

**Minutes of the Regular Meeting of  
the Board of Directors of the  
Aromas Water District  
July 25, 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, July 25, 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 Holman, Dutra and Norton were all present. Also in attendance were General Counsel Bob Bosso; General Manager Vicki Morris 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 June 27, 2017 Board Meetings were presented for review and approval. There were no comments or corrections. Director Norton moved for approval of the minutes and Director Holman seconded. Minutes were approved unanimously with all directors present.

**VII. ORAL COMMUNICATION:** There were no public comments.

**VIII. REPORTS/PRESENTATIONS**

**A. Director's Reports**

**Director Holman** reported that his meeting with the Auditors from Fedak & Brown went well on July 12th, 2017.

Director Norton commented on how well the recognition of General Manager Morris with Resolutions from the Board of Supervisors from both Monterey and San Benito counties went, including full attendance by present and past AWD staff and two Board Directors.

**Director Norton** said he had also attended a session at San Benito County Planning Commission regarding SB1069 regarding the Accessory Dwelling Units (ADU) issue from which Special Districts are currently exempt, but Counsel Bosso advised that a new Bill SB229 has passed the Senate and is currently in the Assembly; the object is to include Special Districts in the ADU legislation. This could impact AWD rates in future as it will impact anyone wishing to build an ADU not connected to the primary dwelling on their property and how the water supply will be metered as a separate connection.

**President Leap** discussed a PVWMA open house where Brian Lockwood presented the initial phases of the College Lake project and proposed schedule. They are aggressively looking for funding opportunities and looking into water rights and encouraging public involvement through the CEQA process. This project potentially adds 2000 acre feet of irrigation water to help prevent coastal salt water intrusion into the Pajaro Valley.

## **B. Attorney's Report**

Counsel Bosso reported that he is still waiting on the results of the appeal against Prop 218 case at the Supreme Court. To determine if water agencies can utilize tiered rates for conservation. Two other cases are on hold until a decision has been reached on the first case.

## **C. Manager's Report**

See detailed report in agenda packet. Items highlighted include:

### ***Production***

GM Morris noted production is holding steady; still less than the current benchmark of 2013/14. Carpenteria Well has been offline since the first week of July 2017. Pleasant Acres well production is up since June 20<sup>th</sup>, 2017 to compensate and is maintaining good production.

### ***Operations***

*Summertime water testing* has been done in early July, but the results have not yet been received. This is an annual test for disinfectant by-products; in the past the levels detected have been well below the limit.

*Carpenteria Well* has been zone pumped with super chlorine and chemical treatment to penetrate into the gravel pack around the well screen. Simply scrubbing the well screen with a brush was insufficient to fully remove the iron bacteria further in the gravel pack. The static water level and recovery is good so there is optimism that the treatment will work, however in the future it is likely that ongoing prophylactic treatment will be necessary every 2-3 years.

### ***Operations Workshop***

General Manager Morris has been discussing with contractor potentially increasing the footprint of the existing shop and then putting a new roof over the whole structure. There would be space for both trucks and a bay with a workbench; the existing shop would then be purely for storage. There will be no bathroom at that site, for several reasons; issues with septic tank, especially if the well site there ever gets developed and the Operators do not spend significant time at the site; mostly just loading and unloading. The bathroom in the apartment at Blohm C is currently used by them, so there is scope for remodeling this facility instead. In addition PG&E potentially have an easement, although the electrical supply terminates at that site. PG&E require an application and a trench package before any actual information becomes available. Of the two parcels AWD own at that site, the existing building is on one parcel and the new structure would be onto the other parcel, so a lot merge would be necessary.

### ***The Consumer Confidence Report***

The CCR was sent out to all customers in June and seems to have been well received, with a few good questions. The report showed no arsenic, nitrates, fluoride or chromium.

### ***Seely Pump Station Repair***

The repairs have just been completed today; the new plywood ceiling is in place and painted with new lights installed. There are more blocks cut out at the sides to let out floodwater in the event of another similar event, these have screens that will break away under pressure so avoiding the potential blockage of the vent holes with insulation material or other debris.

### ***Staff Promotions & Recruitment***

Louise Coombes and Ester Giron are transitioning into their new roles. Recruitment for a new Customer Service Representative continues optimistically with 4 interviews being held on August 1<sup>st</sup>, 2017.

### ***Financial Audit***

The new Auditor, Fedak & Brown, began work on 12<sup>th</sup> July for 3 days and will return on September 20<sup>th</sup>, 2017. The auditors seemed satisfied with the Interim testing performed. A debate continues regarding including the Assessment Districts on AWD's financials. AWD does not collect the debt, the two counties do this and pass on payment to AWD. Including them would change the core AWD Balance sheet.

**D. Correspondence**

The monthly correspondence list was reviewed without comments or questions.

**IX. ACTION ITEMS**

**A. Resolution 2017-04 for Assessment of 2017-2018 Tax Rolls**

Every year the Board approves, by resolution, the amount of money that be levied on the property taxes for the three bonds; CFD (Ballantree), Orchard Acres and Oakridge/VDS.

The Board reviewed the resolution for the Oakridge Via Del Sol assessment in Monterey County in the amount of \$157,186.68 for the tax year 2017-18.

Motion to adopt Resolution 2017-04 made by Director Holman, seconded by Director Norton. With a roll call vote, Resolution 2017-04 was unanimously approved with all directors present

**B. Financial Reports for the Month of June 2017:** The Financial reports reflect the end of the fiscal year 2016/17. The Profit & Loss now shows 12 months of actual figures vs those budgeted. Revenue for June was \$107,666.73. Expenditures between June 22 to July 19, 2017 total \$83,802.18, with a total of \$6316.23 to be reimbursed by the insurance company for the Seely Pump Station repair. These financials and monthly expenditures were presented for discussion and approval.

Director Holman moved to adopt the June Financials as presented, and seconded by Director Norton. The June 2017 Financials were approved unanimously with all directors present.

**C. Adjourn to Closed Session-** As permitted by Govt. Code Sec. 54956.9, the Board held a closed session to discuss personnel matters.

**D. Return to Open Session-** Upon returning to open session Counsel Bosso stated; the Board gave direction concerning Personnel matters.

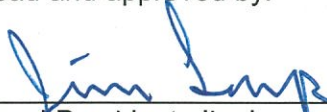
**X. FUTURE MEETINGS & AGENDA ITEMS:**

The next meeting would be the regularly scheduled meeting of August 22, 2017.

**XI. ADJOURNMENT - Pres. Leap adjourned the meeting at 8.33 PM until August 22, 2017.**

Read and approved by:

Attest:

  
\_\_\_\_\_  
Board President, Jim Leap

  
\_\_\_\_\_  
District Secretary, Louise Coombes

Date: 8-25-17

Date: 8/28/17

