

**MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
November 11, 2010**

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

B. ROLL CALL: Present: Vice President Dave Meraz, Directors Marchel Nelson, Steve Hailstone, and Dawn Anderson. **Absent:** President Doug Keck.

OTHERS PRESENT: Secretary Bryan Yamaoka, District Engineer Ken Girouard, Finance & Human Resource Manager Cathy Buck, Water Superintendent Jim Filice, Executive Assistant Carol Porteur, Attorney Lloyd Lowrey, Stenographer Laura Wiener-Smolka, and Director-Elect Danny Villalon.

C. EXECUTIVE SESSION: None.

D. REPORT ACTION TAKEN IN EXECUTIVE SESSION AND TAKE ACTIONS IN OPEN SESSION: None; no executive session was held.

E. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS: There were no public comments.

F. READING OF MINUTES: Upon motion made by Director Nelson, seconded by Director Anderson, and unanimously carried (4-0), the minutes of October 14, 2010 regular meeting were approved as presented.

G. OLD BUSINESS: None.

H. NEW BUSINESS:

- 1. FAIRVIEW WATER TANK MIXER/ NOZZLE PROPOSAL FROM UTILITY SERVICE COMPANY – Receive Presentation, Discuss, and Take Appropriate Action on Request by Staff to Consider Proposal from Utility Service Company to Evaluate Various Disinfection Byproduct Removal Strategies for the Fairview Tanks:** Engineer Girouard reviewed Utility Service Company's proposal and explained that it has two phases; the first phase is the installation of a solar power PAX active mixing system and air vents on the roof; the second phase involves the installation of a recirculation spray system inside the tank. Phase two would only happen if necessary, and would be after grid power is available at the tank site.

During his report, Engineer Girouard explained how the mixer will keep the water from stratifying in different levels, and will keep the chlorine residual in a better balance. He also spoke about favorable test results relative to the use of spray nozzles for "air stripping" as a means to inhibit brominated trihalomethanes which are a significant portion of our disinfection byproducts (DBPs). He stated that an experiment was conducted at the Lessalt Plant by taking water from Lessalt, putting it in a jug, shaking it up, and transferring it into another jug. After repeating this process five times, they achieved 15% removal of DBP from the water. Based upon this primitive experiment and previously published literature, this process could potentially air strip up to 80% of DBPs which had formed. This technology would re-circulate potable water in the potable water storage reservoirs, and air strip out some of the DBP's which form in the distribution system or storage reservoir over time.

Engineer Girouard spoke about his research on comparative pricing and reported that the cost of the mixers, without a solar power system, ranges from \$40,000 to \$65,000. He stated that comparison of other company's pricing confirms that Utility Service Company's proposal is economically beneficial to the District. Engineer Girouard recommended Board acceptance of the proposal.

Secretary Yamaoka clarified that after completion of Utility Service Company's testing, if the Board decides to proceed with the system, the cost is \$55,750; if the Board decides not to proceed, the District would still be required to pay 25% of the \$55,750 cost (\$13,375) and they would remove the system.

Upon motion made by Director Nelson, seconded by Director Anderson, and unanimously carried (4-0), the Board approved proceeding with the Utility Service Company's Phase 1 proposal for the Fairview tanks and authorized execution of the agreement as presented.

2. **BOARD OF DIRECTORS INFORMATIONAL PACKET - Discuss Types of District Information to Provide Directors Assuming Office:** Acting President Meraz suggested that the information binder for new Board members include: an Organizational Chart with a list of employees (and pictures); a Capital Improvement Projects list that includes financial budget data; a District Map showing boundaries, wells, zones, etc.; and the District's Benefit Package details. He asked for input and ideas from Board members.

Director Hailstone suggested waiting to distribute the information binders until after new Board members have attended several meetings and the Board has received their suggestions. He also suggested a summary of relevant portions of the Brown Act. Director Nelson pointed out that Attorney Lowrey will be providing ethics training in January that will include Brown Act regulations and that Secretary Yamaoka is planning to give a tour of the District.

