

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
July 12, 2012

A. CALL TO ORDER: The meeting was called to order at 4:30 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, Kathleen Hill; General Manager/Secretary Don Ridenhour; and Attorney Anne Secker.

C. EXECUTIVE SESSION:

President Meraz moved the meeting to closed session to discuss the following:

1. **Public Employee Performance Review** – Title: General Manager

REGULAR SESSION:

D. CALL TO ORDER: The regular meeting was called to order at 5:17 p.m. by President Meraz.

E. ROLL CALL: Present: President Dave Meraz; Directors Dawn Anderson, Danny Villalon, Dave Clapham, Kathleen Hill; General Manager/Secretary Don Ridenhour; Attorney Anne Secker; and Executive Assistant/Board Stenographer Carol Porteur.

Staff present for Open Session: District Engineer Ken Girouard, Finance & Human Resources Manager Cathy Buck, and Water Superintendent Jim Filice.

F. REPORT IN OPEN SESSION ACTION TAKEN IN EXECUTIVE SESSION: President Meraz stated that there was discussion with the General Manager in Closed Session and there was no reportable action taken.

G. APPROVAL OF AGENDA: Upon motion made by Director Hill, seconded by Director Anderson, 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 from the public.

I. READING AND APPROVAL OF MINUTES: Upon motion made by Director Villalon, seconded by Director Hill, and unanimously carried 5-0, the minutes of the June 14, 2012 meeting were approved as presented.

J. OLD BUSINESS: None.

K. NEW BUSINESS

1. **RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON AUDIT PRESENTATIONS BY ROBERT SMILEY, PRINCIPAL, BERGER/LEWIS ACCOUNTANCY CORPORATION AS FOLLOWS:**

- a. **Hollister-Sunnyslope Water Treatment Agency** Fiscal Year Ended 2/28/2011, and
- b. **Sunnyslope County Water District** Fiscal Year Ended 6/30/11.

This item was tabled due to Mr. Smiley, Principal from Berger/Lewis Accountancy Corporation unable to attend the meeting.

2. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON THE REPLACEMENT OF LESSALT MICROFILTRATION FILTERS AT A TOTAL COST OF \$426,508.20, WITH SUNNYSLOPE AND THE CITY OF HOLLISTER EACH PAYING 50% OF THE TOTAL COST UTILIZING LESSALT RESERVES:

General Manager/Secretary Ridenhour stated that the Lessalt Water Treatment Plant upgrade is currently being designed by Kennedy/Jenks Consultants Engineers and it is anticipated that the existing micro filters will not be needed in future years with the upgraded treatment plant. However, the process to eliminate the micro filters will require approval by the California Department of Public Health (CDPH) and they could require that the upgrade be in operation for a least a year to prove that the new pressure filters are reliable for meeting the current drinking water standards. Mr. Ridenhour stated that the existing filters are past their expected useful life and are failing at an increasing rate which is reducing the treatment plant's production capacity and requires excessive labor costs to maintain.

Mr. Ridenhour reported that the total cost of replacing the elements is \$426,508.20, which would be split with the City of Hollister and they will be taking it to their council on July 16th for approval. In addition, Mr. Ridenhour stated that the replacement of the filters would be done by the existing agency staff from the Lessalt Water Treatment Agency and the reserves collected for this purpose would be plenty to cover the expense.

Upon motion made by Director Villalon, seconded by Director Clapham, and unanimously carried, the Board approved replacement of Lessalt Microfiltration filters at a total cost of \$426,508.20, with Sunnyslope and the City of Hollister each paying 50% of the total cost.

3. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION TO DECLARE THE STANDBY GENERATOR AT THE SEWER LIFT STATION LOCATED AT 600 MARKS DRIVE SURPLUS EQUIPMENT AND AUTHORIZE DISTRICT STAFF TO SELL THE SURPLUS EQUIPMENT PURSUENT TO DISTRICT POLICY NO. 8510:

General Manager/Secretary Ridenhour reported that as part of the Ridgemark Water and Wastewater Treatment Plant project, the existing generator at the sewer lift station has been removed according to the specifications and contract for the project. He stated that Anderson Pacific has placed a portable generator at the sewer lift station to provide emergency backup power until the lift station is complete and a new generator has been installed. Mr. Ridenhour has requested permission to declare the old standby generator as surplus equipment and sell the generator according to District Policy.

