

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
November 19th, 2024

A. CALL TO ORDER: The meeting was called to order at 4:30 p.m. by President Mauro, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

ROLL CALL: Present in Person: President Edward Mauro (EM), Vice President James Parker (JP), Director Dee Brown (DB), Director Jerry Buzzetta (JB), Director Michael Alcorn (MA).

B. PUBLIC COMMENTS ON CLOSED SESSION MATTERS: The Board welcomed members of the public and opened the meeting to public comments regarding matters identified on the Closed Session agenda. No comments were received.

C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:

1. **Public Employee Performance Review (§ 54957):** *General Manager Annual Review*

President Mauro retired to closed session at 4:32 p.m. and upon returning to the regular session, moved to take a brief recess at 5:20 p.m. The meeting was reconvened to open session at 5:23 p.m.

D. PLEDGE OF ALLEGIANCE: Director Alcorn led those in attendance in the Pledge of Allegiance.

E. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:

1. **October 29, 2024, Personnel Committee Meeting- Public Employee Performance Review (§ 54957)**

General Manager Lander reported that the Personnel Committee met in closed session to prepare a recommendation for the Board to conclude the GM annual review. The recommendation is before the board as an agenda item tonight. No action taken.

2. **November 19, 2024, Regular Meeting- Public Employee Performance Review (§ 54957)**

District Counsel Michael Laredo reported the board discussed the GM performance review, the board will proceed with action to conclude the GM review under the agenda item on tonight's agenda, and the closed session was recessed and will continue with the General Manager after the regularly scheduled board meeting. No action taken in closed session.

F. APPROVAL OF AGENDA: President Mauro requested a motion to approve the agenda. Director Brown motioned to approve the agenda, seconded by Director Parker, for which President Mauro took a roll call vote as follows: (DB), yes; (JB), yes; (MA), yes; (JP), yes; and (EM), yes; the motion carried 5-0.

G. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS: The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. Collin Linder, representing McGilloway, Ray, Brown & Kaufman, is present to participate in agenda Item I-1, but no comments were received at this time.

Staff Present for Open Session: In Person: General Manager/Secretary Drew Lander, Executive Assistant/Stenographer Madison Koester, Finance and HR Manager Barry Kelly, Principal Engineer Robert Hillebrecht, Assistant Finance Manager Dana Sullivan.

H. CONSENT AGENDA:

1. Approval of Minutes for:

Regular Board Meeting of October 22nd, 2024.

2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of October 1, 2024 through October 31, 2024, totaling \$1,529,032.52 which includes \$781,618.32 for payments to vendors, \$282,802.03 for Payroll, \$452,815.07 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$5,351.92 for customer refunds.

Date	Number	Name	Amount
10/1/2024	ACH2964	Sterling Administration Health	5.00
10/3/2024	53033	ACC Business	1,331.84
10/3/2024	53034	Amazon Capital Services	206.16
10/3/2024	53035	Brenntag Pacific, Inc.	57,805.28
10/3/2024	53036	Central Ag Supply LLC	1,729.98
10/3/2024	53037	City of Hollister-Finance Dept	447,609.75
10/3/2024	53038	Eva Green Power	116,185.67
10/3/2024	53039	Greenwood Chevrolet	551.04
10/3/2024	53040	Hach Company	741.72
10/3/2024	53041	J M Electric	1,227.80
10/3/2024	53042	Manuel Chavez	84.40
10/3/2024	53043	Mission Uniform Service	261.17
10/3/2024	53044	MuniQuip, LLC	2,793.07
10/3/2024	53045	Rain for Rent	5,225.01
10/3/2024	53046	San Benito County Water District	468.25
10/3/2024	53047	Star Concrete	1,819.56
10/3/2024	53048	U.S. Bank Corporate Payment Systems	6,311.57
10/3/2024	53050	USA Blue Book	210.45
10/3/2024	53051	Wallace Group	70,200.24
10/3/2024	ACH2965	P G & E	57,784.53
10/3/2024	JN00664	Net Pay	74,463.66
10/3/2024	JN00664	Total Tax	19,301.54
10/4/2024	53055	CHARLES L. WILLIAMS	91.48
10/4/2024	53054	MARIA & JOJO DAQUIGAN	80.52
10/4/2024	53056	CENTURY COMMUNITIES OF CA LLC.,	371.14
10/7/2024	ACH2966	Principal	3,440.25
10/7/2024	ACH2967	Sterling Administration Health	40.00
10/8/2024	53052	VEOLIA WTS Analytical Instruments, Inc.	8,763.92
10/9/2024	ACH2968	iCloud	13,474.95
10/9/2024	ACH2969	Sterling Administration Health	493.88
10/15/2024	53053	ALEXANDER & IRINA KOLESOVA	3,016.22
10/15/2024	53057	A Tool Shed	1,837.11
10/15/2024	53058	Abel Alvarez	16.32
10/15/2024	53059	Ace Hardware (Johnson Lumber Co.)	418.89
10/15/2024	53060	Alvin Do	100.00

