

**MINUTES  
BOARD OF DIRECTORS  
SUNNYSLOPE COUNTY WATER DISTRICT  
Regular Meeting  
October 14, 2010**

**A. CALL TO ORDER:** The meeting was called to order at 4:45 p.m. by President Keck at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

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

**OTHERS PRESENT:** Secretary Bryan Yamaoka, District Engineer Ken Girouard, Finance & Human Resource Manager Cathy Buck, Water Superintendent Jim Filice, Attorney Lloyd Lowrey, and Executive Assistant Carol Porteur.

**C. EXECUTIVE SESSION:** The meeting was adjourned to executive session.

1. **Employee Negotiations**

-Employee 2009-10 Negotiations - #54957.1

-District Negotiators: Dave Meraz and Steve Hailstone

-District Employee Representing All Employees: Kelly Brill and Pat Jackson

2. **Conference with Real Property Negotiators. Property:** Purchase of lands for Proposed Groundwater Well #12 and Related Appurtenances. APN 020-280-022, SSCWD Negotiators: Bryan Yamaoka, Ken Girouard. Property Owner(s): Campisi. Under negotiation: Price and terms of payment.

**D. RECONVENE OPEN MEETING AND REPORT ACTIONS TAKEN BY BOARD IN EXECUTIVE SESSION:** President Keck convened the meeting in open session at 5:15 p.m. He reported on the following Executive Session agenda items:

1. **Employee Negotiations 2009-10:** No action was taken; the Board gave instructions to the negotiators.

2. **Conference with Real Property Negotiators:** No action was taken; the Board gave instructions to the negotiators.

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

Secretary Yamaoka introduced Danny Villalon, new Sunnyslope County Water District Board member elect, whose term will begin in December, 2010. Director Meraz noted that new Board member's terms take effect, per statute, on Monday, December 6, which is after the first Friday of the month. The new board member's will take their oath of office and be sworn in at the December 9, 2010 regular board meeting.

**F. READING OF MINUTES:** Upon motion made by Director Anderson, seconded by Director Nelson, and unanimously carried, the minutes of September 9, 2010 regular meeting were approved as presented.

**G. OLD BUSINESS:** None.

**H. NEW BUSINESS:**

1. **SUNNYSLOPE COUNTY WATER DISTRICT 2008-09 ANNUAL FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION, AND RECOMMENDATIONS - Review, Discuss, and Take Appropriate Action to Accept/Deny 2008-09 Annual Financial Statement presented by Robert Smiley of Berger/Lewis Accountancy Corporation:** Secretary Yamaoka introduced Robert Smiley of Berger/Lewis Accountancy Corporation. Mr. Smiley began his report by discussing agenda item #2 first, the Hollister-Sunnyslope Water Treatment Agency

(WTA) audit for fiscal year ended February 28, 2009. Once he concluded his report on the WTA, he went on to discuss the District's audit for fiscal year ended June 30, 2009.

Mr. Smiley discussed the separate letter his firm issued, addressed to the Board of Directors of the District, in which they disclose any issues noted during the audit. In the "Significant Audit Findings" section, he again noted that the useful lives used to depreciate assets is based on management's estimates and he noted the sensitive disclosures in the notes to the financial statements regarding the risk associated with cash. During his report Mr. Smiley stated that there were no disagreements with management and no other audit findings or issues to be disclosed or discussed.

Mr. Smiley directed the Board to the Independent Auditor's Report. He noted again that the first paragraph of the letter focuses on the time period covered by the audit; the second paragraph discusses the audit standards followed by his firm in conducting the audit; the third paragraph is their opinion on the audited financial statements; and the final paragraph discusses the auditors limited responsibility for the supplementary information presented with the financial reports. Mr Smiley explained that the June 30, 2009 audit opinion is a clean opinion, which means the audited financial statements present fairly, in all material respects, the financial position of the District as of the audit date.

Mr. Smiley turned the discussion to the Balance Sheets. He suggested the Board look at the current ratio (ratio of current assets to current liabilities) to examine the liquidity of the District, and that greater than a 2 to 1 ratio indicates good liquidity. The District's ratio is 2.5 to 1. He noted that the current liabilities are payable within one year. Mr. Smiley said the financial statements show that the District has over \$21 million invested in Property, Plant & Equipment, and that approximately 30% has been depreciated. He pointed to the long-term liabilities, which are predominantly for the revenue bond payable, and noted that more detailed information is available in the Notes to the financial statements.

