

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
August 14, 2013

- 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 Dave Clapham, Kathleen Hill, John M. Johnson, and Danny Villalon.
- C. PLEDGE OF ALLEGIANCE:** Director Hill led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Hill, seconded by Director Johnson, and carried 5-0, 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.

Steve Rosati expressed his concern for receiving the surface water from the Lessalt Water Treatment Plant in the Ridgemark area. Mr. Rosati stated that when the project was approved, the District was asking that people get rid of their water softeners, which some have already done, and his concern is the length of time it will take for those residents to begin receiving the higher quality water. He stated that he would like to see every effort being made to get this project complete as soon as possible. General Manager/Secretary Ridenhour stated the District and San Benito County Water District's desire is to have the pipeline be the first component of the project and once the pipeline is in, water will be moved to the high zone immediately. Mr. Ridenhour added that there is a possibility the pipeline portion of the Lessalt Water Treatment Plant upgrade project could begin as early as this fall.

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

Others present: Steve Rosati, Patrick Imperatrice; several high school students and a student parent.

F. CONSENT AGENDA:

1. Approval of Minutes — for the Regular Meeting of July 10, 2013.
2. Allowance of Claims – to ratify disbursements for the period July 3 through August 7, 2013 totaling \$865,202.90, which includes \$529,420.67 for employee compensation and payments to vendors, \$333,673.57 paid to the City of Hollister for payments collected on their customer's sewer billings, and \$2,108.66 for customer refunds and deductions for checks returned for insufficient funds. The last check written as of August 6, 2013 was #18776.

President Meraz inquired about check #18687 payable to RMC Water and Environment for \$6,737.53 and what that was to pay for. Engineer Girouard stated it is for engineering support on Basin 2 at the Ridgemark Wastewater Treatment Plant coming on line with the Sequence Batch Reactor; a final check-off list; and preparing the Operations Manual.

