

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
July 24th, 2012

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Huggins on Tuesday, July 24th, 2012 at 7:00 p.m. at the District Office located at 387 Blohm Ave, Aromas, CA.

II. ROLL CALL:

Pres. Huggins, Vice President Dutra, Directors, Mahler and Borchard were present. Director Holman was absent. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and staff Maureen Cain and Gina Patten were also present.

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. MINUTES: The minutes of the June 26, 2012 Regular Meeting were presented for acceptance and approval.

Director Mahler moved and Director Borchard seconded that the minutes be approved. Approval was unanimous.

VII. ORAL COMMUNICATION: A large number of homeowners from Oakridge and Via del Sol neighborhoods were in attendance and addressed the Board about the proposed annexation, pipeline construction and costs. About five Via Del Sol residents plus several non-residents spoke out against their neighborhood being included in the Assessment District. They stated they could not out-vote the Oakridge residents, but the majority in their area did not want it. As an alternative, they suggested paying \$25 per month for fire protection with hydrants and the option to purchase connections at a later time.* They distributed a copy of a protest petition written to Kate McKenna of Monterey LAFCO with 20 signatures and a map of the properties opting out. About eight Oakridge Drive residents spoke in favor of the Assessment District. They distributed a list of forty-six residents in support of the Annexation.

*This suggestion was discussed later in the meeting. It does not follow our rate ordinance and is not an option to be considered.

VII. PRESENTATIONS

A. Director's Reports: None

B. Attorney's Report: None.

C. Manager's Report:

Operations: Production for the month of June was 13.4 million gallons, an increase over last year. SCADA adjustments are being done for improving system communications. Tri-annual Lead and Copper sampling was done at ten locations of domestic household taps. Two came back over the minimum contaminate level (mcl) and all need to be re-sampled in August. Projects: The *New Office Building* at 388 Blohm is progressing well and the work is staying within budget. V. Pres. Dutra noted the work done on the foundation was difficult construction work but carried out well by the crew. The LAFCO application for the *Oakridge/Via del Sol Annexation and Sphere of Influence* project has been approved and scheduled for an August 27th protest hearing. GM Morris alerted the Board to the concern of *Oil or Gas Exploration and Hydraulic Fracturing* ("Fracking") that could affect our local area as evidenced by seismic studies which took place during the past month. The studies done around the Granite Rock property have many residents concerned about water quality effects. The community is educating itself and the news media is responding. Staff is working to stay on top of communications and hopes the Board will get involved as to what is happening and how it could affect our aquifer. Staff: Laurie Goodman completed thirteen years and Operator Warner has

completed ten years of employment with the District. Operator DeAlba attended Backflow Certification Training. GM Morris was asked to serve on the Pajaro Integrated Regional Water Management Stakeholder Steering Committee for collaboration regarding water supply, quality, flood management and environmental protection for future Water Bond Grant funding in the upper and lower Pajaro River Watershed.

VIII. ACTION ITEMS

- A. Resolution 2012-13 to Recognize Operator Martin Warner for Ten Years of Employment with the District:** Operator Warner was not able to be present, but was commended for his ten years of employment since July 11, 2002.

Director Mahler moved to adopt the resolution and Vice Pres. Dutra seconded. It passed with the following vote:

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

- B. Public Hearing for Ordinance 73 Regarding Claims Against the District:** Counsel Bosso explained the purpose of the Ordinance to protect the District against certain types of class action lawsuits. President Huggins asked for any public comments. There were none.

Director Mahler moved to adopt the Ordinance and Pres. Huggins seconded the motion. It passed with the following votes:

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

- C. Proposed Contract Renewal with Berger Lewis Accountancy Corporation:** The proposal from Berger Lewis, who has done our annual auditing for the past six years, is in the amount of \$6,250, \$6,475 and \$6,725 for the years 2011-2012, 2012-2013, and 2013-2014 respectively. GM Morris has been happy with their work in the past and the bid is the lowest. There was no discussion.

Vice Pres. Dutra moved and Director Mahler seconded that the proposal be accepted. It was approved unanimously with Director Holman absent.

- D. Request from Graniterock for Temporary Service of APN 011-020-017:** Graniterock Director of Real Estate Services, Chris Mann, has requested that the District provide service to property they own, an annexed parcel at 400 Forest Rd. They do not want to pay the full connection fee because the house will be torn down in the future. The spring box on the property has failed and they would like to connect it to the meter on adjacent property owned by them and be charged as a second residence on one meter. Discussion included not wanting to violate any policies of the District or Ordinance #72. Board gave staff direction to offer them a separate meter connection for a maximum of five years in the amount of \$5,000. If Graniterock wants to continue the service after five years, they would be required to pay the rest of the connection fee in effect at that time, minus \$5,000. They would also be responsible for the costs to tap the main and install the new meter.

D. Request for Annexation and Service for Two Parcels owned by Eric and Martha Van Dyke on Seely Ave: The property owners live in Oregon now, but own two lots (APNs 011-150-078 and 011-150-141) which are mostly surrounded by parcels served by the District. They were excluded from the annexations that included most property on the northern side of Seely Ave in 1971 and 1982. They have been in the Sphere of Influence since 1970. GM Morris proposed that we include 16 other parcels in the vicinity that would logically fit into an annexation that would not leave any islands in that part of the historic Sphere of Influence. There was discussion about the costs of annexation and who would be responsible to pay for those. It was determined that inclusion of any other parcels would cause the District to pay for those costs. Director Dutra was concerned about whether the Van Dykes were committed to purchasing the connections when annexed. Board gave staff direction to clarify connection charges with owners and ask their intent before the Board makes a decision.

E. Financial Report: GM Morris presented the financials for the month of June 2012 and the end of the 2011-2012 fiscal year. Total assets are \$6.8 million. The budgeted amounts were very close to actual and the unaudited net ordinary income for the year was a positive \$12,600. Income for June 2012 was \$88,061.58. The Contractor for 388 Blohm has been paid \$46,062. President Huggins reviewed the payments from June 19th to July 16th, 2012 which totaled \$112,586.43.

President Huggins moved to accept the financials and it was seconded by Dir. Borchard. They were approved unanimously as presented.

XII. FUTURE MEETINGS & AGENDA

Director Borchard turned in her resignation because she and her husband will be moving to the Sacramento area soon. She expressed her gratitude in being able to serve the community. She compiled a form for Directors to give a performance evaluation on the General Manager.

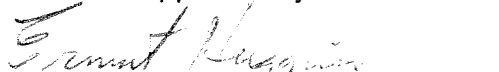
The next Regular Meeting will be Tuesday, August 28th, 2012 at 7:00 pm at the District Office at 387 Blohm Avenue. Agenda will include appointment of a new Director and a closed session to go over General Manager's annual evaluation.

XIII. ADJOURNMENT


President Huggins adjourned the meeting at 9:29 PM.
Report submitted by Laurie Goodman, Board Secretary

Date: August 28th, 2012

Read and approved by:



Director

Attest: 

Laurie Goodman, Board Secretary