

**MINUTES**  
**BOARD OF DIRECTORS**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**Regular Meeting**  
**January 19, 2016**

- A. CALL TO ORDER:** The meeting was called to order at 5:15 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, and Danny Villalon. Director Meraz absent.
- C. PLEDGE OF ALLEGIANCE:** Director Johnson led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Johnson, seconded by Director Villalon, and carried 4-0 (Director Meraz 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, Executive Assistant/Stenographer Carol Porteur, Water/Wastewater Superintendent Jim Filice, Assistant Engineer Rob Hillebrecht, and Finance and Human Resource Manager Cathy Buck.

**F. CONSENT AGENDA:**

1. Approval of Minutes – for the Regular Meeting of December 15, 2015.
2. Allowance of Claims – to ratify disbursements for the period from December 8, 2015 through January 11, 2016, totaling \$1,513,089.81, which includes \$833,973.11 for payments to vendors and employees, and \$676,426.49 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$2,690.21 for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of January 11, 2016 was check # 21568.

Director Johnson inquired about check #21511 payable to McGilloway, Ray, Brown & Kaufman in the amount of \$7,800. Cathy Buck explained that this payment is for a partial billing on the contract for fiscal year 2015 audit services. The professional services contract calls for a maximum out-of-pocket cost of \$16,750 for FY 2015 audit services. Due to changes in GASB (Governmental Accounting Standards Board) standards requiring the recognition of the unfunded pension liability, the audit firm was required to do extra work for the FY 2015 audit, so they submitted, and we approved, a change order in the amount of \$1,100. Our cost for this year’s audit will total \$17,850 when all work is complete, billed, and paid.

The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/15/15	ACH 0777	EFTPS	-102.50
12/11/15	ACH 0778	RETURNED CHECK (Ck Ret 12-01)	-163.80
12/11/15	ACH 0779	RETURNED CHECK (Ck Ret 12-02)	-592.95
12/17/15	ACH 0780	RETURNED ACH (ACH Ret 12-01)	-115.95
12/17/15	ACH 0781	RETURNED ACH (ACH Ret 12-02)	-210.53

