

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
May 19, 2015

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Hill, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Kathleen Hill; Directors Michael Alcorn, Judi Johnson, Dave Meraz, and Danny Villalon.
- C. PLEDGE OF ALLEGIANCE:** Cub Scouts Benjamin, Mateo & Emmanuel Forrest; and Boy Scout Ian Parker led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Johnson, seconded by Director Villalon, and carried unanimously (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. There were no comments.

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 Assistant Engineer Rob Hillebrecht.

F. CONSENT AGENDA:

1. Approval of Minutes – for the Regular Meeting of April 21, 2015.
2. Allowance of Claims – to ratify disbursements for the period from April 14, 2015 through May 11, 2015, totaling \$749,714.14 which includes \$408,979.44 for payments to vendors and employees, \$339,484.54 paid to the City of Hollister for amounts collected from their customer’s for City sewer billings net of our fees, and \$1,250.16, for customer refunds and deductions for customer checks returned for insufficient funds. The last check written as of May 11, 2015 was check #20802. The list of disbursements is as follows:

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
04/15/15	ACH 0697	EFTPS	-341.80
04/15/15	ACH 0698	CalPERS - Retirement	-850.00
04/17/15	ACH 0699	RETURNED ACH (ACH Ret 04-01)	-40.55
04/17/15	ACH 0700	RETURNED CHECK (Ck Ret 04-01)	-222.83
04/30/15	ACH 0701	EFTPS	-20,415.36
05/04/15	ACH 0702	Merchant Services	-970.80
04/15/15	DD 1343	Alcorn, Michael H	-92.35
04/15/15	DD 1344	Johnson, Judi H	-266.05
04/15/15	DD 1345	Meraz, David E	-92.35
04/15/15	DD 1346	Villalon, Daniel	-436.75
04/30/15	DD 1347	Alvarez, Abel	-4,987.08
04/30/15	DD 1348	Brill, Kelly L.	-4,580.31
04/30/15	DD 1349	Buck, Cathy L.	-6,463.21
04/30/15	DD 1350	Castro, Kevin G.	-4,843.92
04/30/15	DD 1351	Chavez, Jr., Manuel T.	-6,841.56
04/30/15	DD 1352	Eclarin, Ernesto P.	-4,869.57
04/30/15	DD 1353	Filice, James L.	-6,647.69