Other suggestions included: a list of District Committees and board representatives on the committees; list of vehicles and equipment; the most recent financial audit; the current years operating budget; two years of Board meeting minutes; and information on the Governance Committee. Secretary Yamaoka pointed out that Harry Blohm will be giving a presentation to the Board in December that will provide information regarding the Governance Committee.

During discussion, Secretary Yamaoka stated that staff will begin assembling the materials suggested for the new and continuing Board members.

I. BOARD AND STAFF COMMITTEE STATUS REPORTS:

1. **Governance Committee:** Engineer Girouard reported receiving a preliminary draft of an agreement with San Benito County Water District for delivery of wholesale water for the Lessalt (existing) and the Westside (future) surface water treatment plants. He noted that this will necessitate discussions between the District, City of Hollister, SBCWD, and possibly the County of San Benito (basically the Governance Committee) on issues such as who will own and operate the two plants; how much water each plant will need; and how to attain water quality levels to meet specifications required for recycling water.

Engineer Girouard pointed out that the critical importance of the various issues, and the long-term ramifications of decisions, creates an environment for the discussions to become political in nature.

Secretary Yamaoka reported that the Governance Committee is not scheduled to meet this month.

2. **Water Resources Association of San Benito County:** Director Anderson reported that she and Secretary Yamaoka were present for the WRA meeting on November 4th; however, the City of Hollister and San Juan Bautista representatives were absent; therefore, the meeting was not convened due to lack of a quorum. In response to questions from the Board, Director Anderson stated that Shawn Novack telephones representatives to provide meeting reminders.

Director Anderson stated that there is no meeting scheduled for the month of December. The WRA's next meeting is scheduled for 5:30 p.m. on January 6, 2011 at the San Benito County Water District's meeting room.

3. Ridgemark Wastewater Treatment and Recycled Water Improvement Project:

Secretary Yamaoka reported that the State Revolving Fund is tentatively scheduled to hear the District's request at the Board level for funding on December 14th. If we are not on the agenda for December 14th, we probably won't be on the agenda until February 2011.

RMC Water and Environment is finalizing the design package for the Ridgemark Facilities and if we receive confirmation on the December 14th hearing, we may send out packages after Dec 14th. Secretary Yamaoka stated that he anticipates consideration of bids at the Board's February meeting.

Engineer Girouard reported that, if approved, we will have a low interest rate of 2.7% on the State Revolving Fund loan, whereas when the City of Hollister got their loan is was in the vicinity of 6%.

4. State Revolving Fund and Stimulus Package Financing: This item was covered in discussion of item I.3.

5. Lessalt Water Treatment Plant: Engineer Girouard reported on his visit to the Palmdale treatment plant; others also attending included: Jim Filice, Pat Jackson, and Manny Chavez from Sunnyslope Water, Dale Rosskamp from San Benito County Water District, plant operators from the City of Hollister, engineers from HDR (who are working on the preliminary design of the Westside Treatment Plant), and engineers from Kennedy/Jenks. Joe Kirschner, from Palmdale, hosted a tour of the plant and pilot plant, which allowed them to get good first hand information.

During his report, Engineer Girouard noted that bromine levels of water treated at the Palmdale plant are very similar to those of water treated by this District at the Lessalt treatment plant. The finished product water samples for dissolved organic carbon had 0.8 milligrams per liter to 1.2 milligrams per liter, which is in the range of what staff would like to see for the water coming out of our treatment plant and would meet the disinfection by-products rule.

He noted that samples of Palmdale's water were obtained and are currently undergoing 7, 14, and 21-day testing for trihalomethane formation. He stated that they will be able to set a target for water quality with the assistance of Kennedy/Jenks engineers and if it is determined that the granulated activated carbon process has a filter change out frequency more often than six months, the nanofiltration process will be more economical. Engineer Girouard stated that he will be discussing test results and the economics of treatment options with the Governance Committee and the engineers at HDR.

