

February 24, 2016
Regular Meeting
6:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, February 24, 2016 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 Joe Tonascia and Bob Huenemann; Director Frank Bettencourt was absent. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel David E. Pipal, Assistant Manager Sara Singleton, Supervising Accountant Natalie Sullivan, Consultant Harry Blohm and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

President Flores called the meeting to order at 6:00 p.m.

- a. **Pledge of Allegiance to the Flag**
President Flores led the Pledge of Allegiance.
- b. **Speakers will be limited to 5 minutes to address the Board; rebuttal will be limited to 3 minutes; no new business agenda items will be heard after 9:00 p.m.**
- c. **Approval of Agenda**
With a motion by Director Tonascia and a second by Vice President Tobias; the agenda was unanimously approved.
- d. **Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda**
There were no public comments.

CONSENT AGENDA:

- | | | |
|--|-------------------------|------------------------|
| 1. Approval of Minutes for: | January 27, 2016 | Regular Meeting |
| | February 1, 2016 | Special Meeting |
| 2. Allowance of Claims | | |
| 3. Acknowledgement of Paid Claims prior to the February Board Meeting | | |

With a motion by Director Tonascia and a second by Director Huenemann; the Consent Agenda was unanimously approved.

REGULAR AGENDA:

- 4. **Discuss and Consider Resolution Establishing the District’s Policy for Inter-Subsystem Water Transfers for the 2016-2017 Water Contract Year**
Mr. Cattaneo stated this resolution is the same as last year, just the dates have changed. This comes before the Board each year because it sunsets.

Director Huenemann asked why Group 3 is different. Mr. Cattaneo stated Subs 6, 7 & 8 are unlimited but the other subsystems are limited to 1.2 AF per acre. There were no other questions.

A motion was made by Vice President Tobias and seconded by Director Tonascia; Resolution #2016-06 *A Resolution of the Board of Directors of the San Benito County Water District Establishing the District's Policy for Inter-Subsystem Water Transfers for the 2016-2017 Water Contract Year* was unanimously approved.

5. Discuss and Consider Resolution Setting Forth the District's Intentions Regarding Percolation of San Felipe Project Water for Water Contract Year 2016-2017

Mr. Cattaneo stated this resolution is also the same as last year and is the recommended percolation from the Annual Groundwater Report presented to the Board in January.

With no questions from the Board, a motion was made by Director Tonascia and seconded by Vice President Tobias; Resolution #2016-07 *A Resolution of the Board of Directors of the San Benito County Water District Setting Forth the District's Intentions Regarding Percolation of San Felipe Project Water for Water Contract Year 2016-2017* was unanimously approved.

6. Discuss and Consider Authorizing District Manager Execute a Contract Amendment with ELC Consulting for Advanced IT Services

Mr. Cattaneo stated with Jeff Ray's retirement, the District is considering expanding the scope of the IT services provided by ELC Consulting. In the District's pursuit of transferring its data to the Cloud, a fiber optic line has been installed. The contract proposed would cover all the servers, the desktops and all software upgrades. Eventually, Mr. Cattaneo stated the servers will not be needed when the data is all in the Cloud. There are two options from ELC; a 1 year proposal and a 3 year proposal. Each includes 8 hours per month of in-house work at the District. The 1 year has an opt-out option. In the 3 year, without default on ELC's part, if the District opted-out in year 2 or 3, the District would still be obligated to pay. Mr. Cattaneo presented the 3 year costs for each option. The 3 year contract would save the District approximately \$30,000 over 3 years.

Director Huenemann asked how the handout given at the meeting relates to the transmittal and contracts. Mr. Cattaneo stated it shows the service costs following the Cloud migration, as the District is almost at that point. Director Huenemann thought the purpose of the Cloud was to save costs. Mr. Cattaneo replied ELC will be maintaining all of our hardware but also maintaining and storing all of the District's data, which all comes with costs. Director Huenemann stated ELC's costs were lower before. Mr. Cattaneo stated that they are now performing of the work previously done by Jeff Ray. .

With no further questions, a motion was made by Vice President Tobias, for the 3 year option, and seconded by Director Tonascia; the Board of Directors unanimously approved of a 3 year contract amendment with ELC Consulting for Advanced IT Services.

7. Discuss and Consider HDR Crosstown Pipeline Preliminary Design Study Proposal

Mr. Cattaneo stated this contract would go through the District but there will be no financial impact on the District. Timing of this study is critical to meet the schedule as work is on-going at the West Hills Water Treatment Plant. The City of Hollister's Council will have this to review and approve and Mr. Cattaneo stated it will not be executed until this has been done.

Vice President Tobias asked when the Council meeting is. Mr. Blohm stated it is going to the City on March 7th and to Sunnyslope County Water District's Board on March 17th. Mr. Cattaneo added the City will pay us and it is up to them to negotiate with Sunnyslope about their share.

A motion was made by Director Tonascia, contingent upon the City of Hollister's approval, and seconded by Director Huenemann; the Board of Directors unanimously approved the HDR Crosstown Pipeline Preliminary Design Study Proposal.

8. Staff Report on the Hollister Urban Area Water and Wastewater Master Plan Update

Mr. Blohm began with an update on the West Hills WTP, which is now 5 months into construction. Weather has been good, so progress is being made. Using a PowerPoint presentation, Mr. Blohm showed photos from the construction site. Mr. Blohm stated concrete is being poured every other day and when complete, it will be back filled around the tank site. Mr. Blohm stated the construction company remains on schedule.

