

**MINUTES**  
**Regular Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**January 15, 2019**

**A. CALL TO ORDER:** The meeting was called to order at 4:30 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 Judi Johnson, Director Robert J. Rodriguez II, and Director Ann Ross.

**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):**  
– Two cases.

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

**E. PLEDGE OF ALLEGIANCE:** Director Johnson 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 there was only one case on the Initiation of Litigation and on both items, a status report was provided, 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 Ross, and carried 4-0, 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, Water/Wastewater Superintendent Jim Filice, 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 December 18, 2018.
  
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of December 10, 2018 through January 7, 2019, totaling \$1,057,178.59, which includes \$712,987.90 for payments to vendors and employees, \$342,614.15 paid to the City of Hollister for net City sewer billings, and \$1,576.54 for customer refunds and checks returned. The last check written was check #26453.

Date	Number	Name	Amount
12/14/18	ACH 1325	EFTPS	-212.58
12/19/18	ACH 1326	RETURNED ACH (Ret ACH 12-01)	-62.39
12/19/18	ACH 1327	RETURNED ACH (Ret ACH 12-02)	-224.62
12/19/18	ACH 1328	RETURNED ACH (Ret ACH 12-03)	-142.09
12/19/18	ACH 1329	RETURNED ACH (Ret ACH 12-04)	-123.61
12/19/18	ACH 1330	RETURNED ACH (Ret ACH 12-05)	-142.09
12/19/18	ACH 1331	RETURNED ACH (Ret ACH 12-06)	-168.70
12/19/18	ACH 1332	RETURNED ACH (Ret ACH 12-07)	-142.14
12/31/18	ACH 1333	CalPERS - Retirement	-1,036.00
12/31/18	ACH 1334	CalPERS - Retirement	-2,321.55
12/31/18	ACH 1335	CalPERS - Retirement	-29,580.77
12/31/18	ACH 1336	CalPERS - Health Insurance	-15,720.22
12/31/18	ACH 1337	CalPERS - Retirement	-25.00
12/31/18	ACH 1338	EFTPS	-27,114.92
12/31/18	ACH 1339	Employment Dev. Dept. (EDD) DE88 Pmts.	-10,943.04
12/19/18	ACH 1340	Merchant Services	-9.91
01/03/19	ACH 1341	Merchant Services	-2,040.10
12/14/18	DD 2436	Alcorn, Michael H.	-184.70
12/14/18	DD 2437	Johnson, Judi H.	-525.10
12/14/18	DD 2438	Rodriguez, II, Robert J.	-138.53
12/14/18	DD 2439	Ross, Ann C.	-46.18

