

REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

TUESDAY, July 26, 2022, 7:00 PM

Notice of HYBRID Meeting

President- James Leap
Vice President- Vicki Morris
Director- Marcus Dutra
Director- Richard Smith
Director- Wayne Holman
General Manager- Robert Johnson
Board Secretary- Louise Coombes

The Aromas Water District Board of Directors meeting will be conducted in a hybrid setting. Directors, staff and public may attend the meeting remotely or in person. Public participation is encouraged – participation instructions are on the following page.

- I. **CALL TO ORDER**
- II. **ROLL CALL OF DIRECTORS:** President Jim Leap, Vice President Vicki Morris, Directors Marcus Dutra, Richard Smith and Wayne Holman.
- III. **PLEDGE OF ALLEGIANCE**
- IV. **STATEMENTS OF DISQUALIFICATION**
- V. **ADDITIONS AND DELETIONS**
- VI. **MINUTES:** Review the Minutes of the June 28, 2022, Regular Board Meeting for Board approval. p.3-5
- VII. **ORAL COMMUNICATION:** *Anyone wishing to address the Board on informational items, staff reports or matters not listed on the agenda may do so. Please limit your comment to three (3) minutes. The public may comment on listed Action and Public Hearing items at the time they are considered by the Board.*
- VIII. **PRESENTATIONS & REPORTS**
 - A. DIRECTORS' REPORTS
 - B. ATTORNEY'S REPORT
 - C. MANAGER'S REPORT p.6-9
 - D. CORRESPONDENCE p.10
- IX. **CONSENT CALENDAR:**
 - A. Consider adopting Resolution #2022-15, extending the need for hybrid meetings, as presented in AB 361 p.11-12
 - B. Consider adopting Resolution #2022-16, authorizing the Small Community Drought Relief Grant Application, Acceptance and Execution p.13-14
- X. **ACTION ITEMS:**
 - A. Consider receiving an update on the Marshall Well Replacement Project, and providing direction to staff p.15
Staff will present an update on the Marshall Well Replacement Project, for discussion and Board action.
 - B. Consider receiving an update on the Board Member Training Plan, and providing direction to staff p.16
Staff will present a status report on the Board Training Plan, for discussion and Board action.
 - C. **Financial Reports for the Month of June 2022** p.17-22
Including both Assessment Districts, the financial reports show a Total revenue of \$152,653.67; Total expenditures were \$356,226.79 between June 22, 2022, and July 19, 2022. These financials and monthly expenditures will be presented for discussion and Board approval.
- XI. **FUTURE MEETINGS & AGENDA ITEMS** – Next meeting – August 23, 2022
- XII. **ADJOURNMENT**



Hybrid Meeting Attendance Instructions

The public may participate in the District's Board meeting either in person, or by teleconference / web conference via the instructions provided below. In person attendees will be subject to current mask and distancing protocols.

The meeting materials will be available for download from the District's website at:

www.aromaswaterdistrict.org

For those who choose to attend this meeting via Zoom will be muted by default. To join the meeting from a computer, tablet, or smartphone via the Zoom app (free at <http://www.zoom.us>), click the link on the meeting date and time: <https://us02web.zoom.us/j/82801701219>

If you do not have speakers or a microphone on your computer, you can dial in for audio.

Call **(669) 900.9128** and enter the Webinar ID: 82801701219

If you would like to speak during the public comment portion of the meeting, you have the following options:

1. **Online** – raise your hand or use the Q&A panel to submit written comments.
2. **Phone** – press *9 to raise your hand, *6 to send a request to be unmuted to submit verbal comments.

The meeting officially will start at 7:00pm, though remote access will be open 15 minutes before the start of the meeting.

Public engagement is important to the District, and hybrid meeting protocols are an evolving process. We appreciate everyone's understanding as we work through this together

**Minutes of the Regular Meeting of
the Aromas Water District Board of Directors
June 28, 2022**

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Leap on Tuesday, June 28, 2022, at 7:00 p.m. in a hybrid setting; attendees were present both in the Board Room and online via Zoom.
- II. ROLL CALL.** President Leap, Vice President Morris and Directors Dutra, Holman and Smith were present. Also present was General Manager Johnson. Board Secretary Coombes and Counsel Bosso attended via Zoom.
- 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 to, or deletions from, the Agenda.
- VI. MINUTES.** The minutes of the May 24, 2022, Board Meeting were presented for review and approval. Director Smith moved for approval of the minutes as presented; Vice President Morris seconded. Minutes were unanimously approved with all Directors present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VII. REPORTS/PRESENTATIONS

- A. Director's Report(s).** There were no Director's reports.
- B. Attorney's Report.** Counsel Bosso stated that there was nothing to report on in the law regarding water that applies to our District since we produce less than 3000 acre feet per year.
- C. Manager's Report**

OPERATIONS & MAINTENANCE

Production & Well Levels

GM Johnson reported total production in May 2022 was 10,429,459 gallons, with a daily average of 326,273 gallons. Both Carpenteria Well and San Juan Well operated the entire month; Pleasant Acres was used for one day, now that the flow meter is installed and reliably operational. May's average production is 31% higher than April's average production, but close to their respective annual averages.

All water testing reports were filed on time and represent satisfactory results. The District has 971 total connected meters.

Operational well levels; Carpenteria Well is down four feet and San Juan Well is down five feet. Observational wells; Marshall Well is down four feet and Aimee Meadows is down seven feet.

INCIDENTS

At the very end of April, a break occurred on Seely Avenue due to tree root cracking a four-inch main. The estimated water loss is 140,000 gallons. It was difficult to find, but once discovered, the repair was made the same day.

