

December 19, 2018
Regular Meeting
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, December 19, 2019 at 5:00 p.m., at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: Vice President Sonny Flores and Directors John Tobias, Frank Bettencourt, and Doug Williams; President Joe Tonascia was absent. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel David E. Pipal, Assistant Manager Sara Singleton, Deputy District Engineer Garrett Haertel, Supervising Accountant Natalie Sullivan, Water Distribution Maintenance II Michael Craig and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

Vice President Flores called the meeting to order at 5:00 p.m.

- a. **Pledge of Allegiance to the Flag**
- 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 8:00 p.m.**
- c. **Approval of Agenda**
Per Mr. Cattaneo, we are moving Agenda Item #7 to #6 (Hernandez Spillway Repairs) and moving the Financial Summary to Agenda #7.

Noting that change, a motion was made by Director Tobias and seconded by Director Bettencourt; the Agenda was unanimously approved.

- d. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
Richard Bettencourt, a member of the audience, stated Bob Huenemann has a document in circulation that pertains to the Prop 218 Notice and the Pacheco Pass Reservoir Project. It contains some incorrect information, such as the cost for this District for the new reservoir will be \$50 million and the District will get very little water.

CONSENT AGENDA:

- 1. **Approval of Minutes for: November 28, 2018 Regular Meeting**
- 2. **Allowance of Claims**

With a motion by Director Bettencourt and a second by Director Williams, the Consent Agenda was unanimously approved.

REGULAR AGENDA:

- 3. **Discuss and Consider Resolution Setting a Public Hearing Date for the Purpose of Fixing the Standby or Availability Charge for the 2019-20, 2020-21 and 2021-22 Water Years**
Mrs. Singleton stated this is a formality that the Board must take each year, per the District Act, approving a resolution setting a Public Hearing for the Standby or Availability Charge.

With a motion by Director Bettencourt and a second by Director Tobias, Resolution #2018-13, *A Resolution of the Board of Directors of the San Benito County Water District Setting a Public Hearing Date for the Purpose of Fixing the Standby or Availability Charge for the 2019-20, 2020-21 and 2021-22 Water Years* was unanimously approved.

4. Discuss and Consider Continuing of Lease of 10 Mansfield Road

Mr. Cattaneo stated Meadowlark is leasing 10 Mansfield Road from the District and the current lease is due to expire on June 30, 2019. Staff asked the committee if the District should continue with the lease. The Committee asked staff if there would be any other District uses for this property rather than leasing it. Staff could see a need to offer extra office space for the Pacheco Reservoir Expansion Project for consultants. Office space in close proximity to a project is usually necessary. Mr. Cattaneo added, if consultants were to utilize the space, there would be a fee charged. He added, it is the recommendation of both staff and the committee to not renew the lease. Significant resources are needed to manage the rental. If approved, Mr. Cattaneo would notify the tenant now, so they would have 6 months to find an alternate site for the preschool.

Vice President Flores stated where he is employed, he has contracts with the owner of the preschool, so just as he did with the committee, he will not participate in the vote by disqualifying himself.

Director Tobias added this matter was discussed in committee, which included himself and Director Tonascia, who substituted for Director Flores. The committee agreed with staff not to continue with lease.

With a motion by Director Tobias and a second by Director Bettencourt, the Board of Directors of the San Benito County Water District agreed to not continue the lease of 10 Mansfield Road when it expires the end of June 2019 by 3 affirmative votes (Tobias, Bettencourt and Williams), 1 disqualified vote (Flores) and 1 absent (Tonascia).

5. Mid Pacific Water Users Conference, January 23rd through 25th, 2019 in Reno, Nevada

a. Consider District Manager or Designee and Director Attendance

If any of the directors are interested in attending, they should let Mrs. Mauro know by the first week in January.

6. Staff Presentation of Hernandez Reservoir Spillway Repairs

Michael Craig gave the board a presentation, including photos, on the spillway repair. He added District staff is 80-90% complete with the floor repair.