10/15/2024	53061	Brenntag Pacific, Inc.	12,966.83
10/15/2024	53062	Brigantino Irrigation	304.04
10/15/2024	53063	Calgon Carbon Corporation	71,697.79
10/15/2024	53064	Clean Brothers	150.00
10/15/2024	53065	CSAA Insurance Exchange	3,813.47
10/15/2024	53066	De Lay & Laredo	2,565.00
10/15/2024	53067	EBCO Pest Control	75.00
10/15/2024	53068	Extreme Air, Inc.	165.00
10/15/2024	53069	Grainger, Inc.	869.45
10/15/2024	53070	Hollister Auto Parts, Inc.	224.86
10/15/2024	53071	Hollister True Value	52.97
10/15/2024	53072	John Smith Road Landfill	1,642.68
10/15/2024	53073	Mark Nicholson, Inc.	9,815.50
10/15/2024	53074	Mc Master-Carr	616.70
10/15/2024	53075	Metron-Farnier, LLC	9,709.00
10/15/2024	53076	Mission Uniform Service	831.24
10/15/2024	53077	Powermatic Associates, Inc.	4,758.73
10/15/2024	53078	Raftelis Financial Consultants, Inc.	195.00
10/15/2024	53079	Recology San Benito County	357.64
10/15/2024	53080	San Benito County Water District	5,976.93
10/15/2024	53081	Scott Watson	54.63
10/15/2024	53082	Sharp Engineering and Construction, Inc.	20,400.00
10/15/2024	53083	Toro Petroleum Corp.	2,496.48
10/15/2024	53084	Trans Union LLC	169.46
10/15/2024	53085	Wallace Group	820.00
10/15/2024	53086	Waste Resource Recovery, Inc.	1,625.00
10/15/2024	53087	Wright Bros. Welding & Sheet Metal, Inc.	529.16
10/15/2024	ACH2970	Colonial Life	1,871.74
10/16/2024	ACH2971	Sterling Administration Health	10.00
10/17/2024	ACH2972	CalPERS - Health Insurance	31,832.66
10/17/2024	ACH2973	CalPERS - Retirement	7,086.22
10/17/2024	ACH2974	CalPERS - Retirement	291.50
10/17/2024	ACH2975	CalPERS - Retirement	23.08
10/17/2024	ACH2976	CalPERS - Retirement	4,953.25
10/17/2024	ACH2977	CalPERS - Retirement	9,009.05
10/17/2024	ACH2978	CalPERS - Retirement	23.08
10/17/2024	ACH2979	Nationwide Retirements Solutions	9,273.56
10/17/2024	ACH2980	Sterling Administration Health	493.22
10/17/2024	JN00665	Net Pay	73,138.14
10/17/2024	JN00665	Total Tax	19,282.65
10/18/2024	53091	NICK J TALIAFERRO	417.60
10/18/2024	53089	WILLIAM R JOHANSON	60.74
10/18/2024	53088	KENNETH G HARRIS	47.57
10/18/2024	53090	MHG BUILDER & CONSULTING INC	509.22
10/18/2024	ACH2981	ADP	2,335.02
10/18/2024	ACH2982	CalPERS - Retirement	8,393.94
10/18/2024	ACH2983	CalPERS - Retirement	9,388.78
10/18/2024	ACH2984	Nationwide Retirements Solutions	9,273.55
10/18/2024	ACH2985	Sterling Administration Health	150.00
10/21/2024	53092	A-1 Services	504.00
10/21/2024	53093	Ace Hardware (Johnson Lumber Co.)	60.07
10/21/2024	53094	Amazon Capital Services	648.72

