

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
October 23rd, 2012

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Huggins on Tuesday, October 23rd, 2012 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, CA.

II. ROLL CALL:

Pres. Huggins, Vice President Dutra, Directors, Mahler, Holman and Norton were present. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and staff Gina Patten were also present. GM Morris noted the presence of Chief Rick Hutchinson and Chief Chris Orman from Cal Fire and Monterey County Supervisor Lou Calcagno.

III. PLEDGE OF ALLEGIANCE: Pres. Huggins 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 September 25, 2012 Regular Meeting were presented for acceptance and approval.

Director Mahler moved and Director Norton seconded that the minutes be approved. Approval was unanimous.

VII. ORAL COMMUNICATION: None

VIII. PRESENTATIONS

A. Director's Reports: Director Dutra reported that he went to a Special District's Association meeting on Oct 16th with GM Morris and Director Norton. He was highly impressed with the elected county government officials who spoke. Director Norton reported he attended the Sept. 26th meeting in Castroville with Sup. Calcagno and Via del Sol residents.

B. Attorney's Report: None

C. Manager's Report:

Operations: Production for September was 11.8 million gallons reflecting the seasonal drop in usage has begun. Operators are winterizing the system. Communications have been enhanced by modifications in the SCADA system. Projects: GM Morris commended staff for a smooth transition into the *New Office Building* at 388 Blohm. The move was accomplished by staff within a short amount of time without problems. She thanked staff Laurie Goodman for transitioning computers and phone lines as well as putting together photo collages of historic Aromas photos. The *Rocks Road Bridge Project* involves relocation of the AWD ten inch Rancho Larios pipeline in San Benito County. GM Morris has appealed to County Public Works that federal funding for the project cover our engineering and construction expenses for pipeline relocation. The *Seely Area Annexation Proposal* is still in an information gathering phase. A second request to property owners has been sent to those who have not responded. The group "Aromas Cares for the Environment" is continuing to educate themselves on the oil extraction and possible enhanced recovery (fracking) which may be threatening our area, as well as our ad hoc committee on *Aquifer Risk Assessment* with Directors Holman and Norton. A workshop on the topic will be held at the San Benito County Supervisors Chambers on November 1st at 6:00pm. All are encouraged to attend.

IX. ACTION ITEMS

A. Oakridge/Via del Sol Proposed Assessment District Formation: Pres. Huggins welcomed Monterey Supervisor Lou Calcagno. GM Morris detailed three options for the Board to consider in deciding upon the boundaries of the Assessment District to be formed for providing water service to Oakridge and Via del Sol. In response to protests by residents, mostly in Via del Sol, GM Morris and Engineer Freitas put the following options together.

1) The first option would provide water service to the entire annexed area of 66 parcels at a cost of about \$51,133 per parcel.

2) The second option would be to only provide water as far as the top of Oakridge Drive, none in Via del Sol and would only include 39 parcels at a cost of approximately \$65,779 per parcel.

3) The third option would provide service to Oakridge and half of Via del Sol totaling 59 parcels but 14 of them would receive and pay for fire protection (hydrants) only. This option is the best solution for excluding parcels wanting to opt out of the full assessment, but would allow them to buy in to the full water service in the future. The cost would be \$65,779 for water service and \$14,146 for only fire protection service. This is the option recommended by GM Morris.

Engineer Freitas described and answered questions on the third and more complex option with maps showing the boundary of the proposed assessment district denoting which parcels would get water service and which would get only fire protection. Those receiving water would pay about two thirds of the total cost, while those getting only fire protection would pay only one third.

Calfire representatives Chief Rick Hutchinson from Aromas Tri-County Fire Protection and Chief Chris Orman from North County Fire District spoke as to their service to the Oakridge and Via del Sol Areas. Chief Hutchinson stressed that a reliable municipal water source would be beneficial to any operations they have in the area. Chief Orman advised property owners to contact their insurance providers and find out how much they will save when hydrants are within 250 feet of their property. The insurance may ask for the ISO rating which is Four (4).

Supervisor Calcagno stated that the County Government and the Aromas Water District have done everything possible to see the project through. He knows that it isn't possible to make everyone happy, but the proposed project is the best and only solution available to provide reliable water service to them. He thanked the District for the work they have undertaken thus far.

GM Morris explained the procedure of forming the assessment district. She also assured each property owner will receive an income survey letter for the District to apply for Community Block Grant funds. Pres. Huggins asked for public comments. Many property owners were present and expressed their opinions for and against the project as it pertained to their individual properties. After everyone had a chance to speak, President Huggins closed the public comment period.

Director Holman moved that option three be approved as presented. It was seconded by Director Norton. V. Pres. Dutra supports the motion, but he does not wish to impose anything on people who are opposed. He also felt that Via del Sol owners in opposition

should have come forward sooner. Director Mahler believes that the assessment is not likely to make homes difficult to sell, but should enhance the value as evidenced by the Ballantree Subdivision.

The motion passed unanimously and President Huggins called a short break as many attendees departed.

- B. Contract to Bid Relocation of Facilities for Caltrans San Juan Road Interchange Project:** GM Morris went over some of the highlights of the proposed contract which has been reviewed by Counsel Bosso. Engineer Freitas explained the four areas of relocation to be done by one contractor and would go out to bid in November. The District will be reimbursed for engineering and construction by Caltrans.

Vice Pres. Dutra moved to approve and proceed with the proposed project and President Huggins seconded the motion. It passed unanimously.

- C. Financial Report:** GM Morris presented the financials for the month of September 2012. Total assets are \$6.6 million. Production is now showing a seasonal decline, but bulk sales are boosting revenue. Pres. Huggins reviewed the payments from to September 18th to October 16th 2012 which totaled \$122,244.35 and included renovation work on the new office building and the audit.

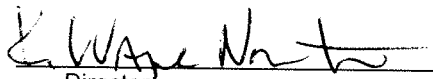
V. Pres Dutra moved to accept the financials and it was seconded by Pres. Huggins. They were approved unanimously as presented.

X. ADJOURNMENT


President Huggins adjourned the meeting at 9:13 PM.
Report submitted by Laurie Goodman, Board Secretary

Date: November 27th, 2012

Read and approved by:



Director

Attest: 

Laurie Goodman, Board Secretary