maintenance Staff Report. Mr. Filice pointed out #6 denoting that Well #7 is back on line after the fire that burned up the electrical panel, wiring, and transformer; #24 denoting Monterey Bay Air Pollution Control Board did their final inspection of new Sequencing Batch Reactor at the Ridgemark Wastewater Treatment Plant and issued the permit to operate; and #25 denoting that as of July, staff has taken 5.67 tons of dry sludge to the John Smith Landfill for final disposal. President Villalon asked if there would be any repercussions from not flushing the fire hydrants due to drought situation, and Mr. Filice responded that the Fire

Department was actually going to be painting the hydrants in the future and would probably exercise them at that time.

During review of the Meter Reading Report for the period June 16, 2014 to July 16, 2014, Mr. Filice noted the intertie meter data indicates the City received 36.5% of Lessalt water, while the District received 63.5%.

Jim Filice reviewed the groundwater level report and noted that the wells are trending down. Director Clapham asked for a comparison since the chart is indicating in the 100 range and when we might be in a danger zone with the ground water surface being too low. Mr. Filice responded that prior to the percolation process, he had seen the levels down as low as the 300 range.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported the filters have been installed at the Lessalt WTP and piping work connecting the filters continues; the West Hills WTP should be receiving 90% design review anytime; a new MOU for updating the HUAW Master Plan has been prepared and will be shared with the Governance Committee on August 20th; and the inspection reports for the Ridgemark & Fairview Tanks have been received and will be shared with the Water & Wastewater Committee.

L. BOARD and STAFF REPORTS

1. **Directors:** President Villalon reminded the Directors that the next Board meeting is scheduled for September 16th in conjunction with the new schedule of moving the meeting date from the second Wednesday of the month to the third Tuesday of the month.
2. **District Counsel:** Attorney Laredo reported that several clients have expressed interest in a training seminar for Sexual Harassment. The firm has scheduled a couple of training sessions for this month and Mr. Laredo stated that he will advise the District of upcoming sessions they will be holding, and offered to bring the training to the District office if that was more convenient.
3. **Finance & HR Manager:** No report (absent).
4. **General Manager:** No report.

M. FUTURE AGENDA ITEMS: None

N. ADJOURNMENT: Upon motion made by Director Meraz, seconded by Director Johnson, and unanimously carried (5-0), the meeting was adjourned at 6:25 p.m.

APPROVED BY THE BOARD: s/ Danny Villalon
Danny Villalon, President

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