

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
May 27, 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, May 27, 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, Counsel Bob Bosso and Consultant Tom Pavletic 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 April 23, 2014 Regular Meeting were presented for acceptance and approval.

Director Holman moved to approve the minutes with the amendment that Director Dutra made the motion to accept the rate study. V.P. Leap seconded the motion. The minutes were unanimously approved.

VII. ORAL COMMUNICATION: None

VIII. REPORT FROM CLOSED SESSION ON APRIL 23, 2014 - An annual performance evaluation of the General Manager was completed and an ad hoc committee of Pres. Norton and Director Holman was formed to prepare a process for future GM evaluations. Goals for the GM were distributed. The ad hoc committee recommended that the GM do a self-evaluation along with the Board evaluation next year.

IX. PRESENTATIONS

A. Director's Reports:

- Director Mahler and V.P. Leap met with GM Morris as the ad hoc budget committee.
- V.P. Leap reviewed the notes from the last rate discussion at PVWMA and it appears that PVWMA is not recommending tiered rates.
- Director Dutra visited the AWD office to review the update to the SCADA program and commented how well it controls the pumping schedule and gives AWD better controls.
- Pres. Norton attended the ACWA Conference one day with GM Morris. Pres. Norton found that groundwater management is a key issue.

B. Attorney's Report:

- There are two groundwater bills pending, one in the senate and one in the house, encouraging collaboration before adjudication.

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

Operations:

- Total production for the month of April 2014 was 7.42 million gallons.
- Test conducted on fire flows with fire department discolored water requiring extensive flushing. We tested maximum volume per hydrant.

Projects:

- Intern Micah Kimura has completed his internship ending May 2014 with a total of 670 hours.
- Two new interns starting at two days a week.
- Lisa moved quickly on a SDRMA grant approval for \$1,000 reimbursement for safety equipment.
- LAFCO San Benito reviewed our updated Municipal Service Review submittal and our current Sphere of Influence and approved at the May 22, 2014 meeting that GM Morris attended.
- USDA loan conditions for the Oakridge/Via Del Sol are numerous. GM Morris met with Mike Freitas to discuss scheduling the project.
- Pres. Norton commented that the annual Consumer Confidence Report (CCR) is well done.

X. ACTION ITEMS

A. Review of Preliminary Draft Water Rate and Capacity Charge Study:

Presentation from consultant of Municipal Financial Services.

- Consultant Tom Pavletic presented the rate methodology, assumptions, findings and recommendations.
- Board members suggested that the base fee revenue percentage be added for clarity.
- Board members discussed the draft 218 notice handed out at the meeting.

Pres. Norton moved to accept the study and authorized staff to mail out the Proposition 218 notification at least 45 days prior to the July 22, 2014 hearing. The motion was seconded by V.P. Leap. The motion was unanimously approved.

B. Berger Lewis USDA Audit Contract 2014-2016 - Review and accept contract with Berger Lewis for audits as required for USDA funding for Oakridge/Via Del Sol project.

- GM Morris explained that this audit contract is slightly different from the usual as it provides compliance for expenditures of Federal funds from the USDA funding.

Director Holman moved to accept the contract. V.P. Leap seconded the motion. The motion was unanimously approved.

C. Proposed 2014-2015 Fiscal Year Expense Budget: Proposed Expense Budget in the amount of \$1,476,825 as reviewed by ad hoc Finance Committee, to be presented to the Board for discussion and approval.

- GM Morris reviewed the proposed expense budget.

Director Holman made a motion to accept the expense budget as presented. Director Mahler seconded. Board members discussed Board compensation. Director Holman amended his motion to include the annual Board compensation increase. The motion was defeated with 3-no, 1-aye and 1-abstain. Motion was not approved.

Director Mahler made a motion to accept the budget as presented with a change to hold the Board compensation at \$208.59 per month. The motion was seconded by V.P. Leap. The passed with 4-ayes and 1-no.

D. Presentation of the Financial Reports for the Month of April 2014: Revenue for April is \$68,833.34. Expenditures between April 17, 2014 and May 13, 2014 are \$78,644.59. These financials and monthly expenditures will be presented for discussion and approval.

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

XI. FUTURE MEETINGS & AGENDA ITEMS - Next meeting - June 24, 2014

XII. ADJOURNMENT - Pres. Norton adjourned the meeting at 9:15 pm.

Date: June 24, 2014

Read and approved by:


Board President, Wayne Norton

Attest: 
Lisa Dobbins, District Secretary