With resurfacing work along Carr Avenue currently being undertaken by Granite Construction, they uncovered a main where a saddle joint was located. The disturbance of the sand around the infrastructure resulted in a leak and the saddle joint had to be replaced, the cost of which was incurred by Granite Construction. Water loss was estimated at 10,000 gallons.

ADMINISTRATIVE

Staff & Board Recognition

WUSp Girõn and Operator Smith continue with the Valve Marking and Exercising Program as time permits.

ASO Coombes and WUSp Girõn completed the application to LAFCo for the Cole and Rocks Road annexation and the application has now been submitted to LAFCo; there is usually a two to three month waiting period before items are presented to their Board.

ASO Coombes and GM Johnson reviewed the Conflict of Interest Code, which is a required biennial review, and found that there were no changes necessary.

GM Johnson and MNS Grant Team have been working on an application for a Small Community Drought Relief Grant for the Marshall Well replacement project. Based on the geography of the awards that have already been made, none have been in the counties of Monterey and San Benito, which may increase the possibility of award.

PROJECTS

Orchard Hill Road proposed annexation progress

An updated technical memorandum is complete and has been reviewed by the interested parties along Orchard Hill Road who wish to move this project further on and meet to ask a number of questions. The original group is reaching out to other homeowners in the surrounding area in an attempt to defray the cost per household.

New Water Source – Marshall Well Project

More about this project in the Action Items of this meeting.

Correspondence: GM Johnson drew the Board’s attention to the following items.

The insurance claim for the damaged fire hydrant last October from Kemper Insurance. They have a maximum claim amount of \$10,000 between all claimants, but our costs alone were well over \$18,000. They also wait for a protracted period of time for all claims to be made. The mailboxes that were destroyed have all been replaced but no claim was made by those homeowners..

Conservation & Rainfall

Since the start of the rainfall year on October 1, 2021, at total of 16.32 inches of precipitation have been recorded by the rain gauge at Chittenden pass. This is approximately a 72% increase from the previous rain year total.

X. CONSENT CALENDAR

A. Consider adopting Resolution 2022-14 authorizing the continuation of hybrid/remote teleconferencing meetings pursuant to AB 361

Vice President Morris moved to adopt Resolution 2022-14 as presented; seconded by Director Smith. With all Directors present, the consent calendar was unanimously adopted by roll call vote.

XI ACTION ITEMS

A. Consider receiving an update on the Marshall Well Replacement Project

Short bi-weekly meetings have been occurring between MNS Engineering, Luhdorff and Scalmanini and District Staff to report status, actions and requirements. This has been very productive to facilitate moving this project forward in a timely manner.

The loan has been received and correctly accounted for, so expenses previously incurred for this project are being reassigned to their correct Capital Project expense accounts. A way to place the large fund to be most advantageous to the District, in terms of earning interest, is currently being assessed by staff.

As mentioned earlier, the grant application is almost complete and will be submitted soon. If received, this money will be used to cover the expenses for the Well Project, thereby freeing up funds for additional deferred Capital Projects.

The drilling of the test well began yesterday and is due for completion by July 18, 2022. However, debris such as old concrete, steel and piping was discovered within the first foot. Therefore, excavation of the area had to occur for the drilling to continue.

Overall, from the initial timeline, this project is running about seven months ahead. Water sampling will be undertaken and should be completed by mid-August to determine the well’s effectiveness. Once this is complete, an environmental survey will take place in preparation for the production well. The test well currently has a generalized design; once the geophysical logging has been completed, the design, specifically the extent and location of the perforations, will become more specific for optimum performance. The test well will eventually become the new monitoring well.

The report was received by Board consensus.

B. Financial Reports for the Month of May 2022

Total Assets / Liabilities & Equity are \$16,628,591.01, of which Total Current Assets are \$10,586,063.78, and Total Fixed Assets are \$5,811,967.35. In Liabilities, the Total Current Liabilities are \$200,109.56, Total Long Term Liabilities now stands at \$9,921,098.68 with Total Liabilities & Equity of \$16,628,591.01.

In the P&L Report, Water Revenue for May was \$164,038.00. Total Expenditures were \$147,951.63 between May 18 and June 21, 2022.

On the graphical representation of the Financials, when compared to the current budget there is -0.4% difference of budgeted versus actual income. Similarly, the Expenditures had -2.3% difference and therefore below budget since the beginning of the year; a combination of both percentages is very close to the budget.

XII. FUTURE MEETINGS & AGENDA ITEMS. The next meeting date will be on Tuesday, July 26, 2022 and will be the same hybrid format as this meeting. Vice President Morris will be unable to attend.