Upon motion made by Director Hill, seconded by Director Anderson, and unanimously carried, the Board declared the standby generator at the sewer lift station located at 600 Marks Drive as surplus equipment and authorized District staff to sell the surplus equipment pursuant to District Policy No. 8510.

4. RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION TO AUTHORIZE ENTERING INTO AN AGREEMENT WITH SANTA BARBARA BANK & TRUST FOR A \$2 MILLION CONSTRUCTION LINE-OF-CREDIT FOR A LOAN FEE OF \$2,500, PLUS ANY LEGAL EXPENSES:

Cathy Buck explained that at the November 10, 2011 meeting, the Board approved moving forward with a \$2 million line-of-credit for the Ridgemark Wastewater Treatment and Recycled Water Improvements Project, with Santa Barbara Bank and Trust. As of March 1, 2012, Santa Barbara Bank and Trust has revised their proposal for the line-of-credit finalizing the terms of the loan and dropping the loan fee from the \$5,000 originally proposed to \$2,500. Ms. Buck stated that the Finance Committee has reviewed the updated cash flow projection from Anderson Pacific and reviewed the revised line of credit proposal.

Director Hill stated that she would like the maturity date of the agreement extended to November 2013 to cover the extension of the project. Ms. Buck replied that it would be much easier to accept the agreement as is, and work with the bank on a new maturity date rather than a revised agreement.

Upon motion made by Director Anderson, seconded by Director Hill, and unanimously carried, the Board authorized entering into an agreement with Santa Barbara Bank and Trust for \$2 million construction line-of-credit for a loan fee of \$2,500, plus any legal expenses.

5. **RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION TO AMEND THE CONTRACT FOR LEGAL SERVICES WITH NOLAND, HAMERLY, ETIENNE & HOSS INCREASING THE HOURLY RATE FOR ATTORNEY SERVICES FROM \$235 TO \$240 PER HOUR AND INCREASING THE FLAT RATE FOR AN ATTORNEY ATTENDING THE BOARD MEETINGS FROM \$450 TO \$460 PER MEETING EFFECTIVE JULY 1, 2012:** General Manager/Secretary Ridenhour explained that Lloyd Lowrey of Noland, Hamerly, Etienne & Hoss, Attorneys at Law issued a letter dated May 4, 2012 requesting the contract modification to their hourly rate and flat rate fee for attending Board meetings. Mr. Ridenhour stated that the firm has been the District's counsel since 1997 and that the contract has been modified several times with the last change occurring in July of 2010.

The Board agreed that they would like to solicit proposal for legal representation from multiple firms and asked General Manager/Secretary Ridenhour to investigate rates and solicit proposals from additional law firms.

Upon motion made by Director Clapham, seconded by Director Hill, and unanimously carried, the Board tabled this item until two to three proposals for professional services have been received from legal firms.

6. **RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON RIDGEMARK WASTEWATER TREATMENT AND RECYCLED WATER IMPROVEMENTS PROJECT STATUS REPORT AND PROGRESS PAYMENT REQUEST BY ANDERSON PACIFIC FOR \$1,004,701.50:** Engineer Girouard summarized progress made on the Ridgemark Wastewater Treatment and Recycled Water Improvements Project by Anderson Pacific from May 31, 2012 to June 30, 2012. He recommended approval of a progress payment, after deducting a retention of 10%, of \$1,004,701.50. Engineer Girouard noted that, in terms of cost expenditure, after this payment, the project will be 59% complete on a cost basis.

Upon motion made by Director Hill, seconded by Director Clapham, and unanimously carried, the Board approved a progress payment to Anderson Pacific in the amount of \$1,004,701.50 for invoice #108-12.

