

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
February 9, 2012

A. CALL TO ORDER: The meeting was called to order at 5:15 p.m. by President Meraz, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

B. ROLL CALL: Present: President Dave Meraz; Directors Dawn Anderson, Danny Villalon, Dave Clapham. Director Kathleen Hill arrived at 5:17 p.m. **Others present:** Secretary Don Ridenhour, Attorney Christine Kemp, and Board Stenographer Laura Wiener-Smolka.

Staff present for Open Session: District Engineer Ken Girouard, Finance & Human Resource Manager Cathy Buck, Executive Assistant Carol Porteur, Water Superintendent Jim Filice and Construction Inspector/Engineering Technician Patrick Imperatrice.

C. CLOSED SESSION: None.

D. CALL REGULAR MEETING TO ORDER: See item A above.

E. ROLL CALL: See item B above.

F. REPORT ACTION TAKEN IN CLOSED SESSION: None.

G. APPROVAL OF AGENDA: Upon motion made by Director Anderson, seconded by Director Villalon, and carried 4-0 (Director Hill absent for vote) the agenda for the February 9, 2012 meeting was approved.

H. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS: The Board welcomed members of the public, including eight high school students and Harry Blohm. President Meraz opened the meeting to public comments regarding matters not itemized on the agenda; there were no comments from the public.

I. READING AND APPROVAL OF MINUTES: Director Anderson suggested a correction to Item L.5. regarding her report on the Water Resources Association of San Benito County. She asked that the sentence that reads, "John Damm was present to talk about water softener rebates and reported that there have been only 9 this year." be corrected to read, "John Damm was present at the meeting to discuss water softeners. Shawn Novack reported that there have only been 9 water softener rebates this year."

Upon motion made by Director Villalon, seconded by Director Anderson, and unanimously carried (5-0), the Board approved the minutes of the January 12, 2012 regular meeting with the noted correction.

J. OLD BUSINESS: None

K. NEW BUSINESS:

1. RECEIVE, REVIEW, AND DISCUSS AN UPDATE FROM DISTRICT COUNSEL ON RECENT CHANGES TO STATE LAW AND BROWN ACT: District Counsel Christine Kemp spoke about how recent legislation affects the Sunnyslope County Water District, as a local agency and its employment contract with its general manager. She explained provisions that require the manager to reimburse his/her employer (the local

agency) for court costs, attorney fees, paid leave, and other applicable costs if convicted of a crime related to his/her employment position. The provisions are retroactive to January 1, 2012; therefore, agenda item K.2. addresses changes needed in the new District Manager's employment contract.

Attorney Kemp went on to give her presentation of Recent Changes to State Law and the Brown Act, beginning with Senate Bill 194, which revises the statute to provide that a conveyance of land to or from a public entity is not considered a division of land for the purposes of computing the number of parcels. This law is unclear whether a parcel map will be required for the conveyance of land to or from a public entity and will need to be monitored. She will keep the Board updated when official interpretations are rendered.

Next, Attorney Kemp discussed Assembly Bill 23, which was in response to what occurred at the City of Bell. She explained that if the Board was convening as another legislative body simultaneously or in serial order, the amount of compensation the Board members are receiving for each meeting must be announced by the clerk, unless no additional compensation is being paid.

Attorney Kemp also covered some law changes enacted in Assembly Bill 1344 in addition to the employment contract issues mentioned earlier, including a new law that prohibits agency executive contracts from providing an automatic renewal of a contract that provides an automatic increase in compensation in excess of a cost-of-living adjustment or a maximum cash settlement in excess of 18-months salary. Assembly Bill 1344 also amends the Brown Act to require local agencies to provide notice of each meeting, including special meetings, on the website **if** the agency has one, and meeting agendas must be posted. In addition, a special meeting cannot be held to have general discussions about salary and other forms of compensation of any agency executive; employee performance evaluation discussions remain as a legitimate closed session topic.

Attorney Kemp discussed the Attorney General Opinion 10-206, which narrowly construes the real-estate negotiations exception under the Brown Act and prohibit general discussions about the District's sale or acquisition of real property in closed session, with the exception of the amount of consideration the local agency is willing to pay and the negotiation strategy about price.

2. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON AMENDMENT TO GENERAL MANAGER'S CONTRACT DUE TO CHANGES IN APPLICABLE STATE LAWS AS MODIFIED IN ASSEMBLY BILL NO. 1344:

District Counsel Kemp noted that Secretary Ridenhour's employment contract with the District was entered into in December 2011, just prior to modifications to state laws enacted in Assembly Bill 1344. She pointed out that the severance compensation clause in Secretary Ridenhour's contract does not conflict with the new legislation. Attorney Kemp stated that newly added sections 53243 through 53243.4 to the Government Code requires that if the employee is convicted of a crime involving abuse of office or his/her employment position, the employee is required to reimburse the local agency (the employer) for certain costs advanced to the employee if the employee is convicted such as attorney fees, court costs, paid leave, etc. She reviewed the manager's contract and pointed out highlighted language, Paragraph 2.4 Reimbursement of Payments, stating that the contract has been amended to comply with the new provisions of the Government Code. She recommended Board approval of the contract as modified.

Upon motion made by Director Villalon, seconded by Director Clapham, and unanimously carried (5-0), the Board approved the District Manager's employment contract as modified and authorized the President to sign the same.

3. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON UPDATE BY GOVERNANCE COMMITTEE STAFF REGARDING IMPLEMENTATION OF THE HOLLISTER URBAN AREA WATER AND WASTEWATER MASTER PLAN AND COORDINATED WATER SUPPLY AND TREATMENT PLAN: Secretary Ridenhour prefaced his presentation by announcing that Harry Blohm was present to answer specific questions.

Secretary Ridenhour spoke about discussions with staff of the Governance Committee who are refining the cost comparison of the three alternatives for the Lessalt Treatment Plant upgrade. He stated that the cost comparison will be presented to the Governance Committee at its February 15th meeting and to this Board at the March 8th meeting.

Secretary Ridenhour reported that the Governance Committee is working with both HDR and Kennedy/Jenks Consulting firms on the EIR for both the Lessalt upgrade and the West Hills Plant project, which is to begin in March. He stated that the Lessalt portion of the EIR should be minimal since the upgrade does not enlarge the treatment plant's footprint or capacity. He noted that everyone involved is aware of time urgency in order to meet the 2013 regulatory deadline.

During his report, Secretary Ridenhour stated that another topic of discussion is a land exchange with the Santana Ranch development or easement near the Lessalt pumping station. He also spoke about financing options, such as use of SBCWD resources, and the current cost sharing agreement which is: 32% Sunnyslope; 32% Hollister; and 36% San Benito County Water District. There has been some discussion with the City of Hollister regarding the option of using some of the reserve funds that the City of Hollister and Sunnyslope County Water District have set aside to pay for the studies until a formal agreement is in place. Once the formal agreement is in place, the design cost will be capitalized and paid as a debt to San Benito County Water District.

Secretary Ridenhour reported that he and City staff have been discussing a draft budget for next fiscal year's operation of the Lessalt plant and will bring it to the Board for approval at the next Board meeting.

He continued his report by stating that CH2MHill will begin a cost and benefit allocation analysis in early February to determine the final cost allocation between the City and District. The meeting with CH2MHill was rescheduled for February 13th. At the conclusion of the CH2MHill study in May, 2012, water rate and connection fee studies for the City and the District will begin so that financing of the planned improvements in the Hollister Urban Area Water Master Plan will be incorporated. Secretary Ridenhour stated that he met with Clint Quilter at the City to discuss the cost savings and efficiency of sharing a rate study; noting that each agency's rates will differ based upon agency costs and capital improvement differences; however, a joint study will provide consistency in methodology.

President Meraz asked if there were any questions. Director Villalon asked what option for the mgd (millions of gallons per day) were under consideration in the cost alternatives. Harry Blohm, consultant for the Governance Committee, explained that the system under consideration will have three "trains" of process with a capacity of 1 mgd each. He explained that this allows each "train" down time for maintenance (during non peak months) which is expected to average out to at least 2.5 mgd on an annual basis. Mr. Blohm stated that all three filtration options being reviewed, Activated Flow Carbon, Nano Filtration and Greensand, are all in the same category with minor differences.