XIII. ADJOURNMENT. President Leap adjourned the meeting at 8:10pm until Tuesday, July 26, 2022.

Read and approved by: _____
President, Jim Leap

Attest: _____
Board Secretary, Louise Coombes

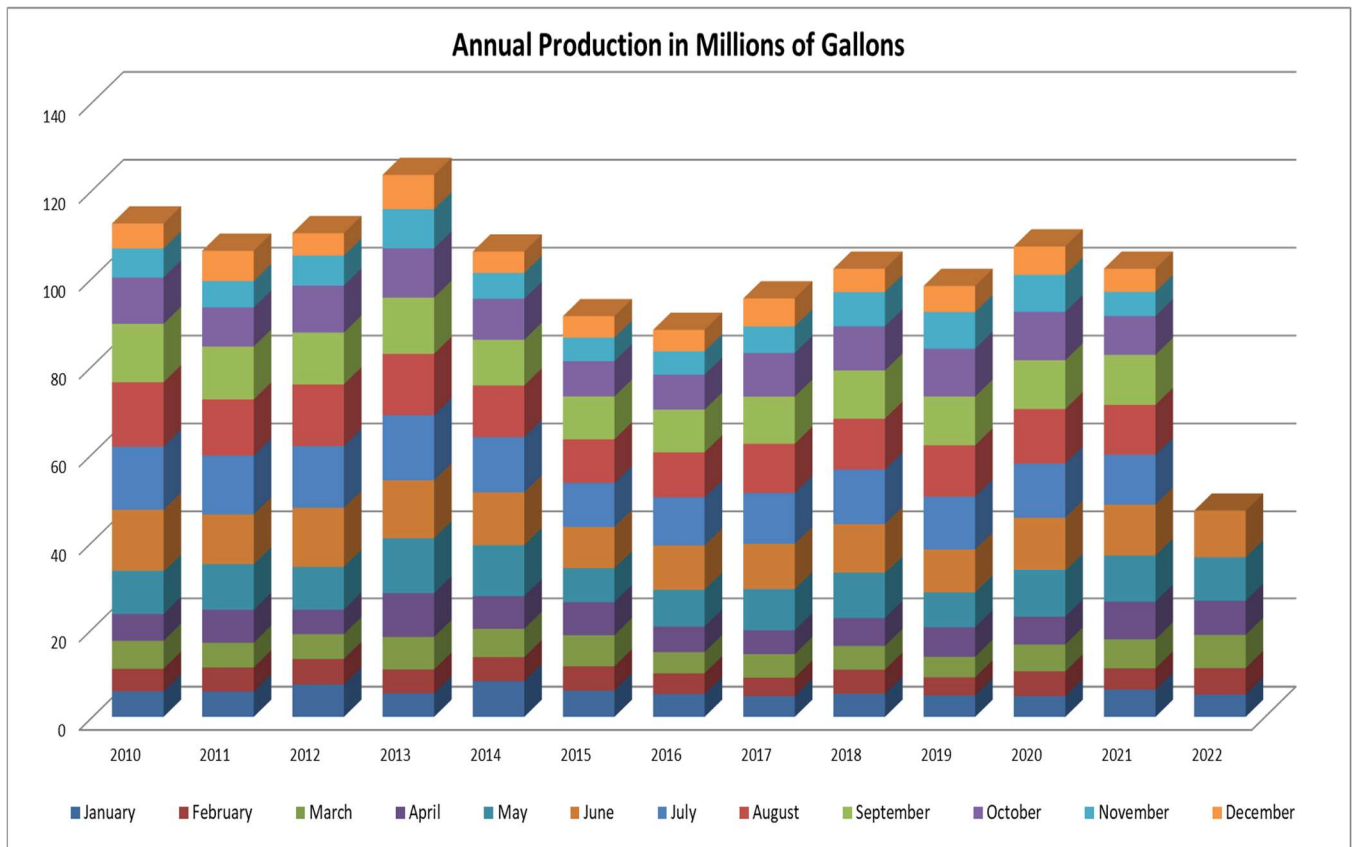
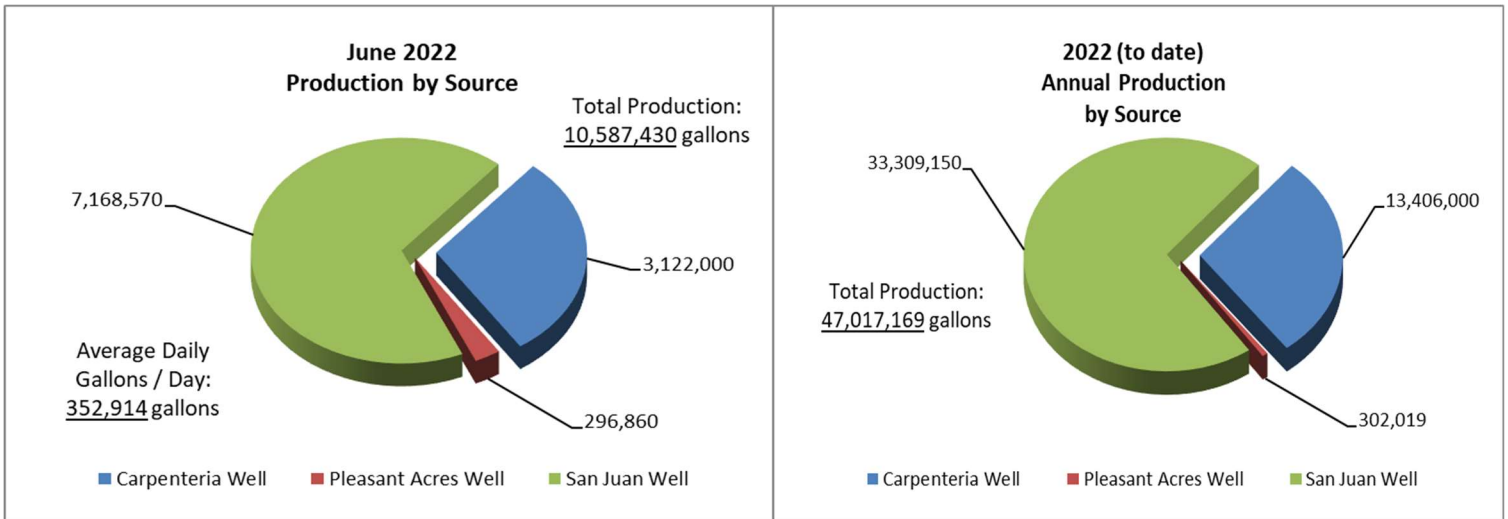
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Date: _____

General Manager's Report June 2022



PRODUCTION REPORT



Totals	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Million Gal	106.15	110.17	123.42	105.97	91.27	88.152	95.304	102.07	98.141	107.1	102.07	47.02
Acre Ft	325.7	338.05	378.7	325.16	280.05	270.49	292.43	313.18	301.13	328.8	313.19	144.27

OPERATIONS AND MAINTENANCE REPORT

OPERATIONS:

- There are 971 total meters installed.
- San Juan well was operated the entire month, while Carpenteria well was utilized all but one day, and Pleasant Acres well was used for eight days.
- Water Treatment Plant: finished water was free of both iron and manganese this month.
- Distribution testing for total Coliform; all samples were negative.
- All monthly DWR reports on Coliform, and Fe / Mn were filed on time.
- WTP filters are being backwashed when necessary.
- Monthly Generator in-house 15-minute testing under load.
- Monthly well-level monitoring (see chart following this report in Board Packet).

