

**Minutes of the Regular Meeting of  
the Board of Directors of the Aromas Water District  
August 27, 2019**

***Workshop -***

- I. **CALL TO ORDER.** The workshop meeting of the Board of Directors of the Aromas Water District was called to order by President Smith on Tuesday, August 27, 2019 at 5.30 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. **ROLL CALL.** President Smith, Vice President Holman and Directors Leap and Norton were present. Director Dutra was absent. Also in attendance was General Manager Robert Johnson.
- III. **PLEDGE OF ALLEGIANCE.** Was deferred until the Regular Meeting at 7:00pm.
- IV. **WORKSHOP.** Online training webinar provided by the CSDA; "What Every Board Member Should Know".

***Return to Regular Meeting***

- 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, August 27, 2019 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, Leap and Norton were present. Also in attendance were General Manager Robert Johnson, Counsel Bob Bosso, Acting Board Secretary Ester Gir6n, and Management Consultant Morris.
- III. **PLEDGE OF ALLEGIANCE.** Director Dutra led the pledge of allegiance.
- IV. **STATEMENTS OF DISQUALIFICATION.** There were no disqualification statements.
- V. **ADDITIONS AND DELETIONS.** There were no additions or deletions to the Agenda.
- VI. **MINUTES.** The minutes of the July 23, 2019 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 unanimously approved with all Directors present.
- VII. **ORAL COMMUNICATION.** There were no public comments.

**VIII. REPORTS/PRESENTATIONS**

- A. **Director's Reports.** Director Norton reported that the Ad Hoc Legislative Committee had recently met to discuss the response to ACA1 in the form of a letter authorizing GM Johnson to send the letter on behalf of the Board.
- B. **Attorney's Report.** Counsel Bosso reported that there is a study that just came out which analyzes impact fees. Although this does not directly impact the District, many agencies use impact fees for revenue projection. This all ties in to the Governor's views and some of the legislature as to the initiative to divide Proposition 13 between Residential and Commercial and allowing Commercial values to rise to fair market value.

Director Norton commented that he had heard a radio article regarding a recent case of Inverse Condemnation in Orville. Counsel Bosso said he would investigate the outcome and potential consequences for the District.

**C. Manager's Report**

***OPERATIONS***

No new connections were established in July, so the total number of connections remains at 963. All water testing continues to be both, filed on time and represent satisfactory results.

### ***Production & Well Levels***

GM Johnson reported total production, in July 2019 was just under 12 million gallons, with a daily average of 386,809 gallons; almost a quarter of the entire year's production in one month. This calendar year to date, total production is 50,196,348 gallons, with system wide production loss remaining below five percent. Carpenteria and Pleasant Acres Wells operated the entire month; San Juan Well was not utilized for seven days of the month.

Reporting of well levels; Operational Carpenteria Well and San Juan Well were both down two feet. Observation Marshall Well is down three feet and Aimee Meadows Well is down five feet.

### ***MAINTENANCE***

#### ***Incidents***

None at the time the Manager's Report was written.

### ***ADMINISTRATIVE***

#### ***Staff & Board Recognition***

GM Johnson mentioned that AC Giron has been working especially hard to prepare for the Financial Audit of 2018-19, whilst still assisting CSR Bowman through issues around the Billing process, as well as making preparations to enter the new rate data into the Billing Software at the beginning of October.

ASO Coombes took the lead for the triennial Lead and Copper monitoring, doing everything possible to ensure many parameters were clearly explained to the customers taking the samples from their homes.

GM Johnson was pleased to tell the Board that Operator Smith continues to do well and has fully on the roster for 50% of the On-Call duties. CO DeAlba and Op Smith have recently been working with a new electrician to make repairs on Leo Booster, using a new winch to safely lower the motor down.

They also worked with the same electrician to install the initial portion of the XiO SCADA system, incorporating the tank level at Rancho Larios. For the first time, the tank level can be monitored online instead of in person, saving considerable time for Operations staff. The next portion of the XiO SCADA system to be installed will be the Pine Tree Tank; the electrician will shortly be supplying a quote for this work as well as a couple of other things, including the backup power for the Booster stations.

GM Johnson has been in discussion with AT&T, mostly via email, regarding moving the T1 line from Marshall Yard to the office. He has also been in discussion with PG&E regarding splitting the power supply at Oakridge booster to provide a separate power supply to the booster, as opposed to going through a customer's power meter. This requires a permit from Monterey Planning which is in process.