Date	Number	Name	Amount
04/30/15	DD 1354	Hagins, Patrick M.	-4,600.03
04/30/15	DD 1355	Hillebrecht, Robert B	-3,529.64
04/30/15	DD 1356	Jackson, Patrick W.	-5,773.93
04/30/15	DD 1357	Malko, Kim A.	-2,660.77
04/30/15	DD 1358	Norman, III, Walter R.	-5,108.30
04/30/15	DD 1359	Padilla, David	-5,414.30
04/30/15	DD 1360	Porteur, Carol A.	-3,903.82
04/30/15	DD 1361	Quick, Troy E	-3,532.28
04/30/15	DD 1362	Ridenhour, Donald G	-9,796.40
04/30/15	DD 1363	Watson, Scott A.	-5,290.02
04/30/15	DD 1364	Zavala, Anabel G.	-4,136.11
04/15/15	20709	Hill, Kathleen A	-493.10
04/20/15	20710	ELMA RUTH CHAMBERS	-53.26
04/20/15	20711	DERRICK & MONICA AGUILLION	-51.79
04/20/15	20712	BOBBY & BRENDA MANN	-70.86
04/20/15	20713	OBDULIA HERNANDEZ	-13.34
04/20/15	20714	MICHAEL & LAURI MARTIN	-15.56
04/20/15	20715	RICARDO ARTEAGA	-8.72
04/20/15	20716	LAND CASTLE INC.	-678.52
04/20/15	20717	A-1 Services	-403.00
04/20/15	20718	Al's Septic Tank Service	-825.00
04/20/15	20719	Auto Tech Service Center, Inc.	-294.59
04/20/15	20720	Bianchi Kasavan & Pope, LLP	-2,114.00
04/20/15	20721	City of Hollister-Finance Dept.	-339,484.54
04/20/15	20722	CM Analytical, Inc.	-8,470.00
04/20/15	20723	De Lay & Laredo	-2,000.00
04/20/15	20724	Edges Electrical Group	-8.24
04/20/15	20725	Excelsior Blower Systems	-2,024.53
04/20/15	20726	Greenwood Chevrolet	-64.07
04/20/15	20727	Harper & Associates Engineering, Inc.	-1,780.00
04/20/15	20728	Hollister Paint Co.	-106.38
04/20/15	20729	John Smith Road Landfill	-212.22
04/20/15	20730	Mc Kinnon Lumber Co., Inc.	-139.03
04/20/15	20731	NH3 Service Company	-937.25
04/20/15	20732	Stargazer Packaging	-631.31
04/22/15	20733	Postmaster	-254.36
04/27/15	20734	RAMIRO & MARIA Z RAMOS	-31.82
04/27/15	20735	HARRY ACED	-40.70
04/27/15	20736	LOUISE EICHHORN	-22.21
04/27/15	20737	American Water Works Association (AWWA)	-1,876.00
04/27/15	20738	AT&T	-248.46
04/27/15	20739	B.W.S. Distributors, Inc.	-245.63
04/27/15	20740	Bracewell Engineering, Inc.	-126.00
04/27/15	20741	Brenntag Pacific, Inc.	-1,282.77
04/27/15	20742	Brigantino Irrigation	-97.92
04/27/15	20743	Calgon Carbon Corporation	-69,582.75
04/27/15	20744	EBCO Pest Control	-55.00
04/27/15	20745	Hollister Auto Parts, Inc.	-301.30
04/27/15	20746	Independent Business Forms, Inc.	-72.77
04/27/15	20747	Palace Business Solutions	-182.74
04/27/15	20748	Petty Cash	-13.80
04/27/15	20749	Postal Graphics (was Post Net)	-40.35
04/27/15	20750	Razzolink.com	-209.85
04/27/15	20751	San Benito Tire, Inc.	-20.00
04/27/15	20752	Toro Petroleum Corp.	-921.17
04/27/15	20753	Wright Bros. Industrial Supply	-89.07
04/27/15	20754	Wright Bros. Welding & Sheet Metal, Inc.	-117.75
04/30/15	20755	Employment Dev. Dept. (EDD) DE88 Pmts.	-7,667.77
04/30/15	20756	CalPERS - Retirement	-1,036.00
04/30/15	20757	CalPERS - Retirement	-600.10

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
04/30/15	20758	Nationwide Retirements Solutions	-12,410.73
04/30/15	20759	CalPERS - Health Insurance	-15,608.01
04/30/15	20760	CalPERS - Retirement	-28,492.21
04/30/15	20761	Dearborn National Life Insurance Company	-288.00
04/30/15	20762	HealthSmart Benefit Solutions, Inc. (VSP)	-336.93
04/30/15	20763	Premier Access Insurance Co.	-3,231.85
04/28/15	20764	Quick, Troy E	-150.00
04/29/15	20765	Jackson, Patrick W.	-80.00
04/29/15	20766	Postmaster	-1,926.81
05/04/15	20767	Ace Hardware (Johnson Lumber Co.)	-268.27
05/04/15	20768	AT&T	-114.67
05/04/15	20769	Brenntag Pacific, Inc.	-2,927.66
05/04/15	20770	Brigantino Irrigation	-30.13
05/04/15	20771	Calgon Carbon Corporation	-69,582.75
05/04/15	20772	CalVista Insurance Agency Inc.	-56.00
05/04/15	20773	CM Analytical, Inc.	-1,995.00
05/04/15	20774	Corix Water Products	-3,088.77
05/04/15	20775	Everbank Commercial Finance, Inc.	-224.60
05/04/15	20776	Evoqua Water Technologies LLC (Siemens)	-724.78
05/04/15	20777	Flomotion Systems, Inc.	-117.93
05/04/15	20778	MBS Business Systems	-1,623.67
05/04/15	20779	Mission Uniform Service	-627.47
05/04/15	20780	Palace Business Solutions	-228.22
05/04/15	20781	Verizon Wireless	-387.25
05/05/15	20782	Ace Hardware (Johnson Lumber Co.)	-125.53
05/11/15	20783	All Star Ready Mix, LLC	-340.64
05/11/15	20784	AT&T	-166.17
05/11/15	20785	Brigantino Irrigation	-408.73
05/11/15	20786	Calif. Clean Energy LLC	-2,476.16
05/11/15	20787	Corbin Willits Systems, Inc. (MOM's)	-520.00
05/11/15	20788	Evoqua Water Technologies LLC (Siemens)	-4,537.47
05/11/15	20789	Hollister Landscape Supply	-15.67
05/11/15	20790	Melissa Data Corp.	-1,921.13
05/11/15	20791	National Meter & Automation, Inc.	-528.35
05/11/15	20792	New SV Media, Inc. (was So Valley News)	-59.25
05/11/15	20793	NH3 Service Company	-713.00
05/11/15	20794	P G & E	-19,915.54
05/11/15	20795	Postmaster	-2,450.00
05/11/15	20796	Recology San Benito County	-126.03
05/11/15	20797	San Benito County Water District	-248.00
05/11/15	20798	South Valley Internet, Inc.	-20.45
05/11/15	20799	Toro Petroleum Corp.	-1,357.84
05/11/15	20800	Trans Union LLC	-275.00
05/11/15	20801	U.S. Bank Corporate Payment Systems	-6,113.69
05/11/15	20802	Wright Bros. Welding & Sheet Metal, Inc.	-150.40
Total Disbursements			<u><u>-749,714.14</u></u>

