

**MINUTES**  
**BOARD OF DIRECTORS**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**Regular Meeting**  
**September 8, 2011**

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

**B. ROLL CALL: Present:** President Dave Meraz, Directors Dawn Anderson, Danny Villalon, and Doug Keck (arrived 5:20 p.m.). **Absent:** Director Dave Clapham. **Others present:** Secretary Bryan Yamaoka and Attorney Lloyd Lowrey.

**Staff present for Open Session:** District Engineer Ken Girouard, Finance & Human Resource Manager Cathy Buck, Water Superintendent Jim Filice, and meeting stenographer Laura Wiener-Smolka.

**C. APPROVAL OF AGENDA:** Upon motion made by Director Anderson, seconded by Director Villalon, the agenda was unanimously approved as presented (3-0; Directors Clapham and Keck absent).

**D. EXECUTIVE SESSION:** None.

**E. REPORT ACTIONS TAKEN IN EXECUTIVE SESSION:** None.

**F. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed Judi Johnson.

**G. READING OF MINUTES:** Upon motion made by Director Villalon, seconded by Director Anderson, and unanimously carried the minutes of the August 11, 2011 regular meeting and the August 18, 2011 special meeting minutes were unanimously (3-0; Directors Clapham and Keck absent) approved.

**H. OLD BUSINESS:** None.

**I. NEW BUSINESS**

- 1. RECEIVE, REVIEW, DISCUSS, AND TAKE APPROPRIATE ACTION TO ELECT VICE-PRESIDENT AND PRESIDENT TO APPOINT DIRECTORS TO VACANT DISTRICT COMMITTEES:** The Board stated that Director Keck's upcoming retirement from the Board will necessitate electing a Vice-President as well as filling committee vacancies. President Meraz suggested nominating Director Anderson to serve as Vice President. He appointed Director Clapham to serve on the Water/Wastewater and Governance Committees and he recommended leaving open the vacancies on the Policies & Procedures Committee and the Alternate District Representative to the Water Resources Association (WRA). He indicated his intention to appoint the new member of the Board to serve in those positions at a later date.

Director Villalon nominated Director Anderson for the Vice-Presidency, a second was made by Director Anderson, and unanimously carried 3-0 (Directors Clapham and Keck absent).

At this point in the meeting (5:20 p.m.) Director Keck arrived.

2. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION FOR GOVERNANCE COMMITTEE RECOMMENDATION TO ACCEPT "HOLLISTER URBAN AREA WATER SUPPLY AND TREATMENT AGREEMENT – STATEMENT OF INTENT"**:

Secretary Yamaoka introduced Governance Committee representative Harry Blohm, who reviewed the Statement of Intent for the Hollister Urban Area Water Supply and Treatment Agreement. He emphasized that the Statement of Intent will form the basis for negotiating the ultimate agreement of three institutions: City of Hollister, San Benito County Water District, and Sunnyslope County Water District. Mr. Blohm explained that the three institutions selected representatives to the Governance Committee and they have been meeting for some time to develop the basic premises of the Statement of Intent.

To continue progressing toward the ultimate water supply and treatment agreement, the Governance Committee has requested that each of the three institutions approve the Statement of Intent as an agreed upon basis for negotiations.

Mr. Blohm began his walk-through review of the Statement of Intent by pointing out the two basic goals which are: (1) to provide additional treated surface water for use in conjunction with existing groundwater supplies to improve the quality and reliability of drinking water, and (2) to provide high quality recycled water from the Hollister Water Reclamation Plant and the Ridgemark Wastewater Treatment Plant to be used for urban and agricultural irrigation to further enhance water supply reliability in San Benito County.

The Statement of Intent will lead to the ultimate agreement which will address issues such as finances, ownership of land and facilities, and operation of the Lessalt upgraded plant and the West Hills treatment plant, including pipelines.