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/17/15	ACH 0782	RETURNED ACH (ACH Ret 12-03)	-79.09
12/17/15	ACH 0783	RETURNED ACH (ACH Ret 12-04)	-171.49
12/17/15	ACH 0784	RETURNED ACH (ACH Ret 12-05)	-131.49
12/18/15	ACH 0785	RETURNED CHECK (Ck Ret 12-03)	-175.18
12/22/15	ACH 0786	RETURNED CHECK (Ck Ret 12-04)	-169.62
12/23/15	ACH 0787	RETURNED CHECK (Ck Ret 12-05 &12-06)	-278.36
12/31/15	ACH 0788	EFTPS	-20,582.16
01/04/16	ACH 0789	Merchant Services	-412.20
01/04/16	ACH 0790	Merchant Services	-1,188.82
01/06/16	ACH 0791	RETURNED CHECK (Ck Ret 01-01)	-300.00
12/15/15	DD 1525	Johnson, Judi H	-183.70
12/15/15	DD 1526	Meraz, David E	-92.35
12/15/15	DD 1527	Villalon, Daniel	-67.35
12/31/15	DD 1528	Alvarez, Abel	-4,461.07
12/31/15	DD 1529	Brill, Kelly L.	-4,747.26
12/31/15	DD 1530	Buck, Cathy L.	-6,513.83
12/31/15	DD 1531	Castro, Kevin G.	-1,879.77
12/31/15	DD 1532	Chavez, Jr., Manuel T.	-6,562.07
12/31/15	DD 1533	Eclarin, Ernesto P.	-4,674.93
12/31/15	DD 1534	Filice, James L.	-6,761.00
12/31/15	DD 1535	Hagins, Patrick M.	-4,601.55
12/31/15	DD 1536	Hillebrecht, Robert B	-3,574.12
12/31/15	DD 1537	Jackson, Patrick W.	-4,520.01
12/31/15	DD 1538	Malko, Kim A.	-2,822.14
12/31/15	DD 1539	Marden, Robert E	-1,945.78
12/31/15	DD 1540	Norman, III, Walter R.	-5,124.68
12/31/15	DD 1541	Padilla, David	-5,607.36
12/31/15	DD 1542	Porteur, Carol A.	-4,103.12
12/31/15	DD 1543	Quick, Troy E	-4,432.91
12/31/15	DD 1544	Ridenhour, Donald G	-9,943.48
12/31/15	DD 1545	Watson, Scott A.	-5,138.52
12/31/15	DD 1546	Zavala, Anabel G.	-4,339.62
12/14/15	21483	3T Equipment Company Inc.	-116.92
12/14/15	21484	AT&T	-128.22
12/14/15	21485	Bianchi Kasavan & Pope, LLP	-1,050.00
12/14/15	21486	City of Hollister-Finance Dept	-339,280.82
12/14/15	21487	EBCO Pest Control	-55.00
12/14/15	21488	Hach Company	-379.99
12/14/15	21489	Paso Robles Tank, Inc.	-362,710.95
12/14/15	21490	Performance Agriculture	-908.50
12/14/15	21491	State Water Resources Control Bd.-DWOCF	-65.00
12/14/15	21492	Toro Petroleum Corp.	-463.79
12/14/15	21493	Trans Union LLC	-94.45
12/14/15	21494	U.S. Bank Corporate Payment Systems	-1,779.04
12/15/15	21495	Hill, Kathleen A	-92.35
12/21/15	21496	A-1 Services	-403.00
12/21/15	21497	All Star Ready Mix, LLC	-344.68
12/21/15	21498	AutomationDirect.com	-410.00
12/21/15	21499	Bracewell Engineering, Inc.	-126.00
12/21/15	21500	Calgon Carbon Corporation	-41,277.00
12/21/15	21501	CM Analytical, Inc.	-4,851.25
12/21/15	21502	First Trust Alarm Company	-431.00
12/21/15	21503	Harper & Associates Engineering, Inc.	-9,855.00
12/21/15	21504	Mc Master-Carr	-425.34
12/23/15	21505	Postmaster	-269.41
12/28/15	21506	TAMARA & MICHAEL HARMON	-27.38
12/28/15	21507	MCELVANY INC	-26.02
12/28/15	21508	DAVID BURDICK & JESSICA NEHRING	-5.11
12/28/15	21509	ALLEN & LAUREN SCOTT	-45.88
12/28/15	21510	CHARLES M & GLORIA VILLASENOR	-197.36

