

Minutes of the Special Meeting of
The Board of Directors of the
Aromas Water District
February 8, 2012

I. CALL TO ORDER:

The special meeting of the Board of Directors of the Aromas Water District was called to order by President Huggins on Wednesday, February 8th, 2012 at 7:02 p.m. at the District Office located at 387 Blohm Ave, Aromas, CA.

II. ROLL CALL:

Pres. Huggins, Directors Mahler, Holman and Borchard were present. Vice President Dutra was absent. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and Staff Gina Patten were also present. San Benito Supervisor Anthony Botelho arrived at 7:20 p.m.

III. PLEDGE OF ALLEGIANCE: Pres. Huggins 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. ORAL COMMUNICATION: None

VII. PRESENTATIONS:

There were no reports or correspondence presented.

VIII. ACTION ITEMS:

A. New Administrative Office for the Aromas Water District:

G.M. Morris outlined the background for the proposed Office Building. The original intention was to build on the site of AWD-owned property next to the Carpenteria Well. Loss of revenue due to lower water demand and unexpected expenses have caused the District to look into other less expensive options in order to keep a favorable balance in the reserves.

She went over a comparison chart in the packet with the three options under consideration and estimated costs.

- Purchase an existing downtown commercial building, the appraised value appears reasonable and affordable, leaving the largest amount left in reserves. Cost: \$170,000 plus remodel and required repair costs.
- More information was presented on two viable quotes to consider a modular building for our Carpenteria site. Staff and two directors visited modular units on the Robert Louis Stevenson campus on 2/7/12, the modulars appeared adequate for our needs. Cost: \$510,700.
- Standard construction of a new building using the original plans was the most desirable option but also the most expensive. Cost: \$620,300.

GM Morris has met with the original site engineer, A. Hall, of San Benito engineering, to explore ways to change the site plan that would lower the cost of construction. A sewage lift station would allow the building to be lower and on grade with the parking lot, eliminating some of the concrete work for the ADA ramp and could potentially save costs on the site work. Kurt Nicholson, contractor, estimates that the cost to change the septic system would be about \$5,000-7,500, while significantly reducing the concrete flatwork and associated costs. He has also agreed to extend his bid to March 30th so that AWD can determine the best action. GM Morris met with the SBC Director of Planning to confirm this option could be done administratively for our Building and Use Permit. Environmental Health also confirmed approval

of the septic change, providing it met all county requirements. This would be a viable alternative for either the modular or the standard construction option.

Dir. Mahler feels that the downtown commercial building did not present any surprises in the inspections paid for by the District. She believes that an offer should have been made. Dir. Holman agreed and finds it hard to support another course of action unless this option is exhausted first. Customer Wayne Norton asked if there is a formula to determine what should be in our reserves. GM Morris explained that it was recommended in a rate study that rates be increased so that we have a reserve of at least \$500,000. We reached that goal, but have used some of it to replace the Carpenteria Well.

Director Borchard distributed a time-line she compiled from minutes to show the historic decision making to acquire a new office for the District. She wanted to present this information in a manner that would help the Board in its process to make a decision. In the discussions that followed, the modular option was presented with photos of the Stevenson campus modular buildings. Pres. Huggins suggested that we eliminate the sheriff's office portion of the proposed building to lower construction costs. There was a discussion about whether room for a substation should still be planned or if both the need and resources have declined so that it should no longer be considered. Supervisor Botelho strongly supports a place for the Sheriffs in conjunction with a Water District office. He feels that it is important for both the community and the Sheriffs, and hopes that something can be done by San Benito County to help make that happen, perhaps from the Sheriff's capital funds. Supervisor Botelho gave a recent example of the county also opting for a purchase and remodel rather than new construction due to the low costs of real estate now available.

Customer Norton stated that there is value to having a building downtown in a central location to help revitalize the downtown. He also stressed that purchase of an existing building could still result in construction on the Carpenteria site at a later date. Discussion followed about what types of work would be done to make the downtown commercial building safe, ADA compliant and computer-capable. Customer Paul Fleischman commented that the money left in reserves makes buying the existing building the obvious option. He asked if there would be room for a Sheriff's substation at that location. GM Morris assured him there would be a way to make it possible.

Director Holman made a motion to make an offer on the downtown commercial building. Director Mahler seconded the motion. Pres. Huggins requested a roll-call vote. It passed with the following votes:

Ayes: Huggins, Holman, Mahler, Borchard
Noes: None
Absent: Dutra

IX. ADJOURN TO CLOSED SESSION: Board adjourned to closed session at 8:03 pm.

X. RETURN TO OPEN SESSION: The meeting returned to open session at 8:17 p.m. Counsel Bosso reported that Board gave direction to negotiators to make offer on real property.

Board gave GM Morris direction to proceed with site work revision at a cost of approximately \$3,100 by the original engineer at San Benito Engineering, if the negotiations on the purchase are unsuccessful.

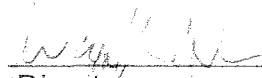
XIII. FUTURE MEETINGS & AGENDA

The next Regular Meeting will be Tuesday, February 28th, 2012 at 7:00 p.m. The location will be at the District Office at 387 Blohm Avenue.

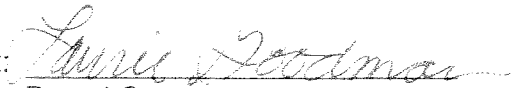
President Huggins adjourned the meeting at 8:22 p.m.
Report submitted by Laurie Goodman, Board Secretary

Date: February 28th, 2012

Read and approved by:



Director

Attest: 
Board Secretary