

June 28, 2017
Regular Meeting
6:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on June 28, 2017 at 6:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President John Tobias, and Directors Frank Bettencourt and Bob Huenemann; Vice President Joe Tonascia, Sonny Flores and District Counsel David E. Pipal were absent. Also present were District Manager/Engineer Jeff Cattaneo, Assistant Manager Sara Singleton, Deputy District Engineer Garrett Haertel and Board Clerk/Office Specialist III Barbara Mauro.

CALL TO ORDER

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

- a. **Pledge of Allegiance to the Flag**
President Tobias 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 Bettencourt 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: May 31, 2017 Regular Meeting**
2. **Allowance of Claims**
3. **Acknowledgement of Paid Claims prior to the June Board Meeting**
4. **Recognizing Mike Razo for 10 Years of Service, Certificate Issued**
5. **Recognizing Diane Wilks for 10 Years of Service, Certificate Issued**

Director Bettencourt, regarding claims, asked about the claim for Frank A. Olsen. Mr. Cattaneo stated it was for butterfly valves.

With no further questions, a motion was made by Director Huenemann and seconded by Director Bettencourt; the Consent Agenda was unanimously approved.

REGULAR AGENDA:

EXECUTIVE SESSION

6. **CLOSED SESSION: Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Agency Negotiator: District Manager
Title: SEUI 521 Office and Field Employees**

7. **CLOSED SESSION: Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Agency Negotiator: District Manager
Unrepresented Employees: Management/Confidential/Professional
Employees**
8. **CLOSED SESSION: Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Agency Negotiator: District Manager
Unrepresented Employees: Executive Employees**
(The Board convened in Closed Session at 6:04 p.m.)
9. **Reconvene in open session to report on Items 6, 7 and 8
(Government Code Section 54957.1) and to take action, if any:**
(The Board reconvened in Open Session at 6:55 p.m.)

Upon return from Closed Session, the following was read into the record by President Tobias:

Government Code section 54953(c)(3) requires that, before taking final action, the Board of Directors must orally report a summary of the recommendation regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executives. Therefore, I am reporting the following summary regarding such items appearing on the agenda.

Item # 9a and 9e, pertains to final action by the Board of Directors regarding the recommendation to approve the following changes to compensation for District Manager and Assistant Manager:

1. Effective following the completion of CalPERS and District administrative requirements, the District Manager and Assistant Manager shall be required to pay the member contribution required by CalPERS for classic employees who have the 2.5% at 55 pension formula. The member contribution is 8% of the employee's annual pensionable compensation.
2. Effective simultaneously with the elimination of the Employer Paid Member Contribution (EPMC) and employee payment of the eight percent (8%) member contribution, the District Manager and Assistant Manager shall receive longevity pay in the amount of eight percent (8%) of base salary.

Item # 9a and 9c, pertains to final action by the Board of Directors regarding the recommendation to approve changes to compensation for department heads, including the Supervising Accountant, Water Conservation Program Manager, Deputy District Engineer, and Operation and Maintenance Manager, who constitute local agency executives as defined by Government Code Section 3511.1. The changes to compensation are as follows:

3. Effective following the completion of CalPERS and District administrative requirements, the listed department heads shall be required to pay the member contribution required by CalPERS for classic employees who have the 2.5% at 55 pension formula. The member contribution is 8% of the employee's annual pensionable compensation.
4. Effective simultaneously with the elimination of the EPMC and employee payment of the eight percent (8%) member contribution, the listed department heads hired by the District before January 1, 2013, who meet the definition of "classic members" as defined by CalPERS, and who have more than five (5) years of continuous District service at the time of the EPMC elimination shall receive longevity pay in the amount of eight percent (8%) of base salary.
5. Effective July 3, 2017, July 2, 2018 and July 1, 2019, employees shall be eligible for a salary increase of between 1 and 3%, contingent upon the United States Bureau of Reclamation water supply allocation for Central Valley Project agricultural contractors. The nominal value of the combined cost of living increases for FY 2017-18, FY 2018-19, and FY 2019-20 shall not exceed a total of eight percent (8%).
6. Effective simultaneously with the elimination of the Employer Paid Member Contribution (EPMC) and employee payment of the eight percent (8%) member contribution described in Section 2.1 of this Resolution, the salary schedule for the Deputy District Engineer classification shall be increased by eight percent (8%).
7. In the event the US Bureau of Reclamation water supply allocation for Central Valley Project agricultural contractors is less than twenty-five percent (25%) for any year of the agreement, at District Board discretion, the District shall schedule up to 20 unpaid furlough days per fiscal year. In the event of furloughs, employees may have the option of using accrued vacation, compensatory time off, or personal leave concurrently with the unpaid furlough time off.
8. The District reserves the right to close District offices for four (4) non-holiday work days approximately between December 25th and January 1st, with exact dates of the closure to be determined by District management. Holiday closure days will be unpaid; however, employees may use accrued vacation or management leave concurrently with the non-holiday closure days on which they would otherwise be scheduled to work.
9. In addition to the minimum employer contribution to PEMHCA required by CalPERS and the monthly contribution of \$1,285 for each employee to use toward purchase of health and welfare benefits, effective January 1, 2018, the District will contribute, on behalf of each full time employee enrolled in single party District-provided health insurance, solely for the purchase of medical insurance coverage, an amount up to one hundred dollars (\$100) per month. Also effective January 1, 2018, the District will contribute, on behalf of each full time employee

enrolled in employee plus one or employee plus family District-provided health insurance, solely for the purchase of medical insurance coverage, an amount up to two hundred dollars (\$200) per month.

