

**MINUTES**  
**Regular Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**February 16, 2021**

**A. CALL TO ORDER:** The meeting was called to order at 4:40 p.m. by President Buzzetta, as authorized by the State of California Executive Order N-25-20 via teleconference, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

**ROLL CALL: Present in Person:** President Jerry Buzzetta, Director Judi Johnson, and Vice President James Parker. **Present Via Teleconference:** Mike Alcorn (joined meeting at 4:55) and Director Ann Ross.

**B. PUBLIC COMMENT ON CLOSED SESSION MATTERS:** Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of 3 minutes per speaker. No public comment was made.

**C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS: At 4:45 p.m. President Buzzetta closed the meeting to the public to discuss the following:**

**1. Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

- a. *County of San Benito vs. SSCWD*, San Benito County Superior Court Case No. CU-20-00068
- b. *Williams v. City of Hollister et al.*, San Benito County superior Court Case No. CU-20-0020378u9

**2. Public Employee Performance Review (§ 54956.9) – Title: General Manager**

President Buzzetta reconvened the meeting to open session at 5:32 p.m.

**D. PLEDGE OF ALLEGIANCE:** Director Parker led Directors and staff in the Pledge of Allegiance.

**E. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:**

**1. Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

Attorney Heidi Quinn reported on item a., general update was provided and no reportable action taken; and item b., the Board directed DeLay and Laredo to fully defend the District and report at next meeting any actions taken by Counsel.

**2. Public Employee Performance Review (§ 54956.9) – Title: General Manager**

Attorney Heidi Quinn reported discussion was held and no reportable action taken.

**F. APPROVAL OF AGENDA:** Upon a motion made to approve the agenda by Director Johnson, seconded by Director Parker, for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

**G. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. No comments.

**Staff Present for Open Session: In Person:** General Manager/Secretary Drew Lander, Executive Assistant/Stenographer Carol Porteur, Water/Wastewater Superintendent Jose Rodriguez, Finance and Human Resource Manager Travis Foster, and Associate Engineer Rob Hillebrecht. **Via Teleconference:** Attorney Heidi Quinn.

**H. CONSENT AGENDA:**

1. Approval of Minutes – The Board reviewed the minutes for the Regular Meeting of January 19, 2021.
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of January 1, 2021 through January 31, 2021, totaling \$ 1,108,966.38 which includes \$576,495.06 for payments to vendors, \$154,815.08 for Payroll, \$372,422.36 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$5,233.88 for customer refunds and checks returned. The last “ACH” # (electronic payments) was ACH #1967, and the last check written was check #28810.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
01/15/21	01-01 PRL	Employee Payroll	-65,536.87
01/15/21	01-01 PRL	Payroll Taxes	-13,660.87
01/29/21	01-02 PRL	Employee Payroll	-65,074.17
01/29/21	01-02 PRL	Payroll Taxes	-10,543.17
01/04/21	ACH 1950	North American Bancard	-403.43
01/04/21	ACH 1951	North American Bancard	-720.56
01/04/21	ACH 1952	North American Bancard	-167.14
01/04/21	ACH 1953	North American Bancard	-1,284.05
01/04/21	ACH 1954	North American Bancard	-0.23
01/05/21	ACH 1955	American Express	-37.81
01/05/21	ACH 1956	Principal	-3,081.23
01/05/21	ACH 1957	BASIC Benefits LLC	-55.00
01/12/21	ACH 1958	BASIC Benefits LLC	-738.80
01/12/21	ACH 1959	RETURNED CHECK (Ck Ret 01-01)	-128.00
01/15/21	ACH 1960	ADP	-2,083.26
01/19/21	ACH 1961	RETURNED CHECK (Ck Ret 01-02)	-145.00
01/20/21	ACH 1962	RETURNED ACH (ACH Ret 01-01)	-161.12
01/20/21	ACH 1963	RETURNED ACH (ACH Ret 01-02)	-134.34
01/20/21	ACH 1964	RETURNED ACH (ACH Ret 01-03)	-161.66
01/20/21	ACH 1965	RETURNED ACH (ACH Ret 01-04)	-152.08
01/20/21	ACH 1966	RETURNED ACH (ACH Ret 01-05)	-160.89
01/27/21	ACH 1967	RETURNED ACH (ACH Ret 01-06)	-36.07
01/04/21	28725	CECILIA & ERNEST ECHAVARRIA	-83.75
01/04/21	28726	D & M SILVEIRA & NATHAN & RONDA HURST	-172.52
01/04/21	28727	INDEPENDENT CONSTRUCTION	-283.20
01/04/21	28728	JOSHUA & BETHANY JOHNSON	-139.92
01/04/21	28729	KB HOME	-48.39
01/04/21	28730	DEBORAH MALONE	-34.35
01/04/21	28731	JUAN CARLOS & HAYLIE NUNO	-88.40
01/04/21	28732	ROBERT J RODRIGUEZ	-315.02
01/04/21	28733	Ace Hardware (Johnson Lumber Co.)	-300.66
01/04/21	28734	AT&T	-798.04
01/04/21	28735	Brenntag Pacific, Inc.	0.00
01/04/21	28736	Brigantino Irrigation	-18.10
01/04/21	28737	BTJ Enterprises, LLC	-1,615.92
01/04/21	28738	Calgon Carbon Corporation	-48,402.00
01/04/21	28739	Central Ag Supply LLC	-3,041.42
01/04/21	28740	Downtown Automotive	-113.13
01/04/21	28741	exceedio	-3,152.85

