

**MINUTES**  
**BOARD OF DIRECTORS**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**October 18, 2016**

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Hill, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Kathleen Hill; Directors: Mike Alcorn, Judi Johnson, and Danny Villalon. (Director Dave Meraz absent)
- C. PLEDGE OF ALLEGIANCE:** President Hill led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 4-0 (Director Meraz 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. Reed Sanders of Senator Cannella’s office introduced himself to the Board.

**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 Special Meeting of August 9, 2016, Regular Meeting of August 16, 2016, and Special Meeting of September 13, 2016.
2. Allowance of Claims – to ratify disbursements for the period from August 9, 2016 through October 10, 2016, totaling \$2,505,198.01, which includes \$1,815,452.88 for payments to vendors and employees, \$683,187.40 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$6,557.73 for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of October 10, 2016 was check #22417.

The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/10/16	ACH 0861	RETURNED CHECK (Ret Ck 08-02)	-471.52
08/11/16	ACH 0862	RETURNED CHECK (Ret Ck 08-03)	-356.05
08/15/16	ACH 0863	EFTPS	-162.70
08/16/16	ACH 0864	RETURNED ACH (Ret ACH 08-01)	-142.50
08/16/16	ACH 0865	RETURNED ACH (Ret ACH 08-02 thru 08-04)	-458.60
08/17/16	ACH 0866	RETURNED ACH (Ret ACH 08-05 thru 08-10)	-1,093.79
08/19/16	ACH 0867	RETURNED CHECK (Ret Ck 08-04)	-420.79
08/31/16	ACH 0868	EFTPS	-20,763.48
08/31/16	ACH 0868DUP	EFTPS (Duplicate pmt., applied to Sept. pmts.)	-20,769.48
09/06/16	ACH 0869	Merchant Services	-941.45
09/06/16	ACH 0870	Merchant Services	-1,004.42
09/12/16	ACH 0871	RETURNED CHECK (Ret Ck 09-01)	-368.49
09/15/16	ACH 0872	EFTPS (Used \$322.40 from duplicate pmt.)	0.00
09/16/16	ACH 0873	RETURNED ACH (Ret ACH 09-01)	-275.23
09/16/16	ACH 0874	RETURNED ACH (Ret ACH 09-02 thru 09-11)	-1,823.59
09/30/16	ACH 0875	EFTPS (Used \$20,447.08 from duplicate pmt.)	-4,022.08

