

**MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
August 16, 2016**

A. CALL TO ORDER: The meeting was called to order at 4:30 p.m. by President Hill, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

B. ROLL CALL: Present: President Kathleen Hill; Directors: Mike Alcorn, Judi Johnson, Dave Meraz, and Danny Villalon.

C. PUBLIC COMMENT ON CLOSED SESSION MATTERS: None.

D. CLOSED SESSION (Pursuant to Government Code Section 54957.6): President Hill moved the meeting to closed session at 4:31 pm.

1. Conference with Labor Negotiators: Kathy Hill, Mike Alcorn, & Don Ridenhour

Staff Present for Closed Session: General Manager/Secretary Don Ridenhour and Attorney Heidi Quinn.

President Hill opened the meeting to the public at 5:15 p.m.

E. PLEDGE OF ALLEGIANCE: Director Meraz led staff, and public in the Pledge of Allegiance.

F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION: President Hill clarified that the negotiating team included Director Alcorn. Attorney Heidi Quinn reported that the Board met in closed session pursuant to Government Code Section 5497.6 and discussed labor negotiations and there were no other reportable actions taken.

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 Heidi Quinn, Water/Wastewater Superintendent Jim Filice, and Assistant Engineer Rob Hillebrecht.

I. CONSENT AGENDA:

1. Approval of Minutes – for the Regular Meeting of July 19, 2016.

2. Allowance of Claims – to ratify disbursements for the period from July 12, 2016 through August 8, 2016, totaling \$844,746.51 which includes \$502,036.11 for payments to vendors and employees, \$340,347.51 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$2,362.89 for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of August 8, 2016 was check #22227.

The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/18/16	ACH 0852	RETURNED ACH (Ret ACH 07-01)	-136.36
07/19/16	ACH 0853	RETURNED ACH (Ret ACH 07-02 thru 07-05)	-570.73

