

May 25, 2016
Regular Meeting
6:02 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, May 25, 2016 at 6:02 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 Director Bob Huenemann. Director Frank Bettencourt, Director Joe Tonascia and District Counsel David E. Pipal were absent. Also present were District Manager/Engineer Jeff Cattaneo, 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 6:02 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 Vice President Tobias and a second by Director Huenemann, 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: April 27, 2016 Regular Meeting**
2. **Allowance of Claims**

With no questions from the Board, a motion was made by Director Huenemann and seconded by Vice President Tobias; the Consent Agenda was unanimously approved.

REGULAR AGENDA:

3. **Discuss and Consider Amendment to Dahl Consultants Construction Management Contract for Recycled Water to include the Recycled Water Storage Pond Project (NTE \$ 40,020)**

Mr. Cattaneo stated the Recycled Water Pipeline is complete but to fully utilize the recycled water, it is imperative the District build a storage pond to capture the recycled water at night and on the weekends. The District would be asking for Dahl to do the design review of GEI's proposal for the storage pond project and then be the construction manager for the project. Mr. Cattaneo stated Dahl is doing a great job and the District could simply amend their current contract for recycled water.

Vice President Tobias asked if there is a timetable for the ponds and will there be a bid. Mr. Cattaneo stated he had a discussion with District Counsel and because the two

projects are really one project dependent on the other, the District could forego the public bid process and negotiate a change order with Auburn Constructors, Inc. Auburn is a logical choice for this work, as they have materials and equipment ready and are in close proximity to the site for the pond. Also, the price should be lower than going to bid. Auburn understands the job and the District's expectations. Wayne and John Dahl as well as Harry Blohm have years of experience in negotiations and they will negotiate the pond project with Auburn.

Vice President Tobias asked about savings. Mr. Cattaneo stated there should be savings. Mr. Blohm added, due to their current status at the WHWTP site, there would not be a need for mobilization and demobilization charges. Vice President Tobias further asked if Auburn has done similar work before. Mr. Cattaneo replied they have and will most likely use Monterey Peninsula Engineering as a sub (they are currently a sub on the WHWTP project). Mr. Blohm added Auburn has significant experience with synthetic liners.

Director Huenemann asked if this item could pass with 3 votes or did it require a 4/5 of the Board, as we only have 3 members at the meeting. Mr. Cattaneo stated it would take a unanimous vote of the three Board members present tonight.

With no further questions, a motion was made by Vice President Tobias and seconded by Director Huenemann; the Board of Directors unanimously approved the Amendment to Dahl Consultants Construction Management Contract for Recycled Water to include the Recycled Water Storage Pond Project (NTE \$ 40,020).

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

Mr. Blohm began with a report on the WHWTP. The latest schedule for Auburn shows the project is approximately 3 months ahead of schedule. Work at the site includes piping, concrete work and the pre-treatment facility. The completion of the clear well will be next. Mr. Blohm discussed dates that would be good for site visits for the Board.

Mr. Blohm then reported on the status of the Master Plan Update. Discussions have been had regarding the draft water projection forecasting demands and the methodology from the original Master Plan is being used.

Vice President Tobias asked if the demand projections will be presented to the Governance Committee. Mr. Blohm reported yes and staff is working with both HDR and Todd Groundwater, as Todd is working on the Urban Water Management Plan (UWMP). Both consultants are reviewing projected development. Mr. Blohm reported the demand projections will go to the Management Committee, then the Governance and then to all the agencies.

Vice President Tobias asked if groundwater sustainability is also being discussed. Mr. Cattaneo reported no, as the parameters for the sustainability is still in flux by the State. The demand forecast is different from the groundwater sustainability. Mr. Blohm reported the group is carrying forward the quantity demand as well as the water quality so there is an overall balance with quality and availability.

Director Huenemann asked who makes the decision for the Sustainability Groundwater Agency. Mr. Cattaneo stated the Board would make the decision if the District will become the Agency. Director Huenemann asked if it is premature for staff to work on SGMA (Sustainability Groundwater Management Agency) issues before the Board decides whether to become the Sustainability Agency. Mr. Cattaneo stated the Board would require information and analysis from staff in order to make an informed decision. Therefore, some staff time is required. And if the District would decline, Director Huenemann asked if it would then default to the County. Mr. Cattaneo stated yes it would default to the County, assuming the County was willing to take it on. If not, the State would then assume responsibility and look to appoint an entity to become the Groundwater Sustainability Agency.

Vice President Tobias stated it makes sense for the District to be the agency as it would seem to be a step backward to not do it. Mr. Cattaneo suggested putting this on a future agenda as we are beginning to discuss something not on the agenda. Director Huenemann stated discussion at that time would be fine.