In reviewing the Statements of Revenues, Expenses, and Changes in Net Assets, Mr. Smiley pointed out that for fiscal year ended June 30, 2009 the change in net assets, or surplus of revenues over expenses, was \$430,000.

Mr. Smiley, turning attention to the Notes to Financial Statements, noted that the Board should review Note C on Property, Plant and Equipment; should review Note D on the Bonds Payable; and that in Note C, the liability for post retirement benefits is currently not an issue for the District. He recommended sending a District representative to annual CalPERS meetings to learn of trends in actuarial assumptions and policy rates.

Director Meraz asked about how other water agencies handle their spending policy, noting that the Sunnyslope Board typically approves bill payments after payment has been made. Mr. Smiley stated that there are as many different methods as there are different districts in existence, and that many give a list of disbursements to the Board for approval. However, Boards do have a fiduciary responsibility and therefore should regularly review all procedures such as bank reconciliations, deposits, and payments. Some agencies' policies require prior approval for bills over a certain amount. He noted that internal controls are most important for smaller districts where the same person makes deposits, writes checks, and reconciles bank statements.

Upon motion made by Director Meraz, seconded by Director Anderson, and unanimously carried, the Board accepted the District's 2008-09 Annual Financial Statement audit as presented.

- 2. HOLLISTER - SUNNYSLOPE WATER TREATMENT AGENCY ANNUAL FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION, AND RECOMMENDATIONS - Review, Discuss, and Take Appropriate Action to Accept/Deny 2008-09 Annual Financial Statement presented by Robert Smiley of Berger/Lewis Accountancy Corporation:** Mr. Smiley reviewed his firm's audit of the Hollister-Sunnyslope Water Treatment Agency's February 28, 2009 financial statements. He discussed the auditors responsibilities in conducting the audit; stated that the financial

statements are the responsibility of management; and concluded that, in the end, what you want to get is the auditors opinion on the financial reports.

He discussed the separate letter his firm issued, addressed to the Board of Directors of the Water Treatment Agency, in which they disclose any issues noted during the audit. In the "Significant Audit Findings" section, he noted they found no transactions entered into by the Agency during the year for which there was a lack of authoritative guidance or consensus; and that all significant transactions were recognized in the financial statements. In discussing the accounting estimates used in the financial statements, he noted that the most sensitive estimate affecting the financial statements was the estimate of the useful lives of its assets for depreciation purposes, which is based on management's estimates and industry standards. The depreciation expense is based on an estimate and the Agency has a large capital asset value. He also spoke about the sensitive disclosures required in the notes to the financial statements relating to financial risk and where the cash is kept by the Agency. Mr. Smiley concluded his discussion of the letter by noting that there were no disagreements with management and that the audit was a very easy process with the cooperation and assistance of the Agency's staff.

Mr. Smiley began his discussion of the audit report by focusing on the Independent Auditor's Report. He noted that the first paragraph of the letter focuses on the time period covered by the audit. In the second paragraph, the audit standards followed by his firm in conducting the audit are discussed. And, in the third paragraph, they give their opinion on the audit results, which for this year's audit is a clean opinion. A clean opinion means the audit firm concluded that the financial statements present fairly, in all material respects, the financial position of the Agency as of the audit date. The remaining two paragraphs of the Auditor's Report discuss the supplementary information presented in the audited financial statements and explains the limited responsibility the auditors take regarding those supplementary reports.

Mr. Smiley continued his discussion by looking at the Balance Sheets in the financial reports. He suggested that, as a reader of the financial statements, the Board should look at the cash balance available and should also look at the amount of current assets available to pay the current liabilities; noting that the Agency has excellent liquidity coverage. He noted that the Agency is fixed asset intensive with over \$4 million in Property, Plant & Equipment, and that approximately 30% has been depreciated. He recommended there should be a cash set-aside for future repairs and replacements. Mr. Smiley also noted there were no new capital additions for fiscal year 2008-09.