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
10/03/16	ACH 0876	Merchant Services	-968.62
10/03/16	ACH 0877	Merchant Services	-1,122.14
08/15/16	DD 1714	Alcorn, Michael H	-184.70
08/15/16	DD 1715	Hill, Kathleen A	-277.05
08/15/16	DD 1716	Johnson, Judi H	-92.35
08/15/16	DD 1717	Meraz, David E	-92.35
08/15/16	DD 1718	Villalon, Daniel	-159.70
08/31/16	DD 1719	Alvarez, Abel	-4,711.41
08/31/16	DD 1720	Brill, Kelly L.	-4,857.73
08/31/16	DD 1721	Buck, Cathy L.	-6,427.53
08/31/16	DD 1722	Castro, Kevin G.	-4,476.05
08/31/16	DD 1723	Chavez, Jr., Manuel T.	-6,226.92
08/31/16	DD 1724	Eclarin, Ernesto P.	-4,880.25
08/31/16	DD 1725	Filice, James L.	-6,566.83
08/31/16	DD 1726	Hagins, Patrick M.	-5,384.15
08/31/16	DD 1727	Hillebrecht, Robert B	-3,731.48
08/31/16	DD 1728	Jackson, Patrick W.	-5,183.56
08/31/16	DD 1729	Malko, Kim A.	-3,101.60
08/31/16	DD 1730	Norman, III, Walter R.	-5,513.70
08/31/16	DD 1731	Padilla, David	-4,872.52
08/31/16	DD 1732	Porteur, Carol A.	-4,025.01
08/31/16	DD 1733	Quick, Troy E	-395.51
08/31/16	DD 1734	Ridenhour, Donald G	-9,922.64
08/31/16	DD 1735	Sanchez, Ricardo A	-4,053.64
08/31/16	DD 1736	Watson, Scott A.	-5,215.07
08/31/16	DD 1737	Zavala, Anabel G.	-4,376.70
09/15/16	DD 1738	Alcorn, Michael H	-369.40
09/15/16	DD 1739	Hill, Kathleen A	-369.40
09/15/16	DD 1740	Johnson, Judi H	-348.40
09/15/16	DD 1741	Meraz, David E	-183.70
09/15/16	DD 1742	Villalon, Daniel	-344.40
09/30/16	DD 1743	Alvarez, Abel	-5,472.96
09/30/16	DD 1744	Brill, Kelly L.	-4,804.72
09/30/16	DD 1745	Buck, Cathy L.	-6,771.76
09/30/16	DD 1746	Castro, Kevin G.	-4,998.12
09/30/16	DD 1747	Chavez, Jr., Manuel T.	-7,279.60
09/30/16	DD 1748	Eclarin, Ernesto P.	-5,032.71
09/30/16	DD 1749	Filice, James L.	-7,907.81
09/30/16	DD 1750	Hagins, Patrick M.	-4,690.79
09/30/16	DD 1751	Hillebrecht, Robert B	-3,997.82
09/30/16	DD 1752	Jackson, Patrick W.	-5,570.94
09/30/16	DD 1753	Malko, Kim A.	-3,431.46
09/30/16	DD 1754	Norman, III, Walter R.	-5,371.32
09/30/16	DD 1755	Padilla, David	-5,757.92
09/30/16	DD 1756	Porteur, Carol A.	-4,619.67
09/30/16	DD 1757	Quick, Troy E	-3,745.95
09/30/16	DD 1758	Ridenhour, Donald G	-10,498.34
09/30/16	DD 1759	Sanchez, Ricardo A	-4,374.55
09/30/16	DD 1760	Watson, Scott A.	-6,048.31
09/30/16	DD 1761	Zavala, Anabel G.	-4,824.99
08/15/16	22228	B.W.S. Distributors, Inc.	-150.25
08/15/16	22229	Brenntag Pacific, Inc.	-1,271.91
08/15/16	22230	Calgon Carbon Corporation	-41,278.00
08/15/16	22231	Hach Company	-747.90
08/15/16	22232	Mc Kinnon Lumber Co., Inc.	-199.29
08/15/16	22233	Mc Master-Carr	-415.97
08/15/16	22234	National Meter & Automation, Inc.	-203,007.54
08/15/16	22235	P G & E	-85.29
08/15/16	22236	Performance Agriculture	-1,345.50
08/15/16	22237	Pinpoint Products	-3,694.77

