

**MINUTES**  
**Regular Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**November 21<sup>st</sup>, 2023**

**A. CALL TO ORDER:** The meeting was called to order at 4:00 p.m. by President Brown, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

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

**Present via Teleconference:** Director Jerry Buzzetta (JB).

**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. Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

*County of San Benito vs. SSCWD, San Benito County Superior Court Case No. CU-20-00068*

**2. Conference with Legal Counsel – Liability Claims (§ 54956.95):**

*Claimant – Bryan & Jacki Leung*

**3. Management Compensation/Benefits (§ 54957.8)**

*Unrepresented Management Staff Classifications*

**4. Public Employee Performance Review (§ 54957)**

*General Manager*

President Brown retired to closed session at 5:00 p.m. and upon returning to the regular session, moved to take a brief recess at 5:10 p.m. The meeting was reconvened to open session at 5:19 p.m.

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

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

**1. November 2<sup>nd</sup>, 2023 Closed Session- Conference with Legal Counsel – Potential Litigation Pertaining to Urban Area Water Supply and Treatment Agreement (§ 54956.9(d))**

*Urban Area Water Supply & Treatment Agreement- General Direction to continue discussions with the San Benito County Water District to clarify the requirements of the agreement.*

**2. November 20<sup>th</sup>, 2023 & November 21<sup>st</sup>, 2023- Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

*County of San Benito vs. SSCWD, San Benito County Superior Court Case No. CU-20-00068, General Direction given.*

**3. Conference with Legal Counsel – Liability Claims (§ 54956.95):**

*Claimant – Bryan & Jacki Leung*- Director Parker made a motion to reject the liability claim in closed session, seconded by Director Alcorn. The Board rejected the claim 5-0.

**4. Management Compensation/Benefits (§ 54957.8) –**

*Unrepresented Management Staff Classifications- General Discussion*

**5. Public Employee Performance Review (§ 54957) –**

*General Manager- Pushed item to next month’s agenda.*

**F. APPROVAL OF AGENDA:** Upon a motion made to approve the agenda by Director Alcorn, seconded by Director Mauro, for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (EM), yes; (JB), yes; (DB), 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. No comments were received.

**Staff Present for Open Session: In Person:** General Manager/Secretary Drew Lander, Executive Assistant/Stenographer Madison Koester, Water/ Wastewater Superintendent Jose Rodriguez, Finance and HR Manager Barry Kelly.

**H. CONSENT AGENDA:**

Director Buzzetta requested to pull item H-1, Minutes of Regular Board Meeting of October 17<sup>th</sup>, 2023, and asks for further conversation with General Manager Lander before approval. President Brown asked for public comment and upon receiving none, President Brown requested a motion to approve the consent agenda with the removal of Item H-1 to be reviewed by Director Buzzetta and the General Manager and be returned for approval at the next regular meeting of the Board. Upon a motion made by Director Mauro to approve the Consent Agenda with Director Buzzetta’s request, seconded by Director Alcorn, for which President Brown then took a roll call vote as follows: (EM), yes; (JP), yes; (MA), yes; (JB) yes; and (DB) yes; the motion carried 5-0.

~~1. Approval of Minutes of the Regular Board Meeting of October 17<sup>th</sup>, 2023~~ Removed by motion to be returned at the December Regular Board Meeting.

2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of October 1, 2023 through October 31, 2023, totaling \$2,907,813.03 which includes \$1,094,376.64 for payments to vendors, \$254,910.44 for Payroll, \$449,206.51 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$1,519.98 for customer refunds.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
10/03/2023	51737	Peterson Trucks Inc.	\$2,873.70
10/04/2023	51738	A Tool Shed	\$625.60
10/04/2023	51739	Ace Hardware (Johnson Lumber Co.)	\$399.51
10/04/2023	51741	AT&T	\$1,033.45
10/04/2023	51742	Atlas Copco Compressors LLC	\$786.44
10/04/2023	51743	Brigantino Irrigation	\$296.87
10/04/2023	51744	Corbin Willits Systems, Inc. (MOM's)	\$150.00
10/04/2023	51745	David Padilla	\$131.10
10/04/2023	51746	EBCO Pest Control	\$69.00
10/04/2023	51747	exceedio	\$3,205.12
10/04/2023	51748	Hach Company	\$1,807.38
10/04/2023	51749	InfoSend	\$3,403.27