Next in the discussion, Mr. Smiley directed attention to the Statements of Revenues, Expenses, and Changes in Net Assets, noting that the Agency's operating revenues are generated from the cost sharing agreement between the City of Hollister and Sunnyslope County Water District, in which 50% of operating expenses are billed to each entity on a monthly basis. Mr. Smiley pointed out that, while the Net Operating Income for fiscal year 2009 is negative, or a net loss, that it was budgeted to be at a break-even.

Concluding his discussion, Mr. Smiley focused on the Notes to Financial Statements. He pointed out the importance of a continuing review of financial sources for future major capital asset repairs and replacements. Also, with regard to public credit risk arising from cash deposits, he noted that it is important for the Board to continue regular review of its investment policy.

Upon motion made by Director Meraz, seconded by Director Anderson, and unanimously carried, the Board accepted the Hollister-Sunnyslope Water Treatment Agency's 2008-09 Annual Financial Statement audit as presented.

3. **HOLLISTER URBAN AREA WATER/WASTEWATER MASTER PLAN- WATER TREATMENT SITE SELECTION PROCESS: Receive and Discuss Presentation by Harry Bloom, Staff Coordinator, Regarding Recent Actions by Water Treatment Site Selection Committee for Second Water Treatment Plant Site:** Secretary Yamaoka reported that Harry Blohm will give his presentation to the Board at its next meeting.

Secretary Yamaoka noted that a HUAWW Master Plan Coordinated Plan PEIR Public Hearing is scheduled for October 21, 2010, 6:00 p.m. at Veteran's Memorial Building and the comment period opens October 4 until November 7, 2010.

## **I. BOARD AND STAFF COMMITTEE STATUS REPORTS:**

1. **Governance Committee:** Secretary Yamaoka reported that the next Governance Committee meeting will be held at 6:00 p.m. on October 20, 2010 following its 4:30 p.m. Management Committee meeting.
2. **Water Resources Association of San Benito County:** Director Anderson said there is nothing to report at this time. Secretary Yamaoka added that the next WRA meeting will be held at 5:30 p.m. on November 4, 2010 at the San Benito County Water District board meeting room.
3. **Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** Engineer Ken Girouard reported that the State Water Board is tentatively scheduled to hear Sunnyslope's request for State Revolving Fund financing at their December 14, 2010 meeting. After that, we should have a letter of intent or commitment from them on the project. Mr. Girouard spoke with Marc Nakamoto of RMC Water and Environment about the timing of bidding the project; tentatively, if we could send the project out to bid at the end of November we would be receiving bids towards the end of January. By then, we should know if the funding has been approved. Once we have construction bid numbers, a special board meeting may need to be called to discuss the cost of the Wastewater Treatment Plant as well as the SRF interest rate. We should do a final comparison of the cost of the local project compared to the cost of joining the City of Hollister's collection system since there has been a six-month delay in financing approval and overall costs may have changed. The City of Hollister has done a master plan of their collection system and Mr. Girouard will be discussing this with them further. We need to determine if our buy-in costs and connection costs would be the same as when we did the previous comparison. Additionally, we will be discussing which part of the City of Hollister's sewer collection system infrastructure would need to be upgraded if Sunnyslope was to connect with their system and who would bear the associated costs. Ms. DeMartini of the Regional Water Quality Control Board (RWQCB) is aware of the delays in our project. She has requested a statement every three months; she is noting the violations on wastewater requirements but is not recommending regulatory action at this time as we are making reasonable progress dealing with the issue.
4. **Water Related Projects:** No report.
5. **Lessalt Water Treatment Plant:** Engineer Girouard stated we are close to finishing the design of the pipeline from Lessalt to Ridgemark and should be able to bid out the pipeline project in fair order. He also commented on the pump station which will be necessary to pump water from the Lessalt plant to the Ridgemark pressure zone, but is still under discussion in parallel with the carbon filtration alternative. We are conferring with HDR regarding nanofiltration and granulated activated carbon alternatives on the cost and ability to meet both peak and average requirements on the disinfection byproducts. Mr. Girouard confirmed the upcoming plans to visit a treatment plant in Palmdale, California that uses a granulated activated carbon process to treat water with significant levels of bromides and dissolved organic carbon, very similar to the District's water. This is all being done as part of the re-design of the plant to meet the RWQCB requirements and balance the cost to achieve the needed results.
6. **State Revolving Fund and Stimulus Package Financing:** Engineer Girouard noted that the District's application for Best Road Potable Water Line project funding was highly rated. He reported that the State issued an invitation to the District to submit its application for funding of this pipeline project. Engineer Girouard reported that a Preliminary Notice of Intent to apply has been filed with the State.
7. **District Operation Summary, Statement of Income, and Investment Summary; Lessalt Water Treatment Agency Investment and Disbursement Summaries; District Maintenance Report; Meter Reading Report; and Groundwater Level**