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
01/04/21	28742	Hach Company	-1,162.08
01/04/21	28743	Interstate All Battery Center	-79.83
01/04/21	28744	Mc Gilloway, Ray, Brown & Kaufman	-5,880.00
01/04/21	28745	Mission Uniform Service	-1,398.62
01/04/21	28746	Palace Business Solutions	-62.53
01/04/21	28747	Postal Graphics	-814.66
01/04/21	28748	Quinn Company	-1,613.29
01/04/21	28749	Razzolink.com	-76.95
01/04/21	28750	San Benito Tire Pros & Automotive	-614.87
01/04/21	28751	Shape, Inc.	-7,403.22
01/04/21	28752	Staples Advantage	-64.95
01/04/21	28753	Brenntag Pacific, Inc.	-31,459.12
01/11/21	28754	Brigantino Irrigation	-466.08
01/11/21	28755	Central Ag Supply LLC	-34.96
01/11/21	28756	John Smith Road Landfill	-4,419.38
01/11/21	28757	P G & E	-19,491.56
01/11/21	28758	Postmaster	-103.00
01/11/21	28759	Recology San Benito County	-286.86
01/11/21	28760	State Water Resources Control Brd-WWOPCP	-205.00
01/11/21	28761	Toro Petroleum Corp.	-1,641.66
01/11/21	28762	U.S. Bank Corporate Payment Systems	-879.76
01/11/21	28763	State Water Resources Control Board-DWOCPC	-60.00
01/11/21	28764	City of Hollister-Finance Dept	-372,422.36
01/11/21	28765	Brenntag Pacific, Inc.	-2,105.85
01/18/21	28766	Cervantes, Jr., Adan S.	-141.68
01/18/21	28767	Castro, Kevin G.	-250.00
01/18/21	28768	Boltz, William K	-98.31
01/18/21	28769	BTJ Enterprises, LLC	-796.54
01/18/21	28770	Calcon System, Inc.	-3,632.50
01/18/21	28771	Community Printers, Inc.	-1,597.18
01/18/21	28772	EBCO Pest Control	-60.00
01/18/21	28773	Hach Company	-1,119.11
01/18/21	28774	Mc Master-Carr	-81.62
01/18/21	28775	R&B Automation, Inc.	-1,995.00
01/18/21	28776	Rafter M Welding & Fabrication	-1,130.64
01/18/21	28777	Simplot Grower Solutions	-700.47
01/18/21	28778	Trans Union LLC	-112.56
01/18/21	28779	Zoom Video Communications, Inc.	-549.90
01/25/21	28780	A-1 Services	-403.00
01/25/21	28781	ACWA/JPIA	-11,303.47
01/25/21	28782	Brenntag Pacific, Inc.	-19,869.04
01/25/21	28783	Central Ag Supply LLC	-1,012.55
01/25/21	28784	CM Analytical, Inc.	-14,183.75
01/25/21	28785	Coast Counties Glass	-55.00
01/25/21	28786	CSI HR Group	-637.50
01/25/21	28787	D & K Marquez Enterprises, Inc.	-215.90
01/25/21	28788	Edges Electrical Group, LLC	-313.56
01/25/21	28789	Interstate Battery System of San Jose Inc	-164.27
01/25/21	28790	Konica Minolta Premier Finance	-416.76
01/25/21	28791	Mc Master-Carr	-460.90
01/25/21	28792	Ryan Herco Flow Solutions	-977.01
01/25/21	28793	San Benito County-Admin Office	-8,980.00
01/25/21	28794	Toro Petroleum Corp.	-1,334.25
01/25/21	28795	Wright Bros. Indust. Supply	-88.34
01/25/21	28796	Verizon Wireless	-230.92
01/25/21	28797	DEL CURTO BROS CONST.	-512.58