5. Committee/Agency Representative Reports:

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

As per Mr. Cattaneo, at the last meeting, the Authority was hopeful for an increase in the Ag allocation, however; discussion was that the increase is now unlikely. Also discussed was a temperature management plan for Shasta for cold water storage for fish passage. Expectations are that San Luis Reservoir will fill by the end of February. The SEC is investigating Westland's regarding their accounting practices. Mr. Cattaneo also reported letters went out to customers about the availability of additional water, for which the District should have approximately 2000 AF. Currently, only 1 pump is running but the Authority anticipates running 3 pumps sometime in June and as many as 5 pumps in August or September.

b) Association of California Water Agencies—Joint Powers Insurance Authority (Bettencourt)

Director Bettencourt attended the recent JPIA Board of Directors Meeting, but is absent and unable to provide a report.

c) Finance Committee (Bettencourt/Tonascia)

As per Mrs. Singleton, the 3rd Quarter Reporting was presented to the committee.

d) San Luis & Delta-Mendota Water Authority Public Advisory (Tonascia)

Director Tonascia is absent and unable to provide a report.

6. District Manager/Engineer's Report:

a) Reach 1 Operations

Santa Clara Valley Water District (SCVWD) and Bureau, have decided an inspection of the Pacheco Conduit must be done, per Mr. Cattaneo. It is suspected there are broken wires. The inspection will require dewatering the line and also to install acoustic monitoring. Mr. Cattaneo reported there may be 4 sections that need a similar repair to the SCVWD's pipe failure last year. The

approximate cost per section is \$200,000. The estimate for the full inspection and rehabilitation is \$7.5 million. Part of this job will be to replace both butterfly valves at Bifurcation and SCVWD is still insisting a 2nd valve be installed for the Hollister Conduit at Bifurcation. This additional valve would be \$250,000 more. Mr. Cattaneo stated there would be some utility to the District to have a 2nd valve there. Our share of the proposed inspection/repairs would be \$1.6 million and will be in the District's next budget year.

b) Zone 3 Operations

Mr. Cattaneo reported he had hoped the Hernandez Operational Plan would be further along, but it isn't quite complete. He is also waiting for GEI to complete the Hernandez Emergency Operational Plan.

c) Zone 6 Operations

Mr. Cattaneo reported the inspection of the Pacheco Conduit will mean a minimum 3 month shutdown, which will mean for the District that for a 4 week period during the shutdown, from Bifurcation to Lone Tree, that area will be completely out of service. The anticipated time frame is mid-January through the end of February, 2017. Mr. Cattaneo stated this is a better time for the District, as the original proposed shutdown was to be in September. This will give us the opportunity to fill San Justo Reservoir and deliver from there during the shutdown.

Vice President Tobias asked when it would be finalized. Mr. Cattaneo stated the date is close to January 13th. The only delay could be getting the necessary permits, valves or any other needed items. Vice President Tobias also asked if we will have outreach to our customers regarding the shutdown. Mr. Cattaneo stated yes, sometime in the fall and asked what time he thought would be appropriate. Vice President Tobias stated September or October is when planning would begin. Mr. Cattaneo reported he will work with the water office for customer notification.

Additional water, being offered to our customers, will cost \$760 per acre foot and we have approximately 2000 AF. This water should be available July 1st per Mr. Cattaneo.

d) San Luis Delta Mendota Authority Activities

Mr. Cattaneo reported this was covered earlier under SLDMWA Committee report.

e) Recycled Water

Mr. Cattaneo reported the storage ponds were discussed earlier, during the discussion about Dahl Consultant's contract amendment.

7. CLOSED SESSION:

Conference with legal counsel—Existing litigation

Government Code 54956.9(a)

San Benito County Water District v. Randy McAlpine (CL-13-00437)

8. **CLOSED SESSION:**
Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Agency Negotiator: District Manager
Title: Office and Field Employees

9. **CLOSED SESSION:**
Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Agency Negotiator: District Manager
Unrepresented Employees: Management/Confidential/Professional
Employees

The Board went into Closed Session at 6:43 p.m.

The Board returned to Open Session at 7:27 p.m.

10. **OPEN SESSION:**
Report any action from Closed Sessions, if any
The Board returned from Closed Session and President Flores reported there was no action taken in Closed Session.

11. **Adjournment**
With no further business to report, the meeting was adjourned at 7:28 p.m.

Minutes were approved at the June 29, 2016 Board Meeting and signed by the presiding board member.

/s/Sonny Flores
Sonny Flores, President

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