Secretary Ridenhour added that the committee is also factoring some degradation of system efficiency over time.

Director Clapham acknowledged the high school students attending the meeting and provided them a brief explanation of the Lessalt Water Treatment Plant and some of the acronyms being used in the discussions such as MGD standing for million gallons per day.

- 4. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON RIDGEMARK WASTEWATER TREATMENT AND RECYCLED WATER IMPROVEMENTS PROJECT STATUS AND PROGRESS PAYMENT REQUEST BY ANDERSON PACIFIC FOR \$270,957.10:** Engineer Girouard summarized progress made on the Ridgemark Wastewater Treatment and Recycled Water Improvements Project by Anderson Pacific from December 29, 2011 through January 31, 2012. He recommended approval of a progress payment, withholding the customary 10% retention, totaling \$270,957.10. Engineer Girouard noted that in terms of cost expenditure, this payment will bring completion of the project to approximately 29%.

Upon motion made by Director Hill, seconded by Director Anderson, and unanimously carried (5-0), the Board authorized a progress payment to Anderson Pacific for invoice #108-07 in the amount of \$270,957.10.

L. BOARD AND STAFF COMMITTEE STATUS REPORTS:

- 1. Governance Committee:** Secretary Ridenhour reviewed the schedule for critical path items, which are: deciding the preferred option on the Lessalt plant upgrade (noting that the EIR work will begin in March and should be completed in a few months); receive the cost benefit analysis for debt being done by CH2MHill; and initiate a rate and connection fee rate study in May 2012, in cooperation with the City. Secretary Ridenhour reported that he accompanied Directors Clapham and Villalon on a visit to the Lessalt plant and discussed the three options to be presented to the full Board after review by the Governance Committee.

The next Governance Committee meeting will be held at 5:00 p.m. on February 15, 2012, at the San Benito County Water District (SBCWD) Board meeting room.

- 2. Water/Wastewater Committee:** No report.
- 3. Finance Committee:** President Meraz reported that the Finance Committee is scheduled to meet on February 15th at 11:30 a.m.
- 4. Policy and Procedure Committee:** Secretary Ridenhour reported that the Policy and Procedure Committee met on January 17th and developed a draft ordinance for maintenance of sewer laterals, which is being reviewed by Board members on the committee and some of the Ridgemark homeowner associations.

Secretary Ridenhour gave a brief review of the draft, noting that the District would assume responsibility for repairing sewer lateral pipe failures within the street, but not blockages. He explained that laterals in the streets do not have cleanouts; that cleanouts may exist in locations on private property. Secretary Ridenhour stated that he contacted other agencies to ask about their policies and experience. It was pointed out that there is liability to the District for sewer backups if it takes on ownership of a sewer lateral system that does not have cleanouts. Customers would be individually responsible for sewer backups of the sewer lateral from their house all the way to the sewer main line.

Secretary Ridenhour will be meeting with the homeowners to discuss the draft and receive their input as well as presenting it to the Policy and Procedures Committee again before it is presented to the Board for consideration. The Policy and Procedure Committee is scheduled to meet next on February 21st at 10:00 a.m.

5. **Water Resources Association of San Benito County:** Director Anderson reported that the next meeting of the WRA will be held at 10:00 a.m. on March 1, 2012, at the SBCWD Board meeting room.
6. **Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** No report.
7. **State Revolving Fund and Stimulus Package Financing:** Engineer Girouard reported he is processing the required forms for the Best Road Project and there has been a request for one change, so it is moving along.
8. **Lessalt Water Treatment Plant:** Secretary Ridenhour reported that a budget has been drafted and shared with the City for comments for the fiscal year March 1, 2012 through February 28, 2013.
9. **Water Related Projects:** Engineer Girouard spoke about a meeting with Ms. Janet Lompa and legal counsel to review a draft agreement for the lot line adjustment at Well #8. He reported that the District is also proceeding with the lot line adjustment on Well #12 with Bray and Brigantino. He reported that staff has met with the field contractor and the developers are moving forward with the 20 unit subdivision called Walnut Park 13 Unit 1 that is located on the corner of Cerra Vista and Brighton Drive.