**Measurements:** The Operation Summary was reviewed with no comments or questions. Cathy Buck reviewed the Statement of Income for the first three months of fiscal year 2011, noting a net water loss of \$78,193 and net wastewater income of \$40,494, for an overall combined District loss of \$37,699. In response to President Keck's question last month about comparison to the prior year, Ms. Buck pointed out that she copied the Statement of Income for the first three months last year, fiscal year 2010, on the back of the report for comparison purposes and noted that water sales revenue for the first three months of this year is up \$36,163 over the first three months of last year. The Board can make other comparisons in the numbers as they wish.

During review of the Investment Summary for the fiscal year first three months, Cathy Buck noted that the September 30, 2010 total cash and investments balance is \$1,701,055.54, which includes \$3,147.11 of year-to-date interest earned.

The Board reviewed the Lessalt Water Treatment Agency's (WTA) Investment Summary report through September 30, 2010, which reflects a fund total of \$1,583,354.04 and includes \$9,318.41 of fiscal year-to-date interest. The Disbursement Summary for September 10 through October 14, 2010 totaling \$77,539.52 was also reviewed. There were no comments or questions on either report.

During review of the September 2010 Maintenance Report, Jim Filice responded to questions from Board members about details regarding various items in the report.

In response to Director Meraz' inquiry regarding work going on at Santa Ana Road, Mr. Filice explained that he is changing a pressure reducing station and installing a flow control valve operated through the SCADA system to ensure the City receives 50% of water generated by the Lessalt Treatment Plant. By doing this in-house, we save the cost of hiring Calcon to do the work. In response to Director Anderson's question about Item 13 referencing a sewer lateral leak on Westward and Memorial Drive, Mr. Filice stated that the City is responsible for that sewer main lateral, we just assisted. In response to Mr. Keck's question regarding Item 19, Mr. Filice reported that vandals broke into the Fairview Tank area by cutting the chain and locks, which were replaced and a motion activated alarm and camera were installed.

During discussion Cathy Buck commented that the insurance company of the driver that hit the District's fire hydrant reimbursed the District with a check for more than \$17,000 to repair the damages.

Jim Filice reviewed the Meter Reading Report for the period August 18 to September 15, 2010, and noted intertie water balance report indicates the City owes the District 162.3 million gallons of water. During his report, Mr. Filice reviewed the distribution of Lessalt water pumped, noting that from February, 2010 to present, the City has received 40.7% and the District 59.3%. He anticipates that will turn around during the winter months.

During review of the groundwater level report, Mr. Filice commented that well levels continue a downward trend, as expected with customer landscape irrigation use patterns typical for this time of the year.

- J. ALLOWANCE OF CLAIMS:** The Board reviewed the District's Disbursement Summary for the period September 10 through October 14, 2010, totaling \$744,320.76, which includes: \$431,904.33 for employee compensation and vendors paid; \$307,342.33 to the City of Hollister for City sewer bills collected; \$3,308.28 for customer refunds and returned checks; and \$1,765.82 for employee medical benefit plan reimbursements. Last check written as of October 14<sup>th</sup> was check #15535.

During review of the disbursement summary, Director Anderson asked about the \$4,528.92 paid to the California Department of Public Health. Secretary Yamaoka explained that the Health Department charges for monitoring and testing services. Cathy Buck noted that similarly, the Lessalt Treatment Agency paid \$9,202.04 for the Health Department's services.

