

**MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
December 16, 2014**

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Villalon, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. BOARD SWEARING IN CEREMONY:** General Manager/Secretary Don Ridenhour conducted the swearing in ceremony and administered the Oaths of Office to new Board members Michael Alcorn and Judi Johnson; and returning Board member Danny Villalon.
- C. ROLL CALL: Present:** President Danny Villalon; Directors Michael Alcorn, Kathleen Hill, Judi Johnson, and Dave Meraz.
- D. PLEDGE OF ALLEGIANCE:** General Manager/Secretary Ridenhour led Directors, staff, and public in the Pledge of Allegiance.
- E. APPROVAL OF AGENDA:** Upon motion made by Director Hill, seconded by Director Meraz, and carried (5-0), the agenda was approved as presented.
- F. 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; Water/Wastewater Superintendent Jim Filice, and Finance and Human Resource Manager Cathy Buck.

Others present: Harry Blohm, Project Manager for the Hollister Urban Area Water and Wastewater Master Plan, Frank Guerra, and Brian Curtis of Anderson Homes.

G. CONSENT AGENDA:

- 1. Approval of Minutes – for the Regular Meeting of November 18, 2014.
- 2. Allowance of Claims – to ratify disbursements for the period from November 12, 2014 through December 9, 2014, totaling \$2,194,115.74, which includes \$357,601.32 for payments to vendors and for employee compensation, \$1,500,000 for investment in a certificate of deposit, \$334,927.15 paid to the City of Hollister for collection of their customer’s sewer billings net of our fees, and \$1,587.27, for customer refunds and deductions for checks returned for insufficient funds. The last check written as of December 8, 2014 was check # 20328. The list of disbursements is as follows:

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/14/14	ACH 0651	EFTPS	-212.00
11/17/14	ACH 0653	RETURNED ACH (ACH Ret. 11-01)	-165.73
11/14/14	ACH 0654	RETURNED CHECK (Ck Ret. 11-01)	-313.00
11/26/14	ACH 0655	EFTPS	-22,212.57
11/14/14	ACH 0656	RETURNED ACH (ACH Ret. 11-02)	-128.36
11/19/14	ACH 0657	RETURNED CHECK (Ck Ret. 11-02)	-149.76
12/03/14	ACH 0659	Merchant Services	-832.63
12/04/14	ACH 0660	RETURNED CHECK (Ck Ret. 12-01)	-95.41
11/14/14	DD 1238	Clapham, David G	-266.05
11/14/14	DD 1239	Johnson, John M	-183.70