Director Johnson had questions on the following checks: check # 20725 payable to Excelsior Blower Systems, and General Manager/Secretary Ridenhour responded that was the final payment for the rental blower for the Ridgemark Wastewater Treatment Plant; check #20743 and 20771 both payable to Calgon Carbon Corporation, and Cathy Buck explained those are for the Lessalt Water Treatment Plant filter media which needed to be changed out. We are still learning when to change filters due to the new process at Lessalt, and two filters were changed out in a short time period. Director Johnson also questioned check # 20776 and 20788 both payable to Evoqua Water Technologies LLC, and Ms. Buck responded that these are for cartridge filter membranes at the Lessalt Water Treatment Plant.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried unanimously (5-0), the consent agenda was approved as presented.

G. NEW BUSINESS:

- 1. CONSIDER AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH THE CITY OF HOLLISTER FOR WATER CONSERVATION REGULATIONS ENFORCEMENT FOR AN AMOUNT NOT TO EXCEED \$40,000:** General Manager/Secretary Ridenhour explained that the State of California is entering a fourth year of a drought and the State Water Resources Control Board adopted drought regulations on May 5, 2015 mandating the District reduce water consumption by 28% compared to usage in 2013. The District adopted Resolution No. 537 at its April 21st Board meeting which mandates conservation measures consistent with the State regulations. In order to meet the new conservation mandate of reducing water usage by 28%, strict enforcement of the District's conservation regulations will be necessary. Staff from the Water Resources Association, the City of Hollister, and the District have been meeting and developing a cooperative plan to work together to educate the Hollister urban area customers and to enforce the conservation regulations. The City of Hollister is willing to assist the District with enforcement staff utilizing their Code Enforcement Officers. Staff anticipates the City's Code Enforcement Officers spending up to 20 hours per week enforcing District conservation regulations through the duration of the State's mandated water conservation measures, which is from June 2015 through February 2015. General Manager/Secretary Ridenhour stated that the City and District staff are preparing an agreement for services consistent with the existing contract with the City for construction inspection assistance. The City anticipates hiring additional part-time code enforcement staff to handle the additional work load of enforcing water conservation regulations for the City and the District.

Board members discussed the seriousness of the drought situation and how the District is affected. Assistant City Manager Mike Chambless attended the meeting and answered questions from the Board of Directors. In responding, Mr. Chambless explained that there will be additional staff hired to help mainly with the paperwork process in the office so that current enforcement staff, who are exempt from overtime, can be out in the field. This will include driving around in the very early morning and late night to monitor the state mandated restrictions for landscape watering. He stated that a database will be maintained and customers in violation will first be given a verbal warning, second violation will be a written warning, and third violation will incur a \$100 fine.

