

**Minutes of the Regular Meeting of
the Board of Directors of the Aromas Water District
February 25, 2020**

- I. CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Holman on Thursday, February 25, 2020 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. ROLL CALL.** President Holman, Vice President Leap and Directors Dutra, Norton and Smith were present. Also in attendance were General Manager Robert Johnson, Counsel Bob Bosso, Board Secretary Louise Coombes and Management Consultant Vicki Morris.
- III. PLEDGE OF ALLEGIANCE.** President Holman 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 January 28, 2020 Board Meeting were presented for review and approval; Vice President Leap moved for approval of the minutes and Director Norton seconded. Minutes were unanimously approved by all Directors present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VIII. REPORTS/PRESENTATIONS

A. Director's Reports. There were no reports from the Directors.

B. Attorney's Report. Counsel Bosso reported on SB 998 which comes into effect April 1, 2020 regarding temporary disconnection of service due to delinquent payment. SB 998 references Civil Code 1632 which states that all notices must be provided to customers in 5 different languages (Spanish, Chinese, Tagalog, Vietnamese, and Korean), plus any other language spoken by at least 10% of the population served. Counsel Bosso suggested that instead of issuing multiple notices to each customer, have a sentence at the bottom of the English version in each of the aforementioned languages, directing them to the District's website for a full translation.

Director Norton inquired of Counsel Bosso regarding the previously discussed ADU law which was adopted late last year and effective Jan 1, 2020. There can be no connection fee if the connection is part of an existing structure. New structures have to be calculated based on usage differential.

C. Manager's Report

OPERATIONS

No new connections were established in January, so the total number of connections remains at 964.

All water testing continues to be both, filed on time and represent satisfactory results. In January, the finished water from the treatment plant showed no trace of iron and manganese.

Production & Well Levels

GM Johnson reported total production in January 2020 was 4,724,302 gallons, with a daily average of 152,397 gallons per day. The San Juan Well was operational for the entire month, Carpenteria Well was used for all but one day and Pleasant Acres Well was utilized for eleven days.

Reporting Operational well levels; in both Carpenteria Well and San Juan Well their levels did not change since January. Both observational well levels; Marshall and Aimee Meadows were down two feet.

MAINTENANCE

Incidents

CO DeAlba was vigilant enough to catch an individual pulling water from a hydrant into a mobile water tank without permission. However, the individual was amenable and sent his boss into the office to sign up for bulk water.

ADMINISTRATIVE

Staff & Board Recognition

AC Giron, CSR Bowman and GM Johnson continue to resolve billing issues caused by the installation of new software for the handheld device.

ASO Coombes is putting the final touches on the Board Policy Manual and compiling the Board Handbook in both hard copy and electronic format which should be complete and issued to all Directors at the next Board Meeting.

CO DeAlba and Op Smith have been working on maintenance at the San Juan Filter Plant; inspection of filters, tanks and gauges.

CO DeAlba had the opportunity to attend the same Leadership Training recently attended by GM Johnson.

GM Johnson outlined a situation where a large tree had begun to grow around a wharf hydrant. In order to protect the District's infrastructure, it was decided to remove the hydrant; there was no need to install another as there is an existing hydrant across the street.

Conservation & Rainfall

Since October 1, 2019, only 10.4" of rainfall has been recorded up to the date of this meeting, with no rain falling in February or forecast in the near future.

Projects

Carpenteria Well Rehabilitation

Currently working with the chosen contractor, Zim Industries, to finalize dates and documentation. Due to scheduling challenges, the project is not due to start until April 13, 2020. GM Johnson expressed his unease about the project being so late in that, as this winter has seen so little rainfall, taking Carpenteria Well offline during April is concerning.

Response to SWRCB DDW Sanitary Survey

All three necessary items have been taken care of in addition to four of the five recommendations. The fifth recommendation was to raise Leo Booster out of its underground vault to avoid flooding, but this large project is not likely to occur any time in the near future.