MAINTENANCE:

- Preventative maintenance and flushing were performed, as needed.
- Chlorine chemical pump maintenance and analyzer maintenance at all wells was performed.
- Additional maintenance tasks are being performed as time allows.

INCIDENTS:

- There was an incident that occurred on Carr Avenue on June 22 due to the repaving activities that are occurring on that road. The repaving crew was potholing to find water and gas connections and upon covering one of the District's water connections, the saddle on the water main broke. West Valley was called in and restored service within five hours. It is estimated that approximately 10,000 gallons of water were lost.

ADMINISTRATIVE REPORT

STAFF & BOARD RECOGNITION:

- WUSp Gir6n worked with the Auditors to complete the Interim Testing in preparation for the Full Audit which will occur August 24 and 25.
- The Cole Road/Rocks Road Annexation LAFCo application has been accepted and will go to the LAFCo meeting on August 11, 2022.
- CO DeAlba and Operator Smith both passed the "hands-on" portion of the Backflow re-certification process. Both have taken written tests for this effort, though the results are not in at the time of this writing.
- CO DeAlba and Operator Smith marked our water lines and facilities for the County work being done on Carr Avenue. This work has been performed three separate times, due to the time this project timing completed a couple weeks ago, though due to a start delay, the operators had to remark everything on June 10 – and again on July 14 and 15. See incidents section above.
- GM Johnson and ASO Coombes submitted the District of Distinction application back in March and the District was recently notified (July 6) that we had received this accreditation.
- GM Johnson worked with the MNS Grant Team to develop a Small Community Drought Relief (SCDR) grant application for the Marshall Well Replacement Project. The grant application submission has been put on hold until a new direction is conceived.

CONSERVATION UPDATE:

June 2022 usage figures are showing a small but expected increase over the May 2022 usage figures. May use was 10,111,459 gallons and June’s usage was 10,587,430 gallons, an increase of 475,971 gallons or about 5%.

October 1, 2021, marked the start of a new water year. As of the date of this report (July 19), the rain gauge at Chittenden Pass has recorded 16.32 inches of precipitation, with zero inches falling this month. That is roughly a 72% increase (to date) over the precipitation received last year (9.48 inches).

PROJECTS:

1. Response to COVID-19 virus

Staff has been staying current on the ever-changing COVID-19 situation. There have been recent changes in a couple of areas: 1) The mask mandate has been lifted for vaccinated people; however, staff cannot evaluate the vaccination status of those who enter the office, therefore, masks are required for customers to enter, 2) the plexiglass screen in front of the WUSp was removed, and 3) staff has stopped recording body temperature upon entry to the office.

2. Orchard Hill Road proposed annexation progress

MNS Engineers released an updated Technical Memorandum (TM) that the interested parties have reviewed. GM Johnson met with two of the representatives and answered a number of questions. The representatives have additional questions, that need to be answered by District Counsel. It is up to the representatives to develop the questions that will be passed onto District Counsel.

3. Progress on the Cole Road Outreach / Annexation Project

The application for this annexation effort has been accepted. The item will be heard at the August 11th LAFCo meeting, which is at 4:00pm in the San Benito County Board of Supervisors’ chambers. People can also participate via Zoom, though at this time the Zoom information is not available.