7. **RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON CHANGE ORDER REQUEST NO. 2 FROM ANDERSON PACIFIC FOR \$0 AND EXTEND THE CONTRACT WORKING DAYS BY 92 DAYS FOR THE COMPLETION OF THE RIDGEMARK WASTEWATER TREATMENT AND RECYCLED WATER IMPROVEMENTS PROJECT:** Engineer Girouard explained that the general contractor, Anderson Pacific, has discussed with staff the problem of the building subcontractor going bankrupt. The general contractor has moved forward with a new building subcontractor and progress has been made in the construction of the Operations Building, but hiring a new subcontractor has delayed the progress by 92 calendar days. The "start up & test headworks & SBR" was originally scheduled to be completed on June 13, 2012 and is now scheduled for October 9, 2012 due to the delay in the metal building being constructed.

President Meraz inquired if this would impact the current project staff's payroll and Engineer Girouard stated that although this would extend the Construction Inspector/Engineering Technician's time at the project, he would also be able to work on other projects.

Upon motion made by Director Clapham, seconded by Director Villalon, and unanimously carried, the Board approved Change Order Request No.2 from Anderson Pacific for \$0 and extend the contract working days by 92 days for the completion of the Ridgemark Wastewater Treatment and Recycled Water Improvements Project.

8. RECEIVE, REVIEW, AND TAKE APPROPRIATE ACTION ON CHANGE ORDER REQUEST NO. 3 FROM ANDERSON PACIFIC FOR A TOTAL OF \$78,787.81 TO PROVIDE REDESIGN OF FIRE SPRINKLER SYSTEM (\$2,384.31), PROVIDE TAMPER SWITCHES (\$795.00), AND INSTALL FIRE MAIN PIPELINE (\$75,608.50):

Engineer Girouard explained that the original plan design for the Operation Building at the Ridgemark Wastewater Treatment and Recycled Water Improvements Project was to connect the building to an existing 2" pipe with a new 300 foot long 2" diameter pipeline. Staff has discovered that this design would have insufficient flow and pressure for the proposed fire sprinkler system in the Operations Building and that a large 8" diameter main would be needed, instead of the existing 2" main, if the fire sprinkler system in the building is to operate properly. Staff is recommending an 8" potable water main be installed to supply both an automatic sprinkler system and a fire hydrant. Originally, the "steamer" hydrant was going to be connected to treated wastewater line, but staff believes it would be better to move and connect the fire hydrant to a new 8" diameter potable water line instead.

Both President Meraz and Director Villalon indicated they had each spoken with the Fire Marshall, and from their conversations learned that it was not required to have fire sprinklers and larger pipelines due to the size of the building, no chemicals in the building, and minimal occupancy of the building. General Manager/Secretary Ridenhour added that he recommended the proposed 8" service line and felt fire sprinklers were important to a project of this size and would protect the District's facilities. Engineer Girouard stated that the fire sprinklers were included as part of the original design to protect the building.

Engineer Girouard stated that we would not be able to submit this change order to the State Revolving Fund for reimbursement, but staff is checking to see if the existing loan could be modified to include this change order of \$78,787.81. He added, if State Revolving funds were not available, the funds would be taken from a combination of wastewater collection fees and wastewater reserves.

Upon motion made by Director Hill, seconded by Director Villalon, and passed 3-2 with President Meraz and Director Clapham voting in opposition, the Board approved Change Order Request No. 3 from Anderson Pacific for a total of \$78,787.81 to provide redesign of the fire sprinkler system, provide tamper switches, and install a fire main pipeline.

9. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION ON APPROVING PROFESSIONAL SERVICES CONTRACT FOR ENVIRONMENTAL REVIEW OF THE SOUTHSIDE ROAD LAFCO ANNEXATION AT A COST NOT TO EXCEED \$25,500, AND TO AUTHORIZE STAFF TO NEGOTIATE WITH PROPERTY OWNERS TO RECOVER APPROXIMATELY \$37,120 IN ANNEXATION EXPENSES:

Engineer Girouard explained that there are several individuals that would like to be annexed into Sunnyslope County Water District which would require an environmental review of the Southsdie Road LAFCO annexation at a cost of \$37,120, and would be billed to the interested individuals.