Engineer Girouard stated that the trip was very productive and worthwhile. He also commented on the benefits of having all concerned parties present when questions were addressed by the plant's staff.

6. Water Related Projects: Water Related Projects have been covered during the preceding staff and committee report discussions.

7. District Operation Summary, Statement of Income, and Investment Summary; Lessalt Water Treatment Agency Investment Summary and Disbursement Summary; District Maintenance, City Meter Reading, and Groundwater Level Measurement Reports: During review of the District's Operation Summary, Cathy Buck commented that the number of customers signed up for Autopay continues to increase.

Ms. Buck reviewed the Statement of Income for the first four months of the fiscal year, pointing out that she included a copy last fiscal year's Statement of Income on the reverse side for comparison. She noted that year-to-date Water sales revenue is approximately \$70,000 more than last year and that year-to-date Sewer sales revenue is approximately \$23,000 more than last year.

During her review of the Investment Summary for the fiscal year's first four months, Ms. Buck noted that the District's cash and investment balance as of October 31 is \$1,874,356.73, which includes four months earned interest totaling \$4,572.71. Director Nelson commented that interest rates seemed to be better; Cathy Buck responded that they are actually worse; the Certificate's of Deposit are currently just over 1% whereas last year we had a CD that was over 3%. The LAIF interest rates are also lower than last year.

The Board reviewed the Lessalt Water Treatment Agency's Investment Summary through October 31, which reflects a cash and investment total of \$1,587,320.57 and includes \$10,579.44 in fiscal year-to-date (8 months) interest earned. Ms. Buck commented that everything seems to stay consistent with the WTA and once we bill the City of Hollister and Sunnyslope Water for the prepaid water, the account balance builds back up. She also noted the Disbursement Summary for the period October 15 through November 11, 2010 totaled \$42,815.25 and does not include the disbursement to San Benito County Water District for October's energy charge, which will be paid after November 11th.

During review of the October 2010 Maintenance Report, Jim Filice responded to questions from Board members about details regarding various items in the report. In response to Director Anderson's inquiry regarding the time frame for shutting down the wells to inspect and clean the chlorine injector quills, Mr. Filice explained that total time for well shut down is less than 30 minutes. In response to Director Meraz' question about removing well depth monitors and putting them into storage, Mr. Filice stated that the monitors are the chart type used for test holes, such as for well #12. He explained that the wells are still measured manually on a monthly basis. In response to Director Anderson's question about whether the traffic control seminar attended by some of our staff was for our own work, Mr. Filice explained that the seminar pertains to setting up cones, directing traffic, and safety issues when crews must work along side or in the middle of roadways. Director Hailstone commented that water leak repairs in three of the items listed are all for similar street numbers on different streets. Jim Filice stated that the leaks all happened in a week's time, were pinhole in size, were all copper lines, and no cause for the similarity could be determined.

Jim Filice reviewed the Meter Reading Report for the period September 15 to October 15, and noted intertie meter data indicates the City owes the District 167 million gallons of water. Currently the District has received 60% of Lessalt water, and the City 40%. Mr. Filice reported completion of replacing the pressure reducing valve on Santa Ana Road with a flow control valve, which will enable the City to start receiving a larger share of Lessalt water. The distribution should get closer to the 50%/50% desired.

During review of the November groundwater level report, Mr. Filice noted that well levels continue to hold steady.

- J. ALLOWANCE OF CLAIMS:** During review of the District's Disbursement Summary for the period October 15 through November 11, 2010, Cathy Buck responded to Director Anderson's question regarding check #15541 for \$2,430 paid to Bianchi, Kasavan & Pope, LLP. She explained that the payment is for computer consulting services, specifically related to the SCADA system. In response to Director Hailstone's question regarding check #15542 paid to the City of Hollister, Ms. Buck explained that it is for sewer and street sweeping services the District billed and collected on behalf of the City.