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/15/16	22238	Postmaster	-60.40
08/15/16	22239	Void	0.00
08/15/16	22240	Staples Advantage	-208.04
08/15/16	22241	Toro Petroleum Corp.	-913.85
08/22/16	22242	ROSANNE BAILEY&JOHNNY BRACAMONTE	-84.77
08/22/16	22243	DUKE PARTNERS LLC	-108.20
08/22/16	22244	JERRY & CHRISTINA GUTIERREZ	-57.51
08/22/16	22245	SETH & SARAH HOWELL	-34.12
08/22/16	22246	THOMAS D IRWIN	-7.79
08/22/16	22247	MARCY GONZALEZ & ROBERT MARTIN	-11.17
08/22/16	22248	RAKESH PRABHAKAR	-90.59
08/22/16	22249	CHARLES P FROWEIN	-45.51
08/22/16	22250	HENRY & LETICIA AZEVEDO	-62.97
08/22/16	22251	Jackson, Patrick W.	-150.00
08/22/16	22252	A-1 Services	-403.00
08/22/16	22253	All Star Ready Mix, LLC	-434.31
08/22/16	22254	B.W.S. Distributors, Inc.	-262.22
08/22/16	22255	Bianchi Kasavan & Pope, LLP	-2,282.00
08/22/16	22256	San Benito County Water District	-7,287.37
08/22/16	22257	Trans Union LLC	-111.20
08/22/16	22258	Wright Bros. Welding & Sheet Metal, Inc.	-36.83
08/23/16	22259	Postmaster	-224.61
08/29/16	22260	AT&T	-401.84
08/29/16	22261	Backflow Apparatus & Valve Co. (BAVCO)	-259.89
08/29/16	22262	Bracewell Engineering, Inc.	-126.00
08/29/16	22263	Brenntag Pacific, Inc.	-1,834.82
08/29/16	22264	Brigantino Irrigation	-193.11
08/29/16	22265	CalPERS - Retirement	-1,300.00
08/29/16	22266	City of Hollister-Finance Dept	-343,735.42
08/29/16	22267	CM Analytical, Inc.	-2,055.00
08/29/16	22268	De Lay & Laredo	-2,653.50
08/29/16	22269	EBCO Pest Control	-55.00
08/29/16	22270	Edges Electrical Group	-102.64
08/29/16	22271	Fastenal Company	-83.32
08/29/16	22272	First Trust Alarm Company	-100.00
08/29/16	22273	Hollister Auto Parts, Inc.	-269.39
08/29/16	22274	Konica Minolta Premier Finance	-417.72
08/29/16	22275	Mid Valley Supply	-302.72
08/29/16	22276	O'Reilly Auto Parts	-41.18
08/29/16	22277	Palace Business Solutions	-1,883.77
08/29/16	22278	PAPA	-135.00
08/29/16	22279	Performance Agriculture	-1,178.75
08/29/16	22280	Petty Cash	-29.75
08/29/16	22281	Postmaster	-1,915.48
08/29/16	22282	Ranchers Feed	-206.48
08/29/16	22283	Razzolink.com	-425.70
08/29/16	22284	Rowe Upholstery	-144.93
08/29/16	22285	Stargazer Packaging	-587.27
08/29/16	22286	State Water Resources Control Board-OOC	-170.00
08/29/16	22287	Toro Petroleum Corp.	-1,001.57
08/29/16	22288	USA BlueBook	-2,505.66
08/29/16	22289	Verizon Wireless	-289.02
08/29/16	22290	Wright Bros. Indust. Supply	-54.83
08/29/16	22291	City of Hollister-Finance Dept	-65.00
08/31/16	22292	Employment Dev. Dept. (EDD) DE88 Pmts.	-7,979.76
08/31/16	22293	CalPERS - Retirement	-1,036.00
08/31/16	22294	CalPERS - Retirement	-699.15
08/31/16	22295	Nationwide Retirements Solutions	-15,507.89
08/31/16	22296	CalPERS - Health Insurance	-18,579.19
08/31/16	22297	CalPERS - Retirement	-23,148.86