Ad-Hoc Budget Committee Meeting

GM Johnson met with the Ad-Hoc Committee on February 11, 2020 and assessed the budget in detail. Due to only one or two items needing minor adjustment, it was decided that there was no real need to adjust the entire budget at this time.

Technology Upgrade for SCADA – XiO Phase 3

The schedule to implement Phase 3 is under way. GM Johnson reminded the Board that the TESCO portion of the system will lose support at the end of this fiscal year, so the urgency of fully installing the XiO technology increases. The Ad-Hoc Budget Committee will see a request for purchasing the remainder of the XiO system. In 2018, the total cost was \$110,000, however, as the District chose to implement this system in Phases, it may well be more than this original cost.

Director Norton requested a progress report on the XiO system during the next Board meeting. GM Johnson agreed and explained that the XiO system is definitely meeting expectations and XiO are very responsive to support us when there are issues.

- D. Correspondence:** GM Johnson drew the Board's attention to the request he made to West Valley regarding their invoices for the work done in the last quarter of 2019. Discussion with potential owners of The Red Barn include the fact that they are annexed into the District's sphere of influence and are therefore allowed one residential connection. President Holman inquired about the "New Single-Family Home (Fire Hydrants)" letter; GM Johnson explained this is a test for fire flow protection; it is possible that a fee may be established for this service in the future which is likely to be discussed by the Ad-Hoc Budget Committee soon.

IX. ACTION ITEMS

A. Presentation of Audited Financial Statements for Fiscal Year ending June 2019

Chris Brown from Fedak & Brown presented a summary of the Audited Financials. Mr Brown mentioned that earlier in the day he participated in the Ad-Hoc Audit Committee along with Directors Leap and Smith, AC Giron and GM Johnson to go over the Financial Statements. In essence, Mr Brown stated that the Financial Statements present fairly and in all financial respects the unmodified opinion is clean and, in the Management Report, no material weaknesses were identified. In conclusion, the aggregate net financial position shows a trend of improvement since last year, with a minimal decrease in operating expenses.

Director Norton moved to accept the Audited Financial Report for FY 2018-19 as presented; seconded by Vice President Leap. The Audited Financial Report were unanimously approved with all Directors present.

B. Financial Reports for the Month of January 2020

On the **Balance Sheet**, *Total Assets / Liabilities & Equity* are \$11,193,469.49, of which *Total Current Assets* are \$4,438,822.89, and *Total Fixed Assets* are \$6,616,277.60. In *Liabilities*, the *Total Current Liabilities* are \$251,093.63 and *Long-Term Liabilities* are \$4,560,392.67.

In the **P&L Report**, *Water Revenue* for January was \$74,227.52 which was a little over budget.

The total revenue for January was \$128,319.30. Total expenditures were \$81,892.45 between January 18 and February 19, 2020.

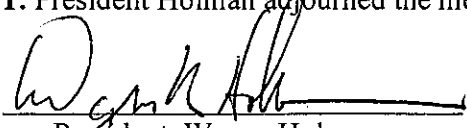
In the **Monthly Expenditures**, GM Johnson drew the Board's attention to the Core & Main expense for new meters that were purchased earlier in the fiscal year.

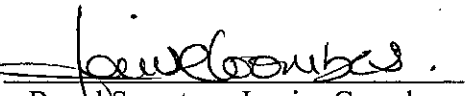
Director Smith moved to accept the Financial Reports as presented; seconded by Vice President Leap. The Financial Reports were unanimously approved with all Directors present.

X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday March 24, 2020.

Upcoming agenda items include a progress report on the status and functionality of the new XiO system so far.

XI. ADJOURNMENT. President Holman adjourned the meeting at 8:05pm until Tuesday, March 24, 2020.

Read and approved by: 
President, Wayne Holman

Attest: 
Board Secretary, Louise Coombes

Date: 29 April 2020

Date: April 29, 2020