Upon motion made by Director Anderson, seconded by Director Hailstone, and unanimously carried (4-0), the Board approved the disbursements totaling \$925,495.95, which includes: \$280,244.80 for accounts payable and employee compensation; \$642,312.30 to the City of Hollister for City sewer bills collected for a 2-month period; \$2,111.63 for customer refunds and returned checks; and \$827.22 for employee medical benefit plan reimbursements. Last check written as of November 11th was check # 15632.

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
10/22/10	ACH 0074	Intuit, Inc. - Upgrade to QuickBooks Pro 2011	-599.95
10/25/10	ACH 0075	Intuit, Inc. - Year-end forms W-2 & 1099	-87.38

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
10/25/10	ACH 0076	San Benito Bank - Sept. Bank Fees	-518.41
11/3/10	ACH 0077	Merchant Services - Oct. Cr. Card Fees	-675.14
10/15/10	ACH0065	RETURNED CHECK	-239.24
10/15/10	ACH0066	RETURNED ACH	-40.88
10/15/10	ACH0067	RETURNED CHECK	-130.00
10/15/10	ACH0068	RETURNED CHECK	-158.00
10/18/10	ACH0069	RETURNED CHECK	-127.60
10/22/10	ACH0070	RETURNED CHECK	-147.84
10/22/10	ACH0071	RETURNED CHECK	-168.99
10/22/10	ACH0072	RETURNED CHECK	-157.08
10/25/10	ACH0073	RETURNED CHECK	-365.13
10/29/10	DD 0103	Alvarez, Abel	-3,716.38
10/29/10	DD 0104	Brill, Kelly L.	-4,393.46
10/29/10	DD 0105	Buck, Cathy L.	-6,304.97
10/29/10	DD 0106	Castro, Kevin G.	-4,139.02
10/29/10	DD 0107	Chavez, Jr., Manuel T.	-5,592.77
10/29/10	DD 0108	Eclarin, Ernesto P.	-4,642.81
10/29/10	DD 0109	Estrada, Thomas A.	-3,853.00
10/29/10	DD 0110	Filice, James L.	-7,906.14
10/29/10	DD 0111	Girouard, Kenneth R.	-6,441.93
10/29/10	DD 0112	Hagins, Patrick M.	-4,075.34
10/29/10	DD 0113	Imperatrice, Patrick L.	-5,294.25
10/29/10	DD 0114	Jackson, Patrick W.	-6,102.73
10/29/10	DD 0115	Norman, III, Walter R.	-4,677.08
10/29/10	DD 0116	Padilla, David	-4,507.59
10/29/10	DD 0117	Porteur, Carol A.	-3,481.59
10/29/10	DD 0118	Robson, Ann	-2,543.51
10/29/10	DD 0119	Watson, Scott A.	-3,823.51
10/29/10	DD 0120	Yamaoka, Bryan M.	-8,646.56
10/29/10	DD 0121	Zavala, Anabel G.	-4,165.19
11/9/10	DD 0122	Hailstone, Stephen B. (Dir. Dep.)	-100.00
11/9/10	DD 0123	Keck, Doug (Dir. Dep.)	-200.00
11/9/10	DD 0124	Meraz, David (Dir. Dep.)	-100.00
11/9/10	DD 0125	Wiener-Smolka, Laura S. (Dir. Dep.)	-200.00
10/11/10	15528	San Benito County Clerk - VOID (Approved L:	124.00
10/11/10	15536	PAPA	-140.00
10/18/10	15537	A-1 Services	-353.00
10/18/10	15538	Auto Tech Service Center, Inc.	-127.70
10/18/10	15539	AutomationDirect.com	-897.00
10/18/10	15540	Berger/Lewis Accountancy Corporation	-5,750.00
10/18/10	15541	Bianchi Kasavan & Pope, LLP	-2,430.00
10/18/10	15542	City of Hollister-Finance Dept	-321,093.76
10/18/10	15543	CM Analytical, Inc.	-1,990.00
10/18/10	15544	CSK Auto / Pro Shop	-68.69
10/18/10	15545	J L Wingert Co.	-42.49
10/18/10	15546	NH3 Service Company	-404.86
10/18/10	15547	OnTrac	-38.00
10/18/10	15548	P G & E	-9,933.16
10/18/10	15549	San Benito County Water District-Pumping	-24,739.15
10/22/10	15550	Postmaster	-287.19
10/25/10	15551	BAILEY PROPERTIES INC	-163.46
10/25/10	15552	TRACY BOOMER	-94.75
10/25/10	15553	STEVE HILL	-34.30
10/25/10	15554	ANNA MARIE LOERA	-96.51
10/25/10	15555	GERALYNN M NIXON	-64.00
10/25/10	15556	JANET ROBERTS	-110.57
10/25/10	15557	DARROW & GAIL STRACUZZI	-13.28
10/25/10	15558	AutomationDirect.com	-870.25
10/25/10	15559	Calif. Municipal Treasurers Association	-430.00
10/25/10	15560	CM Analytical, Inc.	-2,055.00
10/25/10	15561	Dept. of Motor Vehicles (DMV)	-23.00
10/25/10	15562	Electrical Distributors Co.	-94.81