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/31/16	22298	Dearborn National Life Insurance Company	-304.00
08/31/16	22299	HealthSmart Benefit Solutions, Inc. (VSP)	-320.77
08/31/16	22300	Premier Access Insurance Co.	-3,231.85
09/06/16	22301	Ace Hardware (Johnson Lumber Co.)	-582.93
09/06/16	22302	All Star Ready Mix, LLC	-948.07
09/06/16	22303	Animal Damage Management	-185.00
09/06/16	22304	AT&T	-390.99
09/06/16	22305	B.W.S. Distributors, Inc.	-136.83
09/06/16	22306	City of Hollister-Finance Dept	-80.64
09/06/16	22307	CM Analytical, Inc.	-5,922.50
09/06/16	22308	John Smith Road Landfill	-775.80
09/06/16	22309	Maverick Welding Supply, Inc.	-21.44
09/06/16	22310	MBS Business Systems	-697.11
09/06/16	22311	Mission Uniform Service	-714.64
09/06/16	22312	Monterey Bay Water Works Assoc. (MBWWA)	-140.00
09/06/16	22313	Performance Agriculture	-1,612.50
09/06/16	22314	Recology San Benito County	-128.51
09/06/16	22315	San Benito County Water District	-430.00
09/06/16	22316	U.S. Bank Corporate Payment Systems	-2,715.64
09/07/16	22317	Steve Hernandez	-160.00
09/12/16	22318	A Tool Shed	-81.00
09/12/16	22319	Atlas Copco Compressors, Inc.	-249.21
09/12/16	22320	CM Analytical, Inc.	-2,215.00
09/12/16	22321	Gabilan Welding, Inc.	-82.24
09/12/16	22322	Mid Valley Supply	-518.69
09/12/16	22323	Mission Uniform Service	-171.39
09/12/16	22324	Monterey Bay Water Works Assoc. (MBWWA)	-70.00
09/12/16	22325	P G & E	-30,813.23
09/12/16	22326	South Valley Internet, Inc.	-20.45
09/12/16	22327	Trans Union LLC	-140.53
09/12/16	22328	Toro Petroleum Corp.	-1,014.62
09/19/16	22329	A-1 Services	-403.00
09/19/16	22330	Ag. Commissioner San Benito Co.	-494.50
09/19/16	22331	All Star Ready Mix, LLC	-561.99
09/19/16	22332	Animal Damage Management	-370.00
09/19/16	22333	B.W.S. Distributors, Inc.	-531.52
09/19/16	22334	Bianchi Kasavan & Pope, LLP	-140.00
09/19/16	22335	Bracewell Engineering, Inc.	-126.00
09/19/16	22336	Calgon Carbon Corporation	-41,278.00
09/19/16	22337	City of Hollister-Finance Dept	-339,451.98
09/19/16	22338	CM Analytical, Inc.	-2,253.75
09/19/16	22339	EBCO Pest Control	-55.00
09/19/16	22340	First Trust Alarm Company	-431.00
09/19/16	22341	Performance Agriculture	-1,201.75
09/19/16	22342	San Benito County Water District	-7,411.48
09/19/16	22343	CWSRF Accounting Office	-759,974.56
09/23/16	22344	Postmaster	-207.47
09/26/16	22345	Buck, Cathy L.	-51.84
09/26/16	22346	ROBERT GALVAN	-15.66
09/26/16	22347	DUKE PARTNERS LLC	-114.13
09/26/16	22348	CORY ASHBY	-236.63
09/26/16	22349	PETE & LINDA AGATEP	-127.00
09/26/16	22350	Brenntag Pacific, Inc.	-7,756.53
09/26/16	22351	Brigantino Irrigation	-585.13
09/26/16	22352	CM Analytical, Inc.	-1,511.25
09/26/16	22353	Corix Water Products	-124.82
09/26/16	22354	De Lay & Laredo	-2,100.00
09/26/16	22355	Edges Electrical Group	-17.24
09/26/16	22356	Hach Company	-391.42
09/26/16	22357	Hollister Auto Parts, Inc.	-103.52