10/04/2023	51750	John Smith Road Landfill	\$1,550.70
10/04/2023	51751	MBS Business Systems	\$617.33
10/04/2023	51752	Mc Gilloway, Ray, Brown & Kaufman	\$10,080.00
10/04/2023	51753	Mission Uniform Service	\$1,166.64
10/04/2023	51754	Petty Cash	\$30.00
10/04/2023	51755	Razzolink.com	\$76.95
10/04/2023	51756	RJR Recycling	\$250.00
10/04/2023	51757	San Benito County Water District	\$301,017.11
10/04/2023	51759	San Benito Engineering & Surveying Inc.	\$7,280.00
10/04/2023	51760	State Water Resources Control Brd-WWOPCP	\$110.00
10/04/2023	51761	State Water Resources Control Brd-WWOPCP	\$110.00
10/04/2023	51762	Toro Petroleum Corp.	\$2,300.45
10/04/2023	51763	TPO	\$1,987.00
10/04/2023	51764	Troy Quick	\$125.54
10/04/2023	51765	True Value Hardware	\$23.10
10/04/2023	51766	U.S. Bank Corporate Payment Systems	\$4,025.22
10/04/2023	51768	UWUA Local 820	\$784.72
10/04/2023	51769	Verizon Wireless	\$519.98
10/04/2023	51770	Wallace Group	\$3,205.00
10/04/2023	ACH2706	Sterling Administration Health	\$150.00
10/04/2023	ACH2707	P G & E	\$33,745.62
10/05/2023	ACH2708	Sterling Administration Health	\$155.29
10/05/2023	ACH2710	Principal	\$3,405.97
10/05/2023	JN00513	Net Pay	\$69,232.88
10/05/2023	JN00513	Total Tax	\$18,518.78
10/06/2023	ACH2709	Sterling Administration Health	\$993.00
10/09/2023	51771	Ace Hardware (Johnson Lumber Co.)	\$145.64
10/09/2023	51772	Assoc. of Calif. Water Agencies (ACWA)	\$815.00
10/09/2023	51773	Assoc. of Calif. Water Agencies (ACWA)	\$815.00
10/09/2023	51774	Assoc. of Calif. Water Agencies (ACWA)	\$815.00
10/09/2023	51775	Brenntag Pacific, Inc.	\$6,164.31
10/09/2023	51776	Brigantino Irrigation	\$536.33
10/09/2023	51777	Employee Relations, Inc.	\$13.22
10/09/2023	51778	Green Line	\$5,470.00
10/09/2023	51779	J M Electric	\$1,670.00
10/09/2023	51780	Maggiora Bros. Drilling, Inc.	\$6,735.26
10/09/2023	51781	Mission Uniform Service	\$816.97
10/09/2023	51782	Palace Business Solutions	\$49.74
10/09/2023	51783	Recology San Benito County	\$342.91
10/09/2023	51784	San Benito County Water District	\$524,285.32
10/09/2023	51786	San Benito County Water District	\$354.25
10/09/2023	51787	State Water Resources Control Board-DWOPCP	\$90.00
10/09/2023	51788	Toro Petroleum Corp.	\$2,064.73
10/09/2023	51789	Trans Union LLC	\$169.46
10/10/2023	ACH2711	Sterling Administration Health	\$25.00
10/10/2023	ACH2712	Sterling Administration Health	\$525.57
10/10/2023	ACH2713	Nationwide Retirements Solutions	\$9,156.61
10/10/2023	ACH2714	iCloud	\$12,689.20
10/11/2023	ACH2715	Sterling Administration Health	\$118.15
10/12/2023	51810	PEGGY & RAY PIERCE, INC RETIREMENT PLAN AND TRUST	\$231.59
10/12/2023	51811	CODY & SHANNON SCHILKE	\$80.69
10/12/2023	51812	GRANITE CONSTRUCTION,	\$587.52