Date	Num	Name	Amount
10/25/10	15563	Everbank Commercial Finance, Inc.	-257.85
10/25/10	15564	Gabilan Welding, Inc.	-45.47
10/25/10	15565	Hach Company	-194.03
10/25/10	15566	Kennedy/Jenks Consultants	-860.00
10/25/10	15567	NH3 Service Company	-1,725.51
10/25/10	15568	Personnel Concepts	-85.37
10/25/10	15569	Pinpoint Products	-437.28
10/25/10	15570	Power Equipment Co.	-15.22
10/25/10	15571	South Valley Internet, Inc.	-17.95
10/25/10	15572	Toro Petroleum Corp.	-1,423.68
10/27/10	15573	Postmaster	-1,724.41
10/29/10	15574	Employment Dev. Dept. (EDD) DE88 Pmts.	-9,116.25
10/29/10	15575	San Benito Bank	-20,322.52
10/29/10	15576	CalPERS - Retirement	-1,587.18
10/29/10	15577	Nationwide Retirements Solutions	-11,263.37
10/29/10	15578	Sterling HSA	-1,202.50
10/29/10	15579	BAC (Beneficial Administration Company)	-260.52
10/29/10	15580	Ben-e-lect	-270.00
10/29/10	15581	CalPERS - Retirement	-35,113.16
10/29/10	15582	Fort Dearborn Life Insurance Co.	-207.00
10/29/10	15583	Premier Access Insurance Co.	-2,651.18
10/29/10	15584	State Comp. Insurance Fund	-5,410.41
10/29/10	15585	Sterling HSA	-61.25
11/2/10	15586	All Star Ready Mix, LLC	-823.94
11/2/10	15587	AT&T	-273.79
11/2/10	15588	Brigantino Irrigation	-29.41
11/2/10	15589	Calif. Dept. of Public Health - OCP	-60.00
11/2/10	15590	Enterprise Electrical Services	-708.82
11/2/10	15591	Ferguson Enterprises, Inc.	-55.74
11/2/10	15592	Hollister Auto Parts, Inc.	-9.06
11/2/10	15593	Judy's Gifts & Awards	-23.16
11/2/10	15594	Mc Master-Carr	-44.00
11/2/10	15595	Mission Uniform Service	-533.36
11/2/10	15596	Noland Hamerly Etienne & Hoss	-2,238.90
11/2/10	15597	O'Reilly Auto Parts	-17.77
11/2/10	15598	Palace Art & Office Supply	-23.30
11/2/10	15599	Postal Graphics (was Post Net)	-9.99
11/2/10	15600	Razzolink.com	-79.90
11/2/10	15601	RMC Water and Environment	-2,590.45
11/2/10	15602	San Benito County Water District	-420.25
11/2/10	15603	Sierra Chemical Co.	-1,072.88
11/2/10	15604	Verizon Wireless	-129.76
11/2/10	15605	Wastewater Solutions	-450.00
11/2/10	15606	Wright Bros. Indust. Supply	-501.43
11/8/10	15607	All Star Ready Mix, LLC	-403.85
11/8/10	15608	Anderson, Dawn V.	-200.00
11/8/10	15609	Auto Tech Service Center, Inc.	-29.05
11/8/10	15610	Brigantino Irrigation	-42.23
11/8/10	15611	City of Hollister-Finance Dept	-321,218.54
11/8/10	15612	Don Chapin Co. Inc., The	-15.00
11/8/10	15613	Gabilan Welding, Inc.	-66.25
11/8/10	15614	Ace Hardware (Johnson Lumber Co.)	-438.22
11/8/10	15615	Hach Company	-238.27
11/8/10	15616	Hawkins Delafield & Wood, LLP	-3,500.00
11/8/10	15617	Mc Donald Landscaping	-165.00
11/8/10	15618	Mc Master-Carr	-430.12
11/8/10	15619	Nelson, Marchel V.	-200.00
11/8/10	15620	O'Reilly Auto Parts	-10.91
11/8/10	15621	P G & E	-18,076.94
11/8/10	15622	Petty Cash	-74.71
11/8/10	15623	Quinn Company	-513.30
11/8/10	15624	Recology San Benito County	-114.27

