

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
August 27, 2013

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Holman on Tuesday, August 27, 2013 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Holman, Vice President Mahler, Directors Dutra, Norton and Leap were present. General Manager Vicki Morris, Counsel Bob Bosso and Engineer Mike Freitas were also present. Staff Patten and intern, Jennifer Shedden, were present. Maureen Cain was acting secretary in the absence of Laurie Goodman.

III. PLEDGE OF ALLEGIANCE: President Holman led the pledge of allegiance.

IV. STATEMENTS OF DISQUALIFICATION: There were no disqualification statements

V. ADDITIONS AND DELETIONS: There were no additions or deletions.

VI. MINUTES: The minutes of the July 23, 2013 Regular Meeting were presented for acceptance and approval.

Director Norton moved and President Holman seconded that the minutes be approved. They were unanimously accepted as written.

VII. ORAL COMMUNICATION: None

VIII. PRESENTATIONS

A. Director's Reports: Director Mahler reported she came to office on August 26th for a surprise check on office procedures to do with bank statements and receipts. Director Norton reported that he and Director Leap went on a tour of the Rocks Road property with Graham Robertson. Director Norton also attended the San Benito Board of Supervisors meeting regarding the General Plan. There are special study areas that AWD Board may want to include in strategic planning. Director Leap reported he spent time in the Aromas Day AWD booth, getting to know the community. He also went on the Rocks Road tour and President Holman had gone on the Rocks Road tour a few weeks ago.

B. Attorneys Report: Counsel Bosso sent board members a document on fracking he thought might be useful. He also reported that the trial court in Orange County decided the tiered rate system is a violation of Proposition 218. There will be at least another year of litigation and it could end up in the Supreme Court, which could take up to four years. The decision will have ramifications for our district and statewide. We will watch and wait to see what happens on this issue.

C. Manager's Report:

Operations: Production so far this year was over 68 million gallons. Usage has been up for the summer because of the dry winter and fairly warm summer. All sampling has met State Health Standards. Operators are working on radio transmission issues. Bid in the amount of \$1,500 was received for grading of the Ballantree Tank road. We will proceed with repairs. Staff: Intern, Jennifer Shedden, is working two days a week and paid from an engineering grant until she goes back to school. She teaches CAD to CalPoly students and has been helping staff with the program. She will add input for the new CAD program for the District.

Staff: GM Morris thanked Board and Staff for working in the AWD booth on *Aromas Day*. It

was a good opportunity to show off the demonstration garden. During the day, we offered our board room to the Eagles state officers as a relief room.

Projects: There is currently nothing new to report on the *CalTrans Project*. Regarding the *Seely Avenue Area Annexation*, GM Morris met with the new director of LAFCO, Bob Braitman, and he is requiring new application forms. The application will be re-written and re-submitted, which will delay the project, as we had expected.

Dates were suggested to begin the *Strategic Planning Process* and the Board agreed on Thursday, September 26th, at 7pm. Counsel Bosso will also be able to attend.

Last week, GM Morris met with the engineer inspector from CDPH for a total inspection of the system, done every three years. He has given us a small list of minor corrections, such as rust on some air vents, which will be repaired this year. After repair items are completed, the final CDPH report will be forwarded to the board.

The *Oakridge/Via del Sol Assessment* is on the agenda as item IXB.

IX. ACTION ITEMS

A. Request for Variance on Charge for Two Residences on One Meter at 18713 Caris Lane: Owner, Mr. Ken Brown, has requested that the charge for a second residence be removed because he could no longer use the structure as a dwelling place. In September 2012, the Board requested additional information from Monterey County to make a decision. Planner, Wanda Hickman, notified staff that only one single family dwelling is allowed on the property. Staff recommended removal of the charge should also mean that purchase of a new connection be required if a second unit is ever used for a business or residence on the property.

Director Dutra made a motion to allow the variance as recommended, and Director Leap seconded it. It passed unanimously.

B. Oakridge/Via del Sol Assessment District 2013-1: Jones Hall bond attorney, Scott Ferguson was unable to attend, but was available by phone as needed. GM Morris went over the formation summary and asked for questions. AWD has received 33 ballots so far. The ballots remain unopened and securely locked at the District Office. There was discussion on the actual deadline to change the benefit of the Assessment from fire service only to fire and water services on any particular parcel. Engineer Mike Freitas would have to create a new report with cost breakdowns and added costs for the formation of the District. GM Morris suggested a deadline of September 16th. Appraisals for the easements necessary for the project have been completed by Appraiser, Frank May of May & Associates. The estimated value of \$18,000 will be negotiated by him with the four property owners.

C. Award of Contract for Construction and Installation of Engine Generator at Seely Booster Station: Bids were received from three contractors with ERBCO Construction Services, Inc submitting the low bid in the amount of \$94,000. It will take 8-10 weeks for the 250 kilowatt diesel generator to be constructed. The Tier III generator will meet the requirements of the Monterey Bay Area Air Pollution Control District. The generator will be connected to our existing manual transfer switch, come with sound proofing, and will be weather tight. It will run automatically on a schedule to keep it in working order. The contract includes a two-year maintenance agreement.

President Holman moved to award the contract to the low bidder and Director Norton

seconded. The motion passed unanimously.

D. Award Contract for Tank Cleaning and Inspection: CDPH recommends that we have tanks cleaned every 3 years and inspect for needed repairs. GM Morris secured bids from several companies and recommended that the Board approve a contract with Potable Divers, Inc. in the amount of \$4,600 for the Cole, Rancho Larios, Rea, Carr and Pinetree Tanks. Disinfected divers will inspect and remove sediment from the tanks and provide a video on DVD without interruption to service.

Vice President Mahler made a motion to award the contract to Potable Divers, Inc. Director Leap seconded and it passed unanimously.

E. Presentation of Financial Reports for the Month of July 2013: Revenue for July \$117,198.55. Total assets are \$6.6 million. Total liabilities are \$1.4 million. Expenses from July 17th to August 21st, 2013 were \$102,390.41. Power costs are over budget, reflective of the high water production and revenue. Payments were reviewed by Pres. Holman.

Director Norton moved to accept the financials as presented and Dir. Leap seconded. The financials were accepted unanimously.

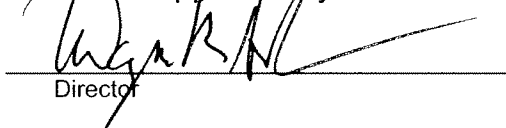
XII. ADJOURNMENT

President Holman adjourned the meeting at 8:34 PM.

Report submitted by Laurie Goodman, District Secretary as taken by Acting Secretary, Maureen Cain.

Date: September 24, 2013

Read and approved by:



Director

Attest:



Laurie Goodman, Board Secretary