

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
February 19, 2019

A. CALL TO ORDER: The meeting was called to order at 4:00 p.m. by President Alcorn, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

B. ROLL CALL: Present: President Mike Alcorn, Director, Ann Ross, Director Judi Johnson, Director Robert J. Rodriguez II, and Director Jim Parker.

C. PUBLIC COMMENT ON CLOSED SESSION MATTERS: Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of 3 minutes per speaker. No public comment was made.

Staff Present for Closed Session: General Manager/Secretary Don Ridenhour and Attorney Heidi Quinn.

D. CLOSED SESSION (PURSUANT TO Government Code Section 54956.9): At 4:32 p.m. President Alcorn closed the meeting to the public to discuss the following:

1. **Conference with Legal Counsel** - Anticipated Litigation, Gov. Code § 54956.9(b): – One case.
2. **Conference with Legal Counsel** - Initiation of Litigation, Gov. Code § 54956.9(c): – One case.
3. **Public Employee Performance Review** – Title: General Manager.

President Alcorn reconvened the meeting to open session at 5:15 p.m.

E. PLEDGE OF ALLEGIANCE: Director Parker led Directors, staff, and public in the Pledge of Allegiance.

F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION: Attorney Heidi Quinn reported that on all three items direction was provided to staff, and no reportable action was taken by the Board.

G. APPROVAL OF AGENDA: Upon motion made by Director Johnson, seconded by Director Rodriguez, 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. No public comment was made.

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, and Associate Engineer Rob Hillebrecht.

I. CONSENT AGENDA:

1. Approval of Minutes – The Board reviewed the minutes for the Regular Meeting of January 15, 2019.
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of January 8, 2019 through February 11, 2019, totaling \$2,328,768.22, which includes \$1,954,905.59 for payments to vendors and employees, \$350,982.86 paid to the City of Hollister for net City sewer billings, and \$22,879.77 for customer refunds and checks returned. The last “ACH” (electronic payment) was ACH #1366, the last “DD” (direct deposit-electronic employee payment) was DD #2490, and the last check written was check #26564.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
01/15/19	ACH 1342	EFTPS	\$ -76.52
01/16/19	ACH 1343	RETURNED ACH (ACH Ret 01-01)	-129.77
01/16/19	ACH 1344	RETURNED ACH (ACH Ret 01-02)	-158.85
01/17/19	ACH 1345	RETURNED ACH (ACH Ret 01-03)	-163.41
01/17/19	ACH 1346	RETURNED ACH (ACH Ret 01-04)	-149.73
01/17/19	ACH 1347	RETURNED ACH (ACH Ret 01-05)	-158.85
01/17/19	ACH 1348	RETURNED ACH (ACH Ret 01-06)	-217.85
01/17/19	ACH 1349	RETURNED ACH (ACH Ret 01-07)	-400.02
01/17/19	ACH 1350	RETURNED ACH (ACH Ret 01-08)	-139.01
01/17/19	ACH 1351	RETURNED ACH (ACH Ret 01-09)	-139.01
01/17/19	ACH 1352	RETURNED ACH (ACH Ret 01-10)	-61.08
01/17/19	ACH 1353	RETURNED ACH (ACH Ret 01-11)	-149.73
01/17/19	ACH 1354	RETURNED ACH (ACH Ret 01-12)	-145.17
01/18/19	ACH 1355	RETURNED CHECK (Ck Ret 01-01)	-156.14
01/18/19	ACH 1356	RETURNED CHECK (Ck Ret 01-02)	-473.57
01/24/19	ACH 1357	RETURNED CHECK (Ck Ret 01-03)	-154.29
01/31/19	ACH 1358	CalPERS - Retirement	-1,036.00
01/31/19	ACH 1359	CalPERS - Retirement	-2,274.97
01/31/19	ACH 1360	CalPERS - Retirement	-29,529.78
01/31/19	ACH 1361	CalPERS - Health Insurance	-15,720.22

