

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
January 21, 2020

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

B. ROLL CALL: Present: President James Parker, Vice President Jerry Buzzetta, Director Mike Alcorn, Director Judi Johnson (arrived at 4:40 p.m.), and Director Ann Ross.

C. PUBLIC COMMENT ON CLOSED SESSION MATTERS: Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of 3 minutes per speaker. No public comment was made.

Staff Present for Closed Session: General Manager/Secretary Drew Lander and Attorney Heidi Quinn.

D. CLOSED SESSION (PURSUANT TO Government Code Section 54956.9(b) & 54957.6): At 4:35 p.m., President Parker closed the meeting to the public to discuss the following:

1. **Conference with Legal Counsel** – Anticipated Litigation, Gov. Code § 54956.9(b): – One case.

2. **Labor Negotiation** – Gov. Code §54957.6:

District Negotiators: Drew Lander, General Manager regarding

Employee Organization: Management Staff

President Parker reconvened the meeting at 5:20 p.m.

E. PLEDGE OF ALLEGIANCE: Director Buzzetta led Directors, staff, and public in the Pledge of Allegiance.

F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION: Attorney Heidi Quinn reported that for the first closed session item, District Counsel provided a report on the Anticipated Litigation, Gov. Code § 54956.9(b), and no reportable action was taken. Attorney Quinn reported that discussion on the second closed session item, Labor Negotiations, Gov. Code § 54957.6, regarding Management Staff, was not concluded, and that a second Closed Session will be needed at the end of the regular meeting to continue the discussion.

G. APPROVAL OF AGENDA: Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 5-0, the agenda was approved as presented.

H. 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 public comment was made.

Staff present for Open Session: General Manager/Secretary Drew Lander, Attorney Heidi Quinn, Executive Assistant/Stenographer Carol Porteur, Water/Wastewater Superintendent Jose Rodriguez, Finance & Human Resource Manager Cathy Buck, and Associate Engineer Rob Hillebrecht.

I. CONSENT AGENDA:

1. Approval of Minutes – The Board reviewed the minutes for the Regular Meeting of December 17, 2019. Director Johnson stated that she had already pointed out a minor correction to Executive Assistant Carol Porteur earlier in the day and it was corrected.

2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of December 10, 2019 through January 13, 2020, totaling \$1,894,140.97, which includes \$1,532,064.72 for payments to vendors and employees, \$356,509.70 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$5,566.55 for customer refunds and checks returned. The last “ACH” # (electronic payments) was ACH #1601, the last “DD” # (direct deposit-electronic employee payments) was DD #2790, and the last check written was check #27648.

Date	Number	Name	Amount
12/13/19	ACH 1578	EFTPS	\$ -372.02
12/16/19	ACH 1579	RETURNED CHECK (Ck Ret 12-01)	-1,537.78
12/16/19	ACH 1580	RETURNED CHECK (Ck Ret 12-02)	-200.00
12/18/19	ACH 1581	RETURNED ACH (ACH Ret 12-01)	-151.72
12/18/19	ACH 1582	RETURNED ACH (ACH Ret 12-02)	-175.22
12/19/19	ACH 1583	RETURNED ACH (ACH Ret 12-03)	-117.41
12/19/19	ACH 1584	RETURNED ACH (ACH Ret 12-04)	-57.86
12/19/19	ACH 1585	RETURNED ACH (ACH Ret 12-05)	-177.94
12/19/19	ACH 1586	RETURNED ACH (ACH Ret 12-06)	-163.71
12/31/19	ACH 1587	CalPERS - Retirement	-1,036.00
12/31/19	ACH 1588	CalPERS - Retirement	-3,199.41
12/31/19	ACH 1589	CalPERS - Retirement	-25,988.17
12/31/19	ACH 1590	CalPERS - Health Insurance	-14,654.92
12/31/19	ACH 1591	CalPERS - Retirement	-2,896.00

