

March 26, 2025
Regular Meeting
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in regular session on Wednesday, March 26, 2025 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Doug Williams, Vice President Mark Wright and Directors Sonny Flores, John Freeman and Joe Tonascia. Also present were General Manager Dana Jacobson, District Counsel Jeremy T. Liem, Assistant General Manager Brett Miller, Operations and Maintenance Manager Michael Craig, Senior Engineer David Macdonald, Water Conservation Program Manager Jennifer Arellano, Office Specialist I Shannon Darnall and Executive Assistant/Board Clerk Barbara Mauro. Jeff Cattaneo participated via Zoom.

CALL TO ORDER

President Williams called the meeting to order at 5:00 p.m.

- a. **Pledge of Allegiance to the Flag**
President Williams led the Pledge of Allegiance.
- b. **Roll Call**
Mrs. Mauro called roll. Members present were: President Williams, Vice President Wright and Directors Flores, Freeman and Tonascia.
- c. **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 8:00 p.m.**
- d. **Approval of Agenda**
With a motion by Director Tonascia and a second by Director Flores, the Agenda was approved by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.
- e. **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: February 26, 2025 Regular Meeting**
2. **Allowance of Claims**
President Williams asked what projects/repairs made up the \$47,000 check to Brigantino Irrigation? Mr. Miller stated it was mostly the Sub 10 break, some for the San Juan Main Line work and the rest were miscellaneous repairs.
3. **Acknowledgement of Paid Claims prior to the March Board Meeting**
4. **On Call Contracts – Status Updates**
With a motion by Director Freeman and a second by Vice President Wright, the Consent Agenda was approved by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

REGULAR AGENDA

5. Discuss and Consider Resolution Restating the District's Investment Policy

Mr. Miller stated the Board annually reviews the District's Investment Policy. Staff proposed a lot of changes, so the Investment Committee asked that the full board weigh in. Some of the changes were lateral investments, for when the Bureau payments go up, made the policy clearer by adding a glossary of terms and extending the distribution of the quarterly investment report from 15 days following the quarter end to 30 days.

Director Flores added the objectives, and the security is important and that 4% of return was needed to meet the District's obligations.

Mr. Miller added L.A.I.F. is very secure and a good option and he named several others.

With a motion by Director Flores and a second by Director Freeman, the Board of Directors approved Resolution 2025-03, *A Resolution of the Board of Directors of the San Benito County Water District Restating the District's Investment Policy*, by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

6. Discuss and Consider Authorizing the General Manager Execute a Contract with Todd Groundwater for the 2025 Urban Water Management Plan Update (NTE \$143,870)

Ms. Arellano reviewed this item for the Board by stating this is a state requirement and the Plan is done every 5 years. This is specifically for urban water suppliers and is a necessary tool for Federal Funding. The contract is for Todd Groundwater who has done this plan for the last 20 years. The change in this plan, is the addition of the City of San Juan Bautista, so there will be a new cost split between the agencies. This report is due in July 2026.

With a motion by Director Tonascia and a second by Director Freeman, the Board of Directors Authorized the General Manager Execute a Contract with Todd Groundwater for the 2025 Urban Water Management Plan Update (NTE \$143,870) by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

7. Discuss and Consider Authorizing the General Manager Execute a Contract with Todd Groundwater for the 2025 Agricultural Water Management Plan Update (NTE \$37,539)

Ms. Arellano also reviewed this item for the Board and stated this is also a state requirement and is done every 5 years but this one is just for the District. Todd Groundwater is also providing this service to the District. This report is due in September 2026.

With a motion by Director Tonascia and a second by Director Freeman, the Board of Directors Authorized the General Manager Execute a Contract with Todd Groundwater for the 2025 Agricultural Water Management Plan Update (NTE \$37,539) by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

8. **Consider Resolution Setting Forth the District's Intentions Regarding Percolation of San Felipe Project Water for Water Contract Year 2025-2026**

Mr. Jacobson stated the District Act directs percolation to be done annually and is usually at 10% of the allocation. The resolution before the Board is for 1200-acre feet of Ag water and 700 acre feet of M & I water to be percolated in the 2025-2026 water year. If the District's water allocation is increased, the percolation could also be increased.

