

February 28, 2007
Regular Meeting
7:30 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, February 28, 2007 at 7:30 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Robert Swanson, Directors Ken Perry, John Tobias and Sonny Flores. Director Bettencourt was absent. Also present were District Manager/Engineer John S. Gregg, District Counsel David E. Pipal, Administration and Finance Manager Shelley Giancola, Accountant Natalie Sullivan, Irrigation Engineer Mica Nitschke, and Office Specialist II Barbara L. Mauro.

CALL TO ORDER

President Swanson called the meeting to order at 7:30 p.m.

a Pledge of Allegiance to the Flag

President Swanson led the Pledge of Allegiance to the Flag.

b Approval of Agenda

Upon a motion made by Director Flores and seconded by Director Perry, the Agenda was unanimously approved.

c Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda There was no public comment.

CONSENT AGENDA:

**1. Approval of Minutes for: January 31, 2007 – Regular Meeting
February 20, 2007 – Special Meeting**

2. Allowance of Claims

President Swanson asked Mr. Gregg if the payment to Todd Engineers was for the Nested Monitoring Well and Mr. Gregg stated yes. Also, President Swanson asked Mr. Gregg, for a future meeting, to report on the contract personnel for the District and to include a summary of what area(s) each person consults on for the District. With no further questions, upon a motion made by Director Tobias and seconded by Director Flores, the Consent Agenda was unanimously approved.

REGULAR AGENDA:

3. Report on and Discussion of 2007 CVP and San Felipe Distribution System Water Supply and Direct Manager Mr. Gregg reported the Bureau of Reclamation Water Allocation was made on February 23, 2007 and they have agreed to use a conservative forecast to ensure water is available in the reservoirs. Additionally, the Bureau will use the snow pack levels and water levels in reservoirs as of February 1, 2007. Mr. Gregg stated January was down but February has improved significantly. Mr. Gregg reported the state issues a Bulletin 120 which is the water supply report, and is updated regularly. This report is especially important from February through May. Mr. Gregg stated the District has three options: 1. Go with the Bureau at 35%, 2. Choose a number the Board feels is more reasonable or 3. Defer making a decision to a later date. Mr. Gregg

recommended to go forward with the 55% CVP water supply and feels it is a reasonable place to begin. Mr. Gregg stated this translates to an 85% allocation to the District's Ag customers. Mr. Gregg added how important the storage at San Justo has been to the District in the past, but for the operating limit this would have been a non-issue. The restoration of San Justo is critical to the District's operation.

4. **Accept Grants Committee Recommendation to Release Draft Pajaro River Watershed Integrated Regional Water Management Plan for Public Review** Director Perry stated Lidia Gutierrez will be giving the presentation on this item. Ms. Gutierrez reviewed with the Board the handout she prepared regarding the four recommended programs. Ms. Gutierrez reviewed the process of choosing the programs, based on high priority and how the programs were taken to their final stage. Ms. Gutierrez stated implementation will be taken forward with the Grant Program through IRWMP, but noted each agency can still implement their own projects, even if they are not on the high priority list. The three agencies are San Benito County Water District, Santa Clara Valley Water District and Pajaro Valley Water Management Agency. Ms. Gutierrez stated there will be four teams, whose primary goal will be to develop the best way to implement each program/plan. The other two agencies have already approved distribution of the plan; Pajaro Valley Water Management Agency on 2/21/07 and Santa Clara Valley Water District on 2/23/07. Ms. Gutierrez stated the public review will be from March 1 through March 21, 2007 and a public meeting will be on March 14, 2007 at the Veteran's Memorial Hall. Ms. Gutierrez stated final approval is anticipated at the three agencies' meetings in May. Upon a motion made by Director Perry and seconded by Director Tobias, the Board of Directors of the San Benito County Water District unanimously accepted the Grants Committee Recommendation to Release Draft Pajaro River Watershed Integrated Regional Water Management Plan for Public Review.

5. **Report on San Luis Delta Mendota Water Authority Activity Agreement for the Merced Irrigation District Vernalis Adaptive Management Plan Period Water Transfers** This item will be presented by Mica Nitschke. Mrs. Nitschke stated this is a possible opportunity for participation and no action is needed. Mrs. Nitschke stated VAMP offers this water from April through May. If VAMP does not use the water, it can be purchased. This agreement would be for five years, beginning in 2007. Mrs. Nitschke stated the water is not available in a wet year or an excessively dry year. The amount of water offered could be 11,000 acre feet, but the average amount available will most likely be 5000-6000 acre feet. Mrs. Nitschke stated the average cost will be \$100-\$150 per acre foot, to be determined based on the allocation year. If the District chooses to forego the water, there would still be administrative costs due, which would be \$150-\$250/year with a start-up cost of \$500. Mrs. Nitschke stated staff recommends this as another avenue for water for the District. President Swanson asked if the only real financial obligation would be \$150-\$250 per year and Mrs. Nitschke stated yes. Director Flores asked when the water would be available this year and Mrs. Nitschke stated April 15th through May 15th. Mr. Gregg stated the District needs to show an interest for this item to go forward. President Swanson asked if the District could use it for Ag or for M & I purposes and Mr. Gregg stated he would have to check. Director Tobias stated we

could use the water and feels we should pursue this. As per President Swanson, the Board would like to pursue this program.

