

March 25, 2015
Regular Meeting
6:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, March 25, 2015 at 6:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Joe Tonascia, Vice President Sonny Flores, and Directors John Tobias, Frank Bettencourt and Bob Huenemann. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel David E. Pipal, Assistant Manager Sara Singleton, Deputy District Engineer Dale Rosskamp, Supervising Accountant Natalie Sullivan, Consultant Harry Blohm and Office Specialist III Barbara Mauro.

CALL TO ORDER

President Tonascia called the meeting to order at 6:00 p.m.

- a. Pledge of Allegiance to the Flag**
President Tonascia led the Pledge of Allegiance.
- b. Speakers will be limited to 5 minutes to address the Board; rebuttal will be limited to 3 minutes; no new business agenda items will be heard after 9:00 p.m.**
- c. Approval of Agenda**
Noting a numbering error in the original agenda (there was not a #4), Director Tobias made a motion and it was seconded by Vice President Flores, the Amended Agenda was unanimously approved.
- d. Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
There were no public comments.

CONSENT AGENDA:

- 1. Approval of Minutes for: February 25, 2015 Regular Meeting**
- 2. Allowance of Claims**
- 3. Acknowledgement of Paid Claims prior to the March Board Meeting**
With no questions from the Board, a motion was made by Director Bettencourt and seconded by Vice President Flores; the Consent Agenda was unanimously approved.

REGULAR AGENDA:

- 4. Staff Report on the Recycled Water Project**
Mr. Cattaneo stated the District will be holding a Special Meeting on April 1, 2015 which will have a number of items on recycled water. He gave a brief summary of the project, the permit process and added the rules and regulations as well as the rates and charges for the project would be on the agenda for consideration on April 1st. Mr. Cattaneo stated there is a short time frame to use the Prop 13 Grant Funds and together with the grant and a low cost loan, there will be almost -0- out of pocket for the District. This project, per Mr. Cattaneo will be self-funding, as the costs will be recaptured through the proposed rates and charges.

To date, the District has received no protests. With the final design from San Benito Engineering near completion, Mr. Cattaneo stated the District hopes to go to construction sometime in May. There are 2 high pressure gas lines of PG&E's and they will have an inspector on site during construction while we are near these pipelines.

Mr. Cattaneo added the District is coordinating with the City of Hollister and there may be some upgrades needed at the wastewater facility for the recycled water project. There will also be some capital work, grading the storage ponds.

Director Bettencourt asked if a liner will be installed. Mr. Cattaneo stated not initially but probably in Phase 2 of the project. There may be additional funding available as a result of the drought.

5. Staff Report on the Hollister Urban Area Water and Wastewater Master Plan Update

Mr. Blohm began with an update on Lessalt WTP. The plant is operating as planned and the final punch list from the contractor is complete. The plant is delivering water and Don Ridenhour, manager at Sunnyslope County Water District, reports customers at Ridgemark have seen a noticeable improvement in their water quality.

Regarding West Hills WTP, Mr. Blohm reported the Incidental Take Permit was received from the California Department of Fish and Game (for the Kit Fox and the Tiger Salamander) and the District can now proceed with the letter of credit for mitigation.

Mr. Roskamp reported all environmental clearances have been met for the plant and the District will prepare a letter of credit for \$896,000, which is lower than expected.

Mr. Blohm stated the hope is to proceed to bid in May and begin construction in July. Mr. Blohm reviewed the bidding process and stated how Dahl Consultants would be assisting in this. Dahl also offered some suggestions on the plans during their constructability review. HDR intends to respond to their suggestions early next week.

Director Tobias asked how savings are realized in the excavation process suggested by Dahl. Mr. Blohm stated it is an alternative to the proposed excavation and if approved, will be offered in the bidding process as an alternative to the original process. Director Tobias asked if this makes the bidding process more difficult. Mr. Blohm stated no, but the CalOSHA requirements must still be followed.

