

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
July 17, 2018

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Johnson, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Judi Johnson, Director Robert J. Rodriguez II, Director Ann Ross, and Director Honor Spencer. **Absent:** Director Alcorn (Director Mike Alcorn arrived at 5:25, after agenda item G-2)
- C. PLEDGE OF ALLEGIANCE:** Assistant Engineer Rob Hillebrecht led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Ross, seconded by Director Rodriguez, and carried 4-0 (Director Alcorn 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, and Associate Engineer Rob Hillebrecht.

F. CONSENT AGENDA:

- 1. Approval of Minutes – for the Regular Meeting of June 19, 2018.
- 2. Allowance of Claims– to ratify disbursements for the period from June 19, 2018 through July 9, 2018, totaling \$897,274.19 which includes \$896,773.69 for payments to vendors and employees, and \$500.50 for customer refunds and deductions for customer checks returned. The last check written was check # 25884. The list of disbursements is as follows:

Date	Number	Name	Amount
06/19/18	ACH 1186	RETURNED ACH (ACH Ret 06-02)	-141.87
06/19/18	ACH 1187	RETURNED ACH (ACH Ret 06-03)	-160.23
06/19/18	ACH 1188	RETURNED ACH (ACH Ret 06-04)	-50.07
06/29/18	ACH 1189	CalPERS - Retirement	-1,036.00
06/29/18	ACH 1190	CalPERS - Retirement	-2,130.22

Date	Number	Name	Amount
06/29/18	ACH 1191	CalPERS - Retirement	-28,112.25
06/29/18	ACH 1192	CalPERS - Health Insurance	-15,410.02
06/29/18	ACH 1193	EFTPS	-26,198.12
06/29/18	ACH 1194	Employment Dev. Dept. (EDD) DE88 Pmts.	-11,261.96
06/14/18	ACH 1195	This ACH number was assigned to a deposit	0.00
07/02/18	ACH 1196	CalPERS - Retirement	-23,122.00
07/02/18	ACH 1197	CalPERS - Retirement	-689.00
07/03/18	ACH 1198	Merchant Services	-1,908.13
06/29/18	DD 2277	Alvarez, Abel	-5,742.29
06/29/18	DD 2278	Bernal, Melissa M	-2,544.38
06/29/18	DD 2279	Boltz, William K	-5,838.27
06/29/18	DD 2280	Brill, Kelly L.	-4,669.30
06/29/18	DD 2281	Buck, Cathy L.	-6,433.73
06/29/18	DD 2282	Burbank, Jr., Dee J.	-4,460.95
06/29/18	DD 2283	Castro, Kevin G.	-5,140.88
06/29/18	DD 2284	Chavez, Jr., Manuel T.	-7,984.76
06/29/18	DD 2285	Eclarin, Ernesto P.	-7,364.52
06/29/18	DD 2286	Filice, James L.	-7,444.38
06/29/18	DD 2287	Hagins, Patrick M.	-4,878.50
06/29/18	DD 2288	Hernandez, Bazilio	-6,076.57
06/29/18	DD 2289	Hillebrecht, Robert B.	-4,171.25
06/29/18	DD 2290	Jackson, Patrick W.	-5,902.46
06/29/18	DD 2291	Malko, Kim A.	-3,543.11
06/29/18	DD 2292	Norman, III, Walter R.	-5,380.23
06/29/18	DD 2293	Padilla, David	-5,566.71
06/29/18	DD 2294	Porteur, Carol A.	-4,376.47
06/29/18	DD 2295	Quick, Troy E.	-5,760.35
06/29/18	DD 2296	Ridenhour, Donald G.	-10,515.28
06/29/18	DD 2297	Sanchez, Ricardo A.	-4,836.85
06/29/18	DD 2298	Watson, Scott A.	-6,828.41
06/29/18	DD 2299	Zavala, Anabel G.	-4,544.47
06/22/18	25815	Postmaster	-214.81
06/25/18	25816	RANDALL & LORRAINE BONINO	-80.03
06/25/18	25817	JUAN , CARMEN & RAFAEL CONTRERAS	-68.30
06/25/18	25818	Auto Tech Service Center, Inc.	-105.71
06/25/18	25819	Brenntag Pacific, Inc.	-23,463.82
06/25/18	25820	CalVista Insurance Agency Inc.	-64,429.00
06/25/18	25821	Central Ag Supply LLC	-1,155.10
06/25/18	25822	First Trust Alarm Company	-698.00
06/25/18	25823	Hach Company	-135.31
06/25/18	25824	Konica Minolta Premier Finance	-412.91
06/25/18	25825	OnTrac	-140.95
06/25/18	25826	P G & E	-23,591.78
06/25/18	25827	San Benito County Water District	-115,270.00
06/25/18	25828	South Valley Internet, Inc.	-40.90