Date	Number	Name	Amount
12/31/19	ACH 1592	EFTPS	-28,738.80
12/31/19	ACH 1593	Employment Dev. Dept. (EDD) DE88 Pmts.	-11,202.21
12/31/19	ACH 1594	CalPERS - Retirement	-1,248.24
01/03/20	ACH 1595	Pathian Administrators (VSP)	-307.44
01/03/20	ACH 1596	Transfer to LAIF	-800,000.00
01/03/20	ACH 1597	North American Bancard	-1,677.72
01/03/20	ACH 1598	North American Bancard	-1,305.64
01/03/20	ACH 1599	American Express	-24.62
01/08/20	ACH 1601	North American Bancard	-38.39
12/13/19	DD 2763	Alcorn, Michael H.	-567.27
12/13/19	DD 2764	Buzzetta, Jerry T	-184.70
12/13/19	DD 2765	Johnson, Judi H.	-184.70
12/13/19	DD 2766	Parker, James F	-277.05
12/13/19	DD 2767	Ross, Ann C.	-567.27
12/31/19	DD 2768	Alvarez, Abel	-6,045.95
12/31/19	DD 2769	Bernal, Melissa M	-6.47
12/31/19	DD 2770	Boltz, William K	-3,477.59
12/31/19	DD 2771	Buck, Cathy L.	-6,469.93
12/31/19	DD 2772	Burbank, Jr., Dee J.	-6,024.77
12/31/19	DD 2773	Castro, Kevin G.	-5,666.09
12/31/19	DD 2774	Chavez, Jr., Manuel T.	-9,824.47
12/31/19	DD 2775	Eclarin, Ernesto P.	-7,212.96
12/31/19	DD 2776	Filice, James L.	-7,250.72
12/31/19	DD 2777	Hernandez, Bazilio	-6,349.76
12/31/19	DD 2778	Hillebrecht, Robert B.	-5,401.74
12/31/19	DD 2779	Lander, Drew A	-8,859.56
12/31/19	DD 2780	Malko, Kim A.	-3,965.28
12/31/19	DD 2781	Norman, III, Walter R.	-5,010.59
12/31/19	DD 2782	Padilla, David	-6,408.85
12/31/19	DD 2783	Porteur, Carol A.	-4,610.82
12/31/19	DD 2784	Quick, Troy E.	-7,791.18
12/31/19	DD 2785	Ridenhour, Donald G.	-3,769.99
12/31/19	DD 2786	Roberts, Kelly L.	-5,057.91
12/31/19	DD 2787	Rodriguez, Jose J.	-6,963.70
12/31/19	DD 2788	Vargas Garcia, Michael J	-6,448.21
12/31/19	DD 2789	Watson, Scott A.	-7,691.32
12/31/19	DD 2790	Zavala, Anabel G.	-4,458.36
12/16/19	27551	CORNETT INVESTMENT LLC	-145.74
12/16/19	27552	RENEE & JOHN KUNZ	-20.52
12/16/19	27553	Brenntag Pacific, Inc.	-7,570.45
12/16/19	27554	Hach Company	-513.31
12/16/19	27555	Interstate Battery System of San Jose Inc	-82.13