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
09/26/16	22358	Hollister Paint Co.	-103.05
09/26/16	22359	Konica Minolta Premier Finance	-417.72
09/26/16	22360	Mc Kinnon Lumber Co., Inc.	-279.09
09/26/16	22361	Mc Master-Carr	-82.39
09/26/16	22362	Mid Valley Supply	-34.94
09/26/16	22363	O'Reilly Auto Parts	-166.93
09/26/16	22364	Palace Business Solutions	-542.83
09/26/16	22365	San Benito County-Environ. Health Div.	-371.00
09/26/16	22366	San Benito Tire, Inc.	-294.03
09/26/16	22367	Toro Petroleum Corp.	-237.84
09/26/16	22368	Verizon Wireless	-264.61
09/26/16	22369	Wright Bros. Indust. Supply	-118.30
09/30/16	22370	Employment Dev. Dept. (EDD) DE88 Pmts.	-9,267.48
09/30/16	22371	CalPERS - Retirement	-1,036.00
09/30/16	22372	CalPERS - Retirement	-1,045.95
09/30/16	22373	Nationwide Retirements Solutions	-15,507.89
09/30/16	22374	United Way of Santa Cruz	-120.00
09/30/16	22375	ACWA/JPIA	-10,408.28
09/30/16	22376	CalPERS - Health Insurance	-18,579.19
09/30/16	22377	CalPERS - Retirement	-26,075.27
09/30/16	22378	Dearborn National Life Insurance Company	-304.00
09/30/16	22379	HealthSmart Benefit Solutions, Inc. (VSP)	-320.77
09/30/16	22380	Premier Access Insurance Co.	-3,231.85
09/30/16	22381	Postmaster	-1,921.03
09/30/16	22382	Petty Cash	-51.21
10/03/16	22383	Ace Hardware (Johnson Lumber Co.)	-914.89
10/03/16	22384	AT&T	-278.86
10/03/16	22385	City National Bank	-168,881.16
10/03/16	22386	Fastenal Company	-51.66
10/03/16	22387	Itron, Inc.	-1,071.31
10/03/16	22388	J L Wingert Co.	-3,361.31
10/03/16	22389	McGilloway, Ray, Brown & Kaufman	-5,250.00
10/03/16	22390	Mid Valley Supply	-167.83
10/03/16	22391	Mission Uniform Service	-714.64
10/03/16	22392	P G & E	-33,054.79
10/03/16	22393	Palace Business Solutions	-541.62
10/03/16	22394	Postmaster	-75.60
10/03/16	22395	Razzolink.com	-212.85
10/03/16	22396	San Benito Tire, Inc.	-20.00
10/03/16	22397	Stargazer Packaging	-236.74
10/03/16	22398	State Water Resources Control Board-DWOCF	-150.00
10/03/16	22399	Toro Petroleum Corp.	-778.54
10/03/16	22400	USA BlueBook	-193.12
10/10/16	22401	NICK & MORGANNE CHASE	-93.12
10/10/16	22402	AT&T	-383.74
10/10/16	22403	Ben Caputo Printing	-366.73
10/10/16	22404	Bianchi Kasavan & Pope, LLP	-126.00
10/10/16	22405	Borges & Mahoney	-984.59
10/10/16	22406	Brigantino Irrigation	-34.88
10/10/16	22407	City of Hollister-Finance Dept	-113.47
10/10/16	22408	Credit Consulting Services, Inc.	-77.50
10/10/16	22409	Hach Company	-674.13
10/10/16	22410	Mark Nicholson, Inc.	-16,964.96
10/10/16	22411	Mc Master-Carr	-46.28
10/10/16	22412	Palace Business Solutions	-282.01
10/10/16	22413	Recology San Benito County	-128.51
10/10/16	22414	Shape Products	-121.10
10/10/16	22415	South Valley Internet, Inc.	-20.45
10/10/16	22416	U.S. Bank Corporate Payment Systems	-1,826.31
10/10/16	22417	GEORGE & DONNA LAURICELLA	-58.00

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
		<b>Total Disbursements</b>	<b><u>-2,505,198.01</u></b>

Director Johnson inquired about several checks on the disbursement's list, which General Manager/Secretary Ridenhour answered. Director Johnson asked General Manager/Secretary Ridenhour to explain check # 22256 for \$7,287.37 paid to San Benito County Water District for the District's share of the HUWWMP Update expense from April 1, 2016 to June 30, 2016. General Manager/Secretary Ridenhour explained that this is a quarterly expense that is paid by Sunnyslope, San Benito County Water District, and the City of Hollister for the Hollister Urban Water and Wastewater Management Plan. This plan will identify future capital project needs and assist the District to plan for future expenditures. This plan is being prepared in partnership with the City of Hollister and San Benito County Water District. Each agency will receive a complete report which will be made available to the public.

Upon motion made by Director Johnson, seconded by Director Villalon, and carried 4-0 (Director Meraz absent), the consent agenda was approved as presented.