Date	Num	Name	Amount
11/14/14	DD 1240	Meraz, David E	-183.70
11/14/14	DD 1241	Villalon, Daniel	-67.35
11/26/14	DD 1242	Alvarez, Abel	-4,876.82
11/26/14	DD 1243	Brill, Kelly L.	-5,033.08
11/26/14	DD 1244	Buck, Cathy L.	-6,573.17
11/26/14	DD 1245	Castro, Kevin G.	-5,446.34
11/26/14	DD 1246	Chavez, Jr., Manuel T.	-6,919.74
11/26/14	DD 1247	Eclarin, Ernesto P.	-5,136.61
11/26/14	DD 1248	Filice, James L.	-6,606.60
11/26/14	DD 1249	Hagins, Patrick M.	-4,981.24
11/26/14	DD 1250	Jackson, Patrick W.	-5,844.68
11/26/14	DD 1251	Malko, Kim A.	-2,739.78
11/26/14	DD 1252	Norman, III, Walter R.	-5,386.56
11/26/14	DD 1253	Padilla, David	-5,600.03
11/26/14	DD 1254	Porteur, Carol A.	-3,967.14
11/26/14	DD 1255	Ridenhour, Donald G	-9,888.84
11/26/14	DD 1256	Watson, Scott A.	-5,976.82
11/26/14	DD 1257	Zavala, Anabel G.	-4,296.97
11/14/14	20243	Hill, Kathleen A	-163.70
11/17/14	20244	Porteur, Carol A.	-75.85
11/17/14	20245	A-1 Services	-403.00
11/17/14	20246	Bianchi Kasavan & Pope, LLP	-574.00
11/17/14	20247	Calcon System, Inc.	-18,484.30
11/17/14	20248	Calif. Dept. of Pesticide Regulation	-60.00
11/17/14	20249	Calif. Clean Energy LLC	-4,473.80
11/17/14	20250	City of Hollister-Finance Dept	-334,927.15
11/17/14	20251	CM Analytical, Inc.	-1,250.00
11/17/14	20252	De Lay & Laredo	-3,151.50
11/17/14	20253	Don Chapin Co. Inc., The (Sewer Manholes)	-66,384.00
11/17/14	20254	EBCO Pest Control	-55.00
11/17/14	20255	Electrical Distributors Co.	-373.49
11/17/14	20256	Hach Company	-605.41
11/17/14	20257	Harper & Associates Engineering, Inc.	-1,500.00
11/17/14	20258	NH3 Service Company	-1,914.75
11/17/14	20259	Shape, Inc.	-1,644.49
11/17/14	20260	USA BlueBook	-126.11
11/24/14	20261	RHONDA BRUMIT	-28.84
11/24/14	20262	ROBERT CLEMENT	-97.03
11/24/14	20263	ANDREW & HOLLY HENDERSON	-26.85
11/24/14	20264	KIM & JOYCE LA FLEUR	-74.93
11/24/14	20265	ERIC & ROSEMARY MAIRE	-32.82
11/24/14	20266	PIVETTI CO	-176.58
11/24/14	20267	SEATEC UNDERGROUND UTILITIES INC.,	-297.96
11/24/14	20268	A Tool Shed	-93.10
11/24/14	20269	All Star Ready Mix, LLC	-178.91
11/24/14	20270	Brenntag Pacific, Inc. (Chemicals for Lessalt)	-13,496.22
11/24/14	20271	CM Analytical, Inc.	-3,807.50
11/24/14	20272	Coast Counties Glass	-17.00
11/24/14	20273	Corbin Willits Systems, Inc. (MOM's)	-520.00
11/24/14	20274	First Trust Alarm Company	-160.00
11/24/14	20275	Hach Company	-453.96
11/24/14	20276	Hollister Safe & Lock Inc.	-201.66
11/24/14	20277	Mark Nicholson, Inc.	-9,014.00
11/26/14	20278	Eclarin, Ernesto P.	-2,098.14
11/26/14	20279	Filice, James L.	-3,605.67
11/26/14	20280	Zavala, Anabel G.	-102.16
11/26/14	20281	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,531.35
11/26/14	20282	CalPERS - Retirement	-1,036.00
11/26/14	20283	Nationwide Retirements Solutions	-11,156.16
11/26/14	20284	CalPERS - Health Insurance	-13,229.28
11/26/14	20285	CalPERS - Retirement	-28,577.97
11/26/14	20286	Dearborn National Life Insurance Company	-256.00
11/26/14	20287	HealthSmart Benefit Solutions, Inc. (VSP)	-304.61

