

HILMAR COUNTY WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
August 2, 2022

Members Present – Jim Jones, David Anderson, Jim Gerdes and Frank Hilliard.

Members Absent – None.

Public in Attendance – Robert Dylina.

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**Action Items**

A motion to approve the Consent Items was made by Jim Gerdes and seconded by David Anderson. Motion passed 4-0.

A motion to approve Bills Payable: August 2022 was made by Jim Gerdes and seconded by David Anderson. Motion passed 4-0.

A motion to approve the extension of the Conditional Can and Will Serve Letter for Richard Ellington Subdivision (Richard and Juanita Ellington) was made by David Anderson and seconded by Jim Gerdes. Motion passed 4-0.

A motion to approve the SCADA System Implementation Project Contract with Waterworks Technology, Inc. was made by Frank Hilliard and seconded by Jim Gerdes. Motion passed 4-0.

A motion to accept the resignation of Director David Alvares and select method of filling vacancy on the Board of Directors pursuant to Water Code Section 30504 and Government Code Section 1780 was made by Jim Gerdes and seconded by David Anderson. Motion passed 4-0.

**Meeting – 08/02/22**  
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The meeting was called to order at 5:28 p.m. by President Jim Jones.

**Consent Items** – A motion was made and seconded to approve the Consent Items.

**Public Forum** – None.

**District Manager's Report** –

Curtis reported we pumped a total of 38.995MG and billed for 38.634MG thus reflecting only 1% water loss. Mr. Anderson inquired if the system loses water pressure due to the higher demand? Curtis replied that the pressure relatively remains the same with the higher use. TSS and BOD figures were closer to normal. TSS was 49.5mg/L and BOD was 47.5mg/L. We had a company come out to the WWTF and perform a filtration system demonstration. Some interesting points were brought up. For example, the flow meter may be wearing out. The total flows at the WWTF were low for the month, this maybe a result of the flow meter not working properly.

Curtis informed the Board that the new water and sewer rates were implemented on July 1<sup>st</sup>. We also had the annual planning session with AIG, our retirement investment company, where all employees met with the advisor and discussed their investment options.

Curtis reported we had a water outage due to a power outage on Saturday, July 16<sup>th</sup>. The system worked the way it was supposed to except the surge causes a fault code. In order for the system to start working again, the fault needs to be manually cleared. If we had a SCADA system, we would have immediate notification and have the ability to restart the well remotely, thus cutting back on how long the system would be down. Curtis also reported that Zac Vasquez received his Grade 1 Distribution certificate.

Curtis stated that Mr. Alvares provided his resignation letter on July 11<sup>th</sup>. Curtis has been approached by a few people that are interested in the Board vacancy. The individuals are Daniel Machado, Tony Salvador, Joe Gomes and today, Curtis received an email from Joe Schoneman stating he is also interested in the board vacancy. If it's okay with the board, Curtis would like to prepare a questionnaire and possibly set up interviews. The Board agreed to this process.

Curtis informed the Board that HCWD has a new team member, Diane Xavier became a grandma. We are all excited for her.

#### **Director Reports – None**

#### **Action Items –**

- A) The bills that are due to be paid in August were presented. A motion was made and seconded to pay the bills presented.
- B) The Conditional Can and Will Serve Letter for Ricard Ellington Subdivision (Richard and Juanita Ellington) was presented and a motion was made and seconded to extend the Conditional Can and Will Serve Letter.
- C) Curtis brought back the proposal of the SCADA System Implementation Project. The Board's biggest concern was the annual cost. Curtis sent a document from Waterworks Technology to the Board that provided a breakdown of what is covered and a discount for the first year was provided at a cost of \$69,636.00 and year two to five is \$79,620.00. Curtis stated this is a big change for the District. We don't have to go with the SCADA system, but we can't afford not to. Having the SCADA system, it would reduce the response time notifying staff the system is down. If you breakdown the annual cost by how many connections the District currently has, it would come out to .13 cents per day or \$4.00 a month. This is a complete system that fits our needs. It builds on a better system for us, more data, and we can know how our sewer lines are doing. The total installation cost of the project is \$533,000.00. Funds would be allocated as follows:
  - \$103,000.00 Water Facilities Fees
  - \$309,500.00 Sewer Facilities Fees
  - \$120,500.00 Storm Impact Fees
  - \$533,000.00 Total Installation Cost

Staff recommends approval of the contract with Waterworks Technology, Inc. Mr. Jones inquired if we have the funds for the project. Curtis stated yes. Mr. Hilliard stated at last month's meeting he was not sold on the annual cost but based on the additional notes received from Bret with Waterworks Technology he believes this is a good option for the District. A motion was made and seconded to approve the SCADA System Implementation Project Contract with Waterworks Technology, Inc.

- D) Curtis informed the Board that Mr. Alvares submitted his letter of resignation on July 11<sup>th</sup>. As stated earlier, Curtis will be in contact with the individuals who have showed interest in the position. A motion was made and seconded to accept Mr. Alvares' resignation and to fill the vacancy within the time frame allowed.
- E) Curtis presented the Conditional Can and Will Serve Letter for Robert Dylina (APN 017-120-001). This project is at the end of Echo Street and it consists of 95 lots designated as low/medium density. Mr. Dylina is requesting the board allocate equivalent dwelling units from the reserves. Mr. Dylina was informed of our current water situation. Mr. Dylina intruded himself to the Board. Mr. Dylina stated he and a partner have put in a bid for the property and they would like to move forward with the project and not just sit on the property. He stated if the Board would be willing to look at receiving a contribution of capital funds for a new well. Mr. Gerdes stated we have other projects that are waiting on the District to get a new well built in order to build their projects. Curtis suggested to Mr. Dylina that he could possibly contact other developers and see if there would be the possibility of doing a joint venture for a new well and possibly cover all the projects in the works. The District is willing to possibly assist with a development agreement with each of the parties. Mr. Dylina stated he didn't come to the meeting expecting to jump ahead of the other projects. His thought was to make a capital contribution for a new well and possibly have the board dip into the reserves in order to get the project going. Mr. Spencer Supinger inquired as to the process of a request for a conditional can and will serve notice, doesn't it have to come from the property owner or an agent of the owner? After further discussion, no motion was made to approve the Conditional Can and Will Serve Letter. Mr. Spencer Supinger stated that Mr. Dylina can coordinate with the other developers to possibly get a new well.

#### **Discussion Items –**

At the last meeting, this item was tabled as Curtis had not received all the information from 120Water. There is a revision to the lead and copper testing rules that will be more stringent and require a lot of reporting and documentation. The revision will become effective by 2024. We will be completing the lead and copper testing this year. We have to test every 3 years. Based on the time frame we will wait on tackling the new process.

#### **Closed Session –**

The Directors Convened to Closed Session at 6:39 p.m. to conference regarding the Existing Litigation (Government Code Section 54956.9(a)). Name of Case: Hilmar County Water District v. The Dow Chemical Company, et al. And Personnel Reviews.

Directors returned to Open Session at 7:04 p.m. the Board was updated on the status of the litigation and were provided with the input from the personnel reviews.

Dina Borges reported that the auditors will be performing the audit on August 15<sup>th</sup> and 16<sup>th</sup>. She also reminded the Board, the filing period for the November election expires August 12<sup>th</sup>.

There being no further business the meeting was adjourned at 7:06 p.m.

Respectfully Submitted,

*Dina Borges*

Approved by:

*Jim Jones*

Board Member

*9-6-22*

Date