

May 29, 2024
Regular Meeting
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, May 29, 2024 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: Vice President Doug Williams and Directors Joe Tonascia and Mark Wright; President Andrew Shelton and Director Sonny Flores were absent. Also present were Interim General Manager Jeff Cattaneo, District Counsel Jeremy T. Liem, Manager of Administration, Finance and Business Services Megan Holland, Operations and Maintenance Manager Michael Craig, Senior Engineer David Macdonald, Water Resources Technician II Dustin Franco, Office Specialist I Jennifer Cosio Arellano, Executive Assistant/Board Clerk Barbara Mauro and other District staff members were in attendance.

CALL TO ORDER

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

- a. **Pledge of Allegiance to the Flag**
Vice President Williams led the Pledge of Allegiance.
- b. **Roll Call**
Mrs. Mauro called roll; members present were: Vice President Williams and Directors Tonascia and Wright; President Shelton and Director Flores 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 with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.
- e. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
There were no public comments.

CONSENT AGENDA:

- | | | | |
|----|--|-----------------------|------------------------|
| 1. | Approval of Minutes for: | April 15, 2024 | Special Meeting |
| | | April 24, 2024 | Regular Meeting |
| 2. | Allowance of Claims | | |
| 3. | Acknowledgement of Paid Claims prior to the May Board Meeting | | |
| 4. | On Call Contracts – Status Updates | | |

Director Tonascia asked to pull agenda items #2 and #3 from the Consent Agenda for discussion. With a motion by Director Tonascia and a second by Director Wright, the Consent Agenda items, #1 and #4, were approved with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

Director Tonascia asked how much had been paid to Hollister Paint to date. Ms. Holland stated the job is complete and Hollister Paint has been paid \$23,750. She reviewed what work this vendor has done for the District. She added, there were 3 quotes for painting. In regard to the flooring, the District only had 1 quote because Lowe's and Home Depot both measured but did not provide a quote. Director Tonascia asked why this didn't come to the Board for approval. Ms. Holland stated she was told it was a budgeted item. Director Tonascia expressed concern that while the individual vendor amounts were under \$30,000, the overall project was over that amount and should have had to have Board approval. Mr. Cattaneo stated, it sounds like Director Tonascia is stating the budget is not an authorization to spend but the Board should still have to approve amounts over \$30,000. Director Tonascia cited how the District has purchased vehicles in the past, which have gone before the Board.

Mr. Cattaneo suggested working with Ms. Holland and creating a policy for budgeted items to get board approval and to keep the Board more informed. Mr. Liem offered to get language together for this policy. Mr. Liem added it sounds like the project was split into pieces in order to pass approval.

Director Wright asked if a recap of the total project could be prepared. Ms. Holland stated yes, that could be done.

With a motion by Director Tonascia and a second by Director Wright, the Allowance of Claims were approved with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

With a motion by Director Wright and a second by Director Tonascia, the Acknowledgement of Paid Claims prior to the May Board Meeting were approved with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

REGULAR AGENDA

5. **Consider Approval of Antenna Repeater Lease Agreement between San Benito County Water District (Lessor) and Sunnyslope County Water District (Lessee), antenna to be located at the Lattice Tower at West Side of Administration Building**
Mr. Cattaneo stated this agreement is a simple project which allows Sunnyslope County Water District to put an antenna on our antenna tower so their district can remotely read their meters. With no questions from the Board, a motion was made by Director Wright and a second by Director Tonascia; the Board of Directors Approved the Antenna Repeater Lease Agreement between San Benito County Water District (Lessor) and Sunnyslope County Water District (Lessee), antenna to be located at the Lattice Tower at West Side of Administration Building with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.
6. **Consider Resolution Ordering District Election, Requesting Election Services and Authorizing Payment Therefore**
Mrs. Mauro reviewed this item for the Board. This action is required to be taken by the Board every two years and is for either 2 or 3 divisions to be listed on the ballot. With no questions from the Board, a motion was made by Director Tonascia and seconded by Director Wright; the Board of Directors approved Resolution #2024-21, *A Resolution of the Board of Directors of the San Benito County Water District Ordering District*