President Tobias concluded by thanking Mr. Cattaneo and Mrs. Singleton for their hard work.

- a. Adopt Resolution 2017-09 for Employer Paid Member Contributions**
With a motion by Director Bettencourt and a second by Director Huenemann, Resolution #2017-09, *A Resolution of the Board of Directors of the San Benito County Water District for Employer Paid Member Contributions* was unanimously approved.
- b. Approve final successor MOU with SEIU 521 for Office and Field Employees and Authorize Board president to sign MOU**
With a motion by Director Huenemann and a second by Director Bettencourt, the Board of Directors unanimously approved the final successor MOU with SEIU 521 for Office and Field Employees and Authorized the Board President to sign the MOU.
- c. Approve Resolution 2017-10 for Management Confidential and Professional Compensation**
With a motion by Director Bettencourt and a second by Director Huenemann, Resolution #2017-10, *A Resolution of the Board of Directors of the San Benito County Water District for Management, Confidential and Professional Compensation* was unanimously approved.
- d. Approve hourly rate for part-time Human Resource/Administrative Analyst position**
With a motion by Director Bettencourt and second by Director Huenemann, the Board of Directors unanimously approved the hourly rate for the part-time Human Resource/Administrative Analyst position.
- e. Adopt Resolution 2017-11 for Executive Compensation**
With a motion by Director Bettencourt and a second by Director Huenemann, Resolution #2017-11, *A Resolution by the Board of Directors of the San Benito County Water District for Executive Compensation* was unanimously approved.

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

Mr. Cattaneo reported the West Hills Water Treatment Plant is now running and producing water. The District is waiting for approval from the Department of Drinking Water, which is scheduled for August 1st. A 30 day performance test will need to be conducted, which Mr. Cattaneo expects to begin around the 2nd week of August.

President Tobias asked where the water from the plant is being discharged. Mr. Cattaneo replied it is going to the San Benito River and the City of Hollister's Industrial Plant.

Director Huenemann asked if the District is analyzing the water; Mr. Cattaneo stated yes.

Director Bettencourt asked if the plant has a lab. Mr. Cattaneo stated yes, some work can be done on-site.

11. Committee/Agency Representative Reports:

- a) **San Luis Delta Mendota Water Authority (Tobias/Tonascia)**
This item to be covered under the District Manager's Report.
- b) **Finance Committee (Bettencourt/Tobias (substituting for Tonascia))**
As per Directors Bettencourt and Tobias, the Budget was reviewed.

12. District Manager/Engineer's Report:

- a) **Reach 1 Operations**
Mr. Cattaneo reported the shutdown of Subsystems 1-6 is still on schedule for October.
- b) **Zone 3 Operations**
Mr. Cattaneo reported the District continues to release water from the Hernandez Reservoir, at approximately 150 AF/day. Also, the District is moving water from the Paicines Reservoir to Tres Pinos. The County cleaned some of the culverts, which has helped with the flow. Mr. Cattaneo anticipates the releases to cease somewhere around August or September. He and Mr. Blohm will be making a site inspection to the Hernandez Reservoir tomorrow, with GEI staff members. The State is requiring an assessment of the spillway at the reservoir, due to Orville's situation earlier this year. GEI will provide a scope and budget for this assessment, which is estimated to be around \$100,000. The engineering staff has applied for a grant, which, if awarded, could pay for half.
- c) **Zone 6 Operations**
Mr. Cattaneo reported operations are going well. District staff has reduced the elevation in San Justo Reservoir down to 470'. Currently, Mr. Cattaneo reported the District is operating subsystems 7-11 from San Justo Reservoir and subsystems 1-6 from San Luis Reservoir. President Tobias stated he has had some mussel shells come through his line. Mr. Cattaneo reported the new well installed at San Justo Reservoir has been completed and is functioning well. The District continues to percolate at 2 sites and Mr. Cattaneo expects the District to percolate approximately 4000 AF.
- d) **San Luis Delta Mendota Authority Activities**
Mr. Cattaneo reported the expectation for the tunnel project, is that agencies will have to op in or op out sometime in September. SLDMWA will be holding workshops and Mr. Cattaneo encouraged all board members to attend. It is a difficult situation, as the agencies don't know what the cost will be or what amount of water will be available. Currently, the Bureau is holding back on their record of decision. Mr. Cattaneo stated the project will have a significant cost and

it has yet to be determined how it will be funded. It could be 15-20 years before water is delivered. Mr. Cattaneo stated he will attend these workshops and will report back to the Board.

President Tobias asked if this is being pushed by the State and Mr. Cattaneo stated yes.

e) **Staffing**

Mr. Cattaneo reported the District has hired a maintenance employee who will start on July 5th. Also, the District is working with the County for maintenance interns. The contract is for 600 hours and all wages, including workers compensation, are paid by the County. Additionally, the County also screens potential interns.

Mrs. Singleton added this program has been successfully used by Veolia at the Waste Water Treatment Plant. She added our requirement will be for employees to have a D1 license.

Director Bettencourt asked if the only requirement is a D1 license. Mr. Cattaneo stated just that to start.

Going back to Hernandez Reservoir, Director Huenemann asked if the District still intends to draw down the reservoir to work on the outlet. Mr. Cattaneo stated the plan is to draw the reservoir down but the District must leave the stream running as it is pressured to keep the water running year-round.

13. Adjournment

With no further business to discuss, the meeting was adjourned at 7:25 p.m.

The minutes were approved at the July 31, 2017 Board meeting and signed by the presiding board member.

/s/John Tobias
John Tobias, President

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