

**MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
AUGUST 15, 2017**

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by Vice President Alcorn, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** Vice President Mike Alcorn, Directors: Robert J. Rodriguez II, and Ann Ross. (President Judi Johnson and Director Honor Spencer absent).
- C. PLEDGE OF ALLEGIANCE:** Cathy Buck led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Rodriguez, seconded by Director Ross, and carried 3-0-2 absent (President Johnson and Director Spencer absent), the agenda was approved as presented.
- E. 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, Finance and Human Resource Manager Cathy Buck, Water/Wastewater Superintendent Jim Filice, and Assistant Engineer Rob Hillebrecht.

F. CONSENT AGENDA:

- 1. Approval of Minutes for the regular board meeting of June 20, 2017.
- 2. Ratify Allowance of Claims for disbursements during the period from June 13, 2017 through August 7, 2017, totaling \$2,086,910.57, which includes \$1,382,386.85 for payments to vendors and employees, \$699,417.49 paid to the City of Hollister for amounts collected from their customer's for City sewer billings net of our fees, and \$5,106.23 for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of August 7, 2017 was check #23349.

The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
06/15/17	ACH 0957	EFTPS	-332.10
06/16/17	ACH 0958	RETURNED CHECK (Ret Ck 06-01)	-169.12
06/19/17	ACH 0959	RETURNED ACH (Ret ACH 06-01 thru 06-06)	-900.72
06/30/17	ACH 0960	EFTPS	-26,942.24
06/30/17	ACH 0961	Employment Dev. Dept. (EDD) DE88 Pmts.	-10,135.97
06/30/17	ACH 0962	CalPERS - Retirement	-1,036.00
06/30/17	ACH 0963	CalPERS - Retirement	-1,865.71
06/30/17	ACH 0964	CalPERS - Health Insurance	-17,228.15
06/30/17	ACH 0965	CalPERS - Retirement	-27,171.65
06/26/17	ACH 0966	RETURNED CREDIT CARD (Ret C/C 06-01)	-173.28
07/03/17	ACH 0967	Merchant Services	-976.69
07/03/17	ACH 0968	Merchant Services	-1,027.10
07/07/17	ACH 0969	RETURNED CHECK (Ret Ck 07-01)	-128.09
07/17/17	ACH 0970	CalPERS - Retirement	-6,065.00
07/17/17	ACH 0971	CalPERS - Retirement	-86.00
07/14/17	ACH 0972	EFTPS	-122.40