Date	Num	Name	Amount
7/3/13	ACH 0461	Merchant Services	-601.18
7/8/13	ACH 0462	RETURNED CHECK (Ck. Ret. 07-01)	-325.93
7/15/13	ACH 0463	EFTPS	-373.10
7/31/13	ACH 0464	EFTPS	-24,246.22
7/16/13	ACH 0465	RETURNED ACH (ACH Ret. 07-01)	-122.20
7/17/13	ACH 0466	RETURNED ACH (ACH Ret. 07-02)	-93.02
7/15/13	ACH 0467	RETURNED CHECK (Ck. Ret. 07-02)	-250.00
7/16/13	ACH 0468	RETURNED CHECK (Ck. Ret. 07-03)	-409.32
7/22/13	ACH 0469	RETURNED CHECK (Ck. Ret. 07-04)	-231.09
7/24/13	ACH 0470	RETURNED CHECK (Ck. Ret. 07-05)	-150.00
7/24/13	ACH 0471	RETURNED CHECK (Ck. Ret. 07-06)	-122.45
7/26/13	ACH 0472	RETURNED CHECK (Ck. Ret. 07-07)	-300.00
8/5/13	ACH 0474	Merchant Services	-627.50
7/15/13	DD 0890	Clapham, David G	-265.05
7/15/13	DD 0891	Johnson, John M	-265.05
7/15/13	DD 0892	Meraz, David E	-265.05
7/15/13	DD 0893	Villalon, Daniel	-252.05
7/31/13	DD 0894	Alvarez, Abel	-4,681.50
7/31/13	DD 0895	Brill, Kelly L.	-5,199.35
7/31/13	DD 0896	Buck, Cathy L.	-6,823.54
7/31/13	DD 0897	Castro, Kevin G.	-4,854.02
7/31/13	DD 0898	Chavez, Jr., Manuel T.	-5,946.28
7/31/13	DD 0899	Eclarin, Ernesto P.	-4,315.72
7/31/13	DD 0900	Estrada, Thomas A.	-4,346.48
7/31/13	DD 0901	Filice, James L.	-7,303.99
7/31/13	DD 0902	Girouard, Kenneth R.	-6,569.71
7/31/13	DD 0903	Hagins, Patrick M.	-4,301.11
7/31/13	DD 0904	Imperatrice, Patrick L.	-6,031.20
7/31/13	DD 0905	Jackson, Patrick W.	-7,026.71
7/31/13	DD 0906	Malko, Kim A.	-2,609.77
7/31/13	DD 0907	Norman, III, Walter R.	-5,469.91
7/31/13	DD 0908	Padilla, David	-5,127.43
7/31/13	DD 0909	Porteur, Carol A.	-4,109.60
7/31/13	DD 0910	Ridenhour, Donald G	-9,809.12
7/31/13	DD 0911	Watson, Scott A.	-4,979.67
7/31/13	DD 0912	Zavala, Anabel G.	-4,142.13
7/31/13	DD 0913	Jackson, Norma	-255.43
7/8/13	18674	Ace Hardware (Johnson Lumber Co.)	-578.72
7/8/13	18675	B S K Analytical Laboratories, Inc.	-1,548.00
7/8/13	18676	Ben Caputo Printing	-2,566.19
7/8/13	18677	Corix Water Products	-1,922.33
7/8/13	18678	De Lay & Laredo	-2,470.00
7/8/13	18679	Du-All Safety, LLC	-247.05
7/8/13	18680	Harbor Freight Tools	-983.99
7/8/13	18681	Hollister-Sunnyslope W. T. A.	-6,311.93
7/8/13	18682	Hollister Auto Parts, Inc.	-388.43
7/8/13	18683	Mission Uniform Service	-576.88
7/8/13	18684	OnTrac	-61.47
7/8/13	18685	P G & E	-25,130.83
7/8/13	18686	Recology San Benito County	-121.98
7/8/13	18687	RMC Water and Environment	-6,737.53
7/8/13	18688	San Benito County Water District	-443.50
7/8/13	18689	South Valley Internet, Inc.	-20.45
7/8/13	18690	U.S. Bank Corporate Payment Systems	-1,419.72
7/8/13	18691	Toro Petroleum Corp.	-978.99
7/10/13	18692	Northern Tool & Equipment Co.	0.00
7/10/13	18693	Northern Tool & Equipment Co.	-146.05
7/12/13	18694	San Benito County-Public Works	-3,236.75
7/15/13	18695	A-1 Services	-373.00
7/15/13	18696	All Star Ready Mix, LLC	-1,452.25
7/15/13	18697	Anderson Pacific Engineering Constr, Inc.	-130,550.62
7/15/13	18698	Bianchi Kasavan & Pope, LLP	-574.00