10/12/2023	ACH2716	CalPERS - Retirement	\$23.08
10/12/2023	ACH2717	CalPERS - Retirement	\$8,320.61
10/12/2023	ACH2718	CalPERS - Retirement	\$8,488.77
10/13/2023	51837	EVAN & BONNIE EATON	\$185.25
10/13/2023	ACH2719	Colonial Life	\$1,898.96
10/13/2023	ACH2720	ADP	\$2,221.35
10/16/2023	51790	ACC Business	\$1,323.29
10/16/2023	51791	Ace Hardware (Johnson Lumber Co.)	\$106.77
10/16/2023	51792	ACWA/JPIA	\$11,720.27
10/16/2023	51793	Brenntag Pacific, Inc.	\$32,184.44
10/16/2023	51794	Calcon System, Inc.	\$2,860.00
10/16/2023	51795	Central Ag Supply LLC	\$104.99
10/16/2023	51796	City of Hollister-Finance Dept	\$449,206.51
10/16/2023	51797	CM Analytical, Inc.	\$13,252.50
10/16/2023	51798	Hach Company	\$1,769.18
10/16/2023	51799	Hollister Auto Parts, Inc.	\$163.26
10/16/2023	51800	Maggiora Bros. Drilling, Inc.	\$2,595.86
10/16/2023	51801	Mission Uniform Service	\$940.61
10/16/2023	51802	Primex	\$6,840.00
10/16/2023	51803	Quinn Company	\$912.60
10/16/2023	51804	San Benito County Water District	\$275,069.28
10/16/2023	51805	Sharp Engineering and Construction, Inc.	\$50,870.00
10/16/2023	51806	Simplot Grower Solutions	\$1,426.80
10/16/2023	51807	State Water Resources Control Board-DWOCF	\$90.00
10/16/2023	51808	TPO	\$393.75
10/16/2023	51809	Wallace Group	\$2,467.50
10/16/2023	ACH2721	Sterling Administration Health	\$134.00
10/17/2023	51813	Triplepoint Environmental LLC	\$68,025.38
10/18/2023	ACH2722	Sterling Administration Health	\$185.82
10/19/2023	JN00514	Net Pay	\$67,593.14
10/19/2023	JN00514	Total Tax	\$17,686.60
10/20/2023	ACH2723	CalPERS - Retirement	\$23.08
10/20/2023	ACH2724	CalPERS - Retirement	\$7,638.09
10/20/2023	ACH2725	CalPERS - Retirement	\$8,343.03
10/20/2023	ACH2726	Nationwide Retirements Solutions	\$9,156.61
10/20/2023	ACH2727	CalPERS - Health Insurance	\$23,102.40
10/23/2023	51814	A & B Fire Protection and Safety, Inc.	\$850.00
10/23/2023	51815	A-1 Services	\$403.00
10/23/2023	51816	Ace Hardware (Johnson Lumber Co.)	\$78.58
10/23/2023	51817	Auto Tech Service Center, Inc.	\$980.00
10/23/2023	51818	Brenntag Pacific, Inc.	\$5,885.38
10/23/2023	51819	Brigantino Irrigation	\$152.71
10/23/2023	51820	De Lay & Laredo	\$3,757.50
10/23/2023	51821	EBCO Pest Control	\$69.00
10/23/2023	51822	Edges Electrical Group, LLC	\$243.50
10/23/2023	51823	Hach Company	\$1,347.87
10/23/2023	51824	InfoSend	\$3,406.08
10/23/2023	51825	J & J Air Conditioning	\$515.00
10/23/2023	51826	Mission Uniform Service	\$287.88
10/23/2023	51827	Municipal Maintenance Equipment	\$526,095.00
10/23/2023	51828	Quinn Company	\$1,941.32
10/23/2023	51829	Raftelis Financial Consultants, Inc.	\$4,290.00
10/23/2023	51830	Rain for Rent	\$7,718.49