Date	Number	Name	Amount
06/25/18	25829	State Water Resources Control Board-DWOCP	-260.00
06/25/18	25830	State Water Resources Control Board-OOC	-415.00
06/25/18	25831	Toro Petroleum Corp.	-1,883.05
06/25/18	25832	Veolia Water Technologies	-1,992.63
06/25/18	25833	San Benito County Water District	-307,989.84
06/29/18	25834	Nationwide Retirements Solutions	-23,256.08
06/29/18	25835	United Way of San Benito County	-150.00
06/29/18	25836	Dearborn National Life Insurance Company	-368.00
06/29/18	25837	HealthSmart Benefit Solutions, Inc. (VSP)	-313.10
06/29/18	25838	Premier Access Insurance Co.	-3,078.46
06/28/18	25839	Petty Cash	-34.43
06/28/18	25840	Postmaster	-2,024.26
06/28/18	25841	Sanchez, Ricardo A.	-150.00
07/02/18	25842	Ace Hardware (Johnson Lumber Co.)	-1,046.11
07/02/18	25843	AT&T	-619.42
07/02/18	25844	Brenntag Pacific, Inc.	-8,174.86
07/02/18	25845	Brigantino Irrigation	-102.84
07/02/18	25846	Calif. Municipal Treasurers Assoc. (CMTA)	-155.00
07/02/18	25847	Corbin Willits Systems, Inc. (MOM's)	-7,831.20
07/02/18	25848	Corix Water Products	-430.84
07/02/18	25849	Green Valley Farm Supply, Inc	-1,654.33
07/02/18	25850	Hach Company	-887.48
07/02/18	25851	Mc Master-Carr	-147.37
07/02/18	25852	Mission Uniform Service	-925.58
07/02/18	25853	O'Reilly Auto Parts	-5.93
07/02/18	25854	Palace Business Solutions	-463.41
07/02/18	25855	Pinnacle HealthCare	-3,200.00
07/02/18	25856	Postmaster	-41.00
07/02/18	25857	Razzolink.com	-76.95
07/02/18	25858	San Benito Engineering & Surveying Inc.	-2,012.50
07/02/18	25859	San Benito Tire Pros & Automotive	-290.03
07/02/18	25860	Shape, Inc.	-6,035.97
07/02/18	25861	State Water Resources Control Board-DWOCP	-60.00
07/02/18	25862	True Value Hardware	-20.19
07/02/18	25863	Verizon Wireless	-264.11
07/02/18	25864	Wright Bros. Welding & Sheet Metal, Inc.	-447.30
07/02/18	25865	ACWA/JPIA	-13,252.74
07/09/18	25866	Ace Hardware (Johnson Lumber Co.)	-126.62
07/09/18	25867	AT&T	-272.86
07/09/18	25868	B.S.K. Analytical Laboratories, Inc.	-1,033.00
07/09/18	25869	B.W.S. Distributors, Inc.	-222.90
07/09/18	25870	Bianchi Kasavan & Pope, LLP	-160.88
07/09/18	25871	Bracewell Engineering, Inc.	-126.00
07/09/18	25872	Brenntag Pacific, Inc.	-10,315.04
07/09/18	25873	Brigantino Irrigation	-19.82

Date	Number	Name	Amount
07/09/18	25874	CM Analytical, Inc.	-8,947.50
07/09/18	25875	Corix Water Products	-243.15
07/09/18	25876	Hach Company	-328.13
07/09/18	25877	Mark Nicholson, Inc.	-10,283.12
07/09/18	25878	Mc Master-Carr	-443.38
07/09/18	25879	Pinnacle Agriculture	-693.10
07/09/18	25880	State Water Resources Control Board-DWOCF	-300.00
07/09/18	25881	Toro Petroleum Corp.	-1,360.47
07/09/18	25882	True Value Hardware	-33.36
07/09/18	25883	U.S. Bank Corporate Payment Systems	-1,585.99
07/09/18	25884	USA Blue Book	-688.25
Total Disbursements			-897,274.19

President Johnson stated that she had previously had questions answered by Cathy Buck on several items on the disbursement list, but asked staff to comment on a few of those items.