Election, Requesting Election Services and Authorizing Payment Therefore with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

7. **Consider Approval of Resolution approving the second amended and restated San Luis & Delta-Mendota Water Authority Joint Exercise of Powers Agreement and Actions Related Thereto**

Mr. Cattaneo stated Friant is currently not a member of the Authority, however; they are paying operating and maintenance costs without having a voice on the Authority. This action would amend the Joint Power Agreement to add Friant and would need a 14/28 vote to make this change. With a motion by Director Wright and a second by Director Tonascia, the Board of Directors approved Resolution #2024-22, *A Resolution of the Board of Directors of the San Benito County Water District approving the second amended and restated San Luis & Delta-Mendota Water Authority Joint Exercise of Powers Agreement and Actions Related Thereto* with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

8. **Consider Resolution Adopting a Salary Schedule Memorializing Existing Pay to District Employees**

Mr. Liem stated according to the California Code of Regulations 570.5, the Board needs to adopt a salary schedule memorializing the existing pay to District employees. This schedule includes the existing pay for staff as well as the General Manager classification on April 15, 2024 and the approval of a new range for the General Manager on May 20, 2024. With a motion by Director Tonascia and a second by Director Wright; the Board of Directors approved Resolution #2024-23, *A Resolution of the Board of Directors of the San Benito County Water District Adopted a Salary Schedule Memorializing Existing Pay to District Employees* with 3 affirmative votes, Williams, Tonascia and Wright and there were 2 absences, Shelton and Flores.

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

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

As per Director Tonascia, Mr. Cattaneo can cover this under his manager's report.

b. **Finance Committee (Tonascia/Shelton)**

As per Director Tonascia, the committee reviewed the 3rd quarter reporting.

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

As per Mr. Cattaneo, the committee reviewed the travel policy, the jury duty policy and the revision to the Personnel Policy; these items were all approved at the Special Meeting on May 20th.

d. **Zone 6 Water Supply & Operations Committee (Tonascia/Wright)**

As per Director Wright, the committee discussed the allocation increase, the well site acquisition for ADROp and the current water supply.

10. **Monthly Operations and Maintenance Report**

Mr. Craig reported the Department of Safety of Dams recently did inspections at both Paicines and Hernandez Reservoirs. Also, his staff is working on clean-up at the Hernandez Spillway. Mr. Craig also reported his staff turned the system around on June

3rd. Mowing at San Justo Reservoir is complete, per Mr. Craig and mowing will need to be done again at Paicines. He further reviewed the capital improvements he plans to do, which is replacement of 17 lateral valves. Mr. Cattaneo added the District is considering bundling them together in a bid to do all at one time.

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

a) Reach 1 Operations

Mr. Cattaneo reported discussion is on-going about whether repair or replacement is best for the pumps at the Pacheco Pumping Plant. Also discussed has been to evaluation the condition assessment on the pumps on an annual basis. Mr. Cattaneo reported the District is waiting on the Reach 1 Budget. Past years, the draft is received in February with the final received in April. There is a meeting scheduled for next week on the budget, so he is anticipating an update on this year's budget.

b) Zone 3 Operations

Mr. Cattaneo reported he did a site visit last week to Hernandez. The first priority would be to repair the road and adding some rock near the intake valve. The next priority would be to draw down the reservoir, which he anticipates would take about 100 days. He then discussed about renting some pumps to get the remaining water out, which he estimates could take about 15 days of pumping if the pumps were running 24 hours a day. Mr. Cattaneo is hopeful to have it drained sufficiently by early September.

