

June 26, 2019
Regular Meeting
5:01 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, June 26, 2019 at 5:01 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Sonny Flores, Vice President John Tobias and Directors Joe Tonascia and Doug Williams; Director Frank Bettencourt 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 and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

The meeting was called to order by President Flores at 5:01 p.m.

- a. **Pledge of Allegiance to the Flag**
President Flores 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 8:00 p.m.**
- c. **Approval of Agenda**
With a motion by Vice President Tobias and a second by Director Tonascia, the 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: Regular Meeting May 22, 2019**
2. **Allowance of Claims**
3. **Acknowledgement of Paid Claims prior to the June Board Meeting**

With no questions from the Board, a motion was made by Director Tonascia and seconded by Director Williams, the Consent Agenda was unanimously approved.

REGULAR AGENDA:

4. **Consider Amending Resolution 2018-08 Regarding the District Policy on Restriction and Designation of District Net Assets/Cash**
Mrs. Singleton stated this is the District's annual review of its Policy on Restrictions and Designations of District Net Assets/Cash. Mrs. Singleton stated this comes to the Board with the recommendation of the Finance Committee. She reviewed the definitions and the 3 changes that were made. One of the changes was to the USBR Repayment Reserve Fund. The District is negotiating with the Bureau through the WIIN Act, which would give the District the opportunity to pay off of the \$3 million for in-basin capital. If this amount is paid, the amount plus interest will be paid through the regular contribution.

Vice President Tobias asked if the District will create a separate construction account for the Pacheco Reservoir Expansion Project. Mr. Cattaneo stated the \$1.3 billion is being funded through Valley Water. SBCWD is only committed to 2.5% up until the decision for participation level, which will be approximately July 2020. Mr. Cattaneo explained we would use the same fund so there isn't a need for a planning and construction fund.

With no further questions, a motion was made by Director Tonascia and seconded by Vice President Tobias, Resolution 2019-09, *A Resolution of the Board of Directors of the San Benito County Water District Amending Resolution 2018-08 Regarding the District Policy on Restriction and Designation of District Net Assets/Cash* was unanimously approved.

5. 2019-2020 District Budget

a. Presentation of 2019-2020 District Budget

Mrs. Singleton stated the 2019-2020 Budget comes to the Board after being reviewed and recommended by the Finance Committee.

Mrs. Singleton, utilizing a PowerPoint presentation, reviewed the Operating and Capital Budgets for the Board.

With no questions from the Board, Mrs. Singleton stated the Board's action for consideration would be to approve the 2019-2020.

b. Consider Board Approval of 2019-2020 District Budget

With a motion by Director Tonascia and second by Vice President Tobias, the Board of Directors unanimously approved the 2019-2020 Budget.

6. 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) Pajaro River Watershed Flood Prevention Authority (Bettencourt/Flores)

Director Bettencourt is absent, so there is no report on this item.

c) Water Resources Association (Flores/Bettencourt)

As per Director Flores, general business and the budget were discussed.

d) Finance Committee (Tonascia/Williams)

As per Directors Tonascia and Williams, the committee's items were covered during the regular agenda.

e) Personnel Committee (Tobias/Tonascia)

As per Directors Tobias and Tonascia, they held a closed session meeting.

7. District Manager/Engineer's Report:

a) Reach 1 Operations

As per Mr. Cattaneo, he had nothing to report on this item.

b) Zone 3 Operations

As per Mr. Cattaneo, the District has discontinued the releases from Hernandez Reservoir, but is still releasing from the Paicines Reservoir. He also reported that

the San Benito County Sheriff's office discovered someone had been diverting water from Hernandez Reservoir to grow marijuana. Mr. Cattaneo reported it will be up to the landowner to repair the diversion and will likely come from the California Fish and Wildlife as they have jurisdiction. Director Tonascia asked what Hernandez Reservoirs' level is; Mr. Cattaneo reported about 9000 acre feet.

c) Zone 6 Operations

As per Mr. Cattaneo, there is no further change in the allocation. The Ag allocation remains at 70%. He further reported percolation continues and there will be 4200 acre feet of carryover in San Luis Reservoir for the District.

d) San Luis Delta Mendota Authority Activities

As per Mr. Cattaneo, he did not attend the meeting or the field trip to Shasta Dam. On July 11th, he reported there will be a field trip to San Luis Dam and the Pacheco Pass Reservoir. There are plans to raise the height of the dam in San Luis. Authority members will have the ability to buy extra storage and then will have the ability to control the added storage.

e) SGMA Update

As per Mr. Cattaneo, the District held its second Public Workshop. The workshop was well received and attendance was good. The next Technical Advisory Committee (TAC) Meeting will be July 31, 2019, just before the Board Meeting. At the July 31, 2019 Board Meeting, the Board will be given an update.

f) Pacheco Reservoir Expansion Project

As per Mr. Cattaneo, he and Mrs. Singleton had a meeting with Nina Hawk of Valley Water. Our District has requested a formal proposal on the financing options for the project. In addition to financing options, short term use facility use was discussed. Our District is a high priority partner for Valley Water and they are waiting to solicit other partners. Mrs. Singleton added that our District would like advanced notice on any public relations efforts was also discussed.

EXECUTIVE SESSION

CLOSED SESSION:

8. Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Agency Designated Representative: District Manager

Employee Organization: Service Employees International Union (SEIU) Local 521

The Board retired into Closed Session at 6:00 p.m.

9. Reconvene in Open Session, Report action, if any

The Board reconvened in Open Session at 6:12 p.m.

As per President Flores, there was no action taken.

10. Adjournment

With no further business to discuss, the meeting was adjourned at 6:13 p.m.

The minutes were approved at the July 31, 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