

**Minutes of the Regular Meeting of
the Aromas Water District Board of Directors
July 27, 2021**

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Leap on Tuesday, July 27, 2021 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 in attendance were General Manager Johnson, Counsel Bosso and Acting Board Secretary Giron.
- 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 June 22, 2021 Board Meeting were presented for review and approval. Director Smith moved for approval of the minutes with one minor correction; Vice President Morris seconded. Minutes were unanimously approved with all Directors present.
- VII. ORAL COMMUNICATION.** Jiane Dionsio of San Benito County spoke regarding the program to recycle sharps and out-dated medications, previously in place, at the District office. San Benito County would like to resurrect this service to the Aromas community due to the lack of nearby facilities by installing new collection kiosks at the District office as soon as possible. GM Johnson indicated that this was a transactional decision which he was willing to manage.

Leslie Austin (online) spoke to commend San Benito County for providing the sharps and medication collection service and the District for supporting the County by providing the location for this program to continue.

VIII. REPORTS/PRESENTATIONS

- A. Director's Report(s).** Vice President Morris and Director Smith met with GM Johnson to discuss Infrastructure and Financing which will be discussed in more detail later in this meeting.
- B. Attorney's Report.** Counsel Bosso is monitoring current legislation regarding the future of Board meetings being held via teleconferencing or in hybrid form, especially useful in emergency situations, however, provision for public comment still needs to be maintained. The legislation that the CSDA is supporting seems to be the most likely to be accepted as it is currently with the Senate.
- C. Manager's Report**

OPERATIONS

Production & Well Levels

GM Johnson reported total production in June 2021 was 11,575,342 gallons, with a daily average of 385,845 gallons; over an acre foot per day, with the majority coming from San Juan Well. Pleasant Acres was used for eight days, San Juan Well was used the entire month and Carpenteria was used for all but two days.

There are currently 967 meters connected. All water testing continues to be both filed on time and represent satisfactory results.

Reporting on well levels; Carpenteria Well is up one foot and San Juan Well is down three feet. The observational level for Marshall Well is down two feet and Aimee Meadows Well holding at 212 feet.

MAINTENANCE

Preventative maintenance of chlorine chemical pump and analyzer, as well as the Generac generator were performed.

INCIDENTS

Late in the afternoon July 2, 2021 (Friday) a customer called to say that on Aromas Heights Road, water was coming out from under the asphalt. Also, the customer's meter indicated that they had a leak. GM Johnson and the Operations team decided not to tear up the street until the customer's leak was fixed to determine if that was the source of the water flow. The customer fixed the leak the following Tuesday and the water flow ceased.

ADMINISTRATIVE

Staff & Board Recognition

ASO Coombes and WUSp Giron have been preparing the Martinez annexation application packet for LAFCo – part of which appears in the Action Items later in this meeting.

WUSp Giron continues to refine and improve the efficiency of the Operational paperwork.

CO DeAlba is on medical leave again for some months, although available by phone if there is an emergency situation. Workarounds include temporary and part-time coverage from Operator Sanchez, including occasional on-call coverage. GM Johnson is looking at additional options.

GM Johnson reported a nationwide shortage of chlorine. Water Districts are supposed to be the top priority in order to continue to supply potable water, but getting chlorine delivered seems to be problematic due to availability and logistics. Previous suppliers have become unreliable so WuSp Giron and Op Smith have been working to secure a stable supplier.

As part of last year's Capital Budget, a Kubota was due to be purchased, however, supply of these also seems to be problematic. GM Johnson may have secured one to be delivered in August.

GM Johnson gave the go ahead to MNS Engineering to perform a GPS survey of our facility assets to eliminate discrepancies in recorded versus observed elevations; this effort will be completed in August.

Conservation & Rainfall

Since the beginning of the new rainfall year on October 1, 2020, and up to this meeting on July 27, 2021, there has been a total of 9.44" to the date of this meeting, with no rainfall in June.

Projects

Orchard Hill Road Proposed Annexation

GM Johnson has initiated the study for Orchard Hill with a map for the residents to indicate which parcels were to be included. There has been no response since the map was sent three weeks ago. If no response is forthcoming, water delivery may be discontinued in October 2021.

Late Fee Recovery

At the last meeting it was reported that only one customer had not yet paid, however, this situation has now been resolved when the customer recently visited the office to pay in full.

Cole Road Outreach for Annexation

Staff have determined the total cost for the LAFCo application to annex all the parcels along Cole Road which are adjacent to the main line. The annexed area will be greater than 100 acres which is \$2,000, plus only one legal fee is required at \$120. GM Johnson recently took a phone call which illustrated some misconceptions on the part of the parcel owners. Once GM Johnson clarified the facts, the parcel owner was very amenable to becoming annexed. GM Johnson plans to hold a public meeting, at which the LAFCo representative is willing to attend to help clarify any issues. GM Johnson wants to make it clear to the parcel owners that it is an advantage to be annexed for the future provision of water. Counsel Bosso indicated that a vote to annex needs to be 50+1, whether that is parcel owners or by parcel value has yet to be determined. Vice President Morris recalled misunderstandings of annexation in the past, where property owners assumed the District would be taking their wells out of service if they became annexed.