During Mr. Blohm's review, he explained each paragraph in the Statement of Intent as summarized in the following highlights:

**The water wholesale agency** will be the San Benito County Water District. The City of Hollister and Sunnyslope will be the water retail agencies.

**A three member Advisory Committee** (comprised of one management representative, probably the general manager, from each agency) will guide the operations and ensure equity.

**The service areas** are the water service areas of the City of Hollister and Sunnyslope County Water District and the **place of use** is the Hollister Urban Area as defined in the Master Plan.

**Water supply sources** for San Benito County Water District delivery are: allocations in the existing USBR CVP contract; proposed North County water bank; out of basin banked water; imported water purchases; and existing water rights from Pacheco Creek, Arroyo Dos Picachos, and Arroyo De Los Viboras. In the event of a catastrophic water shortage, available water will be rationed equitably. Any area within the distribution system that requires a higher reliability of treated surface water, the parties agree that this requires a negotiated surcharge in the rates applied for the area.

**Production of Treated Water:** The Lessalt WTP will be capable of producing 3 million gallons per day (mgd) using microfiltration/nanofiltration (with upgrade to achieve). The West Hills WTP will be capable of producing 6 mgd using ActifloCarb/Gravity Media filtration.

**Single Ownership:** Ownership of the Lessalt WTP shall be transferred from the City and Sunnyslope to SBCWD. The City and Sunnyslope will transfer ownership of the easterly West Hills parcel to SBCWD. The West Hills WTP shall be owned by SBCWD.

**Efficiency through Single Agency Operation:** Operation and maintenance of both plants will be provided by SSCWD under an initial five-year contract with SBCWD.

**Financing:** SBCWD will provide an investment of \$10 million. SBCWD will provide low cost financing to the City and SSCWD for the remaining costs of the Lessalt WTP upgrade and West Hills WTP construction. The City and SSCWD debt service will be repaid with funds generated by rates with the goal of minimizing initial rate impacts to customers.

Mr. Blohm noted that the Statement of Intent concludes with the agreement that the Water Supply and Treatment Agreement will be negotiated in good faith and completed in a timely manner.

During discussion, Director Keck stated that SBCWD's ability to provide financing for the entire amount requires more information. It will depend upon the total cost as well as what reserves are required to be maintained to comply with the SBCWD's contract for CVP water. If SBCWD is unable to provide 100% of the financing, it will be necessary to sell bonds. It was noted that the cost of financing with SBCWD will be less than the cost of bond financing.

In response to a question regarding SBCWD's contribution of \$10 million, Director Keck explained that the source of the \$10 million is money collected from property tax and other sources and is earmarked for projects.

Attorney Lowrey recommended that the motion include that the Statement of Intent is for planning purposes and is not intended to foreclose any mitigation measures for purposes of compliance with the California Environmental Quality Act.

Upon motion made by Director Keck, seconded by Director Anderson, unanimously carried 3-0 (Meraz abstaining; Clapham absent), the Board approved the Hollister Urban Area Water Supply and Treatment Agreement Statement of Intent, as presented and as advised by Attorney Lowrey.

3. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION TO APPROVE ENVIRONMENTAL WORK FOR LESSALT WATER TREATMENT PLANT FROM ESA FOR \$37,418.00:** Engineer Girouard stated that staff from the District and from the City met and reviewed responses to the request for proposals and determined that ESA's proposal be recommended for acceptance. The District's 50% share of the Lessalt Agency's \$37,418 cost would be \$18,709. Funding will be provided by redesignation of monies set aside for membrane replacement and other capital costs.

Upon motion made by Director Villalon, seconded by Director Anderson, unanimously carried 4-0 (Director Clapham absent), the Board accepted the proposal of ESA at a total cost of \$37,418 and authorized reallocation of Lessalt reserve funds to pay the cost of ESA's services.

4. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION FOR CONTRACT WITH KENNEDY/JENKS CONSULTANTS FOR LESSALT WATER TREATMENT UPGRADE DESIGN COST OF \$83,000:** Engineer Girouard reviewed tasks 1 through 8 of Kennedy/Jenks Consultants contract for upgrade design for the Lessalt Water Treatment Plant. He stated that approval of final design Tasks 1, 2, 3.1, and

coordination with the Governance Committee Task 8 at a cost of \$83,000 could be paid by redesignation of membrane replacement funds of the Hollister-Sunnyslope Water Treatment Agency (fifty percent or \$41,500 will be the District's share). He explained that approval of the Governance Committee Statement of Intent agreement would result in the San Benito County Water District being involved with the remainder of Task 3, and Tasks 4 through 7.

Upon motion made by Director Keck, seconded by Villalon, unanimously carried 4-0 (Clapham absent), the Board accepted the contract for Lessalt upgrade design services with Kennedy/ Jenks at a total cost of \$83,000 for the Tasks designated and authorized redesignation of Lessalt membrane replacement funds to pay the cost of Kennedy/Jenks' services.

5. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION FOR CONTRACT WITH BHI MANAGEMENT CONSULTING FOR STRATEGIC PLAN AND FINANCIAL EFFICIENCY ASSESSMENT, COST OF \$19,320:** President Meraz requested that this item be tabled to a special meeting. The consensus of the Board was to table discussion/action on this matter and to call a special meeting next week to address this agenda item.

6. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION ON RIDGEMARK WASTEWATER TREATMENT AND RECYCLED WATER IMPROVEMENTS PROJECT STATUS AND PROGRESS PAYMENT REQUEST BY ANDERSON PACIFIC FOR \$257,700.24:** Engineer Girouard summarized the progress of Anderson Pacific which included receipt of pipes, erosion control, road grading, installation of phone wires; and installation of subgrading. He recommended approval of a progress payment, less 10% retention, totaling \$257,700.24.

Upon motion made by Director Anderson, seconded by Director Villalon, and unanimously carried 4-0 (Clapham absent), the Board authorized a progress payment to Anderson Pacific in the amount of \$257,700.24.

7. **RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION ON FOLLOWING DISTRICT POLICIES AND PROCEDURES:** President Meraz commented that he was pleased to see "emergency" defined (Policy #7100 'Board Meetings', 7100.4 'Emergency Meetings'). He thanked Directors Anderson and Keck for their continued Policy Committee work.

Upon motion made by Director Villalon, seconded by Director Keck, the following policies were approved with noted amendments:

- a. **SAFETY SHOES/BOOT ALLOWANCE (#3013)**
- b. **PURPOSE OF BOARD POLICIES (#6000)**
- c. **ADOPTION/AMENDMENT OF POLICIES (#6010)**
- d. **CONFLICT OF INTEREST CODE (#6020)**
- e. **PUBLIC COMPLAINTS (#6030)**
- f. **REQUEST FOR ACCESS TO PUBLIC INFORMATION AND/OR COPYING PUBLIC DOCUMENTS (#6050)**
- g. **PUBLIC CONTRIBUTIONS (#6060)**
- h. **BOARD MEETINGS (#7100)**
- i. **BOARD MEETING AGENDA(#7110)**
- j. **BOARD MEETING CONDUCT(#7120)**
- k. **BOARD ACTIONS AND DECISIONS (#7130)**, with amendment of paragraph 7130.1 E striking " Finance & Human Resource Manager, and District Engineer".
- l. **REVIEW OF BOARD DECISIONS (#7140)**

**m. MINUTES OF BOARD MEETINGS (#7150)**

**n. RULES OF ORDER FOR BOARD AND COMMITTEE MEETINGS (#7160)**

**o. PURCHASING POLICY (#8100 - #8130),** including amendment of paragraph 8100.1 D. 'Emergency Expenditures' to include the same language defining "emergency" which is contained in paragraph 7100.4 of Policy #7100 'Board Meetings', to-wit: "An emergency situation means a crippling disaster which severely impairs public health, safety, or both, as determined by a majority of the Board".