Date	Number	Name	Amount
01/31/19	ACH 1362	CalPERS - Retirement	-6,359.00
01/31/19	ACH 1363	EFTPS	-28,287.60
01/31/19	ACH 1364	Employment Dev. Dept. (EDD) DE88 Pmts.	-11,952.08
02/04/19	ACH 1365	Merchant Services	-1,870.06
02/08/19	ACH 1366	RETURNED CHECK (Ck Ret 02-01)	-386.00
01/15/19	DD 2464	Alcorn, Michael H.	-92.35
01/15/19	DD 2465	Johnson, Judi H.	-92.35
01/15/19	DD 2466	Rodriguez, II, Robert J.	-138.52
01/15/19	DD 2467	Ross, Ann C.	-138.52
01/31/19	DD 2468	Alvarez, Abel	-6,048.19
01/31/19	DD 2469	Bernal, Melissa M	-2,676.19
01/31/19	DD 2470	Boltz, William K	-7,196.70
01/31/19	DD 2471	Brill, Kelly L.	-4,715.63
01/31/19	DD 2472	Buck, Cathy L.	-6,301.91
01/31/19	DD 2473	Burbank, Jr., Dee J.	-5,455.09
01/31/19	DD 2474	Castro, Kevin G.	-5,718.74
01/31/19	DD 2475	Chavez, Jr., Manuel T.	-7,660.19
01/31/19	DD 2476	Eclarin, Ernesto P.	-7,147.70
01/31/19	DD 2477	Filice, James L.	-7,430.99
01/31/19	DD 2478	Hagins, Patrick M.	-4,631.58
01/31/19	DD 2479	Hernandez, Bazilio	-5,738.79
01/31/19	DD 2480	Hillebrecht, Robert B.	-4,815.92
01/31/19	DD 2481	Jackson, Patrick W.	-5,762.18
01/31/19	DD 2482	Malko, Kim A.	-3,793.05
01/31/19	DD 2483	Norman, III, Walter R.	-5,397.61
01/31/19	DD 2484	Padilla, David	-5,325.25
01/31/19	DD 2485	Porteur, Carol A.	-4,410.34
01/31/19	DD 2486	Quick, Troy E.	-6,406.64
01/31/19	DD 2487	Ridenhour, Donald G.	-10,565.76
01/31/19	DD 2488	Sanchez, Ricardo A.	-7,616.01
01/31/19	DD 2489	Watson, Scott A.	-6,991.25
01/31/19	DD 2490	Zavala, Anabel G.	-4,391.34
01/14/19	26454	Boltz, William K	-52.57
01/14/19	26455	American Water Works Assoc. CA-NV Section	-80.00
01/14/19	26456	Auto Tech Service Center, Inc.	-372.06
01/14/19	26457	Bracewell Engineering, Inc.	-126.00
01/14/19	26458	Bryce Consulting, Inc.	-340.00
01/14/19	26459	Central Ag Supply LLC	-1,436.74
01/14/19	26460	Greenwood Chevrolet	-27.97
01/14/19	26461	Hach Company	-1,355.28
01/14/19	26462	New SV Media, Inc. (was So. Valley News.)	-236.25
01/14/19	26463	Pinnacle HealthCare	-455.00

