

**Minutes of the Workshop and Regular Meeting of
the Board of Directors of the Aromas Water District
February 26, 2019**

Ethics Workshop

- I. **CALL TO ORDER.** The workshop meeting of the Board of Directors of the Aromas Water District was called to order by President Smith on Tuesday, February 26, 2019 at 5:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. **ROLL CALL.** President Smith, Vice President Holman and Directors Norton, Leap and Dutra were present. Also in attendance were General Manager Robert Johnson and Counsel Bob Bosso.
- III. **PLEDGE OF ALLEGIANCE.** Director Norton led the pledge of allegiance.
- IV. **WORKSHOP.** The Biennial AB1234 Ethics Training refresher was conducted by Council Bob Bosso, meeting the requirements of the California Government Code Section 53235b. The workshop adjourned at 6:30 pm.

Return to Regular Meeting

- I. **CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Smith on Tuesday, February 26, 2019 at 7.00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. **ROLL CALL.** President Smith, Vice President Holman and Directors Norton, Leap and Dutra were present. Also in attendance were General Manager Robert Johnson, Management Consultant Morris, Counsel Bob Bosso, Board Secretary Louise Coombes and Staff Ester Girõn
- III. **STATEMENTS OF DISQUALIFICATION.** There were no disqualification statements.
- IV. **ADDITIONS AND DELETIONS.** There were no additions or deletions to the Agenda.
- V. **MINUTES.** The minutes of the January 22, 2019 Board Meeting were presented for review and approval; there were no corrections or comments. Director Leap moved for approval of the minutes and Director Holman seconded. Minutes were unanimously approved with all Directors present.
- VI. **REPORT FROM CLOSED SESSION.** On January 22, 2019, the Board gave direction to the General Manager.
- VII. **ORAL COMMUNICATION.** Several members of the public were in attendance, many of whom are members of Preserve Our Rural Community (P.O.R.C.). Individuals who provided comment were; Andy and Mary Hsia-Coron, Gina Paolini, Susan McRae, Tom Harris and Robert Robe. Concern was expressed regarding the impact of the proposed development of four nodes on 101; increased traffic, threat to wildlife habitat and especially the negative impact of hotels/restaurants on an already overdrafted water basin.

VIII. REPORTS/PRESENTATIONS

- A. **Director's Reports.** Director Norton commented that he has noticed one or two recent Bills attempting to create Trusts in order to assist disadvantaged communities with water; Monning and Caballero in particular. In light of this, Director Norton enquired as to whether the District has a policy of taking a position on advocacy of such Bills. He said he had noticed in a recent CSDA publication a suggestion to implement such a policy. He suggested an Ad-Hoc Committee to be created to develop Director Legislative Advocacy and how the District Board should take a position as a collective. GM Johnson suggested that he will look at the new Director Handbook from the CSDA for further information.

President Smith reported that he and Director Leap attended the recent public meeting at the Grange presenting and discussing the proposed development of the commercial nodes along 101.

- B. **Attorney's Report.** Counsel Bosso reported that there are a few new legislations that have only just been introduced, so nothing to currently report. The recent Goleta case did not make a decision on tiered rates, but this case may be going to the Supreme Court for a further hearing.

C. Manager's Report

OPERATIONS

No new meters have been installed this month so the total number of meters remains at 957 on 902 parcels. All water testing continues to be both, filed on time and represent satisfactory results.

Production & Well Levels

GM Johnson reported total production, in January 2019 is just over 4.8 million gallons; the daily average at 211,560 gallons. GM Johnson noted that in order to make sure the graph remains readable, the 2007 data points have now been removed. Carpenteria Well was operational for the whole of January and San Juan Well was operational for all but two days in January. Pleasant Acres Well was only used when needed; during January it was used for five days.

Reporting on the well levels shows that Carpenteria Well is up three feet, San Juan Well is down seven feet, Marshall Well is up seven feet and Aimee Meadows Well is up two feet.

Incidents

There were no incidents to report this month.

ADMINISTRATIVE

Staff & Board Recognition

GM Johnson let the Board know that AC Giron and ASO Coombes continue to go above and beyond to perform three jobs between the two of them, to keep everything running smoothly. GM Johnson was pleased to report that the new Customer Service Representative, Naomi Bowman, has been hired and started yesterday.

GM Johnson also wanted to continue to give credit to CO DeAlba who is working very hard alone since Operator Zelmar is still out on leave. Operator Sanchez is taking some time out to study, but is willing to assist CO DeAlba if need be. With direction from the previous Board Meeting, GM Johnson has hired a temporary, paid intern, Shaun Smith, for three days a week to assist CO DeAlba.

