

**Minutes of the Regular Meeting of
the Board of Directors of the Aromas Water District
November 24, 2017**

- I. CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Leap on Tuesday, November 28, 2017 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. ROLL CALL.** President Leap, Vice-President Smith, and Directors Dutra, Norton and Holman were present. Also in attendance were Counsel Bob Bosso; General Manager Robert Johnson and Board Secretary Louise Coombes.
- III. PLEDGE OF ALLEGIANCE.** Director Norton 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 October 25, 2017 Board Meeting were presented for review and approval; there were no comments or corrections. Director Norton moved for approval of the minutes and Director Smith seconded. Minutes were approved unanimously with all directors present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VIII. REPORTS/PRESENTATIONS:

- A. Director's Reports.** Director Norton mentioned that he attended a meeting at the San Benito County Council ~~and~~ Governor's meeting earlier in November and under discussion was financing transportation needs and road repairs on sub-standard roads in the county. The impetus behind this project is Highway 25 repairs and it seems there may be a tax measure in the future. Director Norton is pushing to make sure that sub-standard roads in the west of San Benito County are included in the repair planning. This is obliquely connected to AWD's business in that we occasionally need to dig up roads in the local area.
- B. Attorney's Report.** Counsel Bosso reported that he continues to monitor the progress of the Prop 218 cases regarding tiered rates and notification of property owners/customers. Still awaiting a decision from the Supreme Court by the end of 2017 regarding tiered rates.

Regarding the Mid County GSA formation; they are moving ahead; the Board has been appointed; the By-Laws have been adopted; Hydrometrics have been hired to do the hydrogeology work; meetings to work on plans have been taking place. The Santa Margarita Groundwater Agency (Scotts Valley / San Lorenzo Valley / City of Santa Cruz) have also adopted their By-Laws and are probably about six months behind the Mid County area, so most of Santa Cruz County is now covered by GSAs.

- C. Manager's Report.** See detailed report in agenda packet. Items highlighted include:

Production & Well Levels

GM Johnson noted production in October is a little under 10 million gallons which is high for October, most likely due to the unseasonably warm and dry weather; still less than the current benchmark of 2013 but a little higher than 2014.

San Juan Well has been running continually due to Carpenteria Well not coming back online until October 18th and is still lower than its usual production levels. Pleasant Acres Well was only in full service for five days due to meter issues.

Operations

GM Johnson commented on how impressed he is about the small amount of system loss, which is actually below 5% system wide; reflecting what a remarkable job AWDs Operators are doing in maintaining the system.

GM Johnson was recently approached by Kamstrup, a new ultrasonic meter manufacturer already popular in Europe, whose meters have no moving parts or fall off of accuracy over 20 years with a matching warranty period. After a demonstration, AWD was given a meter and a radio reader, on a trial basis, and the Operators have the meter already installed.

GM Johnson will be looking into instigating a pilot project with the manufacturer to install these meters on a specific section of our system, with a long term view to replace all meters if the trial is successful. President Leap suggested there may be potential to obtain a water conservation grant to offset the cost; GM Johnson will look into the possibility.

GM Johnson reported on Well Levels; in the last month, Carpenteria Well has risen 5ft; Marshall Well has risen 3ft; San Juan Well has risen 13ft and Aimee Well 8ft.

Maintenance

GM Johnson reported that the Actuator Valve that has previously been leaking at the San Juan Treatment Plant has now been fixed.

GM Johnson noted that the Aromas residents are leaving inappropriate items at the AWD site near the Firehouse; these items cannot be chipped, therefore AWD may have to foot the bill for disposing of such items. Better signage to educate the community may help to curtail this activity.

Incidents

GM Johnson reported on a customer complaint. GM Johnson and Chief Operator DeAlba visited the customer to review the situation, suggesting various measures the customer could take to satisfy his discontent over high water bills.

Staff & Board Recognition

GM Johnson and Operators DeAlba and Zelmar attended and Intern Smith attended a Water Operator Treatment Exam refresher class in early November.

The last staff meeting included a safety awareness study regarding the time change affecting the way people drive; reaction times and light change. Especially important for the safety of our Operators to be aware as they drive locally to perform their duties.

