

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
February 21, 2023

A. CALL TO ORDER: The meeting was called to order at 4:21 p.m. by President Brown, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California. Virtual meeting access was provided using a Zoom access code for public participation.

ROLL CALL: Present in Person: President Dee Brown (DB), Vice President Edward Mauro (EM), Director Jerry Buzzetta (JB), Director James Parker (JP), Director Mike Alcorn (MA) arrived at 4:50 p.m. during closed session.

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 members of the public were identified in attendance present or virtually at the commencement of the closed session proceedings.

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

****Director Alcorn arrived and joined the closed session at 4:50 p.m.**

President Brown retired to closed session at 4:22 p.m. and upon returning to the regular session, moved to take a brief recess at 4:58 p.m. until 5:15. The meeting was reconvened to open session at 5:16 p.m.

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

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

1. Conference with Legal Counsel- Pending Litigation (§54956.9)

District Counsel, Micheal Laredo provided closed session summary noting a general status update was provided to the Board and no reportable actions taken.

- **APPROVAL OF AGENDA:** President Brown asked the board members for a motion to approve the agenda. Director Buzzetta asked that page 58 be edited to match the agenda item G-6, in place of the incorrect G-7 identified. Director Mauro asked that the agenda reflect that the Finance committee met February 10th for a meeting. General Manager Lander noted that Item G-4 had a typo on the word "contract". Upon a motion made by Director Mauro to approve the agenda as amended, seconded by Director Alcorn, for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (JB), yes; (EM), yes; (DB), yes; the motion carried 5-0.
- **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.

Audience member Marty Miller identified himself and requested the Board consider agenizing a future discussion to review and reconsider the cost of connection fees as they apply to the Twin Oaks subdivision, a local development. He shared the water usage

estimates and landscaping needs for the retirement community and asked the board to acknowledge that this type of community development has less water demand needs and therefore should benefit from reduced connection fees. Following Mr. Miller, audience member Bob Huenemann raised his hand on the virtual platform and when allowed to speak he asked that the audio quality be improved as he cannot hear all speakers clearly.

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

F. CONSENT AGENDA:

1. Approval of Minutes of the Special Board Meeting of February 21st, 2023.
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of February 1, 2023 through February 28, 2022, totaling \$1,195,845.09 which includes \$207,799.01 for payments to vendors, \$248,680.21 for Payroll, \$409,198.11 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$1,489.65 for customer refunds.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
02/02/2023	50972	Ace Hardware (Johnson Lumber Co.)	\$23.13
02/02/2023	50973	Brenntag Pacific, Inc.	\$1,149.89
02/02/2023	50974	CWEA Membership- TCP	\$200.00
02/02/2023	50975	EBCO Pest Control	\$69.00
02/02/2023	50976	Hach Company	\$2,471.33
02/02/2023	50977	Mission Uniform Service	\$415.75
02/02/2023	50978	O'Reilly Auto Parts	\$29.49
02/02/2023	50979	Razzolink.com	\$76.95
02/02/2023	50980	San Benito County Water District	\$750.75
02/02/2023	50981	San Benito Tire Pros & Automotive	\$25.00
02/02/2023	50982	Star Concrete	\$1,496.73
02/02/2023	50983	Transene Company Inc (Shape Products)	\$152.36
02/02/2023	50984	USA Blue Book	\$828.34
02/02/2023	50985	UWUA Local 820	\$738.56
02/02/2023	ACH 2489	Sterling Administration Health	\$75.00
02/03/2023	ACH 2490	Intuit, Inc.	\$110.38
02/03/2023	ACH 2491	Intuit, Inc.	\$12.73
02/03/2023	ACH 2492	Sterling Administration Health	\$41.32
02/03/2023	ACH 2493	ADP	\$67.26
02/06/2023	ACH 2494	Principal	\$3,714.32
02/08/2023	50986	AT&T	\$445.45
02/08/2023	50987	AT&T	\$534.12
02/08/2023	50988	AT&T	\$500.00
02/08/2023	50989	City of Hollister-Finance Dept	\$409,198.11
02/08/2023	50990	Ferguson Enterprises, Inc.	\$326.29
02/08/2023	50991	Frisch Engineering Inc.	\$720.00
02/08/2023	50992	Hach Company	\$894.32
02/08/2023	50993	Iconix Waterworks (US) Inc.	\$2,542.43
02/08/2023	50994	Maggiora Bros. Drilling, Inc.	\$1,400.00
02/08/2023	50995	Mission Uniform Service	\$403.37
02/08/2023	50996	MNS Engineers, Inc.	\$215.00
02/08/2023	50997	Postal Graphics	\$1,666.51
02/08/2023	50998	Procure America	\$305.74
02/08/2023	50999	Recology San Benito County	\$326.68
02/08/2023	51000	San Benito Tire Pros & Automotive	\$730.07
02/08/2023	51001	Simplot Grower Solutions	\$1,473.78
02/08/2023	51002	Star Concrete	\$226.15
02/08/2023	51003	Toro Petroleum Corp.	\$2,315.92