Date	Number	Name	Amount
01/14/19	26464	South Valley Internet, Inc.	-20.45
01/14/19	26465	Star Concrete	-78.24
01/14/19	26466	SUEZ WTS Analytical Instruments, Inc.	-13,587.55
01/14/19	26467	Toro Petroleum Corp.	-225.59
01/14/19	26468	Trans Union LLC	-120.35
01/14/19	26469	American Water Works Association (AWWA)	-790.00
01/14/19	26470	San Benito County-Resource Mgmt Agency	-796,300.80
01/21/19	26471	Zavala, Anabel G.	-50.45
01/21/19	26472	Watson, Scott A.	-150.00
01/21/19	26473	NATHAN DAVIES	-69.32
01/21/19	26474	HUMBERTO DE LUNA	-198.48
01/21/19	26475	DEL CURTO BROS CONST.	-48.07
01/21/19	26476	REX LEWIS	-69.73
01/21/19	26477	JONATHAN & LISA SINCLAIR	-386.32
01/21/19	26478	SHARON SCHMUCKLE & PAUL STANDRIDGE	-55.30
01/21/19	26479	A-1 Services	-403.00
01/21/19	26480	B.S.K. Analytical Laboratories, Inc.	-5,110.00
01/21/19	26481	Brenntag Pacific, Inc.	-3,992.28
01/21/19	26482	Calgon Carbon Corporation	-44,455.00
01/21/19	26483	City of Hollister-Finance Dept	-350,982.86
01/21/19	26484	CM Analytical, Inc.	-12,117.50
01/21/19	26485	De Lay & Laredo	-3,104.50
01/21/19	26486	EBCO Pest Control	-60.00
01/21/19	26487	Edges Electrical Group, LLC	-521.88
01/21/19	26488	Greenwood Chevrolet	-61.17
01/21/19	26489	Hach Company	-1,061.41
01/21/19	26490	Postal Graphics (was Post Net)	-1,085.59
01/21/19	26491	Ryan Herco Flow Solutions	-599.57
01/21/19	26492	San Benito County Water District	-207.00
01/21/19	26493	Toro Petroleum Corp.	-1,213.59
01/22/19	26494	Postmaster	-216.64
01/28/19	26495	ANN MARIE BARRAGAN	-172.91
01/28/19	26496	JAMES T & CAROL L MCWHIRTER	-18.42
01/28/19	26497	STEPHEN & ELIZABETH SEYMOUR	-23.94
01/28/19	26498	AT&T	-506.96
01/28/19	26499	Brenntag Pacific, Inc.	-10,809.20
01/28/19	26500	Brigantino Irrigation	-252.39
01/28/19	26501	Cal-Sierra Technologies, Inc.	-223.69
01/28/19	26502	Edges Electrical Group, LLC	-274.20
01/28/19	26503	Hollister Auto Parts, Inc.	-111.51
01/28/19	26504	Interstate All Battery Center	-162.59
01/28/19	26505	Konica Minolta Premier Finance	-412.91

Date	Number	Name	Amount
01/28/19	26506	Mc Master-Carr	-415.79
01/28/19	26507	National Meter & Automation, Inc.	-135,429.94
01/28/19	26508	O'Reilly Auto Parts	-126.94
01/28/19	26509	Palace Business Solutions	-427.34
01/28/19	26510	Sage Software, Inc.	-1,107.00
01/28/19	26511	San Benito County-Tax Collector	-1,120.15
01/28/19	26512	San Benito County Water District	-313,336.41
01/28/19	26513	South Valley Internet, Inc.	-20.45
01/31/19	26514	Nationwide Retirements Solutions	-17,277.36
01/31/19	26515	Dearborn National Life Insurance Company	-368.00
01/31/19	26516	HealthSmart Benefit Solutions, Inc. (VSP)	-329.62
01/31/19	26517	Premier Access Insurance Co.	-3,361.69
01/31/19	26518	Postmaster	-2,098.58
02/04/19	26519	Teichert Construction	-18,317.33
02/04/19	26520	Ace Hardware (Johnson Lumber Co.)	-1,191.12
02/04/19	26521	AT&T	-196.16
02/04/19	26522	Ben Caputo Printing	-62.79
02/04/19	26523	Brenntag Pacific, Inc.	-6,917.61
02/04/19	26524	Brigantino Irrigation	-391.16
02/04/19	26525	Channing L. Bete Co., Inc.	-265.53
02/04/19	26526	Corix Water Products	-2,046.20
02/04/19	26527	Edges Electrical Group, LLC	-52.19
02/04/19	26528	Interstate Battery System of San Jose Inc	-353.67
02/04/19	26529	Mc Kinnon Lumber Co., Inc.	-101.33
02/04/19	26530	Mission Uniform Service	-896.90
02/04/19	26531	O'Reilly Auto Parts	-2.96
02/04/19	26532	PG&E CFM/PPC Department	-16,514.89
02/04/19	26533	Postmaster	-56.80
02/04/19	26534	Razzolink.com	-76.95
02/04/19	26535	RB Communications	-96.02
02/04/19	26536	Specialty Construction Inc.	-224,826.17
02/04/19	26537	Star Concrete	-84.44
02/04/19	26538	State Water Resources Control Brd-WWOPCP	-520.00
02/04/19	26539	State Water Resources Control Board-DWPF	-20,970.00
02/04/19	26540	Sunnyslope County Water - Retainage	-11,832.96
02/04/19	26541	Verizon Wireless	-295.25
02/04/19	26542	Veolia Water Technologies	-6,311.66
02/11/19	26543	MHG BUILDERS & CONSULTING INC	-199.13
02/11/19	26544	MARTIN MORALES	-138.34
02/11/19	26545	Ace Hardware (Johnson Lumber Co.)	-3.63
02/11/19	26546	AT&T	-446.61
02/11/19	26547	Bracewell Engineering, Inc.	-140.00