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/12/16	ACH 0854	RETURNED CHECK (Ret Ck 07-01)	-720.69
07/20/16	ACH 0855	RETURNED CHECK (Ret Ck 07-02)	-166.48
07/15/16	ACH 0856	EFTPS	-147.40
07/29/16	ACH 0857	EFTPS	-21,033.34
08/03/16	ACH 0858	Merchant Services	-829.96
08/03/16	ACH 0859	Merchant Services	-1,002.30
08/04/16	ACH 0860	RETURNED CHECK (Ret Ck 08-01)	-150.96
07/15/16	DD 1690	Alcorn, Michael H	-277.05
07/15/16	DD 1691	Hill, Kathleen A	-184.70
07/15/16	DD 1692	Johnson, Judi H	-92.35
07/15/16	DD 1693	Meraz, David E	-92.35
07/15/16	DD 1694	Villalon, Daniel	-67.35
07/29/16	DD 1695	Alvarez, Abel	-4,939.01
07/29/16	DD 1696	Brill, Kelly L.	-4,378.57
07/29/16	DD 1697	Buck, Cathy L.	-6,427.54
07/29/16	DD 1698	Castro, Kevin G.	-5,083.85
07/29/16	DD 1699	Chavez, Jr., Manuel T.	-6,253.00
07/29/16	DD 1700	Eclarin, Ernesto P.	-4,499.81
07/29/16	DD 1701	Filice, James L.	-6,566.83
07/29/16	DD 1702	Hagins, Patrick M.	-4,449.85
07/29/16	DD 1703	Hillebrecht, Robert B	-3,731.46
07/29/16	DD 1704	Jackson, Patrick W.	-5,183.56
07/29/16	DD 1705	Malko, Kim A.	-2,572.87
07/29/16	DD 1706	Norman, III, Walter R.	-5,255.76
07/29/16	DD 1707	Padilla, David	-5,322.39
07/29/16	DD 1708	Porteur, Carol A.	-4,025.01
07/29/16	DD 1709	Quick, Troy E	-3,766.17
07/29/16	DD 1710	Ridenhour, Donald G	-9,890.79
07/29/16	DD 1711	Sanchez, Ricardo A	-4,053.62
07/29/16	DD 1712	Watson, Scott A.	-5,464.37
07/29/16	DD 1713	Zavala, Anabel G.	-4,393.02
07/18/16	22148	STEVEN PRETLOVE JR & BARBARA GARCIA	-224.77
07/18/16	22149	TUU DOAN HO	-48.11
07/18/16	22150	LINDSAY JENNISON	-247.48
07/18/16	22151	MARILYNE PAUL	-40.13
07/18/16	22152	A-1 Services	-403.00
07/18/16	22153	Alan Brookshire Plumbing	-2,615.25
07/18/16	22154	B.S.K. Analytical Laboratories, Inc.	-110.00
07/18/16	22155	BHI Management Consulting	-600.00
07/18/16	22156	Bianchi Kasavan & Pope, LLP	-28.00
07/18/16	22157	Bracewell Engineering, Inc.	-126.00
07/18/16	22158	Calcon System, Inc.	-1,419.00
07/18/16	22159	Calif. Surveying and Drafting	-568.99
07/18/16	22160	City of Hollister-Finance Dept	-340,347.51
07/18/16	22161	CM Analytical, Inc.	-5,725.00
07/18/16	22162	De Lay & Laredo	-2,000.00
07/18/16	22163	John Smith Road Landfill	-19.32
07/18/16	22164	Maverick Welding Supply, Inc.	-76.15
07/18/16	22165	Performance Agriculture	-403.13
07/18/16	22166	Roberts Water Technologies, Inc.	-2,888.53
07/18/16	22167	Rowe Upholstery	-140.36
07/18/16	22168	Void	0.00
07/18/16	22169	Toro Petroleum Corp.	-1,460.83
07/18/16	22170	Stonecreek Properties	-373.25
07/18/16	22171	R & L Development	-7,932.50
07/18/16	22172	BMC WP LLC	-5,967.82
07/21/16	22173	San Benito County Water District	-172,444.84
07/22/16	22174	Postmaster	-229.13
07/25/16	22175	JUAN ESPINOZA	-57.18
07/25/16	22176	Norman, III, Walter R.	-150.00