GM Johnson reported that he has initiated some planning for the District's 60th Anniversary, beginning with a banner to be displayed on the front of the office.

GM Johnson reported that he has sent out requests for bids to perform the tri-annual tank cleaning, with a closing date of the end of February 2019.

Conservation & Rainfall

According to the rain gauge at Chittenden, since the beginning of the rain year, October 1, 2018, a total of 18.92" has been recorded, including the reading for today, with 7.4" falling in February.

Projects

Annexation on Cole Road. GM Johnson, along with Mr Capron & Ms Rekedal attended the Pajaro Valley Water Management Agency monthly meeting and requested an exception from their exportation Ordinance which, after some discussion, was granted. This means that the annexation process for the four Cole Road parcels can now continue. Mr Eilert was also in attendance; see further information in Action Item IX.A.

Rate Study Request for Proposal. GM Johnson reported that he has now received four Rate Study proposals. More information in Action Item IX.B.

Fencing at Marshall Yard. The security fencing is now complete. In addition, signs and motion sensitive lighting is in place at the gate.

- D. Correspondence.** GM Johnson noted that there was a surfeit of correspondence this past month. He pointed out the requests and proposals for the rate studies and tank cleaning. Otherwise there were no questions from the Board.

IX. ACTION ITEMS

A. Consider adopting a Resolution (2019-01) certifying a Categorical Exemption for the annexation of the single Eilert parcel in the Rancho Larios area into the Aromas Water District boundary.

The annexation process continues with the next step of adopting the Resolution 2019-1 to find that the Eilert parcel is categorically exempt from the requirements of the California Environmental Quality Act under section 15319 of the California Code of Regulations. This fulfils the list of the items required for the San Benito County LAFCO application.

Vice President Holman moved to adopt the Resolution 2019-1 to find that the Eilert parcel is categorically exempt, under Section 15319 of the California Code of Regulations, from the requirements of the California Environmental Quality Act. The motion was seconded by Director Norton. President Smith called for public comment, but there was none. With a roll call vote, the Resolution was unanimously adopted with all Directors present.

B. Consider approving the Rate Study Consultant recommendation.

GM Johnson summarized and presented the four rate study proposals received, considering the District's budget, proposal price, previous experience with AWD, provision for reserves and funding of new projects. GM Johnson had ranked the four proposals based on these indicators and other details in the proposals.

Director Leap moved to accept the proposal from Municipal Financial Services. The motion was seconded by Director Dutra. The Staff recommendation to accept the proposal from Municipal Financial Services was unanimously adopted with all Directors present.

C. Financial Reports for the month of January 2019.

Including the Oakridge and Orchard Acres Assessment Districts, the total revenue for January was \$71,350.86; Total expenditures were \$64,588.66 between January 17 and February 20, 2019.

On the **Balance Sheet**, *Total Assets / Liabilities & Equity* are \$11,671,826.01, of which *Total Current Assets* are \$4,390,138.89, and *Total Fixed Assets* are \$7,092,406.32. In *Liabilities*, the *Total Liabilities* are almost \$4.9 million. GM Johnson is in the process of creating letters to both of the customers regarding their connection deposits.

In the **P&L Report**, *Water Revenue* for December was \$69,409.70 as compared to the budgeted \$66,000.00. *Power* expenses, still shows a lump sum payment for the Lower Oakridge Booster in the Fiscal Year column which will no longer be present on the budget for FY 2019/2020. *Payroll* is still under budget for due to staffing vacancies during January.

In the **Monthly Expenditures**. GM Johnson pointed out the cost of replacing the upholstery in the meter reading truck. Vice President Holman enquired whether the XiO system is up and running yet. GM Johnson explained that as XiO do not perform the installations and we have been short staffed, the installations have not yet happened.


Vice President Holman moved to adopt the Financial Reports as presented; seconded by Director Leap. The Financial Reports were unanimously accepted with all Directors present.

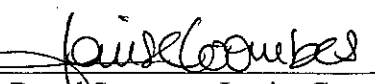
X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday, March 26, 2019.

GM Johnson pointed out that in upcoming months there will be a requirement for a Budget Ad Hoc Committee for the Expense and Capital Budgets. President Smith appointed a Committee of himself and Director Leap with the meeting date and time to be determined later.

Director Norton expressed interest in being part of a Legislative Ad Hoc Committee and hoped an item about this would be included in the March Board Meeting.

XI. ADJOURNMENT. President Smith adjourned the meeting at 8:01 pm until Tuesday, March 26, 2019.

Read and approved by: 
President, Richard Smith

Attest: 
Board Secretary, Louise Coombes

Date: 3/26/19 2019

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