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/17/17	ACH 0973	RETURNED CHECK (Ret Ck 07-02)	-678.80
07/18/17	ACH 0974	RETURNED ACH (Ret ACH 07-01)	-133.61
07/18/17	ACH 0975	RETURNED CHECK (Ret Ck 07-03 thru 07-04)	-312.55
07/19/17	ACH 0976	RETURNED ACH (Ret ACH 07-02 thru 07-08)	-1,019.55
07/24/17	ACH 0977	RETURNED CHECK (Ret Ck 07-05)	-207.98
07/31/17	ACH 0978	EFTPS	-27,871.04
07/31/17	ACH 0979	Employment Dev. Dept. (EDD) DE88 Pmts.	-10,524.42
07/31/17	ACH 0980	CalPERS - Retirement	-1,036.00
07/31/17	ACH 0981	CalPERS - Retirement	-1,927.43
07/31/17	ACH 0982	CalPERS - Retirement	-27,678.79
07/31/17	ACH 0983	CalPERS - Health Insurance	-17,232.23
07/26/17	ACH 0984	RETURNED CHECK (Ret Ck 07-06 thru 07-07)	-124.56
07/25/17	ACH 0985	Union Bank of California, N.A. (SF)	-663.56
08/02/17	ACH 0986	RETURNED CHECK (Ret Ck 08-01)	-355.00
08/03/17	ACH 0987	Merchant Services	-1,112.67
08/03/17	ACH 0988	Merchant Services	-989.26
06/15/17	DD 1956	Alcorn, Michael H.	-277.05
06/15/17	DD 1957	Johnson, Judi H.	-513.10
06/15/17	DD 1958	Rodriguez, II, Robert J.	-184.70
06/15/17	DD 1959	Ross, Ann C.	-430.75
06/15/17	DD 1960	Spencer, Honor A.	-92.35
06/30/17	DD 1961	Alvarez, Abel	-5,254.42
06/30/17	DD 1962	Boltz, William K	-5,138.44
06/30/17	DD 1963	Brill, Kelly L.	-4,445.69
06/30/17	DD 1964	Buck, Cathy L.	-6,536.32
06/30/17	DD 1965	Burbank, Jr., Dee J.	-4,177.28
06/30/17	DD 1966	Castro, Kevin G.	-5,620.57
06/30/17	DD 1967	Chavez, Jr., Manuel T.	-7,269.04
06/30/17	DD 1968	Eclarin, Ernesto P.	-6,270.46
06/30/17	DD 1969	Filice, James L.	-7,010.52
06/30/17	DD 1970	Hagins, Patrick M.	-4,340.55
06/30/17	DD 1971	Hernandez, Bazilio	-4,923.87
06/30/17	DD 1972	Hillebrecht, Robert B.	-3,829.46
06/30/17	DD 1973	Jackson, Patrick W.	-5,502.54
06/30/17	DD 1974	Malko, Kim A.	-3,314.45
06/30/17	DD 1975	Norman, III, Walter R.	-4,740.98
06/30/17	DD 1976	Padilla, David	-5,625.37
06/30/17	DD 1977	Porteur, Carol A.	-4,191.64
06/30/17	DD 1978	Quick, Troy E.	-4,674.77
06/30/17	DD 1979	Ridenhour, Donald G.	-10,089.45
06/30/17	DD 1980	Sanchez, Ricardo A.	-3,997.62
06/30/17	DD 1981	Watson, Scott A.	-6,052.19
06/30/17	DD 1982	Zavala, Anabel G.	-4,426.39
07/14/17	DD 1983	Alcorn, Michael H.	-277.05
07/14/17	DD 1984	Johnson, Judi H.	-92.35
07/14/17	DD 1985	Rodriguez, II, Robert J.	-92.35
07/14/17	DD 1986	Ross, Ann C.	-92.35
07/14/17	DD 1987	Spencer, Honor A.	-184.70
07/31/17	DD 1988	Alvarez, Abel	-4,921.20
07/31/17	DD 1989	Boltz, William K	-5,493.14
07/31/17	DD 1990	Brill, Kelly L.	-4,636.21
07/31/17	DD 1991	Buck, Cathy L.	-6,626.41
07/31/17	DD 1992	Burbank, Jr., Dee J.	-4,304.22
07/31/17	DD 1993	Castro, Kevin G.	-5,213.69
07/31/17	DD 1994	Chavez, Jr., Manuel T.	-6,797.10
07/31/17	DD 1995	Eclarin, Ernesto P.	-6,901.52
07/31/17	DD 1996	Filice, James L.	-7,114.32
07/31/17	DD 1997	Hagins, Patrick M.	-4,416.13
07/31/17	DD 1998	Hernandez, Bazilio	-5,007.05
07/31/17	DD 1999	Hillebrecht, Robert B.	-4,029.65