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
02/11/19	26548	Brenntag Pacific, Inc.	-8,167.07
02/11/19	26549	Calif. Clean Energy LLC	-2,679.15
02/11/19	26550	CM Analytical, Inc.	-4,836.25
02/11/19	26551	Earth Systems Pacific	-401.00
02/11/19	26552	Geotechnical Consultants, Inc.	-5,500.00
02/11/19	26553	National Meter & Automation, Inc.	-1,373.87
02/11/19	26554	P G & E	-12,238.68
02/11/19	26555	Pinnacle Agriculture	-770.52
02/11/19	26556	Quinn Company	-1,455.95
02/11/19	26557	Recology San Benito County	-200.00
02/11/19	26558	San Benito County-Environ. Health Div.	-7,615.00
02/11/19	26559	San Benito County Water District	-151.50
02/11/19	26560	San Benito Tire Pros & Automotive	-302.03
02/11/19	26561	Toro Petroleum Corp.	-1,597.48
02/11/19	26562	Trans Union LLC	-100.90
02/11/19	26563	U.S. Bank Corporate Payment Systems	-850.76
02/11/19	26564	USA Blue Book	-60.26
			\$ -2,328,768.22

Director Johnson asked several questions about items listed in the Disbursement Summary, which Finance & Human Resource Manager Cathy Buck explained, and she also asked about check #26470 dated 1/14/19 payable to San Benito County-Resource Management Agency in the amount of \$796,300.80, which Ms. Buck explained is for the construction of the District’s crosstown pipeline under new River Parkway road, per the agreement with the County.

Upon motion made by Director Ross, seconded by Director Parker, and carried 5-0, the consent agenda was approved as presented.

J. NEW BUSINESS:

- PUBLIC HEARING: CONSIDER ADOPTION OF ORDINANCE NO. 81 AMENDING POLICY #7020 TO INCREASE THE BOARD OF DIRECTORS COMPENSATION FOR ATTENDANCE AT MEETINGS AND FOR SERVICE RENDERED BY REQUEST OF THE BOARD. (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour explained that the District Board of Directors are currently compensated for their services to the District pursuant to Policy #7020, which references California Water Code Section 30507 and is \$100 per day for each days attendance at meetings of the Board, meetings of Committees to which Board members are appointed, and for each days service rendered as a Director

by request of the Board, not exceeding 6 days in any calendar month. The current compensation was last amended on June 12, 1997 increasing from \$75 per day to \$100 per day. California Water Code Sections 20200 through 20207 allow for Board compensation to be adjusted by ordinance and for an amount not to exceed 5% per calendar year since the date of the last adjustment. Also, no ordinance may authorize compensation for more than 10 days in any calendar month.

At the Board Meeting on January 15, 2019 the Board discussed Board compensation and provided direction to staff to bring an ordinance back to the February meeting for consideration. The proposed Ordinance No. 81 was attached for consideration which reflects the discussion at the January Board meeting. Ordinance No. 81 modifies the Board's compensation and allows for up to \$200 per day for each day's attendance at Board Meetings, \$150 for attendance at Committee meetings to which they are appointed, \$150 for each day's service rendered as a Director by request of the Board, and \$100 per month for check signing duties not exceeding a total of \$950 in any calendar month. A revised Policy #7020 has been provided reflecting the proposed Ordinance.

General Manager/Secretary Ridenhour advised the Board that a Public Notice regarding the proposed Ordinance was printed in the Hollister Freelance newspaper on February 1st and February 8th, 2019 as required by Government Code Section 53000.

Mr. Ridenhour pointed out one correction needed to the Ordinance in paragraph A., regarding the reference to Government Code section 53000, which should be changed to section 6066. He also noted that, if the Ordinance is adopted, it would become effective 60 days from today.

Upon motion made by Director Ross, seconded by Director Rodriguez, and carried 3-1-1 (Director Johnson opposed, and Director Parker abstained) the Board adopted Ordinance No. 81 and amended policy #7020 to increase the Board of Directors compensation for attendance at meetings and for service rendered by request of the Board.

