

**Minutes of the Regular Meeting of
the Board of Directors of the Aromas Water District
January 28, 2020**

SCANNED to STORAGE
Date: 2/26/2020

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, January 28, 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 and Board Secretary Louise Coombes.
- 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 was one deletion from this Agenda; due to unforeseen circumstances, Chris Brown of Fedak & Brown was unavailable to present the Audited Financial Statement to the Board. This item was tabled until the next Board Meeting on February 25, 2020.
- VI. MINUTES.** The minutes of the December 18, 2019 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.** There was no report from Counsel Bosso.
- C. Manager's Report**

OPERATIONS

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

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

Production & Well Levels

GM Johnson reported production in December 2019 has been going down, with total production at 5,286,541 gallons, with a daily average of 170,534. Pleasant Acres Well was not utilized at all in December. Total annual production to date is 98,142,945 gallons, with system wide production loss remaining below five percent.

Reporting Operational well levels; Carpenteria Well level did not change since November, but San Juan Well was up four feet. Observation well levels; Marshall Well was up one foot and Aimee Meadows Well was up two feet.

MAINTENANCE

Incidents

There were no incidents in the month of December.

ADMINISTRATIVE

Staff & Board Recognition

AC Giron continues to smoothly manage the Accounting tasks as well as continuing to support CSR Bowman. ASO Coombes helped develop the Board Policy Manual, an important component of the Board Handbook.

CO DeAlba and Op Smith completed the backflow device checks for last year in a timely manner. This is currently a free service that the AWD staff perform for customer backflow devices. It is in the interest of the District to ensure that these devices work correctly to provide protection against cross-contamination from a another source; usually this task is carried out by a certified inspector at cost to the customer of between \$200-\$500. Charging for this service may need future consideration by the Board with consistency to Proposition 218 as advised by Counsel Bosso.

The Operations Team have also been working through the deficiencies highlighted by the Sanitary Survey Inspection in late 2019.

GM Johnson recently attended a National Management and Leadership Training Program for three days. Subjects included team performance and managing conflict positively and productively.

Conservation & Rainfall

Since October 1, 2019, 10.4" has been recorded up to the date of this meeting, with 1.6" falling in January.

Projects

Technology Upgrade for SCADA – XiO Phase 3

Phase 3 will begin soon with one sensor at Carr Tank, two sensors at Carr Booster, and a specialized antenna at Oakridge Tank that will allow Cole and Carr Tanks to be monitored thus avoiding additional monthly communication charges. After this installation, there will be sufficient elements of the XiO system in place to justify a more accurate rendering of the Districts' system on the XiO website.

D. Correspondence: There were no questions or comments from the Board.

IX. ACTION ITEMS

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

As mentioned in Section V. above, this item is tabled until February 25, 2020.

B. Consider receiving an update regarding the proposed Carpenteria Well Rehabilitation Project

After the release of the Request For Proposal, sent to five drilling contractors, with a deadline of Wednesday January 15, 2020, only two responded; Maggiora Bros. and Zim Industries. Submittals varied considerably in content but were reviewed and ranked via specific criteria. Timing is anticipated for the project to begin in March 2020 and conclude by the end of April 2020.

After Board discussion, Director Norton moved to accept the proposal offered by Zim Industries as presented; seconded by Director Smith. The selection of the Contractor Zim Industries to rehabilitate Carpenteria Well was unanimously approved with all Directors present.

C. Consider receiving the AWD Board of Directors' Policy Manual (dated 2020).

In support of the Districts' Strategic Plan and the Board of Directors' Training Plan, an Ad-Hoc Committee was tasked with developing an updated Directors' Handbook, as well as an updated Employee Handbook, by the end of June 2020.

An important part of the Directors' Handbook is the newly developed Board Policy Manual. The Ad-Hoc Committee met three times to review the content in detail and make alterations as necessary; this was further supported with an additional review and comments from Counsel Bosso.

Director Norton complimented the staff and committee members on the production of a valuable, important and well-presented document. This view was reinforced by Director Smith; appreciating it as great guidance for the Board, especially new Board members, in the future.

Director Smith moved to adopt the new Board Policy Manual as presented; seconded by Vice President Leap. The Board Policy Manual was unanimously adopted with all Directors present.

D. Financial Reports for the Month of December 2019

On the **Balance Sheet**, *Total Assets / Liabilities & Equity* are \$11,230,881.71, of which *Total Current Assets* are \$4,452,795.52, and *Total Fixed Assets* are \$6,639,717.19. In *Liabilities*, the *Total Current Liabilities* are \$298,812.72 and *Long-Term Liabilities* are \$4,608,111.76.

In the **P&L Report**, *Water Revenue* for December was \$74,057.27 which was a little over budget. The YTD *Total Income* figures are 2% over budget.

The total revenue for December was \$180,708.03. Total expenditures were \$138,990.65 between December 12, 2019 and January 17, 2020.

In Operations, GM Johnson noted that the cost of chlorine remains above budget, although Operations as a whole, amounts to less than budgeted.

GM Johnson pointed out that power costs are still an issue. Director Dutra inquired as to whether we are taking advantage of the solar power production at Carpenteria Well; GM Johnson rejoined by explaining that Carpenteria Well is running as much as possible, and probably harder than it should, considering the need for the rehabilitation work. The solar agreement has a production ceiling above which payment is made to PG&E and this recently occurred. Unfortunately, solar produced power cannot be banked during the time Carpenteria Well will be out of action.

Under *Office Equipment*, the full and final cost of the new PCs is shown at just over \$4000 under budget. Under *Memberships*, the large amount shown is due to a lost check. The amount would normally have been paid earlier this fiscal year.

In the **Monthly Expenditures**, GM Johnson drew the Board's attention to the cost for a backflow repair kit; considerably less than the cost to replace a backflow. Vice President Leap inquired about invoices from West Valley; GM Johnson explained they just arrived so will be included in January's financials.

Director Norton moved to accept the Financial Reports as presented; seconded by Director Dutra. The Financial Reports were unanimously approved with all Directors present.

X. FUTURE MEETINGS & AGENDA ITEMS

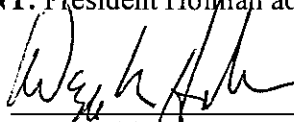
On Tuesday February 25, 2020, the following meetings will occur:

- At 4:00pm the Ad-Hoc Budget/Audit Committee will meet with Fedak & Brown to discuss the Audited Financial Report.
- At 5:00pm all Board Directors for a Board training session "Introduction to Special District Financials".
- At 7:00pm all Board Directors for the Regular Meeting at the District Office; 388 Blohm Ave.

Upcoming agenda items include the Audited Financial Report from Fedak & Brown.


XI. ADJOURNMENT. President Holman adjourned the meeting at 7:58pm until Tuesday, February 25, 2020.

Read and approved by:



President, Wayne Holman

Attest:



Board Secretary, Louise Coombes

Date: 25 FEB 2020

Date: 25 February 2020

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