

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

**A. CALL TO ORDER:** The meeting was called to order at 4:39 p.m. by President Buzzetta, as authorized by the State of California Executive Order N-08-21 via teleconference, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

**ROLL CALL: Present in Person:** President Jerry Buzzetta (JB), Vice President James Parker (JP), Director Dee Brown (DB), Director Alcorn (MA) Director Edward Mauro (EM).

**B. PUBLIC COMMENTS ON CLOSED SESSION MATTERS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters identified on the Closed Session agenda. Two members of the public joined the meeting virtually at the end of the closed session.

**C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:**

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

*County of San Benito vs. SSCWD, San Benito County Superior Court Case No. CU-20-00068*

**2. Public Employee Performance Review (§ 54957) – Title: General Manager**

President Buzzetta retired to closed session at 4:40 p.m. and upon returning to the regular session, moved to take a brief recess at 5:07. The meeting was reconvened to open session at 5:16 p.m.

**D. PLEDGE OF ALLEGIANCE:** Director Alcorn led those in attendance 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 Michael Laredo reported, Board was given status update, general direction was provided by the Board to Staff and Counsel and no reportable action taken.

**2. Public Employee Performance Review (§ 54957) – Title: General Manager**

Attorney Michael Laredo reported, Board reviewed materials presented, general direction was provided by the Board to the General Manager and no reportable action taken.

**F. APPROVAL OF AGENDA:** Director Buzzetta requested to move item I3 to the first spot on the new business due to a time constraint for the speaker, this was approved by the fellow board members. Then upon a motion made to approve the agenda with the adjustment by Director Parker, seconded by Director Mauro, for which President Buzzetta then took a roll call vote as follows: (MA), yes; (JP), yes; (DB), yes, (EM), yes, and (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 were received.

**H. Staff Present for Open Session: In Person:** General Manager/Secretary Drew Lander, Finance and HR Manager Barry Kelly, Executive Assistant/Stenographer Madison Koester, Associate Engineer Rob Hillebrecht.

**Via Teleconference:** Attorney Michael Laredo.

**I. CONSENT AGENDA:**

1. Approval of Minutes of the Regular Board Meeting of November 16th, 2021.
2. Approval of Minutes of the Special Board Meeting of December 7th, 2021.
3. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of November 1, 2021 through November 30, 2021, totaling \$1,988,537.54 which includes \$318,258.94 for payments to vendors, \$260,219.87 for Payroll, \$622,587.22 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$860.06 for customer refunds.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
11/05/2021	11-01	ADP Payroll	-70,838.37
11/05/2021	11-01	ADP Payroll	-19,273.50
11/19/2021	RET 1121-1	RETURNED ACH	-541.55
11/19/2021	11-02	ADP Payroll	-2,972.89
11/19/2021	11-02	ADP Payroll	-66,904.88
11/19/2021	11-02	ADP Payroll	-19,476.19
11/20/2021	RET 1121-02	RETURNED ACH	-2,835.10
11/25/2021	RET 1121-03	RETURNED ACH	-112.00
11/02/2021	ACH 2103	BASIC Benefits LLC	-2.70
11/03/2021	ACH 2104	BASIC Benefits LLC	-29.32
11/04/2021	ACH 2105	BASIC Benefits LLC	-4.37
11/05/2021	ACH 2106	CalPERS - Retirement	-8,420.72
11/05/2021	AH 2107	CalPERS - Retirement	-6,896.07
11/05/2021	ACH 2108	CalPERS - Retirement	-208.25
11/05/2021	ACH 2109	CalPERS – Retirement	-2,002.83
11/05/2021	ACH 2110	Principal	-3,526.87
11/05/2021	ACH 2111	BASIC Benefits LLC	-46.00
11/08/2021	ACH 2112	iCloud	-10,732.10
11/08/2021	ACH 2113	BASIC Benefits LLC	-180.77
11/09/2021	ACH 2114	BASIC Benefits LLC	-73.04
11/12/2021	ACH 2115	ADP	-2,094.18
11/17/2021	ACH 2116	P G & E	-44,498.10
11/19/2021	ACH 2117	CalPERS - Health Insurance	-20,139.44
11/19/2021	ACH 2118	CalPERS – Retirement	-8,476.39
11/19/2021	ACH 2119	CalPERS – Retirement	-6,537.64
11/22/2021	ACH 2120	BASIC Benefits LLC	-104.00
11/23/2021	ACH 2121	BASIC Benefits LLC	-25.00
11/22/2021	ACH 2122	CalPERS – Retirement	-23.08
11/22/2021	ACH 2123	CalPERS - Retirement	-23.08
11/30/2021	ACH 2124	BASIC Benefits LLC	-240.00
11/30/2021	ACH 2125	BASIC Benefits LLC	-108.00
11/01/2021	ACH 2126	BASIC Benefits LLC	-100.00
11/01/2021	ACH 2127	BASIC Benefits LLC	-100.00
11/22/2021	ACH 2128	BASIC Benefits LLC	-105.00
11/05/2021	29712	Cervantes, Jr., Adan S.	-76.15
11/05/2021	29713	Ace Hardware (Johnson Lumber Co.)	-405.77
11/05/2021	29714	AT&T	-380.92