President Meraz had several questions and after discussion suggested that this item be tabled until the Board could review the proposals received from the four environmental firms and to ensure the District would be reimbursed for all the costs associated with the annexation.

Upon motion made by Director Clapham, seconded by Director Hill, and unanimously carried, the Board tabled this agenda item until they could review the proposals for preparation of the the environmental review.

L. BOARD AND STAFF COMMITTEE STATUS REPORTS:

1. **Governance Committee:** Director Villalon reported that the Finance Sub-Committee to the Governance Committee met and a table and schedule for finalizing the agency agreements was discussed. He stated they will be having a Governance Committee meeting next week and should receive more detailed information on the progress of the Hollister Urban Area Water and Wastewater Master Plan efforts. General Manager/Secretary Ridenhour stated that they are still negotiating the interagency agreement between Sunnyslope County Water District and San Benito County Water District for the operation of the Lessalt plant. He added that this will need to be done by the end of the year before the Lessalt Treatment Plant upgrade project begins construction.
2. **Water/Wastewater Committee:** No Report.
3. **Finance Committee:** President Meraz reported that the line of credit was discussed which was on tonight's agenda. Cathy Buck reported that the committee also discussed refinancing the District's existing debt and that a Request for Proposals has been sent out for these services which has a deadline of July 27th, and the next Finance Committee meeting is scheduled for August 8th.
4. **Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported that the committee had five policies which the committee planned to bring to the Board tonight, but Attorney Lowrey had some comments and recommended revisions so they will be brought back to the Policy and Procedures Committee for further review at a later date. Mr. Ridenhour reported that the Committee has made progress on drafting changes to chapters one and two of the water code and will begin working on chapter three.
5. **Water Resources Association of San Benito County:** Director Anderson reported there was a short meeting today and noted that the water survey program is booked solid. She stated that Shawn Novack has a booth at the Farmer's Market at which ten people had signed up for the Pilot Landscape Irrigation Hardware Rebate Program, and that many customers have been demolishing their water softeners with the rebate program.
6. **Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** No Report.
7. **State Revolving Fund and Stimulus Package Financing:** No Report.
8. **Lessalt Water Treatment Plant:** General Manager/Secretary Ridenhour reported that the Lessalt plant will be getting new filters this fall as was discussed under a previous Board item.
9. **Water Related Projects:** No report.

President Meraz excused himself from the meeting at 6:15p.m. and turned the meeting over to Vice President Anderson.

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:** Cathy Buck reviewed the June 2012 District Operations Summary and the Statement of Income through May 31, 2012. Ms. Buck stated that in the month of June we collected five connection fees

from Anderson Homes, and that 14.7% of our customers are on our internal auto pay. She reported that she did not bill for wholesale water for the month of June but that regular water sales are up.

During review of the Investment Summary, Ms. Buck reported that the District's fund balance as of June 30 is \$3,744,184.78, which includes earned interest totaling \$9,350.55 for the twelve months of the fiscal year. She noted that we will not have the interest earned on the L.A.I.F. account through June 30th until mid July which should bring our total interest for the year to over \$10,000. Ms. Buck noted that the balance in the checking account is substantial and she may transfer funds to a C.D. but wants to make sure to avoid bank fees by keeping an adequate balance in the checking account.

The Board reviewed financial reports for the Lessalt Water Treatment Agency, including the June 13, 2012 through July 10, 2012 Disbursement Summary totaling \$116,644.27. Director Anderson inquired about check #2517 payable to USA Bluebook, and Cathy Buck explained that it is a company utilized for the purchase of parts for the treatment plant. Ms. Buck also noted that we are still paying San Benito County Water District for both water and energy at this time, which makes that bill rather large. The Lessalt Water Treatment Agency's Investment Summary ending June 30, 2012, reflects total funds of \$2,023,993.18, which includes \$1,867.00 fiscal year-to-date (four months) interest earned.