District Transparency Certificate of Excellence Award

GM Johnson reported that the District has been awarded this triennial award once again and thanked all staff and Board for their efforts in helping to achieve this award through being up to date on training in particular.

Vice President Morris asked if GM Johnson could provide a list of training that would be useful to the Board. GM Johnson said that he would do so with a goal of resuming the pre-pandemic training to achieve the District of Distinction Award.

Correspondence: Vice President Morris enquired if there were any upcoming CSDA classes suitable for the Board and GM Johnson will look into this.

IX. ACTION ITEMS

A. Consider Adopting Resolution #2021-07 Certifying a Categorical Exemption for the Martinez Annexation into the Aromas Water District boundary

Mr. Martinez requested water service in late 2020 and the Board approved the initiation of the annexation process in January with Resolution #2021-01. PVWMA also approved the annexation in March 2021. As part of the LAFCo application packet, Resolution #2021-07, detailing the certification of the environmental impact accepted by the Board.

Director Holman made a motion to approve the Resolution #2021-07 finding the project to be categorically exempt. The motion was seconded by Director Dutra. The action was unanimously approved, by roll-call vote, with all Directors present.

B. Consider receiving a report regarding the Ad-Hoc Infrastructure and Financing Committee

In June 2021, President Leap formed the Ad-Hoc Infrastructure and Financing Committee to provide input and support for the numerous infrastructure projects in the District's future. The 2019 Rate Study outlined the projects in an order of priority. The committee chose to alter the priority order to bring forward the identification and implementation of a new water source as the process is long and drawn out, providing opportunities for working on the other projects whilst waiting for elements of the new water source to complete. A new water source will provide important redundancy to the District's water supply; especially important in the current drought climate. Currently, drought-related funding and a State revolving grant may be available, so now is a good time to seek funding.

No motion was necessary for the Board to receive the report, so the report was received by consensus. Vice President Morris confirmed the importance of the new water source and an engineering estimate would take time; she also recommended drilling the test well to establish the quality of the water before building the active well. Counsel Bosso interjected that interest rates are currently really low for long-term several million-dollar Bonds, so now is a good time for financing for funding specific Capital Improvement projects. Director Smith acknowledged the effort involved in obtaining such funding and planning the projects and offered that the Board should help where possible.

C. Consider receiving a report on the Governor's Drought Proclamation

GM Johnson presented the proclamation from the Governor declaring "...it is necessary to expeditiously mitigate the effects of the drought conditions to ensure the protection of health, safety and the environment." The Governor has requested that all citizens make a voluntary 15% reduction in water use. A tool has been developed to assist any customers that call, in calculating what a 15% daily reduction would look like.

Director Smith felt that it would be helpful to provide some education regarding this proclamation, on the District website, perhaps in the NewsSplash newsletter, and/or a note on the next bill. Vice President Morris agreed and mentioned that last time there was a drought, the State had a high profile marketing effort. Counsel Bosso mentioned that other Water Districts are using a variety of methods to encourage reduced water use by their customers.

Director Smith made a motion to adopt Resolution #2021-08. The motion was seconded by Vice President Morris. The action was unanimously approved, by roll-call vote, with all Directors present.

D. Financial Reports for the Month of June 2021

On the Balance Sheet, Total Assets / Liabilities & Equity are \$11,065,214.24, of which Total Current Assets are \$4,813,460.63, and Total Fixed Assets are \$6,110,814.61. In Liabilities, the Total Current Liabilities are \$153,914.01 and Total Liabilities are \$4,446,628.85.

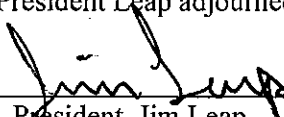
In the P&L Report, Water Revenue for June was \$162,330.34. Total Expenditures were \$181,467.86 between June 16 through July 20, 2021.

Vice President Morris moved to approve the Financial Reports as presented; seconded by Director Smith. The Financial Reports were unanimously approved, with all Directors present.

X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday, August 24, 2021. The next meeting is likely to be the same hybrid format as this meeting. Topics will include an update on a new water source and the GPS engineering survey.


XI. ADJOURNMENT. President Leap adjourned the meeting at 8:47pm until Tuesday, August 24, 2021.

Read and approved by:



President, Jim Leap

Attest:



Board Secretary, Louise Coombes

Date:

8-24-2021

Date:

August 24, 2021