2. **RECEIVE AND DISCUSS SIX-MONTH BUDGET REVIEW OF DISTRICT'S FINANCIAL RESULTS FROM JULY 1, 2018 THRU DECEMBER 31, 2018. (Not a project under CEQA per Article 20, Section 15378):** Finance and Human Resource Manager Cathy Buck presented a Water/Wastewater Operations Profit and Loss Report by line-item through December 31, 2018. The report showed Actual results for year-to-date December, fiscal year Projected totals, and the approved fiscal year Budget for both fiscal year 2018/19 (this year) and fiscal year 2017/18 (last year). Ms. Buck also inserted Variance columns for the difference between Projected and Budget to help analyze the District's six-month results.

Ms. Buck explained that that the method used to calculate the “Projected” amount is to assume all expenses occur evenly over the year, and that the expenses incurred in the first half of the year, will repeat in the second half of the year. This is not always the case.

Ms. Buck explained that in preparing the narrative report to go with the financial reports, she did not find any variances that would lead management to be concerned. We appear to be fairly close to budget in all departments. She noted that this is a good exercise to go through to identify whether we have gone off course anywhere, and allows management time to make course corrections before reaching year-end. Nobody likes budget overage surprises at year-end.

Discussion was held and a few questions were asked, which Ms. Buck answered. The Board thanked Cathy for a good job on her detailed staff report and explanations.

3. **TAKE APPROPRIATE ACTION TO UPDATE SIGNATURE CARD FOR THE DISTRICT’S HERITAGE BANK OF COMMERCE CHECKING ACCOUNT. (Not a project under CEQA per Article 20, Section 15378):** Cathy Buck stated that due to the resignation of Honor Spencer in December, 2018, and the appointment of James F. Parker to the District Board of Directors on January 15, 2019, an update to the District’s bank signature card is needed. Before Heritage Bank of Commerce can accept any account signatory card changes to District accounts, the Board of Directors need to take formal action and document their approval.

The following actions were requested:

Update Signers List – Approve removal of outgoing Board member Honor Spencer as authorized signer, and add newly appointed Board member James F. Parker as authorized signer on the District’s signature card for all Heritage Bank of Commerce accounts.

Approve Resolution - The Board is requested to review and approve the “Resolution of Lodge, Association, or Other Similar Organization”. The resolution indicates the updated authorized signers list to be:

- A. Donald G. Ridenhour (Both Powers “A” & “B” Granted),
- B. Cathy L. Buck (Both Powers “A” & “B” Granted),
- C. Michael H. Alcorn (Powers “A” Granted),
- D. Judi H. Johnson (Powers “A” Granted),
- E. Ann C. Ross (Powers “A” Granted),
- F. Robert J. Rodriguez II (Powers “A” Granted), and
- G. James F. Parker (Powers “A” Granted).

Upon motion made by Director Ross, seconded by Director Rodriguez, and carried 5-0, the Board approved removal of outgoing Board member Honor Spencer as authorized signer, adding James F. Parker, and adopting the Resolution of Association for the bank accounts with Heritage Bank of Commerce.

4. **PRESIDENT TO CONSIDER MODIFICATION OF DIRECTOR DUTIES ON STANDING DISTRICT COMMITTEES FOR 2019. (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour stated that on December 18, 2019 President Alcorn appointed members of the Board to a few of the four standing committees, the Water Resources Agency, the Association of California Water Agency Joint Powers Insurance Authority, and to perform check signing responsibilities on behalf of the District. President Alcorn held off making all the necessary appointments because of a vacancy on the Board. President Alcorn committed to revisiting the committee appointments once a new member had been appointed to the Board in 2019. With the appointment of James Parker in January, there are now five Board Members and the appointments for the 2019 year need to be completed. The 2019 committee assignments made in December are as follows:

Finance Committee:

Directors: Mike Alcorn & _____ (Alternate – Judi Johnson)

Water & Wastewater Committee:

Directors: Robert Rodriguez & Ann Ross (Alternate – _____)

Employee & Personnel Committee:

Directors: Mike Alcorn & Ann Ross (Alternate – Judi Johnson)

Policy and Procedures Committee:

Directors: Robert Rodriguez & _____ (Alternate – Judi Johnson)

WATER RESOURCES AGENCY:

Director: Judi Johnson (Alternate – Ann Ross)