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
9/10/10	ACH 0049	Anthem Blue Cross of California-Jackson	-78.50
9/27/10	ACH 0055	San Benito Bank	-402.35
10/4/10	ACH 0061	Merchant Services	-566.11
10/7/10	ACH 0062	Anthem Blue Cross of California-Jackson	-78.50
10/8/10	ACH 0063	RETURNED CHECK	-135.60
10/12/10	ACH 0064	RETURNED CHECK	-320.00
9/17/10	ACH RET9-1	RETURNED ACH	-373.43
9/10/10	CK RET 9-1	RETURNED CHECK	-373.23
9/13/10	CK RET 9-2	RETURNED CHECK	-321.84
9/17/10	CK RET 9-3	RETURNED CHECK	-184.22
9/17/10	CK RET 9-4	RETURNED CHECK	-160.00
9/20/10	CK RET 9-5	RETURNED CHECK	-90.31
9/22/10	CK RET 9-6	RETURNED CHECK	-75.00
9/22/10	CK RET 9-7	RETURNED CHECK	-201.60
9/22/10	CK RET 9-8	RETURNED CHECK	-147.48
9/22/10	CK RET 9-9	RETURNED CHECK	-314.94
9/30/10	DD 0080	Alvarez, Abel	-3,665.96
9/30/10	DD 0081	Brill, Kelly L.	-4,362.19
9/30/10	DD 0082	Buck, Cathy L.	-6,304.96
9/30/10	DD 0083	Castro, Kevin G.	-3,487.56
9/30/10	DD 0084	Chavez, Jr., Manuel T.	-5,036.08
9/30/10	DD 0085	Eclarin, Ernesto P.	-4,282.68
9/30/10	DD 0086	Estrada, Thomas A.	-3,782.60
9/30/10	DD 0087	Filice, James L.	-7,911.57
9/30/10	DD 0088	Girouard, Kenneth R.	-6,365.58
9/30/10	DD 0089	Hagins, Patrick M.	-4,511.53
9/30/10	DD 0090	Imperatrice, Patrick L.	-5,214.24
9/30/10	DD 0091	Jackson, Patrick W.	-5,726.24
9/30/10	DD 0092	Norman, III, Walter R.	-4,955.10
9/30/10	DD 0093	Padilla, David	-4,833.55
9/30/10	DD 0094	Porteur, Carol A.	-3,481.60
9/30/10	DD 0095	Robson, Ann	-2,617.00
9/30/10	DD 0096	Watson, Scott A.	-3,586.25
9/30/10	DD 0097	Yamaoka, Bryan M.	-8,846.59
9/30/10	DD 0098	Zavala, Anabel G.	-4,134.63
10/12/10	DD 0099	Hailstone, Stephen B. (Dir. Dep.)	-100.00
10/12/10	DD 0100	Keck, Doug (Dir. Dep.)	-200.00
10/12/10	DD 0101	Meraz, David (Dir. Dep.)	-100.00
10/12/10	DD 0102	Wiener-Smolka, Laura S. (Dir. Dep.)	-200.00
9/10/10	15419	Monterey Bay Water Works Assn. (MBWWA)	-200.00
9/10/10	15420	San Benito County Clerk	-2,060.25
9/10/10	15421	Filice, James L.	-169.30
9/15/10	15422	All Star Ready Mix, LLC	-53.14
9/15/10	15423	American Water Works Association (AWWA)	-172.50
9/15/10	15424	Anthem Blue Cross of California	-12,948.00
9/15/10	15425	AutomationDirect.com	-653.50
9/15/10	15426	B.W.S. Distributors, Inc.	-9.13
9/15/10	15427	Brigantino Irrigation	-113.69
9/15/10	15428	City of Hollister-Finance Dept	-307,342.33
9/15/10	15429	CSK Auto / Pro Shop	-17.45
9/15/10	15430	EBCO Pest Control	-55.00
9/15/10	15431	First Trust Industries (FTI)	-19.12
9/15/10	15432	Hollister-Sunnyslope W. T. A.	-37,935.32
9/15/10	15433	North Bay Pensions	-1,500.00
9/15/10	15434	OnTrac	-21.00
9/15/10	15435	Personnel Concepts	-26.75
9/15/10	15436	San Benito Bank - \$1M Loan Pmts	-42,548.63
9/15/10	15437	Sierra Chemical Co.	-1,109.88
9/15/10	15438	South Valley Internet, Inc.	-17.95
9/15/10	15439	Staples	-647.31
9/15/10	15440	Power Equipment Co.	-150.33
9/20/10	15441	A-1 Services	-353.00

