

February 22, 2023
Regular Meeting
5:02 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, February 22, 2023 at 5:02 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 Joe Tonascia, Doug Williams and Mark Wright. Also present were General Manager Steve Wittry, District Counsel Jeremy T. Liem, Manager of Administration, Finance and Business Services Joyce Machado, Associate Engineer David Macdonald, Operations and Maintenance Supervisor Michael Craig, Office Specialist III Cindy Paine, Office Specialist II Athina Frederico and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

President Flores called the meeting to order at 5:02 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 were: President Flores, Vice President Shelton and Directors Tonascia, Williams and Wright.
- 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**
President Flores stated he wished to table agenda item #8. Noting the removal of item number 8, a motion was made by Director Tonascia and seconded by Director Wright, the Agenda was approved by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.
- e. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
Employees of San Benito County Elections office made a brief presentation to the Board regarding the Election Administration Plan. There will be 3 public workshops to review it.

CONSENT AGENDA:

1. **Approval of Minutes for: January 25, 2023 Regular Meeting**
2. **Allowance of Claims**
3. **Acknowledgement of Paid Claims prior to the February Board Meeting**
4. **On Call Contracts – Status Updates**

With a motion by Director Williams and a second by Vice President Shelton, the Consent Agenda was approved by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

REGULAR AGENDA

5. FYE 2022 Annual Comprehensive Financial Report and Audit

Mrs. Machado introduced Patricia Kaufman from McGilloway, Ray, Brown & Kaufman.

a. Presentation by McGilloway, Ray, Brown & Kaufman

Ms. Kaufman stated the report, once final, will then be submitted to the GFOA by staff. She mentioned she previously met with the Finance Committee, via Zoom, to present the draft report. Ms. Kaufman stated the audit is receiving an unmodified opinion and there was not a need for a management letter. The District did receive the Certificate of Excellence from the GFOA for the 2020 Audit. Expectations are that the District will receive the award for the 2021, but GFOA is behind in their review process.

Regarding the Net Position, Ms. Kaufman reports the receivables were up while the liabilities are down. The reduction in the liabilities is due in part to the approximate \$3 million contribution the District made to the OPEB Trust. Ms. Kaufman stated the revenues are down, \$2.8 million which was attributed to the lack of a water allocation and that the Lessalt Water Treatment Plant was not operating.

Communications with management were good, per Ms. Kaufman. Controls and policies were all in place and the District staff did a great job. No difficulties were encountered, and all work came in timely, accurately and according to schedule.

Director Tonascia thanked Ms. Kaufman and the District staff for their work on the audit.

Richard Bettencourt, a member of the audience, asked how long the process took. Ms. Kaufman stated about four weeks. Mrs. Machado added, the audit is a culmination of five to six months of District's staff time. She further thanked Mr. Wittry, District staff including the water office and accounting staff, particularly Cindy Paine and Athina Frederico for all their extra efforts on the audit.

b. Consider Acceptance and Authorize Distribution

With a motion by Director Tonascia and a second by Director Williams, the Board of Directors by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright, accepted the FYE 2022 Annual Comprehensive Financial Report and Audit and authorized distribution.

6. Consider Resolution Adopting the 2022 San Benito County Multi-Jurisdictional Hazard Mitigation Plan

Mr. Wittry reviewed this item for the Board. Involved in this plan was the City of Hollister, the City of San Juan Bautista, San Benito County, Sunnyslope County Water District and San Benito County Water District. The consultant who prepared this document was paid through a grant from Cal OES and FEMA. The full document is

more than 1000 pages, so it is on our website for the public to review. The Board action is approval of the resolution that adopts the 2022 San Benito County Multi—Jurisdictional Hazard Plan.

With a motion by Director Tonascia and a second by Vice President Shelton, the Board of Directors approved Resolution #2023-09, *A Resolution of the Board of Directors of the San Benito County Water District Adopting the 2022 San Benito County Multi-Jurisdictional Hazard Mitigation Plan* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

7. **Consider Authorizing the General Manager Execute a Contract with Todd Groundwater to Prepare Specialized Design and Environmental/Permit Support Associated with the Accelerated Drought Response Project (ADRoP) (NTE \$234,400)**

Mr. Wittry stated this is the next step following the Board’s approval of the HDR Contract, as this contract is for specialized work that Todd Groundwater can perform.

With a motion by Director Williams and a second by Director Wright, the Board of Directors Authorized the General Manager to Execute a Contract with Todd Groundwater to Prepare Specialized Design and Environmental/Permit Support Associated with the Accelerated Drought Response Project (ADRoP) (NTE \$234,400) by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

8. **Consider Appointing Barbara Mauro as Secretary of the Board of Directors**
(This item was tabled when the agenda was approved)

9. **Discuss and Consider Authorization to Increase Contract Purchase Order (P.O. #8037) to CSI Services by \$15,784 for Inspection Services for the Industrial Paint Project (NTE \$80,784)**

Mr. Macdonald explained the extension for this contract was mostly due to the weather, which slowed the progress of the painting contractor, this in turn, increased the cost of the inspection services. Discussion ensued about how the special paint needed for our infrastructure cannot cure in wet weather.