**G. NEW BUSINESS:**

- 1. CONSIDER APPROVAL OF NEW AND MODIFIED JOB DESCRIPTIONS, SALARY STRUCTURES, MODIFIED ORGANIZATION CHART, AND HIRING THREE NEW STAFF MEMBERS FOR THE OPERATION OF THE WEST HILLS WATER TREATMENT PLANT:** General Manager/Secretary Ridenhour explained that the West Hills Water Treatment Plant currently under construction is ahead of schedule and plant testing is expected to begin in March, 2017. Full operation of the plant could be as early as June, 2017. The District approved the Hollister Urban Area Water Supply and Treatment Agreement on June 12, 2013 authorizing the District's participation in the construction and operation of future treatment facilities including the upgrade to the Lessalt Water Treatment Plant and the new West Hills Water Treatment Plant. The District approved the Operations and Maintenance Agreement with San Benito County Water District on August 14, 2013 making the District the designated operator of the new and upgraded treatment facilities. The District's need for additional staff members have been planned and contemplated for these facilities. Water rates adopted in 2013 contemplated the additional cost of these treatment facilities and the staff necessary to operate them.

Due to the early completion anticipated for the West Hills WTP, the District needs to proceed with adding the staff positions to operate the plant. The District has a Water Treatment Plant Operator job description and salary scale already in place, although no current employees in that position. A modified job description and salary scale to meet the needs of the treatment operations as well as a new position titled Plant Maintenance Electrician/Instrumentation Technician was created for the Board to consider. The addition of an Electrician/Instrumentation Technician is necessary due to all of the additional automated equipment, specialized instruments, and SCADA improvements that need to be maintained with the water and wastewater treatment facilities.

A modified District Organization Chart splitting maintenance and operations duties between water treatment and water distribution, sewer collection, and sewer treatment responsibilities was also given to the Board. Job descriptions have been written to allow all staff to work in all areas of treatment, operations, and maintenance, but splits staff into their focused areas. Three additional staff positions are being requested. A total of six staff will be water treatment focused and seven will be focused on water distribution, sewer collection, and sewer treatment. A Lead Position is proposed in each area with the top salary step being reserved for the Lead Position in each respective area. The Operation & Maintenance Crew Chief salary schedule is proposed to be modified to recognize the added

responsibility and maintain salary separation between job classes. The Crew Chief salary is proposed to increase by 3% effective November 1st with the possibility of an additional 3% (a potential total of 6%) if a Grade III Water Treatment Plant Operator certificate is obtained.

If the Board approves the three new positions and organizational changes, staff will begin recruitment immediately for the positions. We expect existing staff members to apply and possibly move into the new positions, and depending on those who successfully move, the recruitment of replacement Water/Wastewater Utility Maintenance staff members may be necessary. Staff requests the authorization for filling all the treatment and maintenance staff positions. At least one new vehicle and tool sets will be needed and requested in a separate agenda item/report. Older trucks that have been recently replaced and not yet sold will be utilized to fill any additional vehicle needs for the first few years.

The Personnel Committee met on October 5, 2016 and reviewed the proposed staff, salary, and organizational changes. The recommendations reflect the Committee's input and discussion. Two positions that have been vacant for many years (Office Manager and the Clerk/Receptionist) have been removed from the organization chart and salary schedule. The salary adjustments are proposed to be effective November 1, 2016 and as the positions are filled.

Director Villalon asked who currently fills the electrician position and General Manager/Secretary Ridenhour responded that Jim Filice currently does electrical maintenance within his ability with the assistance of other staff and anything outside of that is contracted out.

Upon motion made by Director Villalon, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent), the Board approved the new and modified job descriptions, salary structures, modified organization chart, and hiring three new staff members for the operation of the West Hills Water Treatment Plant.

