

SCANNED to STORAGE
Date: 2/28/18

**Minutes of the Regular Meeting of
the Board of Directors of the Aromas Water District
January 23, 2017**

- I. CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Smith on Tuesday, January 23, 2018 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. ROLL CALL.** President Smith, Vice President Holman and Directors Dutra, Norton and Leap were present. Also in attendance were General Manager Robert Johnson, Counsel Bob Bosso and Board Secretary Louise Coombes.
- III. PLEDGE OF ALLEGIANCE.** Director Leap led the pledge of allegiance.
- IV. STATEMENTS OF DISQUALIFICATION.** There were no disqualification statements.
- V. ADDITIONS AND DELETIONS.** There was one deletion to the Agenda; Action Item IX A. Due to illness, the Auditors Fedak & Brown were not able to meet with the Audit Committee and subsequently present a summary to the Board at this meeting. This Action Item has been rescheduled to February 27.
- VI. MINUTES.** The minutes of the December 20, 2017 Board Meeting were presented for review and approval; there were no corrections or comments. Director Norton moved for approval of the minutes and Director Leap 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 recently noticed that in San Benito County there is no Special District Representative for LAFCO; he volunteered to perform further research into the process. Further discussion by the District Board will be added to the March Board meeting agenda, potentially inviting the LAFCO Director to attend. President Smith formed an Ad-Hoc Committee and appointed Directors Norton and Leap to perform further research. The first task of the Ad Hoc Committee is to determine which is the lead County, in terms of assessed property values, within the respective AWD annexations of Monterey or San Benito counties before we commit to volunteering a representative to LAFCO.

B. Attorney's Report. Counsel Bosso brought up the subject of ADUs; SB831 introduced by Senator Wieckowski last week, which may have possible future implications related to new connections for inclusionary ADUs (Alternative Dwelling Units) within the Aromas Water District if this bill passes. This bill would not be retroactive, so existing dwellings would not be affected.

Director Leap enquired about SB623 discussed in December 2017, but Counsel Bosso explained that this Bill has not moved beyond the Rules Committee.

Later in the meeting, Counsel Bosso summarized that PVWMA rates are no longer subject to Prop 218, so the rates AWD currently pay PVWMA may change in the near future.

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

Production & Well Levels

GM Johnson noted that unusually the production between November and December increased. All wells were in full production for the entire month of December. Total production was over 5.9 million gallons which is still not as high as 2013. Well water measurements show Carpenteria Well is up 2ft, Marshall is up 3ft and both San Juan Well and Aimee Meadows Well are up 4ft.

Operations

GM Johnson noted one new connection within the last month. December's water testing results at the Water Treatment Plant showed very low levels of iron, but in the readings from the January sample, it was back to non-detect.

Maintenance

GM Johnson mentioned that he recently met with the Fire Chief to discuss the location of a delivery of sand at the Carpenteria Well site. Sand, with bags for the public to fill, is being offered for flooding protection if the oncoming months bring excessive rain. In addition, the Fire Department would like to offer the ever-popular branch chipping program to the public in April 2018. Again, the location of this was discussed; hopefully the existing piles of mulch will have been taken away by then.

Incidents

GM Johnson reported no new incidents this month.

Emergency Preparedness

The Operators recently installed an HD antenna so that the office can receive KSBW for emergency situations.

GM Johnson reported on the research regarding backup generator options being carried out by himself and CO DeAlba (see further details in *Projects - Booster Generator*)

Staff & Board Recognition

GM Johnson commented on how all staff are harmoniously working hard together. Director Dutra confirmed this impression during his recent visit to the office.

CSR Gonzales continues to work well together with AC Giron, performing and learning her new role proficiently and efficiently. Having been in similar roles before, she brings a wealth of experience to her position at AWD. AC Giron is adroitly pivoting between ensuring all CSR issues are dealt with, as well as working with ASO Coombes on seasonal Accounting tasks. ASO Coombes continues to work with AWD's Accountant and Auditors on a variety of items.