ACWA/JPIA – BOARD REPRESENTATIVE:

Director: Judi Johnson (Alternate – Mike Alcorn)

District Check Signing Responsibility for 2019:

Directors: 1st Quarter – Ann Ross, 2nd Quarter – Judi Johnson,
3rd Quarter – _____, and 4th Quarter – _____

President Alcorn completed the assignment of Directors to the following committees or agency representatives:

Finance Committee:

Directors: Mike Alcorn & **Ann Ross** (Alternate – Judi Johnson);

Water/Wastewater Committee:

Directors: Robert Rodriguez & Ann Ross (Alternate – **Jim Parker**);

Employee & Personnel Committee:

Directors: Mike Alcorn & Ann Ross (Alternate – Judi Johnson);

Policy and Procedures Committee:

Directors: Robert Rodriguez & **Jim Parker** (Alternate – Judi Johnson);

Water Resources Agency:

Director: Judi Johnson (Alternate – **Jim Parker**);

ACWA/JPIA Board Representative:

Director: Judi Johnson (Alternate – Mike Alcorn); and

District Check Signing Responsibility for 2019:

Directors: 1st Quarter – Ann Ross, 2nd Quarter – Judi Johnson,
3rd Quarter – **Robert Rodriguez**, and 4th Quarter – **Jim Parker**

5. **DISCUSS AND PROVIDE DISTRICT STAFF DIRECTION REGARDING THE POTENTIAL REMEDIES TO REDUCE AND REMOVE DISPOSABLE WIPES FROM THE SEWERY SYSTEM. (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour explained that the District operates and maintains four sewer lift stations as part of the wastewater collection system in the Ridgemark development area. In recent years, District staff have experienced an increase in the plugging of sewer lift pumps in these four lift stations caused by customers flushing disposable wipes down the toilet. Many manufacturers of disposable wipes advertise them as flushable, but these wipes do not break down in the sewer system and make their way into the sewer lift station pumps causing District staff to respond and unplug the pumps. Staff have placed a temporary screen at one of the sewer lift stations and are considering the installation of a screening system to capture the wipes prior to the lift station pumps. Additional staff actions include placing a message to customers advising them not to flush wipes on the landing page of our website, adding a message to our water/wastewater bills to customers, and the Water Resources Agency is adding messages about this problem to their water conservation materials.

This problem is happening around the world and causing sewer main blockages in sewer systems of several cities. There are lawsuits being filed by sewer agencies throughout the United States against the manufacturers of the disposable wipes for falsely advertising they are flushable and safe for sewer systems. Options available to the District to remedy the problem includes adding physical screening to the sewer lift stations, developing a public information campaign on the issue, requesting assistance from organizations such as the

Association of California Water Agencies and California Association of Sanitation Agencies, and requesting assistance from State and Federal elected officials.

Although there were a few suggestions on the subject, General Manager/Secretary Ridenhour stated that for the cost of the suggestions presented, his suggestion would be for staff to continue installing some type of screening system at the lift stations until at such time the lift stations were upgraded and special equipment was built in.

K. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** No meeting.
2. **Water/Wastewater Committee:** No meeting.
3. **Finance Committee:** No meeting.
4. **Policy and Procedure Committee:** No meeting.
5. **Personnel Committee:** General Manager/Secretary Ridenhour reported that the committee met with management staff on January 28th to discuss negotiations and the compensation study. Mr. Ridenhour stated that he expects to receive information later in the week from the company doing the compensation study. The next meeting is scheduled for February 28, 2019 to meet with the new Union and line-staff representatives.
6. **Water Resources Association of San Benito County (WRA):** Director Johnson prepared a written report stating that a meeting was held on February 7, 2019. Two new committee members were welcomed, Carol Lenoir from the City of Hollister and Leslie Jordan from San Juan Bautista. Program expenses for the Association were discussed as well as plans for upcoming programs. Special attention was called to the rebates available for water softener demolishing efforts in 2019. The toilet replacement program is nearing an end due to the requirements, such as age of the toilet; and the remaining funds available for the program. Discussion was held on the video contest for the San Benito High School students, with regard to water conservation. General Manager/Secretary Ridenhour added that the water supply is looking very good. The next meeting is scheduled for April 4th.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck prepared her monthly written narrative report on the Operation Summary (thru January 31, 2019), Statement of Income (thru December 31, 2018), and Investment Summary (thru January 31, 2019). Ms. Buck noted that the District

has received 81 water capacity fees and 2 wastewater capacity fees year-to-date. Ms. Buck also pointed out that the number of automatic payment services continue to grow.