Date	Num	Name	Amount
11/26/14	20288	Premier Access Insurance Co.	-2,955.80
11/21/14	20289	Postmaster	-266.32
11/26/14	20290	Postmaster	-1,936.67
11/26/14	20291	Petty Cash	-32.88
12/01/14	20292	Al's Septic Tank Service Inc.	-735.00
12/01/14	20293	All Star Ready Mix, LLC	-1,901.05
12/01/14	20294	AT&T	-241.49
12/01/14	20295	B.W.S. Distributors, Inc.	-109.02
12/01/14	20296	Bracewell Engineering, Inc.	-252.00
12/01/14	20297	Brigantino Irrigation	-638.96
12/01/14	20298	CM Analytical, Inc.	-2,915.00
12/01/14	20299	Corix Water Products	-411.22
12/01/14	20300	Ferguson Enterprises, Inc.	-208.04
12/01/14	20301	Hach Company	-758.76
12/01/14	20302	Hollister Auto Parts, Inc.	-113.97
12/01/14	20303	McGilloway, Ray, Brown & Kaufman (FY End I	-6,400.00
12/01/14	20304	Mid Valley Supply	-207.48
12/01/14	20305	Mission Uniform Service	-572.01
12/01/14	20306	NH3 Service Company	-1,063.75
12/01/14	20307	Palace Business Solutions	-608.86
12/01/14	20308	Razzolink.com	-209.85
12/01/14	20309	Sierra Chemical Co.	-1,117.68
12/01/14	20310	Staples Advantage	-436.00
12/01/14	20311	State Water Resources Control Bd-AFRS (An	-6,787.00
12/01/14	20312	Verizon Wireless	-377.45
12/01/14	20313	Wright Bros. Indust. Supply	-140.89
12/04/14	20314	Heritage Bank of Commerce	-1,500,000.00
12/08/14	20315	Ace Hardware (Johnson Lumber Co.)	-634.91
12/08/14	20316	AT&T	-272.58
12/08/14	20317	Cal-Sierra Technologies, Inc.	-177.35
12/08/14	20318	Corix Water Products	-922.02
12/08/14	20319	Everbank Commercial Finance, Inc.	-224.60
12/08/14	20320	Gabilan Welding, Inc.	-692.83
12/08/14	20321	Kart-Man's, The	-89.45
12/08/14	20322	National Meter & Automation, Inc.	-4,996.60
12/08/14	20323	Recology San Benito County	-126.03
12/08/14	20324	San Benito County-Assessor	-30.92
12/08/14	20325	Silke Communications, Inc.	-4,264.14
12/08/14	20326	South Valley Internet, Inc.	-20.45
12/08/14	20327	Toro Petroleum Corp.	-1,593.42
12/08/14	20328	U.S. Bank Corporate Payment Systems	-847.36
Total Disbursements			<u>-2,194,115.74</u>

During the Board and Staff Reports, Item J, Director Johnson made inquiries about the following payments:

- 1) the two checks paid to CalPERS – Retirement, and Finance and Human Resource Manager Cathy Buck responded that one check is for service credit purchases withheld from employees pay and the second check is for the normal monthly retirement cost;
- 2) the two checks payable to Postmaster, and Ms. Buck responded that one payment was for the bulk rate cost of mailing the November shut-off notices, and the second payment was for the bulk rate cost of mailing the November bills;
- 3) the payments to AT&T, Verizon, and Razzolink – were they for the same thing, and Ms. Buck explained that the AT&T payment is for land lines at the District office, at Ridgemark WWTP and at Lessalt WTP (which is billed to San Benito County Water District); that the Verizon Wireless payment is for cell phones for a few management positions and on-call staff, as well as an air card for the Ridgemark WWTP; and that the Razzolink payment is for internet service for the District Office, the Ridgemark WWTP, and the Lessalt WTP.
- 4) the payment to Bracewell Engineering, and General Manager/Secretary

Ridenhour responded that it is for lab testing, he explained that Bracewell has a lab at the City's wastewater plant and is convenient for the District to use; and lastly,

- 5) the payment to the San Benito County-Assessor, and Mr. Ridenhour responded it was for map updates.

3. Consider Authorization to Purchase a Replacement Spare Pump for the Paullus Drive Sewer Lift Station for Approximately \$6,200.

Director Johnson asked if the spare pump would be new or used and when it would need to be replaced, General Manager/Secretary Ridenhour responded that recently one of the three pumps in the Paullus Drive sewer lift station failed and after evaluating the cost of rebuilding the pump, it was determined it would exceed the cost of purchasing a new pump. Mr. Ridenhour stated that a spare pump has already been installed, but a new spare should be ordered to ensure we have redundancy in the system.