General Manager/Secretary Ridenhour emphasized how important it is that the District comply with the 28% reduction required by the State to avoid the extremely costly fines and noted that staff will need to document actions taken on the outreach to customers to prove the District's efforts to comply in the case that the restriction is not met.

Upon motion made by Director Johnson, seconded by Director Villalon, and carried unanimously (5-0), the Board authorized the General Manager to execute a contract with the City of Hollister for water conservation regulations enforcement for an amount not to exceed \$40,000.

- 2. CONSIDER AUTHORIZING THE GENERAL MANAGER TO HIRE A TEMPORARY EXTRA HELP STAFF PERSON TO ASSIST THE DISTRICT WITH WATER CONSERVATION TASKS FOR AN AMOUNT NOT TO**

EXCEED \$25,000: General Manager/Secretary Ridenhour explained the District is increasing efforts to educate and enforce the water conservation regulations mandated by the State of California and adopted by the District on April 21, 2015. The District utilizes staff from the Water Resources Association (WRA) for water conservation efforts, but due to the drought and recent adoption of more severe conservation restrictions, WRA staff are unable to keep up with the work load. Staff from the City, the WRA, and the District have been meeting to develop a cooperative plan to work together to educate the Hollister urban area customers and for enforcing conservation regulations. The City of Hollister is willing to assist the District with enforcement staff, but additional assistance is needed to communicate and meet with District customers about opportunities to reduce water consumption prior to enforcement. This temporary staff person hired by the District will be used to augment WRA staff and their efforts to assist our customers. It is anticipated an extra help staff person may be needed for up to 30 hours per week through the duration of the State's mandated water conservation measures, which is from June 2015 through February 2016. Mr. Ridenhour stated that the City is considering hiring additional staff for water conservation efforts and may want to share in the cost of the District's extra help staff.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried unanimously (5-0) the Board authorized the General Manager to hire a temporary staff person to assist the District with water conservation tasks for an amount not to exceed \$25,000.

- 3. CONSIDER AUTHORIZING THE GENERAL MANAGER TO COMMIT \$1,000,000 OF DISTRICT RESERVES FOR CONSTRUCTION OF THE WEST HILLS WATER TREATMENT PLANT UNTIL LONG TERM FINANCING IS SECURED:** General Manager/Secretary Ridenhour stated that on June 12, 2013, the Board approved the Water Supply and Treatment Agreement between the City of Hollister (City), San Benito County Water District (SBCWD), and Sunnyslope County Water District (SSCWD). The Water Supply and Treatment Agreement (WSTA) specifies the terms and conditions of financing, building, operating, and delivering treated water to the City and SSCWD. The terms of the WSTA commit SBCWD to finance up to \$30,000,000 for the construction of the Hollister Urban Area Water Project (HUAWP) facilities including the West Hills Water Treatment Plant. The WSTA also contemplated the possibility of additional financing being needed for project costs exceeding \$30,000,000. The West Hills Water Treatment Plant construction costs are expected to bring the total HUAWP financing need to approximately \$33,000,000. The exact amount of additional financing needed above the \$30,000,000 will not be known until bids for the West Hills Water Treatment Plant are received and the project is awarded to the lowest responsible bidder. SBCWD will be putting the West Hills Water Treatment Plant Project out to bid this month and bids will be due at the end of July 2015. The engineer's estimate for the construction of the West Hills Water Treatment Plant is approximately \$19,670,000.

SBCWD is committing \$1,000,000 and requesting the City and the District each commit \$1,000,000 in reserves toward the construction of the West Hills Water Treatment Plant until the exact amount of additional funding has been determined. Once the bids for the West Hills Water Treatment Plant have been received and the contract has been awarded, financing options for the additional funds will be evaluated and a recommendation will be brought back to the Board for consideration. Director Johnson asked who the responsible lead agency will be and General Manager/Secretary Ridenhour stated that San Benito County Water District will award the contract as the lead agency but Sunnyslope County Water District will be obligated for their portion per the WSTA.

