

January 11, 2016
Special Meeting
6:00 p.m.

The Board of Directors of the San Benito County Water District convened in special session on at 6:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Sonny Flores, Vice President John Tobias and Directors Frank Bettencourt, Joe Tonascia and Bob Huenemann. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel David E. Pipal, Assistant Manager Sara Singleton, Water Conservation Program Manager Shawn Novack, Water Resources Technician 1 Michael Craig, Engineer I David Macdonald and Office Specialist III Barbara Mauro.

CALL TO ORDER

The meeting was called to order by President Flores at 6:00 p.m.

PLEDGE OF ALLEGIANCE

President Flores led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

With a motion by Vice President Tobias and seconded by Director Tonascia, the Agenda was unanimously approved.

AGENDA ITEMS:

1. Allowance of Claims

With a motion by Director Tonascia and seconded by Director Bettencourt, the claims were unanimously approved.

2. Proof of Publication submitted on Notice of Public Hearing, Annual Groundwater Report

Mrs. Mauro verified publication for the Public Hearing.

3. Public Hearing regarding 2015 Annual Groundwater Report

Mr. Cattaneo thanked Michael Craig and David Macdonald, District staff, who provided assistance for this report. He introduced Iris Priestaf and Maureen Reilly from Todd Groundwater who will be making the presentation of the report.

a. Presentation of Report

Ms. Priestaf began by stating she and Ms. Reilly were assisted by Gus Yates and Chad Taylor for this report, from her staff. She began with a review of the agenda for the presentation.

2015, per Ms. Priestaf, had continued drought but did show urban water conservation efforts were successful. Water use was essentially the same, with groundwater use higher due to the lack of CVP water. Upcoming, is the Sustainable Groundwater Management Act (SGMA).

Regarding SGMA, Ms. Priestaf gave the proposed timeline and how boundary modifications will be addressed. The District will consider becoming a

Groundwater Sustainability Agency to oversee the water basins in our area. Ms. Priestaf reviewed the milestones proposed by DWR going through 2017 which is their deadline. She also stated what items can be covered through our annual groundwater reports from 2016 through 2019.

Regarding Basin Boundary Changes, for the Groundwater Sustainability Act the deadline is June 2017. For Groundwater Sustainability Plans, the deadline is January 2022. The affected basins will be medium/high priority basins and will be modified upon request.

The basic boundary issues are:

- Reasonable hydrogeology; is it productive? Connected?
- Who has jurisdiction?
- How can the entire basin be managed?
- Is boundary modification warranted?

Ms. Priestaf discussed several basins in her report. The basin containing the Pacheco Water District has a reservoir and stream and she suggested the District work with Santa Clara Valley Water District (SCVWD) on a collaborative GSP for this basin. Also, she recommended a boundary modification for the San Juan subbasin, again, working with SCVWD.

The Pajaro Valley Basin may also need modification, per Ms. Priestaf. It is critically over drafted and is currently under the jurisdiction of the Pajaro Valley Water Management Agency. Mr. Cattaneo added the District is not obligated to take on this basin. Discussion ensued about how to handle the Pajaro Valley Basin and what work would need to be done with both the Department of Water Resources and the State Water Regulatory Board.

Ms. Priestaf discussed the internal boundaries and suggested the District keep the current boundaries for now and stated the District may consider including some of the smaller basins.

Ms. Reilly reviewed the 2015 data from the report. This is the 4th year of below average precipitation. However, the rainfall this year is ahead of the two previous years. Ms. Reilly stated the reduced CVP allocation showed groundwater use to be at 86% of total water use. In April, Governor Brown ordered mandatory urban water conservation. Because groundwater use was up and CVP availability was down, there has been a decline in the water levels. Bolsa Southeast is down 18', Hollister West 27' and San Juan Valley 28'.

Recovery, per Ms. Reilly, will be due to active precipitation. The outlook will depend on the snowpack (and the temperatures) and rainfall to refill the local reservoirs.

Recommendations, based on this report are: Groundwater rates for Zone 6 to be: \$4.95 for Agriculture and \$24.95 for Municipal and Industrial. The focus for Groundwater recharge should be where it is needed most. Also, Ms. Reilly stated

collaboration with the District's neighbors for the Groundwater Sustainability Act is recommended.