02/08/2023	ACH 2495	Sterling Administration Health	\$150.00
02/08/2023	ACH 2496	iCloud	\$11,395.20
02/09/2023	JN00346	Net Pay	\$67,982.48
02/09/2023	JN00346	Total Tax	\$16,843.35
02/10/2023	ACH 2497	CalPERS - Retirement	\$23.08
02/10/2023	ACH 2498	CalPERS - Retirement	\$7,013.56
02/10/2023	ACH 2499	CalPERS - Retirement	\$7,918.50
02/10/2023	ACH 2500	CalPERS - Retirement	\$200.00
02/10/2023	ACH 2501	CalPERS - Retirement	\$1,010.96
02/10/2023	ACH 2502	CalPERS - Retirement	\$240.17
02/10/2023	ACH 2503	CalPERS - Retirement	\$3,997.58
02/10/2023	ACH 2504	ADP	\$2,146.41
02/13/2023	ACH 2505	Sterling Administration Health	\$140.00
02/14/2023	ACH 2506	Nationwide Retirements Solutions	\$8,908.81
02/15/2023	51004	ACC Business	\$1,323.29
02/15/2023	51005	Ace Hardware (Johnson Lumber Co.)	\$32.08
02/15/2023	51006	Adan Cervantes	\$65.00
02/15/2023	51007	Backflow Apparatus & Valve Co. (BAVCO)	\$649.53
02/15/2023	51008	CM Analytical, Inc.	\$10,943.75
02/15/2023	51009	De Lay & Laredo	\$2,300.00
02/15/2023	51010	Green Line	\$2,760.00
02/15/2023	51011	Green Valley Farm Supply, Inc	\$4,858.98
02/15/2023	51012	Mc Gilloway, Ray, Brown & Kaufman	\$6,980.00
02/15/2023	51013	Mission Uniform Service	\$415.75
02/15/2023	51014	MNS Engineers, Inc.	\$10,827.00
02/15/2023	51015	San Benito County Water District	\$327,927.36
02/15/2023	51017	Trans Union LLC	\$219.10
02/15/2023	51018	U.S. Bank Corporate Payment Systems	\$4,052.17
02/15/2023	51020	USA Blue Book	\$164.10
02/15/2023	51021	Wallace Group	\$357.00
02/15/2023	ACH 2507	Sterling Administration Health	\$113.00
02/16/2023	51022	CWEA Membership- TCP	\$200.00
02/17/2023	ACH 2508	Sterling Administration Health	\$160.00
02/22/2023	ACH 2509	Sterling Administration Health	\$5.00
02/22/2023	ACH 2510	ADP	\$264.10
02/23/2023	51023	A-1 Services	\$403.00
02/23/2023	51024	Ace Hardware (Johnson Lumber Co.)	\$630.26
02/23/2023	51025	Brenntag Pacific, Inc.	\$1,312.83
02/23/2023	51026	Brigantino Irrigation	\$19.99
02/23/2023	51027	Buckles-Smith	\$13,841.94
02/23/2023	51028	CA Dept. of Tax & Fee Administration	\$1,099.00
02/23/2023	51029	Central Ag Supply LLC	\$262.08
02/23/2023	51030	Eva Green Power	\$7,800.00
02/23/2023	51031	Exceedio	\$3,204.87
02/23/2023	51032	Green Line	\$1,410.00
02/23/2023	51033	Konica Minolta Premier Finance	\$416.76
02/23/2023	51034	Meter, Valve & Control	\$43,842.74
02/23/2023	51035	Mission Uniform Service	\$403.37
02/23/2023	51036	O'Reilly Auto Parts	\$219.22
02/23/2023	51037	Palace Business Solutions	\$453.34
02/23/2023	51038	Petty Cash	\$210.42
02/23/2023	51039	Postal Graphics	\$40.92
02/23/2023	51040	Raftelis Financial Consultants, Inc.	\$4,257.50
02/23/2023	51041	Regional Government Services	\$89.50
02/23/2023	51042	Toro Petroleum Corp.	\$1,983.82