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
01/25/21	28798	FIDEL ANTONIO NIETO-FLORES	-15.54
01/25/21	28799	ALLISON GARCIA	-68.58
01/25/21	28800	CLAIRE & DANIEL LAUGHLIN	-181.10
01/25/21	28801	MCELVANY INC	-517.15
01/25/21	28802	CINDY MONGES	-75.62
01/25/21	28803	TRACY M RODRIGUEZ	-213.39
01/25/21	28804	PETER SCAVUZZO	-87.50
01/25/21	28805	JERRY & CINDY SHEAR	-14.84
01/25/21	28806	TRINCHERO CONSTRUCTION INC	-643.40
01/25/21	28807	TRINCHERO CONSTRUCTION INC	-643.40
01/25/21	28808	THOMAS J & KATHERINE A WATT	-16.07
01/31/21	28809	San Benito County Water District	-354,796.62
01/29/21	28810	Postmaster	-2,448.85
			<b>\$ -1,108,966.38</b>

3. Associate Engineer Monthly Status Report.
4. Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.
5. W/WW Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
6. General Manager Monthly Status Report.

In the assembly of the board packet section H-2, Allowance of Claims for disbursements from January 1, 2021 through January 31, 2021 was mistakenly placed, in the middle of section H-1, Regular Board Meeting of January 19, 2021. The Allowance of Claims for January 2021 was also correctly placed in H-2. This interruption caused some of the wording in the board minutes to be excluded. A corrected copy of the January meeting minutes was presented to all Directors present, prior to the open session.

Upon a motion made by Director Johnson to approve the Consent Agenda with the corrected board meeting minutes provided, seconded by Director Parker, for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

## I. NEW BUSINESS:

- 1. TAKE APPROPRIATE ACTION TO UPDATE SIGNATURE CARDS FOR THE DISTRICT'S HERITAGE BANK OF COMMERCE BANK ACCOUNTS:** Finance and Human Resource Manager Travis Foster stated that when he started as the new Finance Manager on April 1st, 2020, the Board had taken action to update the District's bank signature card as needed at the April 21<sup>st</sup>, 2020 Board Meeting. Mr. Foster had recently been notified by Heritage Bank of Commerce, due to staff turnover at the bank, bank staff is unable to locate the signature cards. As a result, the process needs to be repeated of adding Travis Foster, Finance and Human Resource Manager and to sign the signature cards.

The following actions are requested:

**Update Signers List** – Approve adding the Finance Manager, Travis Foster, as authorized signer on the District’s signature card for all Heritage Bank of Commerce accounts.

**Approve Resolution** - The Board is requested to review and approve the attached “Resolution of Lodge, Association, or Other Similar Organization”. The resolution indicates the updated authorized signers list to be:

- A. Drew A. Lander (Both Powers “A” & “B” Granted),
- B. Travis J. Foster (Both Powers “A” & “B” Granted),
- C. Michael H. Alcorn (Powers “A” Granted),
- D. Judi H. Johnson (Powers “A” Granted),
- E. Ann C. Ross (Powers “A” Granted),
- F. James F. Parker (Powers “A” Granted), and
- G. Jerry Buzzetta (Powers “A” Granted).

Finance and Human Resource Manager Foster stated that updated signature cards help ensure authorized access to all District bank accounts.

Upon a motion made by Director Johnson, to approve the updated signer’s list and the Board adopt the Resolution of Association for the bank accounts with Heritage Bank of Commerce, seconded by Director Parker, and for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

**2. AUTHORIZE THE GENERAL MANAGER TO NEGOTIATE WITH SAN BENITO FOODS FOR CONTRACT OPERATION OF THE CITY OF HOLLISTER INDUSTRIAL WASTEWATER TREATMENT PONDS (IWWTP):**

General Manager/Secretary Lander explained that San Benito Foods (SB Foods) has inquired with the District to know if SSCWD would be interested in contract operating the City of Hollister IWWTP for the foreseeable future. SB Foods is finalizing a contract with the City of Hollister which will give them operational oversight of the wastewater ponds at the end of South Street during the canning season.