Mr. Cattaneo added the District will need to hire a contractor to move large rocks into place at the bottom of the spillway. The Engineering Department is exploring options to get grant funding to pay for this.

7. Staff Financial Summary Report on Fiscal Year End 2018

Mrs. Sullivan reviewed the year end for the Board. She gave an overview of the Budgeted amount versus the Actual. The Board had decided to designate 30% of the land tax revenue each year into a reserve account for the USBR Contract Repayment. As the land tax increases over time, the revenue will increase which will help as the repayment increases over time as well.

Mrs. Singleton added the recap shows the budget versus the actual and that staff has done all the designations per the Boards' directives.

8. Committee/Agency Representative Reports:

a) San Luis Delta Mendota Water Authority (Tobias/Tonascia)

As per Mr. Cattaneo, he will cover this under his Manager's Report.

b) Finance Committee (Bettencourt/Tonascia)

As per Mr. Cattaneo, this was covered by Mrs. Sullivan. He did add the committee had a conference call with the auditor. The District has been given an unqualified opinion and the Audit will be presented to the Board at the January Board Meeting.

9. District Manager/Engineer's Report:

a) Reach 1 Operations

Mr. Cattaneo stated, there is nothing to report at this time.

b) Zone 3 Operations

Mr. Cattaneo stated the majority of the Spillway Repairs are done and the District is ready to store water.

c) Zone 6 Operations

Mr. Cattaneo reported the District continues to percolate at Tres Pinos Creek and Union Road. He reviewed the shutdown schedule for January and reported it will be in 2 phases. District staff will be mailing notices to customers by Friday.

Mr. Cattaneo also reported the Bureau has approved the District's transfer of 2500 AF of M & I water to Santa Clara Valley Water District (SCVWD). He added we still have 4500 AF stored in Semi Tropic and 5000 AF stored in San Justo Reservoir. The District will begin the year with approximately 12,000 AF. He stated the District should have a full water supply for operating both treatment plants.

Other sources of water for the District are: 3600 AF of carry over water in San Luis Reservoir, 700 AF to reschedule from the Yuba transfer through the Warren Act and he is estimating at least 4300 AF of Ag water to begin the year with our allocation and all of the carry over water. Mr. Cattaneo anticipates a decent allocation to start the water year on March 1st.

Director Tobias asked when Mr. Cattaneo will have an idea of what the allocation will be. Mr. Cattaneo stated he thought by mid-January.

d) San Luis Delta Mendota Authority Activities

Mr. Cattaneo reported SLDMWA has hired a new executive director, Federico Barajas. Mr. Barajas and the President of the Authority met with Mr. Cattaneo, Mrs. Singleton and Directors Tonascia and Tobias yesterday. They also toured several of the District's facilities. Also hired for SLDMWA was a Water Policy Administrator and the Strategic Plan has been completed.

e) SGMA Update

Mr. Cattaneo reported the next Technical Advisory Committee Meeting is scheduled for January 14, 2019, right before the Special Meeting on the Annual Groundwater Report. Also, a representative of the State of California Department of Water Resources (DWR) met with District staff today to discuss procedures for reimbursement on the grant funds.

f) Pacheco Reservoir Expansion Project

Mr. Cattaneo reported a meeting has been scheduled in the first week of January with SCVWD regarding financing. Also, SCVWD is still working on the WINN Act for additional financing.

10. Board Organization

a. Election of Officers

Mrs. Mauro stated the offices of President and Vice President can be nominated and voted on separately or they can be nominated and voted for as a slate.

Director Tobias nominated Sonny Flores for President, which was then seconded by Director Bettencourt; The Board unanimously voted Sonny Flores for President.

Director Bettencourt nominated John Tobias for Vice President, which was then seconded by Director Flores; The Board unanimously voted John Tobias for Vice President.

11. Adjournment

With no further business to discuss, the meeting was adjourned at 6:05 p.m.

The minutes were approved at the January 30, 2019 Board Meeting and signed by the presiding board member.

/s/Sonny Flores
Sonny Flores, President

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