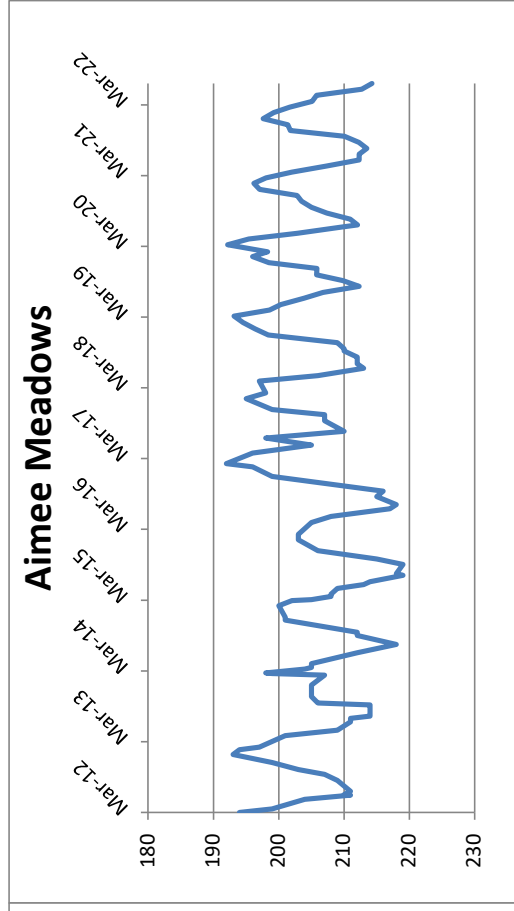
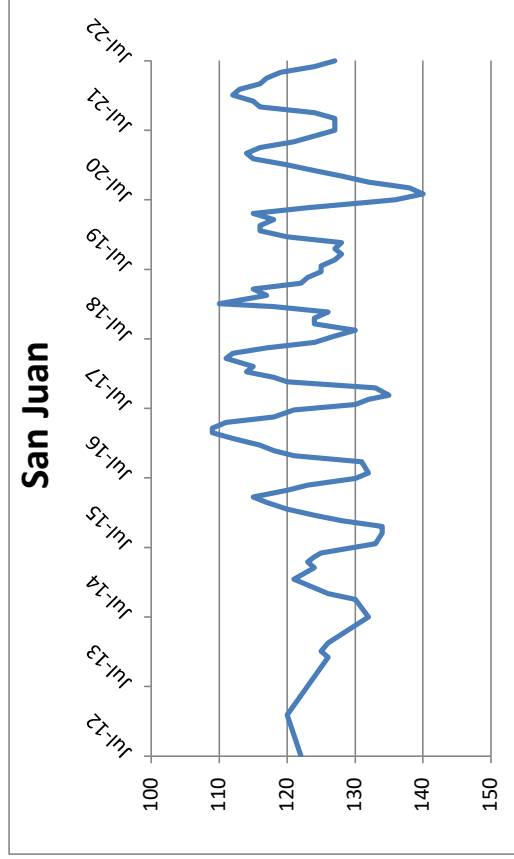
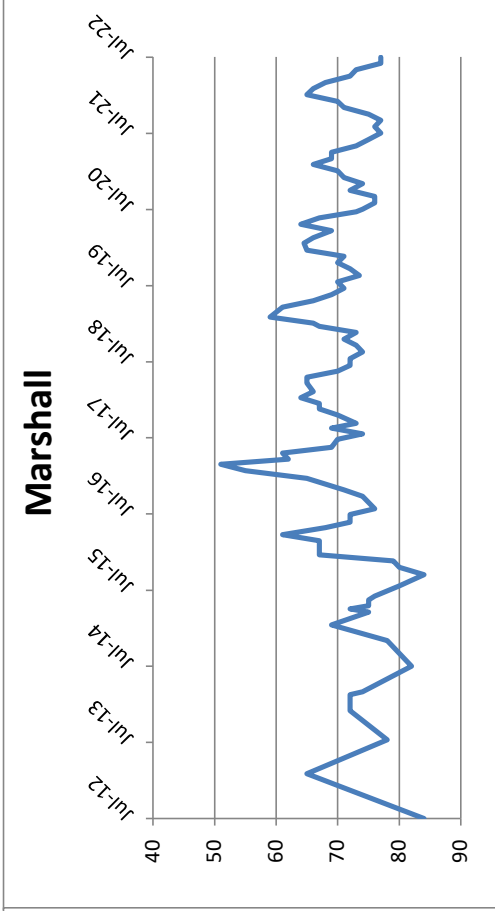
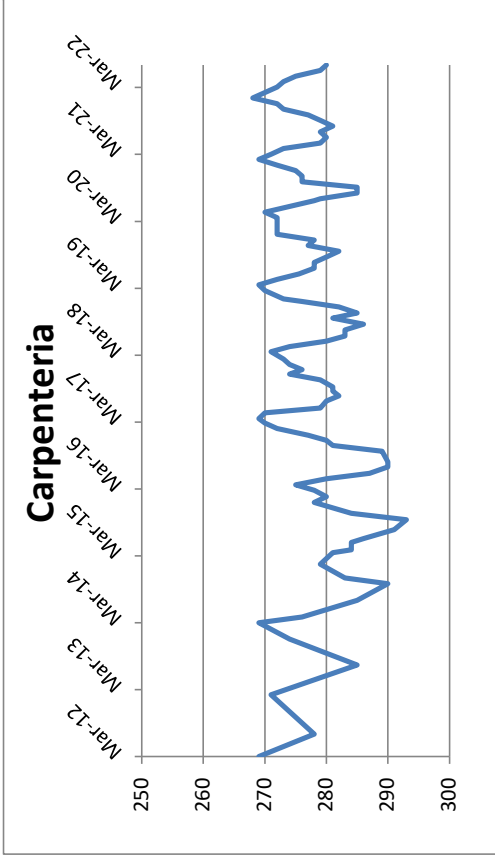
4. Progress on Finding a New Water Source Project

An update on the Marshall Well Replacement Well Project will be provided at the Board meeting tonight.

Robert Johnson
General Manager
July 19, 2022

Well Water Level Monitoring Depth to Water Measurements

Date: July 14, 2022



CORRESPONDENCE LIST: 6/23/2022 - 7/20/2022

DATE	TYPE	TO	FROM	SUBJECT
6/23/22	E	[CC] R Johnson, AWD	C Corral, Granite Construction	Failed Water Lateral at Carr Avenue
6/26/22	E	R Johnson, AWD	J Breeden, Allterra Solar	Permit Issued
6/27/22	E	J Breeden, Allterra Solar	R Johnson, AWD	Permit Issued
6/27/22	E	R Johnson, AWD	E Lieu, Orchard Hill	Orchard Hill Report Update Costs
6/29/22	E	R Bosso, AWD Counsel	R Johnson, AWD	Fire Hydrant [damaged on San Juan Rd]
6/29/22	E	J Leap, AWD Board Pres	R Johnson, AWD	Fire Hydrant [damaged on San Juan Rd]
6/30/22	E	E Girõn, AWD	A Beck, Fedak & Brown	Document Request [for Audit]
6/30/22	E	R Johnson, AWD J Leap, AWD Board Pres	R Bosso, AWD Counsel	Fire Hydrant [damaged on San Juan Rd]
7/1/22	E	E Lieu, Orchard Hill	R Johnson, AWD	Orchard Hill Report Update Costs
7/5/22	E	L Coombes, AWD	State Social Security Admin Office	Annual Information Request [Completed 7/13/22]
7/6/22	M	AWD	S Raffelson, SDLF Board Pres	District of Distinction [Awarded]
7/7/22	E	R Johnson, AWD	J Reich, ACWA JPIA	2022 Wellness Grant Approval
7/7/22	E	SWRCB	E Girõn, AWD	Monthly Summary of Coliform Monitoring
7/7/22	E	SWRCB	E Girõn, AWD	Monthly Fe & Mn Field Test Results
7/11/22	E	L Coombes, AWD	S Cruz, Transparent California	Public Records Request, 2021 Compensation Reports [& Response]
7/12/22	E	R Johnson, AWD	K Graff, SWRCB	Lead and Copper Monitoring Reminder [& Response]
7/13/22	E	[CC] R Johnson, AWD	C Jenkins, Luhdorff & Scalmanini	Aromas Test Hole – Standby
7/14/22	E	P Greenway, MNS Eng.	R Johnson, AWD	SCDR Grant for Marshall Lane Well TM – Feeney 2016
7/15/22	M	R Johnson, AWD	L Gill, SDRMA	Worker’s Compensation Annual Payroll Reconciliation [Completed by LC 7/15/22]
7/18/22	E	M Bowling, County of Monterey	R Johnson, AWD	Battery Backup System Permit Timing – Permit Ending 1814
7/19/22	E	A Phelen, SDLF	R Johnson, AWD	District of Distinction Awarded to Aromas Water District
7/20/22	E	R Johnson, AWD	A Phelen, SDLF	[Response to] District of Distinction Awarded to Aromas Water District
7/20/22	E	Cole & Rocks Road Parties, Annexation	R Johnson, AWD	Cole Road / Rocks Road Annexation Process



