

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
April 10, 2013

A. CALL TO ORDER: The meeting was called to order at 4:30 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 Kathleen Hill, John M. Johnson, and Danny Villalon; **Absent:** Dave Clapham (arrived at 5:20 p.m.).

C. PUBLIC COMMENT ON CLOSED SESSION MATTERS: None.

D. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957:

President Meraz convened the closed session to discuss Labor Negotiations under Gov. Code § 54957.6 with the Districts designated representatives of the Personnel Committee and General Manager. The designated employee representatives were not included.

President Meraz reconvened in **OPEN SESSION** at 5:20 p.m. Director Clapham was present for open session.

E. PLEDGE OF ALLEGIANCE: Director Clapham led the Pledge of Allegiance.

F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION: President Meraz reported that the Board was updated on labor negotiations and they have given direction to the personnel committee for future negotiations.

G. APPROVAL OF AGENDA: Upon motion made by Director Villalon, seconded by Director Johnson, and carried 5-0, the agenda was approved as presented.

H. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS: The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda; there were no comments from the public.

Staff present for Open Session: General Manager/Secretary Don Ridenhour; Attorney Heidi Quinn; Executive Assistant/Stenographer Carol Porteur; District Engineer Ken Girouard; Finance & Human Resources Manager Cathy Buck; and Water Superintendent Jim Filice.

Others present: Attorney Alex Lorca, Consultant Harry Blohm, and 2 members of the public.

I. CONSENT AGENDA: Upon motion made by Director Villalon, seconded by Director Clapham, and unanimously carried 5-0, the Board approved the Consent Agenda consisting of the following items.

1. Approval of Minutes – of the Regular Meeting on March 13, 2013.
2. Allowance of Claims – Ratify disbursements for the period March 8 through April 8, 2013 totaling \$1,074,990.06, which includes \$743,393.56 for employee compensation and payments to vendors, \$329,736.45 paid to the City of Hollister for payments collected on their customer's sewer billings, and \$1,860.05 for customer refunds and deductions for checks returned for insufficient funds. The last check written as of April 8, 2013 was check #18397.