During review of the July Maintenance Report, Jim Filice responded to questions from Board members about details regarding various items in the report. In response to Director Anderson's question about how long it took to complete exercising water valves, Mr. Filice responded that it took approximately 4 years and they are starting over. General Manager/Secretary Ridenhour added that half of the staff has completed First Aid/CPR training and the remaining staff is scheduled for training July 13th.

Jim Filice reviewed the Meter Reading Report for the period May 16 to June 13, 2012, and noted intertie meter data indicates the during this period the City received 32.3% of Lessalt water, while the District received 67.7%. Mr. Filice stated that the City has received more surface water than groundwater at this time. General Manager/Secretary Ridenhour reported that Sunnyslope and the City conducted Consultant interviews on July 10th of prospective consultants to develop water rates for the District and for the City, and part of that effort would be to finalize a water rate for the exchange of water between agencies.

During review of the groundwater level report, Mr. Filice noted that well levels are trending down which is normal for this time of year.

M. ALLOWANCE OF CLAIMS: The Board reviewed the District's Disbursement Summary for the period June 13 through July 10, 2012, and Cathy Buck answered questions from Directors about listed items. In response to Director Anderson's question about the check #17495 to Round Table Pizza, Ms. Buck explained that was for lunch provided to staff during their First Aid/CPR training and that the Board would be seeing another check next month for the July 13th training. Last check written as of July 9, 2012 was check #17571.

Upon motion made by Director Hill, seconded by Director Clapham, and carried 4-0 (President Meraz absent), the Board approved the disbursements totaling \$1,549,560.70, which includes: \$1,222,688.93 for employee compensation and accounts payable; \$324,937.34 pass-through to the City of Hollister for sewer bills collected (net of our fee); and \$1,934.43 for customer refunds and returned checks.

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
6/14/12	ACH 0334	EFTPS	-186.90
6/13/12	ACH 0335	RETURNED CHECK (Ret. Ck. 06-03)	-146.92
6/14/12	ACH 0336	RETURNED CHECK (Ret. Ck. 06-04)	-162.06
6/15/12	ACH 0337	RETURNED CHECK (Ret. Ck. 06-05)	-184.72

