

**MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
May 16, 2017**

- 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; Directors; Mike Alcorn, Robert J. Rodriguez II, Ann Ross, and Honor Spencer.
- C. PLEDGE OF ALLEGIANCE:** Director Spencer led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Alcorn, seconded by Director Rodriguez, and carried 5-0, 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; Finance and Human Resource Manager Cathy Buck, Water/Wastewater Superintendent Jim Filice, and Assistant Engineer Rob Hillebrecht.

F. CONSENT AGENDA:

- 1. Approval of Minutes – for the Regular Meeting of April 18, 2017.
- 2. Allowance of Claims– to ratify disbursements for the period from April 11, 2017 through May 8, 2017, totaling \$834,971.45, which includes \$480,713.85 for payments to vendors and employees, \$350,981.78 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$3,275.82 for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of May 8, 2017 was check #23071.

The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
04/14/17	ACH 0936	RETURNED CHECK (Ret. Ck 04-02)	-125.33
04/14/17	ACH 0937	EFTPS	-122.40
04/18/17	ACH 0938	RETURNED ACH (Ret. ACH 04-01 to 04-02)	-227.23

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
04/18/17	ACH 0939	RETURNED CHECK (Ret. Ck 04-03)	-231.18
04/19/17	ACH 0940	RETURNED ACH (Ret. ACH 04-03 to 04-06)	-606.09
04/28/17	ACH 0941	EFTPS	-25,064.48
04/28/17	ACH 0942	Employment Dev. Dept. (EDD) DE88 Pmts.	-9,385.53
05/03/17	ACH 0943	Merchant Services	-863.74
05/03/17	ACH 0944	Merchant Services	-862.92
05/03/17	ACH 0945	RETURNED CHECK (Ret. Ck 05-01)	-280.00
05/04/17	ACH 0946	RETURNED CHECK (Ret. Ck 05-02)	-415.79
04/14/17	DD 1905	Alcorn, Michael H.	-92.35
04/14/17	DD 1906	Johnson, Judi H.	-92.35
04/14/17	DD 1907	Rodriguez, II, Robert J.	-184.70
04/14/17	DD 1908	Ross, Ann C.	-92.35
04/14/17	DD 1909	Spencer, Honor A.	-277.05
04/28/17	DD 1910	Alvarez, Abel	-5,800.19
04/28/17	DD 1911	Boltz, William K	-5,307.05
04/28/17	DD 1912	Brill, Kelly L.	-4,445.69
04/28/17	DD 1913	Buck, Cathy L.	-6,536.33
04/28/17	DD 1914	Castro, Kevin G.	-4,930.30
04/28/17	DD 1915	Chavez, Jr., Manuel T.	-7,036.81
04/28/17	DD 1916	Eclarin, Ernesto P.	-6,420.17
04/28/17	DD 1917	Filice, James L.	-7,010.51
04/28/17	DD 1918	Hagins, Patrick M.	-4,374.88
04/28/17	DD 1919	Hillebrecht, Robert B.	-3,829.47
04/28/17	DD 1920	Jackson, Patrick W.	-5,502.53
04/28/17	DD 1921	Malko, Kim A.	-3,163.80
04/28/17	DD 1922	Norman, III, Walter R.	-5,418.24
04/28/17	DD 1923	Padilla, David	-5,114.33
04/28/17	DD 1924	Porteur, Carol A.	-4,191.63
04/28/17	DD 1925	Quick, Troy E.	-4,530.06
04/28/17	DD 1926	Ridenhour, Donald G.	-10,152.72
04/28/17	DD 1927	Sanchez, Ricardo A.	-4,014.10
04/28/17	DD 1928	Watson, Scott A.	-6,218.67
04/28/17	DD 1929	Zavala, Anabel G.	-4,426.39
04/17/17	22988	AUDRA D ACQUISTAPACE	-188.92
04/17/17	22989	ROBERT & MARY FABING	-81.12
04/17/17	22990	ROBIN M GITMED	-122.09
04/17/17	22991	MELISSA E MITCHELL	-87.59
04/17/17	22992	T RANAE & DANIEL MORGAN	-79.37
04/17/17	22993	BARBARA & LARRY PERRY	-62.26
04/17/17	22994	KATHLEEN SPANO	-154.86
04/17/17	22995	All Star Ready Mix, LLC	-778.05
04/17/17	22996	Bracewell Engineering, Inc.	-126.00
04/17/17	22997	Calgon Carbon Corporation	-41,257.88
04/17/17	22998	City of Hollister-Finance Dept	-350,981.78
04/17/17	22999	De Lay & Laredo	-2,100.00