Date	Num	Name	Amount
3/19/13	ACH 0426	EFTPS	-356.40
3/8/13	ACH 0428	RETURNED CHECK (Ret. Ck. 03-01)	-344.03
3/8/13	ACH 0429	Intuit, Inc.	-198.47
3/18/13	ACH 0431	Intuit, Inc.	-50.15
3/29/13	ACH 0432	EFTPS	-22,625.32
3/19/13	ACH 0433	RETURNED ACH (Ret. ACH 03-01)	-125.95
3/20/13	ACH 0434	RETURNED CHECK (Ret. Ck. 03-02)	-149.00
3/21/13	ACH 0435	RETURNED CHECK (Ret. Ck. 03-03)	-458.58
4/3/13	ACH 0436	Merchant Services	-1,440.00
3/15/13	DD 0795	Clapham, David G	-429.75
3/15/13	DD 0796	Johnson, John M	-182.70
3/15/13	DD 0797	Meraz, David E	-347.40
3/15/13	DD 0798	Villalon, Daniel	-344.40
3/29/13	DD 0799	Alvarez, Abel	-4,620.31
3/29/13	DD 0800	Brill, Kelly L.	-4,317.96
3/29/13	DD 0801	Buck, Cathy L.	-6,687.61
3/29/13	DD 0802	Castro, Kevin G.	-3,349.48
3/29/13	DD 0803	Chavez, Jr., Manuel T.	-5,354.81
3/29/13	DD 0804	Eclarin, Ernesto P.	-4,258.55
3/29/13	DD 0805	Estrada, Thomas A.	-4,324.39
3/29/13	DD 0806	Filice, James L.	-6,570.37
3/29/13	DD 0807	Girouard, Kenneth R.	-6,418.33
3/29/13	DD 0808	Hagins, Patrick M.	-4,215.22
3/29/13	DD 0809	Imperatrice, Patrick L.	-5,921.17
3/29/13	DD 0810	Jackson, Patrick W.	-6,626.79
3/29/13	DD 0811	Malko, Kim A.	-2,530.09
3/29/13	DD 0812	Norman, III, Walter R.	-5,369.36
3/29/13	DD 0813	Padilla, David	-5,526.08
3/29/13	DD 0814	Porteur, Carol A.	-3,844.31
3/29/13	DD 0815	Ridenhour, Donald G	-9,622.17
3/29/13	DD 0816	Watson, Scott A.	-4,586.59
3/29/13	DD 0817	Zavala, Anabel G.	-4,058.90
3/29/13	DD 0818	Jackson, Norma	-255.43
3/11/13	18300	Auto Tech Service Center, Inc.	-793.08
3/11/13	18301	B S K Analytical Laboratories, Inc.	-48.00
3/11/13	18302	Bracco's Tow & Transport	-75.00
3/11/13	18303	Everbank Commercial Finance, Inc.	-226.87
3/11/13	18304	Maggiora Bros. Drilling, Inc.	-31,444.91
3/11/13	18305	P G & E	-3,459.36
3/11/13	18306	Recology San Benito County	-121.98
3/11/13	18307	San Benito County Water District	-155.75
3/11/13	18308	Shape, Inc.	-648.42
3/11/13	18309	South Valley Internet, Inc.	-17.95
3/11/13	18310	Toro Petroleum Corp.	-1,061.24
3/11/13	18311	U.S. Bank Corporate Payment Systems	-336.34
3/11/13	18312	Union Bank of California, N.A. (SF)	-103,388.00
3/15/13	18313	Hill, Kathleen A	-277.05
3/15/13	18314	A-1 Services	-373.00
3/15/13	18315	Anderson Pacific Engineering Constr, Inc.	-215,707.75
3/15/13	18316	B S K Analytical Laboratories, Inc.	-276.00
3/15/13	18317	Ben Caputo Printing	-308.51
3/15/13	18318	Bianchi Kasavan & Pope, LLP	-658.00
3/15/13	18319	CM Analytical, Inc.	-7,045.00
3/15/13	18320	Consolidated Engineering Laboratories	-1,732.46
3/15/13	18321	First Trust Alarm Company	-120.00
3/15/13	18322	Hollister-Sunnyslope W. T. A.	-35,344.77
3/15/13	18323	National Meter & Automation, Inc.	-4,569.02
3/15/13	18324	National Notary Association	-52.00
3/15/13	18325	OnTrac	-37.42
3/15/13	18326	Raftelis Financial Consultants, Inc.	-4,765.00
3/15/13	18327	San Benito County Water District-Pumping	-16,466.08
3/25/13	18328	Bracewell Engineering, Inc.	-63.00
3/25/13	18329	Calcon System, Inc.	-6,484.00
3/25/13	18330	City of Hollister-Finance Dept	-329,736.45