Secretary Ridenhour reported that staff has been investigating the source of a mystery water leak on Crestview Drive. A small leak in a fire hydrant coupling was found and will be repaired; however it has not been confirmed that it is the cause of the problem. Staff will continue to monitor.

10. **District Operation Summary, Statement of Income, and Investment Summary; Lessalt Water Treatment Agency Investment and Disbursement Summaries; District Maintenance, Meter Reading, and Well Groundwater Level Reports:** The Board reviewed the January 31, 2012 District Operations Summary and the Statement of Income through December 31, 2011. Cathy Buck reported that one connection fee was received in January and that water sales are up slightly over December. She also reported that 781 customers are using Auto Pay.

Director Villalon inquired about the variation of water pumped from Well #2 over the past three months, Water Superintendent Jim Filice, responded that it is typical for the amount of water we are getting from the rain and the level of the tanks.

Ms. Buck reported on the Statement of Income, stating that we are on track and fairly consistent as well as reporting year-to-date water revenue higher than the same period last year, which is good.

During review of the Investment Summary Ms. Buck reported that the District's fund balance as of January 31 is \$2,322,538.73, which includes seven months' earned interest totaling \$8,420.41. Ms. Buck stated that she closed the rate pointer account this month and explained that it no longer pays enough interest to cover the bank fees charged on our main checking account; that the money was deposited into the District's regular account

so the bank fees can be avoided.

The Board reviewed Lessalt Water Treatment Agency financial reports, including the January 11 to February 7, 2012 Disbursement Summary totaling \$68,561.42. Ms. Buck reported that these are all normal expenditure activity and there is nothing to report.

Ms. Buck reviewed the Lessalt Water Treatment Agency Investment Summary ending January 31, 2012, and noted the funds total \$1,907,450.47, which includes \$9,999.18 fiscal year-to-date (eleven months) interest earned.

Jim Filice reviewed the January Maintenance Report and answered questions from Board members. In response to Director Villalon's question about items #1, 6, 10, and 22 for various repairs on Bella Vista Drive. Mr. Filice explained that there is a history of higher maintenance on Bella Vista; that copper service lines have been developing pin holes and the copper is replaced with polyethylene pipe since the early 1990's.

Director Villalon also asked about item #25 indicating that staff attended an emergency operations training exercise. Mr. Filice stated that the San Benito County Emergency Operations Center held the training at the police department. Secretary Ridenhour explained that the District needs to maintain a liaison for District and/or countywide emergencies. He stated that it was a good exercise to understand the process of a county wide emergency and what Sunnyslope County Water District's role would be.

Director Villalon inquired as to District having emergency drills for the employees and Mr. Filice stated that staff went through training within the last year here at the District office. Mr. Filice stated that he and Engineer Girouard recently went through training at Hazel Hawkins Hospital and through that process he learned of the importance in notifying the public of problems with the water in an emergency situation. He added that it is a county wide problem, not just for the water district.

Mr. Filice stated that staff participates in continuing education and training, such as hazmat training for the wells and Lessalt plant. Secretary Ridenhour noted certificates of completion for various training are kept in employee files. During discussion Mr. Filice noted that if it was necessary to notify District customers of an issue that required boiling drinking water, the alert to customers would be handled by the County Emergency Operations Center.

Secretary Ridenhour asked the Board members if the level of detail on the maintenance staff report was adequate. President Meraz responded that they are looking for important issues and maybe a general report could be put in their mailbox. Director Clapham stated that possibly the financial reports could be done on a quarterly basis and Secretary Ridenhour replied that staff would certainly look at different options.

During review of the Meter Reading Report for the period December 14, 2011 to January 16, 2012, Jim Filice noted the intertie meter data indicates the City received 57.5% of Lessalt water, while the District received 42.5%. Since the water allocation year began in February 2011, the City has received 49.7% of Lessalt treated water as compared to 50.3% received by the District. Mr. Filice noted that with one month remaining in the current water year, the distribution of Lessalt water to the District and to the City is almost equal. In response to Director Hill's question of whether the District is still exchanging water with the City of Hollister, Mr. Filice replied that we are. Mr. Filice stated that the net balance of water owed to Sunnyslope by the City of Hollister is 454.5 million gallons of water.