Date	Number	Name	Amount
04/17/17	23000	Monterey Bay Air Resources District	-3,849.00
04/17/17	23001	Pantera Shredding	-308.00
04/17/17	23002	Pinnacle Agriculture	-1,228.92
04/17/17	23003	Quinn Company	-692.22
04/17/17	23004	San Benito County Water District	-144.50
04/17/17	23005	San Benito County Water District-Pumping	-15,582.43
04/17/17	23006	Toro Petroleum Corp.	-232.58
04/24/17	23007	A-1 Services	-403.00
04/24/17	23008	All Star Ready Mix, LLC	-440.65
04/24/17	23009	Auto Tech Service Center, Inc.	-318.05
04/24/17	23010	Brigantino Irrigation	-287.89
04/24/17	23011	CM Analytical, Inc.	-13,088.75
04/24/17	23012	EBCO Pest Control	-55.00
04/24/17	23013	Konica Minolta Premier Finance	-412.91
04/24/17	23014	Petty Cash	-132.63
04/24/17	23015	Ryan Herco Flow Solutions	-1,357.05
04/28/17	23016	CalPERS - Retirement	-3,108.00
04/28/17	23017	CalPERS - Retirement	-1,036.00
04/28/17	23018	CalPERS - Retirement	-1,492.98
04/28/17	23019	Nationwide Retirements Solutions	-18,071.64
04/28/17	23020	CalPERS - Health Insurance	-17,228.15
04/28/17	23021	CalPERS - Retirement	-22,444.18
04/28/17	23022	Dearborn National Life Insurance Company	-320.00
04/28/17	23023	HealthSmart Benefit Solutions, Inc. (VSP)	-307.90
04/28/17	23024	Premier Access Insurance Co.	-3,085.67
04/24/17	23025	Postmaster	-189.60
04/28/17	23026	Postmaster	-1,930.77
05/01/17	23027	TARSHA BROWN-FOYE & DARREN BOYCE	-26.30
05/01/17	23028	IH2 PROP WEST LP	-90.27
05/01/17	23029	BETH ANN RICHARDS	-26.81
05/01/17	23030	OLIVIA SHINER & JASON WIGE	-57.60
05/01/17	23031	AT&T	-285.12
05/01/17	23032	Ben Caputo Printing	-686.31
05/01/17	23033	Brigantino Irrigation	-34.79
05/01/17	23034	Central Ag Supply LLC	-1,687.41
05/01/17	23035	Ferguson Enterprises, Inc.	-22.59
05/01/17	23036	Hach Company	-573.63
05/01/17	23037	Hollister Auto Parts, Inc.	-249.24
05/01/17	23038	John Smith Road Landfill	-13.44
05/01/17	23039	Mandego Apparel	-870.33
05/01/17	23040	Mc Master-Carr	-239.07
05/01/17	23041	Mid Valley Supply	-641.01
05/01/17	23042	O'Reilly Auto Parts	-121.54
05/01/17	23043	Palace Business Solutions	-245.30
05/01/17	23044	Pinnacle HealthCare	-80.00