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
3/25/13	18331	De Lay & Laredo	-3,104.50
3/25/13	18332	EBCO Pest Control	-55.00
3/25/13	18333	First Trust Alarm Company	-290.00
3/25/13	18334	Monterey Bay Systems	-129.57
3/25/13	18335	Postal Graphics (was Post Net)	-2.95
3/25/13	18336	Postmaster	-226.90
3/25/13	18337	Santa Barbara Bank - \$1M Loan Pmts	-42,548.63
3/25/13	18338	Staples Advantage	-747.87
3/25/13	18339	Thomson West	-59.68
3/25/13	18340	Toro Petroleum Corp.	-1,447.69
3/29/13	18341	Employment Dev. Dept. (EDD) DE88 Pmts.	-8,737.93
3/29/13	18342	CalPERS - Retirement	-2,623.18
3/29/13	18343	Nationwide Retirements Solutions	-14,758.80
3/29/13	18344	San Benito County Sheriff's Office	-1,200.50
3/29/13	18345	United Way of Santa Cruz	-90.00
3/29/13	18346	BAC (Beneficial Administration Company)	-353.57
3/29/13	18347	CalPERS - Health Insurance	-13,737.85
3/29/13	18348	CalPERS - Retirement	-41,014.45
3/29/13	18349	Fort Dearborn Life Insurance Co.	-304.00
3/29/13	18350	Premier Access Insurance Co.	-3,713.82
3/29/13	18351	ACWA/JPIA	-10,406.44
3/27/13	18352	Postmaster	-104.00
3/28/13	18353	Postmaster	-1,819.26
3/29/13	18354	Ben Caputo Printing	-1,280.00
4/1/13	18355	AT&T	-224.00
4/1/13	18356	Auto Tech Service Center, Inc.	-36.88
4/1/13	18357	B S K Analytical Laboratories, Inc.	-48.00
4/1/13	18358	Consolidated Engineering Laboratories	-1,146.39
4/1/13	18359	Corix Water Products	-1,895.70
4/1/13	18360	Don Chapin Co. Inc., The	-40.00
4/1/13	18361	Ferguson Enterprises, Inc.	-150.90
4/1/13	18362	Itron, Inc.	-730.23
4/1/13	18363	O'Reilly Auto Parts	-114.83
4/1/13	18364	P G & E	-13,963.40
4/1/13	18365	Palace Art & Office Supply	-431.06
4/1/13	18366	Razzolink.com	-99.95
4/1/13	18367	San Benito Tire, Inc.	-244.68
4/1/13	18368	Verizon Wireless	-349.66
4/1/13	18369	Mark Nicholson, Inc.	-4,890.00
4/2/13	18370	AMANDA ALAMEDA	-61.53
4/2/13	18371	NICHOLAS/JESSICA BAWDON	-39.06
4/2/13	18372	MATHEW & LEANN GARCIA	-104.13
4/2/13	18373	BRANDON & JENNIFER HUNTER	-100.09
4/2/13	18374	ERIKA & WILLIAM KAYE	-120.43
4/2/13	18375	RAYLENE KHAN	-41.26
4/2/13	18376	ANN M LYONS	-150.00
4/2/13	18377	DEBORAH MARTNEZ	-69.85
4/2/13	18378	SILAS & MEGAN MCHENRY	-18.50
4/2/13	18379	DORI ORTEGA	-39.36
4/2/13	18380	HARRY/MICHELLE SPAULDING	-38.28
4/8/13	18381	Ace Hardware (Johnson Lumber Co.)	-203.69
4/8/13	18382	Ben Caputo Printing	-3,784.14
4/8/13	18383	Calif. Dept. of Public Health	-378.00
4/8/13	18384	Electrical Distributors Co.	-209.15
4/8/13	18385	Everbank Commercial Finance, Inc.	-224.60
4/8/13	18386	Greenwood Chevrolet	-96.24
4/8/13	18387	Mission Uniform Service	-576.88
4/8/13	18388	Monterey Bay UAPC Dist	-2,983.00
4/8/13	18389	Petty Cash	-38.06
4/8/13	18390	Recology San Benito County	-121.98
4/8/13	18391	San Benito County Water District	-168.50
4/8/13	18392	South Valley Internet, Inc.	-17.95
4/8/13	18393	Staples	-119.33
4/8/13	18394	Top Health-Safety/Personal Best	-467.28

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
4/8/13	18395	U.S. Bank Corporate Payment Systems	-235.96
4/8/13	18396	Underground Service Alert	-136.50
4/8/13	18397	Wright Bros. Indust. Supply	-21.56
Total Disbursements			-1,074,990.06

3. Approval of the Ridgemark Wastewater Treatment and Recycled Water Improvements Project Progress Payment Request by Anderson Pacific for Invoice 108-21 dated March 31, 2013 for \$143,611.50.