<b>Date</b>	<b>Number</b>	<b>Name</b>	<b>Amount</b>
12/14/18	DD 2440	Spencer, Honor A.	-184.70
12/31/18	DD 2441	Alvarez, Abel	-5,952.80
12/31/18	DD 2442	Bernal, Melissa M	-2,669.09
12/31/18	DD 2443	Boltz, William K	-6,536.57
12/31/18	DD 2444	Brill, Kelly L.	-4,721.19
12/31/18	DD 2445	Buck, Cathy L.	-6,304.64
12/31/18	DD 2446	Burbank, Jr., Dee J.	-5,527.57
12/31/18	DD 2447	Castro, Kevin G.	-5,129.50
12/31/18	DD 2448	Chavez, Jr., Manuel T.	-8,035.83
12/31/18	DD 2449	Eclarin, Ernesto P.	-7,007.27
12/31/18	DD 2450	Filice, James L.	-7,528.98
12/31/18	DD 2451	Hagins, Patrick M.	-4,598.23
12/31/18	DD 2452	Hernandez, Bazilio	-5,010.69
12/31/18	DD 2453	Hillebrecht, Robert B.	-4,783.23
12/31/18	DD 2454	Jackson, Patrick W.	-5,890.99
12/31/18	DD 2455	Malko, Kim A.	-3,697.33
12/31/18	DD 2456	Norman, III, Walter R.	-5,354.37
12/31/18	DD 2457	Padilla, David	-5,884.08
12/31/18	DD 2458	Porteur, Carol A.	-4,385.01
12/31/18	DD 2459	Quick, Troy E.	-5,925.98
12/31/18	DD 2460	Ridenhour, Donald G.	-10,654.95
12/31/18	DD 2461	Sanchez, Ricardo A.	-4,582.75
12/31/18	DD 2462	Watson, Scott A.	-6,465.47
12/31/18	DD 2463	Zavala, Anabel G.	-4,192.91
12/17/18	26376	DENAE TOWNSEND & BENJAMIN GAITAN	-58.96
12/17/18	26377	SUSAN K GRACE	-229.46
12/17/18	26378	JOEL ROMO GONZALEZ	-112.37
12/17/18	26379	A-1 Services	-403.00
12/17/18	26380	Bianchi Kasavan & Pope, LLP	-914.50
12/17/18	26381	Brenntag Pacific, Inc.	-5,788.57
12/17/18	26382	Central Ag Supply LLC	-167.26
12/17/18	26383	City of Hollister-Finance Dept	-342,614.15
12/17/18	26384	CWEA Membership- TCP	-376.00
12/17/18	26385	Earth Systems Pacific	-97.50
12/17/18	26386	EBCO Pest Control	-60.00
12/17/18	26387	Fastenal Company	-108.67
12/17/18	26388	Interstate Battery System of San Jose Inc	-212.10
12/17/18	26389	John Smith Road Landfill	-307.80
12/17/18	26390	Mitch's Certified Classes, Inc	-300.00
12/17/18	26391	Pinnacle Agriculture	-755.77
12/17/18	26392	Precision Auto Glass	-271.50
12/17/18	26393	Recology San Benito County	-200.00

<b>Date</b>	<b>Number</b>	<b>Name</b>	<b>Amount</b>
12/17/18	26394	San Benito County Water District	-296.00
12/17/18	26395	Trans Union LLC	-144.95
12/17/18	26396	USA Blue Book	-242.40
12/21/18	26397	Nationwide Retirements Solutions	-30,985.61
12/24/18	26398	Hagins, Patrick M.	-150.00
12/24/18	26399	LEONARD & CAREEN CAPUTO	-103.60
12/24/18	26400	Brenntag Pacific, Inc.	-4,555.39
12/24/18	26401	CM Analytical, Inc.	-12,475.00
12/24/18	26402	Cole-Parmer Instrument Co.	-377.31
12/24/18	26403	De Lay & Laredo	-2,712.50
12/24/18	26404	First Trust Alarm Company	-698.00
12/24/18	26405	Hach Company	-392.86
12/24/18	26406	Kennedy/Jenks Consultants	-6,703.47
12/24/18	26407	O'Reilly Auto Parts	-16.31
12/24/18	26408	OnTrac	-123.97
12/24/18	26409	Powers Electric Products Co.	-736.55
12/24/18	26410	State Water Resources Control Board-OOC	-170.00
12/24/18	26411	Toro Petroleum Corp.	-1,761.80
12/31/18	26412	United Way of San Benito County	-150.00
12/31/18	26413	Dearborn National Life Insurance Company	-368.00
12/31/18	26414	HealthSmart Benefit Solutions, Inc. (VSP)	-329.62
12/31/18	26415	Premier Access Insurance Co.	-3,361.69
12/24/18	26416	Postmaster	-210.23
12/28/18	26417	Petty Cash	-36.00
12/28/18	26418	Postmaster	-15.40
12/28/18	26419	Postmaster	-2,067.06
12/31/18	26420	DOUGLAS G MCBANE	-66.51
12/31/18	26421	Auto Tech Service Center, Inc.	-80.38
12/31/18	26422	Brenntag Pacific, Inc.	-3,489.39
12/31/18	26423	San Benito County Water District	-319,292.56
12/31/18	26424	Pinnacle HealthCare	-1,795.00
01/07/19	26425	Ace Hardware (Johnson Lumber Co.)	-671.67
01/07/19	26426	ACWA/JPIA	-14,035.89
01/07/19	26427	AT&T	-1,215.02
01/07/19	26428	Auto Tech Service Center, Inc.	-1,050.00
01/07/19	26429	B.W.S. Distributors, Inc.	-310.94
01/07/19	26430	Brenntag Pacific, Inc.	-28,249.40
01/07/19	26431	Brigantino Irrigation	-125.37
01/07/19	26432	CM Analytical, Inc.	-6,150.00
01/07/19	26433	Corix Water Products	-149.16
01/07/19	26434	Ferguson Enterprises, Inc.	-231.97
01/07/19	26435	Hach Company	-268.29