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
05/01/17	23045	Postal Graphics (was Post Net)	-153.75
05/01/17	23046	Razzolink.com	-132.90
05/01/17	23047	San Benito Tire, Inc.	-707.92
05/01/17	23048	Stargazer Packaging	-513.86
05/01/17	23049	Toro Petroleum Corp.	-1,474.84
05/01/17	23050	Verizon Wireless	-239.65
05/01/17	23051	Wright Bros. Indust. Supply	-38.52
05/08/17	23052	PHYLLIS J FAXON	-275.74
05/08/17	23053	JOVITA BARRON REYES	-137.27
05/08/17	23054	Ace Hardware (Johnson Lumber Co.)	-372.03
05/08/17	23055	AT&T	-517.34
05/08/17	23056	Bianchi Kasavan & Pope, LLP	-30.00
05/08/17	23057	Brenntag Pacific, Inc.	-10,046.96
05/08/17	23058	CalPERS OPEB Trust	-10,761.00
05/08/17	23059	CM Analytical, Inc.	-5,130.00
05/08/17	23060	Credit Consulting Services, Inc.	-14.00
05/08/17	23061	Employee Relations, Inc.	-149.70
05/08/17	23062	Mission Uniform Service	-791.82
05/08/17	23063	San Benito County Water District	-135,572.38
05/08/17	23064	San Benito Tire, Inc.	-707.92
05/08/17	23065	Staples Advantage	-117.89
05/08/17	23066	State Water Resources Control Board-DWOCP	-450.00
05/08/17	23067	Toro Petroleum Corp.	-441.03
05/08/17	23068	U.S. Bank Corporate Payment Systems	-5,555.67
05/08/17	23069	Wright Bros. Welding & Sheet Metal, Inc.	-153.98
05/08/17	23070	Trans Union LLC	-111.20
05/08/17	23071	Central Ag Supply LLC	-3,307.57
Total Disbursements			<u>-834,971.45</u>

Upon motion made by Director Spencer, seconded by Director Alcorn, and carried 5-0, the consent agenda was approved as presented.

G. NEW BUSINESS:

- 1. ACKNOWLEDGE AND AUTHORIZE THE GENERAL MANAGER’S EMERGENCY PURCHASE OF MATERIALS AND REPAIRS FOR WELL #2 FROM MAGGIORA BROS. PUMP FOR A TOTAL COST NOT TO EXCEED \$45,498.00 (Not a project under CEQA per Article 19, Section 15301):** Assistant Engineer Rob Hillebrecht explained that on April 28th, 2017, the District’s Well #2 on Southside Road, near Ladd Lane Elementary School, shut down due to excessive electrical current draw by the well motor. District staff investigated and determined that

the well pump and motor needed to be pulled for further diagnosis and to conduct any repairs or replacements required. This well serves as a critical component of the District's water supply portfolio and is key in ensuring the District can meet peak water demands while maintaining sufficient flexibility and redundancy. As such, it was urgent that the District begin the process of repairing the well as quickly as possible. On May 1, 2017, the District issued Request for Quotation notices to several companies specializing in wells and pumps. The lowest Quote, which was attached for the Board's reference, was received from Maggiora Bros. Pump at a total amount not to exceed \$45,498.00. This total includes replacement of the pump and motor along with all other potential repair costs. Actual costs may be lower depending upon the extent of the repairs required.

Due to the critical nature of Well #2 in the District's water system and to minimize the length of down time for the well, the General Manager notified the District Board President on May 2, 2017 and authorized emergency repairs per District Policy #8100.1D (Emergency Expenditures) for repairs to Well #2 for an amount not to exceed \$45,498.00. Included in this staff report are full the details of the emergency repair purchase for the full Board to review. It is imperative that the District respond swiftly to the failure of a water supply well as repairs may take several weeks to be fully completed. The District is still meeting all system water demands and fire flow requirements through the Lessalt WTP and increased operation of other District wells, but supply redundancy is significantly reduced with Well #2 temporarily out of service.

Upon motion made by Director Ross, seconded by Director Spencer, and carried 5-0, the Board acknowledged and authorized the General Manager's emergency purchase of materials and repairs for Well #2 from Maggiora Bros. Pump for a total cost not to exceed \$45,498.00.

2. **CONSIDER AUTHORIZING THE GENERAL MANAGER TO PURCHASE A REPLACEMENT DISTRICT VEHICLE FOR A COST NOT TO EXCEED \$20,000 (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour stated that the vehicle assigned to the General Manager is aging and in need of replacement. The District's fleet continues to age and the financial plan developed as part of the water and wastewater rates anticipated replacing one vehicle per year beginning in fiscal year 2013/2014 to keep up with District needs. Staff is requesting authorization to replace the General Manager's sedan for fiscal year 2017/2018, and if approved, staff will begin looking for a good used sedan for less than \$20,000.

