

September 30, 2015
Regular Meeting
6:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, September 30, 2015 at 6:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Joe Tonascia, Vice President Sonny Flores and Directors John Tobias, Frank Bettencourt and Bob Huenemann. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel David E. Pipal, Assistant Manager Sara Singleton, Supervising Accountant Natalie Sullivan, and Consultant Harry Blohm. Office Specialist III Barbara Mauro was absent.

CALL TO ORDER

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

a. Pledge of Allegiance to the Flag

President Tonascia 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 Tobias and a second by Vice President Flores, the Agenda was unanimously approved.

d. Public Input: Members of the Public are Invited to Speak on any Matter not on the Agenda

Richard Bettencourt commented that Harold Cerrato, a former San Benito County Water District director died today. He asked if the District had a policy about when to fly the flag at half-mast and whether it could be done to honor this former director. Mr. Cattaneo asked Mr. Pipal and he indicated that he was not aware of any such District policy that allowed or prohibited it. President Tonascia said he had no objections to do so.

CONSENT AGENDA:

- | | | |
|---|---------------------------|------------------------|
| 1. Approval of Minutes for: | August 26, 2015 | Regular Meeting |
| | September 21, 2015 | Special Meeting |
| 2. Allowance of Claims | | |
| 3. Acknowledgement of Paid Claims prior to the September Board Meeting | | |

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

REGULAR AGENDA:

- 4. Discuss and Consider Authorizing the District Manager Execute an Amendment to the Contract with GEI Consultants to Develop Emergency Action Plans for Hernandez and Paicines Reservoirs (NTE \$90,890)**

Mr. Cattaneo indicated that the District is required to submit an Emergency Action Plan (EAP) by the California Dam Safety Program on any dams which are designated by the

Department of Safety of Dams (DSOD) as high hazard potential. The District has requested GEI Consultants to prepare 2 EAP plans, for Hernandez and Paicines Reservoirs. Mr. Cattaneo indicated that the key to EAPs are the inundation maps. These maps look at what happens if there is a significant seismic or flood event. The Zone 3 operations committee has reviewed the proposal.

Director Huenemann asked if Los Viboras Dam were taken on by the District, if it would be considered high hazard. Mr. Cattaneo indicated that DSOD makes that determination. That determination is based on how much water is stored and how many people live downstream. Mr. Cattaneo indicated that it was likely that Los Viboras would not be considered high hazard.

Director Bettencourt asked if this EAP would cover maintenance items. Mr. Cattaneo said the EAP looks at a response plan, and does not address maintenance items. The State already inspects the spillway.

With no further questions, a motion was made by Director Bettencourt and seconded by Director Huenemann, the Board unanimously approved Authorizing the District Manager Execute an Amendment to the Contract with GEI Consultants to Develop Emergency Action Plans for Hernandez and Paicines Reservoirs (NTE \$90,890).

5. Discuss and Consider Authorizing the District Manager to Execute a Contract with Micko Consultants for the Preparation of a Reservoir Operation Plan for Hernandez Reservoir (NTE \$29,800)

Mr. Cattaneo stated that the District desires to prepare reservoir operations plan for Hernandez and Paicines. This plan would look at the operations of Hernandez and Paicines in conjunction with San Benito River to maximize water available to percolate. Historically, the District has done a good job with these operations, but currently uses expert knowledge within District. With recent and upcoming retirements, institutional knowledge may be lost without documentation. This would leave only the District Manager with the knowledge of the operations. The District seeks to memorialize this operation plan so that this institutional knowledge is documented. Also, in 2003 when the stream alteration permit was issued, the District was asked to develop a plan to ensure riparian habitat to be considered in operations. Jeff Micko of Micko Consultants has provided a proposal for this operations plan. It will incorporate into a model to predict when and how much to release. The written operation plan also helps if there are issues about water rights or how it is operated.

Director Tobias asked if Mr. Micko be interviewing long-time residents about how it has been operated. Director Tobias suggested that Mr. Micko interview Bob Swanson because he has knowledge both as a customer and as a former board member. Mr. Cattaneo indicated yes.

Director Huenemann asked why only the riparian habitat just below the river was of concern, and not all the way down the river. Mr. Cattaneo indicated that the reservoir was designed not to close completely, and as a result riparian habitat has developed in areas just below the dam.

Director Huenemann asked what the travel time to Hernandez is. Mr. Cattaneo stated that is about half a day if staff has to go to Hernandez. Mr. Cattaneo further indicated that sometimes staff only has to go down to the gauge at Willow Creek. The District can make operations adjustments based on reading from the gauge at Willow Creek. Mr. Micko will incorporate information about how much to release if the District is trying to get to certain points in the river.