Date	Num	Name	Amount
7/15/13	18699	Calcon System, Inc.	-8,371.89
7/15/13	18700	City of Hollister-Finance Dept	-250.94
7/15/13	18701	CM Analytical, Inc.	-15,030.00
7/15/13	18702	Consolidated Engineering Laboratories	-4,234.61
7/15/13	18703	Everbank Commercial Finance, Inc.	-226.87
7/15/13	18704	Hach Company	-656.08
7/15/13	18705	Hollister-Sunnyslope W. T. A.	-33,861.36
7/15/13	18706	Independent Business Forms, Inc.	-6,227.96
7/15/13	18707	John Smith Landfill	-10.00
7/15/13	18708	NH3 Service Company	-1,086.85
7/15/13	18709	Raftelis Financial Consultants, Inc.	-8,731.93
7/15/13	18710	Ranchers Feed	-9.77
7/15/13	18711	Sierra Chemical Co.	-1,279.75
7/15/13	18712	Stargazer Packaging	-394.57
7/15/13	18713	Hill, Kathleen A	-409.75
7/16/13	18714	Internal Revenue Service	-228.20
7/22/13	18715	City of Hollister-Finance Dept	-333,673.57
7/22/13	18716	CM Analytical, Inc.	-2,600.00
7/22/13	18717	Cutting Edge Landscape & Maintenance	-805.00
7/22/13	18718	EBCO Pest Control	-55.00
7/22/13	18719	P G & E	-13,846.93
7/22/13	18720	RMC Water and Environment	-2,091.09
7/22/13	18721	Stargazer Packaging	-27.81
7/22/13	18722	Toro Petroleum Corp.	-1,350.16
7/24/13	18723	Postmaster	-236.97
7/29/13	18724	CAROL BOND	-62.33
7/29/13	18725	JIM HARRINGTON	-32.67
7/29/13	18726	ROSALEEN SPEARS	-9.65
7/29/13	18727	All Star Ready Mix, LLC	-740.80
7/29/13	18728	AT&T	-229.33
7/29/13	18729	B.W.S. Distributors, Inc.	-99.03
7/29/13	18730	Calif. Dept. of Public Health - OCP	-120.00
7/29/13	18731	Cutting Edge Landscape & Maintenance	-337.00
7/29/13	18732	Ferguson Enterprises, Inc.	-80.93
7/29/13	18733	First Trust Alarm Company	-123.83
7/29/13	18734	Greenwood Chevrolet	-180.07
7/29/13	18735	Hollister Auto Parts, Inc.	-29.28
7/29/13	18736	Mc Master-Carr	-42.41
7/29/13	18737	Mid Valley Supply	-461.28
7/29/13	18738	Monterey Bay Systems	-1,597.52
7/29/13	18739	National Meter & Automation, Inc.	-4,966.50
7/29/13	18740	Northern Tool & Equipment Co.	-262.87
7/29/13	18741	Palace Art & Office Supply	-353.15
7/29/13	18742	Postmaster	-1,824.17
7/29/13	18743	Razzolink.com	-99.95
7/29/13	18744	USA BlueBook	-455.70
7/29/13	18745	Verizon Wireless	-319.37
7/31/13	18746	Employment Dev. Dept. (EDD) DE88 Pmts.	-9,446.37
7/31/13	18747	CalPERS - Retirement	-2,623.18
7/31/13	18748	Nationwide Retirements Solutions	-14,758.80
7/31/13	18749	BAC (Beneficial Administration Company)	-353.57
7/31/13	18750	CalPERS - Health Insurance	-13,750.28
7/31/13	18751	CalPERS - Retirement	-32,345.26
7/31/13	18752	Fort Dearborn Life Insurance Co.	-304.00
7/31/13	18753	Premier Access Insurance Co.	-3,422.28
7/31/13	18754	Petty Cash	-135.64
8/5/13	18755	Ace Hardware (Johnson Lumber Co.)	-263.94
8/5/13	18756	AL's Septic Tank Service Inc.	-425.00
8/5/13	18757	AT&T	-679.44
8/5/13	18758	Auto Tech Service Center, Inc.	-83.42
8/5/13	18759	AutomationDirect.com	-44.00
8/5/13	18760	B S K Analytical Laboratories, Inc.	-32.00

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
8/5/13	18761	Consolidated Engineering Laboratories	-1,059.87
8/5/13	18762	Corix Water Products	-7,858.54
8/5/13	18763	Everbank Commercial Finance, Inc.	-224.60
8/5/13	18764	Hollister Auto Parts, Inc.	-4.87
8/5/13	18765	Mission Uniform Service	-726.85
8/5/13	18766	Monterey Bay Systems	-1,632.48
8/5/13	18767	O'Reilly Auto Parts	-8.65
8/5/13	18768	Palace Art & Office Supply	-109.01
8/5/13	18769	Pentair Valves & Controls US LP	-2,865.64
8/5/13	18770	Ranchers Feed	-9.49
8/5/13	18771	Recology San Benito County	-124.80
8/5/13	18772	San Benito Tire, Inc.	-15.00
8/5/13	18773	Sierra Chemical Co.	-1,094.75
8/5/13	18774	Staples Advantage	-81.05
8/5/13	18775	Underground Service Alert	-422.34
8/6/13	18776	AT&T	-530.34
Total Disbursements			-865,202.90

3. Approval of Change Orders No. 20, 21, and 22 for Additions to the Ridgemark Wastewater Treatment and Recycled Water Improvements Project for a Total Amount of \$6,861.69.