It is critical that SBCWD have the full amount of funds needed for the project committed prior to bidding the West Hills Water Treatment Plant to show potential contractors SBCWD is serious and capable of awarding a contract to the lowest bidder and moving to construction. It is very costly for contractors to prepare bids for a project of this magnitude and potential contractors may not risk this expense and effort if they believe an agency is not financially capable of awarding the construction contract. A draft letter of commitment to SBCWD is attached for the Board's review.

President Hill asked if the District has the reserves to set aside the \$1,000,000 for the project and General Manager/Secretary Ridenhour stated that the District has \$1.8 million in designated reserves, and \$2 million in undesignated reserves which would allow for the District to commit to \$1,000,000 towards the West Hills Water Treatment Plant.

Upon motion made by Director Villalon, seconded by Director Alcorn, and carried unanimously (5-0), the Board authorized the General Manager to commit \$1,000,000 of District reserves for construction of the West Hills Water Treatment Plant until long-term financing is secured.

4. CONSIDER APPROVAL OF THE AGREEMENT FOR WATER FACILITIES AND SERVICE FOR THE VILLAGES DEVELOPMENT:

Assistant Engineer Rob Hillebrecht explained that the proposed, The Villages Development, is to be located on 36.4 acres of undeveloped land between Santa Ana Road and Brigantino Drive, to the east of Gabilan Elementary School and Maze Middle School. The subdivision consists of 155 new single family residential homes.

On October 2, 2014, Sunnyslope County Water District issued a Letter of Intent to Serve this development. Tentative Map 2013-3 for this development was accepted by the City of Hollister Planning Commission on May 22, 2014, under Resolution No. PC 2014-18.

A 12" water main will run through the development from SSCWD's pipeline in Santa Ana Road to the pipeline in Brigantino Drive. This will provide much improved system interconnection for the northern section of Sunnyslope's water network. Director Villalon asked how this connection would help, and Assistant Engineer Hillebrecht explained that the lines will interie the service area as well as help circulate water in the system. Mr. Hillebrecht explained that a 12" main will also provide fire flow capability.

SSCWD currently has the capacity and ability to serve this development with potable water. The Agreement acknowledges the District's right to terminate the Agreement if the continuance of this drought, or another unforeseen circumstance limits SSCWD's capacity or ability to serve the development water. Furthermore, the Developer is required to conform to all existing or future drought regulations. The Agreement is the District's standard agreement for water facilities and service to new developments.

Director Alcorn asked if the drought issue has already been addressed with proposed development, and General Manager/Secretary Ridenhour responded that regulations are stipulated in the agreement. Director Villalon asked if holding off on a commitment, given the drought situation, would be beneficial, and Mr. Ridenhour responded that there is not a lot of new construction projected and the restrictions with new construction makes new home's much more water conservation efficient.

Matt Kelley of Kelley Engineering UPC was available to answer questions from the Board regarding the proposed development. Director Johnson asked what type changes are being done in the building development industry, and Mr. Kelley responded that there

are building code requirements that must be followed and drought resistant landscaping is being put in and watered with drip and micro spray irrigation.

Michael Cady, Director of Planning for UPC Benchmark explained to the Board that this development has been in the process for 10+ years and the developers are very sensitive to the drought situation and are developing drought efficient landscaping, as well as entertaining the idea of synthetic turf. Mr. Cady pointed out to the Board, given the reduction requirements mandated by the State, that the District is losing revenue on the cutbacks of water usage, but approving new development would increase the revenue with more homes on line, and with drought efficient landscaping.

Upon motion made by Director Johnson, seconded by Director Villalon, and carried 4-0-1 abstention (Director Alcorn abstaining), the Board approved the agreement for water facilities and service for The Villages Development.

5. CONSIDER ADOPTION OF POLICY NO. 8500, LEAK ADJUSTMENT POLICY:

Finance & Human Resource Manager Cathy Buck explained that the District has been providing leak adjustments to customers who experience water leaks on an informal basis for years. However, staff would like to formalize the process, place the burden of providing proof and requesting a leak adjustment on the customer, and receive Board support and approval by implementing a written policy.

