

January 25, 2023
Regular Meeting
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, January 25, 2023 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Sonny Flores, Vice President Andrew Shelton and Directors Doug Williams and Mark Wright; Director Joe Tonascia participated remotely from the Mid Pacific Water User Conference in Reno, Nevada. Also present were General Manager Steve Wittry, District Counsel Jeremy T. Liem, Manager of Administration, Finance and Business Services Joyce Machado, Finance Manager Natalie Sullivan, Associate Engineer David Macdonald, Operations and Maintenance Supervisor Michael Craig, Water Programmer III Anne Stull, Human Resources/Administrative Analyst Cindy Tyler, Customer Account Specialist II Brenda Bermudez, Office Specialist III Cindy Paine, Office Specialist I Athina Frederico and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

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

a. Pledge of Allegiance to the Flag

President Flores led the Pledge of Allegiance.

b. Roll Call

Mrs. Mauro called roll; Members present at the District were: President Flores, Vice President Shelton and Directors Williams and Wright; Director Tonascia participated via Zoom. Mrs. Mauro reminded the Board, because a director was participating remotely, all votes will be by roll call.

c. 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.

d. Approval of Agenda

Before agenda approval, Mr. Wittry stated there are 2 corrections to the agenda. Agenda item #13, the correct contract amount should read \$3,485,453; it is incorrect on the agenda but correct on the transmittal in the packet. Also, there is an urgency item that needs to be added to the agenda. This came up after the packet was distributed on January 20, 2023. San Benito County has requested a letter of support from the District for a grant that has a deadline of January 31, 2023, so this matter cannot wait until the next regular board meeting. Mr. Liem added, this item would need a vote of 4/5 of the Board, finding the necessity to add this to tonight's agenda.

With a motion by Vice President Shelton, noting the correction to the amount for agenda item #13 and the addition of the urgency item, which will become agenda item #14; this was seconded by Director Williams; the Agenda was approved by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

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

There were no public comments.

Mr. Wittry thanked District staff and Raftelis for all the hard work that went into the rate study. Mr. Wittry added Theresa Jurotich from Raftelis would be making a Power Point presentation.

Ms. Jurotich reviewed the framework for the rate setting, which began in July 2021, continued with a Board workshop in February 2022 and the presentation of the draft rate study in November 2022 to the Board so the Prop 218 notices could be mailed to the affected customers. The Final Draft Report was distributed on December 8, 2022 and finally the rates are being considered at a public hearing at tonight's meeting.

Ms. Jurotich stated there is a new M & I Water Supply Reliability Rate, which she reviewed. She further reviewed the proposed three year rates for San Felipe, M & I, Groundwater and Recycled Water rates. Ms. Jurotich gave an overview of how these rates were determined through the rate study.

c. Open Public Hearing

i. Consider Written Protests

President Flores opened the Public Hearing. Mrs. Mauro verified there was 1 written protest for the San Felipe rate increase and 1 written protest for the Groundwater rate increase; both from the same customer.

d. Close Public Hearing and Adjourn if there is a Majority Protest or continue to later date

President Flores, seeing there were no public comments and that there was not a majority protest, closed the Public Hearing.

e. If there is no Majority Protest, Consider Adoption of 2023-2024, 2024-2025 and 2025-2026 Water Years San Felipe Distribution System Rates and Charges and 2023-2024, 2024-2025 and 2025-2026 Groundwater Charges

i. Consider Ordinance Establishing San Felipe Distribution System Water Rates and Charges for Agricultural and Non-Agricultural (Municipal and Industrial) Water for the 2023-2024, 2024-2025 and 2025-2026 Water Years

With a motion by Director Tonascia and a second by Director Williams, the Board of Directors approved Ordinance 64, *An Ordinance of the Board of Directors of the San Benito County Water District Establishing San Felipe Distribution System Water Rates and Charges for Agricultural and Non-Agricultural (Municipal and Industrial) Water for the 2023-2024, 2024-2025 and 2025-2026 Water Years* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

ii. Consider Resolution Establishing Groundwater Charges in Zone 6 for the 2023-2024, 2024-2025 and 2025-2026 Water Years

With a motion by Director Wright and a second by Vice President Shelton, the Board of Directors approved Resolution 2023-06, *A Resolution of the Board of Directors of the San Benito County Water District Establishing Groundwater Charges in Zone 6 for the 2023-2024, 2024-2025 and 2025-2026 Water Years* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

