

January 11, 2021
Special Meeting
5:05 p.m.

On March 12, 2020, Governor Newsom issued Executive Order N-25-20, which enhances State and Local Governments' ability to respond to COVID-19 Pandemic; this meeting was conducted with some members participating via conference phone. Because of this, all voting was done by roll call vote.

The Board of Directors of the San Benito County Water District convened in special session on Monday, January 11, 2021 at 5:05 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present at the District were: President Doug Williams and Vice President Joe Tonascia; Director John Tobias was absent. Directors Sonny Flores and Andrew Shelton participated virtually. Also present at the District were District Manager/Engineer Jeff Cattaneo, Assistant Manager Sara Singleton, Deputy District Engineer Garrett Haertel, Finance Manager Natalie Sullivan, Water Conservation Program Manager Shawn Novack, and Board Clerk/Office Specialist III Barbara Mauro. District Counsel Jeremy T. Liem, Associate Engineer David Macdonald and Water Resources Technician I Dustin Franco also attended virtually.

CALL TO ORDER

President Williams called the meeting to order.

a. Pledge of Allegiance to the Flag

President Williams led the Pledge of Allegiance.

b. Roll Call

Mrs. Mauro called roll. President Williams and Vice President Tonascia were present at the District. Directors Flores and Shelton participated virtually and Director Tobias was absent.

c. Speakers will be limited to 5 minutes to address the Board

d. Approval of the Agenda

With a motion by Vice President Tonascia and a second by Director Shelton, the Agenda was approved by 4 affirmative votes: Williams, Tonascia, Flores and Shelton. There was 1 absence; Tobias.

e. Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda

There were no public comments.

AGENDA ITEMS:

1. Allowance of Claims

With a motion by Vice President Tonascia and a second by Director Shelton, the Claims were approved by 4 affirmative votes: Williams, Tonascia, Flores and Shelton. There was 1 absence; Tobias.

2. Proof of Publication submitted on Notice of Public Hearing, Annual Groundwater Report

Mrs. Mauro verified the proof of publication.

3. Public Hearing regarding 2020 Annual Groundwater Report

a. Presentation of Report

Mr. Cattaneo introduced Iris Priestaf and Maureen Reilly from Todd Groundwater, who will present the report, using a PowerPoint presentation.

Ms. Reilly began by stating the groundwater in the basin is stable and the total water usage over the period was about the same. For purposes of the Sustainability Groundwater Management Act (SGMA) and its Groundwater Sustainability Plan (GSP), the area that will be reviewed annually will be expanded. The report shows the groundwater storage decreased slightly and the annual total water usage (surface and groundwater) in Zone 6 was 38,000 acre feet.

Ms. Priestaf continued by stating there is now a GSP overview as a new section of the Annual Groundwater Report. Ms. Priestaf gave the District's progress on the GSP since 2018, with the final GSP being due January 31, 2022. The District has been producing annual reports for at least 30 years, so future reports, as required by SGMA, will contain more information especially regarding monitoring data and groundwater levels. She further detailed the SGMA requirements regarding analysis and tracking and she stated that additional time will be needed to prepare the annual report. The 2020 report will be the last report that focuses solely on Zone 6.

Ms. Priestaf reported the outlook for this year, seems to indicate below average rainfall and below normal CVP allocation. The District does have groundwater in storage. Ms. Priestaf stated the District is transitioning to the SGMA requirements, with the GSP to be complete by 2022. The first SGMA report will be due in April 2022.

Based on the Annual Groundwater Report, Ms. Priestaf stated there is a recommendation for groundwater rates of \$13.55 per acre foot for Ag and \$40.55 per acre foot for M & I. She further stated the District should continue to focus on groundwater replenishment and proceed with the SGMA requirements, completing the GSP by 2022 and completing annual reports.

President Williams thanked both the Todd Groundwater staff and the District staff for the report.

Mr. Cattaneo added, next year's annual report will not be in January, it will need to be in March or April. Ms. Reilly stated the annual report to SGMA is due April 1, 2022, so Todd Groundwater staff is recommending the District receive the report in March. Mr. Cattaneo stated the Board's action will be to change the Annual Groundwater Report date, at a future meeting.

- b. **Questions of Directors**
There were no questions from the Directors.
 - c. **Open Public Hearing**
President Williams opened the Public Hearing.
 - d. **Close Public Hearing or continue to later date**
President Williams, seeing there were no public comments, closed the Public Hearing.
4. **Acceptance of 2020 Annual Groundwater Report**
- a. **Consider Adoption of Statement of Findings and Recommendations**
With a motion by Director Flores and a second by Vice President Tonascia, the Board of Directors adopted the Statement of Findings and Recommendations from the 2020 Annual Groundwater Report with 4 affirmative votes; Williams, Tonascia, Flores and Shelton and 1 absence; Tobias.
 - b. **Consider Acceptance of 2020 Annual Groundwater Report**
With a motion by Director Flores and a second by Director Shelton, the Board of Directors accepted the 2020 Annual Groundwater Report with 4 affirmative votes; Williams, Tonascia, Flores and Shelton and 1 absence; Tobias.
5. **Consider Resolution Approving a Term Sheet in connection with the Refinancing of the District's Outstanding Water Infrastructure Improvement for the Nation (WIIN) Act Obligation as well as Installment Sale Agreement #15-019**
Mr. Cattaneo stated in October 2020, the Board approved the amended and restated contract between the District and the USBR. As discussed with the Board, the District will need to refinance the WIIN Act obligation. Mr. Cattaneo reported staff has negotiated 2 term sheets which will have two separate issuances. One will be for both the tranche 3 portion of the Hollister Urban Area Project and the Recycled Water Project and the second will be for the WIIN Act obligation. The details are still being worked out, per Mr. Cattaneo. Approving the resolution will authorize the District Manager to negotiate the term sheets. He further reviewed the 3 options that were proposed.
- With no questions from the Board, a motion was made by Vice President Tonascia and seconded by Director Flores; the Board of Directors approved Resolution #2021-01, *A Resolution of the Board of Directors of the San Benito County Water District Approving a Term Sheet in connection with the Refinancing of the District's Outstanding Water Infrastructure Improvement for the Nation (WIIN) Act Obligation as well as Installment Sale Agreement #15-019*, by 4 affirmative votes: Williams, Tonascia, Flores and Shelton and 1 absence, Tobias.

6. Adjournment

With no further business to discuss, the meeting was adjourned at 5:40 p.m.

Minutes were approved at the January 27, 2021 board meeting and signed by the presiding board member.

/s/Doug Williams

Doug Williams, President

/s/Barbara L. Mauro

Barbara L. Mauro, Board Clerk