Director Bettencourt asked about the timeframe for the operation plan. Mr. Cattaneo indicated before next spring.

With no further questions, a motion was made by Director Tobias and seconded by Director Bettencourt, the Board unanimously approved Authorizing the District Manager to Execute a Contract with Micko Consultants for the Preparation of a Reservoir Operation Plan for Hernandez Reservoir (NTE \$29,800).

6. Confirmation of the President's change of the Pacheco Reservoir Exploratory Ad Hoc Committee to a Standing Committee; committee members of Director John Tobias and Director Sonny Flores to remain the same

Mr. Cattaneo stated that generally ad hoc committees are formed for specific, non-recurring items. The Pacheco Reservoir Exploratory Committee has been in place for a while and there are on-going issues, so he is suggesting that it is appropriate to change the committee to a standing committee.

With no questions by the Board, a motion was made by Director Bettencourt and seconded by Vice President Flores, the Board unanimously confirmed the President's change of the Pacheco Reservoir Exploratory Ad Hoc Committee to a Standing Committee; committee members of Director John Tobias and Director Sonny Flores to remain the same.

7. Confirmation of the President's change of the San Felipe Division Activities Ad Hoc Committee to a Standing Committee; committee members of Director John Tobias and Director Joe Tonascia to remain the same

Mr. Cattaneo said that the San Felipe Division Activities Committee has also been in place for a while and will continue to have on-going issues to deal with.

With no questions from the Board, a motion was made by Director Bettencourt and seconded by Vice President Flores, the Board unanimously confirmed the President's change of the San Felipe Division Activities Ad Hoc Committee to a Standing Committee; committee members of Director John Tobias and Director Joe Tonascia to remain the same.

8. Staff Report on the 4th Quarter Financial Reporting

Mrs. Singleton presented a PowerPoint on the fourth quarter actual to budget results. Mrs. Singleton reviewed the operating budget, the Hollister Urban Area activity, an estimated of the net operating income after estimated transfers to designations and restricted reserves, Reach 1, property plant and equipment expenses, and the USBR contract payments. Mr. Cattaneo reviewed the financial status of preliminary survey and investigation projects.

Richard Bettencourt, a member of the public, asked if the District can take funds from Pacheco Pass Water District to pay for the cost the District is incurring in researching the status of these facilities. Mr. Cattaneo stated no unless the Pacheco Pass Water District is dissolved and LAFCO assigns the funds to the District.

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

Mr. Blohm, the program manager for the Hollister Urban Area Project gave a status report. For West Hills the notice to proceed has been issued. The contractor has begun excavation and is almost complete. There have been 2 weekly meetings so far. They expect to be earth moving for the next 4 weeks. The project is on schedule and the team will continue to meet weekly.

Mr. Blohm indicated that with regard to the Update to Master Plan, activities will now begin in earnest. A preliminary analysis had been completed, but the planning needs accurate updates on demands based on the County, SSCWD, and COH general plans. We now have good data from all agencies. It is expected that the project will move forward vigorously in the next 6 months.

With regard to Chrome VI, the solution alternative presented to COH council involves delivering high quality water to 3 wells in the city system that are bad performers with regard to Chrome VI using laterals off the cross town pipeline and blending this high quality water with the well water. The Council supported that solution. It is expected that the COH council will adopt a resolution regarding this solution at a future meeting. The cost is expected to be about \$ 7.5 million cost for this solution versus \$15 million for other solutions. Also environmentally this is easier to implement than other alternatives. The cross town pipeline has always been part of HUA plan. The Chrome VI issue creates a need to accelerate the timing and build it in next 2 years.

Director Bettencourt asked if the \$ 7.5 million is part of the current financing for the HUA project. Mr. Blohm indicated no. It will be on a shared basis by the COH and SSCWD. The \$7.5 would include the cross town pipeline and lateral. The District will not be part of the ownership of the cross town pipeline.

10. Committee/Agency Representative Reports:

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

President Tonascia indicated that it will be covered in Directors report.

b) Hollister Urban Area Water and Wastewater Master Plan Governance Committee (Tobias/Flores)

Director Tobias stated that it was covered in Mr. Blohm's report.

c) Finance Committee (Bettencourt/Tonascia)

President Tonascia indicated that this was already covered in Mrs. Singleton's report and the remainder would be covered in the District Manager's report.

d) Zone 3 Water Supply & Operations Committee (Tonascia/Huenemann)

President Tonascia indicated this was covered in Items 4 and 5. Mr. Cattaneo mentioned that the committee also had a discussion about the telemetry to

Hernandez. Staff will be looking at a satellite alternative and be reporting back to committee.