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/31/17	DD 2000	Jackson, Patrick W.	-5,607.59
07/31/17	DD 2001	Malko, Kim A.	-3,460.07
07/31/17	DD 2002	Norman, III, Walter R.	-5,370.96
07/31/17	DD 2003	Padilla, David	-5,033.61
07/31/17	DD 2004	Porteur, Carol A.	-4,255.40
07/31/17	DD 2005	Quick, Troy E.	-4,970.71
07/31/17	DD 2006	Ridenhour, Donald G.	-10,216.27
07/31/17	DD 2007	Sanchez, Ricardo A.	-5,075.48
07/31/17	DD 2008	Watson, Scott A.	-5,970.52
07/31/17	DD 2009	Zavala, Anabel G.	-4,433.85
06/19/17	23187	Watson, Scott A.	-150.00
06/19/17	23188	A-1 Services	-403.00
06/19/17	23189	AICPA	-395.00
06/19/17	23190	All Star Ready Mix, LLC	-376.73
06/19/17	23191	Auto Tech Service Center, Inc.	-211.37
06/19/17	23192	Bianchi Kasavan & Pope, LLP	-1,200.00
06/19/17	23193	Bracewell Engineering, Inc.	-126.00
06/19/17	23194	Calcon System, Inc.	-1,549.00
06/19/17	23195	City of Hollister-Finance Dept	-349,907.87
06/19/17	23196	De Lay & Laredo	-2,100.00
06/19/17	23197	First Trust Alarm Company	-431.00
06/19/17	23198	Maggiora Bros. Drilling, Inc.	-39,043.05
06/19/17	23199	MBS Business Systems	-811.65
06/19/17	23200	R.F. MacDonald Co.	-846.25
06/22/17	23201	Postmaster	-190.96
06/26/17	23202	Brenntag Pacific, Inc.	-3,474.30
06/26/17	23203	Brigantino Irrigation	-103.53
06/26/17	23204	Calgon Carbon Corporation	-41,257.88
06/26/17	23205	Central Ag Supply LLC	-549.76
06/26/17	23206	CM Analytical, Inc.	-9,475.00
06/26/17	23207	Don Chapin Co. Inc., The	-65.04
06/26/17	23208	Hach Company	-2,543.73
06/26/17	23209	Hollister Auto Parts, Inc.	-76.51
06/26/17	23210	Hollister Safe & Lock Inc.	-80.11
06/26/17	23211	Konica Minolta Premier Finance	-412.91
06/26/17	23212	Radio Shack (Crystal T.V.)	-21.63
06/26/17	23213	San Benito County Water District	-50,395.00
06/26/17	23214	San Benito Tire, Inc.	-40.00
06/26/17	23215	State Water Resources Control Board-OOC	-70.00
06/26/17	23216	Tesco Controls Inc	-2,075.29
06/26/17	23217	Toro Petroleum Corp.	-1,360.38
06/26/17	23218	USA Blue Book	-947.04
06/30/17	23219	Nationwide Retirements Solutions	-20,911.20
06/30/17	23220	United Way of Santa Cruz	-126.00
06/30/17	23221	Dearborn National Life Insurance Company	-352.00
06/30/17	23222	HealthSmart Benefit Solutions, Inc. (VSP)	-307.90
06/30/17	23223	Premier Access Insurance Co.	-3,085.67
06/30/17	23224	Postmaster	-1,934.44
06/30/17	23225	Petty Cash	-17.20
07/03/17	23226	Ace Hardware (Johnson Lumber Co.)	-1,224.43
07/03/17	23227	AT&T	-285.12
07/03/17	23228	Auto Tech Service Center, Inc.	-1,250.00
07/03/17	23229	Borges & Mahoney, Inc.	-412.85
07/03/17	23230	Calif. Municipal Treasurers Assoc. (CMTA)	-155.00
07/03/17	23231	CalVista Insurance Agency Inc.	-59,618.00
07/03/17	23232	Corbin Willits Systems, Inc. (MOM's)	-8,056.20
07/03/17	23233	Corix Water Products	-985.90
07/03/17	23234	Hollister Paint Co.	-84.63
07/03/17	23235	Hollister Safe & Lock Inc.	-229.41
07/03/17	23236	Itron, Inc.	-1,114.17