10/21/2024	53095	Auto Tech Service Center, Inc.	880.00
10/21/2024	53096	Brenntag Pacific, Inc.	32,685.28
10/21/2024	53097	Brigantino Irrigation	160.39
10/21/2024	53098	Calcon System, Inc.	3,623.00
10/21/2024	53099	City of Hollister-Finance Dept	5,205.32
10/21/2024	53100	CM Analytical, Inc.	15,356.75
10/21/2024	53101	Extreme Air, Inc.	4,200.00
10/21/2024	53102	Hach Company	1,646.82
10/21/2024	53103	ICON Cloud Solutions, LLC	468.28
10/21/2024	53104	Iconix Waterworks (US) Inc.	1,668.64
10/21/2024	53105	InfoSend	3,726.03
10/21/2024	53106	J M Electric	2,112.00
10/21/2024	53107	Maggiora Bros. Drilling, Inc.	998.09
10/21/2024	53108	Mc Gilloway, Ray, Brown & Kaufman	4,050.00
10/21/2024	53109	O'Reilly Auto Parts	20.75
10/21/2024	53110	Tyler Technologies, Inc.	23,601.77
10/21/2024	53111	USA Blue Book	471.98
10/23/2024	53113	PEDRAZZA/MINKEL,	376.66
10/23/2024	53115	MCELVANY INC,	380.77
10/28/2024	53116	Ace Hardware (Johnson Lumber Co.)	384.97
10/28/2024	53117	ACWA/JPIA	9,830.36
10/28/2024	53118	Adan Cervantes	196.64
10/28/2024	53119	Atlas Copco Compressors LLC	72,678.33
10/28/2024	53120	Auto Tech Service Center, Inc.	2,010.00
10/28/2024	53121	Brenntag Pacific, Inc.	22,128.18
10/28/2024	53122	Brigantino Irrigation	103.30
10/28/2024	53123	Central Ag Supply LLC	564.50
10/28/2024	53124	Corbin Willits Systems, Inc. (MOM's)	162.00
10/28/2024	53125	Exceedio	3,958.95
10/28/2024	53126	Green Line	21,903.00
10/28/2024	53127	Mission Uniform Service	439.51
10/28/2024	53128	O'Reilly Auto Parts	30.58
10/28/2024	53129	San Benito Tire Pros & Automotive	25.00
10/28/2024	53130	State Water Resources Control Board-DWOCP	60.00
10/28/2024	53131	Toro Petroleum Corp.	1,893.87
10/28/2024	53132	Verizon Wireless	623.21
10/28/2024	53133	Wallace Group	49,816.95
10/28/2024	ACH2986	Sterling Administration Health	95.00
10/30/2024	ACH2987	Sterling Administration Health	5.00
10/31/2024	JN00672	Bank Activty Fees	68.35

-\$1,529,032.52

3. Receive Associate Engineer Monthly Status Report.
4. Receive Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.
5. Receive Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.

6. **Receive General Manager Monthly Status Report.**

Director Buzzetta requested to pull items H-3, Engineer Monthly Status Report, and H-4, Finance Manager Monthly Status Report, from the consent agenda and move it to new business for discussion. President Mauro asked for public comment and upon receiving none, President Mauro requested a motion to approve the consent agenda. Upon a motion made by Director Buzzetta to approve the Consent Agenda items that were not pulled, seconded by Director Alcorn, for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA), yes; (JP), yes; and (EM) yes; the motion carried 5-0.