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/8/10	15625	San Benito Bank-Medical Exp.	-500.00
11/8/10	15626	San Benito County-Tax Collector	-532.14
11/8/10	15627	San Benito Tire, Inc.	-15.00
11/8/10	15628	Staples	-199.37
11/8/10	15629	Toro Petroleum Corp.	-1,068.99
11/8/10	15630	U.S. Bank Corporate Payment Systems	-1,389.96
11/8/10	15631	USA BlueBook	-56.19
11/8/10	15632	Du-All Safety, LLC	-278.00
10/20 - 11/2/10	1335-1345	Total Disbursements - Medical Cking	-827.22
Total Disbursements			<u>-925,495.95</u>

K. MANAGEMENT REPORTS:





1. **District Counsel:** No report.
2. **District Engineer:** Engineer Girouard reported that LAFCO approved the Walker/Moheyuddin annexation and it is now going to the State Board of Equalization for final action. He also reported that discussions with the City of Hollister and San Benito County Water District regarding urban water demands over the next thirty years is moving along. Engineer Girouard stated that design for the pipeline connecting Lessalt to Ridgemark has been finalized and is ready to go out to bid when financing arrangements have been completed. Doug Dove will provide a cost/rate analysis presentation to the Board in the next few months.
3. **General Manager:** No report.






L. FUTURE AGENDA ITEMS: Future agenda items include a presentation in December by Harry Blohm on the Governance Committee, a tour of District facilities hopefully in December, and in January, Attorney Lowrey will provide a three-hour long ethics training workshop. Vice President Meraz suggested that the ethics training be divided into two sessions.

The next regular meeting of the Board is scheduled to be held Thursday, December 9, 2010.

M. PRESENTATION OF AWARDS IN APPRECIATION FOR LEADERSHIP AND SERVICE TO THE WATER INDUSTRY TO DIRECTORS STEVE HAILSTONE AND MARCHEL NELSON FOR YEARS OF SERVICE: Secretary Yamaoka stated that this is the last meeting at which both Steve Hailstone and Marchel Nelson will attend as members of the Board of Directors, and that the District wishes to recognize and thank them for their many years of dedicated service to the District.