10/23/2023	51831	San Benito County Water District	\$7,073.50
10/23/2023	51832	San Benito Engineering & Surveying Inc.	\$8,350.00
10/23/2023	51833	Star Concrete	\$179.72
10/23/2023	51834	Toro Petroleum Corp.	\$2,408.65
10/23/2023	51835	Tyler Technologies, Inc.	\$22,530.53
10/23/2023	51836	Unified Truck Services	\$300.00
10/23/2023	ACH2728	Sterling Administration Health	\$35.00
10/25/2023	ACH2729	Sterling Administration Health	\$150.00
10/26/2023	51858	TWIN OAKS COMMUNITY ASSOCIATION,	\$25.88
10/26/2023	51859	WENJING GENG & ZIXUAN WANG	\$14.43
10/26/2023	51860	MARIO AZIZZI	\$167.71
10/26/2023	51861	CATAMOUNT PROPERTIES 2018 LLC,	\$226.91
10/30/2023	51838	Ace Hardware (Johnson Lumber Co.)	\$40.67
10/30/2023	51839	AT&T	\$1,038.26
10/30/2023	51840	Brenntag Pacific, Inc.	\$56,604.99
10/30/2023	51841	Brigantino Irrigation	\$71.08
10/30/2023	51842	Calgon Carbon Corporation	\$71,697.79
10/30/2023	51843	Central Ag Supply LLC	\$1,948.50
10/30/2023	51844	Corbin Willits Systems, Inc. (MOM's)	\$150.00
10/30/2023	51845	CWEA Membership- TCP	\$221.00
10/30/2023	51846	exceedio	\$3,304.12
10/30/2023	51847	Inductive Automation	\$5,948.40
10/30/2023	51848	Mission Uniform Service	\$801.46
10/30/2023	51849	Razzolink.com	\$76.95
10/30/2023	51850	Sharp Engineering and Construction, Inc.	\$29,675.00
10/30/2023	51851	Star Concrete	\$71.01
10/30/2023	51852	Transene Company Inc (Shape Products)	\$152.36
10/30/2023	51853	True Value Hardware	\$147.90
10/30/2023	51854	UWUA Local 820	\$761.64
10/30/2023	51855	Verizon Wireless	\$475.61
10/30/2023	51856	Wallace Group	\$6,661.25
10/30/2023	51857	William K Boltz	\$147.43

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-\$2,907,813.03

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3. Receive Associate Engineer Monthly Status Report. (November Report Not Available)
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.

**I. NEW BUSINESS:**

1. Receive the Audit Report/Presentation By Patricia Kaufman, CPA/Partner, With McGilloway, Ray, Brown & Kaufman On June 30, 2022 Audit. (Not A Project Under CEQA Per Article 20, Section 15378).

General Manager Lander introduced Patricia Kaufman, CPA/Partner with McGilloway, Ray, Brown & Kaufman, to give the board a report/presentation regarding the District's June 30, 2023 audit and the resulting audited financial statements and Governance letter.

Miss. Kaufman stated that the significant audit findings are: Management is responsible for the selection and use of appropriate account policies and the auditors noted no transaction entered into the District books during the FY 2022-23 for which there is lack of authoritative guidance or consensus; account estimates – evaluated the underlying assumptions for allowance for uncollectible accounts, useful lives/depreciation, deferred inflows and outflows, pension liability, and postemployment benefit liability and found them to be appropriate. The sensitive financial statement disclosures are CALPERS GASB statement No. 68, Accounting Valuation Report, with the measurement date of June 30, 2022. The disclosure of Other Post Employment Benefit (OPEB) Plan to the financial statements are GASB Statement 75, Accounting Valuation Report, with the measurement date of June 30, 2022.

Miss. Kaufman stated that current assets increased due to an increase in receivables throughout the year. Capital assets increased mainly due to the purchase of treatment plant equipment and donated assets from developments that were completed. Other non-current assets see a decrease due to the pension asset recognized in the prior year and pension liability in the current year. For total assets the number did increase for this fiscal year by about \$1 million. Miss. Kaufman continued, stating current liabilities decreased mainly due to accounts payable amounts being down. Long-term liabilities decreased due to regular Principal debt service payments. Pension Liability and Net OPEB Liability were a net increase determined by future liability. Miss. Kaufman then stated that the Restricted for Capacity and Connection Fees liabilities decreased due to current year charges in new connections. Lastly, Miss. Kaufman explained that operating revenues increased mainly due to pension credit in the previous year and capacity and connection fees decreased due to the District receiving 101 new water capacity fees, as opposed to last year's 501.