RESOLUTION 2022-15

RESOLUTION AUTHORIZING THE CONTINUATION OF HYBRID/REMOTE TELECONFERENCE MEETINGS PURSUANT TO AB 361

WHEREAS, the Aromas Water District (District) Board of Directors (BOD) is committed to preserving public access and participation in BOD's meetings; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic; and

WHEREAS, the proclaimed state of emergency remains in effect; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act providing the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the BOD deems it necessary to find a requirement to meet in person for meetings of the District could present imminent risks to the health and safety of attendees, and thus, intends to invoke the provisions of AB 361 related to teleconferencing; and

WHEREAS, the BOD has considered all information related to this matter, as presented at the public meetings of the BOD, including but not limited to the current circumstances related to the state of emergency, which continues to remain active; and

WHEREAS, the BOD further finds that the state of emergency continues to directly impact the ability of the members to meet safely in person.

(continued on next page)

NOW, THEREFORE BE IT RESOLVED, the Aromas Water District Board of Directors hereby resolves, and order as follows:

- 1. The BOD finds that the facts set forth in the recitals to the Resolution are true and correct.**
- 2. The above findings and this resolution apply to all meeting of the Aromas Water District subject to the Brown Act for the period of July 29, 2022, to August 28, 2022.**
- 3. As long as the State Emergency remains in effect or until directed otherwise by the BOD, staff shall present to the BOD at every meeting necessary, an item to continue the findings required by AB 361.**
- 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of thirty (30) days from adoption of the Resolution or such time the BOD adopts a subsequent Resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the BOD may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953; and**
- 5. The General Manager and District Counsel are directed to take such other necessary actions to implement the intent and purposes of the Resolution.**

PASSED AND ADOPTED by the Board of Directors of the Aromas Water District, Aromas, Monterey and San Benito Counties, California, at a Regular meeting duly held on this 26th day of JULY 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVE:

ATTEST:

James Leap, Board President

Board Secretary, Louise Coombes



RESOLUTION 2022-16

RESOLUTION AUTHORIZING THE SMALL COMMUNITY DROUGHT RELIEF GRANT APPLICATION, ACCEPTANCE AND EXECUTION FOR THE MARSHALL WELL REPLACEMENT PROJECT

WHEREAS, the Aromas Water District Board of Directors proposes to implement the Marshall Well Replacement Project; and

WHEREAS, the Marshall Well Replacement Project is being implemented in response to a drought condition, as defined by Water Code section 13198(a) and is intended to: 1) address immediate impacts on human health and safety; 2) address immediate impacts on fish and wildlife resources; or 3) provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies; and

WHEREAS, the Aromas Water District Board of Directors has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the Aromas Water District Board of Directors intends to apply for grant funding from the California Department of Water Resources for the Aromas Water District Marshall Well Replacement Project; and

NOW, THEREFORE BE IT RESOLVED, the Aromas Water District Board of Directors hereby resolves, and order as follows:

- 1. That pursuant and subject to all of the terms and provisions of the Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Aromas Water District General Manager is hereby named the Authorized Representative, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources and take such other actions necessary or appropriate to obtain grant funding.**
- 2. The Aromas Water District General Manager is hereby named the Authorized Representative and is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.**
- 3. The Aromas Water District General Manager is hereby named the Authorized Representative and is hereby authorized and directed to submit any required documents, invoices and reports required to obtain grant funding.**

(continued on next page)

PASSED AND ADOPTED by the Board of Directors of the Aromas Water District, Aromas, Monterey and San Benito Counties, California, at a Regular meeting duly held on this 26th day of JULY 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVE:

ATTEST:

James Leap, Board President

Board Secretary, Louise Coombes

Staff Report



To: Board of Directors

Re: Item XI.A – Consider receiving an update on the Marshall Well Replacement Project, and providing direction to Staff

Date: July 19, 2022

Summary / Discussion

The District’s Strategic Plan identified several projects to be completed within its five-year horizon. Some of those projects were identified in the 2019 Rate Study and were a basis for determining the water rates that were ultimately established. A non-exhaustive list of those projects includes: 1) Ballantree Tank Project, 2) School Road Tank Project, 3) Aimee Meadows Pressure-Reducing Station, 4) building an Operations Shop, and 5) installing solar power for the 388 Blohm Avenue facility. Also, identified for Fiscal Years 2024-2025 to 2026-2027 was a new water source (well) project. That project was moved up by Board decision due to current (and forecasted) hydrologic conditions.