He pointed out that since taking seats on the Board, both Director Hailstone and Nelson have seen tremendous growth within the District over the years. Secretary Yamaoka gave the following overview of highlights during their tenures:

-  In 1984 the District had 1,800 water accounts and delivered 1,300-acre feet of water. Today the District delivers 2,700-acre feet of water to 5,300 water accounts; additionally the staff of four grew to its current size of 19 employees.
-  In 1985 Valdez Track residents came to the District asking for emergency water supply because their well became contaminated by their septic systems and the District passed a general obligation bond of \$151,000 to serve these residents.
-  In 1986 District staff took 7 days to handwrite 2,100 monthly water bills. Today the District's computer system generates 5,300 water bills in 3 hours.
-  Luckily, during the 1989 Loma Prieta Earthquake, no damage was done to the District's systems. The biggest crisis was the City helping themselves to the District's only generator for supplying emergency power to wells. With a Board decision, each of the District's wells and sewer liftstations are now equipped with emergency generators to keep them operating during power outages or emergencies.

-  In the early 1990's the District agreed to become a regional water supplier in order to provide the City and County with household and fire suppression water for the County Migrant Camp and County Public Works yard. Also, in the early 1990's the District adopted the first Urban Water Management Plan as a joint project with the City.
-  In the late 1990's, after extensive research, the District decided to purchase a radio read meter system. Two years ago the goal of all water meters converted to radio read was achieved. Previously three employees spent 8 hours a day for 5 days to read meters each month; it now takes one employee a total of 3½ hours to read all of the District's water meters.
-  After 16 years of planning, construction of the first surface water treatment plant was completed in November 2002, and the Lessalt Treatment Plant started delivering water to both the City and District.
-  During both Directors' tenures, the District added three new domestic water wells, an emergency pump station to supply water to Ridgemark, built a 3.5 million gallon water tank, and acquired a site and constructed the current District Office and Maintenance facilities.
-  Finally, Secretary Yamaoka noted that recently the District became a member of the Governance Committee along with the City of Hollister, San Benito County Water District, and County of San Benito. He remarked that feuding between these agencies has passed and now they sit down together at the table to discuss water and wastewater issues, share ideas, and collaboratively arrive at decisions for the best interests of the Hollister area residents.

Secretary Yamaoka personally thanked Steve Hailstone for giving him the opportunity to serve as the District's General Manager and for sharing countless insights over the years. He stated that he enjoyed and appreciated weekly visits with Director Hailstone as well as his willingness to listen to concerns which Secretary Yamaoka had or relayed on behalf of employees. He added that over the past 26 years, the employees also have very much appreciated Director Hailstone's care and concern for them and for the District. On behalf of the District and the Board, Secretary Yamaoka presented an engraved plaque of recognition to Director Hailstone as a token of appreciation for his 26 years of service to the District, including 5 years as Board President.

Secretary Yamaoka stated that he has always respected Marchel Nelson's suggestions as a Director, as well as his good business sense in assisting the Board in arriving at effective solutions and decisions. He acknowledged appreciation for Director Nelson's consistent practice of coming into the office to clarify information to resolve a concern of his or that expressed by a District customer. On behalf of the Board and the District, Secretary Yamaoka presented an engraved plaque of recognition to Director Marchel Nelson as a token of appreciation of his 23 years of service on the Board, including 13 years as President of the Board.

Director Nelson stated that he has enjoyed the last 23 years as a Director for the District; he spoke about the great employees of the District now and in the past, their dedication, competency, and willingness to work with each other. Director Nelson also acknowledged Secretary Yamaoka for his skills in managing employee relations.

N. ADJOURN: Upon motion made by Director Anderson, seconded by Director Hailstone, and unanimously carried, the meeting was adjourned at 6:20 p.m.

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

RESPECTFULLY SUBMITTED: s/Bryan M. Yamaoka
 Bryan M. Yamaoka, Secretary