With a motion by Director Flores and a second by Director Tonascia, the Board of Directors approved Resolution #2025-04 *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 2025-2026* by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

9. **Consider Authorizing the General Manager to Make an Additional Financial Commitment of \$8,213 for the B.F. Sisk Dam Raise and Reservoir Expansion Project**

Mr. Jacobson stated a few months ago, the Board made a commitment of \$145,000 for the B.F. Sisk Dam Raise and Reservoir Expansion Project. One of the agencies dropped out of the project and their storage allocation is being offered to the remaining agencies. This would add 260 acre feet of storage to the District, increasing our total storage in the project to 5300 acre feet of storage. Mr. Jacobson stated, if we want to add this amount, an additional \$8213 would need to be committed. He further reported next year, a larger contribution of approximately \$1 million will be necessary.

With a motion by Director Freeman and a second by Vice President Wright, the Board of Directors Authorized the General Manager to make an additional Financial Commitment of \$8213 for the B.F. Sisk Dam Raise and Reservoir Expansion Project by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

10. **Consider Approval and Authorize the Board President to Execute the Healthy Rivers and Landscapes Program Implementation Funding Activity Agreement**

Mr. Jacobson, using a PowerPoint presentation, gave the background on this agenda item. This information is to explain why there would be an increase of \$10/acre foot for future CVP allocations over an 8-year span. Mr. Jacobson stated it basically protects the allocation. Safeguards were discussed and this voluntary funding would be over 8 years. He did caution that this will likely dry up the transfer market. The cost would be about \$140,000/year and there will be a decision by June 2025.

Katja Irvin, a member of the public on Zoom, asked why the urgency on a decision now before the Water Board's decision in June. Mr. Jacobson stated the State wants to see a commitment of the agencies it will affect.

With a motion by Director Freeman and a second by Director Flores, the Board of Directors Approved and Authorized the Board President to Execute the Healthy Rivers and Landscapes Program Implementation Funding Activity Agreement by 5 affirmative votes, Williams, Wright, Flores, Freeman and Tonascia.

11. **San Benito County Water District – Budget Kick Off Meeting 2025-2026**
Mr. Miller, also using a PowerPoint presentation, stated the District staff is starting early on the budget. He added, the rate study will also be starting soon as the District is in the last year of the approved 3-year rate structure. In his presentation, Mr. Miller gave an overview of the proposed schedule, which included: adoption of the budget at the May meeting, Rate Study Session at the October meeting, holding a Public Hearing to approve rates at the December meeting and March 1, 2026, the new rates would go into effect. He further gave an overview of the budget by departments and stated staff is working on a 1-year budget and a 5-year Capital Improvement Plan.
12. **Receive Information and Discuss Participation in the Pajaro River Watershed Resiliency Program**
Mr. Cattaneo reported on this for the Board. He stated this is an extension of the IRWM program, which started about twenty years ago. The State is placing more emphasis on climate resilience and equity on collaboration with the agencies in the watershed. Mr. Cattaneo added about 80% of the watershed lies in San Benito County. He further reported a key aspect will be to manage the headwaters which start at Hernandez and end in the Pajaro River near the Monterey Bay Sanctuary. The State is also requesting more stakeholder groups and Pajaro Valley Water Management Agency will be taking the lead agency as they have a grant for a pilot program. It will be approximately 1 year to get the plan together and it will be for collaborating across the watershed concentrating on: water quality, forest/fire suppression and eco system restoration. Putting this plan together will be important for future state funding opportunities and Mr. Cattaneo stressed the importance of staying involved.
13. **Committee/Agency Representative Reports:**
 - a. **San Luis and Delta-Mendota Water Authority (Tonascia/Jacobson)**
As per Director Tonascia, Mr. Jacobson can cover under his manager's report.
 - b. **Administration Committee (Flores/Williams)**
As per Directors Flores and Williams, this has already been covered.
 - c. **Finance Committee (Tonascia/Freeman)**
As per Directors Freeman and Tonascia, this has already been covered.
 - d. **Personnel Committee (Flores/Tonascia)**
As per Directors Flores and Tonascia, this will be covered in Closed Session.
 - e. **Zone 6 Water Supply & Operations Committee (Tonascia/Wright)**
As per Directors Tonascia and Wright, this has already been covered.
14. **Monthly Operations and Maintenance Report**
Mr. Craig stated there will be approximately 8 weeks that his department will be covering the Water Resources Technician's duties. Mr. Craig reported samples were taken from the San Benito River and the District is getting ready to divert water from Hernandez Reservoir, but he will need the full crew to do this. Green Valley, the firm the District contracted with to spray for weeds, has been very responsive and are down to only 2 locations to complete the spraying. His staff will be replacing some pressure relief