The vehicle proposed to be replaced is a 1996 Dodge Stratus four door sedan with an odometer reading of approximately 144,400 miles. This car has several small issues including doors that don't open, dash gauges that work intermittently, and interior upholstery that is falling apart. Replacement will result in avoiding the cost of major repairs in the next few years. This vehicle was purchased used many years ago and staff is proposing to find a used vehicle less than 3 years old with less than 40,000 miles on the odometer to replace it. A District communication radio and GPS tracking system will be added to the car once purchased.

Upon motion made by Director Rodriguez, seconded by Director Spencer, and carried 5-0, the Board authorized the General Manager to purchase a replacement District vehicle for a cost not to exceed \$20,000.

H. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** No meeting held.
2. **Water/Wastewater Committee:** No meeting held.
3. **Finance Committee:** No meeting held.
4. **Policy and Procedure Committee:** No meeting held.
5. **Personnel Committee:** No meeting held.
6. **Water Resources Association of San Benito County (WRA):** The committee met on May 4th, and was attended by President Johnson who prepared a written report for the Board. President Johnson reported that there was discussion and approval of the WRA expenses and activities; there was a presentation given by Amanada Chiado, Program Manager for the San Benito County Arts Council on "Environmental Literacy and Poetry Residency 2017"; there was discussion on May as Water Awareness Month; and there was discussion about Governor Brown ending the drought state of emergency in most of California on April 7, 2017. The next meeting is scheduled for July 6, 2017.
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 April 30, 2017), Statement of Income (thru March 31, 2017), and Investment Summary (thru April 30, 2017).

Ms. Buck noted that we are down ten water capacity fees year to date compared to April 2016. She mentioned that we could make this up before year-end due to the capacity fee rates increasing effective July 1, 2017, which could promote developers to pay some capacity fees before the increase takes effect. Ms. Buck asked if there were any questions, of which there were none.

The District's Investment Summary report reflects the total cash balance as of April 30, 2017 of \$9,453,092.50, which includes posted interest totaling \$34,742.04 (ten months interest on the CDs, and four quarters of interest on the LAIF investment that posted in July, October, January, and April).

Water/Wastewater Superintendent Jim Filice reported on the April 2017 Maintenance Staff Report, and asked the Board if there were any questions. President Johnson inquired about #2, completed water main shutdown, cut main to install and end cap with a 2" blow-off and pour a cement kicker at the end of Barnes Lane. Mr. Filice explained that this was the finishing touch to abandon the water main that ran across the creek at Barnes Lane. He had reported abandoning the main at the other side of the creek last month.

President Johnson also inquired about #12, Don, Manny, Troy and Bill took a tour of the Fairfield Acti-Flo Carb Water Treatment Plants. Mr. Filice responded that since the West Hills Water Treatment Plant is soon to be in operation, staff went to visit a plant that was up and running and to learn what they could by speaking to the operators at that plant.

President Johnson also inquired about #20, troubleshoot and found the sonic level transducer on the backup main lift station had failed. Jim replied that we changed settings to run off the floats until a new transducer can be purchased and installed. Mr. Filice explained that in the event that the main lift station shuts down, the backup main lift station kicks in, and since the sonic level transducer failed, the settings on the high and low floats were adjusted to alert staff when the levels rose above or fell below the floats.

Director Ross inquired about #17, Pat Jackson attended a Pesticide Seminar in Salinas. Director Ross asked why Mr. Jackson was attending pesticide seminars since we use EBCO Pest Control, and questioned why we needed both. Mr. Filice explained that EBCO Pest Control is used for spraying around the District office for ants and spiders. Pat Jackson's pesticide applicator license allows him to spray for weeds around the well sites and other District property sites where we need to control weeds and rodent activity.

In review of the Meter Reading Report for intertie meter data for the period of March 15, 2017 to April 17, 2017, the report shows the City received 46.2 % of Lessalt Water Treatment Plant water, while the District received 53.8 %. Mr. Filice stated that for this period, the City of Hollister owes the District a little more water.

