

**Minutes of the Special Meeting of
the Board of Directors of the Aromas Water District
December 20, 2017**

- I. **CALL TO ORDER.** The special meeting of the Board of Directors of the Aromas Water District was called to order by Vice President Smith on Wednesday, December 20, 2017 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. **ROLL CALL.** Vice-President Smith, and Directors Dutra, Norton and Holman were present; President Leap was absent. Also in attendance were General Manager Robert Johnson and Board Secretary Louise Coombes; Counsel Bob Bosso was absent, although available by phone if necessary.
- III. **PLEDGE OF ALLEGIANCE.** Director Holman 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 November 24, 2017 Board Meeting were presented for review and approval; there one correction and one comment. The first regarding Director Norton's Report; *San Benito County Councilors'/Governor's meeting* corrected to *San Benito County Council of Government meeting*. The second comment from GM Johnson was clarification regarding the San Benito County LAFCO was, in fact, the Santa Cruz County LAFCO. Director Norton moved for approval of the minutes and Director Holman seconded. Minutes were approved unanimously with President Leap absent.
- VII. **ORAL COMMUNICATION.** There were no public comments.
- VIII. **REPORTS/PRESENTATIONS**
 - A. **Director's Reports.** Director Norton went to the San Juan Bautista City Council meeting who have a new plan to correct their safe drinking water issues. The City Manager is planning on the implementation of this new plan by the end of summer 2018.
 - B. **Attorney's Report.** Counsel Bosso was not present, but sent word that he is continuing to keep watch on the Proposition 218 cases; however, there is no new information at this time.
 - C. **Manager's Report.** See detailed report in agenda packet. Items highlighted include:
 - Production & Well Levels*

GM Johnson noted that all three wells have been in service for most of the month. Total production was approaching 5.8 million gallons which is still not as high as 2013 although overall production has been higher this year due to the continuing warm and dry weather. Well water measurements show Carpenteria Well is down 2ft and San Juan Well is up 2ft. With the Board meeting being a week early, the figures for Aimee Meadows were not received from PVWMA in time for inclusion in the Board packet.

Operations

GM Johnson commented that by the next Board meeting AWD's meter count is likely to show an additional connection. The loss of water system-wide continues to be minimal, which is a tribute to the good work AWD's Operators are doing in maintaining the system. Routine water samples have been taken and have good results. In addition, the three-year cyclic sampling was undertaken in preparation for the upcoming Consumer Confidence Report in the Spring of 2018. Fe bacteria presence/absence testing was performed at the San Juan and Pleasant Acres wells so that, should Fe bacteria be discovered, pro-active treatment action plan would be implemented. This incidentally provides a baseline for the current status of each well in the eventuality that potential contamination is introduced during future external contractor work.

Maintenance

GM Johnson noted all is well; routine maintenance as detailed in the GM Report continues.

Incidents

GM Johnson reported no new incidents this month.

Staff & Board Recognition

GM Johnson praised the timeliness of Operators DeAlba and Zelmar in obtaining the aforementioned water samples. Also the proactivity the Operators showed when they noticed a customer had a large leak and was out of town for a month. Their actions prevented an excessive and expensive water loss.

GM Johnson was able to introduce the new Customer Services Representative, Toleen Gonzales, to the Board, commending both her performance and the training given by Accounts Clerk Girón. GM Johnson commented on Admin Services Officer Coombes working with both AWD's Accountant and Auditors on a number of fronts post audit.

After incorporating research from staff, GM Johnson explained a plan to raise the Hydrant meter deposit from \$150 to \$850 to be a greater deterrent to theft.

GM Johnson drew the Board's attention to the letter from ACWA JPIA accompanying two "President's Special Recognition Award" 3 year certificates (2013-2016) for AWD achieving a low ratio of Paid Claims and Case Reserves to Deposit Premiums for the Property and Liability programs in which AWD participates.

Drought & Conservation

GM Johnson noted that since the beginning of the new rain year (October 1st), the rain gauge is currently at 2.56" (as at 12/14/17), with only 0.04" of this occurring in December.

Projects - Booster Generator

See Staff Report and Action Item IX. C.

Ad Hoc GSA Committee

GM Johnson reported on a discussion with Brian Lockwood, General Manager of PVWMA, who has been discussing options with the State should the Alternative Plan be rejected which may result in this basin attaining probationary status. To avoid probation, there is a potential for formation of a JPA between AWD and PVWMA and/or San Benito County or thirdly, the State could manage this portion of the Pajaro basin. AWD's wells are within the PVWMA basin, so it is the basin outside of PVWMA's sphere that is in question.

- D. Correspondence.** The monthly correspondence list was reviewed; GM Johnson drew attention to the response from CalTrans who admitted that ATS have been negligent and unprofessional. All Directors agreed that AWD's point had been made.

IX. ACTION ITEMS

- A. Receive and approve the updated Aromas Water District (AWD) Organizational Chart.** Director Norton moved to approve the updated Organizational Chart as presented, and Director Holman seconded. The new Chart was unanimously accepted by all Directors present; President Leap was absent.
- B. Receive update on Senate Bill 623, and provide direction to Staff.** Although Director Norton applauds the intent of this bill, he feels strongly that those contaminating the water should be the ones to pay to clean up that same water rather than adding to the tax burden of those living in the area who are often less affluent. Board directed Staff to watch the progress of SB623 and keep the Board informed.
- C. Backup Power Generator Update.** GM Johnson noted that there may be an issue with the proximity of windows to the planned site of the generator. In addition, an archeological waiver may also be necessary as within 750ft of the AWD building there is an archeological site of high value. For the number of times that the generator will be used, it may be more prudent to switch to a portable propane generator with greater functionality, including portable stand lighting. Board direction is to continue to research alternatives for 16kW and 22kW generators.
- D. Financial Reports for the Month of November 2017.** Total Revenue was \$86,617.23; Total expenditures were \$64,124.44 between November 21, 2017 and 15 December, 2017. GM Johnson drew the Board's attention to the new inclusion of the Assessment Districts as advised by the new Auditors, Fedak & Brown, resulting in a comparative increase of approximately \$3.2 million in both Assets and Total Long Term Liabilities. Technically the assets and liabilities of each Assessment belongs to the property owners in each Assessment District rather than AWD which is why these figures have previously been separated for reporting. The Audit Committee will hear further details before the next Board meeting. Director Dutra moved to accept the Financials as presented and Vice President Smith seconded. The financials were unanimously accepted with President Leap absent.
- E. Election of Officers for 2018:** In President Leap's absence, he left a memo to nominate Vice President Smith to serve as President for 2018; Director Norton concurred and further nominated Director Holman as Vice President and Director Dutra seconded. Vice President Smith and Director Holman both accepted the nomination. A motion to approve both nominations was made by Director Norton and seconded by Director Dutra. Vice President Smith was elected President and Director Holman was elected Vice President by unanimous vote with President Leap absent, and the new officers will take office in January 2018.

X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday, January 23, 2018.

XI. ADJOURNMENT. Vice President Smith adjourned the meeting at 8:22pm until January 23, 2018.

Read and approved by: Richard Smith
Vice President, Richard Smith

Attest: Louise Coombes
Board Secretary, Louise Coombes

Date: 1/23/18

Date: 1/23/2018

