

REGULAR AGENDA

5. **Consider Resolution for the San Benito County Water District, Acting as the Groundwater Sustainability Agency for the North San Benito Groundwater Basin, Requesting the County of San Benito to Collect a Groundwater Management Fee on the Property Tax Rolls**

Mr. Wittry gave the Board a brief background on the Groundwater Management Fee and stated it is an annual fee, collected through the property tax rolls. There are 3,126 parcels for an estimated \$440,000 annual amount.

With a motion by Vice President Shelton and a second by Director Williams, the Board of Directors approved Resolution #2023-15 *A Resolution of the Board of Directors of the San Benito County Water District, Acting as the Groundwater Sustainability Agency for the North San Benito Groundwater Basin, Requesting the County of San Benito to Collect a Groundwater Management Fee on the Property Tax Rolls* by 5 affirmative votes, Flores, Shelton Tonascia, Williams and Wright.

6. **Discuss and Consider District Participation in the B. F. Sisk Dam Project**

Mr. Wittry, utilizing a PowerPoint Presentation, discussed the options for the Project with the Board. He noted some of the preliminary investors have changed their requests, such as: Valley Water increased their request for storage from 5540-acre feet to 60,000-acre feet and Westlands Water District reduced their request for storage from 42,981-acre feet to 5,000-acre feet.

Mr. Wittry then discussed the study HDR did for the District in June 2022, stating the need for additional storage, and the correlation between growth and the capacity fee. As the proposed capacity fee, from the Rafetlis study, is tied to urban water delivery. He then reviewed the funding options under consideration for the project, a 50/50 split and a 70/30 split and the difference between them.

Mr. Wittry reviewed the storage projects that are underway. In addition to the B. F. Sisk Dam Project, which is an out of basin storage, the District is also considering groundwater projects such as the North Area Groundwater Project as well as the Aquifer Storage and Recovery (ASR) Project, Phases 1, 2 and 3. He further added the District has received grants for \$13.5 million toward the ASR Project. Depending on the option the Board chooses, Mr. Wittry stated if growth is not realized, the District would have to increase rates in order to cover the costs. Mr. Wittry stated the ASR Project is presently figured into the rates, but the B.F. Sisk Dam Project is based on the proposed capacity fee.

Director Wright asked if participation in the B.F. Sisk Dam would free up more AG water storage space in San Justo. Mr. Wittry stated it would offer the District more options.

Director Tonascia stated it would allow the District to safely store water in San Luis Reservoir. Mr. Wittry stated Director Tonascia is correct and added the future Operation Agreement will make the determination for operations/storage.

Director Wright asked when will the capacity fee begin. Mr. Wittry stated it is based on current planning. President Flores added there have been approximately 2495 homes

built over the last 10 years. Mr. Wittry added the capacity fee is not in place yet and stated it is strictly based on the urban area.

Mr. Wittry stated the first cash call for the B.F. Sisk Dam Project is due on July 1st. Director Tonascia asked if the District chose the off-ramp, would the amount paid to date be refunded. Mr. Wittry stated it is not guaranteed but more than likely most of what the District had paid would be refunded. Mrs. Machado added the first cash call is only a quarterly payment in consideration of the continued refinement of cost allocation amongst investors which will be determined based on final investor participation levels.

Director Tonascia asked if the cash call is based on the 50/50 or 70/30 split. Mr. Wittry and Mrs. Machado stated that is not known at this point. Mr. Wittry did add that Valley Water's staff based their 60,000-acre feet on the 50/50 split.

Director Wright stated this type of project mustn't come often and asked staff if the cash call was built into the budget. Mrs. Machado stated yes, the option for 5,000 AF was built into the budget for this purpose. Mr. Wittry agreed this type of project does not come around often and this project would have less environmental hurdles because it is an existing dam and there have not been any legal challenges thus far.

With a motion by Director Tonascia for the 70/30 split and a 5000-acre feet capacity for the B.F. Sisk Dam Raise Project; this was seconded by Director Williams. The Board of Directors approved this motion/second by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

Richard Bettencourt, a member of the audience, asked if the impact fee is \$12,500 and can the District put it in place without a public vote. Mr. Wittry stated it only has to be approved by this Board as it does not fall under the Prop 218 requirement.