J. NEW BUSINESS:

- 1. CONSIDER APPROVAL OF CHANGE ORDERS NO. 16 THROUGH NO. 19 FOR ADDITIONS TO THE RIDGEMARK WASTEWATER TREATMENT AND RECYCLED WATER IMPROVEMENTS PROJECT FOR A TOTAL AMOUNT OF \$7,674.67:** Engineer Girouard reported that there are some change order (CO) requests for the construction of the Ridgemark Wastewater Treatment and Recycled Water Improvements Project summarized as follows: CO No. 16 – Install larger conduits for pumps at Ridgemark II for \$99.84; CO No. 17 – Replace existing wooden posts holding transducer flow meter at Ridgemark II with stainless steel unistrut supports for \$898.84; CO No. 18 – Replace PVC conduit with PVC coated metal conduit in an overly shallow trench to connect existing PLC to new controls at Ridgemark II for \$330.94; and CO No. 19 – Add Fiberglass reinforced paneling to interior walls at the two emergency shower locations inside the operations building for \$6,345.05.

Upon motion made by Director Hill, seconded by Director Johnson, and unanimously carried 5-0, the Board approved change orders No. 16 through No. 19 for additions to the Ridgemark Wastewater Treatment and Recycled Water Improvements Project for a total amount of \$7,674.67.

- 2. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES CONTRACT WITH DAVID J. POWERS AND ASSOCIATES FOR THE ENVIRONMENTAL REVIEW OF THE SOUTHSIDE ROAD LAFCO ANNEXATION AT A COST NOT TO EXCEED \$25,500, AND TO AUTHORIZE STAFF TO NEGOTIATE WITH PROPERTY OWNERS TO RECOVER APPROXIMATELY \$37,120 IN ANNEXATION EXPENSES:** Engineer Girouard explained that in May ,2012, the Board authorized the staff to solicit Requests for Proposal for Environmental Review Services for the Southside Road Annexation. In March, 2013, staff requested updates from the four consultants who had proposed on the original May 22, 2012, Request for Proposals. After discussion regarding the selection of the consultant, Engineer Girouard explained that one of the consultants did not submit a responsive proposal, and the remaining three responded appropriately and were capable of performing the environmental review. Mr. Girouard pointed out that David J. Powers and Associates has a conservative approach using the Mitigated Negative Declaration. Staff believes the project may require some minor mitigation measures. David Powers and Associates have previously worked with the properties involved when they performed work on well 12.

Engineer Girouard explained that the costs for the annexation would be paid for by Sunnyslope County Water District using the funds collected from affected property owners. The owners have already paid their prorated share with the exception of one property owner. That last property owner has requested that he be able to make monthly installment payments, with the intent to be fully paid prior to completion of the project. Mr. Girouard requested that the Board give the General Manager authorization to enter into an agreement with the property owner.

Upon motion made by Director Hill, seconded by Director Johnson, and unanimously carried 5-0, the Board approved a professional services contract with David J. Powers and Associates for the Environmental Review of the Southside Road LAFCO Annexation at a cost not to exceed \$25,500 and authorized staff to negotiate with property owners to recover approximately \$37,120 in annexation expenses.

3. **CONSIDER APPROVAL OF A LETTER OF INTENT TO SERVE THE WEST OF FAIRVIEW DEVELOPMENT:** Engineer Girouard explained that the District received a letter requesting water service for the West of Fairview Project from Award Homes. The project includes the development of 577 single family dwellings and 100 apartments. The project is located between John Smith Road and Cielo Vista subdivision.

Mr. Girouard stated that the project is within the Sunnyslope County Water District service area and has access to potable water lines. The District plans are to construct the high-pressure zone pipeline from the Lessalt Surface Water Treatment Plant to the high zone in 2013/14. This pipeline will also provide water service for this development. The District will need to provide an "Intent to Serve" letter that states that the District will provide water service on a "First Come, First Serve" basis.

Upon motion made by Director Villalon, seconded by Director Clapham, and unanimously carried 5-0, the Board approved a Letter of Intent to serve the West of Fairview Development.

4. **CONSIDER APPROVAL OF INVOICES FROM THE CITY OF HOLLISTER FOR THE HOLLISTER URBAN AREA COST ALLOCATION STUDY PERFORMED BY CH2MHILL ENGINEERS FOR A TOTAL AMOUNT OF \$25,365.39:** General Manager/Secretary Ridenhour explained that in August, 2011, the Board authorized participating in a study to be performed by CH2MHill Engineers to determine how to fairly distribute the costs of Hollister Urban Area Water Project (HUAWP). The consultant was selected to fairly evaluate how to split cost estimates prepared by HDR and Kennedy Jenks Consultants for the West Hills Water Treatment Plant, the Lessalt Water Treatment Plant Upgrade, and other various water facilities being designed and planned for the Hollister Urban Area.