GM Johnson has been continuing work on the Special Districts Administrator Class and has sufficient qualifications to take the test, bringing greater professionalism to the District and allows higher qualification on the biennial Districts of Distinction Award.

#### ***Conservation & Rainfall***

According to the rain gauge at Chittenden, since the beginning of the rain year, October 1, 2018 to date, a total of 25.48" has been recorded, with no rainfall in August 2019.

### ***Projects***

#### ***Annexations Updates for Eilert and Cole Road***

The Cole Road annexation Boundary Change application has been submitted to LAFCo; the acceptance of this application (Certificate of Filing) will result in the application being added to the LAFCo agenda in the Fall. The Boundary Change application came back with some comments which GM Johnson and Management Consultant Morris will be resolving.

#### ***Forthcoming Projects***

There are a number of upcoming items that will be appearing as Action Items in the coming months as required documentation is in place. These include; moving the T1 line, new power meter, new office computers, backup power, moving the power pole at Marshall Yard and so on.

**D. Correspondence.** GM Johnson drew the Board's attention to the Call to Action Letter for ACA1 mentioned earlier by Director Norton. In addition, are the written requests to support ACA1 sent to State Officials.

The last item on the list is the LAFCo report that would be presented to the Board, by B Nicholson, for the Eilert Annexation.

**IX. ACTION ITEMS**

**A. Consider receiving an informational report regarding the conclusion of the Eilert annexation (Rancho Larios area) into the Aromas Water District boundary process**

The Eilert application was submitted May 2, 2019 and was scheduled for the SBC LAFCo meeting on August 21, 2019. GM Johnson and Mr Eilert attended this meeting at which the annexation passed. Mr Eilert has already paid his connection fee and signed the District documentation to move forward with the connection. The Districts' Operators will be performing the connection on this occasion which is a good learning opportunity for Op Smith.

Director Norton moved to receive the informational report as presented, seconded by Director Leap. The report was unanimously received with all Directors present.

**B. Financial Reports for the Month of July 2019**

On the **Balance Sheet**, *Total Assets / Liabilities & Equity* are \$11,642,242.68, of which *Total Current Assets* are \$4,509,631.69, and *Total Fixed Assets* are \$6,943,330.19. In *Liabilities*, the *Total Current Liabilities* are \$257,986.82, *Long Term Liabilities* are \$4,573,545.10.

The total revenue for June was \$130,531.48. Total expenditures were \$105,083.11 between July 12 and August 18, 2019.

In the **P&L Report**, *Water Revenue* for May was \$128,010.97 just shy of the budgeted \$130,000.00.

GM Johnson drew the Board's attention to the fact that Payroll will look a little different from the beginning of this Fiscal Year, due to payroll transitioning from semi-monthly to bi-weekly pay periods. Also worthy of note is the higher cost of water treatment in July as compared to June, due to the increased water production during July. President Smith inquired whether the increased figures for the power were due to the true up? GM Johnson and CO DeAlba decided to use Carpenteria much of the time therefore using more power than is typical during the year. The power to production ratio has increased on the power side, indicating this well is likely to need cleaning again this coming winter. Director Leap agreed that if the well was working more efficiently there would be a lower cost to a higher production. GM Johnson discussed the increase power cost with Solar Technology. Management Consultant Morris commented that the solar field was designed to cover around \$30,000 per year, plus this PG&E meter also records power used by the Seely Booster supplying Ranch Larios.

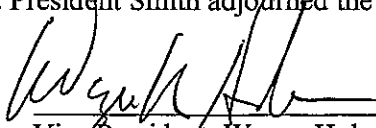
In the **Monthly Expenditures**, GM Johnson drew the Board's attention to the various Cole Road annexation costs, as well as the final payment to the Rate Study Consultant and part payments to the Auditors.

Vice President Holman moved to accept the Financial Reports as presented; seconded by Director Leap. The Financial Reports were unanimously accepted with all Directors present.

**X. FUTURE MEETINGS & AGENDA ITEMS.**

The next meeting will be on Tuesday, September 24, 2019 at 7:00pm at the District Office; 388 Blohm Ave.

**XI. ADJOURNMENT.** President Smith adjourned the meeting at 7:42pm until Tuesday, September 24, 2019.

Read and approved by:   
Vice President, Wayne Holman

Attest: \_\_\_\_\_  
Board Secretary, Louise Coombes

Date: 24 SEP 2019

Date: \_\_\_\_\_