Ms. Buck explained that the fiscal impact will vary, depending on the severity of the leak experienced by the customer and the volume of leak adjustment requests received. In the past a typical leak adjustments has ranged from \$20 to \$500 per incident and the annual impact of leak adjustments is estimated to be between \$2,000 and \$5,000 in reduced water charges.

Ms. Buck pointed out that with the proposed policy, the customer would need to report the leak adjustment in a timely manner, no later than 30 days after the end of the billing period during which the customer repairs the leak; the adjustment credit request will not be considered by the District unless the customer's bill shows either (a) excess water consumption of at least 50% over normal consumption for the same time of year or (b) additional consumption charges of at least \$100 over prior year bills for the same time of year; and the leak adjustment credit will be approved not more than once in any five-year period for a leak outside of the customer's direct control.

Ms. Buck stated that the Policy and Procedures Committee met on April 14th and reviewed the draft of Leak Adjustment Policy No. 8500. The committee supports the policy and recommends adoption by the full Board.

Upon motion made by Director Johnson, seconded by Director Meraz, and carried unanimously (5-0), the Board adopted Policy No. 8500, Leak Adjustment Policy.

6. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES CONTRACT WITH KENNEDY/JENKS CONSULTANTS FOR OPERATIONAL AND TECHNICAL SUPPORT FOR THE LESSALT WATER TREATMENT PLANT FOR AN AMOUNT NOT TO EXCEED \$24,206:

General Manager/Secretary Ridenhour explained that the Lessalt Water Treatment Plant was completed and put into service in December of 2014. Kennedy/Jenks Consultants was the engineering design firm for the original treatment plant construction in 2002, and the upgrade that was completed in 2014. The treatment plant now has three different filter types and several chemicals that need to be optimized to minimize cost and provide optimum water quality. Kennedy/Jenks provided engineering support during construction of the upgraded plant

and has continued to provide support during these first months of operation under a contract with San Benito County Water District (SBCWD). SBCWD's contract has come to an end and staff from the City of Hollister, SBCWD, and Sunnyslope recommend keeping Kennedy/Jenks under contract for operational and technical support for fiscal year 2015/2016. Sunnyslope County Water District is the operator of the plant under contract with SBCWD and is therefore the appropriate agency to maintain an ongoing contract with Kennedy/Jenks Consultants.

Sunnyslope staff are continuing to monitor water quality and the timing of changing out the carbon filter media. Assistance by Kennedy/Jenks may result in operational savings in operating the treatment plant. A draft budget for operation of the Lessalt Water Treatment Plant including the cost of the Kennedy/Jenks support has been prepared for Fiscal Year 2015/2016 and has been accepted by City and SBCWD staff. These costs will be in all three agencies budgets and considered for approval by their respective Boards and Council for next fiscal year. The proposed contract is for "as needed" services and will only be used if necessary, and where Sunnyslope staff needs assistance. There was Board discussion on the budget and General Manager/Secretary Ridenhour explained that ultimately the cost is split between Sunnyslope County Water District and the City of Hollister. Director Meraz inquired about the disinfection-by-products and Mr. Ridenhour replied that the District is meeting the design target for the Lessalt Water Treatment Plant.

Upon motion made by Director Johnson, seconded by Director Alcorn and carried unanimously (5-0), the Board approved entering into a Professional Services Contract with Kennedy/Jenks Consultants for operation and technical support for the Lessalt Water Treatment Plant for an amount not to exceed \$24,206.

H. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** No meeting held since the last Board meeting. President Hill stated that the next scheduled meeting is set for June 9th at 5:00 p.m.
- 2. Water/Wastewater Committee:** General Manager/Secretary Ridenhour reported no meeting held.
- 3. Finance Committee:** General Manager/Secretary Ridenhour reported no meeting held; the next meeting is scheduled for June 3rd at 11:30 a.m.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported no meeting held; the next meeting is scheduled for August 11th at 5:00 p.m. Director Johnson stated she would like the committee to re-evaluate the Petty Cash policy and she would like to see the limit increased from \$50 to \$100.
- 5. Personnel Committee:** General Manager/Secretary Ridenhour reported no meeting held.
- 6. Water Resources Association of San Benito County (WRA):** Director Johnson reported no meeting held; the next meeting is scheduled for June 4th at 4:00 p.m.
- 7. Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck reported that she has prepared her monthly written narrative report on the Operations Summary (thru April 30, 2015), Statement of Income (thru March 31, 2015), and Investment Summary (thru April 30, 2015). Ms.