Regarding the Chromium VI issue, Mr. Blohm stated that ACWA has drafted legislation to relax the time period to extend an additional year. Mr. Ridenhour (SSCWD) is not confident it will pass. The City has retained BESST to do well analysis and that should be done in approximately 2 weeks.

Mr. Cattaneo reviewed the Tranche report for the Board; there is about \$375,000 left in Tranche #1.

6. Committee/Agency Representative Reports:
a) San Luis Delta Mendota Water Authority (Tobias/Tonascia)

Mr. Cattaneo reported their current focus is next year's water allocation and the hope for additional water.

Director Huenemann asked to have an item added to the next agenda. He would like the Board to consider allowing the M & I small parcel customers to carry forward their unused water into this water year; this has been noted.

b) Personnel Committee (Tobias/Tonascia)

As per Director Tobias, they had a closed session meeting.

c) Zone 6 Water Supply Committee (Tobias/Flores)

Mr. Cattaneo stated the committee discussed the revised water allocation for M & I (25% of contract) and how to manage the water we do have.

d) Recycled Water Ad Hoc Committee (Flores/Bettencourt)

As per Vice President Flores, this has already been covered.

7. District Manager/Engineer's Report:

a) Reach 1 Operations

Mr. Cattaneo reported the revised Santa Clara Valley Water District budget is \$250,000 above last year's. District staff is working with them on this issue.

b) Zone 3 Operations

Mr. Cattaneo stated he had nothing to report.

c) Zone 6 Operations

Mr. Cattaneo reported a well driller, working on Orchard Road, drilled in the wrong location and drilled into the Hollister Conduit. He estimates we lost 10 acre feet of water. Mr. Cattaneo is hoping the hole is not too severe. The District will have de-watered the pipe by tomorrow and we have requested a USA (underground service alert) by Friday. If the damage is minor, a patch can be done; if there is major damage, we will use a piece of pipe from our storage at San Justo Reservoir and replace a section of pipe. Mr. Cattaneo has asked Mr. Rosskamp to file a Notice of Exemption for an emergency project.

Mr. Cattaneo reported the well driller: 1) Did not drill where it had been staked; and 2) Did not have a USA done.

Director Tobias asked if the patch is temporary. Mr. Cattaneo stated no, it would be permanent. Director Tobias further asked if the Bureau has to give approval. Mr. Cattaneo stated probably not, but he will ask one of their engineers, currently working at San Luis Reservoir, to view the pipe when we have it exposed. Mr. Cattaneo further explained how the work would be done and that a certified welder would be needed.

d) San Luis Delta Mendota Authority Activities

Mr. Cattaneo stated this has already been covered.

e) Pacheco Pass Water District

Mr. Cattaneo reported GEI is due to begin their evaluation.

Director Huenemann asked if members of our Board own or manage property in Pacheco Pass Water District (PPWD). Mr. Cattaneo stated yes. Mr. Huenemann asked Mr. Cattaneo to share with the Board the issues at PPWD. Mr. Cattaneo stated there is an elected board that runs the District but people have stopped running for the Board.

Director Huenemann also reported there was an error in the LAFCO report and Mr. Cattaneo stated he has already advised Mr. Braitman (San Benito County's LAFCO representative) of the error. The report stated there is a 500AF reservoir, which Mr. Cattaneo stated is really only a dam with maybe 25AF of water.

8. Consider Director Attendance at JPIA Board of Directors and Spring Conference, May 4, 2015, Sacramento, California

9. Consider Director and District Manager (or his Designee) Attendance at ACWA Spring Conference May 5 through 8, 2015, Sacramento, California

Mr. Cattaneo asked to consider items 8 and 9 together. Based on the lack of water and revenue, staff is suggesting the Board defer attending either conference and consider attendance at the fall conferences. The Board agreed with staff's assessment.

10. Adjournment

With no further business to discuss, the meeting was adjourned at 6:45 p.m.

Minutes were approved at the April 29, 2015 Board Meeting and signed by the presiding board member.

/s/ Joseph A. Tonascia
Joseph A. Tonascia, President

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