

November 29, 2023  
Regular Meeting  
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, November 29, 2023 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: Directors Joe Tonascia, Doug Williams and Mark Wright; President Sonny Flores and Vice President Andrew Shelton were absent. Also present were General Manager Steve Wittry, District Counsel Jeremy T. Liem, Deputy District Engineer Rob Hillebrecht, Senior Engineer David Macdonald, Operations and Maintenance Manager Michael Craig, Water Conservation Program Manager Shawn Novack and Executive Assistant/Board Clerk Barbara Mauro.

*(Due to the absence of both the Board President and Vice President, Director Doug Williams served as Acting Board President for this meeting)*

**CALL TO ORDER**

The meeting was called to order by Acting President Williams at 5:00 p.m.

- a. **Pledge of Allegiance to the Flag**  
Acting President Williams led the Pledge of Allegiance.
- b. **Roll Call**  
Mrs. Mauro called roll; members present were: Directors Tonascia, Williams and Wright; President Flores and Vice President Shelton were 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 Wright, the Agenda was approved by 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.
- e. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**  
John Freeman, Council Member from the City of San Juan Bautista, asked to speak during public comments. Mr. Freeman urged the Board to move quickly on the pipeline for the water supply from the West Hills water treatment plant to the City of San Juan Bautista, while CalTRANS is still working on the Highway 156 expansion.

**CONSENT AGENDA:**

- |    |   |                          |                        |
|----|---|--------------------------|------------------------|
| 1. | <b>Approval of Minutes for:</b>   | <b>October 25, 2023</b>  | <b>Regular Meeting</b> |
|    |   | <b>November 16, 2023</b> | <b>Special Meeting</b> |
| 2. | <b>Allowance of Claims</b>  |                          |                        |
| 3. | <b>Acknowledgement of Paid Claims prior to the November Board Meeting</b> |                          |                        |
| 4. | <b>On Call Contracts – Status Updates</b>                                 |                          |                        |

With a motion by Director Tonascia and a second by Director Wright, the Consent Agenda was approved with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

## **REGULAR AGENDA**

5. **Consider Resolution for the District Personnel Rules and Regulations Update and Policy Against Substance Abuse in Workplace Safety Sensitive Positions**

Mr. Wittry stated, following Union negotiations, any personnel policy items that need to be updated due to changes to current laws are incorporated into the District's policy. Mr. Wittry further stated the Personnel Committee and the union have reviewed the documents.

With a motion by Director Wright and a second by Director Tonascia, the Board of Directors approved Resolution #2023-23, *A Resolution of the Board of Directors of the San Benito County Water District Adopting the San Benito County Water District Updated Personnel Rules and Regulations* with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

6. **Consider Support and Application for USBR CVP Reserved Works Funding from the Aging Infrastructure Account**

Mr. Wittry stated in 2021, the Bipartisan Infrastructure Law was passed, and this will be the second year the District has been asked for a letter of support for the USBR CVP Reserved Works Funding from the Aging Infrastructure Account. The Board's action will be to approve the General Manager to sign the letter and forward it to the Bureau. With a motion by Director Tonascia and a second by Director Wright, the Board of Directors authorized the General Manager send the letter to support an application for the USBR CVP Reserved Works Funding from the Aging Infrastructure Account with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

7. **Consider Increasing the Authorized Amount to Purchase a Dump Truck by \$12,236.93 for a total amount of \$182,862.28**

Mr. Wittry stated the purchase of the dump truck was approved at the October board meeting. However, the day following the board meeting, the vendor found they had made an error in their quote. Staff then compared their revised quote against the quote from the other vendor and found with the necessary additives, the two quotes were only different by a small margin. The only difference, per Mr. Wittry, was the timing. The District does have the ability to purchase from the vendor with the best fit not necessarily the lowest cost. The truck from Pape could arrive six months earlier than the other vendor.

Director Wright asked how long until the District will be out of compliance? Mr. Wittry stated the District is already out of compliance. Discussion further ensued about what the legacy engine cost was and why it is charged.