- 8. RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION ON RECOMMENDATION OF FINANCE COMMITTEE TO ACCEPT PROPOSAL FROM MCGILLOWAY, RAY, BROWN & KAUFMAN ACCOUNTANTS & CONSULTANTS FOR INDEPENDENT AUDIT SERVICES FOR FOUR YEARS BEGINNING WITH 2012 YEAR-END AUDITS. ALL-INCLUSIVE MAXIMUM COST OF AUDITS FOR FOUR YEARS IS \$62,500 FOR SSCWD AND \$23,500 FOR LESSALT WTP:** President Meraz stated that the District's current auditing firm is Berger/Lewis Accountancy Corporation, one of five proposals received in response to its Request for Proposals for independent financial audit services for a 4-year time period. He stated that after review and careful consideration, and in spite of the fact that it was not the lowest cost proposal, the Finance Committee highly recommends the proposal of McGilloway, Ray, Brown & Kaufman Accountants & Consultants for Board approval.

Upon motion made by Director Anderson, seconded by Director Villalon, and unanimously carried, the Board approved the 4-year audit services contract proposal of McGilloway, Ray, Brown & Kaufman Accountants & Consultants for a cost of \$62,500 plus \$11,750 representing its 50% share of the \$23,500 cost to the Lessalt agency.

- 9. RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION TO ACCEPT UPDATED GENERAL MANAGER JOB DESCRIPTION AND AUTHORIZE RECRUITMENT:** President Meraz requested that this item be tabled to a special meeting. The consensus of the Board was to table discussion/action on this matter and to call a special meeting next week to address this agenda item.

- 10. RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION TO AUTHORIZE DISTRICT'S WATER/WASTEWATER COMMITTEE TO ATTEND REGION 5 MEMBERSHIP FORUM - SEPTEMBER 18-19, 2011 IN SAN LUIS OBISPO, CALIFORNIA:** Secretary Yamaoka stated that the District is now a member of Association of California Water Agencies' Workers' Compensation JPIA program, and Region 5 Area; and that a Region 5 Membership Forum is scheduled for September 18-19, 2011 in San Luis Obispo. He reviewed the Forum agenda of programs and noted the value of attendance by members of the District's Water/Wastewater Committee as well as the District Engineer.

Upon motion made by Director Anderson, seconded by Director Keck, and carried 4-0 (Director Clapham absent) the Board authorized members of the Water/Wastewater Committee and appropriate staff to attend the Region 5 Membership Forum in San Luis Obispo, California, September 18 and 19, 2011, for which the District will pay costs.

- 11. RECEIVE, DISCUSS, AND TAKE APPROPRIATE ACTION TO AUTHORIZE DISTRICT'S ACWA/JPIA REPRESENTATIVE TO ATTEND ASSOCIATION OF CALIFORNIA WATER AGENCIES CONFERENCE - NOVEMBER 28 TO DECEMBER 2, 2011 IN ANAHEIM, CALIFORNIA:** Secretary Yamaoka stated that the District's membership participation in the Association of California Water Agencies' Workers' Compensation JPIA program requires attendance of our Official District Representative to attend the JPIA Board of Directors meeting on Nov. 28/29, 2011. During discussion the Board noted requirement and the value of attending the ACWA

conference as well to vote on JPIA matters. Secretary Yamaoka noted that either the District Finance/HR Manager or the Executive Assistant will attend the conference to receive information regarding JPIA that is relevant to our District, as well as our two official delegates, Danny Villalon and Dave Clapham.

Upon motion made by Director Keck, seconded by Director Anderson, and carried 4-0 (Director Clapham absent) the Board authorized up to three appropriate Board Members and one staff member to attend the ACWA Fall Conference in Anaheim, California, November 28 to December 2, 2011, for which the District will pay costs of travel, accommodations, and meals.