General Manager/Secretary Ridenhour explained that although the Board already authorized participation in the study, now that the bill has come due he wanted to bring the item back to the Board for their approval.

Upon motion made by Director Clapham, seconded by Director Villalon, and unanimously carried 5-0, the Board approved invoices from the City of Hollister for the Hollister Urban Area cost allocation study performed by Ch2MHill Engineers for a total amount of \$25,365.39.

5. **CONSIDER AUTHORIZING BOARD MEMBERS AND GENERAL MANAGER TO ATTEND THE ASSOCIATION OF CALIFORNIA WATER AGENCIES CONFERENCE (ACWA) AND THE ACWA/JOINT POWERS INSURANCE AUTHORITY (JPIA) MEETING MAY 6 – 10, 2013, IN SACRAMENTO, CALIFORNIA:** General Manager/Secretary Ridenhour informed the Board of Directors of the ACWA Spring Conference which is being held in Sacramento from May 6th through the 10th and asked if any of the Directors were interested in attending. Mr. Ridenhour explained that the total cost for the full conference including registration, mileage reimbursement, meals and accommodations would be approximately \$1,725 per

person. Director Villalon, who is the representative for the District, expressed his interest in attending the full conference. Director Hill expressed interest in attending two days, as did General Manager/Secretary Ridenhour.

Upon motion made by Director Clapham, seconded by Director Johnson, and unanimously carried 5-0, the Board authorized Director Villalon, Director Hill, and General Manager/Secretary Ridenhour to attend the Association of California Water Agencies Conference (ACWA) and the ACWA/Joint Powers Insurance Authority (JPIA) meeting May 6 – 10, 2013 in Sacramento, CA.

- 6. CONSIDER AUTHORIZING BOARD MEMBERS TO ATTEND THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGIONS 3 & 5 JOINT PROGRAM AND TOUR OF THE MOKELUMNE TO THE EAST BAY APRIL 21 – 22, 2013 IN JACKSON, CALIFORNIA:** General Manager/Secretary Ridenhour explained that the Association of California Water Agencies (ACWA) Regions 3 & 5 are holding a program and tour of the Mokelumne to the East Bay on April 21st and April 22nd in Jackson, California. Mr. Ridenhour stated that total cost including registration, mileage reimbursement, meals and accommodations would cost approximately \$285 per person. The program will consist of a tour of Lake Pardee and its facilities, followed by a visit to Camanche Lake and Mokelumne River Fish Hatchery.

Director's Villalon and Clapham expressed interest in attending, but President Meraz, Director Johnson, and Director Hill each declined due to conflicts.

Upon motion made by Director Hill, seconded by Director Johnson, and unanimously carried 5-0, the Board authorized Director's Villalon and Clapham to attend the Association of California Water Agencies Regions 3 & 5 Joint Program and Tour of the Mokelumne to the East Bay April 21-21, 2013 in Jackson, California.

- 7. CONSIDER APPROVAL OF SUNNYSLOPE COUNTY WATER DISTRICT'S 32% SHARE (\$40,167) OF THE PROFESSIONAL SERVICES CONTRACT AMENDMENT BETWEEN SAN BENITO COUNTY WATER DISTRICT AND ENVIRONMENTAL SCIENCE ASSOCIATES (ESA) FOR ADDITIONAL ENVIRONMENTAL SERVICES FOR THE WEST HILLS WATER TREATMENT PLANT PROJECT FOR AN AMOUNT NOT TO EXCEED \$125,519:** General Manager/Secretary Ridenhour explained that in March, 2012, the Board approved Sunnyslope County Water District's 32% share of a contract with ESA for the preparation of an environmental impact report regarding construction of the West Hills Water Treatment Plant (WTP). The original contract with ESA was for \$240,709 with Sunnyslope's share being \$77,027. The proposed amendment is for an additional \$125,519 with Sunnyslope's share increasing by \$40,167 for a total District share of \$117,194.