11/05/2021	29715	Auto Tech Service Center, Inc.	-280.00
11/05/2021	29716	Badger Meter, Inc.	-691.73
11/05/2021	29717	Brenntag Pacific, Inc.	-24,347.05
11/05/2021	29718	Brigantino Irrigation	-61.51
11/05/2021	29719	C & N Tractors	0.00
11/05/2021	29720	Central Ag Supply LLC	-1,648.80
11/05/2021	29721	CM Analytical, Inc.	-15,093.75
11/05/2021	29722	CWEA Membership- TCP	-91.00
11/05/2021	29723	Don Chapin Co. Inc., The	-210.00
11/05/2021	29724	Fastenal Company	-87.26
11/05/2021	29725	Government Finance Officers Association	-160.00
11/05/2021	29726	Greenwood Chevrolet	-681.38
11/05/2021	29727	Hach Company	-451.99
11/05/2021	29728	Hollister Safe & Lock Inc.	-85.00
11/05/2021	29729	Iconix Waterworks (US) Inc.	-364.35
11/05/2021	29730	J M Electric	-450.00
11/05/2021	29731	Melissa Data Corp.	-895.00
11/05/2021	29732	Mission Uniform Service	-324.56
11/05/2021	29733	Nationwide Retirements Solutions	-8,635.55
11/05/2021	29734	Palace Business Solutions	-161.80
11/05/2021	29735	Petty Cash	-90.00
11/05/2021	29736	Quinn Company	-77.95
11/05/2021	29737	Razzolink.com	-76.95
11/05/2021	29738	San Benito County Water District	-337.75
11/05/2021	29739	San Benito Tire Pros & Automotive	-833.62
11/05/2021	29740	Star Concrete	-522.22
11/05/2021	29741	Toro Petroleum Corp.	-2,012.58
11/05/2021	29742	True Value Hardware	-51.86
11/05/2021	29743	U.S. Bank Corporate Payment Systems	-4,886.85
11/05/2021	29744	USA Blue Book	-2,260.11
11/05/2021	29745	Government Finance Officers Association	-460.00
11/05/2021	29746	San Benito County Water District	-309,021.53
11/05/2021	29747	Frisch Engineering	-18,309.50
11/05/2021	29748	City of Hollister-Finance Dept	-391,196.05
11/05/2021	29749	City of Hollister-Finance Dept	-35.87
11/15/2021	29750	A-1 Services	-882.00
11/15/2021	29751	Auto Tech Service Center, Inc.	-90.00
11/15/2021	29752	Brenntag Pacific, Inc.	-16,353.27
11/15/2021	29753	Central Ag Supply LLC	-99.57
11/15/2021	29754	Hollister Auto Parts, Inc.	-11.57
11/15/2021	29755	Mission Uniform Service	-360.12
11/15/2021	29756	O'Reilly Auto Parts	-35.27
11/15/2021	29757	Recology San Benito County	-313.19
11/15/2021	29758	Schaaf & Wheeler	-23,075.00
11/15/2021	29759	Simplot Grower Solutions	-952.00
11/15/2021	29760	Star Concrete	-892.58
11/15/2021	29761	Trans Union LLC	-159.04
11/15/2021	29762	True Value Hardware	-21.27
11/15/2021	29763	Instrument Technology Corp	-14,292.25
11/15/2021	29764	NATALIE A CARBONI	-290.26
11/15/2021	29765	ALEJANDRO & CORINA CASTANEDA	-93.67
11/15/2021	29766	MANZO CONSTRUCTION INC,	-150.08
11/15/2021	29767	JAMI LYNETT PETERS	-206.34
11/15/2021	29768	JULIE & EDWARD WALTERS	-119.71
11/16/2021	29769	Boltz, William K	-114.41
11/19/2021	29770	Ace Hardware (Johnson Lumber Co.)	-135.99
11/19/2021	29771	Brenntag Pacific, Inc.	-9,366.44
11/19/2021	29772	EBCO Pest Control	-69.00
11/19/2021	29773	Grainger, Inc.	-102.47