Date	Number	Name	Amount
07/03/17	23237	Mission Uniform Service	-922.98
07/03/17	23238	Palace Business Solutions	-2,085.18
07/03/17	23239	Pinnacle Agriculture	-1,158.36
07/03/17	23240	Razzolink.com	-132.90
07/03/17	23241	State Water Resources Control Board-DWPF	-20,970.00
07/03/17	23242	Verizon Wireless	-1,099.27
07/03/17	23243	T SEWEJKIS & KENNETH HINZMAN	-141.89
07/03/17	23244	A L LEASE	-129.90
07/03/17	23245	RICHARD MUSSALLEM	-111.84
07/03/17	23246	ABEL & LORI PASILLAS	-30.61
07/03/17	23247	HEATHER BARTLETT & ALLYN PEIRCE	-21.91
07/03/17	23248	ANTONIO R PINA	-6.54
07/03/17	23249	KEN WILSON	-8.20
07/10/17	23250	Hernandez, Bazilio	-150.00
07/10/17	23251	ACWA/JPIA	-13,092.81
07/10/17	23252	All Star Ready Mix, LLC	-745.77
07/10/17	23253	AT&T	-466.68
07/10/17	23254	Corix Water Products	-312.38
07/10/17	23255	Ferguson Enterprises, Inc.	-365.86
07/10/17	23256	Gabilan Welding, Inc.	-3,780.56
07/10/17	23257	Greenwood Chevrolet	-75.02
07/10/17	23258	Hollister Landscape Supply	-18.82
07/10/17	23259	Mc Master-Carr	-18.51
07/10/17	23260	Monterey Bay Water Works Assoc. (MBWWA)	-35.00
07/10/17	23261	P G & E	-33,257.70
07/10/17	23262	Palace Business Solutions	-127.18
07/10/17	23263	Shape Products	-153.41
07/10/17	23264	South Valley Internet, Inc.	-20.45
07/10/17	23265	U.S. Bank Corporate Payment Systems	-2,445.64
07/12/17	23266	Monterey Bay Water Works Assoc. (MBWWA)	-35.00
07/17/17	23267	All Star Ready Mix, LLC	-127.91
07/17/17	23268	Auto Tech Service Center, Inc.	-92.54
07/17/17	23269	B.S.K. Analytical Laboratories, Inc.	-1,263.00
07/17/17	23270	Bianchi Kasavan & Pope, LLP	-435.00
07/17/17	23271	Bracewell Engineering, Inc.	-126.00
07/17/17	23272	Brenntag Pacific, Inc.	-5,011.47
07/17/17	23273	Calgon Carbon Corporation	-82,515.76
07/17/17	23274	Central Ag Supply LLC	-1,656.79
07/17/17	23275	De Lay & Laredo	-2,100.00
07/17/17	23276	EBCO Pest Control	-60.00
07/17/17	23277	Edges Electrical Group, LLC	-801.59
07/17/17	23278	GE Analytical Instruments, Inc.	-516.03
07/17/17	23279	Hollister Safe & Lock Inc.	-1,623.75
07/17/17	23280	Independent Business Forms, Inc.	-8,078.75
07/17/17	23281	Mark Nicholson, Inc.	-6,143.68
07/17/17	23282	OnTrac	-11.22
07/17/17	23283	Pinnacle Agriculture	-438.76
07/17/17	23284	Radio Shack (Crystal T.V.)	-32.43
07/17/17	23285	Recology San Benito County	-128.51
07/17/17	23286	San Benito County Water District	-376.75
07/17/17	23287	Tiffany Motor Co.	-29.55
07/17/17	23288	Toro Petroleum Corp.	-1,636.30
07/17/17	23289	Trans Union LLC	-153.48
07/17/17	23290	San Benito County Water District	-150,025.53
07/24/17	23291	Deborah Lee Cutler	-125.00
07/24/17	23292	A-1 Services	-403.00
07/24/17	23293	Kruger	-59,368.02
07/24/17	23294	Ryan Herco Flow Solutions	-335.20
07/24/17	23295	Silke Communications, Inc.	-345.00
07/24/17	23296	Postmaster	-203.19