I. NEW BUSINESS:

1. Receive Audit Report/Presentation By Patricia Kaufman, CPA/Partner, With McGilloway, Ray, Brown & Kaufman On June 30, 2024 Audit And Accept The Audited Financial Statements. (Not A Project Under CEQA Per Article 20, Section 15378)

General Manager Drew Lander introduced Collin Linder, a partner with McGilloway, Ray, Brown & Kaufman, who was the District's audit manager for the fiscal year ending June 30th, 2024, to present the findings. Mr. Linder began the presentation informing the board of the clean, unmodified audit opinion determined by the auditors, which is the best opinion the District could have received. It was determined there were no transactions which lacked consensus or guidance, and there were no uncorrected misstatements by audit's end. Auditors found the significant accounting estimates developed by management to be responsible and all transactions were recorded in the correct period, resulting in no significant difficulties during the course of the audit.

The most significant change in the District's assets were noted to capital additions, including \$2.5 million being capitalized to the wastewater system and an excavator truck purchase. On the liability and net position side, the most notable change was seen in the long-term liabilities due to the payoff of the tranche payments and the State Revolving Fund. Restricted capacity and connection fees increased \$1.7 million, this was due to \$3.7 million of capacity fees received, offset by the tranche payments. Lastly, the most significant change in the statement of revenue, expenses, and net positions were to operating expenses, which was associated with an increase in operational efficiency at the treatment plants.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Parker made a motion to accept the audited financial statements. This motion was seconded by Director Buzzetta for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

2. President Mauro Moved Consent Items For Discussion To Item I-2 Of The Agenda. Consent Items H-3 Associate Engineer Monthly Status Report, And H-4 Receive Finance Manager Monthly Status Reports, Pulled From Consent Agenda For Board Discussion.

a. H-3 Receive Associate Engineer Monthly Status Report.

Director Buzzetta pulled item H-3 from the consent agenda for discussion. He inquired about well levels and the operation of inactive well #6. Principal Engineer Hillebrecht and GM Lander responded to his questions.

b. H4- Receive Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.

Director Buzzetta additionally pulled item H-4 from the consent agenda to ask about the outstanding past-due customer amounts, which is currently totaled at around \$85,000. General Manager Lander informed Director Buzzetta of the typical \$50-100k unpaid bills

the District saw consistently prior to Covid, stating that the excessive Covid overdue amounts have since been reduced significantly. Director Buzzetta additionally questioned if San Benito Foods were still behind in their O&M payments, to which Mr. Lander informed him a system was officially in place with San Benito Foods to ensure properly timed payments.

Lastly, Director Buzzetta questioned if there had been an increase in complaints due to Lessalt being off and an increase of well water being utilized, to which General Manager Lander informed him there were no immediate complaints. Mr. Lander emphasized that complaints wouldn't immediately be reported, there's an expected fluctuation when it comes to water quality, so complaints aren't to be immediately expected.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Alcorn made a motion to approve consent agenda items H-3 and H-4 that were moved to I-2a and I-2b. This motion was seconded by Director Buzzetta for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

- 3. Receive Staff Report Of Proposed Rates Within New Sewer Service Area, Receive Protests, And Approve Ordinance No. 85 Imposing Rates, Fees, And Charges For Wastewater Service Within The Gavilan Sewer Service Area, Amending Title IV, Section 4.30.030 And Table 4.30.030 Of The Sunnyslope County Water District Code., Statutorily exempt from CEQA as defined by Article 18 California Code of Regulations 15273 (a).**

General Manager Lander presented Ordinance No. 85 pertaining to the new Cielo Vista subdivision and the new Gavilan College construction, informing the board of how the rates are comprised of what the city charges for treatment and what the district has calculated regarding compensation for the collection and pipe maintenance. GM Lander informed the board that no protests were received and commended the board on their part in ensuring the construction of the college was able to move forward without the additional costs of a septic system.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Buzzetta made a motion to approve the first reading of Ordinance No. 85 as written. This motion was seconded by Director Parker for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

- 4. Hold Second Reading Of Ordinance No. 83 To Adopt An Administrative Remedies Procedures For Challenges To Fees, Charges, And Assessments. (CEQA Non-Project, Article 20, Section 15378)**

District Counsel Michael Laredo presented this item, informing the board of the need for a second reading of Ordinance No. 83. No changes were made to the ordinance from the first reading, it is being brought forward for consideration and finalization.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Brown made a motion to approve the second reading of Ordinance No. 83 as written. This motion was seconded by Director Alcorn for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), no; (MA) yes; (JP), yes; and (EM), yes; the motion carried 4-1.