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

H. NEW BUSINESS:

1. TAKE APPROPRIATE ACTION TO ELECT A PRESIDENT AND VICE-PRESIDENT OF THE BOARD OF DIRECTORS, AND PRESIDENT TO ASSIGN DIRECTOR DUTIES TO STANDING DISTRICT COMMITTEES FOR 2015:

President Villalon opened the floor for nominations. Director Meraz nominated Director Hill for President; upon motion made by Director Meraz, seconded by Director Johnson, and unanimously carried (5-0), the Board approved Director Hill as President.

Director Johnson nominated Director Alcorn as Vice President and Director Meraz nominated Director Villalon as Vice President. After discussion and direction from District Counsel to take each nomination and motion in the order they were received, Director Alcorn accepted his nomination as Vice President and seconded Director Johnson's motion, and the motion was then unanimously carried (5-0), the Board approved Director Alcorn as Vice President.

President Hill assigned Directors to the following committees or agency representatives:

- Finance Committee – Dave Meraz & Kathy Hill (Alternate – Judi Johnson);
- Water & Wastewater Committee – Danny Villalon & Kathy Hill (Alternate – Mike Alcorn);
- Governance Committee – Danny Villalon & Kathy Hill (Alternate – Mike Alcorn);
- Employee & Personnel Committee – Dave Meraz & Danny Villalon (Alternate – Judi Johnson);
- Policy and Procedures Committee – Mike Alcorn & Kathy Hill (Alternate – Dave Meraz);
- Water Resources Agency – Judi Johnson (Alternate – Danny Villalon);
- ACWA/JPIA Board Representative – Mike Alcorn (Alternate – Danny Villalon); and the
- District Check Signing Responsibility – December, 2014 and first quarter of 2015 will be Danny Villalon with future signing responsibilities to be assigned at the end of each quarter for the next quarter.

Director Alcorn asked if there was a Public Relations Committee, and General Manager/Secretary Ridenhour responded that for the most part, public outreach is done through the

Water Resources Agency (WRA).

- 2. CONSIDER APPROVAL OF AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HOLLISTER, SAN BENITO COUNTY WATER DISTRICT, AND THE SUNNYSLOPE COUNTY WATER DISTRICT FOR THE UPDATE OF THE HOLLISTER URBAN AREA WATER AND WASTEWATER MASTER PLAN:** General Manager/Secretary Ridenhour gave a brief background on the expansion of the West Hills Water Treatment Plant and cross town pipeline for new Directors Alcorn and Johnson. Mr. Ridenhour then stated that on August 20, 2014, the Governance Committee received a presentation regarding the Hollister Urban Area Water and Wastewater Master Plan Update and formally recommended each agency take the Memorandum of Understanding (MOU) back to their respective agencies for adoption and signature. The City of Hollister, San Benito County Water District, and Sunnyslope County Water District all approved and signed the MOU in October of 2014. San Benito County Water District has contracted with HDR to update the Master Plan, and Harry Blohm is providing the management and oversight at a total project cost of \$220,000. Sunnyslope's share is 32% or approximately \$71,000, which has been approved by the Board.

The City of Hollister has requested a revision to the MOU to add services for investigating options for compliance with the new Chromium 6 water quality regulations that took effect July 1, 2014. The City would like to utilize Harry Blohm to manage the investigation and HDR to provide engineering and cost analysis of treatment and/or water supply blending options. Amending the MOU is the easiest way for the City to perform the engineering analysis and investigation and some of the information from the Master Plan will be needed to complete their review. The City will be responsible for all of the additional costs associated with the revised MOU and the added services to investigate Chromium 6 compliance.