7. **Discuss and Consider Approval of Reclassifying Board Clerk/Office Specialist III to Executive Assistant/Board Clerk**

Mr. Wittry stated this reclassification has been before the Board before and staff is working towards providing the appropriate duties for staffing. Staff asked Bryce Consulting to do a comprehensive study to assist management in providing clear definitions/responsibilities for this position. From the study, Mr. Wittry stated Bryce is recommending a title change to Executive Assistant/Board Clerk. Mr. Wittry added this agenda item went to the Personnel Committee. President Flores added the job description matches the duties.

With a motion by Director Williams and a second by Vice President Shelton, the Board of Directors approved reclassifying Board Clerk/Office Specialist III to Executive Assistant/Board Clerk by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

8. **Discuss and Consider Appointing Executive Assistant/Board Clerk as District Secretary**

Mr. Wittry stated this is a follow-up to agenda item #7 as it would be duties to go with the previous item, assigning the duty of District Secretary. This item had been discussed with previous staff/Board. The previous District Counsel had voiced concerns about this

appointment potentially allowing this position to have the ability to assign a subordinate and potentially also causing an issue with the Union. Mr. Wittry stated the job description does not include having a subordinate and the Union was fine with this being a part of the job description of one of their members.

Mr. Liem added the previous advice was centered around merging the position into the confidential group but not creating a managerial position, which this does not. Mr. Liem further explained the Board's option would be to either merge these roles in the position of Executive Assistant/Board Clerk or appointing Barbara Mauro (the person) to the Board position of District Secretary.

Director Tonascia stated the Personnel Committee's stance was not to put the District Secretary into the job description for subsequent employees but only to make Mrs. Mauro the District Secretary. Mr. Liem stated the Board can vote on this item as stated by Director Tonascia or decide not to vote and table it for a future meeting.

With a motion by Vice President Shelton and a second by Director Wright, the Board of Directors approved appointing Barbara Mauro as District Secretary by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.

9. **Provide Update on the Implementation of the Accelerated Drought Resistance Project (ADRoP)**

Mr. Wittry, using a PowerPoint Presentation, reviewed the ADRoP Project for the Board. He reviewed the grant requirements and that this project will increase production at the West Hills Water Treatment Plant (WHWTP) from 4.5 mgd (millions/gallons/day) to 6.75 mgd. Mr. Wittry reviewed the original concept of the project, which would give the District approximately 2700-acre feet of water storage. The schedule for this project now through 2026 and the cost, as provided in our grant application, is \$40 million.

Mr. Wittry then stated that the current design process has identified issues that will impact the implementation costs and project budget. The issues center around getting treated water from the WHWTP, through the City of Hollister's water distribution infrastructure and to the planned wellfield in the Fallon Road area. Therefore, staff has evaluated an alternate wellfield site, adjacent to the crosstown pipeline which alleviate this issue. A future ASR Phase II could be located along Fallon Road.

In June, 2023, the Districts consultant, HDR, prepared a construction estimate for the project as originally contemplated consisting of the upgrade to WHWTP, the transmission pipeline and the injection wells near Fallon Rd, the approximate costs were \$46 million. This estimate did not include potential additional work to overcome water transportation issues. Mr. Wittry stated with the proposed changes shown today, it reduces the cost to approximately \$36 million; a cost savings of \$10 million.

Mr. Wittry stating moving the wellfield site does not solve a water pressure issue for the City of Hollister. This was a benefit that was provided by the Fallon Rd ASR wellfield location. A new municipal well on the north side of town is estimated at \$1 million.

Mr. Wittry added this is only an update regarding project changes; no action is needed.

Discussion ensued about the location of the wells sites chosen by the District's consultants. It was noted that the new well locations could be located on property that was owned by public entities, such as the County and School Districts. President Flores asked about the timeline for the City of Hollister's new municipal well. Mr. Wittry stated sooner rather than later would be preferred and discussion between the District and the City needs to continue. The District and City are working to evaluate potential well locations on the north side of Hollister.

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

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

As per Director Tonascia, the Authority discussed the B.F. Sisk Dam Project and they held a Strategic Planning meeting.