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Amount</b>
9/20/10	15442	Analytical Technology, Inc.	-141.40
9/20/10	15443	B.W.S. Distributors, Inc.	-145.15
9/20/10	15444	CM Analytical, Inc.	-1,830.00
9/20/10	15445	CSK Auto / Pro Shop	-93.28
9/20/10	15446	First Trust Alarm Company	-290.00
9/20/10	15447	Kennedy/Jenks Consultants	-3,967.06
9/20/10	15448	Mc Master-Carr	-132.65
9/20/10	15449	P G & E	-8,459.68
9/20/10	15450	Shape, Inc.	-1,201.75
9/20/10	15451	Toro Petroleum Corp.	-1,242.36
9/21/10	15452	Glenn Crabtree	-250.00
9/22/10	15453	Postmaster	-278.91
9/27/10	15454	Calif. Dept. of Public Health - OCP	-70.00
9/27/10	15455	David J Powers & Associates, Inc.	-574.50
9/27/10	15456	Employment Dev. Dept. (EDD) DE2176 Pmts	-2,356.00
9/27/10	15457	Everbank Commercial Finance, Inc.	-257.85
9/27/10	15458	Ferguson Enterprises, Inc.	-94.85
9/27/10	15459	First American Title	-395.00
9/27/10	15460	Harbor Freight Tools	-7.57
9/27/10	15461	Hollister Auto Parts, Inc.	-26.18
9/27/10	15462	Itron, Inc.	-765.82
9/27/10	15463	Mid Valley Supply	-53.04
9/27/10	15464	Noland Hamerly Etienne & Hoss	-12,927.22
9/27/10	15465	P G & E	-22,527.93
9/27/10	15466	Razzolink.com	-90.77
9/27/10	15467	Toro Petroleum Corp.	-83.35
9/27/10	15468	Verizon Wireless	-139.77
9/30/10	15469	Employment Dev. Dept. (EDD) DE88 Pmts.	-9,039.49
9/30/10	15470	San Benito Bank	-19,979.42
9/30/10	15471	CalPERS - Retirement	-1,587.18
9/30/10	15472	Nationwide Retirements Solutions	-10,763.37
9/30/10	15473	Sterling HSA	-1,351.95
9/30/10	15474	BAC (Beneficial Administration Company)	-260.52
9/30/10	15475	Ben-e-lect	-270.00
9/30/10	15476	CalPERS - Retirement	-35,149.07
9/30/10	15477	Fort Dearborn Life Insurance Co.	-207.00
9/30/10	15478	Premier Access Insurance Co.	-2,651.18
9/30/10	15479	State Comp. Insurance Fund	-5,378.80
9/30/10	15480	Sterling HSA	-61.25
9/30/10	15481	Postmaster	-1,721.50
9/30/10	15482	RYAN BROWN	-66.26
9/30/10	15483	BRAD CARLSON	-88.52
9/30/10	15484	DAVID CASTRO	-59.37
9/30/10	15485	LUIS E DAMIAN	-41.66
9/30/10	15486	YOLANDA DAVILA	-23.91
9/30/10	15487	D. ESCOBEDO/R. HOLGUIN	-22.85
9/30/10	15488	FAS-AHM UTILITIES LLC	-71.20
9/30/10	15489	IFS	-92.18
9/30/10	15490	SENON LOPEZ	-18.52
9/30/10	15491	SILVESTER TABANCA	-10.67
9/30/10	15492	STEVEN & YEN TSUTSUMI	-55.65
9/30/10	15493	RONALD A WILSON	-59.84
10/1/10	15494	VOID	0.00
10/1/10	15495	Postmaster	-101.60
10/1/10	15496	Petty Cash	-130.04
10/4/10	15497	Ace Hardware (Johnson Lumber Co.)	-230.91
10/4/10	15498	AT&T	-269.82
10/4/10	15499	Auto Tech Service Center, Inc.	-73.96
10/4/10	15500	B.W.S. Distributors, Inc.	-542.38
10/4/10	15501	Calvista Insurance Agency Inc.	-16,300.00
10/4/10	15502	Groeniger & Company	-5,141.72
10/4/10	15503	Hollister Auto Parts, Inc.	-21.57