Date	Number	Name	Amount
12/16/19	27556	Itron, Inc.	-1,439.28
12/16/19	27557	Mc Master-Carr	-648.76
12/16/19	27558	OnTrac	-14.39
12/16/19	27559	Pinnacle Agriculture	-892.30
12/16/19	27560	Ralph Andersen & Associates	-2,500.00
12/16/19	27561	Recology San Benito County	-208.63
12/16/19	27562	San Benito County Water District	-291.00
12/16/19	27563	Star Concrete	-573.82
12/16/19	27564	State Water Resources Control Board-DWOCP	-105.00
12/16/19	27565	State Water Resources Control Brd-WWOPCP	-220.00
12/16/19	27566	Trans Union LLC	-150.34
12/23/19	27567	A-1 Services	-844.00
12/23/19	27568	Auto Tech Service Center, Inc.	-79.00
12/23/19	27569	Bianchi Kasavan & Pope, LLP	-1,069.50
12/23/19	27570	Brenntag Pacific, Inc.	-11,311.54
12/23/19	27571	Central Ag Supply LLC	-54.10
12/23/19	27572	City of Hollister-Finance Dept	-356,509.70
12/23/19	27573	CM Analytical, Inc.	-7,683.75
12/23/19	27574	De Lay & Laredo	-3,296.50
12/23/19	27575	First Trust Alarm Company	-698.00
12/23/19	27576	MBS Business Systems	-1,307.48
12/23/19	27577	Pinnacle HealthCare	-40.00
12/23/19	27578	State Water Resources Control Board-DWOCP	-105.00
12/23/19	27579	Toro Petroleum Corp.	-1,239.95
12/23/19	27580	USA Blue Book	-521.43
12/23/19	27581	Veolia Water Technologies	-6,370.51
12/23/19	27582	REBECCA WOLF & GEOFF ARNOLD	-44.07
12/23/19	27583	H & M PROPERTY MANAGEMENT	-183.10
12/23/19	27584	JULIE & SHAWN SENDEJAS	-8.20
12/31/19	27585	Nationwide Retirements Solutions	-24,044.56
12/31/19	27586	United Way of San Benito County	-150.00
12/31/19	27587	UWUA Local 820	-600.00
12/31/19	27588	Dearborn National Life Insurance Company	-288.00
12/31/19	27589	Premier Access Insurance Co.	-3,171.53
12/24/19	27590	Postmaster	-178.38
12/30/19	27591	Assoc. of Calif. Water Agencies (ACWA)	-16,695.00
12/30/19	27592	Ben Caputo Printing	-207.67
12/30/19	27593	Brenntag Pacific, Inc.	-7,400.11
12/30/19	27594	Ferguson Enterprises, Inc.	-144.24
12/30/19	27595	Franchise Tax Board	-61.63
12/30/19	27596	J L Wingert Co.	-2,141.52
12/30/19	27597	Konica Minolta Premier Finance	-416.76

Date	Number	Name	Amount
12/30/19	27598	Mc Master-Carr	-29.77
12/30/19	27599	Palace Business Solutions	-218.36
12/30/19	27600	Postmaster	-2,136.57
12/30/19	27601	Power Equipment Co.	-32.13
12/30/19	27602	Rianda Air, Inc.	-3,875.00
12/30/19	27603	San Benito County Water District	-319,797.86
12/30/19	27604	Petty Cash	-5.00
12/30/19	27605	DON CHAPIN CO	-643.40
12/30/19	27606	VSS INTERNATIONAL	-286.96
01/06/20	27607	Accurate Air Engineering Inc - Lodi	-1,151.76
01/06/20	27608	Ace Hardware (Johnson Lumber Co.)	-205.30
01/06/20	27609	AT&T	-415.56
01/06/20	27610	Brenntag Pacific, Inc.	-24,855.56
01/06/20	27611	De Lay & Laredo	-3,143.50
01/06/20	27612	EBCO Pest Control	-60.00
01/06/20	27613	Fastenal Company	-13.35
01/06/20	27614	First Trust Alarm Company	-80.00
01/06/20	27615	Hach Company	-609.07
01/06/20	27616	Iconix Waterworks (US) Inc.	-337.63
01/06/20	27617	Mission Uniform Service	-1,107.60
01/06/20	27618	Palace Business Solutions	-40.00
01/06/20	27619	San Benito County Water District	-222.25
01/06/20	27620	Star Concrete	-462.67
01/06/20	27621	Toro Petroleum Corp.	-1,344.21
01/06/20	27622	USA Blue Book	-1,129.38
01/06/20	27623	Verizon Wireless	-438.66
01/06/20	27624	ACWA/JPIA	-12,122.14
01/06/20	27625	LU GAN & JIHONG CHEN	-128.44
01/06/20	27626	TIM FERGUSON	-51.00
01/06/20	27627	MAREK & ANGRA JEZ	-118.62
01/06/20	27628	RONALD C MEAGHER	-264.70
01/06/20	27629	POWERHOUSE REALTY	-116.56
01/06/20	27630	SANCO PIPELINES	-486.80
01/13/20	27631	TEICHERT CONSTRUCTION	-486.80
01/13/20	27632	AT&T	-211.16
01/13/20	27633	Ben Caputo Printing	-275.71
01/13/20	27634	Blinds by Design	-50.00
01/13/20	27635	Central Ag Supply LLC	-1,103.18
01/13/20	27636	CWEA Membership- TCP	-175.00
01/13/20	27637	Franchise Tax Board	-82.50
01/13/20	27638	Interstate Battery System of San Jose Inc	-149.25
01/13/20	27639	Mc Master-Carr	-39.14