Director Tonascia asked why there is an increase. Mr. Wittry stated mobilization took longer and the inspection company had to be available on stand-by to accommodate the painting contractor’s work. Mr. Macdonald further stated because the paint wasn’t curing, due to weather, which increased the inspection work performed by CSI. Mr. Wittry stated this is specialized work and he further stated the District experienced a problem with a painting job previously. That is the reason for having inspection services.

Director Tonascia asked what the District would do if this paint were to fail. Mr. Wittry stated this project has a warranty. Mr. Wittry further stated our staff, when preparing the RFP, under-estimated the inspection time that was needed. Discussion ensued about why this came to the board three times. President Flores asked if this is the final amount needed and Mr. Macdonald stated yes, it is.

Mr. Craig added this is the end of Phase 1 and there are 3 Phases.

Director Tonascia asked why District staff didn't do the job. President Flores asked if this painting job included remediation of lead-based paint, which staff confirmed. Vice President Shelton asked if 1 employee could do this. Mr. Wittry stated no they could not.

Mr. Craig stated lead samples were taken first and at some locations, the prep done for painting caused some leaks, which the District staff had to repair.

Director Wright asked what changed from the initial bid to cause the increases. Mr. Wittry stated staff underestimated the number of hours needed for inspection and this caused the shortfall.

President Flores stated it is in the best interest of the District to finish the project.

With no further discussion, a motion was made by Vice President Shelton and seconded by Director Wright; the Board of Directors Authorized the Increased Contract Purchase Order (P.O. #8037) to CSI Services by \$15,784 for Inspection Services for the Industrial Paint Project (NTE \$80,784) by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

10. **Committee/Agency Representative Reports:**

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

As per Director Tonascia, members discussed the snowpack being good and that the Shasta/Trinity area didn't have record snowfall.

b. Pajaro River Watershed Flood Prevention Authority (Flores/Shelton)

As per Director Flores, the meeting was cancelled for lack of a quorum.

c. Mid Pacific Water Users Conference, Reno, Nevada January 25-27, 2023 (Tonascia)

As per Director Tonascia, there was a large turnout for the conference. While everyone was happy with the snowpack, Shasta is still low and Klamath had no snowpack. There was some discussion about better public information being made available, including telling the public it is also a regulatory drought. With more rain coming in January, they are hopeful for more water coming through the Delta.

d. Water Resources Association (Flores/Shelton)

As per Director Flores, the Association held its annual business meeting and discussed continuing to work on grant funds for the turf removal program.

e. Finance Committee (Tonascia/Wright)

As per Directors Tonascia and Wright, this has already been covered.

f. Personnel Committee (Flores/Tonascia)

As per Directors Flores and Tonascia, the committee discussed the org chart and the open position.

g. Recycled Water Committee (Flores/Shelton)

As per Director Shelton, the committee discussed the preparations for the Site Supervisor Meeting, required as a recycled water user.

11. Monthly Operations and Maintenance Report

Mr. Craig shared several photos. The first was a photo from the Highway 156 widening project. The next two photos were of the damage to the access road at Hernandez Reservoir. Mr. Craig stated staff will need to wait for better weather to repair the culverts. The last photo was of staff cleaning the recycled water pond. This process is approximately 60% complete. Mr. Craig further reported Paicines Reservoir is at 580 AF and it can hold 3300 AF. Hernandez holds 18,000 AF and is full and still spilling.

12. General Manager's Report:

a) General Comments

Mr. Wittry reported the initial water allocation is 35% for Ag customers and 75% of historical use for M & I customers. Staff will be mailing out contracts in the next few days.

Recycled Water, Site Supervisor Training is tomorrow. The District is in the process of obtaining it's own permit (currently using the City of Hollister's) but that will likely be next year. The District will be implementing a new policy regarding following the rules and penalizing those who violate the rules. For now, there won't be a penalty, but Mr. Wittry wanted directors to be aware of the new policy, in case they receive any calls.

Director Wright asked if there was going to be any course of action this year for violations? Mr. Wittry stated no, just warnings. When the District has the new permit, Mr. Wittry stated the District will be responsible for all violations. Director Tonascia added this is a good idea. Also to be discussed at the meeting will be scheduling of the recycled water, as we have had delivery pressure issues in the past.

Director Tonascia asked what the M & I allocation was; Mr. Wittry stated it is 75% of historical use.

Director Wright asked when Sub 10 will return to operation; Mr. Wittry stated the anticipation is the end of May.

b) Reach 1 Operations

Mr. Wittry reported Bifurcation is due to be back on by March 6th, per Santa Clara Valley Water District.

c) Zone 3 Operations

Mr. Wittry reported District staff is working with ELC on a solution to have some kind of video feed from Hernandez Reservoir.

d) Zone 6 Operations

Mr. Wittry reported the construction on Highway 156 that involved our infrastructure, should be complete in late April or early May, depending on weather.

e) **San Luis Delta Mendota Authority Activities**

Mr. Wittry reported the discussion at the Authority had been the OM&R cost allocation. The Authority had only anticipated a 10% allocation.

f) **Pacheco Reservoir Expansion Project**

Mr. Wittry reported their scientific work has been delayed due to the weather.

g) **City of San Juan Bautista Water Supply Plan**

Mr. Wittry and Mrs. Machado met with the City of San Juan Bautista. It was a successful meeting and District staff is looking forward to receiving their comments on the draft agreements.

13. **Adjournment**

With no further business to discuss, the meeting was adjourned at 6:25 p.m.

Minutes were approved at the March 29, 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