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

As per Director Flores, he was unable to attend.

c. **Water Resources Association (Flores/Shelton)**

As per Director Shelton, general business was discussed as well as the presentation of the budget.

d. **Finance Committee (Tonascia/Wright)**

As per Directors Tonascia and Wright, the 3rd Quarter Reporting was reviewed.

e. **Personnel Committee (Flores/Tonascia)**

As per Directors Flores and Tonascia, this has been covered.

11. **Monthly Operations and Maintenance Report**

Mr. Hillebrecht gave this report. The O & M staff replaced 2 water valves and changed an 8" valve to a 6" valve on Churchill Road. All necessary mowing has been done at Hernandez and Paicines, and staff will be exercising all valves in July.

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

a) **General Comments**

Mr. Wittry stated Michael Craig has been promoted to Operations and Maintenance Manager as of June 26, 2023. Also, as of June 26th, the District hired Anthony Lucas as part of the O & M staff and he anticipates hiring one more employee, in mid -July, for the O & M staff.

Mr. Wittry reported staff has had meaningful meetings with Sunnyslope County Water District regarding the extension to the Water Treatment Plants' operations contract. He expects to have this renewal on the July agenda.

b) **Reach 1 Operations**

Mr. Wittry reported the next scheduled outage of Bifurcation will be in November 2023.

c) **Zone 3 Operations**

Mr. Wittry reported Hernandez has stopped going over the spillway. District staff plans to perform repairs to the culverts and the access road. Minimal releases

continue at Hernandez to allow flow into Paicines so percolation can continue into Tres Pinos Creek.

d) Zone 6 Operations

Mr. Wittry reported District staff has put the Pipeline Coating Phase II out for bid, with a due date of August 2, 2023. As a result of recent repair activities, District staff has been discussing the best way to notify customers of planned outages moving into the future.

e) San Luis and Delta-Mendota Water Authority Activities

Mr. Wittry reported the Authority is working on their strategic planning efforts and approved their Fiscal Year 2022 audit.

f) Pacheco Reservoir Expansion Project

Mr. Wittry reported there is nothing new at this time.

g) City of San Juan Bautista Water Supply Plan

Mr. Wittry reported staff continues to work with the City of San Juan Bautista's staff. The District has received a quote from HDR to update the Basis of Design for the water line, reflecting the new alignment and have forwarded the update to the City of San Juan Bautista. The next meeting should be in the next few weeks.

13. **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

14. **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 6:40 p.m.)

15. **OPEN SESSION:**

(The Board reconvened in Open Session at 6:53 p.m.)

Report any action, if any, from Closed Session

President Flores read the following into the record:

ORAL SUMMARY FOR LOCAL AGENCY EXECUTIVES
MANAGERS/CONFIDENTIAL/PROFESSIONAL EMPLOYEE GROUP

Government Code section 54953(c)(3) requires that, before taking final action, the Board of Directors must orally report a summary of the recommendation regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executives. Therefore, I am reporting the following oral summary regarding such items appearing on the agenda.

Item #17, pertains to final action by the Board of Directors regarding the recommendation for changes to salary and benefits for the Management/Confidential/Professional Employee group, which includes the Deputy District Engineer, the Operations and Maintenance Manager, the Finance Manager, and Water Conservation Program Manager who constitute local agency executives under Government Code section 3511.1:

- Effective July 10, 2023, the salary schedule for the Operations & Maintenance Manager classification will be adjusted by 10%.
- Effective July 10, 2023, the salary schedule for the Water Conservation Program Manager classification will be adjusted by 10% and brought to parity with the salary schedule for the Supervising Accountant classification, a total adjustment of 10.4%.
- Effective July 10, 2023, the salary schedules for the Deputy District Engineer, Operations & Maintenance Manager, Finance Manager, and Water Conservation Program Manager classifications will be adjusted by a 3% cost of living adjustment. The water allocation formula previously used to determine cost of living adjustments and potential furlough days will be eliminated.
- Effective July 8, 2024, the salary schedules for the Deputy District Engineer, Operations & Maintenance Manager, Finance Manager, and Water Conservation Program Manager classifications will be adjusted by a 3% cost of living adjustment.
- Effective July 7, 2025, the salary schedules for the Deputy District Engineer, Operations & Maintenance Manager, Finance Manager, and Water Conservation Program Manager classifications will be adjusted by a 3% cost of living adjustment.
- Effective in 2023, the Deputy District Engineer, Operations & Maintenance Manager, Finance Manager, and Water Conservation Program Manager will be required to work during the end of year office closure or use paid accrued leave for time off under current District policies.
- Effective January 1, 2024, the second tier for the District's cafeteria plan allowance will be eliminated. All employees will receive a cafeteria plan allowance of \$1,285 per month, plus the following amounts based on health insurance enrollment:
 - Employees who enroll in single party, District-provided health insurance will receive an additional \$100 per month for a total of \$1,385 per month.