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/31/17	23297	Norman, III, Walter R.	-114.70
07/31/17	23298	LISA M HOULE	-269.79
07/31/17	23299	BRENT R KRIDER	-44.21
07/31/17	23300	VIRGINIA L & KEN V TOWSLEY	-95.94
07/31/17	23301	CLINT K & LISA S WEILER	-42.14
07/31/17	23302	AT&T	-132.86
07/31/17	23303	Brigantino Irrigation	-533.55
07/31/17	23304	Carlons Fire Extinguisher Sales & Serv.	-1,040.14
07/31/17	23305	City of Hollister-Finance Dept	-349,509.62
07/31/17	23306	CM Analytical, Inc.	-20,532.50
07/31/17	23307	Corix Water Products	-2,110.02
07/31/17	23308	Ferguson Enterprises, Inc.	-742.45
07/31/17	23309	Hollister Auto Parts, Inc.	-92.91
07/31/17	23310	Konica Minolta Premier Finance	-412.91
07/31/17	23311	McGilloway, Ray, Brown & Kaufman	-2,760.00
07/31/17	23312	Mid Valley Supply	-536.25
07/31/17	23313	O'Reilly Auto Parts	-18.01
07/31/17	23314	Palace Business Solutions	-799.20
07/31/17	23315	Petty Cash	-17.90
07/31/17	23316	Pinnacle Agriculture	-954.62
07/31/17	23317	Postmaster	-1,942.65
07/31/17	23318	Radio Shack (Crystal T.V.)	-16.23
07/31/17	23319	State Water Resources Control Board-DWOCF	-90.00
07/31/17	23320	Toro Petroleum Corp.	-1,016.52
07/31/17	23321	USA Blue Book	-166.21
07/31/17	23322	Verizon Wireless	-305.12
07/31/17	23323	Wright Bros. Indust. Supply	-9.91
07/31/17	23324	Nationwide Retirements Solutions	-20,911.20
07/31/17	23325	Dearborn National Life Insurance Company	-352.00
07/31/17	23326	HealthSmart Benefit Solutions, Inc. (VSP)	-307.90
07/31/17	23327	Premier Access Insurance Co.	-3,085.67
08/01/17	23328	Razzolink.com	-132.90
08/07/17	23329	Ace Hardware (Johnson Lumber Co.)	-779.78
08/07/17	23330	AT&T	-520.11
08/07/17	23331	Atlas Copco Compressors, Inc.	-788.99
08/07/17	23332	Brenntag Pacific, Inc.	-2,608.62
08/07/17	23333	Brigantino Irrigation	-339.04
08/07/17	23334	Central Ag Supply LLC	-150.11
08/07/17	23335	City of Hollister-Finance Dept	-166.67
08/07/17	23336	Credit Consulting Services, Inc.	-139.22
08/07/17	23337	Ferguson Enterprises, Inc.	-83.83
08/07/17	23338	Hach Company	-386.35
08/07/17	23339	Maggiara Bros. Drilling, Inc.	-4,897.65
08/07/17	23340	Mission Uniform Service	-900.98
08/07/17	23341	P G & E	-37,995.18
08/07/17	23342	Postal Graphics (was Post Net)	-48.15
08/07/17	23343	Recology San Benito County	-128.51
08/07/17	23344	San Benito County Water District	-183,749.91
08/07/17	23345	San Benito Tire, Inc.	-60.00
08/07/17	23346	South Valley Internet, Inc.	-20.45
08/07/17	23347	True Value Hardware	-37.29
08/07/17	23348	U.S. Bank Corporate Payment Systems	-584.65
08/07/17	23349	Underground Service Alert	-752.82
Total Disbursements			<u>-2,086,910.57</u>

3. Consider authorization of an approximate \$6,000 expenditure for the repair of the Well No. 2 emergency generator by Quinn CAT. (Not a project under CEQA per Article 20, Section 15378).