General Manager/Secretary Ridenhour explained that the federally protected California Tiger Salamander has been found within a mile of the proposed West Hills Treatment Plant site and part of the additional work proposed in this amendment by ESA includes protecting the Salamander habitat and other protected species. Discovering these potential impacts will require additional work and consultation with Federal agencies. Mr. Ridenhour stated that the West Hills WTP project will require connecting to U.S. Bureau of Reclamation (USBR) owned facility going to San Justo Reservoir, which requires an environmental review process with National Environmental Policy Act (NEPA). Mr. Ridenhour explained that a large part of the expense will be looking at property for habitat mitigation for the Tiger Salamander as well as the need for an endowment to be established to guarantee the ongoing habitat mitigation.

San Benito County Water District (SBCWD) has approved this amendment to the agreement with ESA and has made their approval contingent upon approval of Sunnyslope and the City of Hollister. Mr. Ridenhour explained that the plan is for SBCWD's staff and ESA to perform the legwork for NEPA on behalf of USBR, and USBR will review the materials for conformance with their internal requirements and implementing the actual public review and consultation with U.S. Fish and Wildlife and the California Department of Fish and Game.

Harry Blohm explained that it was no surprise that federal agencies would be involved and that an Environmental Impact Statement (EIS) would need to be prepared parallel with the Environmental Impact Report (EIR), but he did not know the magnitude. It was agreed with ESA that once the EIS was further along that they would negotiate an amendment to the contract.

General Manager/Secretary Ridenhour stated that they are looking at two additional parcels, 7 acres belonging to SBCWD and some USBR owned parcels around San Justo Reservoir for habitat protection, if additional mitigation is required. Mr. Ridenhour explained that once the interagency agreement is complete, this expense will be financed by SBCWD and will not be an out of pocket expense of the District. These expenses have already been included in the anticipated financing costs of the Hollister Urban Area Water Project.

Director Johnson inquired about the percentage of water that the District would be receiving from the West Hills Treatment Plant and General Manager/Secretary responded that initially in the first phase we should receive approximately 10%, but long-term will receive a much higher percentage.

Upon motion made by Director Villalon, seconded by Director Hill, and unanimously carried 5-0, the Board approved Sunnyslope County Water District's 32% share (\$40,167) of the professional services contract amendment between San Benito County Water District and ESA for additional environmental services for the West Hills Water Treatment Plant Project for an amount not to exceed \$125,519.

K. BOARD AND STAFF COMMITTEE STATUS REPORTS:

- 1. Governance Committee:** General Manager/Secretary Ridenhour reported there was no meeting held in March, and the Finance Subcommittee was planning on holding a meeting on April 25th.
- 2. Water/Wastewater Committee:** General Manager/Secretary Ridenhour reported the committee met last week and had a brief update on the Hollister Urban Area Water Project and then went on a tour of the development projects, such as, Award Homes, Santana Ranch, Creekside, and Walnut Park.
- 3. Finance Committee:** President Meraz reported no meeting held in March and next scheduled meeting is set for this Friday, April 12th, at 11:30 a.m.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported no meeting held in March and they are scheduled to meet next week on April 16th.
- 5. Personnel Committee:** President Meraz reported that the committee met last month and brought that discussion to the Board tonight, and plan to meet next week after being given direction from the Board.

6. **Water Resources Association of San Benito County:** Director Johnson reported no meeting was held in March and they are not scheduled to meet again until May 2nd. General Manager/Secretary Ridenhour reported that the bill inserts regarding water conservation are going out with the April billing. Cathy Buck added that the bill inserts are now also available on the District's website.
7. **Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** Engineer Girouard reported that the large concrete solid storage tank is complete and the ring is being filled in with dirt.
8. **District Operation Summary, Statement of Income, and Investment Summary; Hollister-Sunnyslope Water Treatment Agency Investment and Disbursement Summaries; District Maintenance, Meter Reading, and Well Groundwater Level Reports:** Finance and Human Resource Manager Cathy Buck asked if there were any questions on the District's Operations Summary (for March 31, 2013), Statement of Income (for February 28, 2013), and Investment Summary (for March 31, 2013). No questions were asked.