With a motion by Director Tonascia and a second by Director Wright, the Board of Directors Authorized the Increase in the Amount to Purchase a Dump Truck by

\$12,236.93 for a total amount of \$182,862.28 with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

8. **Discuss and Consider Authorizing the General Manager to sign San Luis & Delta-Mendota Water Authority Exchange Contractors 2024-2025 Transfer Program Activity Agreement**

Mr. Wittry stated the District has participated in these agreements for approximately twenty years. He further stated having access to this water, while more expensive, is especially important during drought years. The past agreement was for five years, but this one is for two years. There are eight members of the Authority who have expressed interest in participating in this agreement. Mr. Wittry added, while the forecast for the coming water year is good, having this as an option is still important.

With a motion by Director Tonascia and a second by Director Wright, the Board of Directors Authorized the General Manager to sign the San Luis & Delta-Mendota Water Authority Exchange Contractors 2024-2025 Transfer Program Activity Agreement with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

9. **Discuss and Consider Approval of Resolution Authorizing the Submittal of a Grant Application to the United States Bureau of Reclamation (USBR) for WaterSMART Small Scale Water Efficiency Projects (Funding Opportunity No. R24AS00059**

Mr. Novack stated last year the District applied for the same grant, but it was unsuccessful. Mr. Novack further stated District staff participated in a Zoom meeting with members of the USBR staff who offered some good insight on how to apply this year for the grant. Mr. Novack stated this grant would help continue the turf removal program and expand it to larger square footage, so more commercial properties could participate. While the resolution is not required, Mr. Novack stated it shows the support of the Board for the grant submittal.

With a motion by Director Wright and a second by Director Tonascia, the Board of Directors approved Resolution #2023-24, *A Resolution of the Board of Directors of the San Benito County Water District Approving the Submittal of a Grant Application to the United States Bureau of Reclamation (USBR)* with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

10. **Consider setting the September, November and December Board Meeting dates for 2024**

Mrs. Mauro reviewed this item for the Board. She gave a brief history on why the Board chooses to change the regular meeting date during these months each year and why staff recommended the changes for 2024.

With a motion by Director Tonascia and a second by Director Wright, the Board of Directors approved the recommended changes to the meeting dates in November and December 2024 with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

11. **Mid Pacific Water Users Conference, January 24<sup>th</sup> through 26<sup>th</sup>, 2024 in Reno, Nevada**

**a. Consider General Manager or Designee and Director Attendance**

Mrs. Mauro stated this is a budgeted item for the General Manager and one director to attend this conference. If any of the directors are interested, please contact her so she can register them for the conference and make hotel reservations.

12. **Hear Oral Summary of Recommendation for Final Action on Salary and Compensation for Local Agency Executive (Manager of Administration, Finance and Business Services) Pursuant to Government Code Section 54953, Subsection c, 3**  
Acting President Williams read the following Oral Summary into the record:

*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 # 12 pertains to final action by the Board of Directors regarding the recommendation for adoption of an employment agreement covering salary and benefits for the Megan Holland, the new Manager of Administration, Finance, and Business Services. This is a position in the Executive Management group, which constitutes a local agency executive under Government Code section 3511.1:*

- *Effective December 18, 2023, the salary for the Manager of Administration, Finance and Business Services shall be established at \$170,000 per year, effective on the date of hire. And effective one year from the date of hire, the salary for the Manager of Administration shall be increased to \$175,000 per year.*
- *Ms. Holland is a new member of the California Public Employee Retirement System (CalPERS) with the retirement benefit factor of 2% @ 62 subject to the provisions of the Public Employee Pension Reform Act (PEPRA). Ms. Holland shall pay the required employee contribution.*
- *The District will contribute 5% of base salary to a Section 457 Deferred Compensation Plan account on Ms. Holland's behalf per year.*
- *Ms. Holland will receive a total of 80 hours of management leave per year, provided as a lump sum on January 1st of each calendar year, pro-rated at the time of hire.*
- *Ms. Holland will accrue vacation at the rate of 120 hours per year until she had completed 10 years of District service. Between 11 and 15 years of District service, Ms. Holland can accrue 140 hours of vacation per year with a cap of 320*