Director Hill asked if these change orders were in addition to the contract amount and Engineer Girouard explained that they are additional costs and they have been discussed with the Water/Wastewater Committee. President Meraz asked if it is normal for the contractor to add a surcharge to their actual costs and Engineer Girouard stated that it is in their contract that they can add a percentage to the cost that they bill the District. President Meraz asked about having the work for these change orders done by someone else at a less expensive rate and Engineer Girouard replied that there are some changes that the District has decided to wait on and do themselves at a later date to save money, but some of the work needs to be done now to complete the project. General Manager/Secretary Ridenhour stated that this project has change orders totaling about 1.6% of the total project, which is exceptionally good for project of this size. Mr. Ridenhour also mentioned another change order that will be brought to the Board in September for additional paving that has been approved because the contractor was ready to proceed with the paving on Mark's Drive. There was discussion about staff approving these expenditures and about getting prior approvals for change orders based on a percentage of the contract or a set dollar amount so staff would have the authority to approve work timely and not have the situation where approvals of change orders are exceeding the purchasing limits of the General Manager.

4. Approval of the Ridgemark Wastewater Treatment and Recycled Water Improvements Project Progress Payment Request by Anderson Pacific for Invoice 108-25 dated July 31, 2013 for \$288,495.00.
5. Authorize Payment of the Invoice from San Benito County Water District for \$94,774.60 for Implementation and Management of the Hollister Urban Area Water and Wastewater Management Plan from April 1, 2013 Through June 30, 2013.

Upon motion made by Director Clapham, seconded by Director Villalon, and unanimously carried 5-0, the Board approved the Consent Agenda as presented.

G. NEW BUSINESS:

1. **CONSIDER APPROVAL OF THE AGREEMENT FOR OPERATION AND MAINTENANCE SERVICES BETWEEN SAN BENITO COUNTY WATER DISTRICT AND SUNNYSLOPE COUNTY WATER DISTRICT FOR OPERATION OF THE LESSALT WATER TREATMENT PLANT:** General Manager/Secretary Ridenhour stated that San Benito County Water District (SBCWD)

approved the Operations and Maintenance Services agreement on July 31, 2013 which specifies the terms and conditions of Sunnyslope County Water District (SSCWD) operating and maintaining the Lessalt Water Treatment Plant (WTA). The Agreement also contemplates a future amendment to include the operation and maintenance of the planned West Hills Water Treatment Plant by Sunnyslope. SSCWD will bill SBCWD for the services based on this agreement and in turn SBCWD will split the costs and bill SSCWD and the City of Hollister (COH) each 50%. Both SSCWD and COH have approved the WTA budget for FY 13-14 but with the transitional period of the upgrade of construction, it will change the operational costs, so SSCWD will operate on a time and material basis while the upgrade of the plant is going on.

General Manager/Secretary Ridenhour explained that the next step is to formally transfer ownership of the facilities to SBCWD and he plans on bring that back to the Board in September, and the plan is to start the billing process September 1, 2013. Mr. Ridenhour added that all of the formalities need to be in order prior to SBCWD awarding the contract for the upgrade to the Lessalt Water Treatment Plant.

Director Hill inquired about the emergency response/disaster recovery plan section in the agreement being prepared and given to SBCWD, General Manager/Secretary Ridenhour responded that is essentially already taken care of because the District already has a plan in place and it is just a matter of giving it to SBCWD.

Director Clapham asked if the District would need to hire additional maintenance staff to be able to maintain this contract at the Lessalt plant. General Manager/Secretary Ridenhour responded that we currently maintain the plant with our current staff, so we would not need additional staff at this time; it will just be a matter of tracking their time to bill to SBCWD.

Upon motion made by Director Hill, seconded by Director Johnson, and unanimously carried 5-0, the Board approved the agreement for operation and maintenance services between San Benito County Water District and Sunnyslope County Water District for operation of the Lessalt Water Treatment Plant.