At the last meeting, a project progress list for the Marshall Well Replacement Project was presented. Item #4 indicated that drilling would be completed by July 18th. The test hole was drilled on schedule, though, upon performing the electronic logging (e-log), it was observed that the hole basically had no water in it, and the water that was present was unacceptable. The geologic team had a Zoom meeting the next day and came to the consensus to destroy this hole and seek another site to drill. The hole was filled with concrete on July 15, 2022.

While this is not great news, it is a reminder that finding water will be challenging and the District and its consultants will continue to do their due diligence to find the water that is needed for the District.

So, work related to the well has been paused for now, though other work on the Marshall site will continue; the planning and building of the Operations Shop and related septic tank and leach field. Staff has asked Martin Feeney to look for other possible well sites using his expertise and familiarity with the area.

Staff is still having the bi-weekly progress meeting with MNS Engineers and LSCE (geologists) to continue to move forward and identify issues. The Small Community Drought Relief Program (SCDR) grant application has been completed and is ready for submission.

So, in short, the District is not going to utilize the Marshall Yard site for a well, though staff and consultants will continue searching for a suitable site to drill the replacement well.

Staff Recommendation

Receive the progress report and provide direction to staff, if any.

Submitted by:

Robert Johnson
General Manager

Staff Report



To: Board of Directors

Re: Item IX.B – Consider receiving an update on the Board member Training Plan, and providing direction to Staff

Date: July 20, 2022

Summary / Discussion

As part of the District’s Strategic Planning, the Board of Directors (BOD) and the General Manager (GM) developed a strategy to increase the effectiveness and efficiency of the District, in both the short and long-term, by participating in specialized training courses. Specifically, the Strategic Plan (Plan) identified a specific section for the BOD, that has two goals; one of them being, “Maintain and Enhance District Board of Directors culture.” This was to be accomplished by: 1) developing new BOD training materials, 2) keeping the BOD current on required trainings, 3) evaluating new opportunities for the BOD members professional development and 4) attending these new training opportunities.

In keeping with this effort, staff developed, and the BOD approved, a Board of Directors’ Policy Manual. While the Policy Manual is not a training document, it does provide guidelines for BOD members in the areas of, 1) conduct, 2) duties of the BOD executives, 3) training, 4) ethics, 5) personnel policies, 6) the election of officers, and 7) investing the District’s resources.

As aforementioned, the GM was also included in these trainings, to facilitate the development of an “Ethic of Excellence” at the District. The establishment of this type of “Consistent Learning Culture” will move the District forward in the years to come. Since implementation of the Plan, the BOD has taken training courses to improve their respective effectiveness, and the GM has participated in the same and additional trainings, as well, and has earned the “Certified Special District Manager” certification. In addition, just this month it was announced that the District had achieved the “District of Distinction” accreditation for these and other related efforts. The merits of having and sticking to a plan have paid dividends for the District. These milestones were achieved even with a global COVID pandemic interrupting the process.

It is staff’s recommendation to restart the trainings in earnest, keeping with the learning and growth process, continuing to build upon recent achievements, and maintaining the “Ethic of Excellence” that has been established.

In the remainder of 2022, certain coursework is due for the majority of the BOD. These include the required trainings, “Ethics Compliance Training” (AB 1234), and “Prevention of Sexual Harassment”; both of which are on a two-year cycle. A discussion about other possible trainings could be had at the Board meeting.

Staff Recommendation

Receive the update report, acquire up-to-date training information, and provide direction to Staff.

Submitted by:
Robert Johnson
General Manager

Aromas Water District
Balance Sheet Prev Year Comparison

As of June 30, 2022

	Jun 30, 22	Jun 30, 21
ASSETS		
Current Assets		
Checking/Savings		
UB Checking	101,323.52	96,410.07
UB Bk Money Market xxxx7853	6,581,669.97	695,673.88
LAIF-State of Ca xx-05	839,124.00	835,347.29
Petty Cash	100.00	100.00
Assessment District Banks		
OAWA US Bank 102 Reserve	38,233.75	0.00
OAWA Union Bank Checking 7741	45,334.84	54,846.94
OAWA Union Bank 101 Redemption	0.00	0.14
OAWA Union Bank 102 Reserve	0.00	35,558.89
Oakridge Union Checking 5587	445,216.17	429,553.53
Total Assessment District Banks	528,784.76	519,959.50
Total Checking/Savings	8,051,002.25	2,147,490.74
Accounts Receivable		
1200 · Accounts Rec - Spec Proj/Taxes	4,597.13	10,197.74
Total Accounts Receivable	4,597.13	10,197.74
Other Current Assets		
ACWA Deposit	0.00	2,080.80
Accrued Interest	0.00	682.04
1292 · Accounts Rec - USDA Loan	2,040,446.37	2,040,446.37
1291 · Accounts Rec - Orchard Acres	289,594.03	289,594.03
Prepaid Insurance	8,682.17	14,417.94
128 · Inventory	63,177.31	63,177.31
1200.1 · Accounts Receivable--UBMax	172,396.63	188,582.30
1201.9 · Less Allowance for doubtful Acc	-500.00	-500.00
Total Other Current Assets	2,573,796.51	2,598,480.79
Total Current Assets	10,629,395.89	4,756,169.27
Fixed Assets		
1900 · Water System	12,241,660.11	12,018,349.60
1910 · Construction in Progress	69,213.45	0.00
1915 · Office Building & Improvements	419,761.43	398,261.43
1970 · Office Equipment & Fixtures	93,467.05	93,467.05
1980 · District Vehicles	117,577.39	117,577.39
1990 · Land and Easements	331,195.78	331,195.78
1995 · Idle Assets	43,400.00	43,400.00
1998 · Less Accum Depr Idle Assets	-42,400.00	-42,400.00
1999 · Less Accumuated Depreciation	-7,463,477.75	-6,821,441.75
Total Fixed Assets	5,810,397.46	6,138,409.50
Other Assets		
Deferred Outflow of Resources	149,120.00	149,120.00
Total Other Assets	149,120.00	149,120.00
TOTAL ASSETS	16,588,913.35	11,043,698.77