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/28/15	21511	McGilloway, Ray, Brown & Kaufman	-7,800.00
12/31/15	21512	Employment Dev. Dept. (EDD) DE88 Pmts.	-7,069.78
12/31/15	21513	CalPERS - Retirement	-1,036.00
12/31/15	21514	CalPERS - Retirement	-630.11
12/31/15	21515	Nationwide Retirements Solutions	-20,453.23
12/31/15	21516	United Way of Santa Cruz	-120.00
12/28/15	21517	American Water Works Assoc.CA-NV Section	-360.00
12/28/15	21518	CM Analytical, Inc.	-5,206.50
12/28/15	21519	De Lay & Laredo	-2,000.00
12/28/15	21520	MBS Business Systems	-1,290.95
12/28/15	21521	Paso Robles Tank, Inc.	-140,790.00
12/28/15	21522	San Benito County Water District	0.00
12/28/15	21523	Shape Products	-125.25
12/28/15	21524	Toro Petroleum Corp.	-944.47
12/31/15	21525	ACWA/JPIA	-12,368.92
12/31/15	21526	CalPERS - Health Insurance	-18,581.35
12/31/15	21527	CalPERS - Retirement	-21,522.85
12/31/15	21528	Dearborn National Life Insurance Company	-288.00
12/31/15	21529	HealthSmart Benefit Solutions, Inc. (VSP)	-320.77
12/31/15	21530	Premier Access Insurance Co.	0.00
12/31/15	21531	B.W.S. Distributors, Inc.	-118.75
12/31/15	21532	Ben Caputo Printing	-596.75
12/31/15	21533	Brigantino Irrigation	-46.60
12/31/15	21534	Corix Water Products	-214.38
12/31/15	21535	Hollister Auto Parts, Inc.	-14.21
12/31/15	21536	Mission Uniform Service	-803.58
12/31/15	21537	Palace Business Solutions	-571.19
12/31/15	21538	Postmaster	-1,976.96
12/31/15	21539	Razzolink.com	-209.85
12/31/15	21540	Shape, Inc.	-2,097.03
12/31/15	21541	South Valley Internet, Inc.	-20.45
12/30/15	21542	Petty Cash	-41.24
12/31/15	21543	Premier Access Insurance Co.	-3,231.85
01/04/16	21544	Ace Hardware (Johnson Lumber Co.)	-205.31
01/04/16	21545	AT&T	-668.98
01/04/16	21546	Brenntag Pacific, Inc.	-5,975.76
01/04/16	21547	Calcon System, Inc.	-14,237.00
01/04/16	21548	CM Analytical, Inc.	-193.75
01/04/16	21549	Corix Water Products	-67.10
01/04/16	21550	Everbank Commercial Finance, Inc.	-224.60
01/04/16	21551	Gabilan Welding, Inc.	-96.00
01/04/16	21552	Hach Company	-172.69
01/04/16	21553	Itron, Inc.	-789.81
01/04/16	21554	Radio Shack (Crystal T.V.)	-96.53
01/04/16	21555	Recology San Benito County	-129.16
01/04/16	21556	Stargazer Packaging	-552.40
01/04/16	21557	Verizon Wireless	-382.18
01/11/16	21558	Ace Hardware (Johnson Lumber Co.)	-58.54
01/11/16	21559	City of Hollister-Finance Dept	-337,145.67
01/11/16	21560	Corix Water Products	-1,416.50
01/11/16	21561	J L Wingert Co.	-52.77
01/11/16	21562	O'Reilly Auto Parts	-2.75
01/11/16	21563	P G & E	-14,154.75
01/11/16	21564	Performance Agriculture	-1,702.00
01/11/16	21565	State Water Resources Control Bd.-DWOCF	-80.00
01/11/16	21566	Trans Union LLC	-95.18
01/11/16	21568	Toro Petroleum Corp.	-1,149.14
<b>Total Disbursements</b>			<b>-1,513,089.81</b>

3. Consider Approval and Authorize a Notice of Completion and Payment of the \$53,439.05 Retention for the Tank Rehabilitation Project to Paso Robles Tank, Inc.

Director Johnson inquired as to what the Performance Bond from Paso Robles Tank included and Rob Hillebrecht, Assistant Engineer, explained that should Paso Robles Tank go out of business or be unable to perform the warranty work required, this bond would guarantee the work would be done, if necessary, by another company.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent), the consent agenda was approved as presented.

## **G. NEW BUSINESS:**

- 1. RECEIVE AUDIT REPORT/PRESENTATION BY PATRICIA KAUFMAN, CPA/PARTNER, WITH MCGILLOWAY, RAY, BROWN & KAUFMAN ON JUNE 30, 2015 AUDIT:** Patricia Kaufman, CPA/Partner, with McGilloyay, Ray, Brown, & Kaufman began her presentation by stating that the District received an unmodified audit opinion, which is the highest grade one can receive, and noted that it deserves acknowledgement and praise to the District's management. Ms. Kaufman pointed out on the Statement of Net Position, that the District's total assets are up \$9.5M over last fiscal year; current assets are up over \$1.7M; long-term liabilities are up \$7.4M; and total net position went down \$600,000.

While reviewing the Statement of Revenues, Expenses and Changes in Net Position, Ms. Kaufman stated that operating revenue is down and is related to the implementation of GASB nos. 68 & 71, with the amount recorded representing the portion of the pension liability attributable to periods before the year ended June 30, 2014. She noted that the District is strong financially and the impact of implementing the new accounting regulations were barely noticable; a good reflection on past fiscal practices.

Ms. Kaufman stated that in performing the audit, there were no significant audit findings, however, she acknowledged that management is responsible for accounting policies, which include accounting estimates made by management in determining the allowance for uncollectible accounts, useful lives/depreciation, deferred inflows and outflows, post employment benefit liability, which were all deemed reasonable. Ms. Kaufman stated there would be no Management Letter this year, there were minor corrections in the audit, and there were no difficulties in working with management. Director Johnson stated that she had some concerns with the language in the Governanace Letter addressed to the Board of Directors from McGilloyay, Ray, Brown & Kaufman on the June 30, 2015 Audit related to material misstatements detected as a result of audit procedures she felt was not accurate. Ms. Kaufman understood Director Johnson's concerns and agreed to review, revise, and issue a new letter to the Board.