Richard Bettencourt, a member of the audience, asked if corrosion would be an issue at the site. Mr. Blohm stated no.

We had students in the audience, so Director Tonascia gave a brief description of the new water treatment plant construction and its purpose for improving the City of Hollister's water.

Mr. Bettencourt also asked about the back filling around the tank. Mr. Blohm stated some of what was excavated has been removed and the remainder was saved for the back fill process.

Next, Mr. Blohm gave an update on the Chromium VI issue. As discussed earlier in the meeting, HDR has proposed a solution to the Chromium VI associated with the crosstown pipeline, which is linked to the Master Plan update. Staff is coordinating between the Master Plan update and the Crosstown Pipeline proposal. HDR has completed a technical memorandum on the water demand forecast, which is the first task for the update. HDR is working on both the master plan update and the crosstown pipeline.

9. Committee/Agency Representative Reports:

a) San Luis Delta Mendota Water Authority (Tobias/Tonascia)

As per Mr. Cattaneo, it was reported the upcoming water year, beginning March 1st, will begin with a -0- allocation. 4 pumps are currently running, for now. There are approximately 2500 acre feet of transfer water in San Luis at the present time. Mr. Cattaneo stated the order of water allocation for CVP is: 1) Exchange contractors 2) Refugees 3) M & I and 4) Ag. Director Tonascia added, the budget was passed, including the public advisory. He added the snowpack is reported to be at 120% of normal. Mr. Cattaneo stated the snowpack is now around 90%.

- b) **Pajaro River Watershed Flood Prevention Authority (Bettencourt/Flores)**
Director Bettencourt attended the meeting, but is not in attendance to give a report.
- c) **Water Resources Association (Flores/Bettencourt)**
Director Flores was unable to attend the meeting but Mr. Cattaneo reported the extension by Governor Brown regarding water conservation was the main topic.
- d) **Administration Committee (Tobias/Flores)**
Directors Tobias and Flores reported this has been discussed already; the committee reviewed the ELC Consulting proposals.
- e) **Finance Committee (Bettencourt/Tonascia)**
As per Director Tonascia, the 2nd quarter reporting was reviewed with the committee.
- f) **Personnel Committee (Tobias/Tonascia)**
As per Mr. Cattaneo, the committee interviewed Garrett Haertel. He was offered the position, accepted it and will be starting at the District on March 21, 2016.
- g) **Zone 6 Water Supply Committee (Tobias/Flores)**
As per Mr. Cattaneo, the two resolutions approved earlier in the meeting, were reviewed by the committee.
- h) **City of Hollister RDA Advisory (Tobias)**
As per Director Tobias, there was not a meeting.

10. District Manager/Engineer's Report:

- a) **Reach 1 Operations**
Mr. Cattaneo reported the Bureau denied the District's request to use the Reserve Fund as they deemed it did not qualify based on the terms of the contract. The District plans to go back to the Bureau and cite where in the contract the use for the Reserve is stated.

Mr. Cattaneo also reported a meeting was held with Santa Clara Valley Water District (SCVWD). The evaluation of the Reach 1 pipe was discussed and the anticipated schedule for the evaluation to be done December 2016 through February 2017 and Bifurcation will be out of service. The estimated cost will be \$5-\$6 million and will include the replacement of all the isolation valves. SCVWD is still talking about installing a second isolation valve at bifurcation, which Mr. Cattaneo isn't convinced is necessary. The cost for this additional valve will be about \$300,000 to \$400,000.
- b) **Zone 3 Operations**
Mr. Cattaneo reported the telemetry equipment at Hernandez is working now and there are now approximately 1000 acre feet of water in storage. Tres Pinos Creek is running a little and the District released water from the San Benito River into Paicines Reservoir but it is dry now due to evaporation and percolating in the dry

ground. It has been brought to Mr. Cattaneo's attention that a vineyard in Zone 3 has expanded and using their well to irrigate outside of Zone 3 which is not permitted. Landowners are concerned it is affecting the groundwater levels and the District may need to address this issue.

c) Zone 6 Operations

Mr. Cattaneo reported that the District is operating Flow 1 out of San Justo Reservoir, so Subs 6-11 are operating solely off of San Justo and he is trying to maximize the storage in the reservoir. This summer, Mr. Cattaneo reported he will switch and shut off Flow 2, running only Sub10 & 11 off of San Justo and run the other Subs through Bifurcation.

The Bureau may give the District an initial allocation in late March. Mr. Cattaneo is expecting the Ag allocation to remain at -0- and the M & I allocation might be 25-35% of historical use.

d) San Luis Delta Mendota Authority Activities

Mr. Cattaneo reported this has already been covered.

e) Pacheco Pass Water District

Mr. Cattaneo reported there is no change at this time. The District did make a commitment to LAFCO for an answer in March but haven't met with SCVWD yet.

Richard Bettencourt, a member of the audience, asked about the report done on Pacheco Pass Water District and if the report could be shared. Mr. Cattaneo stated GEI has done an initial assessment and it is in draft form but yes, he can provide it to Mr. Bettencourt.

11. Adjournment

With no further business to discuss, the meeting was adjourned at 6:52 p.m.

Approved at the March 30, 2016 meeting and signed by the presiding board member.

/s/Sonny Flores
Sonny Flores, President

/s/Barbara L. Mauro
Barbara L. Mauro, Board Clerk