Harry Blohm, Project Manager for the Hollister Urban Area Water and Wastewater Master Plan, reiterated that the revision to the MOU is on behalf of the City of Hollister. He also added that the timing for the next phases of West Hills Treatment Plant and the cross town pipeline are important, and may be needed by the City of Hollister sooner than the other agencies. Mr. Blohm stated that an option may be to go after more surface water, but that is becoming in shorter supply.

Director Alcorn stated that the State mandated regulations for hexavalent chromium are very low and asked if there is anyone that is in a position to lobby for the agencies, and General Manager/Secretary Ridenhour responded that Association of California Water Agencies (ACWA) is the voice on behalf of the water agencies.

Upon motion made by Director Johnson, seconded by Director Meraz, and unanimously carried (5-0), the Board approved the amendment to the Memorandum of Understanding between the City of Hollister, San Benito County Water District, and Sunnyslope County Water District for the update of the Hollister Urban Area Water and Wastewater Master Plan.

- 3. CONSIDER APPROVAL OF AGREEMENT FOR WATER FACILITIES AND SERVICE FOR THE EAST OF FAIRVIEW-SANTANA RANCH DEVELOPMENT:** General Manager/Secretary Ridenhour stated that the Santana Ranch Development, which is located along Fairview Road adjacent to the Lessalt Water Treatment Plant and consists of 292 acres, is proposed to be developed over 6 years and in 13 phases. The first two phases have begun construction and contain a total of 166 single family lots. The full build out of the project is projected to take until the year 2020

and will include 1,092 living units, a school, and a park. The project required several levels of approval by San Benito County including General Plan Amendment, adoption of the Santana Ranch Specific Plan, and the Tentative Map for the development that was approved by the San Benito County Planning Commission on October 10, 2010. A Water Supply Assessment for the project was prepared in conformance with Senate Bill 610 and accepted by Sunnyslope County Water District (SSCWD) on December 10, 2009.

SSCWD currently has the capacity and ability to serve water to this development. Pipelines for the use of recycled water in the future are being required within the development to serve landscape strips, parks, and other landscaped areas. The developer is installing a new 16" transmission pipeline from Fairview Road to the easterly corner of the project to replace the pipeline connecting the Fairview Tanks to the District's lower pressure zone. This pipeline is for the benefit of existing customers in the District's lower water pressure zone and does not provide service to the Santana Ranch Development. Mr. Ridenhour stated that each phase will be re-evaluated for the expense of the installed pipeline. The developer will receive a credit of \$202,200 toward future water capacity fees for the installation of the 16" transmission pipeline. The Agreement is the District's standard agreement for facilities.

Brian Curtis, representing Anderson Homes and the Guerra Family, explained that the project's schedule is to have site work done late spring, begin sales in the summer, and start having new home closings in the late fall. Mr. Curtis also stated that future phases will be determined by the sales of the first phase.

Director Johnson inquired about the 12" pipeline to the Fairview Tank that is currently in the ground and General Manager/Secretary Ridenhour responded that it will stay in service as an alternate/duplicate system. Director Johnson also asked if there is a warranty in place for this agreement and General Manager/Secretary Ridenhour explained that a bond is posted or a cash deposit is made for the one-year warranty on the work.

Upon motion made by Director Johnson, seconded by Director Villalon, and unanimously carried (5-0), the Board approved the agreement for water facilities and service for East of Fairview - Santana Ranch Development.

- 4. TAKE APPROPRIATE ACTION TO UPDATE SIGNATURE CARDS FOR THE DISTRICT'S MUFU UNION BANK ACCOUNT AND HERITAGE BANK OF COMMERCE CERTIFICATE OF DEPOSIT:** Finance and Human Resource Manager Cathy Buck stated that due to the change in District Directors, new bank signature cards are needed. Before MUFU Union Bank and Heritage Bank of Commerce can accept any account signatory card changes to District accounts, the Board of Directors need to take formal action and document their approval of updates to the District's signature cards.