Ms. Kaufman pointed out that there were no material weaknesses, stating that was a real reflection of management and it is not the norm for an agency not to receive a Management Letter, and she complimented staff.

Ms. Kaufman reported the upcoming GASB Pronouncements, which are Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans; and Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, and noted that they will be evaluated on how they may effect the District's future financial reporting.

Upon motion made by Director Alcorn, seconded by Director Johnson, and carried 4-0

(Director Meraz absent), the Board accepted the June 30, 2015 Audit and presentation by Patricia Kaufman, CPA/Partner, with McGilloway, Ray, Brown & Kaufman.

**2. CONSIDER APPROVAL OF THE WATER RESOURCES ASSOCIATION (WRA) OF SAN BENITO COUNTY'S REQUEST TO USE RESERVES TO COVER THE ANTICIPATED FISCAL YEAR 2015-2016 BUDGET SHORTFALL OF \$91,500:**

General Manager/Secretary Ridenhour explained that the WRA expenses for Fiscal Year 2015-2016 budget are anticipated to exceed their budget by \$91,500 and is requesting the use of WRA reserves to cover the budget shortfall. The District's share of the shortfall is approximately 30%, or \$27,500. Currently the WRA has approximately \$367,000 in their reserves, and is requesting from member agencies to utilize these reserves to cover the shortfall. The reserves are from previous years when WRA spent less than they charged each agency based on their budget.

The WRA Committee met on December 10, 2015, and after discussion recommended the use of the reserves to cover the budget shortfall. WRA staff provided details and explained the reasons for the anticipated shortfall, which includes the increase in conservation efforts and various rebate programs that require more staff time to manage.

Director Johnson asked General Manager/Secretary Ridenhour to explain why the WRA program is important to the District. General Manager/Secretary Ridenhour explained that the Water Resources Association was created by San Benito County Water District, City of Hollister, Sunnyslope County Water District and San Juan Bautista as a combined water conservation program rather than each agency providing conservation efforts on their own. The State has reporting requirements and various studies required for the Hollister Urban Area Master Plan (HUAMP), which the WRA performs the duties and updates. The WRA runs all of the conservation programs which include the water softener rebates, toilet retrofits, turf rebates, washing machine rebates, and on-site irrigation audits for commercial and residential customers. The Association also performs the public outreach program, attends the County Fair, and Downtown Farmers Market to share water conservation ideas. With this program, each agency is paying a fraction of the cost instead of paying for the full expense for these programs.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent), the Board approved the Water Resources Association of San Benito County's request to use reserves to cover the anticipated fiscal year 2015-2016 budget shortfall of \$91,500.

**3. CONSIDER AUTHORIZING THE GENERAL MANAGER TO PURCHASE 300 REPLACEMENT WATER METERS FOR A TOTAL COST OF APPROXIMATELY \$61,000:**

General Manager/Secretary Ridenhour stated that the District has been replacing water meters that are reaching the end of their service life and have recently been setting many new 1" water meters within new development projects. Staff expects the development activity to continue to increase in the coming months and staff will continue to replace aging meters. The District's inventory of 1" meters has been depleted and to keep up with new development demand and replacements, staff is requesting authority to purchase 200 meters (\$282.55 per meter).

The purchase of the meters exceeds the amount anticipated in the capital budget presented to the Board with the operations budget in June of 2014, but will mostly be covered by the fees charged to new development. The purchase of the meters will allow staff to set new meters in development projects and continue its replacement of meters that are older than 15 years.

President Hill inquired about the statement in paragraph 2, stating that the meters would “mostly be covered by the fees charged to new development” when the Financial Impact states that “The majority of this cost will be recovered from the fees charged to new development projects requesting new meters to be set”. General Manager/Secretary Ridenhour explained that the District is beginning to see an influx of new development into the District that will require 1” meters. The new customers are not only paying for the the cost of the meter but also for the staff time to install the meter, therefore the District will recover the majority of the expense. There will be the replacement of current meters which will mostly be covered by the water customer revenues.