11/19/2021	29774	MBS Business Systems	-920.81
11/19/2021	29775	Mission Uniform Service	-682.96
11/19/2021	29776	MuniQuip, LLC	-333.96
11/19/2021	29777	Nationwide Retirements Solutions	-9,163.09
11/19/2021	29778	RJR Recycling	-75.00
11/19/2021	29780	Staples Advantage	-24.89
11/19/2021	29781	Toro Petroleum Corp.	-1,053.86
11/19/2021	29782	True Value Hardware	-12.92
11/19/2021	29783	USA Blue Book	-1,411.14
11/19/2021	29784	Veolia Water Technologies	-57,910.07
11/19/2021	29785	Wright Bros. Indust. Supply	-70.29
11/19/2021	29786	San Benito Tire Pros & Automotive	-775.28
11/19/2021	29787	ACC Business	-1,324.60
11/29/2021	29788	Ace Hardware (Johnson Lumber Co.)	-80.80
11/29/2021	29789	Brenntag Pacific, Inc.	-7,077.46
11/29/2021	29790	Bryan Mailey Electric, Inc	-9,133.07
11/29/2021	29791	City of Hollister-Finance Dept	-395,379.53
11/29/2021	29792	CM Analytical, Inc.	-12,368.75
11/29/2021	29793	De Lay & Laredo	-2,803.50
11/29/2021	29794	exceedio	-3,116.41
11/29/2021	29795	Extreme Air, Inc.	-360.00
11/29/2021	29796	Hach Company	-182.62
11/29/2021	29797	Hollister Auto Parts, Inc.	-208.75
11/29/2021	29798	Hollister Paint Co.	-93.74
11/29/2021	29799	Konica Minolta Premier Finance	-416.76
11/29/2021	29800	Mc Gilloway, Ray, Brown & Kaufman	-14,400.00
11/29/2021	29801	Mission Uniform Service	-323.70
11/29/2021	29802	Petty Cash	-7.38
11/29/2021	29803	Postmaster	-2,210.11
11/29/2021	29804	Razzolink.com	-76.95
11/29/2021	29805	RJR Recycling	-1,000.00
11/29/2021	29806	San Benito County Water District	-292,263.64
11/29/2021	29807	San Benito County Water District- Pumping	-20,964.30
11/29/2021	29808	True Value Hardware	-84.63
11/29/2021	29809	Verizon Wireless	-633.23

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**-1,988,537.54**

4. Receive Associate Engineer Monthly Status Report.
5. Receive Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.
6. Receive Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
7. Receive General Manager Monthly Status Report.
8. Approval of Resolution #564 of the Board of Directors of the Sunnyslope County Water District – Hollister California Proclaiming a Local Emergency, Ratifying the State of Emergency Proclaimed on March 4, 2020, and Authorizing Remote Teleconference Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act. Resolution #564 attached. (Not a project under CEQA per Article 20, Section 15378)

President Buzzetta asked for public comment and receiving none, President Buzzetta requested a motion to approve the consent agenda. Upon a motion made by Director Brown to approve the Consent Agenda, seconded by Director Mauro, for which President Buzzetta then took a roll call vote as follows: (MA), yes; (JP), yes; (DB), yes; (EM), yes; and (JB) yes; the motion carried 5-0.