The following actions are requested:

1. MUFU Union Bank

- A. Remove outgoing Board members Dave Clapham and John M. Johnson, and add new Board members Judi Johnson and Mike Alcorn to all signature cards for all MUFU Union Bank accounts.
- B. Create new signature cards to include the current five Board members and two District staff, the General Manager and Finance Manager for the MUFU Union Bank checking account number ending in 7511.

The resulting list of authorized signers to be as follows:

- (1) Donald G. Ridenhour, General Manager
- (2) Cathy L. Buck, Finance and Human Resource Manager
- (3) David E. Meraz, Director
- (4) Daniel Villalon, Director
- (5) Kathleen A. Hill, Director
- (6) Judi Johnson, Director
- (7) Michael Alcorn, Director

2. Heritage Bank of Commerce

- A. In addition to the General Manager and Finance Manager, add two more authorized signers to the Certificate of Deposit at Heritage Bank of Commerce (slated to be the two Directors representing the Finance Committee for 2015):

The resulting list of authorized signers for the Certificate of Deposit to be as follows:

- (1) Donald G. Ridenhour, General Manager
- (2) Cathy L. Buck, Finance and Human Resource Manager
- (3) Kathleen A. Hill, Director
- (4) David E. Meraz, Director

Upon motion made by Director Alcorn, seconded by Director Johnson, and unanimously carried (5-0), the Board authorized the update to the signature cards for the District's MUFG Union Bank Account and Heritage Bank of Commerce Certificate of Deposit.

I. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** General Manager/Secretary Ridenhour reported no meeting held; the next meeting is planned for early January, however the date is not set yet.
- 2. Water/Wastewater Committee:** Director Villalon reported no meeting held.
- 3. Finance Committee:** Director Meraz reported no meeting held.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported no meeting held.
- 5. Personnel Committee:** General Manager/Secretary reported no meeting held.
- 6. Water Resources Association of San Benito County (WRA):** Director Johnson reported no meeting held, next meeting is scheduled for January.
- 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 a narrative report on the Operations Summary (thru November 30, 2014), Statement of Income (thru October 31, 2014), and Investment Summary (thru November 30, 2014). Ms. Buck explained to the new Directors that she has been preparing a narrative report to go with the actual reports so that she can summarize the report and point out any important changes. Ms. Buck stated that the auto pay customers are just under 21% of of our total customers.

Director Johnson inquired about the water and sewer sales being down and Ms. Buck responded that water sales are down due to the cooler weather and less need for watering as well as the customers voluntary conservation due to the drought. General Manager/Secretary Ridenhour explained that the sewer revenue is right on target with the rate study that was done and that there are reserves that have been set aside for the loss of

revenue with the drought, but noted that staff is monitoring the revenue and will be looking at the numbers should the drought continue in future years.

The District's Investment Summary report reflects the total cash balance as of November 30, 2014 of \$7,618,805.32, which includes five-months earned interest totaling \$6,019.20. Ms. Buck stated that \$1,200,000 was taken from LAIF along with an additional \$300,000 from the checking account to invest \$1.5 million in a Certificate of Deposit at Heritage Bank of Commerce, which was approved by the Board at the November 18th Board meeting.

Water/Wastewater Superintendent Jim Filice reviewed the November 2014, Maintenance Staff Report and reported that staff continues to work on repairing leaking water services, which in part is due to the old copper service lines not holding up. Mr. Filice also noted that the Lessalt Water Treatment Plant upgrade is complete and the plant has been in full operation for over a week. Staff continues to train and work out the "bugs" of the new upgrade over the 30 day operational test period.