<b>Date</b>	<b>Number</b>	<b>Name</b>	<b>Amount</b>
01/07/19	26436	Hollister Auto Parts, Inc.	-45.12
01/07/19	26437	Interstate Battery System of San Jose Inc	-246.42
01/07/19	26438	Itron, Inc.	-1,199.32
01/07/19	26439	Konica Minolta Premier Finance	-412.91
01/07/19	26440	Mark Nicholson, Inc.	-6,981.15
01/07/19	26441	Mc Master-Carr	-437.87
01/07/19	26442	Mission Uniform Service	-1,095.59
01/07/19	26443	P G & E	-10,610.48
01/07/19	26444	Palace Business Solutions	-1,344.45
01/07/19	26445	Pinnacle Agriculture	-726.28
01/07/19	26446	Razzolink.com	-76.95
01/07/19	26447	Recology San Benito County	-200.00
01/07/19	26448	San Benito County-Admin Office	-8,260.00
01/07/19	26449	San Benito Tire Pros & Automotive	-440.30
01/07/19	26450	Toro Petroleum Corp.	-1,432.63
01/07/19	26451	U.S. Bank Corporate Payment Systems	-2,095.90
01/07/19	26452	Verizon Wireless	-295.11
01/07/19	26453	Wright Bros. Welding & Sheet Metal, Inc.	-6.86
			<b>\$ -1,057,178.59</b>

Upon motion made by Director Johnson, seconded by Director Rodriguez, and carried 4-0 the consent agenda was approved as presented.

**J. NEW BUSINESS:**

- 1. CONSIDER INCREASING THE BOARD OF DIRECTOR’S COMPENSATION FOR ATTENDANCE AT MEETINGS AND FOR SERVICE RENDERED AND DIRECT STAFF TO BRING A FUTURE ORDINANCE AND POLICY REVISION TO A FUTURE BOARD MEETING FOR CONSIDERATION (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour stated that the District Board of Directors are compensated for their services to the District pursuant to Policy #7020, which references California Water Code Section 30507. The current compensation is \$100 per day for each day of attendance at meetings of the Board, meetings of Committees to which Board members are appointed, and for each day of service rendered as a Director by request of the Board, not to exceed 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 a 5% increase

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.

The Policy and Procedures Committee met on October 25<sup>th</sup> and discussed possible options regarding adjustments to Board compensation. At 5% per year since 1997, the most that Board compensation could be raised to is approximately \$278 per day of service. The Committee recommends the Board consider raising Board compensation to \$200 per day and maintaining the monthly cap of 6 days or \$1,200 per month for serving on the Board.

Finally, Mr. Ridenhour explained that modifying Board compensation requires adoption by ordinance, which requires noticing in the local newspaper. If the Board decides to modify compensation, staff will draft the appropriate ordinance, prepare and post the proper public notices, modify the District's Policy #7020, and bring them back to the Board in February for formal consideration.

President Alcorn suggested the Board consider raising the compensation to \$200 per day of service for Board meetings, \$150 per day of service for committee meetings and other days of service, and keep the compensation for check signing duties at the current \$100 per month. President Alcorn also expressed interest in limiting the total Board compensation to no more than \$950 per month.