valves, which were on the CIP from last year. He further reviewed other items that he is replacing. He also showed photos of several repairs done in the last month.

15. **General Manager's Report:**

a) Reach 1 Operations

Mr. Jacobson stated there wasn't anything to report.

b) Zone 3 Operations

Mr. Jacobson stated there wasn't anything to report, beyond Mr. Craig's report.

c) Zone 6 Operations

Mr. Jacobson reported there will be an easement and reimbursement agreement that will come to the Board for approval in the next few months.

d) Accelerated Drought Response Project (ADRoP)

Mr. Jacobson reported there will be milestones coming for the expansion of West Hills that will need Board approval. At the Special Meeting on April 9th, the Board will consider approving the CEQA documentation.

Mr. Cattaneo added for the land acquisition, documents are being reviewed and final agreements are being prepared.

Director Tonascia added there will be agreements with the City of Hollister and Sunnyslope County Water District, and also adding the City of San Juan Bautista.

Mr. Jacobson further added, ADRoP financing may be on next month's agenda.

e) San Luis and Delta-Mendota Water Authority Activities

Mr. Jacobson reported next month he expects more discussion on the Delta-Mendota Subsidence Correction Project.

f) City of San Juan Bautista Water Supply Plan

Mr. Jacobson reported last night the City held a workshop which went well; he and Mr. Miller attended.

g) B F Sisk Dam Raise Project

Mr. Jacobson reported funding will be necessary and the capacity fee is important; he and Mr. Miller have made this a high priority item.

h) Miscellaneous District items

Mr. Jacobson reported, regarding the Groundwater Management Fee (SGMA), a portion of the fee is based on water usage. He further reported the rate structure will need revision to be land based and usage based.

16. **CLOSED SESSION: Conference with Legal Counsel-Existing litigation
Government Code § 54956.9(d)(1)
Kurasaki vs. Caltrans *et al*; San Benito County**

17. **CLOSED SESSION: Consultation with: General Manager/
District Counsel
Government Code § 54957(a)(1)
Threat to Public Services**

18. **CLOSED SESSION: Public Employee Appointment
Government Code § 54957(b)(1)
Title: District Counsel**

(The Board convened in Closed Session at 6:14 p.m.)

19. **OPEN SESSION:
Report any actions, if any, from Closed Session items**

(The Board reconvened in Open Session at 7:05 p.m.)

When the Board returned to Open Session, President Williams stated there was no action to report on agenda items 16 and 17.

Regarding agenda item 18, there was a motion by Director Tonascia and a second by Director Flores; the Board of Directors unanimously approved a new agreement with Mr. Liem's firm, appointing him District Counsel, increasing his hourly wage to \$375 and authorized the General Manager to sign the agreement.

20. **Adjournment**

With no further business to discuss, the meeting was adjourned at 7:07 p.m.

Minutes were approved at the April 30, 2025 Board meeting and signed by the presiding board member.

/s/Doug Williams
Doug Williams, President

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