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

G. NEW BUSINESS:

1. CONSIDER AUTHORIZING THE PURCHASE OF A REPLACEMENT

FORKLIFT FOR AN AMOUNT NOT TO EXCEED \$20,000 (Not a project under

CEQA per Article 20, Section 15378): General Manager/Secretary Ridenhour explained that the District’s forklift was purchased used approximately 15 years ago and is in need of replacement. The current forklift is a walk behind unit made by Big Joe Manufacturing with a capacity of 2,000 pounds. The current forklift has severe oil leaks and the batteries are in need of replacement. Repair parts for the unit are difficult to obtain and the forklift is currently broken down. The District needs a forklift for loading and unloading equipment and materials in the shop area on a regular basis. Staff is currently looking for a used forklift that will fit the District needs. Staff is requesting authorization to replace the current forklift with a used forklift for an amount not to exceed \$20,000.

Director Rodriguez suggested that staff look into purchasing from K-Lift in Salinas, he has done business with them for his own business and has had a good experience with them.

Upon motion made by Director Spencer, seconded by Director Rodriguez, and carried 4-0 (Director Alcorn absent) the Board authorized the purchase of a replacement forklift for an amount not to exceed \$20,000.

- 2. CONSIDER APPROVAL OF THE AGREEMENT FOR WATER FACILITIES AND SERVICE FOR VALLEJO DEVELOPMENT (Mitigated Negative Declaration MS 1237-16 approved August 17, 2016):** Associate Engineer Hillebrecht stated that the proposed Vallejo Development is located north of Santa Ana Road, directly across from Hummingbird Lane. The development proposes the creation of 3 new single family residences and extension of Hummingbird Lane ending in a cul-de-sac. The development will receive potable water and fire protection water service from Sunnyslope County Water District as it is within the District's boundary. Sunnyslope issued a Letter of Intent to serve potable water to the development on May 5, 2016. The additional water demands have been considered and addressed in the Hollister Urban Area Water Master Plan to ensure the District has sufficient water supply to serve such development.

The Agreement given to the Board is the District's standard agreement for water facilities and service to a new development. The District currently has the capacity and ability to serve this development with potable water yet the Agreement acknowledges the District's right to terminate the Agreement if severe drought, or other unforeseen circumstances significantly limit its capacity or ability to serve new customers.

The developer will pay for all related District costs through the Deposit explained in Section 5 of the agreement, along with water capacity charges and meter set fees for each new unit. The capacity charge is currently \$10,975.00 and will be adjusted according to the Engineering News Record Construction Cost Index for San Francisco on July 1, 2019. The meter set fee is \$405.00.

Upon motion made by Director Rodriguez, seconded by Director Spencer, and carried 4-0 (Director Alcorn absent), the Board approved the agreement for water facilities and service for Vallejo Development.

Director Alcorn arrived and is present for the remainder of the meeting.

- 3. CONSIDER APPROVAL OF THE AGREEMENT FOR WATER FACILITIES AND SERVICE FOR SUNNYSIDE ESTATES DEVELOPMENT (Environmental Impact Report for TM 12-15 approved January 20, 2016):** Associate Engineer Hillebrecht explained that the proposed Sunnyside Estates Development is located west of Southside Road and south of Enterprise Road near the District Well #12 site. The development includes the creation of 200 new single family residences, along with a new park, roadways, and other improvements. The development will receive potable water and fire protection water service from Sunnyslope County Water District as it is within the District's boundary. Sunnyslope issued a Letter of Intent to serve potable water to the development on April 15, 2015. The additional water demands have been considered and addressed in the Hollister Urban Area Water Master Plan to ensure the District has sufficient water supply to serve such development.

The Agreement given to the Board is the District's standard agreement for water facilities and service to a new development. The District currently has the capacity and ability to serve this development with potable water, yet the Agreement acknowledges the District's right to terminate the Agreement if severe drought, or other unforeseen circumstances significantly limit its capacity or ability to serve new customers.