Secretary Ridenhour reported that he and staff have been working with Bartle Wells to determine the cost value of groundwater to determine a fair groundwater rate and have shared the calculations with the City. He reported that he has met with Clint Quilter to discuss the wholesale groundwater rate and the City is willing to pay for the current fiscal years water used and is willing to return the water and/or repay the value of the water from prior years.

Jim Filice reviewed the groundwater level report and noted well levels are still trending upward, as predicted, due to less water pumped during the winter months.

M. ALLOWANCE OF CLAIMS: The Board reviewed the District's Disbursement Summary for the period January 11, 2011 through February 7, 2012. In response to President Meraz' question about check #17020 for \$21,264.45 to Wallace Group, Engineer Girouard explained that, after Board approval some time ago, the Wallace Group prepared a map of the Ridgemark wastewater system which will be tied into the County's GIS system. He noted that the District used the same mapping firm as the City of Hollister. Cathy Buck responded to a question from Director Hill about check #17030 for \$273.08 to Top Health/Personal Best, explaining that the expenditure is an annual subscription for monthly health and safety newsletters for all District employees.

Upon motion made by Director Anderson, seconded by Director Hill, and unanimously carried (5-0), the Board approved the disbursements totaling \$1,260,911.87, which includes: \$928,869.39 for vendors and employee compensation; \$328,370.79 to the City of Hollister for City sewer billing collected; \$3,671.69 for customer refunds and returned checks. Last check written as of February 6, 2012 was check number 17080.

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
1/12/12	ACH 0276	RETURNED CHECK (Ret. Ck. 01-01)	-231.07
1/12/12	ACH 0277	RETURNED CHECK (Ret. Ck. 01-02)	-181.22
1/13/12	ACH 0278	RETURNED CHECK (Ret. Ck. 01-03)	-995.00
1/31/12	ACH 0279	EFTPS	-21,521.90
1/19/12	ACH 0280	RETURNED ACH (Ret. ACH 01-01 to 01-02)	-198.52
1/19/12	ACH 0281	RETURNED CHECK (Ret. Ck. 01-04)	-159.48
1/19/12	ACH 0282	RETURNED CHECK (Ret. Ck. 01-05)	-374.00
1/20/12	ACH 0283	RETURNED CHECK (Ret. Ck. 01-06)	-287.81
1/23/12	ACH 0284	RETURNED CHECK (Ret. Ck. 01-07)	-302.42
1/25/12	ACH 0286	Santa Barbara Bank	-632.65
1/25/12	ACH 0287	RETURNED CHECK (Ret. Ck. 01-08)	-20.00
1/25/12	ACH 0288	RETURNED CHECK (Ret. Ck. 01-09)	-200.00
1/26/12	ACH 0289	RETURNED CHECK (Ret. Ck. 01-10)	-135.89
1/27/12	ACH 0290	RETURNED CHECK (Ret. Ck. 01-11)	-325.41
2/3/12	ACH 0291	Merchant Services	-499.11
1/31/12	DD 0471	Alvarez, Abel	-4,302.36
1/31/12	DD 0472	Brill, Kelly L.	-4,574.44
1/31/12	DD 0473	Buck, Cathy L.	-6,558.47
1/31/12	DD 0474	Castro, Kevin G.	-4,830.92
1/31/12	DD 0475	Chavez, Jr., Manuel T.	-5,175.48
1/31/12	DD 0476	Eclarin, Ernesto P.	-4,223.46
1/31/12	DD 0477	Estrada, Thomas A.	-4,138.34
1/31/12	DD 0478	Filice, James L.	-7,556.33
1/31/12	DD 0479	Girouard, Kenneth R.	-6,409.19
1/31/12	DD 0480	Hagins, Patrick M.	-4,179.80
1/31/12	DD 0481	Imperatrice, Patrick L.	-6,318.13
1/31/12	DD 0482	Jackson, Patrick W.	-6,784.65
1/31/12	DD 0483	Malko, Kim A.	-2,296.97
1/31/12	DD 0484	Norman, III, Walter R.	-5,175.64
1/31/12	DD 0485	Padilla, David	-4,521.89
1/31/12	DD 0486	Porteur, Carol A.	-3,734.63
1/31/12	DD 0487	Ridenhour, Donald G	-9,373.92

