

August 28, 2024
Regular Meeting
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, August 28, 2024 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Andrew Shelton, Vice President Doug Williams and Directors Sonny Flores and Mark Wright; Director Joe Tonascia was absent. Also present were Interim General Manager Jeff Cattaneo, District Counsel Jeremy T. Liem, Interim Manager of Administration, Finance and Business Services Brett Miller, Senior Engineer David Macdonald, Water Conservation Program Manager Jennifer Cosio Arellano and Executive Assistant/Board Clerk Barbara Mauro.

CALL TO ORDER

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

a. Pledge of Allegiance to the Flag

President Shelton led the Pledge of Allegiance.

b. Roll Call

Mrs. Mauro called roll; members present were: President Shelton, Vice President Williams and Directors Flores and Wright; Director Tonascia 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 Flores and a second by Vice President Williams, the Board of Directors approved the Agenda with 4 affirmative votes, Shelton, Williams, Flores and Wright and there was 1 absence, Tonascia.

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: July 31, 2024 Regular Meeting**
2. **Allowance of Claims**
3. **Acknowledgement of Paid Claims prior to the August Board Meeting**
4. **On Call Contracts – Status Updates**

There were no questions from the Board. A motion was made by Vice President Williams and seconded by Director Wright; the Board of Directors approved the Consent Agenda with 4 affirmative votes, Shelton, Williams, Flores and Wright and there was 1 absence, Tonascia.

REGULAR AGENDA

5. Update on the B F Sisk Dam Raise Project

Using a PowerPoint presentation, Mr. Cattaneo gave the Board an update on the project. He stated the USBR is taking the lead and he gave the current list of investors in the project. He reminded the Board the B F Sisk Dam is being raised 10 feet for seismic

reasons and investors are taking this opportunity to raise it an additional 10 feet for more storage. He further reported Highway 152 will have to be redesigned and also be raised to accommodate the raising of the dam. Currently, Mr. Cattaneo stated the requested cost share is 70/30, but the USBR could go up to as much as 50%. The work on the B F Sisk Dam, which is estimated at \$500 million, will be financed with taxable bonds. The 152 project is estimated at \$515,430 million and will likely be funded by tax free bonds and is 100% investor funded. Mr. Cattaneo then reviewed the funding options being discussed and whether the group of investors would use an existing JPA or create a new one, specifically for this project. Mr. Cattaneo also reviewed the 3 financing scenarios that have been discussed at the negotiating meetings.

Mr. Cattaneo then reviewed the types of storable water and how the management of the expanded reservoir was being considered.

Director Wright asked how many agencies are not participating. Mr. Cattaneo stated there are several. He further stated Valley Water, the City of Tracy and our District are participating for the M & I water but the rest are going to use it for Agricultural water. Director Wright asked for the completion date. Mr. Cattaneo stated the estimated completion date is 2032.

Director Flores stated we are buying storage NOT water, is that correct. Mr. Cattaneo confirmed the District is buying the “bucket” not the water. Discussion ensued about how this would work in a dry year.

Vice President Williams asked if Reclamation takes the water, do we get any compensation for the water they take? Mr. Cattaneo stated, no, as it is water we haven’t paid for. The rate structure isn’t in place yet, but storage can be used for M & I or AG or we could lease out the storage.

Director Flores asked if Reclamation has to approve water transfers. Mr. Cattaneo stated agreements are done ahead of time (Warren Act Contract) to allow water to move through federal facilities.

6. **Update on the Accelerated Drought Response Project (ADRoP)**

Mr. Cattaneo stated he will cover this under his Manager’s report.

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

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

Per Mr. Cattaneo, he will cover this under his Manager’s report.

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

As per Director Flores, it was Ms. Cosio Arellano’s first meeting; she did very well. This meeting was general business.

8. **Monthly Operations and Maintenance Report**

Mr. Craig reported staff surveyed the Paicines Canal and determined where it is leaking and where it needs to be patched.

At Hernandez Reservoir, there is still water coming in the spillway. The week of September 16th, Mr. Craig reported District staff will be working at Hernandez. He plans to rent two 6-inch pumps and run them 24 hours, so there isn't any water in the chamber where they need to work. Mr. Craig explained how one of the valves is always slightly open. Mr. Cattaneo gave the background of the downstream landowners who sued over what they felt was the loss of water from Hernandez. Because of this, 10-acre feet (or more) is released daily, which is why the valve is open. Mr. Craig reported staff is on schedule to have the work done the week of September 16th. He does have a Plan "B" just in case.

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

a) Reach 1 Operations

Mr. Cattaneo reported the District continues to work with Valley Water on the Pacheco Pumping Plant pump replacements.

b) Zone 3 Operations

Mr. Cattaneo reported San Benito Engineering is conducting a survey of the Paicines Canal. The next steps will be to have a contractor clean it out and order the bentonite mat and install it. He further reported the parshall flume also needs replacing, which is used to measure water at the canal.

c) Zone 6 Operations

Mr. Cattaneo used a PowerPoint to give an update on the Groundwater Status using several wells as examples.

d) Accelerated Drought Response Project (ADRoP)

Mr. Cattaneo reported all access agreements are complete. He further reported the Exploratory Borings are complete and the nitrates in that area are low. Investigations in that area showed good water in two deep zones at 600 and 800 feet. Mr. Cattaneo stated the grant contract is not complete yet, but it needs to be completed and approved in September.

e) San Luis and Delta-Mendota Water Authority Activities

Mr. Cattaneo reported the O & M fees will be adjusted because of the increase in the water allocation.

f) City of San Juan Bautista Water Supply Plan

Mr. Cattaneo reported a meeting was held today. All agreed that our district will do the design work from West Hills down the driveway and MNS will do the pipeline design work from that point to San Juan Bautista. Discussion also included the amendment to the Water Supply and Treatment Agreement, adding San Juan Bautista and changing the allocation costs and issuing a credit to the City of Hollister and Sunnyslope County Water District.

g) B F Sisk Dam Raise Project

Mr. Cattaneo reported this has already been covered.

h) Miscellaneous District items

Mr. Cattaneo reported 42 applications were received for the General Manager positions and of those, 12 were deemed qualified by the recruiter. This Friday, a meeting at the request of the manager will be held with Directors Flores and Tonascia to review the 12. From this review, the list will be trimmed down to a smaller list, perhaps 5-6 candidates. Mr. Cattaneo reported the recruiter's schedule is a Zoom interview of the initial candidates on September 6th and an in-person interview of the top 3-4 candidates with the full board at Counsel's office, the time to be determined.

10. Adjournment

With no further business to discuss, the meeting was adjourned at 6:18 p.m.

Minutes were approved at the September 25, 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