- b. **Questions of Directors**
There were no questions from the Board.
 - c. **Open Public Hearing**
President Flores opened the Public Hearing.
 - d. **Close Public Hearing or continue to later date**
President Flores, having no public comments, closed the Public Hearing.
4. **Acceptance of 2015 Annual Groundwater Report**
- a. **Consider Adoption of Statement of Findings and Recommendations**
With a motion by Director Huenemann and seconded by Vice President Tobias, the Board of Directors unanimously adopted the statement of findings and recommendations from the 2015 Annual Groundwater Report.
 - b. **Consider Acceptance of 2015 Annual Groundwater Report**
With a motion by Director Bettencourt and seconded by Director Tonascia, the Board of Directors unanimously accepted the 2015 Annual Groundwater Report.
5. **Public Hearing regarding San Benito County Water District's Intention to undertake a Project—"Recycled Water Storage Pond Project"**
- a. **Proof of Publication submitted for Notice of Public Hearing**
Mrs. Mauro verified publication for the Public Hearing.
 - b. **Presentation of the Recycled Water Project Retention Ponds**
Mr. Cattaneo reviewed this item for the Board. The engineer's estimate for this project is \$1.2 million and if approved, staff anticipates moving forward in early May.
 - c. **Questions of Directors**
There were no questions from the Board.
 - d. **Open Public Hearing**
President Flores opened the Public Hearing.
 - e. **Close Public Hearing or continue to later date**
President Flores, seeing no public comments, closed the Public Hearing.
 - f. **Consider Resolution to Approve Project**
With a motion by Vice President Tobias and a second by Director Tonascia, Resolution #2016-01, *A Resolution of the Board of Directors of the San Benito County Water District to Approve a Project "Recycled Water Project Retention Ponds"* was unanimously approved.

6. Discuss and Consider Resolution for the Exception to the 180-Day Wait Period for Post-Retirement Employment for Jeffrey Ray GC sections 7522.56 & 21224

Mr. Cattaneo stated the 180 day wait period is a legal requirement for CalPers for post-retirement employment. Mr. Ray has special skills the District needs and it would be on a temporary basis. ELC Consulting has been working with Mr. Ray and District for approximately 6 months to get the District's information to the "Cloud". This work was not completed prior to Mr. Ray's retirement. To complete this work, Mr. Cattaneo stated the District would like to hire Mr. Ray on a part-time basis, for approximately 20 hours/month (average) to complete this work, and other advanced SCADA issues.

Mrs. Singleton added, the District worked with CalPers' compliance department and this situation does fall into the exception category.

With a motion by Director Bettencourt and seconded by Director Huenemann, Resolution #2016-02, *A Resolution of the Board of Directors of the San Benito County Water District for Exception to the 180-Day Wait Period for Post-Retirement Employment for Jeffrey Ray GC sections 7522.56 & 21224* was unanimously approved.

7. Discuss and Consider Recycled Water Storage Pond Project Hold Harmless Agreement between the San Benito County Water District and the City of Hollister

Mr. Cattaneo stated this is related to the project just approved. The City of Hollister (COH) operates the Reclamation Plant and the District will be the sole recycled water provider. This agreement, between the COH and the District is tied to the Lessalt WTP and the West Hills WTP. The District, per Mr. Cattaneo, would find daily storage of the recycled water from the plant beneficial. Utilizing the current storage ponds of the COH, the District will contract a smaller pond with 10 acre feet of storage, to capture the night/weekend recycled water coming from the plant. In order to do this work, the District needs to have a Hold-Harmless Agreement for the COH and is more of an administrative action by the District. District Counsel drew up the agreement but it has not been reviewed by the COH. Counsel might need to make some minor adjustments to the agreement, once they have reviewed it.

Director Bettencourt asked if it is just for the construction of the ponds. Mr. Cattaneo stated it is for this construction of the ponds and any other work the District needs to maintain the recycled water project that involves the COH's facilities.

With no further questions, a motion was made by Director Tonascia, allowing for any minor changes District Counsel states are warranted, and seconded by Vice President Tobias; the Board of Directors unanimously approved the Recycled Water Storage Pond Project Hold Harmless Agreement between the San Benito County Water District and the City of Hollister.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 6:47.

Minutes were approved at the January 27, 2016 Board Meeting and signed by the presiding Board member.

/s/Sonny Flores
Sonny Flores, President

/s/Barbara L. Mauro
Barbara L. Mauro, Recording Secretary