6/29/12	ACH 0338	EFTPS	-21,467.12
6/19/12	ACH 0339	RETURNED ACH (Ret. ACH 06-01)	-304.32
6/18/12	ACH 0340	RETURNED CHECK (Ret. Ck. 06-06)	-274.02
6/25/12	ACH 0341	RETURNED CHECK (Ret. Ck. 06-07)	-134.21
6/26/12	ACH 0342	RETURNED CHECK (Ret. Ck. 06-08)	-138.24
6/28/12	ACH 0343	RETURNED CHECK (Ret. Ck. 06-09)	-278.34
7/3/12	ACH 0345	Merchant Services	-494.47
6/14/12	DD 0586	Clapham, David G	-271.05
6/14/12	DD 0587	Meraz, David E	-186.70
6/14/12	DD 0588	Villalon, Daniel	-377.40
6/29/12	DD 0589	Alvarez, Abel	-4,302.35
6/29/12	DD 0590	Brill, Kelly L.	-4,591.08
6/29/12	DD 0591	Buck, Cathy L.	-6,578.47
6/29/12	DD 0592	Castro, Kevin G.	-4,565.72
6/29/12	DD 0593	Chavez, Jr., Manuel T.	-5,476.30
6/29/12	DD 0594	Eclarin, Ernesto P.	-4,239.16
6/29/12	DD 0595	Estrada, Thomas A.	-4,138.35
6/29/12	DD 0596	Filice, James L.	-7,003.39
6/29/12	DD 0597	Girouard, Kenneth R.	-6,409.19
6/29/12	DD 0598	Hagins, Patrick M.	-4,179.79
6/29/12	DD 0599	Imperatrice, Patrick L.	-5,737.79
6/29/12	DD 0600	Jackson, Patrick W.	-6,473.37
6/29/12	DD 0601	Malko, Kim A.	-2,437.29
6/29/12	DD 0602	Norman, III, Walter R.	-5,232.63
6/29/12	DD 0603	Padilla, David	-5,096.28
6/29/12	DD 0604	Porteur, Carol A.	-3,734.64
6/29/12	DD 0605	Ridenhour, Donald G	-9,348.56
6/29/12	DD 0606	Watson, Scott A.	-4,215.11
6/29/12	DD 0607	Zavala, Anabel G.	-3,972.93
6/29/12	DD 0608	Jackson, Norma	-320.43
6/14/12	17481	Anderson, Dawn V	-188.70
6/14/12	17482	Hill, Kathleen A	-188.70
6/14/12	17483	Villalon, Daniel	-64.96
6/18/12	17484	A-1 Services	-373.00
6/18/12	17485	Anderson Pacific Engineering Constr, Inc.	-694,017.02
6/18/12	17486	Automotive Color-01	-442.98
6/18/12	17487	Bianchi Kasavan & Pope, LLP	-243.00
6/18/12	17488	City of Hollister-Finance Dept	-324,937.34
6/18/12	17489	CM Analytical, Inc.	-1,370.00
6/18/12	17490	Consolidated Engineering Laboratories	-906.40
6/18/12	17491	Everbank Commercial Finance, Inc.	-226.35
6/18/12	17492	Hollister-Sunnyslope W. T. A.	-47,744.66
6/18/12	17493	P G & E	-10,497.63
6/11/12	17466	CalPERS OPEB Trust - Ck Voided (On June Disbursement Report)	46,490.00
6/20/12	17494	CalPERS OPEB Trust	-44,879.00
6/21/12	17495	Round Table Pizza	-87.58
6/22/12	17496	Postmaster	-257.71
6/25/12	17497	Imperatrice, Patrick L.	-150.00
6/25/12	17498	Buck, Cathy L.	-13.99
6/25/12	17499	B.W.S. Distributors, Inc.	-110.60
6/25/12	17500	Berger/Lewis Accountancy Corporation	-4,000.00
6/25/12	17501	Consolidated Engineering Laboratories	-834.30
6/25/12	17502	Calif. Municipal Treasurers Association	-155.00
6/25/12	17503	First Trust Alarm Company	-290.00
6/25/12	17504	Gabilan Welding, Inc.	-8.91
6/25/12	17505	San Benito County Water District	-4,668.43
6/25/12	17506	Santa Barbara Bank - \$1M Loan Pmts	-42,548.63
6/25/12	17507	Sierra Chemical Co.	-1,129.29
6/25/12	17508	Staples Advantage	-143.34
6/25/12	17509	Toro Petroleum Corp.	-3,266.66
6/29/12	17510	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,548.80
6/29/12	17511	CalPERS - Retirement	-1,587.18
6/29/12	17512	Nationwide Retirements Solutions	-14,693.27
6/29/12	17513	United Way of Santa Cruz	-90.00
6/29/12	17514	ACWA/JPIA	-10,253.06
6/29/12	17515	BAC (Beneficial Administration Company)	-302.32
6/29/12	17516	CalPERS - Health Insurance	-12,076.18
6/29/12	17517	CalPERS - Retirement	-39,446.84
6/29/12	17518	Fort Dearborn Life Insurance Co.	-285.00
6/29/12	17519	Premier Access Insurance Co.	-3,147.64