The District's Investment Summary report reflects the total cash balance as of January 31, 2019 of \$11,868,666.91, which includes posted interest totaling \$125,390.14 (seven months interest on the Money Market, and interest on the LAIF investment that posted in July, October, and January). Ms. Buck stated that compared to January 31, 2018, the total cash and invested funds is up \$186,290 and that is after paying \$2.7+ million on the crosstown pipeline project.

General Manager/Secretary Ridenhour reported on the January 31, 2019 Maintenance Staff Report, and pointed out #6 of the Lessalt Water Treatment Plant section, work with Wright Bros. welding to install new level position mounting couplings on Green Sand and Granular Activated Carbon tanks. Mr. Ridenhour stated that there is corrosion on the filter tanks where there are penetrations in the tanks for the different instrument probes. Mr. Ridenhour stated that he has requested a proposal for adding corrosion protection, due to there being so many different metals in the tank and causing the corrosion. The tanks should not be needing modifications already since they were just put into service about 4 years ago.

General Manager/Secretary Ridenhour also spoke about #3 on West Hills Water Treatment Plant section, completed building of a PAC chute to take PAC waste to the opposite side of the drying bed. He explained this process takes the waste, which is mostly carbon, and sends away from the de-watering area. He noted this new process has really helped with the de-watering process, and is a great example of our guys coming up with creative solutions to problems.

In review of the Meter Reading Report for the period of December 17, 2018 to January 16, 2019, the intertie meter data indicates the City received -10.4% of Lessalt Water Treatment Plant water, while the District received 110.4%, and the City received 100% of the West Hills Water Treatment Plant water, while the District received 0%.

General Manager/Secretary Ridenhour reported on the groundwater level report, stating that the levels are trending up.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported on the **Crosstown Pipeline**, stating that Specialty Construction has completed the slab foundation for the booster pump station and the building block walls are scheduled to be constructed from February 18th through March 1st. Yard piping and electrical conduit runs continue to be installed. The project is anticipated to be complete by June of 2019, later than previously

reported due to the delays to manufacture the motor control center and the prior pump assembly material delays.

Mr. Ridenhour reported that the **City Council** held a special meeting to discuss growth on January 30th. The San Benito Business Council also held a meeting to discuss growth and Mr. Ridenhour stated that he expects growth control measures to be discussed more in the coming months.

Mr. Ridenhour reported that he has been hearing new regulations for **Chromium 6** may be released this spring by the State. There is no word on what the new maximum contamination limit will be. The District's Well #8 is now testing very low and the Crosstown Pipeline will help the District with blending water with Well #7 & Well #2 if the regulation limits drop from the previous limit. The new regulation should not cause the District any issues.

San Benito County Water District has not received an allocation amount from the **Federal Water Project for the 2019 Water Supply**, but it is expected to be 70% or above and there will be plenty of surface water this year. Reservoir levels throughout the State and the snow pack are at or above normal this year.

General Manager/Secretary Ridenhour stated that there is talk about large numbers of new connections to the District, so he prepared a chart of Sunnyslope County Water District water customers for June of each year going back to the year 2000. The chart shows the number of new services and the historical water usage for June of each year. Mr. Ridenhour stated that the largest increase was in fiscal year 2017/2018 with an increase of 223 connections or 3.9% that year.

L. BOARD and STAFF REPORTS

1. **Directors:** No report.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Ms. Buck reminded the Board that their Form 700 is due by April 1st, and stated that she is happy to assist anyone that has not filed yet.
4. **Assistant Engineer:** No report.
5. **General Manager:** Mr. Ridenhour stated that he will be setting up training for Ethics-Brown Act and Sexual Harassment.

M. FUTURE AGENDA ITEMS: Approval of attendance at the ACWA/JPIA Spring Conference.

N. ADJOURNMENT: President Alcorn adjourned the meeting at 6:30 p.m.

APPROVED BY THE BOARD: *s/ Michael H. Alcorn*
Michael H. Alcorn, President

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