The developer will pay for all related District costs through the Deposit explained in Section 5 of the agreement, along with water capacity charges and meter set fees for each new unit. The capacity charge is currently \$10,975.00 and will be adjusted according to the Engineering News Record Construction Cost Index for San Francisco on July 1, 2019. The meter set fee is \$405.00.

Upon motion made by Director Ross, seconded by Director Spencer, and carried 5-0 the Board approved the agreement for water facilities and service for Sunnyside Estates Development.

H. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** No meeting.
2. **Water/Wastewater Committee:** No meeting.
3. **Finance Committee:** No meeting.
4. **Policy and Procedure Committee:** No meeting.
5. **Personnel Committee:** No meeting.
6. **Water Resources Association of San Benito County (WRA):** President Johnson reported that the committee met on July 12th and discussion was held on the new well site in San Juan Bautista; the routine status reports; and fair preparations.
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 her monthly written narrative report on the Operations Summary (thru June 30, 2018), Statement of Income (thru May 31, 2018), and Investment Summary (thru June 30, 2018). General Manager/Secretary Ridenhour commented on the number of water capacity fees received in Fiscal Year 2017/2018 being 233, and stated that the District has not seen these kind of numbers since the late 1990's. Mr. Ridenhour stated that the revenue from the capacity fees help the District fund capital projects, such as the Crosstown Pipeline.

The District's Investment Summary report reflects the total cash balance as of June 30, 2018 of \$ 12,773,188.78, which includes posted interest totaling \$ 68,768.76 (twelve months interest on the CDs and Money Market, and interest on the LAIF investment that posted in July, October, January, and April). General Manager/Secretary Ridenhour stated that the total cash on hand for FY 2017-18 is up \$2,800,000 from last Fiscal Year.

Water/Wastewater Superintendent Jim Filice reported on the June 30, 2018 Maintenance Staff Report, and asked the Board if there were any questions. President Johnson asked Mr. Filice to explain several of the items on the report, which he did.

In review of the Meter Reading Report for the period of May 15, 2018 to June 13, 2018, the intertie meter data indicates the City received -4.3% of Lessalt Water Treatment Plant water, while the District received 104.3%, and the City received 100% of the West Hills Water Treatment Plant water, while the District received 0%.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are still going down.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported construction is getting underway for both phases of the Crosstown Pipeline project. The contractor is scheduled to complete the pipeline in Southside Road fronting the Ladd Lane Elementary School prior to the school year beginning in August.

San Benito County Water District (SBCWD) approved an MOU with Santa Clara County Water District and Pacheco Pass Water District on June 27th to participate in the Pacheco Reservoir expansion. The reservoir expansion scored the highest Statewide for Prop 1 dollars. SBCWD will have an option to participate up to 10% in the project. This project could provide Sunnyslope and the City enough surface water supply for the expansion of the West Hills Water Treatment Plant in the future.

General Manager/Secretary Ridenhour stated that new development continues at a swift pace with 223 new customers in 2017/2018 or a 3.9% increase. While new connections may slow in coming years, staff expects the pace to continue for the next few years. Water capacity fees for the FY 2017/2018 totaled 233 or \$2.47 million and continues to assist the District with capital improvement costs such as the Crosstown Pipeline.

The County is nearly complete with their excavation of the Southside Road slide material from above Southside Road and below the District's wastewater treatment plant. No significant moisture has been found to date in the excavation material. A geotechnical

investigation following the excavation is anticipated and staff will continue to monitor the County's work.

I. BOARD and STAFF REPORTS

1. **Directors:** No report.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** No report, Ms. Buck is on vacation.
4. **Assistant Engineer:** Rob Hillebrecht invited the Board to go on a tour of the Crosstown Pipeline. He suggested that they give him a call if interested, and he would take them to see the project.
5. **General Manager:** General Manager/Secretary Ridenhour requested that the August Board meeting be canceled as he will be on vacation and there is nothing pending at this time, and all were in agreement. Mr. Ridenhour also stated that if any of the Directors whose term will expire in November are interested in running again, the County is accepting applications from July 16th through August 10th.

J. FUTURE AGENDA ITEMS: Auditor's Report at the September 18th meeting.

K. ADJOURNMENT: President Johnson adjourned the meeting at 6:07 p.m.

APPROVED BY THE BOARD: *s/ Judi H. Johnson*
Judi H. Johnson, President

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