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
07/25/16	22177	Ag. Commissioner San Benito Co.	-494.50
07/25/16	22178	Calgon Carbon Corporation	-41,278.00
07/25/16	22179	CM Analytical, Inc.	-4,086.25
07/25/16	22180	EBCO Pest Control	-55.00
07/25/16	22181	First Trust Alarm Company	-637.50
07/25/16	22182	Hach Company	-3,778.93
07/25/16	22183	Konica Minolta Premier Finance	-417.72
07/25/16	22184	Mc Kinnon Lumber Co., Inc.	-41.72
07/25/16	22185	Radio Shack (Crystal T.V.)	-21.69
07/25/16	22186	Rowe Upholstery	-180.36
07/25/16	22187	Vivax-Metrotech	-70.55
07/29/16	22188	Employment Dev. Dept. (EDD) DE88 Pmts.	-7,976.04
07/29/16	22189	CalPERS - Retirement	-1,036.00
07/29/16	22190	CalPERS - Retirement	-957.83
07/29/16	22191	Nationwide Retirements Solutions	-15,507.89
07/29/16	22192	CalPERS - Retirement	-23,262.47
07/29/16	22193	Dearborn National Life Insurance Company	-304.00
07/29/16	22194	HealthSmart Benefit Solutions, Inc. (VSP)	-320.77
07/29/16	22195	Premier Access Insurance Co.	-3,231.85
07/29/16	22196	CalPERS - Health Insurance	-18,579.19
07/29/16	22197	CalPERS - Retirement	-32.04
07/29/16	22198	Postmaster	-1,914.14
07/29/16	22199	Petty Cash	-54.40
08/01/16	22200	Porteur, Carol A.	-119.08
08/01/16	22201	All Star Ready Mix, LLC	-806.92
08/01/16	22202	AT&T	-281.10
08/01/16	22203	Brenntag Pacific, Inc.	-7,139.82
08/01/16	22204	Corix Water Products	-412.90
08/01/16	22205	Ferguson Enterprises, Inc.	-204.64
08/01/16	22206	Hach Company	-189.15
08/01/16	22207	Mission Uniform Service	-714.64
08/01/16	22208	Palace Business Solutions	-505.19
08/01/16	22209	San Benito Tire, Inc.	-1,071.19
08/01/16	22210	Toro Petroleum Corp.	-1,082.45
08/01/16	22211	Verizon Wireless	-264.61
08/01/16	22212	Ace Hardware (Johnson Lumber Co.)	-485.62
08/02/16	22213	State Water Resources Control Board-OOC	-140.00
08/08/16	22214	Castro, Kevin G.	-150.00
08/08/16	22215	Ace Hardware (Johnson Lumber Co.)	-144.69
08/08/16	22216	Animal Damage Management	-155.00
08/08/16	22217	AT&T	-129.37
08/08/16	22218	Calif. Clean Energy LLC	-2,525.46
08/08/16	22219	Hach Company	-1,159.59
08/08/16	22220	P G & E	-30,649.83
08/08/16	22221	Recology San Benito County	-128.51
08/08/16	22222	San Benito County Water District	-418.25
08/08/16	22223	San Benito Tire, Inc.	-655.61
08/08/16	22224	South Valley Internet, Inc.	-20.45
08/08/16	22225	U.S. Bank Corporate Payment Systems	-280.92
08/08/16	22226	Underground Service Alert	-457.88
08/08/16	22227	Back School, The	-1,839.02
Total Disbursements			<u>-844,746.51</u>

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

J. NEW BUSINESS:

1. PUBLIC HEARING: CONSIDER APPROVAL OF RESOLUTION NO. 544

ADOPTING THE 2015 URBAN WATER MANAGEMENT PLAN PREPARED FOR SUNNYSLOPE COUNTY WATER DISTRICT, SAN BENITO COUNTY WATER DISTRICT, AND THE CITY OF HOLLISTER: General

Manager/Secretary Ridenhour explained that the District is required by the State to prepare and adopt an Urban Water Management Plan every five years. The 2015 Urban Water Management Plan (Plan) has been prepared by Todd Engineers on behalf of the City of Hollister (City), the San Benito County Water District (SBCWD), and the Sunnyslope County Water District (District). The City and SBCWD will be considering adoption of the Plan on August 15th and August 31st respectively. Notices regarding the public hearing were run in the Hollister Freelance Newspaper on July 22nd and July 29th, 2016, and the Plan has been made available for review at the District's offices and on the District's website.

The purpose of the Plan is to guide the area's water management efforts to the year 2020 and beyond. The Plan has been prepared in concert with the Hollister Urban Area Water Master Plan, which should be completed later this year. The Plan has been prepared in accordance with the Urban Water Management Planning Act and guidelines prepared by the State Department of Water Resources and includes a description of the Hollister Urban Area service area, water demand history, water loss audit, per capita water demand as required by Senate Bill 7, projected future water demands, a water use reduction plan, identifies sources of supply, assesses water supply reliability, and specifies demand management measures.

The key components of the Plan include an assessment of the Hollister Urban Area water supply and reliability, and a water shortage contingency plan. The water supply assessment is detailed in Chapter 7 and the shortage contingency plan is detailed in Chapter 8. With conservation the Hollister Urban Area has adequate water supplies for the foreseeable future, but this Plan helps identify the quantity of water needed to reduce the need for conservation in the future and during severe droughts. The Plan shows the District has already met its obligation to reduce water consumption 20% by 2020 but staff expects State involvement in mandating water conservation and reductions to be a continuing issue in future years.

