

**Minutes of the Regular Meeting of
the Board of Directors of the Aromas Water District
October 24, 2017**

- I. **CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Leap on Tuesday, October 24, 2017 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. **ROLL CALL.** President Leap, Vice-President Smith, and Directors Dutra, Norton and Holman were present. Also in attendance were General Counsel Bob Bosso; General Manager Robert Johnson and Board Secretary Louise Coombes.
- III. **PLEDGE OF ALLEGIANCE.** President Leap 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 September 26, 2017 Board Meeting were presented for review and approval. There were no comments or corrections. Director Dutra moved for approval of the minutes and Director Norton seconded. Minutes were approved unanimously with all directors present.
- VII. **ORAL COMMUNICATION.** There were no public comments.

VIII. REPORTS/PRESENTATIONS:

- A. **Director's Reports.** President Leap reported on the meeting at the Monterey County Water Resources Agency on 10/16/17, where GM Johnson received a Resolution of Recognition from his previous employer. In addition, the document addressing the issue of salt water intrusion, of which GM Johnson helped prepare in his previous position, was unanimously accepted. President Leap was impressed by compliments from GM Johnson's previous staff, Board Members and public.

President Leap and GM Johnson also attended the Special Districts Association of Monterey County meeting/dinner on 10/17/17, where the guest speaker was California Senate Majority Leader Bill Monning. He addressed many subjects in his presentation to the group, including a fee for every water system customer in California. This fee, part of SB623, will be discussed at AWD's next Board meeting. If there are concerns, there would be a possibility of inviting Bill Monning to a future Board meeting.

President Leap also drew the Board's attention to two articles in the ACWA news about the Soquel Creek Water District GSA formation. The CSDA had an article regarding Board training, and President Leap suggested it may be time for a refresher class on Board Governance and roles.

- B. **Attorney's Report.** Counsel Bosso reported that he continues to monitor the progress of the Prop 218 cases regarding tiered rates and notification of property owners/customers. A case in Glendale, CA demonstrated the necessity to have an Administrative Law Judge that has an understanding of how Special Districts work presiding over the hearing. Still awaiting a decision from the Supreme Court by the end of 2017.

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

Production & Well Levels

GM Johnson noted production in September is a little lower than August; still less than the current benchmark of 2013/14.

GM Johnson has made some subtle amendments to the Well Level Monitoring Charts for accuracy of reporting. Well levels are beginning to rise; roughly 3ft as of mid October.

Operations

The system is running smoothly and San Juan Well & Pleasant Acres Well are operational and functioning at their normal levels.

The rehabilitation of the Carpentaria Well is almost complete; testing for coliform bacteria has returned a negative result. The original 60hp pump and motor were replaced on September 13th, 2017 and production was about 250-275GPM. As a comparison, when the well was originally drilled, production was around 400GPM and was typically being pumped at around 350GPM. Since the variable frequency drive (VFD) has been installed and the software programming is in place, the Operators have been exercising the well to test production - which is still around 275GPM as iron bacteria may still be present. The well is being utilized to take advantage of the solar power; plans to utilize the power generated by the solar array elsewhere in the system are underway with an application to PG&E in process.

Maintenance

Recently a magnetic meter, with no moving parts, was installed at the Pleasant Acres Well and the well was connected to the SCADA system so that it can be remotely monitored by the Operators.

Incidents

GM Johnson reported on three service lateral breaks; one suspected of being caused by proximity erosion of a rock against the 3/4" pipe. The other two were caused by contract workers installing fiber-optic cable in one instance, and another installing temporary road signs with an auger instead of hand digging, against the advice from AWD/USA-811. The temporary road signs were installed by a contractor hired by CalTrans. Director Norton suggested, and Counsel Bosso agreed, sending a letter of protest to CalTrans in case of a repeat incidence.

GM Johnson was very complimentary and appreciative of staff's attendance and professionalism during these events, especially since no customer was without water during any of these incidents.

Staff & Board Recognition

Chief Operator DeAlba attended the Operator's conference in Las Vegas utilizing a fully paid MBWWA scholarship. Next year Operator Zelmar will be able to apply for the scholarship and, if obtained, attend the conference.

The new Customer Service Representative, Nicole Lingbeck, left the District for a full-time position. Staff advertised the employment opportunity again; and out of twenty-two applicants, four have been interviewed. GM Johnson is in discussion with the lead candidate.

Drought & Conservation

GM Johnson noted that the beginning of the new rain year is October 1st, so the rain gauge is currently at zero.

Projects - Office Generator

GM Johnson reported on bids for a generator powerful enough to run office "A" in the event of power failure in Aromas. One contractor has made a bid for around \$18,000, which includes installation, though Board direction was to obtain additional bids.

Ad Hoc GSA Committee

GM Johnson reported that he and Brian Lockwood of PVWMA are planning to meet to discuss SGMA, GSA and GSP issues, including defining statutory or legislative boundaries, and whether AWD and PVWMA will have the opportunity to work together.

D. Correspondence. The monthly correspondence list was reviewed without comments or questions.

IX. ACTION ITEMS

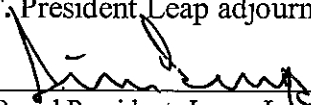
- A. Resolution 2017-08 Conveyance of Real Property to the Aromas Water District.** This is a general resolution to allow the GM to accept real property on behalf of the District, rather than having to bring such requests to the Board each time. A certificate of acceptance will need to be included at the end of each acceptance of real property document before it can be officially recorded. Motion to adopt Resolution 2017-08 was made by Director Holman; seconded by Director Norton. With a roll call vote, Resolution 2017-08 was unanimously approved with all Directors present.

- B. Financial Reports for the month of September 2017.** GM Johnson noted Total Assets are at \$8.75 million and total liabilities \$1.8 million, making a net equity of \$6.8 million. Revenue for September was \$109,469.68. Expenditures between September 20 to October 18, 2017 total \$139,099.48. GM Johnson noted that large expenses on the list included the magnetic meter installed at Pleasant Acres well, the installation of the VFD at Carpenteria Well.

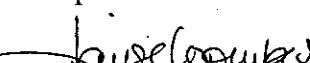
X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting would be the regularly scheduled meeting of Tuesday, November 28, 2017.

XI. ADJOURNMENT. President Leap adjourned the meeting at 8:21pm until November 28, 2017.

Read and approved by:


Board President, James Leap

Attest:


Board Secretary, Louise Coombes

Date: 11-28-17

Date: November 28th, 2017

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