- 2. PUBLIC HEARING – CONSIDER APPROVAL OF ORDINANCE NO. 76 AMENDING THE DISTRICT’S ORGANIZATION. THIS WOULD EFFECT THE DISTRICT ENGINEER, CONSTRUCTION INSPECTOR/ENGINEERING TECHNICIAN, GENERAL MANAGER, WATER SUPERINTENDENT, AND CREATE AN ASSISTANT/ASSOCIATE ENGINEER:** General Manager/Secretary Ridenhour explained that the District is entering into a new era with the Ridgemark Wastewater Treatment Plant nearing completion, and beginning construction of the joint drinking water treatment facilities in partnership with the City of Hollister and San Benito County Water District. The staffing needs of the District are changing and with the proposed reorganization, it eliminates the need for a full time District Engineer position and the Construction Inspector/Engineering Technician position. The Personnel Committee believes these duties will be better served by placing the District Engineer duties with the General Manager and creating a new Assistant/Associate Engineer position.

General Manager/Secretary Ridenhour explained that the Operations division will also be changing with the new Ridgemark Wastewater Treatment Plant, the planned upgrade of the Lessalt Water Treatment Plant, and the future West Hills Water Treatment Plant. The licensing requirements for wastewater treatment are increasing from Grade I to a Grade III license and the requirements for the Lessalt Water Treatment Plant upgrade are increasing from a T-2 to a T-3 license. The title and role of the Water Superintendent

position is more appropriately served by a management position titled Water/Wastewater Superintendent, and the Chief Plant Operator duties also need to be assigned to this position. This position is proposed to become an exempt employee, be given management leave, and no longer be paid hourly. Mr. Ridenhour stated that in the future, it is anticipated that the District may require the addition of three full time staff to cover treatment operator duties of the future West Hills Water Treatment Plant, which was considered when doing the rate study.

General Manager/Secretary Ridenhour explained that Engineer Girouard will be retiring at the end of the year and Patrick Imperatrice, the Construction Inspector/Engineering Technician has accepted a position with another company; his last day being August 23rd. Mr. Ridenhour commended Mr. Imperatrice for the good job that he has done overseeing the Ridgemark Wastewater Treatment Plant Construction Project.

President Meraz opened the public hearing at 5:56 p.m.

The Board of Directors thanked Mr. Imperatrice for overseeing the project. Patrick Imperatrice commented that he took this new position due to the fact that he knew his current position with Sunnyslope County Water District was going to be eliminated.

President Meraz closed the public hearing at 5:58 p.m.

Upon motion made by Director Villalon, seconded by Director Hill, and unanimously carried 5-0, the Board approved Ordinance #76 amending the District organization eliminating the positions of District Engineer and Construction Inspector/Engineering Technician, modifying the General Manager position to include duties of the District Engineer, reclassifying and re-titling the Water Superintendent position to a management exempt employee and a new title Water/Wastewater Superintendent, and creating a new position titled Assistant/Associate Engineer.

- 3. CONSIDER APPROVAL OF A CONTRACT AMENDMENT WITH CONSOLIDATED ENGINEERING LABORATORIES FOR AN ADDITIONAL \$10,000 FOR CONSTRUCTION TESTING SERVICES AT THE RIDGEMARK WASTEWATER TREATMENT PLANT PROJECT:** Engineer Girouard explained that the District has a \$50,000 professional services contract with Consolidated Engineering Laboratories (CEL) for the Ridgemark Wastewater Treatment Plant Project for the testing of concrete, rebar, compaction, sub-grade and various other work that Anderson Pacific has done. Through mid July, CEL has expended \$49,439.21 of work on that contract and staff is estimating about \$9,000 more for the remaining construction project, which would bring the total contract to approximately \$60,000.

President Meraz asked if the contract for \$50,000 is for the testing, why everything wouldn't be covered, Engineer Girouard responded that the \$50,000 was an estimate and the project has gone beyond that amount.