Also discussed at the staff meeting was office and staff preparedness in the event of an emergency; including "Go" bags. A list was supplied to each staff member.

GM Johnson reported that he has completed the amendments to the System of Award Management (SAM).

GM Johnson also completed the new forms requested by the State Water Resources Control Board (SWRCB) for water quality emergency notifications for San Benito County in the event of a spill or line break.

GM Johnson reported on how Louise Coombes and Ester Giron continue to cover all the work required by the three roles (Customer Service, Accounts and Admin Services). Included in this was assessing another round of 17 applications, performing interviews and choosing a new Customer Services Representative. The new staff member, Toleen Gonzales, began work yesterday and seems to be settling in well; she lives locally and is bilingual.

Drought & Conservation

GM Johnson noted that since the beginning of the new rain year (October 1st), the rain gauge is currently at 2.48" (as at 11/28/17), with 2.4" of this occurring in November.

Projects - Booster Generator

GM Johnson and the Operators have been in discussion with an electrician to modify the electrical system at three of the boosters; Carr, Oakridge and San Juan. The plan would be to rent a trailer mounted generator with a customized "pig tail" to fit all boosters and to be able to sequentially fill all tanks in the event of local power loss. The pig tails are \$3-5,000 each, so continuing research is necessary. The filtration plant, however, will require a much larger generator, so it may be necessary to rent the biggest generator possible.

Ad Hoc GSA Committee

GM Johnson reported that we are still waiting for the DWR's response on the PVWMA Alternative Plan. Apparently PVWMA is going to the SBC LAFCO, to discuss changing their sphere of influence, however, the sphere is set by legislation, but this is different from the GSA boundary. How this will affect Aromas Water remains to be seen. GM Johnson is planning to call the PVWMA GM to find out more.

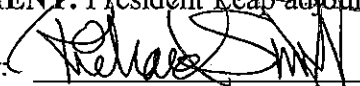
- D. Correspondence.** The monthly correspondence list was reviewed; Director Dutra requested clarification regarding the letter written to indicate connection fees and current position of the main for when Mr. Bugalski is ready to connect. GM Johnson drew the Board's attention to the letter written, with Board direction, to Mr. Gubbins at the Cal Dept of Transportation regarding the subcontractor who ignored the 811 direction to hand dig for signage installations, thereby causing a service line break in mid October 2017.

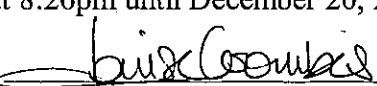
IX. ACTION ITEMS

- A. Backup Power Generator.** Review and consider proposal to install a backup generator at the AWD Office in preparation of a possible power outage. Board direction was in favor of the proposal for \$11,000, for 16kW Generac, with some caveats. This proposal does not include permitting costs. A potential benefit with the Generac brand is that it brings homogeneity with the generator already installed at Seely Booster.
- B. Financial Reports for the month of October 2017.** GM Johnson noted total assets are at \$8.7 million and total liabilities \$1.8 million, making a net equity of \$6.9 million. Revenue for October was \$107,946.08. Expenditures from October 19 to November 20, 2017 total \$162,458.41. GM Johnson noted the increased water revenue was most likely due to the unseasonably hot weather in October. Also noted was the recent payment for the Solar Loan in the expenditures list, and the high power usage on SJ Well. Vice President Smith enquired about the distribution of unused power from the solar array. The RES-BCT program allows excess power to be distributed; research is required as to whether this is at the wholesale or retail rate, however our solar array was approximately 20% undersized for our needs, so it is unlikely that we will have more than we need when Carpentaria Well is fully running. There is an annual True-Up at the end of June. Director Holman moved to accept the financials as presented and Director Norton seconded. The financials were accepted unanimously with all Directors present.

- X. FUTURE MEETINGS & AGENDA ITEMS.** The next meeting will be on Wednesday, December 20, 2017 due to the Christmas holiday.

- XI. ADJOURNMENT.** President Leap adjourned the meeting at 8:26pm until December 20, 2017.

Read and approved by: 
Vice President, Richard Smith

Attest: 
Board Secretary, Louise Coombes

Date: 12/20/17

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