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

1. **Finance Committee:** This item was covered during previous discussions.
2. **Policy and Procedure Committee:** This item was covered during previous discussions.
3. **Water/Wastewater Committee:** Secretary Yamaoka reported that the Governance Committee plans to invite Directors Villalon and Clapham to meet with Harry Bloom to be brought up to date on pertinent issues.
4. **Governance Committee:** This item was covered during previous discussions.
5. **Water Resources Association of San Benito County:** Director Anderson reported on the most recent meeting of the WRA. Issues discussed included meeting the State's 20% reduction by 2020 in order to remain eligible for grant funds; low flush toilet program participation totaling 6,000; and poor public participation in the washing machine and water softener rebate programs. It was noted that the next WRA meeting will be held at the SBCWD meeting room on November 3, 2011 at 5:30 p.m.
6. **Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** Engineer Girouard reported that the project is progressing on schedule.
7. **State Revolving Fund and Stimulus Package Financing:** Engineer Girouard reported that staff is still waiting for word from the State on its application for funding of the Best Road project.
8. **Lessalt Water Treatment Plant:** Engineer Girouard reported that the California Department of Health visited the plant and that he and Jim will be updating the written policies.
9. **Water Related Projects:** Engineer Girouard reported that the Department of Health recommended repainting of the interior of the Ridgemark tanks and installation of an air gap on the Ridgemark tank drain. He stated that he plans to bring these projects to the Board for consideration.
10. **Operation Summary, Statement of Income, Investment Summary, Lessalt Water Treatment Plant Investment Summary and Disbursement Summary; Maintenance, City Meter Reading, and Groundwater Level Measurement:** The Board reviewed the August 31, 2011 District Operations Summary and the Statement of Income through July 31, 2011.

During review of the Investment Summary Ms. Buck reported that the District's fund balance as of August 31 is \$3,552,304.97, which includes two months' earned interest

totaling \$3,798.32.

The Board reviewed Lessalt Water Treatment Agency financial reports, including the August 10 to September 6, 2011 Disbursement Summary totaling \$241,923.13. Ms. Buck noted that the Lessalt Water Treatment Agency Investment Summary ending August 31, 2011, reflects a fund total of \$1,721,618.32, which includes \$6,334.44 fiscal year-to-date (six months) interest earned.

During review of the August Maintenance Report, Jim Filice stated that Item #48 regarding flushing of wastewater monitoring wells and submitting samples to CM Analytical for testing was not completed until September. He responded to questions from Board members about details regarding various items in the report. In response to Director Villalon's question regarding item #38, which reports the one-day shutdown of the Lessalt plant due to high iron and manganese levels in the Hollister Conduit, Mr. Filice explained that levels were extremely high and also necessitated a shutdown of the Pacheco Pass pumping station.

Jim Filice reviewed the Meter Reading Report for the July 15 to August 17, 2011 period and noted intertie meter data indicates the City received 45.8% of Lessalt water, while the District received 54.2%. Since the water allocation year began in February the City has received 47% of Lessalt treated water as compared to 53% received by the District. The City owes Sunnyslope 329 million gallons of water.

During review of the groundwater level report, Mr. Filice noted that well levels remain in the typical seasonal downward trend.

**A. ALLOWANCE OF CLAIMS:** The Board reviewed the District's Disbursement Summary for the period August 10 - September 6, 2011. Staff answered Board questions regarding several disbursements. Secretary Yamaoka responded to a question regarding check #16527 for \$814.93 to Hogue Bros. Collision Center, and explained that Jim Filice accidentally backed into a parked car at the Lessalt facility. Cathy Buck stated that the District was reimbursed through the District's insurance. In response to President Meraz' question regarding check #16581 to Stephen F. Kelly for \$17,021.55, Engineer Girouard stated that the payment covers two days in July and the entire month of August. Last check written as of September 6, 2011 was check #16581.