Upon motion made by Director Villalon, seconded by Director Clapham, and unanimously carried 5-0, the Board authorized staff to expend up to an additional \$10,000 on the existing contract for Consolidated Engineering Laboratories for a total contract not to exceed \$60,000.

- 4. PROVIDE DIRECTION TO THE GENERAL MANAGER FOR THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 5 BOARD BALLOT:** General Manager/Secretary Ridenhour explained that ACWA has mailed out a ballot to member agencies to elect new Board Members to represent Region

5 in the 2014 – 2015 fiscal year. The Region 5 nominating committee has recommended a slate of candidates. Mr. Ridenhour stated that Director Villalon has met a majority of the candidates while attending Region 5 meetings and Director Villalon concurs to vote for the recommended slate.

Upon motion made by Director Hill, seconded by Director Clapham, and unanimously carried 5-0, as a Board, to cast the ballot on behalf of Sunnyslope County Water District for the nominating committee's recommended slate of candidates.

H. BOARD AND STAFF COMMITTEE STATUS REPORTS:

- 1. Governance Committee:** Director Villalon reported no meeting held.
- 2. Water/Wastewater Committee:** General Manager/Secretary Ridenhour reported a meeting was held on July 23rd and the committee reviewed the Lima Property Development; discussed a possible cell tower lease at the Fairview tank property; had an update on the Ridgemark Wastewater Treatment Plant Construction including the paving schedule, project completion schedule, and change orders #20, 21, & 22. The committee also discussed the Southside Road Annexation, and Mr. Ridenhour reported that the last property owner in the Southside Road Annexation area has made his first payment of the agreed upon payment plan. The Environmental Impact Report has been started on the annexation. Also discussed was the seismic review of the Ridgemark Tanks; and they discussed plans for piping for recycled water and/or a groundwater irrigation system for new development projects.
- 3. Finance Committee:** President Meraz reported no meeting held.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported that a meeting was held on July 16th and the committee discussed and reviewed the status of revisions to SSCWD Water Code Chapter 3, sections 3.40.170 through 3.40.480; reviewed a draft update to the Expense Reimbursement Policy; and discussed the Purchasing Policy and purchase authorization dollar limit requiring Board approval.
- 5. Personnel Committee:** General Manager/Secretary Ridenhour reported the committee discussed the Ordinance the Board approved tonight and a salary survey, which Mr. Ridenhour will begin in September.
- 6. Water Resources Association of San Benito County:** Director Johnson reported no meeting in August; next meeting is scheduled for September 12th.
- 7. Ridgemark Wastewater Treatment and Recycled Water Improvement Project:** Engineer Girouard reported that the contractor will begin paving the trench in Mark's Drive at the end of the week and slurry seal in a couple of weeks.
- 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:** The Board reviewed the District's Operations Summary (for July 31, 2013), and Investment Summary (for July 31, 2013). General Manager/Secretary Ridenhour explained that we do not have the Statement of Income for June 30, 2013 or the narrative report because Cathy Buck is out on vacation and staff will follow up with those for the next meeting.

The District's Investment Summary report reflects the total cash balance as of July 31, 2013 of \$3,323,207.86, which includes one-month earned interest totaling \$651.21.

The Board reviewed the Hollister-Sunnyslope Water Treatment Agency's Investment Summary ending July 31, 2013, which reflects a cash balance total of \$1,155,074.51 which includes \$1,084.80 fiscal year-to-date (five month's) interest earned. General

Manager/Secretary Ridenhour explained that once the agreement is complete, he will call a joint meeting with the City of Hollister and Sunnyslope Water to dissolve the Hollister Sunnyslope Water Treatment Agency and once that is done the remaining funds will be split 50/50 between the two agencies.

The Board reviewed Hollister-Sunnyslope Water Treatment Agency's Disbursement Summary, for the period of July 3, 2013 to August 7, 2013, totaling \$66,160.97.