Upon motion made by Director Rodriguez, seconded by Director Ross, and carried 3-0-2 absent (President Johnson and Director Spencer absent), the consent agenda was approved as presented.

G. NEW BUSINESS:

1. **CONSIDER AUTHORIZING THE PURCHASE OF A VALVE TURNER/ VACUUM TRAILER FOR AN AMOUNT NOT TO EXCEED \$65,000. (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour explained that the District has a valve turning machine for exercising water valves throughout the District's water system to ensure they remain operational and functional. It has recently failed, and is in need of repair or replacement. The existing E.H. Wachs valve turner is mounted to one of the District's trucks, is 18 years old, and parts are difficult to obtain due to the age of the unit. A valve turner similar to the existing machine could be purchased new for approximately \$8,000.

Staff believes a new trailer mounted unit would be very valuable and serve several maintenance needs with the added vacuum component. Rather than try to repair the valve turner, staff is requesting to replace it with a new trailer mounted unit that has an extended reach arm and vacuum system. E.H. Wachs is the only manufacturer of a trailer mounted valve turner/vacuum unit that staff could locate, so no other quotes have been obtained. The valve turner is listed as a capital expenditure item in the current fiscal year budget.

The proposed E.H.Wachs valve turner trailer would provide staff with a modern and versatile piece of equipment allowing an operator to exercise several valves from a single location without moving the vehicle. The vacuum unit would be useful for cleaning out valve cans, meter boxes, and small leak excavations.

The City of Hollister owns and operates a valve turner/vacuum trailer and has allowed staff to have it available for demonstration. The meeting was adjourned to the parking lot where the equipment was set up, and Dee J. Burbank, one of our operators, gave a demonstration of the equipment.

Upon reconvening in the board room, a motion was made by Director Ross, seconded by Director Rodriguez, and carried 3-0-2 absent (President Johnson and Director Spencer absent), for the purchase of a valve turner/vacuum trailer from E.H. Wachs for an amount not to exceed \$65,000.

2. **CONSIDER AUTHORIZING EXECUTION OF AGREEMENTS FOR THE DESIGN OF THE CROSTOWN PIPELINE AND FOR THE REIMBURSEMENT FROM THE CITY OF HOLLISTER'S FOR THEIR SHARE OF THE DESIGN EXPENSES: (Per the requirements of CEQA, a Mitigated Negative Declaration was Prepared and is Being Circulated by the City of Hollister):**
 - a. **Agreement for Design Consulting Services with Kennedy/Jenks Consultants for an Amount Not To Exceed \$560,513.**
 - b. **Reimbursement Agreement with the City of Hollister for Their Share of the Design Expense.**

General Manager/Secretary Ridenhour stated that the District and the City of Hollister (City) are now ready to begin the final design of the Crosstown Pipeline now that the West Hills Water Treatment Plant is nearly complete and operational. The City has completed a mitigated negative declaration document prepared by EMC, Inc. that

satisfies the California Environmental Quality Act and will formally certify the document at the August 21st City Council Meeting. Staff is asking for the Board's authorization to enter a professional services agreement with Kennedy/Jenks Consultants and a reimbursement agreement with the City for their share of the project costs.

Proposals were solicited from five engineering firms for the design of the Crosstown Pipeline and two proposals were received. Staff from the City and the District selected Kennedy/Jenks Consultants based on their thorough proposal, design experience, and knowledge of both agencies systems and needs. The predesign of the Crosstown Pipeline was completed earlier this year by HDR Engineering and the estimated construction cost for the facilities is \$7,000,000. The Crosstown Pipeline includes facilities that are shared, serve only the City, and serve only the District. It is estimated that the City's share is 37.5% based on the facility break down, and therefore the reimbursement agreement reflects this percentage. Cost estimates will be further refined at the completion of the design, and prior to actually bidding the project.