Director Johnson inquired about #17, attend and video record Operator Training sessions to prepare operators for plant operation and Mr. Filice responded that three of the maintenance staff have been at the plant for the training, but they are also videoing the sessions so that they can have the remaining staff go through the training at a later date. Director Johnson inquired about several items regarding the Ridgemark Wastewater Treatment Plant: #21 regarding trouble shooting Pump #2 at the Ridgemark WWTP II liftstation that was pulled and repaired, to which Mr. Filice responded there was moisture in the sensor; #24 regarding trouble shooting Blower #2 that failed at Sequencing Batch Reactor, to which Mr. Filice responded that a motor froze up and was being repaired under warranty; and # 26 regarding repair to the lower access gate, to which Mr. Filice explained that the gate is was not working properly. Director Alcorn also commented that the upper gate seemed to be in need of repair as it was not closing properly, and Mr. Filice responded that staff was aware of the problem and is working on it.

Review of the Meter Reading Report for the period October 15, 2014 to November 12, 2014, reflects the intertie meter data indicates the City received 36.5% of Lessalt water, while the District received 63.5%. Mr. Filice stated that the City of Hollister is continuing to pay back some of the water owed to Sunnyslope.

Water/Wastewater Superintendent Jim Filice reviewed the groundwater level report and noted the wells are holding steady.

- 8. Active Tasks Update:** General Manager/Secretary Ridenhour reported that the District has hired Troy Quick for the Utility Maintenance position and he will be starting on January 5th. He stated that the District has extended an offer to Rob Hillebrecht for the Assistant Engineer position and are awaiting results of the background check and drug screening, but expects Mr. Hillebrecht to also start on January 5th. Now that the Lessalt WTP Upgrade is complete and operational, an outreach program will begin early next year in the Ridgemark area to get customers to quit adding salt to their water softeners. Mr. Ridenhour reported that the sewer manhole repairs are essentially complete with a few minor punch list items remaining. The tank rehabilitation plans for the two Ridgemark tanks and the Fairview tank are complete and should go out to bid in early 2015. The West Hills WTP design is complete and environmental permitting work continues, expecting to go out to bid in April 2015. The District has received the first test results, and, as expected, Well #7 exceeds the new regulations so staff will need to test quarterly. Staff will be developing a blending option with Well #11 to stay in compliance

with State regulations. Mr. Ridenhour stated that development plan submittals and developer inquiries continue to increase.

J. BOARD and STAFF REPORTS

1. Directors: Director Villalon asked if the Sunnyslope County Water District Employees pictures could be updated in the District Information Binders and General Manager/Secretary Ridenhour stated that once our two new employees are on board we will be preparing a new pictures, which we will then distribute. Director Meraz inquired about the tour of the Lessalt WTP now that the upgrade is complete, and General Manager/Secretary Ridenhour stated that he has taken the two new Directors on a tour, and can set a tour up for the remaining Directors.

2. District Counsel: No report.

3. Finance and Human Resource Manager: Director Johnson had several questions on the Disbursement Summary, which have been noted back in Item G., the Consent Agenda.

Ms. Buck reminded the new Directors about completing their Form 700 for assuming office; she notified the Board that they will need to take a group picture at the January Board meeting for the District’s website; and asked Director Alcorn and Director Johnson to prepare and send her a short “Bio” for the District’s website.

4. General Manager: General Manager/Secretary Ridenhour explained that he is currently working with the Attorney’s from DeLay and Laredo on scheduling a Brown Act/Ethics training and will notify the Board of available dates. He also reminded the Board that Sexual Harassment training is scheduled for January 27, 2015 at Marina Coast for those Board members that are available.

K. FUTURE AGENDA ITEMS: The audit presentations for Sunnyslope’s fiscal year ended 6/30/14 and the final Hollister-Sunnyslope Water Treatment Agency’s fiscal year ended 2/28/14.

L. ADJOURNMENT: Upon motion made by Director Meraz, seconded by Director Villalon, and unanimously carried (5-0), the meeting was adjourned at 7:13 p.m.

APPROVED BY THE BOARD: s/ Kathleen A. Hill

Kathleen A. Hill, President

RESPECTFULLY SUBMITTED: s/ Donald G. Ridenhour

Donald G. Ridenhour, Secretary