President Hill opened the public hearing and asked for any comments or questions from members of the public. No members of the public made any comments.

Director Johnson asked for clarification regarding the growth projections and regarding working closely with the Water Resources Agency on water conservation planning to ensure the District is ready to respond to future drought regulations. General Manager/Secretary Ridenhour explained the growth projections were conservative numbers and that he felt they were high, which was appropriate for water supply planning purposes. Mr. Ridenhour explained that the conservation measures in the Plan were much more extensive than the 2010 Plan, and that the District works very closely with Water Resources Association staff and the City to make sure we have adequate water shortage contingency plans and that it is consistent with the City.

President Hill commented that the conversion of agricultural land to urban development might reduce water demands. General Manager/Secretary Ridenhour explained that this was not accounted for in the Plan because the water demand projections were for City and District customers and did not include agricultural demands so the overall demand numbers were a conservative projection.

Director Alcorn asked why the recycled water numbers were staying the same through 2035. General Manager/Secretary Ridenhour explained that the amount of recycled water

use may grow over time, but were not accounted for in the estimates. Assistant Engineer Hillebrecht added that the use of recycled water will grow but most or all of the increase in use will be on agricultural land outside the Hollister Urban Area and that is not covered in this planning document.

Director Johnson asked about plans to deliver recycled water to the Ridgemark Golf Course. General Manager/Secretary Ridenhour explained that this would be evaluated in the Hollister Urban Area Master Plan that will be completed later this year, but he thought the cost would be prohibitive and the Golf Course would not be willing to pay for the true cost of the recycled water. Mr. Ridenhour also commented that the District's treated wastewater was percolated into the ground and becomes part of the County's groundwater supply and was not lost.

Director Alcorn asked about climate change effects to future water supplies and General Manager/Secretary Ridenhour explained that climate change was addressed in the Plan, but water supply and demand impacts are difficult to quantify so no specific effects are identified.

President Hill asked about the per capita water use numbers in the Plan and its relation to the variable component of the sewer bill. She suggested with the per capita use going down, the District should consider a fixed sewer rate like the City. General Manager/Secretary Ridenhour committed to do that when rates are revisited in future years.

President Hill closed the public hearing and requested a motion by the Board.

Upon motion made by Director Johnson, seconded by Director Villalon, and carried 5-0, the Board approved Resolution No. 544 adopting the 2015 Urban Water Management Plan prepared for Sunnyslope County Water District, San Benito County Water District, and the City of Hollister.

- 2. CONSIDER AUTHORIZING BOARD MEMBERS TO ATTEND THE ASSOCIATION OF CALIFORNIA WATER AGENCIES CONFERENCE (ACWA) REGION 5 AGRICULTURAL PROGRAM AND TOUR ON SEPTEMBER 18TH AND 19TH, 2016 IN BYRON, CALIFORNIA:** General Manager/Secretary Ridenhour stated that ACWA Region 5 is holding a program and tour titled "Agricultural Program and Tour" on Sunday September 18th and Monday September 19th. On Sunday, the group will tour a farm in the Byron Bethany Irrigation District, and attend a dinner and program in the evening. On Monday, the group will tour the U.C. Davis Fish Conservation and Culture Laboratory, and Frog Hollow Farm. The cost of registration is \$50 and the total expenditure for attending the program and tour is approximately \$355 per person including registration, mileage reimbursement, and hotel accommodations. If members carpool the rate per person would be reduced.

The Board of Directors must approve any Director's participation when representing the District in any official capacity and for them to receive expense reimbursement for any eligible expenses under District policy.

Director Johnson expressed interest in attending the conference. There was a discussion regarding interest and ability to attend by the other Board members. It was suggested that all members could be authorized to attend if their schedules allowed and they decided to attend at later date. General Manager/Secretary Ridenhour commented that he had a prior commitment and would not be attending the conference.