The Crosstown Pipeline will allow water treated at the West Hills Water Treatment Plant to be delivered to the District's water system, and will allow blending the better quality surface water with well water at the two of the District's well sites. It will further the District's goal of increasing the use of surface water and improving water quality for all of the District's customers. The pipeline will also extend to the City's Bundeson Well and will assist in the compliance of Chromium 6 for both the City and District when a new regulation is put into place.

The District and the City may want to retain the services of Kennedy/Jenks Consultants during construction, but that cost is not included in the proposed agreement. The decision of whether to use Kennedy/Jenks for engineering support during construction will be revisited upon completion of the design. Completion of design and bidding the project for construction is anticipated to be in the summer of 2018. Completion of construction should be in early 2019.

Upon motion made by Director Rodriguez, seconded by Director Ross, and carried 3-0-2 absent (President Johnson Director Spencer absent), the Board authorized execution of the agreements for the design of the Crosstown Pipeline and for reimbursement from the City of Hollister for their share of the design expenses.

3. CONSIDER APPROVAL OF THE AGREEMENT FOR WATER FACILITIES AND SERVICE FOR HILLCREST MEADOWS DEVELOPMENT. (Per the requirements of CEQA, a Mitigated Negative Declaration was adopted by the City of Hollister):

Assistant Engineer Hillebrecht explained that the Hillcrest Meadows Development consists of 49 new single family homes and is located between Hillcrest Road and El Camino De Vida. Previously a firewood stand was located on the property. This infill project will receive potable water and fire protection water service from Sunnyslope as it is within the District's boundary. The additional water demands have been considered and addressed in the Hollister Urban Area Water Master Plan to ensure the District has sufficient water supply to serve such development. Since the District already provides service to this property through two existing water meters, the developer will receive credit for two capacity fees.

The Agreement is the District's standard agreement for water facilities and service to a new development. The District currently has the capacity and ability to serve this development with potable water, yet the Agreement acknowledges the District's right to

terminate the Agreement if severe drought, or other unforeseen circumstances significantly limit its capacity or ability to serve new customers.

The developer will pay for all related District costs, such as plan reviews and inspections, which should be covered by the Deposit required and explained in Section 5 of the Agreement, along with paying the District a water capacity charge and meter set fee for 47 of the 49 anticipated units.

Upon motion made by Director Rodriguez, seconded by Director Ross, and carried 3-0-2 absent (President Johnson and Director Spencer absent), the Board approved executing the Agreement for Water Facilities and Service for the Hillcrest Meadows Development.

4. CONSIDER ADOPTION OF RESOLUTION NO. 547 AND LETTER SUPPORTING SANTA CLARA VALLEY WATER DISTRICT'S APPLICATION TO RECEIVE STATE WATER STORAGE INVESTMENT PROGRAM

FUNDING FOR THE PACHECO RESERVOIR EXPANSION PROJECT:

General Manager/Secretary Ridenhour stated that in 2014 the voters in California approved Proposition 1, which provides funding for water quality and water supply projects that provide regional benefits. Santa Clara Valley Water District and its agency partners (Pacheco Pass Water District and San Benito County Water District) are submitting an application for funding for the Pacheco Pass Reservoir Expansion Project, and are requesting support from other agencies who will benefit from the project.

Pacheco Pass Reservoir is currently owned and operated by the Pacheco Pass Water District and is in need of substantial repair. The reservoir has the potential to be expanded to nearly 150,000 acre feet and provide regional benefits including additional storage of Central Valley Project (CVP) water, local runoff storage, downstream benefits to steelhead, downstream groundwater recharge, and flood control benefits. Santa Clara Valley Water District has taken the lead on this potential project and San Benito County Water District and Pacheco Pass Water District are partners. Santa Clara Valley Water District has requested support from other agencies in San Benito County and Sunnyslope could benefit from these improvements, which includes improving the reliability of CVP deliveries from San Benito County Water District.