Date	Num	Name	Amount
1/31/12	DD 0488	Watson, Scott A.	-3,827.32
1/31/12	DD 0489	Zavala, Anabel G.	-3,941.19
1/31/12	DD 0490	Jackson, Norma	-320.43
2/7/12	DD 0491	Clapham, David G. (Dir. Dep.)	-200.00
2/7/12	DD 0492	Meraz, David (Dir. Dep.)	-100.00
2/7/12	DD 0493	Villalon, Daniel (Dir. Dep.)	-200.00
2/7/12	DD 0494	Wiener-Smolka, Laura S. (Dir. Dep.)	-200.00
1/16/12	16996	CHRIS BRIGANTINO	-19.45
1/16/12	16997	RICHARD CRAIG	-70.71
1/16/12	16998	CARLOS ESCAMILLA	-75.91
1/16/12	16999	MARIA G LINAN	-17.18
1/16/12	17000	LPS FIELD SERVICES	-17.99
1/16/12	17001	OWNERS EQUITY REAL ESTATE	-15.11
1/16/12	17002	AARON TOVAR	-22.02
1/16/12	17003	RON WALLACE	-22.50
1/16/12	17004	All Star Ready Mix, LLC	-1,237.55
1/16/12	17005	Calcon System, Inc.	-879.00
1/16/12	17006	CM Analytical, Inc.	-17,121.25
1/16/12	17007	Consolidated Engineering Laboratories	-1,812.80
1/16/12	17008	EBCO Pest Control	-55.00
1/16/12	17009	Everbank Commercial Finance, Inc.	-226.35
1/16/12	17010	P G & E	-14,482.12
1/16/12	17011	Penninsula Communications	-291.90
1/16/12	17012	Postal Graphics (was Post Net)	-6.86
1/16/12	17013	Postmaster	-1,012.00
1/16/12	17014	Power Equipment Co.	-61.19
1/16/12	17015	RB Communications	-70.00
1/16/12	17016	Rianda Air, Inc.	-1,415.00
1/16/12	17017	San Benito Engineering & Surveying Inc.	-402.50
1/16/12	17018	Toro Petroleum Corp.	-1,426.46
1/16/12	17019	Union Bank of California, N.A. (SF)	-645.00
1/16/12	17020	Wallace Group	-21,264.45
1/16/12	17021	Wastewater Solutions	-360.00
1/19/12	17022	Trophies, Plaques, and More	-45.26
1/23/12	17023	A-1 Services	-373.00
1/23/12	17024	Anderson Pacific Engineering Constr, Inc.	-590,703.52
1/23/12	17025	Bianchi Kasavan & Pope, LLP	-1,255.50
1/23/12	17026	Hollister-Sunnyslope W. T. A.	-35,543.38
1/23/12	17027	Postal Graphics (was Post Net)	-42.98
1/23/12	17028	Rianda Air, Inc.	-124.00
1/23/12	17029	Sage Software, Inc.	-823.82
1/23/12	17030	TopHealth / Personal Best	-273.08
1/23/12	17031	Toro Petroleum Corp.	-1,150.92
1/24/12	17032	Postmaster	-204.51
1/24/12	17033	APWA Monterey Bay Chapter	-70.00
1/25/12	17034	APWA Monterey Bay Chapter	-35.00
1/27/12	17035	Postmaster	-1,813.19
1/30/12	17036	AT&T	-260.20
1/30/12	17037	Brigantino Irrigation	-86.91
1/30/12	17038	Consolidated Engineering Laboratories	-906.40
1/30/12	17039	Corbin Willits Systems, Inc. (MOM's)	-225.00
1/30/12	17040	Mid Valley Supply	-186.19
1/30/12	17041	Void	0.00
1/30/12	17042	Razzolink.com	-135.90
1/30/12	17043	San Benito County-Admin Office	-5,701.00
1/30/12	17044	San Benito County-Public Works	-584.33
1/30/12	17045	Verizon Wireless	-295.27
1/30/12	17046	BAC (Beneficial Administration Company)	-292.79
1/30/12	17047	CalPERS - Health Insurance	-12,637.45
1/30/12	17048	CalPERS - Retirement	-39,131.05
1/30/12	17049	Fort Dearborn Life Insurance Co.	-255.00
1/30/12	17050	Premier Access Insurance Co.	-2,976.74