10. Public Hearing regarding the 2023-2024, 2024-2025 and 2025-2026, Rates and Charges for the Recycled Water

a. Proof of Mailing and Proof of Publication submitted for Notice of

Public Hearing Mrs. Mauro verified both the proof of mailing and the proof of publication for notification of tonight's Public Hearing.

b. Presentation of the 2023-2024, 2024-2025 and 2025-2026 Rates and Charges for the Recycled Water

These rates were presented under agenda item #9.

c. Open Public Hearing

i. Consider Written Protests

President Flores opened the Public Hearing. Mrs. Mauro confirmed the District did not receive any written protests for the Recycled Water proposed rates.

d. Close Public Hearing and Adjourn if there is a Majority Protest or continue to later date

President Flores, seeing there were no public comments and that there was not a majority protest, closed the Public Hearing.

e. If there is no Majority Protest, Consider Approval of Ordinance for the 2023-2024, 2024-2025 and 2025-2026 Rates and Charges for the Recycled Water

With a motion by Director Williams and a second by Director Tonascia, the Board of Directors approved Ordinance 65, *An Ordinance of the Board of Directors of the San Benito County Water District for the 2023-2024, 2024-2025 and 2025-2026 Rates and Charges* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

11. Public Hearing regarding Zone 6 Standby or Availability Charge for the 2023-2024, 2024-2025 and 2025-2026 Water Years

a. Proof of Publication submitted for Notice of Public Hearing Mrs. Mauro verified both the proof of mailing and the proof of publication for notification of tonight's Public Hearing.

b. Presentation of Establishing Standby or Availability Charge for the 2023-2024, 2024-2025 and 2025-2026 Water Years

These rates were presented under agenda item #9.

c. Open Public Hearing

i. Consider Written Protests

President Flores opened the Public Hearing. Mrs. Mauro confirmed the District did not receive any written protests for the Standby or Availability Charge proposed rates.

d. Close Public Hearing and Adjourn if there is a Majority Protest or continue to a later date

President Flores, seeing there were no public comments and that there was not a majority protest, closed the Public Hearing.

e. If there is no Majority Protest, Consider Resolution Establishing Standby or Availability Charge for the 2023-2024, 2024-2025 and 2025-2026 Water Years

With a motion by Vice President Shelton and a second by Director Wright, the Board of Directors approved Resolution 2023-07, *A Resolution of the Board of Directors of the San Benito County Water District Establishing Standby or Availability Charge for the 2023-2024, 2024-2025 and the 2025-2026 Water Years* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

12. Consider Resolution Authorizing an Application be made to the California Department of Water Resources for an Integrated Regional Water Management Grant pursuant to the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Water Code Section 79700 et. seq.), enter into an agreement and granting District/General Manager Authorization to Execute Documents in relation thereto

Mrs. Machado stated this resolution was originally approved in November 2022 by the Board, but the California Department of Water Resources is very specific about the language for grant application, so the resolution is before the Board again, just for that reason.

With a motion by Director Williams and a second by Director Tonascia, the Board of Directors approved Resolution 2023-08 *A Resolution of the Board of Directors of the San Benito County Water District Authorizing an Application be made to the California Department of Water Resources for an Integrated Regional Water Management Grant pursuant to the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Water Code Section 79700 et. seq.), enter into an agreement and granting District/General Manager Authorization to Execute Documents in relation thereto* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

13. Authorize General Manager to Execute Amendment 27 with HDR, Inc. to prepare design, environmental documents and permitting associated with the Accelerated Drought Response Project (NTE \$3,407,519)

Mr. Wittry stated the District has continued to work on sustainable water supply options during the drought. The contract before the Board is the next step in this process. Mr. Wittry stated there is some urgency with respect to a grant opportunity and the District would need to have bid ready documents. He further stated there are other grants for the construction of this project. The time frame for this grant is over the next three years. Mr. Wittry did further add that if the grants are not successful, the rates approved earlier will support the 1st phase of the project, which he then reviewed. HDR has been a vendor of the District's for more than twenty years.

Director Tonascia stated if no grants have been approved yet, he would prefer items similar to this, to go to committee before coming to the Board to approve.

With a motion by Vice President Shelton and a second by Director Wright, the Board of Directors Authorized the General Manager to Execute Amendment 27 with HDR, Inc. to prepare design, environmental documents and permitting associated with the Accelerated Drought Response Project (\$3,485,453) by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, taken by a roll call vote.