c) Zone 6 Operations

Mr. Cattaneo reported the current AG allocation is 14,400 AF with a 15% loss, and we have 11,000 AF committed at this time. He further reported there will not be any carry over this year. In February, the District had the opportunity to fill San Justo Reservoir, which was done. He further reported an opportunity was lost of carrying over 4380 AF, which would have had a value of approximately \$1.7-2 million. Mr. Cattaneo also reported the District gave an initial allocation to AG of 35% of request, which was 11,900 AF, which was in excess of what was available. If the District had not received an additional allocation, it would have left a shortage of 7418 AF which would have meant taking M & I water from San Justo or reducing the AG allocation.

d) Accelerated Drought Response Project (ADRoP)

Mr. Cattaneo reported there are several items to report on for ADRoP. The construction management proposals went back to bid and two responses were received; MNS and Kennedy-Jenks. Interviews are scheduled for June 7th and Mr. Cattaneo intends to award the contract either at a Special Meeting or at the June Regular Meeting.

The bid for the Exploratory Boreholes is due June 3rd. Mr. Cattaneo reported he intends to award this contract at either a Special Meeting or at the June Regular Meeting.

Mr. Cattaneo further reported that landowners on Fallon Road have been contacted and most are open to participation. Director Wright asked how many well sites; Mr. Cattaneo replied 5 sites.

e) San Luis and Delta-Mendota Water Authority Activities

Mr. Cattaneo reported the issue with Friant was covered earlier in the meeting.

Mr. Cattaneo then gave information on the B F Sisk Dam Negotiations. He reported there are 3 types of water being considered: Project Water, Acquired Project Water and Non-Project Water. Each type of water is protected differently. Non-Project Water is most protected; Acquired Project Water is about in the middle; and Project Water is the least protected. Mr. Cattaneo reported in a water critical year, the Bureau can pull water back. The District would store Non-Project and Acquired Project Water. Non-Project Water would be untouchable by the Bureau, per Mr. Cattaneo.

Director Wright asked about payments from the District. Mr. Cattaneo stated there is a cost for the consultants, so far, as everyone works through the negotiations. Payments will likely start in August-September, about \$1 million. Director Wright asked if anyone has withdrawn; Mr. Cattaneo stated no, not yet. He further reported Valley Water is the biggest contractor at 60% of the project. Richard Bettencourt, a member of the audience, asked for some clarification of who the “Bureau” is and Mr. Cattaneo provided that information.

f) City of San Juan Bautista Water Supply Plan

Mr. Cattaneo reported staff is still working on this item. San Juan Bautista is getting grant funding through the USDA. In order to obtain the grant, San Juan Bautista may need to own their own pipeline, so the District will need to transfer ownership to them. Staff estimates their cost for capacity to be approximately \$1.8 million.

g) A.B. 2079 (Bennett), Groundwater extraction: large diameter, high-capacity wells

Mr. Cattaneo reported Governor Newsom is working to have all new wells to have set back requirements and now, the California Department of Water Resources has expanded on this process. Their requirements are for all new wells, 8” or larger in diameter, with a yield of 2 AF annually or more will be affected. Public water supply wells and ASR wells will be exempt. Mr. Cattaneo feels this may cause a moratorium on well drilling.

h) Update District Capacity Fees for new construction

Mr. Cattaneo reported there is a meeting scheduled next week with the District, the City of Hollister and Sunnyslope County Water District regarding the capacity fee that was approved in the District’s Rate Study. These fees would fund projects such as the B F Sisk Dam and are intended, through the Master Plan, for new construction. This fee would be \$12,250 for every new home but has not moved forward yet. Mr. Cattaneo will focus on working with the City and Sunnyslope. Discussion ensued on whether the District can go back to developers on current projects.

i) Miscellaneous District items

Mr. Cattaneo reported the annual budget usually comes to the Board in May or June. Due to staffing issues, it may not be until the July meeting.

12. **Adjournment**

With no further business to discuss, the meeting was adjourned at 6:17 p.m.

Minutes were approved at the June 26, 2024 Board meeting and signed by the presiding board member.

/s/Andrew Shelton

Andrew Shelton, President

/s/Barbara L. Mauro

Barbara L. Mauro, Executive Assistant/Board Clerk