## **J. NEW BUSINESS:**

### **1. Consider and Authorize the President of the Board to sign Resolutions #565 and #566 Approving Reserve Policy (#8600) and Investment Policy (#8650). Resolution #565 and #566 attached. (Not a project as defined by the California Environmental Quality Act per Article 20, Section 15378)**

General Manager Lander spoke on the matter explaining that small typos were adjusted, but nothing significant was changed since this matter was presented on the special December meeting. Peter Yanez, the Vice President of Multibank Securities, was then introduced by General Manager Lander to speak on the matter to share information on his company and why this investment strategy would benefit the district. Board questions involved clarification on if this new policy would provide a higher return than a typical bank and what the risk management would look like. Director Buzzetta asked for any public comment. Upon receiving no public comment, Director Alcorn made a motion to authorize the President of the Board to sign Resolutions #565 and #566 Approving Reserve Policy (#8600) and Investment Policy (#8650). This motion was seconded by Director Brown for which President Buzzetta then took a roll call vote as follows: (MA), yes; (JP), yes; (DB) yes; (EM), yes; and (JB) yes ; the motion carried 5-0.

### **2. Take Appropriate Action to Elect a President and Vice-President of the Board of Directors, and President to Assign Director Duties to Standing District Committees for 2022. (Not a project under CEQA per Article 20, Section 15378)**

General Manager Lander stated that the Board of Directors annually elects one of the five Board of Directors to serve as the President of the Board and a second Director to serve as the Vice President of the Board. The President of the Board then assigns Directors to serve on the four standing committees, the Water Resources Agency, the Association of California Water Agency Joint Powers Insurance Authority, and to perform check signing responsibilities on behalf of the District. Director Jerry Buzzetta served as President and Director Jim Parker has served as Vice President for 2021.

Director Alcorn nominated Director Buzzetta to continue as President, and President Buzzetta accepted the nomination. The motion was seconded by Director Brown and President Buzzetta then took a roll call vote as follows: Directors (MA), yes; (JP), yes; (DB), yes; (EM), yes; and President (JB), yes; the motion carried 5-0.

President Buzzetta continued his role as President and finished conducting the remainder of the meeting.

Director Parker nominated Director Brown for Vice-President. Director Brown accepted the nomination. The motion was seconded by Director Mauro and President Buzzetta then took a roll call vote as follows: Directors (MA), yes; (JP), yes; (DB), yes; (EM), yes; and President (JB), yes; the motion carried 5-0

President Buzzetta assigned Directors to the following committees or as agency representatives:

- Finance Committee – Mike Alcorn & Jerry Buzzetta (Alternate – Dee Brown)
- Water/Wastewater Committee – Mike Alcorn & Jim Parker (Alternate – Ed Mauro)
- Employee & Personnel Committee – Jerry Buzzetta & Ed Mauro (Alternate –Dee Brown)
- Policy and Procedures Committee – Dee Brown & Ed Mauro (Alternate – Jim Parker)
- Water Resources Agency – Jim Parker (Alternate – Mike Alcorn)
- ACWA/JPIA Board Representative – Dee Brown (Alternate – Jerry Buzzetta)
- District Check Signing Responsibility for 2021 –
  - First quarter – Jim Parker;
  - Second quarter – Ed Mauro;
  - Third quarter – Mike Alcorn
  - Fourth quarter – Dee Brown

**3. Receive Audit Report/Presentation by Patricia Kaufman, CPA/Partner, with McGilloway, Ray, Brown & Kaufman on June 30, 2021 Audit. (Not a project under CEQA per Article 20, Section 15378)**

General Manager Lander introduced Patricia Kaufman, CPA/Partner with McGilloway, Ray, Brown & Kaufman, who oversaw the 2021 audit. Ms. Kaufman started her presentation by discussing her role in the audit and her experience in the field. She then began to go over the audit report for 2021, congratulating the District for having an unmodified admission for the year, the best they could have gotten in these circumstances. She also disclosed the District received the GFOA Award for Excellency for 2020's report.

Ms. Kaufman went on to note that the District has no significant audit findings, has recognized all significant transactions in the financial statements in the proper period, has presented all required sensitive financial statement disclosures, that her audit team encountered no difficulties in performing the audit, that no auditor adjusting entries were needed (a rare occurrence), and there were no disagreements with management.

Ms. Kaufman noted that there was no Management Letter this fiscal year, to note any material deficiencies.