Miss. Kaufman recapped stating that there were no difficulties encountered in performing the audit; there were no disagreements with Management; there were no Management consultations with other independent accountants; and the timing of the audit went according to schedule and the found no delays.

No motion or vote required.

- 2. Approve And Authorize The Board President To Sign Resolution 597, Adopting A Salary Scale Adjustment Of All Management Classifications Along With Incentive Pay Increases For Management Staff Who Acquire CWEA Certifications. (Not A Project As Defined By Article 20, Section 15378 Of The State CEQA Guidelines).**

General Manager Lander spoke on this item, explaining that discussions with management and a Bureau of Labor CPI of 3.7% ending October 2023, are the primary factors for a salary adjustment for managers. Director Alcorn questioned where the 5% came from, to which Mr. Lander explained the 2023 CPI of 3.7% and the 2022 CPI of 7.3%, also touching on the fact that he desires to do more in the future. In addition to the overall salary adjustment, Mr. Lander discusses the importance of particular CWEA certifications and informs the board that he believes managers should be compensated for obtaining certificates. Director Buzzetta commented that although he believes management deserves the salary adjustment, he cannot vote on it at this time due to the District having to run both plants at full capacity, increasing operating costs.

President Brown then asked for any public comment. Upon receiving no public comment, President Brown requested a motion to approve the item. Director Alcorn made a motion to authorize the board president to sign resolution 597, adopting a salary scale adjustment of all management classifications along with incentive pay increases for management staff

who acquire CWEA certifications. This motion was seconded by Director Mauro for which President Brown then took a roll call vote as follows: (JB), no; (MA), yes; (JP) yes; (EM) yes; and (DB) yes; the motion carried 4-1.

**J. BOARD COMMITTEE and STATUS REPORTS**

1. **Governance Committee:** (No meeting)
2. **Water/Wastewater Committee:** (Meeting held November 20<sup>th</sup>, 2023)- Conference with Legal Counsel- Pending Litigation (§ 54956.9)
3. **Finance Committee:** (No meeting)
4. **Policy and Procedure Committee:** (No meeting)
5. **Personnel Committee:** (Meeting Held September 9th)
6. **Water Resources Association of San Benito County (WRA):** (No meeting)

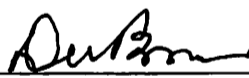
**K. BOARD and STAFF REPORTS**

1. **Directors:** No Report.
2. **District Counsel:** Attorney Michael Laredo reported that he followed direction given at the previous October board meeting and submitted a formal information request from San Benito County Water District.
3. **General Manager:** GM Lander reported the current progress with the City sewer contract for Cielo Vista, indicating it is moving forward slowly as we prepare for sewer videoing and cleaning. Mr. Lander also reported that the rate model is still making progress and the status of the Solar installation is moving forward for a hopeful January operational date.

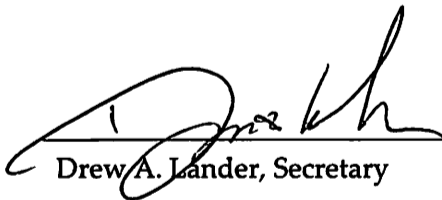
**L. FUTURE AGENDA ITEMS:** Willow Landing Development Agreement, Fairview Corners Development Agreement, Gavilan College Development Agreement, San Benito County/SSCWD – Cielo Vista Sewer Collection Agreement

**M. ADJOURNMENT:** President Brown adjourned the meeting at 6:27 p.m.

APPROVED BY THE BOARD:

  
\_\_\_\_\_  
Dorothy J. L. Brown, President

RESPECTFULLY SUBMITTED:

  
\_\_\_\_\_  
Drew A. Lander, Secretary