

April 26, 2023
Regular Meeting
5:03 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, April 26, 2023 at 5:03 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Sonny Flores, and Directors Joe Tonascia, Doug Williams and Mark Wright. Vice President Andrew Shelton arrived late. Also present were General Manager Steve Wittry, District Counsel Jeremy T. Liem, Manager of Administration, Finance and Business Services Joyce Machado, Water Conservation Program Manager Shawn Novack, Senior Engineer David Macdonald, Operations and Maintenance Supervisor Michael Craig, Water Programmer III Anne Stull and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

The meeting was called to order by President Flores at 5:03 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 and Directors Tonascia, Williams and Wright; Vice President Shelton was absent.
- 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**
With a motion by Director Tonascia and a second by Director Williams, the Agenda was approved with 4 affirmative votes and there was 1 absence, Shelton.
- e. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
There were no public comments.

PUBLIC APPEARANCE

- a. **Federico Barajas – San Luis and Delta-Mendota Water Authority**
Mr. Wittry introduced Mr. Barajas, Executive Director of the San Luis and Delta-Mendota Water Authority. Mr. Barajas stated San Benito is one of twenty-eight water districts belonging to the Authority. He is visiting Authority members' boards to highlight some of the items they are working on. First of all, Mr. Barajas reported after a three-year drought, we have done a 180° and experienced flooding which caused a levee failure and damage to the Delta-Mendota Canal. Also, the Authority continues to work on additional water storage and a more reliable conveyance of the water. Mr. Barajas discussed the enlargement of the San Luis Dam and the Delta-Mendota Subsidence Project. Also, the Authority members are working on updating the strategic plan. Mr. Barajas then turned it over to Chuck Gardner to review the status of the B K Sisk Dam Project.

(Director Shelton joined the meeting remotely at 5:10 p.m.)

- **B F Sisk Dam Presentation – Hallmark Group**

Mr. Gardner, of the Hallmark Group, made a presentation to the Board on the B F Sisk Dam, using a PowerPoint presentation. He reviewed the purpose of the project; the commitment authority members would soon need to make regarding a cash call and an overview of the 3 stages of the project.

He first reviewed the Pre-Construction phase and what was involved. The subsequent stages would be the design and then finally the construction. Mr. Gardner further discussed allocation requests from the investors, and how that might be considered.

Director Wright asked if there are twenty-eight Authority members, why are only 10 participating? Mr. Barajas stated 10 members are investors, but more may be participating.

President Flores asked if the storage would only be available during wet years; Mr. Gardner stated that is correct.

Mr. Macdonald asked how the project would affect carry-over water. Mr. Gardner stated it would reduce the risk of loss. Mr. Gardner added all of the information he is presenting is all preliminary at this point.

(Director Shelton arrived at the meeting in person at 5:25 p.m.)

Mr. Gardener reviewed the baseline allocation assumptions, the federal reimbursable and non-reimbursable amounts and the project benefits. May 3rd will be the next meeting, where this will be further discussed.

Director Wright asked when the District would need to decide on this project. Mr. Wittry stated the Board would need to make a final decision, no later than June but there may be a committee meeting sometime in May. Mrs. Machado stated the timing is ideal, so it can be included in next year's budget. Mr. Gardner confirmed a decision in June would be needed, as the cash call is July 1st. President Flores stated a workshop, with the full board, would be preferred.

Mr. Wittry thanked Mr. Barajas and Mr. Gardner for coming to the meeting and for the information they relayed to the Board.

CONSENT AGENDA:

1. **Approval of Minutes for: March 29, 2023 Regular Meeting**
2. **Allowance of Claims**
3. **Acknowledgement of Paid Claims prior to the April Board Meeting**
4. **Acceptance of Quarterly Investment Report, March 31, 2023**
5. **On Call Contracts – Status Updates**

Director Tonascia asked that Agenda item #5, be discussed.

Director Tonascia asked what the status of the Primex's contract. Mr. Wittry stated it is for our SCADA update. Currently, Primex is working but they are behind on their billing. RTU 5 and RTU 19 (near Spring Grove) are up and running, per Mr. Wittry.

Director Tonascia asked for the status of the Todd Groundwater contract. Mr. Wittry stated this is for the well project and the District is exploring options for willing property owners. Task 1 is covered by a grant the District has already been awarded. The other two tasks are for grant support for which the District has applied for additional grant funds, per Mr. Wittry.