President Buzzetta asked for public comment and receiving none, President Buzzetta requested a motion to approve the consent agenda. Upon motion made by Director Alcorn, seconded by Director Brown, to which President Buzzetta took roll call as follows: Directors (MA), yes; (JP), yes; (DB), yes; (EM), yes; and (JB), yes; the motion carried 5-0. The Board accepted the June 30, 2021 audited financial statements for Sunnyslope County Water District and presentation by Ms. Kaufman, partner in the accounting firm, McGilloway, Ray, Brown & Kaufman.

**4. Consider Approval and Authorize the General Manager to Sign the Amendment 1 to the Agreement for Water and Sewer Facilities and Service for the Promontory at Ridgemark Development. Amendment 1 attached.**

General Manager Lander introduced Associate Engineer Robert Hillebrecht to speak on the matter. He explained that it was brought back to the board for a third time, due to more research being conducted. He proceeded to inform the board that a pipe bridge would be the best route for this project, therefore striking the previously suggested pump

station. Mr. Hillebrecht then went over what the amendment consisted of which was relating to the pump station and providing the finances to fund said pump station.

President Buzzetta inquired about the costs for the flushing and testing that is discussed in Section 23.1 of the Amendment. Associate Engineer Robert Hillebrecht disclosed that if this were to occur the costs would be minimal due to the fact the District's employees would be responsible for the task, instead of an outside company. Director Alcorn then questioned whether the approval of this amendment would lead to them starting the project, to which General Manager Lander informed him the project is already underway.

President Buzzetta asked for public comment and Dean Millis, with Century, commented via Teleconference. Mr. Millis commented that although the relationship with Sunnyslope has been very positive, there is a minor disagreement that he is requesting the board consider be added to the agreement. He believes that the 12 inch water line that had been suggested by the District would benefit the District more than the project itself, therefore he is requesting that the District covers the costs associated with the installation of this water line. At this point Mr. Millis introduced Century's EP of Development Mike Miller, who was present in person at the board meeting.

Mr. Miller was then invited to the podium where he discussed the current water lines in the project and how he believed that a 12 inch water line would be too much for just this project. He proceeded to say that they are not against doing the work and connecting the the line, but this water line would more benefit the District therefore they are requesting the District bare the costs of the project.

Lander then commented on the matter, saying this water line would also benefit the project by giving the residents better water when there is an irrigation demand. President Buzzetta questioned Dean Millis and Mike Miller asking what size pipe they would find reasonable in this situation, to which Mr. Miller said that's still being discussed with the District to find what would be the best option.

President Buzzetta then asked for additional public comment and receiving none, President Buzzetta requested a motion to approve the amendment. Upon motion made by Director Alcorn, seconded by Director Mauro, to which President Buzzetta took roll call as follows: Directors (MA), yes; (JP), abstained; (DB), yes; (EM), yes; and (JB), yes; the motion carried 4-1.

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

1. **Governance Committee:** (Next meeting January 12th, 2022, time TBD)
2. **Water/Wastewater Committee:** – No meeting held.
3. **Finance Committee:** (Meeting held December 13. Committee read and reviewed Policy #8600 and #8650.)
4. **Policy and Procedure Committee:** (Meeting held December 13. Committee read and reviewed Policy #8600 and #8650.)
5. **Personnel Committee:** (Meeting held December 13. Committee met in closed session regarding General Manager's annual review.)
6. **Water Resources Association of San Benito County (WRA):** (No meeting, Next meeting – January 6, 2022 @ 4:00 PM)

#### **L. BOARD and STAFF REPORTS**

1. **Directors:** No Report.

2. **District Counsel:** Michael Laredo reported that there is some upcoming training in late January, he will send out the schedule once it becomes available.

3. **General Manager:** General Manager/Secretary Lander gave an update on the COVID-19 activities, reporting that the office remains closed as the variants still circulate in the community. Lander informed the Board that the glass partition should be ready the second week of January and we can look forward to opening the office by February 1<sup>st</sup>. The District also plans on having a touch screen in the lobby to be able to have customers come into the office and use this screen to make their payments. Late fees are being charged and defaults are lessening, leans are being utilized as well.

**M. FUTURE AGENDA ITEMS:** None discussed at this time.

**N. ADJOURNMENT:** President Buzzetta adjourned the meeting at 7:09 p.m.

**APPROVED BY THE BOARD:**

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Jerry T. Buzzetta, President

**RESPECTFULLY SUBMITTED:**

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Drew A. Lander, Secretary