A motion was made by Director Johnson to postpone this matter until June 2020, however, lacking a second, the motion failed.

Director Ross then made a motion to bring an ordinance back to the Board for consideration that increased compensation to \$200 per day for Board meetings; \$150 per day for committee meetings; and \$100 for monthly check signing with \$950 per month maximum compensation. Director Rodriguez seconded the motion. A roll call vote was requested and the votes were cast as follows: President Alcorn, yes; Director Rodriguez, yes; Director Ross, yes; and Director Johnson, no; the motion carried 3-1.

- 2. INTERVIEW BOARD MEMBER APPLICANTS, CONSIDER APPOINTMENT, AND CONDUCT A SWEARING-IN CEREMONY OF A NEW BOARD MEMBER TO FILL A VACANCY ON THE BOARD OF DIRECTORS. (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour stated that on November 20, 2018 the Board of Directors directed staff to advertise and solicit applications to fill a vacancy on the Board of Directors per California Government Code Section 1780 and Board Policy 7080. Notices were posted and four applications were received before the deadline of 2:00 p.m. on January 9, 2019. All applications received were forwarded to each Board Member for review.

General Manager/Secretary explained that the Board of Directors may fill the vacancy by appointment within 60 days of the vacancy, or by February 7, 2019. Mr. Ridenhour stated that if an applicant is appointed tonight by the Board, he will conduct the Swearing-In Ceremony. The appointed Board Member will then assume their position and be seated for the remainder of the meeting.

President Alcorn welcomed Trevin Barber, Douglas Gonzales, James Parker, and James Perez, Sr., the four applicants seeking the open Director's seat, and thanked all applicants for their willingness to serve the District. President Alcorn explained the selection process for this appointment and encouraged all applicants to run for election in the future. The Board conducted interviews of each applicant and considered appointment.

After review and discussion, President Alcorn opened the floor to nominations. Director Johnson nominated James Parker, and Director Ross nominated Trevin Barber. Hearing no more nominations, President Alcorn closed nomination. The following roll call votes were cast: President Alcorn – Parker; Director Johnson – Parker; Director Rodriguez – Parker; and Director Ross – Barber. The nomination for James Parker for the Sunnyslope County Water District Board of Director carried 3-1.

Following the appointment of James Parker to the Board of Directors, General Manager/Secretary Ridenhour conducted the Swearing-in Ceremony and Director Parker was seated as the fifth Board member.

- 3. CONSIDER AUTHORIZING THE GENERAL MANAGER TO CONTRACT WITH CALCON SYSTEMS TO UPGRADE THE DISTRICT'S SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM FOR AN AMOUNT NOT TO EXCEED \$53,246.00 (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Ridenhour explained that the upgrade to the Lessalt Water Treatment Plant and the new West Hills Water Treatment Plant added several additional responsibilities to the District's operation. These new plants also made the District's current versions of our SCADA software (Wonderware) obsolete. As part of the new treatment plant project, fiber optic lines were installed to the District office that would allow full SCADA control of the plants from the computers in our office. This requires the Wonderware software we use to all be upgraded to the same version. The current version the District uses in the office and at the District's wastewater plant are outdated and need upgrading to make all the systems work together.

The District has utilized Calcon Systems to provide these professional and technical services for many years so a quote was obtained from them to upgrade the District's

SCADA System. Calcon Systems is also providing these services for the new pump station as part of the Crosstown Pipeline. A large portion of the proposed project is necessary for the operation of the two water treatment plants, and this will be billed to San Benito County Water District as part of our operations agreement, which will result in both Sunnyslope and the City of Hollister sharing the costs.

Upon motion made by Director Johnson, seconded by Director Rodriguez, and carried 5-0 the Board authorized the General Manager to contract with Calcon Systems to upgrade the District's Supervisory Control and Data Acquisition (SCADA) System for an amount not to exceed \$53,246.00

## **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:** No meeting.
- 6. Water Resources Association of San Benito County (WRA):** No meeting.
- 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 December 31, 2018), Statement of Income (thru November 30, 2018), and Investment Summary (thru December 31, 2018). Ms. Buck stated she did not have any significant changes to point out and asked the Board if they had any questions. Director Johnson pointed out the number of customers has increased and the District is now up to 6,104 customers.