If funds are granted to this project, additional feasibility studies will be conducted that consider cost and actual water supply benefits for the partners. North county groundwater and additional surface water are both water supplies identified in the Master Plan that was accepted by the Board at the June Board Meeting and this project could potentially address these District needs in the future.

Upon motion made by Director Rodriguez, seconded by Director Ross, and carried 3-0-2 absent (President Johnson and Director Spencer absent), the Board adopted Resolution No. 547 and the letter supporting Santa Clara Valley Water District's application to receive State Water Storage Investment Program Funding for the Pacheco Reservoir Expansion Project.

H. 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:** No meeting.
6. **Water Resources Association of San Benito County (WRA):** Director Ross reported that a meeting was held on August 10th. She submitted a written summary of the meeting. The committee reviewed the WRA expenses for the fourth quarter of FY 2016-17, received an update on the Hollister Urban Area Water Project, and received an update on the progress of the water conservation programs. The next WRA meeting is scheduled for September 7th.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck asked the Board if there were any questions on the Operations Summary (thru July, 2017), and Investment Summary (thru July, 2017). She noted that no Statement of Income was provided this month since it would be for the month of June, and the Board will received the audited financial statements instead at a later date. There were no questions at this time.

The District's Investment Summary report reflects the total cash balance as of July 31, 2017 of \$10,052,825.47, which includes posted interest totaling \$8,362.14 (one month interest on the CDs, and fourth fiscal year quarter interest on the LAIF investment that posted in July).

Water/Wastewater Superintendent Jim Filice reported on the July 31, 2017 Maintenance Staff Report, and asked the Board if there were any questions. There were no questions. Mr. Filice noted that the West Hills Water Treatment Plant should be operational by the end of August or early in September, and expect to be ready to supply water to customers.

In review of the Meter Reading Report for the period of June 14, 2017 to July 17, 2017, the intertie meter data indicates the City received 11.4 % of Lessalt Water Treatment Plant water, while the District received 88.6 %. Mr. Filice noted that the City is paying us back more water.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are crested and starting a downward trend again.

8. **Active Tasks Update:** General Manager Secretary Ridenhour reported that he will be setting up a Policy & Procedures Committee Meeting to discuss the purchasing policy as well as discuss legislative and regulatory advocacy by the District. Mr. Ridenhour gave an update on negotiations with the High School for an easement for the Cross Town Pipeline and reported he had retained the services of an appraiser to determine the value of the easement. Mr. Ridenhour updated the Board on the West Hills Water Treatment Plant and reported the State had performed their inspection on August 1st. Mr. Ridenhour updated the Board on LAFCO activities regarding sewer service outside the City Limits and on the rescinded Chromium 6 regulations. The last item covered was to inform the Board that Verizon Wireless had again become active in pursuing a wireless antenna site on the District's Fairview Road tank property and that Mr. Ridenhour is revisiting the lease that had previously been negotiated and approved by the Board in January 2016.

I. BOARD and STAFF REPORTS

1. **Directors:** No report.

2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** The auditors are coming tomorrow to do tests of controls, and we will be firming up the dates for this year's audit.
4. **Assistant Engineer:** The Santana Ranch development is continuing to move along, and staff completed negotiations for another developer credit for them to install another section of pipeline connection to the Fairview Tanks that will help meet future District needs.
5. **General Manager:** No report.

J. FUTURE AGENDA ITEMS:

President Johnson had previously requested that there be future discussion on the need for both a Water/Wastewater Committee and Governance Committee.

K. ADJOURNMENT: Vice President Alcorn adjourned the meeting at 6:50 p.m.

APPROVED BY THE BOARD: *s/ Michael Alcorn*
Michael Alcorn, Vice President

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