**2. CONSIDER AUTHORIZING THE GENERAL MANAGER TO ORDER AND PURCHASE ONE NEW SERVICE TRUCK AT A TOTAL COST OF APPROXIMATELY \$42,000 FOR THE PROPOSED NEW TREATMENT STAFF POSITIONS:**

General Manager/Secretary Ridenhour explained that the additional water treatment staff necessary for the operation of the West Hills Water Treatment Plant will create the need for additional service vehicles. Staff is requesting authorization to purchase one new vehicle for these new staff members. Recently replaced trucks that have not been sold as surplus will be used for the additional vehicle needs. New staff will initially be paired up with others to learn the District's water and wastewater facilities and future vehicle needs will be assessed once the new staff have been with the District for a period of time.

The new service truck will need to be ordered immediately because of the extended waiting period to receive vehicles ordered through the State low bid dealership. The District is still waiting for a replacement truck authorized by the Board and ordered in May of 2016, and do not expect delivery for another month or two.

The new vehicle proposed is a ¾ ton truck with a utility body. The cost of the new truck is approximately \$38,500 including service body installed, tax, and delivery. The light bar, radio installation, and GPS installation adds approximately \$3,500 to the cost of the truck. Prices are from the State of California bids and the truck is proposed to be purchased from Elk Grove Auto/Winner Chevrolet who is the State low bid dealership.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent) the Board authorized the General Manager to order and purchase one new service truck at a total cost of approximately \$42,000 for the proposed new treatment staff positions.

3. **CONSIDER AUTHORIZING THE GENERAL MANAGER TO SURPLUS AND SELL A PORTABLE INGERSOLL-RAND 185 AIR COMPRESSOR DUE TO AIR RESOURCES BOARD EMISSION STANDARDS:** General Manager/Secretary Ridenhour stated that the District currently owns a portable Ingersoll-Rand 185 air compressor that is used as a backup air compressor to equipment on the leak truck. This air compressor is very old and its diesel motor is classified as a Tier 0 motor by the Air Pollution Control District. Recent law changes have resulted in the Monterey Bay Unified Air Pollution Control District to notify the District that it cannot operate the air compressor after December 31, 2016. Our previous permit had allowed its operation until December 31, 2019.

This equipment is rarely used and has minimal value (less than \$2,000) so staff recommends selling the air compressor and not replacing it. If an additional air compressor is needed in the future, staff will rent the equipment. There is currently no restrictions on the sale of the equipment, but this could change and staff recommends sale prior to the end of the year.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 4-0 (Director Meraz absent), the Board authorized the General Manager to surplus and sell the portable Ingersoll-Rand 185 air compressor.

## 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. Director Johnson requested a future Board Agenda item to review the District's budget in light of the added staff positions approved in Agenda Item G-1, the reduced revenue due to customer conservation, and the drought. General Manager/Secretary Ridenhour reported that staff can address this during our customary mid-year budget review in January to share how the District is doing financially.
4. **Policy and Procedure Committee:** No meeting held.
5. **Personnel Committee:** General Manager/Secretary Ridenhour reported a meeting was held on October 5<sup>th</sup> to discuss what is in agenda item G-1, the proposed organization revisions and new positions necessary for the operation of the West Hills Water Treatment Plant; review draft revised job description for water treatment plant operator; and review draft of a new job description and proposed compensation for plant maintenance electrician/instrumentation technician.
6. **Water Resources Association of San Benito County (WRA):** Assistant Engineer Rob Hillebrecht reported that a meeting was held October 8, 2016 to review the 2015-16 year end budget and fiscal analysis. Shawn Novack of Water Resources also gave an update on the conservation program. President Hill added that the WRA is running out of funding for the turf removal program but are continuing to encourage the removal of water softeners.
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 September 30, 2016), Statement of Income (thru August 31, 2016), and Investment Summary (thru September 30, 2016).

Ms. Buck reported on the Operations Summary, that the District has received nine water capacity fees in September 2016, bringing the total to thirty-nine water capacity fees received this fiscal year. Ms. Buck stated that we have received zero wastewater capacity fee in September 2016, for a total of zero in this fiscal year, the same as last year.