The District's Investment Summary report reflects the total cash balance as of December 31, 2018 of \$12,263,078.89, which includes posted interest totaling \$81,861.13 (six months interest on the Money Market, and interest on the LAIF investment that posted in July and October). Ms. Buck stated that currently the District has more funds overall compared to last year, and this is after paying a substantial amount for the construction-in-process of the Crosstown Pipeline project.



Water/Wastewater Superintendent Jim Filice reported on the December 31, 2018 Maintenance Staff Report, and asked the Board if there were any questions. Director Johnson inquired about several items on the Maintenance Staff Report, which were explained by Mr. Filice. Director Johnson expressed her concerns with the Wastewater item #15 listed, regarding the pulled pump 1 at the Ridgemark II lift station to clean debris from the impeller, and item #16 pulled pumps 2 & 3 at the Paullus Drive lift station to clean debris from the impeller. Mr. Filice stated that disposable wipes are being flushed and are getting clogged up once they get to the lift stations because they do not disintegrate and that creates the problems. He explained that they have added some additional straining devices to catch and remove these wipes early in the process. Director Johnson wants staff to consider ways to educate our customers not to use these wipes to begin with.

In review of the Meter Reading Report for the period of November 14, 2018 to December 17, 2018, the intertie meter data indicates the City received -7.4% of Lessalt Water Treatment Plant water, while the District received 107.4%, and the City received 100% of the West Hills Water Treatment Plant water, while the District received 0%. Mr. Filice reported the balance of water owed from the City is hovering about the same.

Water/Wastewater Superintendent Jim Filice reported on the groundwater level report, stating that the levels are continuing to rise in the upward direction.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported on the **Crosstown Pipeline** stating that Specialty Construction, Inc. has completed the water piping under the booster pump station and will move to installing drainage pipes and conduit before they can pour the slab foundation for the pump station. The project is anticipated to be complete by May of 2019 due to the material delays.

The County has shared the geotechnical report on the **Southside Road Slide** from their consultants with the District, and the District's geotechnical experts, Geotechnical Consultants, Inc., are reviewing the documents. Our consultants will be providing the District their opinions about the County's conclusions. Mr. Ridenhour met with the County's Chief Administrative Officer on January 11<sup>th</sup>, and he expects there will be more meetings in the near future. The County continues to violate the Public Records Act and fails to meet deadlines in their response to staffs information requests.

General Manager/Secretary Ridenhour reported that he met with **Water Resources Agency** staff to discuss 2019/2020 budget, drought preparedness, and the Urban Water Management Plan update that is required by the State every five years. The Plan must be updated by June 2020.

**San Benito County Water District** is proposing **rate increases** on surface water and on pumped well water in the coming three fiscal years. Sunnyslope County Water District has anticipated this in our master planning and the cost increase will result in raw water costs going up approximately \$40,000 in FY19/20 and increasing \$80,000 in FY 21/22. The District's revenue will absorb these increases.

**L. BOARD and STAFF REPORTS**

1. **Directors:** No report.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Cathy Buck asked the Board members to come to the February meeting prepared to have their picture taken for posting on the District's website. Ms. Buck also explained to the newest Board member, Mr. Parker, that she will be setting up a time to meet and go over the Board orientation packet and Form 700. Ms. Buck stated that bank signature cards will need to be updated with Board of Director signatures and once they are ready she will get each Director to sign.
4. **Assistant Engineer:** No report.
9. **General Manager:** No report.
10. **FUTURE AGENDA ITEMS:** A six month Budget review; an Ordinance for Board compensation changes; revisit of Director Committee Assignments; and the Lift station debris issue.

**M. ADJOURNMENT:** President Alcorn adjourned the meeting at 7:00 p.m.

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

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