

**Minutes of the Regular Meeting of
the Board of Directors of the
Aromas Water District
April 25, 2017**

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Leap on Tuesday, April 25, 2017 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Leap, Vice-President Smith, and Directors Holman, Dutra and Norton were all present. Also in attendance were General Counsel Bob Bosso; General Manager Vicki Morris and Asst. General Manager/Board Secretary Mark Dias.

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 or deletions.

VI. MINUTES: The minutes of the March 28, 2017 Board Meetings were presented for review and approval. There were no comments or corrections. Director Holman moved for approval of the minutes and Vice President Smith seconded. Minutes were approved unanimously with all directors present.

VII. ORAL COMMUNICATION: There were no public comments.

VIII. REPORTS/PRESENTATIONS

A. Director's Reports

Director Norton reported he was at the site during the Seely booster incident and was impressed with how staff responded with minimal water loss. Director Dutra also visited the site twice with the General Manager to review the damage. President Leap reported he had attended the San Benito County Water Forum and thought it was a good event, better than previous years, with a broad range of information. He encouraged a bigger, day-long event.

B. Attorney's Report

Counsel Bosso reported that there had been no new developments regarding Proposition 218 cases.

C. Manager's Report: See detailed report in agenda packet. Items highlighted include:

Production:

GM Morris noted production was increasing but was still low due to the wet spring.

Operations:

GM Morris reported that the VFD at the San Juan well was repaired under budget and was running well. The repaired unit had a two year warranty at a third of the price of a new unit. The potential claim with PG&E was still in process awaiting documentation.

Regarding the Pleasant Acres well, the pump and motors were pulled and videoed. At least one hole was found in the casing. The well would be cleaned and re-videoed to look for additional damage if any. Martin Feeney was consulting on the process and was optimistic about being able to repair the damage seen so far. It would be a few weeks or more before the PA well could be put back on line.

Regarding the coupler failure at the Seeley Booster station and resulting building damage, the cause was believed to be from the original contractor drilling two bolts through and into the pipe instead of welding supports. The bolts disintegrated over time and then failed. Two new contractors were being used and were very responsive. The high pressure sheared all the motors off their mounts and so the pumps needed to be remounted. Thrust blocks and metal straps were added to prevent shifting of the pipes. The District's insurance should cover much of the damage, although the statute of limitation for hidden defects had passed so a claim could not likely be filed with the contractor. The Fire Department's timely response and assistance was tremendous and a thank you letter for the President's signature had been prepared. There were no injuries and the physical losses could have been much worse.

Regarding a new shop building the District was awaiting a quote. AGM Dias reported that the initial review of the septic repair proposal was positive although a higher level review by County staff was still needed. Director Smith requested a comparison in costs and features between the Marshall and Blohm Ave site.

ACWA JPIA had issued an unexpectedly large rate stabilization check for over \$9,000.

The District's request for the contractor to extend the warranty for the Oakridge tank roofline was still under consideration.

Well levels were higher than last year but starting to drop with spring pumping.

D. Sustainable Groundwater Planning Report:

AGM Dias gave a brief update that the PVWMA's alternative plan had been commented on by a number of fishery agencies and environmental organizations recommending the alternative should be denied by the State. It was unknown how the comment letters may impact the State's review process, however the District should be prepared to revisit the GSA formation issue if PVWMA's alternative was denied.

E. Correspondence: The monthly correspondence list was reviewed. In response to Board questions GM Morris provided additional background on three items.

IX. ACTION ITEMS


- A. Resolution 2017-01 to Proclaim May as Water Awareness Month.** The Board heard a presentation on water conservation activities and trends from Shawn Novack, Conservation Manager for the Water Resources Association of San Benito County. After discussion Director Holman moved for approval as submitted. Director Norton seconded. With a roll-call vote Resolution 2017-01 was approved unanimously with all directors present.
- B. Approval of Financial Reports for March:** Revenue and expenses for March reporting period were \$63,995.60 and \$82,365.45 respectively. Total assets are \$9.00 million. Total liabilities increased slightly to \$1.898 million making a net equity of \$7.10 million. The expenditures from March 22 to April 17, 2017 totaled \$82,365.45. At nine months into the fiscal year the District is slightly below budget in nearly every category. Water revenue in April is difficult to predict. President Leap had previously reviewed the expenditures. Director Norton moved to accept the financials as presented and Director Holman seconded. The financials were approved unanimously with all directors present.
- C. Adjourn to Closed Session-** As permitted by Govt. Code Sec. 54956.9, the Board held a closed session to discuss personnel matters.
- D. Return to Open Session-** Upon returning to open session Counsel Bosso stated there were no reportable statements or actions by the Board during closed session.

X. FUTURE MEETINGS & AGENDA ITEMS:

The next meeting would be the regularly scheduled meeting of May 23, 2017.

XI. ADJOURNMENT - Pres. Leap adjourned the meeting at 8:42 PM until May 23, 2017.

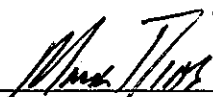
Read and approved by:



Board President, Jim Leap

Date: 6-23-2017

Attest:



District Secretary, Mark Dias

Date: 5/23/2017