Cathy Buck pointed out that the number of customers signed up for any of our various Automatic Payment services has grown to 1,655 customers in September 2016, which is 29.2% of our customers.

Water sales revenue for September 2016, is down compared to last month, but is up compared to September 2015 by \$110,860 (or 31.3%). Customers are still conserving water, but not to the same extent as they were, since we have relaxed our conservation restrictions.

Ms. Buck explained that in addition to the FY 2016-17 Statement of Income, she included a Statement of Income updated for June 30, 2016 & YTD FY 2015-16, which includes all of the year-end adjusting entries, and shows a net income for the year being \$4,717,642 compared to budgeted net income of \$1,245,614. The Board will be receiving the audited financial statements and report soon.

The District's Investment Summary report reflects the total cash balance as of September 30, 2016 of \$9,729,741.58, which includes posted interest totaling \$9,153.01 (three months interest on the CD's, and second quarter interest on the LAIF investment that posted in July).

Water/Wastewater Superintendent Jim Filice reported on the August and September 2016 Maintenance Staff Reports, and asked the Board if there were any questions. Several questions were asked by Directors Johnson and Villalon, and Mr. Filice gave explanations for all questions.

In review of the Meter Reading Report for the period July 14, 2016 to August 15, 2016, the intertie meter data indicates the City received 8.5% of Lessalt Water Treatment Plant water, while the District received 91.5%; and for the period August 15, 2016 to September 14, 2016, the intertie meter data indicates the City received 6.4% of Lessalt Water Treatment Plant water, while the District received 93.6%. Mr. Filice reported that the City is continuing to pay back some water owed to the District.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report stating that the levels are continuing to go down.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported that the District's conservation numbers are above the State's mandates at 17.7% in August and 22.2% reduction in September.

Assistant Engineer Rob Hillebrecht has been distributing door hangers to the District's sewer customers requesting that water softeners be removed.

Discussions with the High School for a cross-town pipeline easement continue. Another easement description and letter of request has been sent to the Mormon Church for their consideration. Mr. Ridenhour stated that proposals for the environmental review have been drafted.

The filter structure at the West Hills Water Treatment Plant is nearing completion. The operation building foundation is complete, with structure work continuing. The project construction is currently five months ahead of schedule and start up could happen as early as June or July of 2017.

One-year warranty inspections on all three water storage tanks painted last year were completed and the conditions require no additional work by the contractor.

General Manager/Secretary Ridenhour reported that he met with Venture Estates and the Department of Drinking Water staff to discuss Venture Estates connection to the District. Chromium 6 issues in their well have renewed their efforts to connect to the District.

The Policy & Procedures Committee and staff have completed the draft update to the employee handbook, and the District's Counsel is now reviewing. The next step will be to share with staff and then bring the final version to the Board for approval in the next few months.

## **I. BOARD and STAFF REPORTS**

1. **Directors:** Director Johnson provided a written report on attending the ACWA/JPIA Region 5 Agricultural Program and Tour at Byron Bethany Irrigation District in Byron, CA, stating that it was educational as well as impressive. Director Johnson commented that you don't realize what other Districts issues are until attending some of the different programs.

President Hill stated that her term on the Board is up in November and she will not be running for re-election. She stated that she enjoyed her time serving as a Director for the District.

2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Cathy Buck reported that the 2015/16 audit is complete and she is just waiting on the final report.
4. **Assistant Engineer:** Assistant Engineer Hillebrecht reported that he and Jim Filice are continuing to work with The County of San Benito on the GIS and updating the District's utility maps.
5. **General Manager:** No report.

**J. FUTURE AGENDA ITEMS:** Presentation of FY 2015-16 audit results by Patricia Kaufman, CPA.

**K. ADJOURNMENT:** President Hill adjourned the meeting at 6:27 p.m.

**APPROVED BY THE BOARD:** *s/ Kathleen A. Hill*

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Kathleen A. Hill, President

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

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Donald G. Ridenhour, Secretary