Date	Number	Name	Amount
01/13/20	27640	P G & E	-17,874.28
01/13/20	27641	Pinnacle HealthCare	-254.00
01/13/20	27642	Postal Graphics	-14.68
01/13/20	27643	Razzolink.com	-76.95
01/13/20	27644	Recology San Benito County	-208.63
01/13/20	27645	State Water Resources Control Board-DWOCP	-220.00
01/13/20	27646	State Water Resources Control Brd-WWOPCP	-230.00
01/13/20	27647	Trans Union LLC	-118.82
01/13/20	27648	U.S. Bank Corporate Payment Systems	-2,581.73
			\$ -1,894,140.97

Director Johnson commented that the checks issued to the State Water Resources Control Board are licensing fees for the Water/Wastewater Maintenance Staff, and she is pleased to see staff continuing their education and licensing. Director Johnson also pointed out check #27624 to ACWA/JPIA in the amount of \$12,122.14 which is for the District’s 4th Quarter Workers Compensation.

Upon motion made by Director Johnson, seconded by Director Alcorn, and carried 5-0 the Consent Agenda was approved as presented.

J. NEW BUSINESS:

1. OUT OF CLASS ASSIGNMENT POLICY, NO ACTION, INFORMATIONAL ONLY (Not a project under CEQA per Article 20, Section 15378): General

Manager/Secretary Lander stated that the District currently does not have an adopted policy addressing compensation of employees asked to perform assignments outside of their immediate job classification for extended durations. A draft of the policy was attached and was reviewed by the Employee & Personal Committee on January 9th. It is being brought to the full Board for discussion purposes. The policy has also been shared with the Local 820 president and vice-president but has not yet been approved by their body.

Although it is within the General Manager’s “exclusive right and power to manage its operations and direct its workforce” (Agreement, June 18, 2019 – pg. 3), the collective bargaining agreement specifically addresses “Compensation” and “Merritt/Step Advancement within Range”, and all amendments and modifications to the agreement are required to be executed by both parties signatory to the agreement. This report has been provided for informational purposes at this time as no action is proposed without collective employee support.

Director Johnson stated that the Personnel Committee discussed the policy and made adjustments to the Out of Class Assignment Policy draft it reviewed, resulting in the draft

before the Board today, and she feels the information is clearly stated in the staff report. Director Johnson stated that the committee would be happy to answer any questions the Directors may have, which there were none.

K. 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 held. General Manager/Secretary Lander stated that he would like to set up a meeting in early February to discuss purchasing policy/expense reimbursement; updates in the Employee Handbook; and the changes for the Board Agendas.
5. **Personnel Committee:** General Manager/Secretary Lander reported that a meeting was held on January 9th to discuss temporarily assigning Lead Water Treatment Plant and Lead Water/Wastewater Utility Plant positions to chief operator status in order to satisfy legal licensing requirements for treatment and distribution. Mr. Lander also reported that due to Cathy Buck retiring, discussion was held on options for timing of hiring her replacement, and position qualifications for Finance & Human Resources Manager.
6. **Water Resources Association of San Benito County (WRA):** No meeting held. Director Johnson reported that the next meeting is scheduled for February 6th at 4 p.m. at San Benito County Water District.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck prepared her monthly written narrative report on the Operation Summary (thru December 31, 2019), Statement of Income (thru November 30, 2019), and Investment Summary (thru December 31, 2019). Ms. Buck asked if the Directors had any questions, which there were none.

The District's Investment Summary report reflects the total cash balance as of December 31, 2019 of \$10,931,199.58, which includes posted interest totaling \$76,947.26 (six months interest on the Money Market account, and interest on the LAIF investment that posted in July and October). Ms. Buck reported that since this Investment Summary report was completed she has made two transfers to LAIF, one on January 3rd for \$800,000, and another on January 21st (today) for \$500,000, which are both primarily due to the number of capacity fees that have been collected in the past few months.