- Employees who enroll in two-party, District-provided health insurance will receive an additional \$200 per month for a total of \$1,485 per month.
- Employees who enroll in family level, District-provided health insurance will receive an additional \$505 per month for a total of \$1,790 per month.
- Effective January 1, 2025, for employees who enroll in family level, District-provided health insurance, the District contribution toward the cafeteria plan allowance will be increased to \$1,879.
- Effective January 1, 2026, for employees who enroll in family level, District-provided health insurance, the District contribution toward the cafeteria plan allowance will be increased to \$1,973.
- Effective January 1, 2024, the District will reimburse the Deputy District Engineer and Operations & Maintenance Manager who are required to wear safety shoes, upon presentation of receipts, up to \$275 each calendar year for safety shoe purchases. This is an increase of \$25 from the 2023 reimbursement cap.

As soon as administratively feasible, the Personnel Rules and Regulations will be updated to provide the following changes:

- An employee who receives an “exceptional” overall rating on their performance evaluation may receive a double step increase, subject to the approval of the General Manager.
- Two paid holidays will be added to the holiday schedule: Cesar Chavez Day and Juneteenth.
- Sick leave provided under the California Paid Sick Leave and California Family Rights Act Leave Act to care for an immediate family member, will be permitted to care for a “designated person” in accordance with recent legislation.
- Two additional days of unpaid Bereavement leave will be provided, for which an employee may concurrently use accrued paid leave, in accordance with recent legislation. Immediate family will be defined to include step-grandparents and step-grandchildren.

The Resolution contains changes for other employees covered by the Management/Confidential/Professional Employee group who are not considered local agency executives, and which are not covered by this oral summary.

All other items listed in Resolution No 2023-17 are existing elements of compensation for the Management/Confidential/Professional group, which have been previously approved by the Board of Directors in various resolutions and compensation documents dating back to 1999. Resolution No 2023-17 reflects all compensation for the Management/ Confidential/ Professional group in one document.

16. **Successor Memorandum of Understanding Between San Benito County Water District and Service Employees International Union Local 521:**
- a. **Consider Resolution 2023-16 Approving a Successor Memorandum of Understanding with Service Employees International Union Local 521**
With a motion by Director Tonascia and a second by Director Wright, the Board of Directors of the San Benito County Water District approved Resolution # 2023-16 *A Resolution of the Board of Directors of the San Benito County Water District Approving a Successor Memorandum of Understanding with Service Employees International Union Local 521* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.
- b. **Authorize Board President to Sign Successor Memorandum of Understanding with Service Employees International Union Local 521**
With a motion by Director Williams and a second by Vice President Shelton, the Board of Directors Authorized the Board President to Sign the Successor Memorandum of Understanding with Service Employees International Union Local 521 by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.
17. **Consider Resolution 2023-17 for the Compensation for the Management/Confidential/Professional Employee Group, 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**
- **Oral Summary (see above)**
With a motion by Vice President Shelton and a second by Director Williams, the Board of Directors of the San Benito County Water District approved Resolution #2023-17, *A Resolution of the Board of Directors of the San Benito County Water District for the Compensation for the Management/Confidential/Professional Employee Group, 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* by 5 affirmative votes, Flores, Shelton, Tonascia, Williams and Wright.
18. **Adjournment**
With no further business to discuss, the meeting was adjourned at 7:03 p.m.

The minutes were approved at the July 26, 2023 Board meeting and signed by the presiding board member.

/s/Sonny Flores
Sonny Flores, President

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