6. **Report on Farm Water Quality Planning Workshops by San Benito County Water District and San Benito County Farm Bureau** Mrs. Nitschke stated this in an update from previous Board meetings. As of right now, only \$900 has been paid out of the \$15,000 allotted to this program which leaves a balance of \$14,100. Mrs. Nitschke stated she met with the Farm Bureau and the next classes will be either late March or early April. As previously discussed, the District will be offering a rebate of 100% of the cost of taking the class and formulating a farm plan, once the District has been provided with proof of completion. A letter from Mr. Gregg and Mrs. Nitschke will accompany the checks stating the origin of the rebate. Also, Mrs. Nitschke stated Preservation Inc. does not have a list of ag customers who have not completed their hours, but they are willing to work with the District to assist us. Mrs. Nitschke reported that there will be flyers and postcards prepared in support of this program. President Swanson stated to go ahead with the mailers. Director Tobias asked Mrs. Nitschke to check the minutes from the previous Board meeting, as he feels the total fund for the program should be \$10,000 total, not increasing the fund by \$10,000. President Swanson asked Mrs. Nitschke to check into the fund amount and report back to the Board.

7. **Consider Approval of Management, Confidential and Professional Employees 2007 Compensation Plan** President Swanson stated this is recommended by the Personnel Committee and asked if there were any questions from the Board. Upon a motion made by Director Flores and seconded by Director Perry, the Board of Directors of the San Benito County Water District unanimously approved the Compensation Plan for 2007 of the Management, Confidential and Professional Employees.

8. **Committee/Agency Representative Reports:**
 - a) **San Luis Delta Mendota Water Authority (Perry/Tobias)** As per Director Perry, there is nothing to report.
 - b) **Pajaro River Watershed Flood Prevention Authority (Flores/Bettencourt)** As per Director Flores, he had a brief phone meeting, but had nothing to report.
 - c) **Water Resources Association (Flores/Bettencourt)** As per Director Flores, there is nothing to report.
 - d) **HUAW&WWMP Governance Committee (Perry/Tobias)** As per Director Tobias, the Draft Master Plan was presented and feels it needs further review before public release.
 - e) **Investment Committee (Tobias/Flores)** As per Director Tobias, there is nothing to report.
 - f) **Wastewater Treatment and Reuse Committee (Tobias/Perry)** As per Director Perry, this committee has met with Earthbound Farms and also discussed other vegetable growers in San Juan. Mr. Gregg stated the issue is their water supply and whether their waste water is suitable for reuse. Director Tobias stated additional plants will be looked at, not just the one. Director Perry stated this issue needs to be addressed regionally.

- g) **Personnel Committee (Swanson/Perry)** President Swanson stated we are looking at four positions and they are in progress at this time.

9. District Manager/Engineer's Report:

- a) **Request from DMB for Preparation of Water Supply Assessment for El Rancho San Benito, San Benito County** Mr. Gregg reported that he has had meetings with DMB, regarding their water supply and water impact issues in regard to their project. Mr. Gregg stated he would like to meet with a committee, most likely the Groundwater Committee, to discuss the scope of work. Director Perry asked if DMB will be funding these assessments and Mr. Gregg stated further discussions will be needed on this issue. President Swanson stated this project is larger than San Benito County, so he suggested the Board use care and consideration in this matter.
- b) **Mapping of Service Areas and Water Rights Places of Use and Legal Opinion(s) regarding movement of water and place of use of CVP and SWP water, local surface water (Hernandez, Paicines and Dos Picachos) and groundwater** Mr. Gregg stated the basic mapping has been completed, but additional work continues for zone boundaries and parcels. Mr. Gregg stated going forward, who manages the water rights has yet to be determined. Mr. Gregg stated the importance of the Board of Directors to review the mapping for future reference. President Swanson stated at the meeting with Mr. Bateni, the request of the District was to specifically identify the boundaries, as this is a key issue.
- c) **Depth-Specific Monitoring and Aquifer Characterization, Northern Hollister Groundwater Basin** Mr. Gregg stated he can make available to the Board, the initial water quality tests. Tomorrow, the District will be reporting to the Water Resources Association a summary of these tests. Mr. Gregg stated these tests were taken from five different depths. All of the zones showed a high boron level, high arsenic level, high sodium and high chloride. President Swanson stated the status of the water in that area was a basis for bringing in the San Felipe water.
- d) **District Water Rates and Charges** Mr. Gregg suggested the Board and the Rate Committee review the groundwater charges and the impact of Proposition 218 issues. Mr. Gregg suggested the committee meet soon on these issues.

10. Adjournment There being no further business, the meeting was adjourned at 8:17 p.m.

Minutes were approved at the March 28, 2007, Regular Board meeting and signed by the presiding board member.

/s/Robert M. Swanson
Robert M. Swanson, President

/s/Barbara L. Mauro
Barbara L. Mauro, Board Secretary