

Minutes of the Regular Meeting of  
The Board of Directors of the  
Aromas Water District  
June 24, 2014

**I. CALL TO ORDER:**

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Norton on Tuesday, June 24, 2014 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, California.

**II. ROLL CALL:**

President Norton, Vice President Leap, Directors Dutra, Holman and Mahler were in attendance. General Manager Vicki Morris, staff: Maureen Cain, Gina Patten, and Counsel Bob Bosso were also present.

**III. PLEDGE OF ALLEGIANCE:** President 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 May 27, 2014 Regular Meeting were presented for acceptance and approval.

Director Mahler moved to approve the minutes. Director Dutra seconded the motion. The minutes were unanimously approved.

**VII. ORAL COMMUNICATION:** Aromas resident Dee Handley presented to the Board of Directors "The California Water Atlas" as a donation from her husband Lincoln Handley to Aromas Water District. She expressed that the Atlas was developed in 1978 during Jerry Brown's first term as Governor. The Board expressed their appreciation to Mrs. Handley for her generous donation.

**VIII. PRESENTATIONS**

**A. Director's Reports:**

- Pres. Norton reviewed financials in the office last week.

**B. Attorney's Report:**

- The San Juan Capistrano case is on appeal. Should be heard in August or September 2014 with a decision 90 days following.

**C. Manager's Report:** Detailed report in agenda packet. Highlights include:

Operations:

- Total production for the month of May 2014 was 11.81 million gallons.
- The Consumer Confidence Report has been sent to customers, distributed to local organizations and posted on-line.
- There are new connections coming at Logan Knolls, on Payne Road, Seely Avenue,

and Carr Avenue.

- Maintenance at Pine Tree Tank is on-going. It needs a flex joint for seismic safety.

Projects:

- Two new operator interns are working with David two days a week.
- AWD is being awarded a \$1,500 grant from APWA for an engineering intern to work approximately 100 hours this summer.
- Pres. Norton commented that the annual Consumer Confidence Report (CCR) is well done.

## **IX. ACTION ITEMS**

**A. Review Proposed Rate Study:** Board to discuss Study, Proposition 218 Notice and procedures for next Public Hearing on Tuesday, July 22, 2014.

- GM Morris reviewed the Proposition 218 notice that was sent to parcel owners and customers.
- No protest ballots have been received to date.
- There has been a few phone calls to the office regarding the rate increase.

**B. Presentation by Scott Ferguson, from Jones Hall regarding the issuance of bonds for the Oakridge/Via Del Sol Assessment District:**

Resolution 2014-09 "Authorizing Issuance of Limited Obligation Improvement Bonds and Related Actions" & Resolution 2014-10 "Authorizing and Providing for the Incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving, and/or Extending its Water Facility to Serve an Area Lawfully Within its Jurisdiction to Serve." : Board to review and approve resolutions as conditions for the USDA loan for the Oakridge/Via Del Sol project.

- Scott Ferguson from Jones Hall discussed the USDA loan conditions and the pending resolutions.
- The resolutions are designed to allow GM Morris to fill in the exhibits as the loan is finalized.
- The USDA requires the reserve "up front."
- The loan is treated like a Mello Roos, not a debt to General Fund.
- AWD has signed on with Berger Lewis audit providers to do extended audit due to USDA conditions.

Director Holman moved to pass Resolutions 2014-09 & 2014-10. It was seconded by Director Mahler and passed by the following vote:

Ayes: Norton, Leap, Holman, Mahler, Dutra

Noes: None

Abstain: None

**C. Authorize Oakridge/ Via Del Sol water supply construction project to be placed out to public bid:** Project includes 3 miles of pipeline, 100,000 gallon storage tank, booster stations and related requirements for water supply and fire protection: Upon board approval the contract will be advertised for public bid.

- Mike Freitas made a presentation of the project details and handed out his engineer's estimate for the project.

- Mike shared that the contract documents comply with USDA specifications. A letter from regarding the USDA bid checklist was included in the Board packet.
- The project will have to comply with stormwater regulations as well.
- There will be a contractor meeting on July 15, 2014.
- The bids are due on July 29, 2014.
- GM Morris requested Board approval to get contract out to bid.

Director Holman moved to send out the bid documents, V.P. Leap seconded. The motion passed unanimously.

- D. Resolution 2014-11 Ordering Election for November 4<sup>th</sup> 2014:** Board to adopt resolution to Order Election for three Directors with terms ending November 2014.
- GM Morris stated that are 3 seats up for election this November.
  - The term for the incoming seats ends November 2018.

V.P. Leap moved to pass Resolution 2014-11 Ordering Election for November 4, 2014. It was seconded by Director Dutra and passed by the following vote:

Ayes: Norton, Leap, Holman, Mahler, Dutra  
 Noes: None  
 Abstain: None

- E. Presentation of the Financial Reports for the Month of May 2014:** Revenue for May is \$101,240.84. Expenditures between May 14th and June 18th 2014 are \$130,821.18. These financials and monthly expenditures will be presented for discussion and approval.

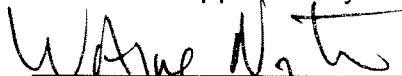
Director Mahler moved to accept the financials as presented and V.P. Leap seconded. The financials were accepted unanimously.

**X. FUTURE MEETINGS & AGENDA ITEMS** - Next meeting - July 22, 2014 at the Aromas Community Grange

**XI. ADJOURNMENT** - Pres. Norton adjourned the meeting at 8:45 pm.

Date: July 22, 2014

Read and approved by:

  
 Board President, Wayne Norton

Attest:   
 Lisa Dobbins, District Secretary