The District's Investment Summary report reflects the total cash balance as of March 31, 2013 of \$4,191,766.00, which includes nine months earned interest totaling \$4,373.80. Cathy Buck explained that Union Bank will be taking over Santa Barbara Bank & Trust (SBB&T) effective April 22, 2013. Ms. Buck stated that Union Bank will not offer the same type of investments on the Certificates of Deposit (CD) that SBB&T offered, so the Finance Committee will need to discuss other options, for when the CD's are due to rollover.

The Board reviewed the Hollister-Sunnyslope Water Treatment Agency's Investment Summary ending March 31, 2013, which reflects a cash balance total of \$1,226,989.42 which includes \$272.02 fiscal year-to-date (one month's) interest earned.

The Board reviewed Hollister-Sunnyslope Water Treatment Agency's Disbursement Summary, for the period of March 8, 2013 to April 8, 2013 totaling \$119,380.32; there were no questions.

Jim Filice reviewed the March 2013 Maintenance Staff Report and answered questions from the Board. Director Villalon inquired about #1 on returning Well #11 to service after bacteria testing; Mr. Filice responded that it passed the testing and the well is back on line. President Meraz inquired about #6, on replacing the toilet seat and flush valve in the women's restroom; Mr. Filice replied that the toilet seat was somehow broken by the cleaning company, which they reported to us and the District has been reimbursed for the cost. Director Villalon inquired about #23 on responding to an emergency power outage by checking lift stations for proper operation and reset blower at SBR; Mr. Filice explained that PG&E had a power outage for the whole City of Hollister and we do these checks any time there is a power outage.

During review of the Meter Reading Report for the period February 13, 2013 to March 13, 2013, Jim Filice noted the intertie meter data indicates the City received 27.4% of Lessalt water, while the District received 72.6%. Mr. Filice noted that the City of Hollister is paying the District back a little of the water they have used. General Manager/Secretary Ridenhour added that we are using a higher share of the Lessalt Water Treatment water.

Jim Filice reviewed the groundwater level report and noted that well levels are holding steady.

- 9. Active Tasks Update:** General Manager/Secretary Ridenhour reported that Raftelis Financial Consultants have all the financial data input and are beginning the actual rate development. He stated that the Finance Committee will review the results thus far on April 12th and a Special meeting will be called in May so that the Proposition 218 process can get started.

Mr. Ridenhour reported that Shawn Novack has been providing help on the outreach for Hollister Urban Area Water & Wastewater Master Plan. In addition, Data Instincts has completed the website for the Water Project and bill stuffers will be going out soon. Mr. Ridenhour and representatives from the City of Hollister and San Benito County Water District will be giving a presentation to the Hollister Rotary Club on May 6th.

General Manager/Secretary Ridenhour reported that he and Engineer Girouard met with Tres Pinos Water District to discuss options to resolve their wastewater compliance issues. The Tres Pinos Water District has hired a consultant to study options including connections to Sunnyslope County Water District and the City of Hollister.

L. BOARD AND STAFF REPORTS

- 1. Directors:** No report.
- 2. District Counsel:** Attorney Quinn reported she may have a schedule conflict for the District's next Board meeting so Attorney Alex Lorca may fill in for her.
- 3. District Engineer:** No report.
- 4. Finance-HR Manager:** Ms. Buck reported that our "Global Gateway" credit card access thru First Data is up and running, where we can process customer credit card payments on the "web" from our desktops and customers can now also sign up with us for recurring monthly payments by credit card, for no extra charge. The application is available on our website and we will include a message on the next bills.
- 5. General Manager:** No report.

M. FUTURE AGENDA ITEMS: Future agenda items include: Declare the month of May as "Water Awareness Month", and Special Meeting on Rates.

N. ADJOURN: Upon motion made by Director Johnson, seconded by Director Clapham, and unanimously carried 5-0, the meeting was adjourned at 6:39 p.m.

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

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