02/23/2023	51043	Tyler Technologies, Inc.	\$4,339.12
02/23/2023	51044	USA Blue Book	\$1,203.24
02/23/2023	51045	UWUA Local 820	\$738.56
02/23/2023	JN00347	Net Pay	\$66,586.24
02/23/2023	JN00347	Total Tax	\$16,534.83
02/24/2023	ACH 2511	Sterling Administration Health	\$15.00
02/24/2023	ACH 2512	CalPERS - Retirement	\$23.08
02/24/2023	ACH 2513	CalPERS - Retirement	\$7,043.62
02/24/2023	ACH 2514	CalPERS - Retirement	\$7,918.50
02/24/2023	ACH 2515	Nationwide Retirements Solutions	\$8,908.81
02/24/2023	ACH 2516	CalPERS - Health Insurance	\$23,108.00
02/27/2023	ACH 2517	Sterling Administration Health	\$5.00
02/28/2023	51046	SERENA & THEADORE RICO	\$18.83
02/28/2023	51047	GLORIA POPOWSKI	\$163.88
02/28/2023	51048	OPENDOOR LABS INC.,	\$85.92
02/28/2023	51049	YOSHIFUMI R & NANCY M TAMAKI	\$167.53
02/28/2023	51050	HECTOR PEREZ	\$25.76
02/28/2023	51051	DUSTIN TEIBEL	\$193.65
02/28/2023	51052	NINA SWENDING	\$444.62
02/28/2023	51053	ROBERT POSTIGO	\$31.62
02/28/2023	51054	LULU MICHELOTTI IRREVOCABLE TRUST,	\$148.28
02/28/2023	51055	ANITA LUCKETTI	\$29.55
02/28/2023	51056	ROGGIE TRUJILLO	\$69.40
02/28/2023	51057	TAMMY & JEFFREY CASALEGNO	\$84.09
02/28/2023	51059	MERITAGE HOMES OF CALIFORNIA,	\$26.52
02/28/2023	ACH 2518	P G & E	\$36,770.34
			Total- \$1,195,845.09

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.

President Brown asked for public comment and upon receiving none, President Brown requested a motion to approve the consent agenda. Upon a motion made by Director Alcorn to approve the Consent Agenda, seconded by Director Mauro, for which President Brown then took a roll call vote as follows: (EM), yes; (JB), yes; (JP), yes; (MA) yes; and (DB) yes; the motion carried 5-0.