Customer Account Adjustments

GM Johnson informed the Board he has implemented two alterations to adjustments for customer fees and credits; firstly late fees may only be waived if the customer has not had any other late fees within the previous six month period; secondarily any leak credits will be evaluated on a case by case basis and will not be automatically granted. The suggestion of the latter has been removed from the letter sent out to customers warning them of high usage and therefore a potential leak.

Lead in Schools

GM Johnson reported on a webinar regarding the updates to this legislation. Any public school within AWD's jurisdiction can reach out to AWD to request free sampling and analysis of their water. Should the presence of Lead (Pb) be found in the water, it is the responsibility of the school to fix the issue.

Drought & Conservation

GM Johnson noted that since the rain gauge is currently at 5.52", with over 2.5" of this occurring in January.

PROJECTS

1. Oakridge Booster Station

Letters to the customer, on whose property the Oakridge Booster is currently located, have received no response. Therefore preparations are being made to make this power source independent of the property owner. This project is still in development, so further information will be forthcoming.

2. Backup Generator

GM Johnson brought in an electrician to assess the possibility of a mobile generator which circumvents the necessity of permits, fees and so on. Director Dutra also reported he had been researching the same issue. In summary, an assessment of the wattage used in the office, if all electrical equipment is simultaneously running may be a maximum draw of probably only 6.5KW, so a generator to cover all this would not be as expensive. Consider a Tier 4 generator to comply with new regulations from the Environmental Protection Agency. A key consideration would be quiet, clean running, and to be located away from the building to avoid fumes. To provide a connection for the generator, some re-wiring or double wiring of the input or circuit breakers to the office, would also need to be factored into the cost.

The possibility of purchasing a used generator with a pole light for use in the field will be evaluated separately.

Director Leap suggested some research into the possibility and cost of Photovoltaic panels and batteries.

- D. Correspondence.** The monthly correspondence list was reviewed; GM Johnson drew attention to the response from ATS which was confrontational; GM Johnson is declining to respond further. Director Norton enquired about the letter from San Benito Planning requesting comment on 901 Searle Road. GM Johnson explained that the property is within our sphere of influence, but not annexed. No request for water has been made at this time.

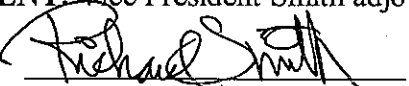
IX. ACTION ITEMS

- A. Presentation of the Audited Financials** - Deleted from the Agenda; tabled until February 27, 2018.
- B. Financial Reports for the Month of December 2017.** Total Revenue was \$102,489.59; Total expenditures were \$89,840.51 between December 16, 2017 and January 17, 2018. GM Johnson drew the Board's attention to the repositioning of the Assessment Districts on the Balance Sheet and the addition of Customer Deposits under the Other Current Liabilities. At the next Board meeting, the Auditors Fedak & Brown, will explain the reason for these inclusions to the Board. GM Johnson also noted that a small automatic annual charge had been made on the former GM Morris' credit card, which has now been switched to a different card. GM Johnson also noted the large amount on #473 - Membership for the Small Water System Annual Fee and a breakdown of the higher than usual amount under #431 System Maintenance and Repair. Director Holman moved to accept the Financials as presented and Director Norton seconded. The financials were unanimously accepted with all Directors present.

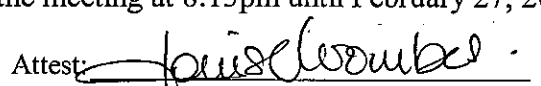
X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday, February 27, 2018.

XI. ADJOURNMENT. Vice President Smith adjourned the meeting at 8:13pm until February 27, 2018.

Read and approved by:


President, Richard Smith

Attest:


Board Secretary, Louise Coombes

Date:

2/27/18

Date:

2/27/2018

C

C

C