With no further questions, a motion was made by Director Williams and seconded by Vice President Shelton; the Consent Agenda was approved by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

REGULAR AGENDA

6. **Consider Resolution Declaring May as Water Awareness Month**

Mr. Novack stated that May is the beginning of the irrigation season, which is why May is Water Awareness Month. He added, water conservation in California is the new way of life. He then read the resolution declaring May as Water Awareness Month into the record. Mr. Novack also offered the Board an update on the turf removal program.

With a motion by Vice President Shelton and a second by Director Williams, the Board of Directors approved Resolution #2023-11, *A Resolution of the Board of Directors of the San Benito County Water District Declaring May as Water Awareness Month* with 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

7. **Consider Rescinding Resolution 2022-11 Declaring a Water Shortage Emergency Condition and Implementing the District's Water Shortage Contingency Plans**

Mr. Wittry stated one year ago, the Board followed the Governor's order to declare a Stage II water shortage emergency condition. The Governor, due to the rainfall received this year, has now rescinded his order, so the District is simply following the State.

With a motion by Vice President Shelton and a second by Director Wright, the Board of Directors approved Resolution #2023-12, *A Resolution of the Board of Directors of the San Benito County Water District Rescinding Resolution #2022-11 Declaring a Water Shortage Emergency Condition and Implementing the District's Water Shortage Contingency Plans* with 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

8. **Consider Resolution Restating the District's Investment Policy**

Mrs. Machado stated the Investment Policy calls for an annual review, which was done by District Counsel. Counsel had no recommended changes, nor did District staff.

With a motion by Vice President Shelton and a second by Director Wright, the Board of Directors approved Resolution #2023-13, *A Resolution of the Board of Directors of the San Benito County Water District Restating the District's Investment Policy* with 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

9. **Committee/Agency Representative Reports:**
 - a. **San Luis and Delta-Mendota Water Authority (Tonascia/Wittry)**
As per Director Tonascia, the Authority discussed equipment purchases and updating the strategic plan.
 - b. **Pajaro River Watershed Flood Prevention Authority (Flores/Shelton)**
As per Director Flores, the meeting was cancelled.
 - c. **Water Resources Association (Flores/Shelton)**
As per Director Flores, the Association discussed Water Awareness Month and general business.
 - d. **Investment Committee (Flores/Williams)**
As per Directors Flores and Williams, this has already been covered.
 - e. **Personnel Committee (Flores/Tonascia)**
As per Directors Flores and Tonascia, there was a closed session meeting.
 - f. **Zone 3 Water Supply & Operations Committee (Tonascia/Williams)**
As per Directors Tonascia and Williams, the committee discussed the operations at the Paicines Canal and a way to remotely monitor water levels at Hernandez Reservoir.
 - g. **Zone 6 Water Supply & Operations Committee (Tonascia/Williams)**
As per Directors Tonascia and Williams, the committee discussed the increase to the Ag allocation, 215 Water and when will San Juan Bautista's operations be back up due to the construction.

10. **Monthly Operations and Maintenance Report**
Mr. Craig stated the District lost power at the main gate valve at San Justo which resulted in a large water leak, for which he provided photos. Mr. Craig also stated the maintenance staff will be working on some larger projects, such as changing out valves which will be done without interrupting service.

11. **General Manager's Report:**

- a) **General Comments**

Mr. Wittry reported the District has hired Rob Hillebrecht as Deputy District Engineer and he will begin his employment on May 15th. He further reported the Bureau increased the water allocation to 100% for Ag and 100% of historical use for M&I. Also, the District received a past due bill from the Bureau for approximately \$120,000. This balance dates back to 2014-2021. Staff discussed this with the Bureau and also reached out to former staff, who were unable to assist with this matter. Response to this bill is required in 30 days or there will be a 30% interest/late charge and could also be referred to collections. It appears there was communication with prior staff in August of 2021.

Director Tonascia asked why this wasn't caught and why didn't the auditor catch it. Mrs. Machado replied, it may not have been provided to the auditor. Mr. Wittry

added that staff will fully review this matter. Staff discussed this with the Bureau today and said the District planned to resolve it asap.