hours (or 40 hours per year of employment, whichever is greater). Between 16 and 19 years of District service, Ms. Holland can accrue 160 hours of vacation with a cap of 440 hours (or 40 hours per year of employment, whichever is greater). At 20 plus years of service, Ms. Holland can accrue 176 hours of vacation with a cap of 520 hours (or 40 hours per year of employment, whichever is greater). Vacation is accruable and subject to cash out of 120 hours of vacation per year, and full cash out at separation from employment.

- *Ms. Holland will accrue sick leave at a rate of 96 hours per year. Sick leave accrual is capped at 1040 hours.*
- *Ms. Holland will have the same holiday schedule as the Executive Group which includes 13.5 paid holidays.*
- *Upon annual election by the employee, an employee may receive one of the following contributions paid on a pay period basis:*
  - *District contribution of 2% of the employee's salary (calculated as base pay or*
  - *Forty (40) hours of vacation leave per year in addition to accrued vacation hours provided herein. Employees who select this option will have their Earned Vacation Accrual Limit extended by 40 hours for the year in which this option is selected.*
- *Ms. Holland is eligible to receive a monthly stipend of \$51 for an employee purchased, owned and operated cellular phone and/or wireless PDA device. Allowances are paid through the payroll system upon receipt of the designated form.*
- *Ms. Holland is eligible for a continuing education incentive equal to \$22.45 per pay period per continuing education unit, up to a maximum of \$67.30 per pay period.*
- *The District will pay for health insurance through CalPERS up to the full cost of employee + family medical insurance coverage in PERS Gold.*
- *The District will pay up to the full cost of family coverage in the District-offered dental insurance plan.*
- *The District will pay up to the full cost of family coverage in the District-offered vision care plan. (Plan A)*
- *The District will pay 100% of the cost of basic life insurance coverage for Ms. Holland, up to a maximum coverage amount of \$150,000.*

- *The District will establish a Retirement Health Savings Account (RHSA) for Ms. Holland, to which she can contribute in accordance with the terms of the Executive Management Compensation Resolution.*
- *If Ms. Holland retires through a regular service retirement from CalPERS within 120 days of separation from District employment, and is 55 years of age or older at the time of retirement, the District will make monthly payments toward retiree health insurance coverage, in addition to the minimum employer contribution required by PEMHCA, in accordance with the schedule in the Management, Confidential, Professional Resolution where the actual contribution amount paid depends on age and years of service at retirement, not to exceed a maximum of \$348 per month.*

*Resolution No 2023-25 also establishes a salary range for the vacant position of District Engineer, another position in the Executive Management Group. Effective November 29, 2023, following Board adoption of Resolution 2023-25, the salary range for the vacant District Engineer position will be a minimum of \$155,000 per year and a maximum of \$185,000.*

13. **Consider Approval of Resolution for Executive Compensation**

Mr. Wittry stated the information in the resolution was described in the oral summary, read in agenda item #12; the only change was the range in salary for the Manager of Administration of Finance and Business Services and the District Engineer. Otherwise, it is the same as when he and Mrs. Machado were hired.

Director Tonascia asked what the total compensation is, as this appears to only be the salary. Mr. Wittry stated negotiation with Ms. Holland was for a salary of \$165,000 per year but upon review she brought up two factors. The first was the insurance. The District's package provides PERS Gold and she current has PERS Platinum. Also, she has a master's in business administration, while not required, she does possess it. Noting these two factors, Ms. Holland requested a starting salary of \$170,000 per year as a starting wage.

Director Wright, who participated in the interview but missed the Special Meeting, was surprised by the counteroffer, as it is near the top end of the salary scale without any water experience.

Director Tonascia asked why the counter was only presented today. Mr. Wittry stated today was the deadline for returning the offer letter.

Mr. Liem stated, procedurally, the Board can approve the resolution and not approve the employment contract right now.