- e) **City of Hollister RDA Advisory (Tobias)**
Director Tobias stated that the meeting was cancelled.

11. District Manager/Engineer's Report:

a) Reach 1 Operations

Mr. Cattaneo reported that staff attended the quarterly meeting in Santa Clara. Since the major failure of Santa Clara conduit, Santa Clara staff and board are concerned about the Pacheco conduit since it is the same type of pipe. SCVWD would like to do a complete evaluation of the tunnel to check for breaks in the wire wrap. They would like to do it as early as next year. The initial evaluation of cost is \$4.5 million. There could be significant repairs needed to the pipe. SBCWD is also concerned about the pipeline. If there was a break, it could mean a significant shut down to repair. Mr. Cattaneo stated that he was also concerned about rushing to spend \$4.5 million without a more thorough evaluation. Mr. Cattaneo also mentioned to SCVWD staff that it was important to have discussion with USBR regarding the cost. It might be possible to get the USBR to bear some of the cost or at a minimum, to take on the cost, and then add it to our repayment. The issue is probably a design flaw. No impressed current for corrosion control was included for Pacheco or Santa Clara conduits. Hollister has impressed current on its conduit. Mr. Cattaneo also mentioned that tomorrow customers upstream of flow 1, will not have access to water because there is another leak at the bypass. Mr. Cattaneo indicated that that piece of pipe is going to have to be replaced soon.

Director Huenemann asked about adding cathodic protection at this late date. Mr. Cattaneo said it will help slow existing corrosion.

Director Tobias asked why there was no cathodic protection initially. Mr. Cattaneo stated that he did not know.

President Tonascia asked if staff would be presenting cost of patching the valve. Mr. Cattaneo said that SCVWD is still wanting a second valve at bifurcation. They think they could put it in the existing vault and would be included in the \$4.5 million project. The bypass valve would be replaced at the time of this larger project.

Director Tobias asked if the leak at the bypass valve should be dealt with sooner, so that it will not be delayed and if the larger project is delayed. Mr. Cattaneo answered that he shared this concern and would discuss it with SCVWD.

b) Zone 3 Operations

Mr. Cattaneo reported that the District still plans to move forward soon with the sediment removal project at Paicines Reservoir in the next several weeks.

c) **Zone 6 Operations**

Mr. Cattaneo provided a copy of a letter that will be sent this week to all agricultural customers about the availability of additional water to purchase. It is expected that the initial ag allocation for water year 2016-2017 will be 0%. The District was able to secure additional water from Yuba transfers, other transfers, and water stored at Semi-Tropic. The water will cost \$760 per AF. Customers will request a quantity and the District will let them know how much water they can have once all requests are in. Because this water is so expensive, the customer will be required to pay a deposit, and there will be a separate contract. Once customers have a signed contract they will be obligated to the water. If no one wants the water at this price, the District can return it to the transfer pool, but there is a deadline to that. It will be possible to make some water available as early as January, and the remainder in and after March. Customers will be allowed to reschedule this water into the 17-18 water year. Although the District will make some available in January 2016, it will officially be considered 16-17 water.

d) **San Luis Delta Mendota Authority Activities**

Mr. Cattaneo did a PowerPoint on water supply. He discussed the historical blue valve allocations, current reservoir storage, and borrowed storage obligations of the USBR. Mr. Cattaneo emphasized that even if the El Nino year produces a lot of rain, the ag allocation will start at 0% because of the limited supply of water the Feds have in storage. USBR has been borrowing from contractors and state because of contractual delivery obligations to the refugees and others. As of September 1st, there are 2 pumps operating at Jones, but there will not be any “new” water pumped until December. Through December no water will be put in storage for ag customers. This may be true even through January or February. So even with a wet year, the feds won’t have water for ag. There is too big of a deficit to make up in one year.

e) **Pacheco Pass Water District**

Mr. Cattaneo stated that we are waiting for SCVWD to schedule a joint committee meeting.

12. Adjournment

With no further business to discuss, the meeting was adjourned at 7:15 p.m.

The meetings were approved at the October 28, 2015 Board meeting and approved by the presiding board member.

/s/Joseph A. Tonascia
Joseph A. Tonascia, President

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