Director Alcorn stated that he would like to have a Finance Committee meeting in the near future to discuss the allocation of excess funds, which General Manager/Secretary Lander agreed.

Director Johnson stated that she would like a report on the terms of the three Tranche accounts and Cathy Buck stated that she would include that in her February Narrative Report.

Water/Wastewater Superintendent Jose Rodriguez reported on the December 31, 2019 Maintenance Staff Report, and asked the Board if there were any questions. Director Johnson asked about the repaired fire hydrant located at 1271 Aspen Circle. Mr. Rodriguez explained that the hydrant was 20 years old and was made of cast iron, so rust develops in that amount of time, and through the flushing process, the hydrant begins to leak. Director Ross inquired as to what was the cause of a “brown water” condition after fire hydrant flushing. Mr. Lander explained that high velocity water in older pipes temporarily suspends sediments in the pipes. This causes a visible problem but not a health concern. This condition rarely happens during District system operations.

In reviewing of the Meter Reading Report for the period of November 13, 2019 to December 16, 2019, the intertie meter data indicates the City received 15.5% of Lessalt Water Treatment Plant water, while the District received 84.5%, and the City received 73.8% of the West Hills Water Treatment Plant water, while the District received 26.2%.

L. BOARD and STAFF REPORTS

1. **Directors:** Director Johnson reported that General Manager/Secretary Lander signed her up for a webinar on “Dealing with Difficult Board Members”, which she agreed was beneficial, and she was refreshed on the Brown Act and how to conduct oneself and get along in the meetings.
2. **District Counsel:** No report.
3. **Finance and Human Resource Manager:** Cathy Buck reminded the Directors that the annual Form 700 is due by April 1st. She offered to anyone interested, to come into the office and she would help them submit their form on-line.
4. **Associate Engineer:** No report.
5. **General Manager:** General Manager/Secretary Lander reported that on December 19th Water Treatment Plant Operator Billy Boltz was in an accident that was not his fault, but the truck is in the shop for repairs; on January 12th a passing vehicle took out a communications

pole at the Lessalt Water Treatment Plant and staff was called in on a Sunday evening; the Auditor's RFP needs to be completed; and an updated job description for Cathy Buck's position needs to be completed. Mr. Lander would like to make a few changes as to how managers report out on the Board Meeting Agenda by providing written reports which will be included in the Consent Agenda during future meetings. These changes will occur at the February Board meeting and if the Board finds them beneficial then they will continue. He also asked if the February Board Meeting could be changed from February 18th to February 25th as he has an out of town commitment with his son, which the board members agreed to the change.

M. FUTURE AGENDA ITEMS: Sexual Harassment Prevention and Brown Act Training; and any future policy changes from the Policy and Procedures committee meeting.

N. CLOSED SESSION CONTINUED (PURSUANT TO Government Code Section § 54957): At 5:58 p.m., President Parker recessed the meeting to take a board photograph for the District's website. President Parker reconvened the public meeting at 6:15 p.m. and immediately closed the meeting to the public for a second time to continue the discussion of Agenda item D.2.: **Labor Negotiation Discussion** – Gov. Code §54957: - Management Staff.

President Parker reconvened the meeting to open session at 6:28 p.m.

O. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:
Attorney Quinn reported that discussion on the second closed session item, Labor Negotiations, Gov. Code § 54957.6, regarding Management Staff resulted in Director Johnson making a motion to: Appoint the GM as the labor negotiator for the District, with the assistance of De Lay & Laredo; Directed the GM to open negotiations with management staff, solicit proposals from management; and return to the Board for direction. Mr. Lander, as the negotiator, shall provide regular updates to the Board. The motion was seconded by Director Alcorn and carried unanimously (5-0) by the board.

P. ADJOURNMENT: President Parker adjourned the meeting at 6:35 p.m.

APPROVED BY THE BOARD: *s/ James F. Parker*
James F. Parker, President

RESPECTFULLY SUBMITTED: *s/ Drew A. Lander*
Drew A. Lander, Secretary