5. Hold Second Reading Of Ordinance No. 84 To Amend Policy #7020 To Increase The Board Of Director's Compensation For Attendance At Meetings And For Service Rendered By Request Of The Board (CEQA Non-Project, Article 20, Section 15378)

District Counsel Michael Laredo presented on this item, referencing the first reading of the ordinance that was held last month where President Mauro requested some modifications prior to returning the ordinance for a second reading. The modifications are as follows; effective date pushed to April 20th, 2025 to increase board compensation by 30% and increase the maximum monthly compensation from \$2,500 to \$2,600 to reflect legal maximum limit of 10 meetings a month.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Alcorn made a motion to approve the second reading of Ordinance No. 84 as written. This motion was seconded by Director Brown for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), no; (MA) yes; (JP), abstained; and (EM), yes; the motion carried 3-1-1.

6. Authorize The General Manager To Proceed With Well #7 Rehabilitation For A Total Cost Not To Exceed \$90,000 (CEQA Categorically Exempt 15301 (d)).

General Manager Lander presented the need to rehabilitate Well #7. During repairs an inspection will take place that will determine if additional work is needed to ensure proper operation.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Parker made a motion to authorize the General Manager to proceed with Well #7 rehabilitation for a total cost not to exceed \$90,000.00. This motion was seconded by Director Alcorn for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

7. Authorize The District President To Sign Resolution No. 604, And Adopting The 2024-25 Salary Schedule To Comply With Calpers Satutory And Regulatory Requirements.

General Manager Lander brings this item to the board to summarize recent union and management negotiations in order to comply with CalPERS satutory and regulatory requirements.

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Alcorn made a motion to authorize the District President to sign Resolution No. 604 and adopting the 2024-2025 salary schedule to comply with CALPERS Statutory and regulatory requirements. This motion was seconded by Director Brown for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

8. General Manager's Contract Item #3.2 Performance Reviews, Incentive Pay In The Amount Of \$9,225.

General Manager Lander presented this item concluding his annual review, having received input from all Board members..

President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Alcorn made a motion to approve General Manager's contract item #3.2 performance reviews, incentive pay in the amount of \$9,225. This motion was seconded by Director Parker for which President Mauro then took a roll call vote as follows: (DB), yes; (JB), yes; (MA) yes; (JP), yes; and (EM), yes; the motion carried 5-0.

J. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** (No Meeting)
2. **Water/Wastewater Committee:** (No Meeting)
3. **Finance Committee:** (No Meeting)
4. **Policy and Procedure Committee:** (No Meeting.)
5. **Personnel Committee:** (Meeting Held October 29th, 2024)
6. **Water Resources Association of San Benito County (WRA):** (No Meeting)

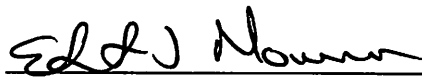
K. BOARD and STAFF REPORTS

1. **Directors:** No Report.
2. **District Counsel:** No Report.
3. **General Manager:** General Manager Lander reported that he attended the Gavilan College grand opening and finished getting the sewer agreement with the City of Hollister fully vested, therefore ensuring Gavilan will be able to receive sewer services. GM Lander also reported that prior Account Technician Dana Sullivan has taken over the role of Assistant Finance Manager and is taking appropriate action to obtain further education related to the field. GM Lander additionally reported that he will be attending a progress meeting with Best Roads Mutual on December 12th and has intentions to schedule a governance meeting with San Benito County towards the end of November. Lastly, GM Lander discussed the invitation of special districts to LAFCO, informing the board it was not brought back due to discussions with other special districts who were not in favor of joining.

L. FUTURE AGENDA ITEMS: Action to replace our outgoing boardmember Jim Parker will be decided in December and a Board Workshop is requested in January to set new 2025 goals for the GM.


M. ADJOURNMENT: President Mauro adjourned the Regular meeting at 6:48 p.m. and retired the board to closed session to complete board discussion of Item C-1.

APPROVED BY THE BOARD:



Edward J. Mauro, President

RESPECTFULLY SUBMITTED:



Drew A. Lander, Secretary