President Johnson asked Mr. Filice how many interties are within the District which staff can regulate the flow going to the City, and Mr. Filice stated that there are two locations that staff is regulating at this time. It will change once the new West Hills Water Treatment Plant comes online.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are trending up.

8. **Active Tasks Update:** General Manager Secretary Ridenhour reported that two new water/wastewater maintenance staff members started working for the District on May 1st and are quickly learning the District's system.

An RFP (request for proposals) has been mailed out to prospective engineering firms to design the cross-town pipeline. Proposals are due June 2nd. General Manager/Secretary Ridenhour is continuing to meet with the High School and the County on the pipeline easement needs.

The State Division of Drinking Water toured the West Hills WTP on May 11th. Operators have been training on the various parts of the treatment plant and they will be busy testing at the plant starting next week.

A meeting for the Governance Committee is planned for May 24th to review the final draft of the Master Plan Update prior to it being brought to each agencies Board for approval in June. Due to a recent San Benito County Board of Supervisors meeting where an agenda item included discussion of who should be the Groundwater Sustainability Agency (GSA), which Director Ross read about in BenitoLink, she inquired about the District becoming a part of the GSA. It was reported that San Benito County Water District (SBCWD) is already serving in the capacity as GSA for our region. General Manager/Secretary Ridenhour explained that SBCWD was the appropriate agency since they already manage the groundwater in the entire county covering the groundwater basins identified by the State, and already perform much of the duties required of the new GSAs. San Benito County staff had considered pursuing the GSA management, however, the Board of Supervisors decided SBCWD was better suited for the role. Sunnyslope Water and the City of Hollister participate with

SBCWD in planning for their service areas since all three agencies are involved in the Urban Water Master plan, so the District's interests are also covered with this arrangement.

General Manager/Secretary Ridenhour reported that LAFCO's Board met to discuss sewer service outside of the City on April 27th and made no decision.

General Manager/Secretary Ridenhour reported that he attended several sessions at the ACWA Spring Conference held in Monterey on May 10th & 11th. Mr. Ridenhour felt that two of the most productive sessions and presentations he attended were on the CalPERS Pension and the discussion on the Orville Dam.

He also reported on the Water Forum presented by San Benito Business Council and held on April 21st at San Juan Oaks. As a presenter, Mr. Ridenhour was the representative for Sunnyslope County Water District, and was joined by representatives from San Benito County Water District, the City of Hollister, and Water Resources Association. The agencies talked about the Master Plan, joint projects they are working on, and the West Hills Water Treatment Plant. Mr. Ridenhour felt it was a good opportunity to show how the three agencies are successfully working together on the various projects and how cost effective it is to share the expense.

I. BOARD and STAFF REPORTS

1. **Directors:** President Johnson provided a written report stating that she attended the ACWA Spring Conference Monday, May 8th through Friday, May 12th, and attended committee meetings, sessions, and activities. President Johnson stated that the ACWA and JPIA conferences provided the opportunity for learning new ideas, greeting longtime friends, and meeting common interest players of the water game. Ms. Johnson appreciates the opportunity to be a part of the exciting information received.

Director Alcorn reported that he also attended the ACWA Spring Conference and was interested in what he learned from the CalPERS Pension session and would like to discuss what he learned with the Finance Committee. He also visited a governance/legal booth and picked up a flyer with a punch list of items that he would like District staff to review.

Director Ross reported on attending the ACWA Spring Conference and enjoyed the mix of people attending, such as legal, geologists, and other Board members. Ms. Ross felt that as a new Board of Director, the conference was crucial to attend and she feels more confident as a Director after attending.

2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** No report.
4. **Assistant Engineer:** Mr. Hillebrecht reported that he attended the ACWA Spring Conference in Monterey and was intrigued by the Prop 218 process on setting water rates, and the low income subsidy.
5. **General Manager:** No report.

J. FUTURE AGENDA ITEMS: Master Plan update; professional service agreement for cross-town pipeline; proposed budget for FY 17-18.

K. ADJOURNMENT: Upon motion made by Director Rodriguez, President Johnson adjourned the meeting at 6:28 p.m.

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

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