

**Minutes of the Regular Meeting of
the Aromas Water District Board of Directors
November 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, November 22, 2022, at 7:00 p.m. in a hybrid setting; attendees were present both 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 and Board Secretary Coombes. 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 October 25, 2022, Board Meeting were presented for review and approval. Vice President Morris moved for approval of the minutes as presented; Director Smith seconded. Minutes were unanimously approved with all Directors present.
- VII. **ORAL COMMUNICATION.** There were no public comments.

VIII. PRESENTATIONS & REPORTS

- A. **Director's Report(s).** There were no Director's reports.
- B. **Attorney's Report.** Counsel Bosso reported that the votes had not yet been confirmed by the County Elections Official, so the swearing in of the new Board should not be done until they have. However, they will need to be sworn in prior to the December Board meeting.

C. Manager's Report

OPERATIONS & MAINTENANCE

Production & Well Levels

Total production in October 2022 was 9,173,527 gallons, which is nearly a million gallons, or 10.5%, lower than September 2022 and 17% lower than October 2013. The daily average was 295,920 gallons.

The District has 972 total connected meters.

Carpenteria and San Juan Wells were used for the entire month and Pleasant Acres was used for one day. All water testing reports were filed on time and represent satisfactory results.

Operational well levels; Carpenteria Well is up six feet and San Juan Well is up eight feet. Observational wells; Marshall Well is up five feet and Aimee Meadows is up three feet.

INCIDENTS

None to report, other than a slow leak on Holly Lane which has been under observation for a while. Unfortunately, where the leak is located is right beneath a concrete block supporting one of our wharf hydrants, which complicates the repair plan.

ADMINISTRATIVE

Staff & Board Recognition

WUSp Girón and Operator Smith continue the Valve Marking and Exercising Program in the field as other duties allow, information obtained will be returned to ASO Coombes to update data in the GIS mapping. ASO Coombes is also continuing to populate and correct the mapping with data.

Operator Smith will be taking a Cross Connection training course in December.

CO DeAlba and Operator Smith have been working on interior maintenance of the District's Booster stations and communications glitches that need to be resolved.

Conservation & Rainfall

Since the beginning of the new rainfall year on October 1, 2022, 2.68" precipitation has been recorded by the rain gauge at Chittenden Pass.

PROJECTS

Response to COVID-19

Governor Newsom is calling for the COVID Emergency to end in February 2023.

New Well

GM Johnson just received the appraisal for the potential location of the new well site; this will need to be reviewed and an Ad-Hoc Committee meeting will need to be formed to discuss the findings and to assist in the negotiation.

Orchard Hill Road proposed annexation progress

Nothing further to report.

Cole and Rocks Road Annexation

Still waiting for the recognition by the State Board of Equalization and the Authorization Agreement to be received by the District, customers can then be connected, beginning with those who have been waiting the longest and have already paid their fees.

Salary Restructuring Request

Staff have requested that a salary survey be conducted to compare income for comparable roles at similar Districts in the area, with a view to salary restructuring. The Board's Executive Committee has approved moving forward with this undertaking.

Operations Shop

GM Johnson has received a draft design engineering report which will become a bid-ready contract package. Several price points need revision; therefore, it is not yet ready for presentation to the Board. Director Dutra expressed concerns regarding the loft storage in the new shop, preferring a larger footprint, however, GM Johnson rejoined with the fact that the new shop has already been expanded to 40' x 60' which is the largest practicable footprint for the location.

Correspondence: GM Johnson indicated the correspondence between himself and San Benito County regarding the damage to the District's infrastructure during the recent resurfacing of Carr Ave. It looks likely that there will be some recompense for all the necessary repairs during the resurfacing activity.

IX. ACTION ITEMS

A. Consider approving the Presentation of the Audited Financial Statements for Fiscal Year 2021-2022.

Jonathan Abadesco from Fedak and Brown presented a summary of the findings during the recent Audit. The Independent Auditor's Report issued an unmodified or clean opinion of the District's Financial Statements. In the condensed statements of net position, a decrease in net position of \$132,512 with an increase in revenue of \$44,284 was attributed to the increases in the connection fees and voter approved assessments. Total expenses had increased by \$240,075 due to increased pumping costs, inflation and supply chain issues being experienced by multiple districts around California.

Director Holman moved to approve the Audited Financial Statements for FY 2021-22 as presented; seconded by Vice President Morris. The Audited Statements were unanimously adopted with all Directors present.

B. Consider adopting Resolution 2022-21 – An application initiating the proceedings for the Kang Annexation (APN 012-090-026) to the Aromas Water District.

A single additional annexation has been requested on Rocks Road; this parcel was previously omitted from the multiple annexation effort as it was undeveloped land at that time. The owner is now in the process of building; likely to be completed within the next 20 months. The owner readily provided the District with all necessary documentation to move the annexation forward.

Vice President Morris moved to approve the annexation; seconded by Director Smith. Resolution 2022-21 was adopted with all Directors present; Directors Holman, Leap, Morris and Smith voted "Aye" and Director Dutra voted "No".

C. Financial Reports for the Month of October 2022

Total Assets / Liabilities & Equity are \$16,462,467.98, of which Total Current Assets are \$10,301,810.70, and Total Fixed Assets are \$6,023,743.28. In Liabilities, the Total Current Liabilities are \$672,449.67, Total Long Term Liabilities now stands at \$9,453,294.61. In the P&L Report, Water Revenue for October was \$134,111.07. Total Expenditures were \$152,358.35 between October 20 to November 15, 2022.

On the graphical representation of the Financials, when compared to the current budget there is 2.9% difference of budgeted revenue versus actual income. The Expenditures had a 3.1% difference above budget.

Director Dutra moved to adopt the Financial Reports as presented; seconded by Director Smith. With all Directors present, the Financial Reports were unanimously adopted.

X. FUTURE MEETINGS & AGENDA ITEMS.

The next meeting date will be moved from Tuesday, December 27 to Tuesday, December 20, 2022 to avoid the Holiday break.

XI. ADJOURNMENT. President Leap adjourned this meeting at 8:12pm.

Read and approved by: V. Morris
Vice President, Vicki Morris

Date: 12/22/22

Attest: Louise Coombes
Board Secretary, Louise Coombes

Date: Dec 22, 2022