The General Manager requests support of the Board to negotiate a contract with SB Foods which will be mutually beneficial. Goals for negotiation will be to establish a billing structure so that the District may perform all required duties of operation without any additional costs being born by customers of the District.

District Counsel will be included in the contract preparation and the Water/Wastewater Committee will be consulted during negotiations. When a recommendation to proceed is reached through the Water/Wastewater Committee the contract will be brought to the full Board for review and approval.

The Water/Wastewater Committee convened on February 9, 2021 to discuss this development and favorably reviewed the recommendation presented in this staff report.

Director Alcorn inquired about litigation between San Benito Foods and the City of Hollister regarding the responsibility of sludge cleanup. General Manager/Secretary Lander stated that it will be the responsibility of San Benito Foods for permitting and permit compliance with the State Regional Water Quality Control Board. Mr. Lander also commented that San Benito Foods will be routinely notified by the District of operational issues that need attention and action.

Upon a motion made by Director Parker, to approve and authorize the Water/Wastewater Committee to review contract proposals negotiated by and between the General Manager and San Benito Foods, and when a recommendation for approval has been reached by the Committee, the full contract will be returned to the Board for review and approval,

seconded by Director Johnson, and for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

- 3. APPROVE CONTRACT AMENDMENT TO THE GENERAL MANAGER'S EMPLOYMENT CONTRACT:** Attorney Heidi Quinn reported that in response to Board Member inquiries into risk management and defined compensation regarding the General Manager's (GM) use of the District assigned vehicle, the Board appointed President Buzzetta to negotiate solutions with the GM to clarify the use of the District vehicle and adjust the life insurance benefit.

The Personnel Committee negotiated with the GM on February 2, 2021 to review actual expenses incurred by the District in the GM's daily use of the vehicle over the past year.

The Personnel Committee proposed an amendment to address Board Member concerns which would clarify that the District vehicle is provided for exclusive District use within San Benito County and for scheduled meetings, training, or conference attendance without geographical limitation. The amendment also shall provide additional compensation based on the calculation of annual average mileage driven to and from the district office times the 2020 IRS standard mileage value of 57.5 cents per mile. The amendment would also increase the life insurance benefit to match other District Class 1 employees.

Director Johnson requested that the use of vehicle and increased life insurance benefit be split into two separate motions., which was acceptable to all Directors.

Upon a motion made by Director Johnson for the adjusted life insurance benefit premium increase from Class 2 to Class 1 for an annual increase cost of \$22.80, seconded by Director Alcorn, and for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

Upon a motion made by Director Parker, to authorize the President to sign a mutually agreed upon amendment to the General Manager's current contract regarding additional compensation and clarifying the use of the District's vehicle, seconded by Director Ross, and for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), abstain; Johnson (JJ), no; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 3-1-1.

- 4. APPROVE THE GENERAL MANAGER TO ENTER INTO A CONTRACT FOR DATA PROCESSING PRINT & MAIL SERVICES WITH INFSEND INC.:** General Manager/Secretary Lander stated that the District currently processes approximately 6,000 printed bills monthly. Cost analysis of the printing, handling, and mailing of bills using inhouse labor was calculated using actual expenses. The District billing costs are calculated to be \$5,763.77 per month. InfoSend was chosen to provide bill mailing services per the proposal presented in the staff report.

Costs with InfoSend are fixed per/unit due to their massive billing volumes. This helps stabilize the costs for smaller billing runs, while eliminating the need to maintain in house paper reserves, envelopes, equipment, or handling. InfoSend can provide the lowest cost per unit. This service is anticipated to begin with the Tyler Technology financial software implementation.

These services are contracted monthly. There is a one-time set up cost to begin service estimated not to exceed \$3,500.00 and then printing and mailing services follow the pricing summary. The financial impact is estimated to be a reduction in District billing expenses annually by \$25,000.