6/27/12	17520	Calcon System, Inc.	-10,274.35
6/27/12	17521	Postmaster	-1,781.88
6/29/12	17522	Ridenhour, Donald G	-3,870.51
6/29/12	17523	VOID	0.00
6/29/12	17524	Petty Cash	-64.45
7/2/12	17525	MARK BADGER	-55.42
7/2/12	17526	MELISSA BASSHAM	-39.06
7/2/12	17527	ELIAZAR BETANCOURT	-8.06
7/2/12	17528	ADRIANA LALINDE	-28.05
7/2/12	17529	GARY MCINTYRE	-11.05
7/2/12	17530	OWNERS EQUITY REAL ESTATE	-61.83
7/2/12	17531	REALTY MARKETING GROUP	-19.88
7/2/12	17532	ANGIE TALAVERA	-64.71
7/2/12	17533	JONI WOLF	-16.21
7/2/12	17534	JAMES WOOLRIDGE	-7.33
7/2/12	17535	VOID	0.00
7/2/12	17536	AT&T	-268.94
7/2/12	17537	Calvista Insurance Agency Inc.	-144.00
7/2/12	17538	Corbin Willits Systems, Inc. (MOM's)	-8,056.20
7/2/12	17539	Everbank Commercial Finance, Inc.	-224.08
7/2/12	17540	Ferguson Enterprises, Inc.	-248.51
7/2/12	17541	Itron, Inc.	-828.31
7/2/12	17542	Kelly, Stephen F.	-11,347.70
7/2/12	17543	Mid Valley Supply	-186.19
7/2/12	17544	Mission Uniform Service	-644.10
7/2/12	17545	Monterey Bay Systems	-790.46
7/2/12	17546	NH3 Service Company	-742.17
7/2/12	17547	Noland Hamerly Etienne & Hoss	-1,172.24
7/2/12	17548	O'Reilly Auto Parts	-5.93
7/2/12	17549	P G & E	-32,419.99
7/2/12	17550	Razzolink.com	-99.95
7/2/12	17551	San Benito County-Admin Office	-11,402.00
7/2/12	17552	San Benito County Water District	-98,230.00
7/2/12	17553	San Benito Tire, Inc.	-15.00
7/2/12	17554	South Valley Newspapers (Main St Media)	-108.13
7/2/12	17555	U.S. Bank Corporate Payment Systems	-1,389.87
7/2/12	17556	Verizon Wireless	-292.25
7/2/12	17557	Wallace Group	-195.00
6/30/12	17558	Hagins, Patrick M.	-97.41
7/3/12	17559	Ace Hardware (Johnson Lumber Co.)	-115.91
7/9/12	17560	Calif. Dept. of Public Health - OCP	-240.00
7/9/12	17561	Greenwood Chevrolet	-99.16
7/9/12	17562	Hach Company	-926.72
7/9/12	17563	J L Wingert Co.	-344.31
7/9/12	17564	O'Reilly Auto Parts	-30.75
7/9/12	17565	Postal Graphics (was Post Net)	-30.98
7/9/12	17566	Recology San Benito County	-117.24
7/9/12	17567	RMC Water and Environment	-8,892.60
7/9/12	17568	San Benito County Water District	-428.75
7/9/12	17569	Sierra Chemical Co.	-1,488.27
7/9/12	17570	South Valley Internet, Inc.	-17.95
7/9/12	17571	Toro Petroleum Corp.	-1,273.07
Total Disbursements			<u>-1,549,560.70</u>

N. STAFF REPORTS

1. **Directors:** Director Villalon expressed interest in joining Leadership San Benito County, and General Manager/ Secretary Ridenhour replied that he has submitted his own application for the class of 2013 and would look into an application for Director Villalon.
2. **District Counsel:** No report.
3. **District Engineer:** Engineer Girouard reported that he researched a letter that Director Anderson had received in the mail regarding purchasing insurance on water lines. He learned that the insurance is available to homeowners to purchase, to insure water service lines from

the street to the house for \$5 a month. He stated sewer laterals could also be insured for \$7.95 a month.

4. Finance-HR Manager: Cathy Buck reported that since July 2011 we have received \$77,000 in payments from the on-line services at which 53% was by credit cards and 47% by on-line checks. She stated that we currently have 137 customers signed up for e-bill.

5. General Manager: General Manager/Secretary Ridenhour reported that he has received the photo of the Board of Directors which Brent Ives took and would like to know if the Board would like to add it to the District's website and the Directors agreed to do so.

O. FUTURE AGENDA ITEMS: Future agenda items include: a demonstration of valve exercising equipment, (since the current meeting had a number of items on the agenda, it will be delayed until the next meeting), and a Special meeting sometime in late August to tour the Ridgemark Wastewater Treatment Plant.

The next regular meeting is scheduled to be held at 5:15 p.m. on Thursday, August 9, 2012.

P. ADJOURN: Upon motion made by Director Hill, seconded by Director Clapham, and carried 4-0 (President Meraz absent), the meeting was adjourned at 6:35 p.m.

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

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