

Minutes of the Regular Meeting of  
The Board of Directors of the  
Aromas Water District  
April 28, 2015

**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, April 28, 2015 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 Smith were in attendance. General Manager Vicki Morris, staff: Lisa Dobbins, Maureen Cain, Counsel Bob Bosso and Engineer Freitas were also present.

**III. PLEDGE OF ALLEGIANCE:** President Norton led the pledge of allegiance.

**IV. STATEMENTS OF DISQUALIFICATION:** There were no disqualification statements.

**VI. ADDITIONS AND DELETIONS:** There were no additions or deletions.

**VI. MINUTES:** The minutes of the March 24, 2015 Regular Meeting and the April 16, 2015 Special Meeting were presented for acceptance and approval.

Director Dutra moved to approve both sets of meeting minutes. The motion was seconded by Director Smith. The minutes were unanimously approved.

**VII. ORAL COMMUNICATION:** Dave Hodgin, Vice Chair of the Central Coast regional Board of ACWA, presented the AWD Board with a refund check in the amount of \$665.67 in appreciation to AWD staff keeping insurance losses at a minimum. ACWA/JPIA provides cooperative insurance for special districts.

**VIII. PRESENTATIONS**

**A. Director's Reports:**

- Pres. Norton visited the Carpenteria site to see the solar system project begin construction.

**B. Attorney's Report:**

- Counsel Bosso shared that on 4/20/15 the 4th District Court of Appeal reached a decision in *Capistrano Taxpayers Association v. City of San Juan Capistrano* regarding the ability of public agencies to impose tiered water rates. The court has affirmed an August 2013 ruling that concluded the city's tiered rates violated Proposition 218. The court held that all water rates must "reasonably reflect the cost of service attributable to each parcel." The decision is not final for 30 days and a request for rehearing or application for a hearing in the California Supreme Court are possible.

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

Operations:

- District-wide conservation is ranging between an 18-23% reduction in use.
- Providing well level charts in the Manager's Report.
- Layout of solar project began 4/28/15.

Oak Ridge/Via Del Sol Water Supply Project

- Service line installation project notice inviting bids were sent out 4/28/15.

IX. **ACTION ITEMS**

A. **Conservation/Drought Update & Resolution 2015-02 to Proclaim May as Water Awareness Month: Update of District Conservation activities and Statewide Actions.** Presentation by Shawn Novak, Water Conservation Program Manager of the Water Resources Association of San Benito County. Mr. Novak shared that the State mandate of 25% reduction is based on usage figures from 2013. Districts in San Benito are doing various water conservation activities such as; odd/even day watering, violations & penalties and turf removal program.

GM Morris explained that the District should be able to meet the 25% reduction in water use though the mandate does not currently apply to "small water suppliers." AWD staff is looking into the potential of State funding for the District to provide rebates to our customers for water saving actions. Pres. Norton shared that he thought AWD Ordinance 60 is adequate for reaching conservation targets.

Director Smith moved to pass the resolution. It was seconded by VP Leap and passed by the following vote:

Ayes: Norton, Leap, Holman, Smith, Dutra

Noes: None

Absent: None

Abstain: None

B. **PVWMA Proposed Well Augmentation Charge Increase from \$179 to \$191 p/acre foot for 2015-16.**

The 2014 Pajaro Valley Water Management Agency (PVWMA) Basin Management Plan Update requires additional funding. The proposed rate increase for 2015/16, assuming there is not a majority protest, is effective July 1, 2015. There is a public hearing on May 20, 2015 to consider adoption of the increased rates, take comment and count any protest votes. This cost is passed through to AWD customers. The fee will raise from the current fee of \$0.0044 per cubic foot to \$0.0047 per cubic foot. No action was taken.

C. **Resolution 2015-03 authorizing the Borrowing of Funds from Municipal Finance Corporation in the Principal amount not to exceed \$1,535,000 to finance solar energy improvements and refinance 2011 Loan Agreement and approve the related Loan Agreement documents and actions.**

AWD will refinance existing municipal tax exempt loan at 3% fully amortized for 15 years with no balloon payment. The District is getting an advance of \$200,000 at the

rate of 2.75% for 6 years for the solar project. Though there were minor changes in the approach since the release of the packet, the Board is encouraged to approve allowing for minor changes.

Director Holman moved to pass the resolution with modifications. It was seconded by Director Dutra and passed by the following vote:

Ayes: Norton, Leap, Holman, Smith, Dutra  
Noes: None  
Absent: None  
Abstain: None

**D. Presentation of the Financial Reports for the Month of March 2015:** Revenue for March is \$63,434.18. Expenditures between March 19, 2015 and April 21, 2015 are \$81,504.52. These financials and monthly expenditures will be presented for discussion and approval. Board to appoint an Ad Hoc Budget/Personnel Committee to meet in May & June.

Pres. Norton appointed himself and VP Leap as the Ad Hoc Budget/Personnel Committee.

Director Smith moved to accept the financials as presented and VP Leap seconded. The motion was accepted unanimously.

**XI. FUTURE MEETINGS & AGENDA ITEMS** - June 23, 2015

**XII. ADJOURNMENT** - Pres. Norton adjourned the meeting at 8:05 pm.

Date: May 26, 2015

Read and approved by:



Board President, Wayne Norton

Attest:



District Secretary