President Hill asked if there were any comments from the public and there were none.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 5-0, the Board authorized all of the five Directors to travel and attend the Association of California Water Agencies Region 5 Agricultural Program and Tour on September 18th & 19th, 2016 in Byron, California.

K. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** No meeting held.
- 2. Water/Wastewater Committee:** Director Johnson reported that she provided a written report to the Board regarding the Committee Meeting held on August 2, 2106. Director Johnson's report included the Urban Water Management Plan review that was on tonight's agenda; an update on the Cross-Town Pipeline; and building projects underway. General Manager/Secretary Ridenhour reported that an update on the West Hills Water Treatment Plant construction progress was also provided.
- 3. Finance Committee:** No meeting held.
- 4. Policy and Procedure Committee:** No meeting held.
- 5. Personnel Committee:** No meeting held.
- 6. Water Resources Association of San Benito County (WRA):** Director Johnson reported that she provided a written report to the Board regarding the meeting held on August 4th. Director Johnson's report listed the WRA Budget, upcoming events, and the evaluation of current conservation programs as topics covered at the meeting. Director Johnson mentioned she would not be able to attend the next WRA meeting scheduled for October 6, 2016, and President Hill agreed to attend as the alternate.
- 7. Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** General Manager/Secreatry Ridenhour asked if there were any questions on the Operations Summary (thru July 31, 2016) and Investment Summary (thru July 31, 2016). Due to Cathy Buck being on vacation the Statement of Income (thru June 30, 2016) was not prepared for this meeting.

The District's Investment Summary report reflects the total cash balance as of July 31, 2016 of \$9,496,818.17, which includes posted interest totaling \$7,341.93 (one month interest on the CD's, and second quarter interest on the LAIF investment).

Water/Wastewater Superintendent Jim Filice reported on the July 2016 Maintenance Staff Report, and asked the Board if there were any questions. Director Johnson asked questions about a repair to the gate at the Ridgemark Tanks, the dirt work at the Ridgemark II ponds, and flushing of the wastewater pond monitoring wells. Mr. Filice explained each of the items mentioned. Director Johnson also commented she was pleased to see the District had begun flushing hydrants again and that chlorine had not been added to the District's water storage tanks in the last year.

In review of the Meter Reading Report for the period June 14, 2016 to July 14, 2016, the intertie meter data indicates the City received 8.1% of Lessalt Water Treatment Plant water, while the District received 91.9%. Mr. Filice reported that the City has paid back some water owed to the District.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are trending down as would be expected this time of year.

- 8. Active Tasks Update:** General Manager/Secretary Ridenhour reported that water conservation continued to be above the State's mandate (27.7%) in July, and efforts continue to obtain an easement through San Benito High School for the Cross-Town Pipeline. Mr. Ridenhour mentioned he had attended a High School Board Meeting on July 26th and would attend again on September 6th with San Benito County staff to discuss the pipeline easement further. Mr. Ridenhour provided an update on the West Hills Water Treatment Plant construction. The Board and Attorney Heidi Quinn expressed interest in touring the project site.

L. BOARD and STAFF REPORTS

- 1. Directors:** Director Johnson reported she gets many complaints about City sewer charges on the District's bills and asked if staff could investigate having the bills identify the sewer and street sweeping components clearly as City charges.
- 2. District Counsel:** No report.
- 3. Finance and Human Resource Manager:** No report, Ms. Buck was not in attendance at the meeting.
- 4. Assistant Engineer:** Assistant Engineer Hillebrecht provided an update on the District's water system mapping and coordinating with the County GIS staff.
- 5. General Manager:** No report.

M. FUTURE AGENDA ITEMS: No items were mentioned.

N. ADJOURNMENT: President Hill adjourned the meeting at 5:58 p.m.

APPROVED BY THE BOARD: *s/ Kathleen A. Hill*

Kathleen A. Hill, President

RESPECTFULLY SUBMITTED: *s/ Donald G. Ridenhour*

Donald G. Ridenhour, Secretary