Upon motion made by Director Villalon, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent), the Board authorized the General Manager to purchase 200 replacement water meters for a total cost of approximately \$61,000.

- 4. CONSIDER APPROVAL AND AUTHORIZE THE PRESIDENT TO EXECUTE THE OPTION AND LAND LEASE AGREEMENT WITH VERIZON WIRELESS FOR CELL TOWER FACILITIES AT THE DISTRICT’S FAIRVIEW ROAD TANK SITE:** General Manager/Secretary Ridenhour explained that District Staff have been in discussion and negotiations with Verizon Wireless regarding their desire to lease District property at the Fairview Road Tank Site (APN 025-190-067) for cell tower facilities for several years. An option and Land Lease has been negotiated that allows Verizon Wireless to fully investigate the site’s suitability for cellular phone antenna facilities and if suitable, enter into a long term lease for 1,029 square feet of the District’s property.

Staff has discussed this potential lease with committees and the Board several times over the past few years. The proposed terms of the lease allow Verizon Wireless to pay \$1,000 for a lease option of twelve months, and if the site is suitable, execute a long term lease for \$16,800 per year. The long term lease is for five years with options to extend the lease for five additional five year terms. The terms of the lease require Verizon wireless to obtain clear access easements to the site, construct an all-weather access road to the site, install electrical power to the site for the benefit of the District, and allow the District to place communication antennas on their tower facilities. The annual rental cost to be paid by Verizon Wireless will increase at rate of 2.5% each year.

Verizon Wireless has obtained the necessary permits and approvals to construct the communication facilities from San Benito County including the appropriate environmental review. Verizon Wireless is still working on perfecting access easements to the site, which will also clarify the District’s legal access to the tanks.

Director Villalon asked what the advantage was to approve the agreement with Verizon now, when they have not clearly perfected access easements to the site, and with the possibility of Verizon backing out of the agreement. General Manager/Secretary Ridenhour stated that it would be to the District’s advantage to execute the Option and Land Lease Agreement now because Verizon is incurring the costs to perfecting the access easement.

Upon motion made by Director Alcorn, seconded by Director Johnson, and carried 4-0 (Director Meraz absent), the Board approved and authorized the President to execute the Option and Land Lease Agreement with Verizon Wireless for cell tower facilities at the District’s Fairview Road Tank Site.

## **H. BOARD COMMITTEE and STATUS REPORTS**

- 1. Governance Committee:** General Manager/Secretary Ridenhour reported no meeting

held. The Committee is planning to set up a meeting in the near future to tour the West Hills Treatment Plant.

2. **Water/Wastewater Committee:** No meeting held.
3. **Finance Committee:** General Manager/Secretary Ridenhour reported the committee met on January 5<sup>th</sup> to present and discuss the FY15 audit with the committee.
4. **Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported no meeting held. The next meeting is scheduled for February 9<sup>th</sup>.
5. **Personnel Committee:** No meeting held.
6. **Water Resources Association of San Benito County (WRA):** General Manager/Secretary Ridenhour reported no meeting held. The next meeting is scheduled for February 4<sup>th</sup>.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck reported that she has prepared her monthly written narrative report on the Operations Summary (thru December 31, 2015), Statement of Income (thru November 30, 2015), and Investment Summary (thru December 31, 2015). Ms. Buck pointed out that in December, the District received twenty-five new water capacity fees, bringing the total to thirty-seven this fiscal year-to-date. Ms. Buck also pointed out that the sewer revenue is down, probably due to new customers in the District that have not yet incurred the full water consumption factor for their sewer rate.

Cathy Buck noted that the customer past due percentage is generally higher in December due to the Christmas holiday, but that the past due percentage is still trending to be lower than in prior years, mainly due to the increase in customers signed up for Auto Pay.

The District's Investment Summary report reflects the total cash balance as of December 31, 2015 of \$8,639,271.97, which includes six months posted interest totaling \$11,226.02 (which is the equivalent of 9 months interest, since the LAIF interest received in July is for the last quarter of last fiscal year). Ms. Buck stated that cash is holding steady even with the large expenditures the District has had in the past few months.