Mr. Liem asked if the District paid every invoice. Mr. Wittry stated that some agencies split up their payments due to cash flow issues, but that is not an issue for the District. Mrs. Machado added staff hopes to prove it's been paid.

Mr. Wittry reminded the Board, the District will have an Open House on May 5th from 3-5 p.m.

b) Reach 1 Operations

Mr. Wittry reported this has already been covered.

c) Zone 3 Operations

Mr. Wittry reported Paicines Reservoir is approximately half full and staff has burned debris removed from the Paicines Canal. The Hernandez Reservoir continues to spill.

d) Zone 6 Operations

Mr. Wittry reported the MPE Project in San Juan Bautista is anticipated to be complete near the end of May and there is a possibility about half of the line could be up earlier, to Bixby Road. The water office is fielding calls about when it will be back up and running.

Mr. Wittry also reported that in 2014, the District did purchase 215 water, which has pros and cons. Because of the billing error brought to the District's attention by the Bureau and some of this billing was related to the 215 water, he has removed that item from tonight's agenda.

Mr. Wittry reported that San Benito County was awarded a grant to consolidate several water systems. Two are in Zone 6, 1 is outside Zone 6 and 1 straddles Zone 6. Mr. Wittry stated the easiest way to work with this issue would be to consider changing the boundary of Zone 6. There is a process to follow in the District Act and in speaking with the Bureau, they stated it is about a 3-6 month process following LAFCo approval if the Board chooses to go this route. Overall, Mr. Wittry stated it could take about 9 months.

Director Wright asked to clarify that it doesn't require congressional approval? Mr. Wittry stated it is a LAFCo process and it would require CEQA (California Environmental Quality Act) Plus through the Bureau. All of these costs would be born by the customers and not the District. SBC Board of Supervisors has formally approved the grant but there are a lot of steps in the process including a Prop 218 fee assessment process.

Director Wright asked what the timing is for the grant; Mr. Wittry stated 3 years. Director Wright asked if there could be retroactive property taxes and Mr. Wittry stated that would be decided by the Board.

Director Tonascia asked if the County and Sunnyslope County Water District need to wait for the District to complete the process. Mr. Wittry stated that the processes could run in parallel, and, if required, the District could make provisions to transfer

the water if the approval process lagged behind construction.. Director Tonascia asked if the property owners would have a Prop 218 process. Mr. Wittry stated yes, but the District's Board, as empowered by the District Act, could also require its own vote of the property owners, to show they are in favor of this project. Mr. Wittry stated the grant and deadline, are the drivers for the timing of this project.

e) San Luis and Delta-Mendota Water Authority Activities

Mr. Wittry reported the Authority is working on updating the strategic plan and discussed various equipment purchases.

f) Pacheco Reservoir Expansion Project

Mr. Wittry reported stakeholder meetings continue and Valley Water continues to work on their environmental documents for the project.

g) City of San Juan Bautista Water Supply Plan

Mr. Wittry reported staff continues to work with Mr. Reynolds. The District wants to help but is waiting for their input on the agreements. Mr. Wittry reported the wastewater portion of their project is out to bid. President Flores added he spoke with the City of San Juan Bautista's representative at the WRA Meeting and stated the District is willing to work with them.

12. CLOSED SESSION: Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Agency Negotiator: Steve Wittry, General Manager

Employee Organization: SEIU 521 Office and Field Employees Unit

13. CLOSED SESSION: Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Agency Negotiator: Steve Wittry, General Manager

Unrepresented Employees: Management/Confidential/Professional

Employees: Accountant, Assistant Engineer, Associate Engineer, Deputy

District Engineer, Finance Manager, Human Resources/Administrative

Assistant, Operations and Maintenance Manager, Senior Engineer,

Supervising Accountant, Water Conservation Program Manager

(The Board convened in Closed Session at 6:51 p.m.)

14. OPEN SESSION:

(The Board reconvened in Open Session at 8:17 p.m.)

Report any action, if any, from Closed Session

As per President Flores, there was nothing to report.

15. Adjournment

With no further business to discuss, the meeting was adjourned at 8:18 p.m.

Minutes were approved at the May 31, 2023 Board meeting and signed by the presiding board member.

/s/Andrew Shelton
Andrew Shelton, Vice President

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