Jim Filice reviewed the July, 2013 Maintenance Staff Report and pointed out #1, respond to emergency at 991 Peach Court where a car accident broke off a fire hydrant, and he reported that the vehicle does have insurance so the District should be reimbursed for the repairs. Director Villalon asked about #4, repair the 2" blow off on Enterprise Road that was hit by a farm tractor, and Mr. Filice responded that this too should be reimbursed. Mr. Filice reported on #9, that they have completed trench restoration specification bid sheet and met with three construction companies for bids but have not received them yet. Also, #16, fabricate, install, and wire flood lights at exterior front of the office building has been done as requested. Director Villalon inquired about #19, respond to a sanitary sewer overflow at 251 Marks Drive caused by construction debris from the installation of the new gravity sewer line, and asked if it was reportable to the State. Mr. Filice responded that it was, and was caused by the contractor dropping debris into the sewer line; the overflow was less than 300 gallons. Lastly, Mr. Filice pointed out #2,4 meeting with Enz Construction, Granite Rock, and Nicholson Construction to receive quotes for pond ripping at Ridgemark Estates Wastewater Treatment Plant I, which is for work that is done annually.

During review of the Meter Reading Report for the period June 12, 2013 to July 15, 2013, Jim Filice noted the intertie meter data indicates the City received 20.2% of Lessalt water, while the District received 79.8%. Mr. Filice commented that the City has paid back a couple of million gallons of water of what they owe.

Jim Filice reviewed the groundwater level report and noted that the wells are trending down which is expected this time of year.

9. **Active Tasks Update:** General Manager/Secretary Ridenhour reported on the final count of the protests received on the water and wastewater rate increase: 96 water and 218 sewer. Mr. Ridenhour stated that a question was asked at the Special meeting about regulatory relief. At the time of the Special Board Meeting he was not aware, but in 2009 Sunnyslope staff and Board members, and staff from the City of Hollister and San Benito County Water District met with Cecile DeMartini of the Regional Board. Mr. Ridenhour learned that Sunnyslope has been receiving regulatory relief from the Regional Board since 2008. Sunnyslope has been out of compliance with its wastewater discharge requirements since 2008 and the Regional Water Quality Control Board has not been imposing fines on the District because they acknowledged the progress being made by the District to reach compliance. Mr. Ridenhour updated the Board on the HUAWP Outreach and reported that Jeff Cattaneo, Harry Blohm, and he will be giving a presentation to Sons in Retirement on September 12th. The City groundwater arrangements have been negotiated for groundwater exchange between the City and Sunnyslope and have agreed to the method of balancing water owed to Sunnyslope for previous years in exchange for the wastewater discharge of the Lessalt plant into the City's system. Mr. Ridenhour has drafted a memorandum of understanding and is expecting comments back from the City, which he will share with the Board.

I. BOARD AND STAFF REPORTS

1. **Directors:** No report.
2. **District Counsel:** No report.

3. **District Engineer:** No report.
4. **Finance-HR Manager:** No report (Cathy Buck is on vacation).
5. **General Manager:** General Manager/Secretary Ridenhour reported that he received a public records request from a gentleman that spoke at the Special Meeting, requesting Directors pay and reimbursement policy, and actuals paid for 2012. He also has received information regarding the Region 5 program which will be held on September 22nd and 23rd and will bring back information at the next meeting.

Director Villalon commented on a letter that each Director received and asked about responding, General Manager/Secretary Ridenhour said he would draft a response letter for the President on behalf of all the Directors.

- J. **FUTURE AGENDA ITEMS:** Future agenda items: General Manager/Secretary Ridenhour reported he would be bringing the Lessalt water Treatment Plant land and facilities transfer documents to the Board in September.
- K. **ADJOURN:** Upon motion made by Director Hill, seconded by Director Johnson, and carried 5-0, the meeting was adjourned at 6:40 p.m.

APPROVED BY THE BOARD: s/ Dave Meraz

Dave Meraz, President

RESPECTFULLY SUBMITTED: s/ Donald G. Ridenhour

Donald G. Ridenhour, Secretary