G. NEW BUSINESS:

1. **Approve And Authorize A Capacity Fee Credit In The Amount Of \$33,996.09 To Anderson Homes For The Installation Of A Pressure Reducing Station In The Santana Ranch Development. (EIR Certified By San Benito County Resolutions 2010-10 And 2010-11 Complying With CEQA.**

General Manager Lander explained the basis of the fee credit is a needed improvement on the future irrigation system that solely benefits the district. The Developer has requested a full reimbursement of \$43,267.76 however the staff recommendation includes cost plus overhead of 10% and does not include other soft costs. Vice President, Regina Waldren spoke on behalf of Anderson Homes and provided additional supporting information to the board regarding the relevancy of the reimbursement request. President Brown invited board discussion and all board members provided comment on this matter and inquired about past project costs, precedent of

past project reimbursements and why staff required these improvements at this time. Mr. Lander responded to these questions and President Brown returned discussion to the board and asked for a motion.

Director Parker made a motion to approve as written and reimburse the project as recommended in the staff report. Director Mauro seconded the motion and President Brown called for a vote by roll call. Director Alcorn requested to abstain from the vote as he did not feel he had enough background. Directors JP and EM voted Yes and Buzzetta and Brown voted no. This resulted in a tie 2-2-1 and President Brown asked for a new motion. Director JB asked for additional background pertaining to what president would be set by using a 15% overhead reimbursement. GM Lander responded that 15% is not a significant cost change if the board wished to make a new motion to approve.

Director Alcorn presented a new motion changing the reimbursement of overhead to 15% of the hard costs at \$35,541.37 because the overhead was not specified by staff earlier in the process. President Brown seconded this motion for which President Buzzetta then took a roll call vote as follows: (EM), no; (JB), no; (JP) no; (MA) yes; and (DB) yes. The motion failed 2-3.

GM Lander informed the Board that another motion is required, or the Board will need to provide staff with direction to proceed. Director Alcorn presented the original motion made by Director Parker to approve as written and reimburse the project as recommended in the staff report. This motion was seconded by Director Parker for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (DB), yes; (EM) yes; and (JB) yes; the motion carried 5-0.

2. Receive And Discuss Six-Month Budget Review Of District's Financial Performance From July 1, 2022 Thru December 31, 2022. (Not A Project Under CEQA Per Article 20, Section 15378).

President Brown asked staff member Barry Kelly to summarize the six-month budget review. Mr. Kelly said that currently the budget appears to be tracking well. Revenue is within \$25,000 of projections. Some cost pressures associated with increased electricity use due to pumping at the well heads increased expenses, but labor is tracking lower so the difference is on track. He drew attention to the MBS investments income which has increased income by \$100,000 so far.

Director Mauro noted that it appears our rates are little low because we appear to be short as predicted in the budget and our new connections are carrying the budget income. Barry confirmed this. Director Alcorn pointed out that several variances in the written report presentation are related to our conversion to the Tyler finance system and do not reflect errors in the current budgeting. Barry confirmed that for this year we must look at the overall budget numbers and next year we will have apples to apples comparisons. Barry indicated page 46 of the board packet helps to explain some of that.

President Brown asked for additional board comments, then invited public comments and hearing no public comments she thanked staff for the presentation and moved to the next time.

3. Approve Resolution #585 Ratifying Emergency Expenditure Per District Policy 8100.1 Subsection D And Action Taken By The General Manager To Prevent Sanitary Sewer Overflow On Fred's Lane. (Categorically Exempt From CEQA Under Article 19, Section 15301 B) And D), And Article 19, Section 15302 C)

General Manager explained the emergency nature of the Fred's Lane sewer repair. Directors Buzzetta and Alcorn asked questions regarding risk and liability and then President Brown asked for a board motion. Director Buzzetta made a motion to approve, and this motion was seconded by Director Parker for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (JB) yes; (EM) yes; and (DB) yes; the motion carried 5-0.

