

**Minutes of the Regular Meeting of  
the Aromas Water District Board of Directors  
March 22, 2022**

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Leap on Tuesday, March 22, 2022, at 7:00 p.m. in a hybrid setting; attendees were both present in the Board Room and online via Zoom.
- II. ROLL CALL.** President Leap, Vice President Morris and Directors Dutra, Holman and Smith were present. Also present was General Manager Johnson; Board Secretary Coombes and Counsel Bosso attended via Zoom.
- 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 to, or deletions from, the Agenda.
- VI. MINUTES.** The minutes of the February 22, 2022, Board Meeting were presented for review and approval. Vice President Morris moved for approval of the minutes as presented; Director Holman seconded. Minutes were unanimously approved with all Directors present.
- VII. REPORT OUT FROM CLOSED SESSION, February 22, 2022.** The General Manager was not directed to take any action.
- VIII ORAL COMMUNICATION.** There were no public comments.
- IX. REPORTS/PRESENTATIONS**

**A. Director's Report(s).** There were no Director's reports.

**B. Attorney's Report.** Counsel Bosso remarked that after three years, the State Water Rights Board are proposing a maximum contaminant level of 10ppm (parts per million) for Chromium VI (aka Hexavalent Chromium). Despite many local Water Districts experiencing issues with this contaminant, the Aromas Water District currently has no issues with Chromium VI.

President Leap requested a synopsis of the Chromium VI levels from Counsel Bosso who explained that California originally followed the Federal standard which is set at 50ppb (parts per billion). Problematically, the maximum level that is likely to result in one death per million people is so low, it is virtually undetectable. The maximum contaminant level is currently 10ppm as set by the SWRCB (State Water Resources Control Board).

Counsel Bosso also mentioned the possibility that a recent amendment to Proposition 218 is being proposed. This could increase the District's obligations to go out to a vote for the majority of fees that are charged to customers; currently this only applies to annual rate changes. The definition of fees as opposed to taxes is currently unclear in this statute. Counsel Bosso will inform the District of the progress of this legislature.

**C. Manager's Report**

***OPERATIONS & MAINTENANCE***

***Production & Well Levels***

GM Johnson reported total production in February 2022 was 5,996,110 gallons, with a daily average of 214,147 gallons. February's production was 15% higher than January's. Again, both Carpenteria Well and San Juan Well ran the entire month; however, Pleasant Acres was not used at all.

Counsel Bosso interjected that Senate Bills passed in 2018 require Districts with more than 3,000 customers to reduce domestic consumption (excluding landscaping) to 50 gallons per person, per day. By 2035 this should be further reduced to 40 gallons per person, per day.

The total number of connected meters is 970. All water testing continues to be both filed on time and represent satisfactory results. There is likely to be two additional connections in the near future.

Reporting on well levels; Carpenteria Well is down two feet, San Juan Well is down three feet. Observational wells; Marshall Well is down two feet and Aimee Meadows is down one foot.

## ***INCIDENTS***

CO DeAlba found an entity stealing water from a fire hydrant in early March, however, the individuals involved paid for the water that had been taken.

Also in early March, a fire hydrant was damaged by a vehicle; this was a hit and run incident, therefore no insurance information was available to make a claim. The water loss was between 30-40,000 gallons. This hydrant was repaired with the addition of a protective barrier.

## ***ADMINISTRATIVE***

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

WUSp Girōn and Operator Smith have begun work on a Valve Marking and Exercising Program. This program will establish the location and functionality of our water main and lateral valves as well as provide confirmation of mapping data.

ASO Coombes and WUSp Girōn are working on the application to LAFCo for the Cole and Rocks Road annexation.

CO DeAlba is working on outstanding items within the system in preparation for the summer months.

Operator Smith & GM Johnson continue to work with Agee Electric and XiO to control the backwash at the filter plant as well as include the Ballantree part of the system electronically.

GM Johnson and Vice President Morris met with NHA, the Municipal Advisors, to discuss financing options for the new water source project. More information is available in the Action items update report in this meeting.

GM Johnson worked with Quinn in Salinas and has purchased a mobile (towable) generator to run the booster sites. Work continues with Allterra Solar to prepare for the solar power and battery backup system installation at the District office. A permit has been applied for but can take some weeks.

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

Since the start of the rainfall year on October 1, 2021, a total of 14.84 inches of precipitation have been recorded by the rain gauge at Chittenden pass, with a further 0.36 inches falling to the date of this meeting in March 2022. This is a 65% increase from the previous rain year total of just 9.48 inches.