Buck asked if there were any questions and there were none.

The District's Investment Summary report reflects the total cash balance as of April 30, 2015 of \$8,508,919.46, which includes ten-months earned interest totaling \$14,038.13.

General Manager/Secretary Ridenhour reviewed the April 2015, Maintenance Staff Report and pointed out #3, which reports moving the SCADA Antennae at the 0.5 MG Ridgemark Water Tank and #8, which reports fabricating two 250 gallon water storage tanks for taking chlorine residual samples throughout the District so the water can then be used elsewhere. Director Villalon inquired about #1, which reports responding to an auto accident on Scenic Circle that involved a fire hydrant and asked how much water was wasted, Mr. Ridenhour responded that he does not know exactly how much was lost, but staff was quick to respond to shut it off. Director Villalon also inquired about #14, which reports tours conducted at the Lessalt Water Treatment Plant and asked who attended. General Manager/Secretary Ridenhour responded that there had been school tours in April. Director Johnson asked about used meters being installed in new accounts and Mr. Ridenhour explained that old meters are set at new construction sites due to the vulnerability of the meter during construction and once construction is complete the old meter is replaced with a new meter.

Review of the Meter Reading Report for the period March 16, 2015 to April 15, 2015, reflects the intertie meter data indicates the City received 24.3% of Lessalt water, while the District received 75.7%.

During review of the groundwater level report there was some discussion of the importance of each of the wells, and General Manager/Secretary Ridenhour replied that Well #11 is the newest well and the one that produces the most water for the District.

8. **Active Tasks Update:** General Manager/Secretary Ridenhour reported that he will be making a presentation to a group of people attending the Hazel Hawkins Luncheon at San Juan Oaks on May 20th and will be speaking about the drought and District's and the City's water conservation regulations. Mr. Ridenhour also stated that the contractor has completed the primer paint on the exterior of the 0.5 million gallon Ridgemark tank and will start blasting on the interior shortly. He reported on the sessions he attended at the ACWA Conference in Sacramento, CA on May 6th and 7th, which consisted of drought; groundwater management act; conservation revenue impacts; water storage projects in California; state of the Delta; Proposition 1, which is continuing to chase grant funds collectively with other agencies; and attending the Region 5 meeting.

I. BOARD and STAFF REPORTS

1. **Directors:** Director Johnson submitted a written report on attending the ACWA/JPIA 2015 Spring Conference in Sacramento, CA. The report was distributed to the Board, staff, and was available for Board meeting attendees. Director Johnson reported on all of the various programs she attended while at the conference for four days. She stated in her report that the conference pertained to water related issues and the key issue was the drought and the necessity of change, which will take dedicated planning and outreach by the Directors and staff. Director Villalon reported that he attended the JPIA meeting and one of the topics discussed was, the FBI and Homeland Security reporting the concern for hackers getting into SCADA systems.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Cathy Buck reported that effective May 1st

the new Deposit Policy and new start service procedures were implemented. We have already taken 5 requests for credit checks, three of which were approved, and two were denied and additional deposit amounts were collected. Ms. Buck handed out a copy of the Start/Stop Service customer handout and form, and Leak Adjustment customer handout and form, for the Board member's District Information binder, and which are also available on the District's website.

4. General Manager: No report.

J. FUTURE AGENDA ITEMS: District budget for fiscal year 2015-2016.

K. ADJOURNMENT: President Hill adjourned the meeting at 7:20 p.m.

APPROVED BY THE BOARD: s/ Kathleen A. Hill

Kathleen A. Hill, President

RESPECTFULLY SUBMITTED: s/ Donald G. Ridenhour

Donald G. Ridenhour, Secretary