14. Consider Letter of Support for San Benito County's Grant submittal

Mr. Wittry stated this item was received by the District after the Board packet for tonight's meeting was distributed. He then reviewed what the grant funding would cover and that this is supported by the State Water Quality Control Board for the quality and quantity of water in that area. The grant application deadline is January 31, 2023 and because our District is the Groundwater Sustainability Agency (GSA) for San Benito County our support is vital. If the District did not support this application, the County would not even be considered.

With a motion by Director Williams and a second by Vice President Shelton, the Board of Directors approved the Letter of Support for San Benito County's Grant submittal by 4 affirmative votes, Flores, Shelton, Williams and Wright, and 1 abstention, Tonascia; taken by a roll call vote.

15. Committee/Agency Representative Reports:

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

Director Tonascia reported the Authority is hoping for a 10-15% Agricultural water allocation by sometime in March. Four of the five delta pumps were running during the recent rain and one of the canals had a breach during the storms. San Luis Reservoir is at about 70% capacity and is expected to fill.

b) Investment Committee (Flores/Williams)

Directors Flores and Williams reported the quarterly report was discussed.

16. Monthly Operations and Maintenance Report

Mr. Craig shared the drone video of Hernandez Reservoir spilling during the heavy storms; it is no longer spilling. He also reported Paicines Reservoir started to fill but it brought in a lot of silt and debris. District staff has cleaned out the debris and the water quality is now close to where it needs to be. Mr. Craig stated the District sustained some minor damage, but it could have been much worse.

Director Wright asked what the storage of Paicines Reservoir is. Mr. Craig stated it is likely to fill and Mr. Macdonald stated it is 2700 acre-feet when full.

17. General Manager's Report:

Mr. Wittry thanked the Board for his new position and stated he would like to connect with Board members monthly on a 1:1 basis, either in person or via telephone.

a) Reach 1 Operations

Mr. Wittry reported Bifurcation remains off and likely will be off through mid-February.

b) Zone 3 Operations

Mr. Wittry reported Zone 3 received a lot of water due to the recent storms and it is taking a lot of time on the part of the maintenance and engineering staff to manage the operations.

c) Zone 6 Operations

Mr. Wittry reported the only item he had was the three years of rates, which were approved earlier tonight.

d) San Luis Delta Mendota Authority Activities

Mr. Wittry added to what Director Tonascia reported. The Operations and Maintenance budget was approved. Discussion was held and important comments were made, particularly by our staff, which included Jeff Cattaneo, to keep a watchful eye on behalf of our District.

e) Pacheco Reservoir Expansion Project

Mr. Wittry reported Santa Clara Valley Water District has halted most of their investigations until Spring, but this had been decided upon prior to the storms.

f) City of San Juan Bautista Water Supply Plan

Mr. Wittry reported staff is working through some challenges with the response received from the City of San Juan Bautista and a meeting is scheduled for later this week to discuss both agreements.

Additional questions/comments

Director Tonascia asked if the District is releasing water out of Hernandez Reservoir. Mr. Wittry stated releasing water creates issues for landowners near the reservoir to cross in certain places and they have asked the District to wait before releasing. Director Tonascia added this has been an ongoing issue.

Bob Huenemann, a member of the public participating remotely, asked for more information on the urgency item added to the agenda, as he is against the project this is for. As Mr. Huenemann was asking specifically about the project, Mr. Wittry stated for more information on the project itself, Mr. Huenemann should contact Steve Loupe at the County RMA or Drew Lander at Sunnyslope County Water District.

Mr. Huenemann asked for a brief description of the project the District is endorsing. Mr. Wittry replied that the District is simply offering a letter of support as the GSA for a grant application, and he understands the project is approximately \$17 million.

Mr. Liem, District Counsel, added the only action the Board has taken is approving a letter of support for the application of the grant.

Mr. Huenemann and Director Tonascia discussed the merits of the comments occurring after agenda item #14 was approved. Mr. Huenemann became agitated, used vulgar language and his link through Zoom was closed due to his behavior.

18. Adjournment

With no further business to discuss, the meeting was adjourned at 6:02 p.m.

Minutes were approved at the February 22, 2023 Board meeting and signed by the presiding board member.

/s/Sonny Flores
Sonny Flores, President

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