## ***PROJECTS***

### **Orchard Hill Road proposed annexation progress**

The Orchard Hill group raised questions which MNS are currently working on. The Orchard Hill group have also recruited some additional interest from residents along Merrill Road which may present some challenges due to its elevation.

### **Cole Road & Rocks Road Annexation Project**

The application for LAFCo is underway including the survey work.

### **New Water Source – Marshall Well Project**

GM Johnson will present an update in Action Item XI.A later in this meeting.

**Correspondence:** GM Johnson called the Board's attention to the correspondence from a resident of Via Del Sol. Five neighbors, who are annexed, are requesting water, however, the main line stops short of their section of the road. GM Johnson suggested to them that they purchase an engineering report from MNS to establish the cost and feasibility of a line extension.

The last email on the list is regarding another connection likely to take place either at the end of this month, or at the beginning of April, on Pine Tree Ave.

GM Johnson mentioned the letter he recently wrote to the billing software company Softline regarding their customer service to the District. Many days have been lost resolving software issues recently.

L. Austin recently emailed the District to ask whether we had been involved in a recent San Benito Multi-Jurisdictional Hazard Mitigation Plan. The District would have liked to have been involved but were not invited at the initiation of the report committee.

**X. CONSENT CALENDAR**

**A. Consider adopting Resolution 2022-04 authorizing the continuation of hybrid/remote teleconferencing meetings pursuant to AB 361**

Counsel Bosso pointed out that the Hybrid Meeting Resolutions are no longer required provided all Board members attend in person.

**B. Consider adopting Resolution 2022-05 regarding the Identity Theft Prevention Program**

Director Smith moved to adopt both Resolution 2022-04 and 2022-05 as presented; seconded by Vice President Morris. With all Directors present, both Resolutions were unanimously adopted by roll call vote.

**XI ACTION ITEMS**

**A. Consider receiving a progress report on the Marshall Well project**

MNS and District staff are meeting on a bi-weekly basis to keep the project on track, including the Hydrogeologist who is working on the well permit. We are on the drilling company's schedule, so once the permit is ready the test well drilling can begin.

GM Johnson and VP Morris met with NHA who are developing a financial model. They provided a refined understanding of our Rate Study as well as developing a range of options for the financing. The possibilities include a \$6.5 million dollar private placement loan at a 2.75% interest rate over a 22 year period with likely a biannual payment plan.

Director Smith commented that this project is what the District needs and Vice President Morris agreed and went on to express satisfaction with the financial group. The report was received by consensus.

**B. Financial Reports for the Month of February 2022**

Total Assets / Liabilities & Equity are \$10,903,431.38, of which Total Current Assets are \$4,935,252.08, and Total Fixed Assets are \$5,819,059.30. In Liabilities, the Total Current Liabilities are \$230,796.71 and Total Liabilities are \$4,392,395.39.

In the P&L Report, Water Revenue for February was \$95,451.55. Total Expenditures were \$159,301.24 between February 17 to March 15, 2022.

On the graphical representation of the Financials, when compared to the current budget there is a +0.3% above budget and -2.6% difference from YTD Expenditures despite some unexpected expenditures, it seems that since the beginning of the year, inflation has made an impact.

Vice President Morris moved to adopt the Financial Reports as presented; seconded by Director Holman. The financial reports were unanimously adopted with all Directors present.

**XII. FUTURE MEETINGS & AGENDA ITEMS.** The next meeting date will be on Tuesday, April 26, 2022 and will be the same hybrid format as this meeting. Topics should include the Expense Budget.

**XIII. ADJOURN TO CLOSED SESSION at 8:10pm.**

Discussion of Personnel matters – General Manager Performance Evaluation.

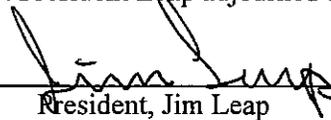
**XIV. RETURN TO OPEN SESSION at 9:22pm.**

**XV. REPORT OUT FROM CLOSED SESSION**

The General Manager was evaluated.

**XVI. ADJOURNMENT.** President Leap adjourned the meeting at 9:25pm until Tuesday, April 26, 2022.

Read and approved by:

  
\_\_\_\_\_  
Resident, Jim Leap

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

Date: 4-26-2022

Date: April 26, 2022