Upon motion made by Director Keck, seconded by Director Anderson, unanimously carried 4-0 (Director Clapham absent), the Board approved the disbursements totaling \$1,267,167.47, which includes: \$939,635.90 for employee compensation and accounts payable; \$324,143.68 for the City of Hollister for sewer bills collected, net of our fee; and \$3,387.89 for customer refunds and returned checks.

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
8/11/11	ACH 0204	RETURNED CHECK (Ret. Ck 8-02)	-148.35
8/12/11	ACH 0205	RETURNED CHECK (Ret. Ck 8-03)	-310.26
8/12/11	ACH 0206	RETURNED CHECK (Ret. Ck 8-04)	-165.21
8/15/11	ACH 0207	RETURNED CHECK (Ret. Ck 8-05)	-307.16
8/31/11	ACH 0208	EFTPS	-21,585.48
8/16/11	ACH 0209	RETURNED ACH (Ret ACH 8-01)	-283.25
8/17/11	ACH 0210	RETURNED ACH (Ret. ACH 8-02 thru 8-05)	-469.27
8/18/11	ACH 0211	RETURNED CHECK (Ret. Ck 8-06)	-154.46
8/18/11	ACH 0212	RETURNED CHECK (Ret. Ck 8-07)	-137.07
8/19/11	ACH 0213	RETURNED CHECK (Ret. Ck 8-08)	-215.55
8/24/11	ACH 0214	RETURNED CHECK (Ret. Ck 8-09)	-160.50
8/25/11	ACH 0215	RETURNED CHECK (Ret. Ck 8-10)	-139.02
8/25/11	ACH 0216	Santa Barbara Bank	-428.85
9/6/11	ACH 0217	Merchant Services	-796.07

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Amount</b>
8/31/11	DD 0350	Alvarez, Abel	-4,087.56
8/31/11	DD 0351	Brill, Kelly L.	-4,751.75
8/31/11	DD 0352	Buck, Cathy L.	-6,505.49
8/31/11	DD 0353	Castro, Kevin G.	-4,098.74
8/31/11	DD 0354	Chavez, Jr., Manuel T.	-5,536.62
8/31/11	DD 0355	Eclarin, Ernesto P.	-4,175.47
8/31/11	DD 0356	Estrada, Thomas A.	-3,940.00
8/31/11	DD 0357	Filice, James L.	-8,034.02
8/31/11	DD 0358	Girouard, Kenneth R.	-6,354.24
8/31/11	DD 0359	Hagins, Patrick M.	-4,140.66
8/31/11	DD 0360	Imperatrice, Patrick L.	-5,626.87
8/31/11	DD 0361	Jackson, Patrick W.	-6,393.61
8/31/11	DD 0362	Norman, III, Walter R.	-4,920.14
8/31/11	DD 0363	Padilla, David	-4,493.32
8/31/11	DD 0364	Porteur, Carol A.	-3,588.11
8/31/11	DD 0365	Robson, Ann	-2,415.72
8/31/11	DD 0366	Watson, Scott A.	-3,886.70
8/31/11	DD 0367	Yamaoka, Bryan M.	-9,358.09
8/31/11	DD 0368	Zavala, Anabel G.	-4,203.72
8/31/11	DD 0369	Jackson, Norma	-325.66
9/6/11	DD 0370	Clapham, David G. (Dir. Dep.)	-300.00
9/6/11	DD 0371	Keck, Doug (Dir. Dep.)	-500.00
9/6/11	DD 0372	Meraz, David (Dir. Dep.)	-400.00
9/6/11	DD 0373	Villalon, Daniel (Dir. Dep.)	-400.00
9/6/11	DD 0374	Wiener-Smolka, Laura S. (Dir. Dep.)	-200.00
8/15/11	16488	All Star Ready Mix, LLC	-140.10
8/15/11	16489	Auto Tech Service Center, Inc.	-413.06
8/15/11	16490	Grainger, Inc.	-2,489.75
8/15/11	16491	Hollister-Sunnyslope W. T. A.	-50,010.71
8/15/11	16492	OnTrac	-37.00
8/15/11	16493	P G & E	-29,491.01
8/15/11	16494	Sierra Chemical Co.	-1,656.43
8/17/11	16495	San Benito County-Public Works	-120.00
8/22/11	16496	A-1 Services	-373.00
8/22/11	16497	Auto Tech Service Center, Inc.	-34.82
8/22/11	16498	B.W.S. Distributors, Inc.	-246.59
8/22/11	16499	Bartle Wells Associates	-3,650.00
8/22/11	16500	Bianchi Kasavan & Pope, LLP	-1,444.50
8/22/11	16501	Calcon System, Inc.	-9,236.75
8/22/11	16502	California Clean Energy LLC	-2,288.74
8/22/11	16503	CM Analytical, Inc.	-6,855.00
8/22/11	16504	Gabilan Welding, Inc.	-26.74
8/22/11	16505	Greenwood Chevrolet	-53.48
8/22/11	16506	J L Wingert Co.	-1,915.37
8/22/11	16507	Mark Nicholson, Inc.	-4,240.46
8/22/11	16508	Mc Master-Carr	-71.59
8/22/11	16509	P G & E	-7,021.93
8/22/11	16510	Postal Graphics (was Post Net)	-7.00
8/22/11	16511	San Benito County Water District	-85,435.00
8/22/11	16512	VOID	0.00
8/23/11	16513	VERONICA BALBAS	-27.85
8/23/11	16514	A SHAESTAGIR & Z CHOWDHURY	-19.13
8/23/11	16515	CASSANDRA COOK	-114.94
8/23/11	16516	DEL CURTO BROS CONST.	-138.24
8/23/11	16517	JACKIE MCABEE	-124.28
8/23/11	16518	OWNERS EQUITY REAL ESTATE	-93.86
8/23/11	16519	KATHY OSTOJA	-90.00
8/23/11	16520	CESAR RAMIREZ	-36.20
8/23/11	16521	T CASAREZ & ELIO RUEDAS	-73.34
8/23/11	16522	GUSTAVO & MATILDA SERVIN	-23.51
8/23/11	16523	THOMAS & AMOR WALIZER	-88.28
8/23/11	16524	KIMBERLY WILLIAMS	-68.16