Water/Wastewater Superintendent Jim Filice reviewed the December 2015 Maintenance Staff Report, and asked if the Board had any questions. Director Johnson asked Mr. Filice to explain the "Meters on Repair List" and Mr. Filice explained that every month when the meters are read, the Account Technicians run a report that identifies meters with possible usage problems. The maintenance staff will go out and physically check the meters and sometimes find that meters need to be repaired or replaced.

Director Villalon inquired about #11, install and set up the new security camera system at the District Office. Mr. Filice explained that you can now get better cameras for lower prices and staff has installed additional cameras around the District office. General Manager/Secretary Ridenhour added that the District has had a couple of incidents that required staff to look back at the film due to locks being cut off of the gate, and another incident when an upset customer followed an employee from the office after work. It was time consuming for staff to locate the incidents on the film and the quality of the film was not good enough to identify the subjects.

In review of the Meter Reading Report for the period November 16, 2015 to December 16, 2015, the intertie meter data indicates the City received 25.5% of Lessalt Water Treatment Plant water, while the District received 74.5%. Mr. Filice stated that the City of Hollister has paid back a little more water owed to the District.

Water/Wastewater Superintendent Jim Filice reviewed the groundwater level report, and noted the water levels are still holding steady, but he has hope that levels will go up with the rain we are currently receiving.

- 8. Active Tasks Update:** General Manager/Secretary Ridenhour reported that the District's conservation numbers have slipped below the State's mandates for the second month but the conservation is still 34.3% since June, which is above the State requirement.

The West Hills WTP's grading work on the project is nearing completion, and the contractor has started the foundation for the finish water tank and treatment filters.

The District's Well #8 tested above State limits for Chromium 6 in December and early January. Staff is discussing options with the Division of Drinking Water. Director Johnson asked if the well could be treated and General Manager/Secretary Ridenhour explained that treatment cost would be too expensive. He stated that not only would the water need to be treated but the resin exchange could not be dumped into the sewer system so it would need to be hauled away, which would be very costly. Staff is looking at the possibility of taking Well #8 offline and using that well as a back up water source. Then we would just need to periodically exercise the equipment to keep it running.

Mr. Ridenhour reported that a new maintenance employee has been hired, and started work on the 11<sup>th</sup> of January. He also updated the Board on a maintenance employee that injured his knee back in August, outside of work, and has been off work for several months, but has now returned to work on light duty. Another maintenance employee is out on family medical leave and should return to work the second week of February.

General Manager/Secretary Ridenhour reported that he and Assistant Engineer, Rob Hillebrecht, have been working with the County GIS staff to see about updating the District's water maps to capture new development additions over the past several years. He added that this effort could be partly covered by the District's annual contribution to the GIS system.

## **I. BOARD and STAFF REPORTS**

- 1. Directors:** Director Johnson reported that she would like to review the agenda layout, with the possibility of making a few changes to run the meetings quicker and smoother. General Manager/Secretary Ridenhour stated that he would be happy to discuss her ideas and take them to the Policy and Procedures Committee.
- 2. District Counsel:** No report.
- 3. Finance and Human Resource Manager:** Cathy Buck reported that she has generated the 2015 W-2's and wanted to make the Board aware that they were in their mailbox.
- 4. Assistant Engineer:** Rob Hillebrecht reported that the District has accepted Santana Ranch Phase 1 into the District's infrastructure and will begin setting meters in the near future, once they have been paid for. He also reported that the Village's Development on Santa Ana Road is close to water testing. Mr. Hillebrecht stated that he has attended development meetings with the County along with General Manager Ridenhour, and have learned that there are 6-8 new projects that are in the planning stage on Southside Road.



Director Villalon asked if the District has any responsibility for the sprinkler pressure in the new homes and Mr. Hillebrecht responded that it is the responsibility of the fire department and must meet building codes.

**5. General Manager:** General Manager/Secretary Ridenhour reminded the Board that his evaluation is due in February, so there will be a closed session at next month's Board meeting.

**J. FUTURE AGENDA ITEMS:** Six-month budget review and a discussion on water conservation planning for 2016.

**K. ADJOURNMENT:** President Hill adjourned the meeting at 6:55 p.m.

**APPROVED BY THE BOARD:** s/ Kathleen A. Hill  
\_\_\_\_\_  
Kathleen A. Hill, President

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