With a motion by Director Tonascia and a second by Director Wright, the Board of Directors Approved Resolution #2023-25, *A Resolution of the Board of Directors of the San Benito County Water District for Executive Compensation* with 3 affirmative votes, Williams, Tonascia and Wright; there were 2 absent, Flores and Shelton.

14. **Consider Approval of Employment Contract for Manager of Administration, Finance and Business Services and Authorize General Manager to Sign**  
Mr. Wittry stated, there was a question whether this had a probationary period. This position is an at-will position and if they are asked to leave, the District must provide a three-month salary compensation.

Discussion ensued about a lower starting salary, with an evaluation at six months and a raise at that point if the employee is meeting the set goals. Further discussion ensued and it was decided that a closed session should be held at the December 20<sup>th</sup> Board meeting. With no action taken on this item, this item was tabled.

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

- a. **San Luis and Delta-Mendota Water Authority (Tonascia/Wittry)**  
As per Director Tonascia, budgets for next year were discussed as well as a lengthy closed session.
- b. **Pajaro River Watershed Flood Prevention Authority (Flores/Shelton)**  
Director Flores is absent, so no report was offered.
- c. **Administration Committee (Flores/Shelton)**  
As per Mr. Wittry, this has already been covered.
- d. **Personnel Committee (Flores/Tonascia)**  
As per Director Tonascia, this has been covered. Mr. Wittry added the new Office Specialist I will start tomorrow and the first round of interviews for the Accountant I/II will be scheduled soon.
- e. **Zone 3 Water Supply & Operations Committee (Tonascia/Williams)**  
As per Directors Tonascia and Williams, the committee discussed operations at the Hernandez Reservoir and the Paicines Canal.
- f. **Zone 6 Water Supply & Operations Committee (Tonascia/Williams)**  
As per Directors Tonascia and Williams, the committee discussed groundwater issues.

16. **Monthly Operations and Maintenance Report**

Mr. Craig showed a PowerPoint, which included a short video of the Spillway and why the valve won't close. He showed why the situation is dangerous for staff to attempt to close the valve.

Discussion ensued about putting a camera in to look at it further and perhaps consider using a pump.

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

a) **General Comments**

Mr. Wittry reported the USBR Grant for ADRoP is due tomorrow. Previously, the Board expressed an interest in having a presentation from Todd Groundwater. Mr. Wittry has asked Todd Groundwater to make this presentation at the December Board meeting so the full board can be present. Mr. Gus Yates will make the presentation

and it should be about 20-30 minutes. The Borehole Project is underway, and the Coating Project should be completed by Spring of 2024, reported Mr. Wittry.

Director Tonascia asked how deep Eaton Drilling is going for the borehole. Mr. Macdonald stated approximately 800 feet.

**b) Reach 1 Operations**

Mr. Wittry reported that Santa Clara Valley Water District's planned shutdown of Bifurcation will not impact the District's deliveries.

**c) Zone 3 Operations**

Mr. Craig has touched on this already, reported Mr. Wittry. Tree removal and canal work will occur in early December, weather permitting.

**d) Zone 6**

Mr. Wittry reported District staff repaired a leak in sub 10 last week. Mr. Craig is in the process of developing a priority list for necessary valve replacements.

**e) Accelerated Drought Response Project (ADRoP)**

Mr. Wittry reported the 60% design of the West Hills treatment plant expansion has been submitted.

**f) San Luis and Delta-Mendota Water Authority Activities**

Mr. Wittry reported the Authority discussed the upcoming budget and the Exchange Contractor's Agreement.

**g) Pacheco Reservoir Expansion Project**

Mr. Wittry reported Santa Clara Valley Water District is currently working on their biological work for the project.

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

Mr. Wittry met with them briefly today. The sewer project has been approved but is facing delays as one of the components (pump control units) has an 80-week lead time.

**18. Adjournment**

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

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Minutes were approved at the December 20, 2023 Board meeting and approved by the presiding board member.

*/s/Sonny Flores*  
Sonny Flores, President

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