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
1/31/12	17051	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,735.52
1/31/12	17052	CalPERS - Retirement	-1,587.18
1/31/12	17053	Nationwide Retirements Solutions	-14,193.27
1/31/12	17054	Petty Cash	-52.26
1/31/12	17055	City of Hollister-Finance Dept	-328,370.79
2/1/12	17056	Postmaster	-160.00
2/6/12	17057	Ace Hardware (Johnson Lumber Co.)	-394.26
2/6/12	17058	AL's Septic Tank Service Inc.	-720.00
2/6/12	17059	Anderson, Dawn V.	-300.00
2/6/12	17060	BHI Management Consulting	-1,641.38
2/6/12	17061	Brigantino Irrigation	-2.35
2/6/12	17062	Carlton's Fire Extinguisher Sales & Serv	-636.00
2/6/12	17063	Everbank Commercial Finance, Inc.	-224.08
2/6/12	17064	Groeniger & Company	-2,147.03
2/6/12	17065	Hill, Kathleen A.	-200.00
2/6/12	17066	Kelly, Stephen F.	-14,490.14
2/6/12	17067	Mission Uniform Service	-869.52
2/6/12	17068	Monterey Bay Water Works Assn. (MBWWA)	-75.00
2/6/12	17069	Palace Art & Office Supply	-199.75
2/6/12	17070	Postal Graphics (was Post Net)	-12.96
2/6/12	17071	Recology San Benito County	-117.24
2/6/12	17072	San Benito County-Public Works	-120.00
2/6/12	17073	Void	0.00
2/6/12	17074	TopHealth / Personal Best	-237.15
2/6/12	17075	U.S. Bank Corporate Payment Systems	-279.02
2/6/12	17076	Wright Bros. Indust. Supply	-66.24
2/6/12	17080	San Benito Engineering & Surveying Inc.	-910.00
Total Disbursements			<u>-1,260,911.87</u>

N. STAFF REPORTS

1. **Directors:** Director Villalon suggested that we have follow-up reports for previous agenda items requiring actions being taken. He also stated that he had a problem sending an email to the Sunnyslope email address on his business card and Ms. Buck stated she would contact our IT person to investigate the problem.
2. **District Counsel:** No report.
3. **District Engineer:** No report.
4. **Finance-HR Manager:** Cathy Buck reported that the General Manager's contract was updated to reflect the applicable changes for the State Law as modified in Assembly Bill No. 1344. She stated the updated contract requires a signature from the Board President.
5. **General Manager:** Secretary Ridenhour stated that he will be continuing to meet with City staff and will report back to the Board on progress resolving outstanding issues with the City.

Secretary Ridenhour also spoke about getting input from Board members on developing a Strategic Plan for the District. He stated that he is planning a meeting with community members on February 28th (7:00 p.m. to 9:00 p.m.) to discuss elements of the strategic plan prior to a Board strategic planning workshop on March 12th (8:30 a.m. - 3:00 p.m.). He noted that the District's consultant Brent Ives will be meeting with each Board member separately, with District staff excluding managers, and with partnering agencies staff including the City, County, and San Benito County Water District on February 29th (1:00 p.m. to 3:00 p.m.) to gather input on developing a strategic plan for the District.

O. FUTURE AGENDA ITEMS: None.

The next regular meeting is scheduled to be held at 5:15 p.m. on Thursday, March 8, 2012.

P. ADJOURN: Upon motion made by Director Clapham, seconded by Director Villalon, and unanimously carried (5-0), the meeting was adjourned at 6:48 p.m.

APPROVED BY THE BOARD: s/Dave Meraz
Dave Meraz, President

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