Director Ross inquired about the current agreement with the City of Hollister regarding the fee they pay to the District to include the City of Hollister's sewer fees on the District's water bills, and if contracting with InfoSend would affect that price. General Manager/Secretary Lander stated that at this time the \$3 fee currently charged may not even cover the cost of the additional processing for the District and the savings with InfoSend may bring that closer to a realistic fee.

Upon a motion made by Director Johnson, to approve the General Manager to enter into a contract for data processing, print & mail services with InfoSend, Inc., seconded by Director Parker, and for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), no; and President Buzzetta (JB), yes; the motion carried 4-1.

## **J. BOARD COMMITTEE and STATUS REPORTS**

1. **Governance Committee:** No meeting held.
2. **Water/Wastewater Committee:** President Buzzetta reported that a meeting was held on February 9, 2021 to discuss the potential benefits and risks that the District may encounter in seeking to establish a contract with San Benito Foods to contract to operate the City of Hollister Industrial Wastewater Ponds as discussed in agenda item I-2.
3. **Finance Committee:** President Buzzetta reported that a meeting was held on February 8, 2021 to discuss the use of a Section 115 Trust Fund to participate in the California Employers Pension Prefunding Trust (CEPPT) with the California Public Employees' Retirement System.

Director Johnson stated that the committee was informed of series of upcoming workshops put on by CalPERS and Directors are encouraged to attend a virtual workshop.

Director Alcorn stated that the Pension Prefunding Trust seems to be a promising opportunity and is appreciative that General Manager/Secretary Lander and Finance and Human Resource Manager Foster brought this to the Boards attention.

4. **Policy and Procedure Committee:** President Buzzetta reported no meeting held. President Buzzetta did comment that he is mindful of the discussion at the last board meeting regarding terrorism on the water system. President Buzzetta stated that General Manager/Secretary Lander is currently working with the County of San Benito on the Emergency Response System and once they have more information on the joint agency procedure, it will be brought back to the Policy and Procedure Committee.
5. **Personnel Committee:** President Buzzetta reported that a meeting was held on February 2, 2021 regarding labor negotiations for General Manager Drew Lander.
6. **Water Resources Association of San Benito County (WRA):** Director Johnson reported that a meeting was held February 4, 2021 with technical difficulties with the audio system, but they are in negotiations on replacing the system.

Director Johnson stated that she and Program Manager Shawn Novack will be working on updating the reports for the toilet rebate program.

Director Johnson reported that she and Mr. Novack will be working with General Manager Lander and Water/Wastewater Superintendent Rodriguez on a policy for limiting salinity.

Director Parker congratulated Director Johnson on being appointed as the new Chairperson for the Water Resources Association.

**K. BOARD and STAFF REPORTS**

1. **Directors:** President Buzzetta stated that he likes the new layout of the Agenda and thanked General Manager/Secretary Lander and staff. He also appreciates the added page reference information noted on the agenda.
2. **District Counsel:** Attorney Heidi Quinn announced that DeLay & Laredo will be hosting another zoom Ethics Training on February 25<sup>th</sup> from 9:30 a.m. to 11:30 a.m. and invited anyone interested to attend.
3. **General Manager:** General Manager/Secretary Lander gave an update on the COVID-19 reporting the office remains closed and there has been a decrease in active cases recently. Mr. Lander stated he continues to work with the County Health Services for staff getting the vaccine and reported that presently there are no staff out due to COVID-19.

General Manager/Secretary Lander reported that the outstanding balances has decreased and is now down from about \$200,000 to \$165,000. He reported that staff has started sending out the letters discussed at the last meeting and continue with calls as well. Mr. Lander stated that things are going well with the new payment system which may play a role in the decrease of outstanding amounts.

General Manager/Secretary Lander reported that the recent Technical Advisory Committee (TAC) meeting had some technical difficulty with the audio but otherwise was a good meeting and the continuation of the groundwater report is going well. The next meeting is scheduled for April 1<sup>st</sup>.

Director Johnson stated that SGMA will be holding a public workshop in early March.

**L. FUTURE AGENDA ITEMS:** ACWA/JPIA Spring Conference.

**M. ADJOURNMENT:** President Buzzetta adjourned the meeting at 6:21 p.m.

**APPROVED BY THE BOARD:** *Jerry T. Buzzetta*  
Jerry T. Buzzetta, President

**RESPECTFULLY SUBMITTED:** *Drew A. Lander*  
Drew A. Lander, Secretary