

**MINUTES**  
**Special Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**May 15<sup>th</sup>, 2024**

**A. CALL TO ORDER:** The meeting was called to order at 4:15 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. Labor Negotiation Discussion (§ 54957) – Administrative, Operations and Maintenance Collective Bargaining Unit**

*Employee Organization: Utility Workers Union of America AFL-CIO Local 820*  
*District Negotiator: DeLay & Laredo*

President Mauro retired to closed session at 4:15 p.m. and upon returning to the regular session, moved to take a brief recess at 5:24p.m. The meeting was reconvened to open session at 5:29 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. May 7<sup>th</sup>, 2024 Special Meeting- Labor Negotiation Discussion (§ 54957)**  
General Status Discussion, no reportable action taken.

**2. May 15<sup>th</sup>, 2024 Special Meeting- Conference with Legal Counsel (§ 54957)**  
General Status Discussion, no reportable action taken.

**F. APPROVAL OF AGENDA:** President Mauro requested a motion to approve the agenda. Director Brown motioned to approve the agenda, seconded by Director Alcorn, for which President Mauro then took a roll call vote as follows: (JB), yes; (DB), 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. 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. NEW BUSINESS:**

- 1. 2024 RATE MODEL PRESENTATION – Raftelis financial consulting will present the current Water and Wastewater rate recommendations and projections for Board Discussion. This item provides the Board an opportunity to discuss and give direction prior to the public hearing and subsequent motion to distribute 218 notices scheduled for May 28th. Presentation provided by Theresa Jurotich, Raftelis Consultant.**

Teresa Jurotich, a consultant from Raftelis, presented the Water & Wastewater Rate Study to the board for discussion ahead of the upcoming May 28<sup>th</sup> 2024 public hearing. Ms. Jurotich read from the slideshow presentation, answering board member questions along the way with the assistance of General Manager Lander. After finishing her presentation Director Alcorn questioned what the total aggregate compound increase would be for the 5 year rate model, too which Ms. Jurotich informed him it would be around 56%. Finance and Human Resources Manager Barry Kelly spoke up that although the rate model was developed for the next 5 years, the last 5 years where there was no rate increases should be taken into account.

General Manager Lander concluded the conversation by informing the board that this presentation would be brought back to the board at the next regular board meeting on May 28<sup>th</sup>, 2024 seeking a motion to distribute 218 notices.

- 2. WATER QUALITY GOALS DISCUSSION – Staff will provide background for discussion regarding the Water Supply and Treatment Agreement section 3.5 Water Quality goals and current budget planning for FY24-25**

General Manager Lander started the discussion on this item emphasizing how Sunnyslope is attempting to maintain a standard 120 ppm of water hardness throughout the district. In maintaining this number we are diminishing the use of at home water softeners and providing exceptional water quality. In addition to wanting to maintain water quality, San Benito County Water District requested that the City of Hollister and Sunnyslope utilize the full 100% M&I allocation for the year to ensure that our allocation number remains consistent for when we may get a smaller percentage allocation. To achieve this, Sunnyslope was running West Hills & Lessalt treatment plants at full capacity, but it was more costly than past years due to a higher blend of surface water compared to well.

Directors had back and forth conversation that consisted of trying to determine what the best water quality we could provide would be, at the best cost to consumers. Directors Buzzetta and Alcorn went back and forth, with Director Buzzetta discussing creating solutions for individual customers in areas where water quality isn't as good, particularly near the wells. Director Alcorn argued that although we weren't hearing the complaints directly, there was a larger population out there not happy with subpar water quality. General Manager Lander stepped in and informed the board that when running 5,000-5,500 acre feet of water through the plants on a yearly basis the district was maintaining a 120 ppm hardness throughout. With the upcoming rate increase the district should be able to keep up with the additional costs of running the plants at that high of a capacity. Directors agreed that if the district can maintain costs and quality then that's the best route to take, with the knowledge that if this proves not to be financially feasible the district will have to make adjustments to what they are willing to treat in future years.

Director Buzzetta voiced his concerns pertaining The Hollister Urban Area Water Supply and Treatment Agreement including a \$175 resiliency charge and the absence of requested financial documentation explaining raw water costs, something the district has been

seeking for the last year. Director Buzzetta requested to seek a motion to proceed with good faith negotiations with San Benito County Water District, but due to technical difficulties the District's attorney, Michael Laredo, dropped off the Zoom call. Without the District attorney present Board President Mauro did not feel comfortable proceeding with a motion, to which General Manager Lander suggested bringing back the item in the following board meeting.

**3. Consider Approval Of An "Amendment 1" To The Agreement For Water And Sewer Facilities And Service For The Fairview Corners Development To Allow The Developer To Pay All Due Sanitary Sewer Impact And Connection Fees Directly To Sunnyslope Water District Upon Recordation Of The Final Map For The Fairview Corners Subdivision. (Not A Project Under CEQA Per Article 20, Section 15378)**

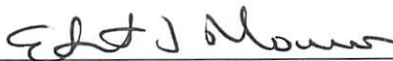
General Manager Lander spoke on this item, it was brought to the board at the request of the Fairview Corner's Developers. Last month the Board approved an agreement for water and sewer facilities and service to the Fairview Corners Development, but the developers have since run into a timing issue in paying the connection fees to the City of Hollister. Due to timing constraints Gavilan College is requiring sewer services to be operational by mid June, but the subdivision map is being processed with the County of San Benito with recordation in July. In order to make it work the developers are requesting Sunnyslope hold a payment lien for the connection fees in the event that the completion of the sewer improvements precedes the map recordation.

Director Brown commented that although she's very supportive of the college and wanting to ensure it goes in, she worries that if the developers can't come up with the money Sunnyslope would be on the hook while taking action on a lean could take months. For this reason, Director Brown decided to vote no on this item.

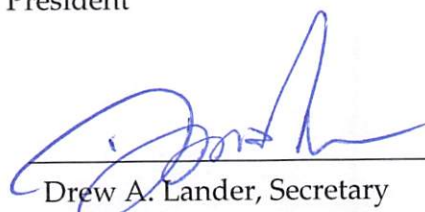
President Mauro then asked for any public comment. Upon receiving no public comment, President Mauro requested a motion to approve the item. Director Parker made a motion to consider approval of an "Amendment 1" to the agreement for water and sewer facilities and service for the Fairview Corners development to allow the developer to pay all due sanitary sewer impact and connection fees directly to Sunnyslope Water District upon recordation of the final map for the Fairview Corners subdivision. This motion was seconded by Director Alcorn for which President Mauro then took a roll call vote as follows: (JB), yes; (DB), no; (MA) yes; (JP) yes; and (EM), yes; the motion carried 4-1.

**I. ADJOURNMENT:** President Mauro adjourned the meeting at 7:38 p.m.

APPROVED BY THE BOARD:

  
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Edward J. Mauro, President

RESPECTFULLY SUBMITTED:

  
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Drew A. Lander, Secretary