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
10/4/10	15504	Mid Valley Supply	-301.52
10/4/10	15505	Mission Uniform Service	-533.36
10/4/10	15506	Monterey Bay Systems	-990.91
10/4/10	15507	Palace Art & Office Supply	-347.57
10/4/10	15508	Razzolink.com	-195.57
10/4/10	15509	Recology San Benito County	-114.27
10/4/10	15510	San Benito Bank-Medical Exp.	-500.00
10/4/10	15511	Sierra Chemical Co.	-1,183.88
10/4/10	15512	USA BlueBook	-222.71
10/4/10	15513	Wright Bros. Welding & Sheet Metal, Inc.	-575.95
10/11/10	15514	VOID	0.00
10/11/10	15515	Anthem Blue Cross of California	-12,948.00
10/11/10	15516	Auto Tech Service Center, Inc.	-1,128.14
10/11/10	15517	Bianchi Kasavan & Pope, LLP	-454.78
10/11/10	15518	Calif. Dept. of Public Health	-4,528.92
10/11/10	15519	CM Analytical, Inc.	-6,690.00
10/11/10	15520	CSK Auto / Pro Shop	-102.60
10/11/10	15521	EBCO Pest Control	-55.00
10/11/10	15522	Hollister-Sunnyslope W. T. A.	-32,486.76
10/11/10	15523	Mc Donald Landscaping	-165.00
10/11/10	15524	Nelson, Marchel	-200.00
10/11/10	15525	NH3 Service Company	-404.86
10/11/10	15526	Postal Graphics (was Post Net)	-40.20
10/11/10	15527	Radio Shack (Crystal T.V.)	-4.36
10/11/10	15528	San Benito County Clerk	-124.00
10/11/10	15529	San Benito County Water District	-455.75
10/11/10	15530	VOID	0.00
10/11/10	15531	Staples	-486.49
10/11/10	15532	Toro Petroleum Corp.	-969.38
10/11/10	15533	U.S. Bank Corporate Payment Systems	-144.91
10/11/10	15534	Underground Service Alert	-102.00
10/11/10	15535	Anderson, Dawn V.	-200.00
9/9/10 - 10/7/10	1326-1334	Total Disbursements - Medical Cking	-1,765.82
<b>Total Disbursements</b>			<b><u>-744,320.76</u></b>

Upon motion made by Director Anderson, seconded by Director Hailstone, and unanimously carried, the Board approved the disbursements as presented.

**K. DISTRICT COUNSEL REPORT:** No Report.

**L. DISTRICT ENGINEER REPORT:** Engineer Girouard reported that the solar system has been installed on the administration building roof; however, PGE has not yet installed a meter for the system. He also reported that the District was not successful in obtaining a land lease from Hollister School District for the proposed Well #2 solar system.

Engineer Girouard spoke about the importance of interagency collaboration to ensure success of the programmatic EIR for the proposed second surface water treatment plant. He pointed out that a second treatment plant could provide 7 million gallons per day, potentially meeting peak monthly water needs of both the District and City of Hollister water customers at a cost significantly more economical than through groundwater treatment options in both the short-term and long-term.

**M. GENERAL MANAGER REPORT:** No report.

**N. FUTURE AGENDA ITEMS:** Secretary Yamaoka stated that Harry Blohm's presentation would be rescheduled. Agenda items for the Board's next meeting include a services proposal on the Fairview water tank and removal of disinfection byproducts. Director Meraz suggested planning a workshop, district tour, and information packets for new and existing Board members.

The next regular meeting of the Board is scheduled to be held Thursday, November 11, 2010.



**O. ADJOURN:** Upon motion made by Director Hailstone, seconded by Director Nelson, and unanimously carried, the meeting was adjourned at 6:45 p.m.

**APPROVED BY THE BOARD:** s/Douglas C. Keck  
Douglas C. Keck, President

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