<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
8/24/11	16526	Postmaster	-260.70
8/26/11	16527	Hogue Bros. Collision Center	-814.93
8/29/11	16528	AT&T	-267.42
8/29/11	16529	Auto Tech Service Center, Inc.	-34.82
8/29/11	16530	CM Analytical, Inc.	-4,628.75
8/29/11	16531	EBCO Pest Control	-55.00
8/29/11	16532	Electrical Distributors Co.	-58.01
8/29/11	16533	Ferguson Enterprises, Inc.	-9.94
8/29/11	16534	Mid Valley Supply	-165.35
8/29/11	16535	Monterey Bay Water Works Assn. (MBWWA)	-125.00
8/29/11	16536	NH3 Service Company	-802.23
8/29/11	16537	Noland Hamerly Etienne & Hoss	-1,667.00
8/29/11	16538	Razzolink.com	-115.90
8/29/11	16539	San Benito Tire, Inc.	-137.39
8/29/11	16540	Toro Petroleum Corp.	-1,874.66
8/29/11	16541	Verizon Wireless	-297.72
8/29/11	16542	Wright Bros. Indust. Supply	-441.11
8/29/11	16543	Nationwide Retirements Solutions	-13,056.44
8/31/11	16544	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,966.41
8/31/11	16545	CalPERS - Retirement	-1,587.18
8/31/11	16546	BAC (Beneficial Administration Company)	-283.86
8/31/11	16547	CalPERS - Health Insurance	-13,667.37
8/31/11	16548	CalPERS - Retirement	-38,958.15
8/31/11	16549	Fort Dearborn Life Insurance Co.	-247.00
8/31/11	16550	Premier Access Insurance Co.	-2,914.69
8/30/11	16551	Postmaster	-1,766.71
8/31/11	16552	Carol Porteur	-179.82
9/6/11	16553	John Goldsmith	-50.00
9/6/11	16554	Ace Hardware (Johnson Lumber Co.)	-572.58
9/6/11	16555	Anderson Pacific Engineering Constr, Inc.	-257,700.24
9/6/11	16556	Anderson, Dawn V.	-200.00
9/6/11	16557	B.W.S. Distributors, Inc.	-71.35
9/6/11	16558	VOID	0.00
9/6/11	16559	VOID	0.00
9/6/11	16560	VOID	0.00
9/6/11	16561	VOID	0.00
9/6/11	16562	VOID	0.00
9/6/11	16563	VOID	0.00
9/6/11	16564	VOID	0.00
9/6/11	16565	Mc Donald Landscaping	-165.00
9/6/11	16566	Mission Uniform Service	-762.12
9/6/11	16567	Palace Art & Office Supply	-978.15
9/6/11	16568	Petty Cash	-78.14
9/6/11	16569	Postal Graphics (was Post Net)	-22.89
9/6/11	16570	Recology San Benito County	-117.24
9/6/11	16571	RMC Water and Environment	-6,498.08
9/6/11	16572	South Valley Newspapers (Main St Media)	-36.25
9/6/11	16573	State Water Resources Control Board-Storm	-375.00
9/6/11	16574	Union Bank of California, N.A. (SF)	-228,504.38
9/6/11	16575	Brigantino Irrigation	-90.24
9/6/11	16576	City of Hollister-Finance Dept	-324,143.68
9/6/11	16577	CM Analytical, Inc.	-3,720.00
9/6/11	16578	Ferguson Enterprises, Inc.	-149.14
9/6/11	16579	Gabilan Welding, Inc.	-84.00
9/6/11	16580	Groeniger & Company	-350.07
9/6/11	16581	Kelly, Stephen F.	-17,021.55
		<b>Total Disbursements</b>	<b><u>-1,267,167.47</u></b>