- 4. Authorize The General Manager To Cancel Amendment 1 Approved By The Board On December 15, 2022 And Approve General Manager To Execute A Revised Contact Amendment #2 For Professional Services With Raftelis Financial Consultants For The Development Of Water And Sewer Rates As Needed To Include The Best Road Mutual Water Company Into The District For An Amount Not To Exceed \$18,000. (Not A Project Under CEQA Per Article 20, Section 15378).**

General Manager Lander explained that this item is a revision to a prior contract amendment. The cost has increased due to expanded scope and requires an additional memo from the consultant to expedite work with Best Road Mutual Water Company and keep the project on schedule. President Brown asked for public comment and receiving none requested a motion from the Board members. A motion to authorize the general manager to execute amendment #2 was made by Director Alcorn. This motion was seconded by Director Mauro for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (JB) yes; (EM) yes; and (DB) yes; the motion carried 5-0.

Prior to continuing with the agenda General Manager Lander excused the remaining Sunnyslope staff in the meeting due to the late hour of the meeting.

- 5. Authorize The Sale Of Surplus Office Equipment Per District Policy 8510. (Not A Project Under CEQA Per Article 20, Section 15378).**

General Manager Lander summarized the staff report requesting to surplus equipment. President Brown asked for public comment and receiving none requested a motion from the Board members. A motion to approve Resolution no. 586 to surplus excess equipment was made by Director Parker. This motion was seconded by Director Mauro for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (JB) yes; (EM) yes; and (DB) yes; the motion carried 5-0.

- 6. Provide The General Manager Direction For Topics To Be Included In The Summer News Letter (Not A Project Under CEQA Per Article 20, Section 15378).**

The Board discussed and provided the General Manager with additional ideas for the Summer Newsletter. Water quality and aquifer recover topics were discussed. Director Buzzetta asked for some discussion about Sunnyslope's reaction to residential growth in the community and an explanation that Sunnyslope does not set community growth goals. No public comment was received.

- 7. General Manager To Provide Oral Update Regarding EVA Green Power Progress For Ridgemark WWTP Solar Design And Receive Direction From The Board.**

General Manager Lander shared progress and asked the Board to schedule a special meeting for the following Tuesday if possible to review and approve the solar projects that are being worked on by staff. Board agreed that a meeting at 6 p.m. could work and the GM will send out an invitation to all board members to confirm.

H. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** (No meeting)
- 2. Water/Wastewater Committee:** (Meeting held on February 7th, Directors JP and JB in attendance)
- 3. Finance Committee:** (Meeting held on February 10th, Directors EM and MA in attendance)
- 4. Policy and Procedure Committee:** (Meeting held February 7th, Directors JP and JB in attendance)

5. **Personnel Committee:** (Meeting held February 17th, Directors DB and EM in attendance)
6. **Water Resources Association of San Benito County (WRA):** (Meeting held February 2nd and Director MA was in attendance)


I. BOARD and STAFF REPORTS

1. **Directors:** No Report.
2. **District Counsel:** Attorney Michael Laredo informed the board that there have been some Brown Act rule changes that affect the Covid Pandemic changes. The District is currently compliant.
3. **General Manager:** General Manager/Secretary Lander gave an update on the website performance and confirmed that there is significant public traffic. He also provided and update on the Best Road Mutual Water Company water annexation progress.

J. FUTURE AGENDA ITEMS: None identified.

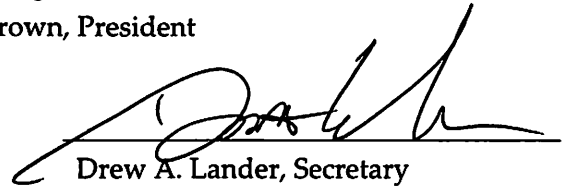
K. ADJOURNMENT: President Brown adjourned the meeting at 7:05 p.m.

APPROVED BY THE BOARD:



Dorothy J. L. Brown, President

RESPECTFULLY SUBMITTED:



Drew A. Lander, Secretary