## K. REPORTS

1. **District Counsel:** Attorney Lloyd Lowrey reported on a recent Court decision in a Palmdale case, noting that courts continue to interpret Proposition 218 to ensure those who are charged receive the benefits and that there is a clear proportional relationship between rates and benefits.
2. **District Engineer:** No report.
3. **Finance-HR Manager:** No report.
4. **General Manager:** Secretary Yamaoka reported that the Regional Water Quality Board will hold a water softener ordinance public hearing in San Luis Obispo on December 8, 2011, and that Engineer Girouard plans to attend. He commented that the Hollister City Manager and Shawn Novack of the Water Resources Association also plan to attend the public hearing.

He went on to report that the Tres Pinos County Water District received a notice from the Regional Board with new Waste Discharge Requirements similar to SSCWD's. TPCWD will need to improve drinking water to comply with new Discharge Requirements. The Water District is in non-compliance of current requirements as they were lax on their own approved compliance schedule.

- L. FUTURE AGENDA ITEMS:** The Board scheduled a special meeting at 3:00 p.m. on Monday, September 12, 2011, to consider the two items tabled from this meeting agenda: Item I.5. regarding a contract for a strategic plan and financial efficiency assessment and Item I.9. regarding the General Manager job description update and recruitment of a new District Manager.

The next regular meeting is scheduled to be held Thursday, October 13, 2011.

- M. PRESENTATION OF APPRECIATION PLAQUE TO DOUGLAS KECK:** On behalf of the District, President Meraz presented a plaque of appreciation to retiring Director Keck for his service on the Board of Directors from August 2006 through September 2011, including duties of Board President from January 2009 through December 2010. Board members agreed that Director Keck's contributions will be missed.

- N. ADJOURN:** Upon motion made by Director Villalon, seconded by Director Anderson, and unanimously carried (Director Clapham absent), the meeting was adjourned at 6:55 p.m.

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

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