Aromas Water District
Balance Sheet Prev Year Comparison

As of June 30, 2022

	Jun 30, 22	Jun 30, 21
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	65,038.23	51,459.71
Total Accounts Payable	65,038.23	51,459.71
Credit Cards		
First Bankcard - S Smith #0239	662.76	2,117.95
First Bankcard - E Giron #1086	82.42	249.27
First Bankcard -R.Johnson #9031	1,790.52	402.30
First Bankcard-L Coombes #3294	222.35	69.98
First Bankcard - D DeAlba #2486	332.31	1,047.82
Valero Fleet	589.47	331.06
Total Credit Cards	3,679.83	4,218.38
Other Current Liabilities		
Accrued Sick Payable	5,016.44	3,177.04
Accrued Wages Payable	19,565.97	24,208.29
2100 · Payroll Liabilities	162.65	203.36
Deferred Inflows- Actuarial	4,337.00	4,337.00
CUSTOMER DEPOSITS		
Water Customer	0.00	5,000.00
Connection Deposits Payable	19,500.00	2,000.00
Hydrant Meter Deposit	7,800.00	3,500.00
Total CUSTOMER DEPOSITS	27,300.00	10,500.00
Accrued Vacation Payable	44,338.03	34,129.54
Interest Payable	44,172.12	44,306.83
PVWMA Payable	8,638.47	10,029.29
Total Other Current Liabilities	153,530.68	130,891.35
Total Current Liabilities	222,248.74	186,569.44
Long Term Liabilities		
Truist Bank	5,759,500.00	0.00
2392 · Long-term Debt - USDA (Oakrdge)	2,432,999.90	2,469,999.90
2391 · Long-term Debt - Orchard Acres	370,000.00	380,000.00
GASB 68 Pension Liability	608,060.00	608,060.00
City National Bank	780,657.71	865,611.94
Total Long Term Liabilities	9,951,217.61	4,323,671.84
Total Liabilities	10,173,466.35	4,510,241.28
Equity		
Investment in Capital Assets	6,420,006.53	6,420,006.53
Unrestricted Net Assets	2,751,025.55	2,687,745.45
Allocation of Net Assets	-2,637,574.59	-2,637,574.59
Net Income	-118,010.49	63,280.10
Total Equity	6,415,447.00	6,533,457.49
TOTAL LIABILITIES & EQUITY	16,588,913.35	11,043,698.77

Aromas Water District
Profit & Loss Budget Performance

June 2022

	Jun 22	Budget	Jul '21 - Jun 22	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	148,405.69	171,000.00	1,407,319.31	1,495,000.00	1,495,000.00
307 · Bulk Water	1,869.00	740.00	15,790.50	8,000.00	8,000.00
302 · Connection	0.00	0.00	43,920.00	30,800.00	30,800.00
301 · Taxes Rcvd - AWD					
3090 · Oakridge / OAWA Assess...	433.67	0.00	180,849.91	195,000.00	195,000.00
301 · Taxes Rcvd - AWD - Other	1,047.23	0.00	82,878.65	76,000.00	76,000.00
Total 301 · Taxes Rcvd - AWD	1,480.90	0.00	263,728.56	271,000.00	271,000.00
304 · Other Office Income & Reimbu...	0.00	125.00	37.29	1,500.00	1,500.00
306 · Interest	898.08	400.00	3,976.48	4,800.00	4,800.00
312 · Grant Revenue	0.00	0.00	1,000.00	1,500.00	1,500.00
Total Income	152,653.67	172,265.00	1,735,772.14	1,812,600.00	1,812,600.00
Gross Profit	152,653.67	172,265.00	1,735,772.14	1,812,600.00	1,812,600.00
Expense					
Operations					
403 · Fuel	2,615.67	1,250.00	17,031.56	15,000.00	15,000.00
404 · Truck Maint	1,787.77	625.00	8,026.12	7,500.00	7,500.00
431 · System Repair & Maint	13,233.59	5,870.00	96,521.15	70,000.00	70,000.00
463 · Water Analysis	520.00	560.00	5,101.00	6,500.00	6,500.00
464 · Water Treatment	4,574.12	2,400.00	27,706.04	20,000.00	20,000.00
468 · Tools	0.00	625.00	4,574.14	7,500.00	7,500.00
470 · Public Outreach / Annexation	2,789.24	24,600.00	12,267.74	30,000.00	30,000.00
Total Operations	25,520.39	35,930.00	171,227.75	156,500.00	156,500.00
Power					
449.75 · 388 Blohm, # C	45.27	37.00	306.63	400.00	400.00
449.5 · 388 Blohm, A & B Office	89.70	90.00	1,445.15	1,700.00	1,700.00
461.5 · RLS Tank Booster	9.53	12.50	115.31	150.00	150.00
447 · Leo Ln Booster	104.85	50.00	784.39	600.00	600.00
448 · Aimee Mdws Well	14.78	12.50	119.78	150.00	150.00
451 · Marshall Corp Yard	62.35	49.00	475.84	500.00	500.00
452 · Rea Booster @ Seely	105.59	53.00	749.62	625.00	625.00
454 · Carr Booster	646.32	575.00	6,702.77	6,900.00	6,900.00
458 · Pleasant Acres Well	309.17	370.00	1,429.29	4,000.00	4,000.00
459 · Seely Booster @ Carpenteria	23.82	49.00	5,313.61	500.00	500.00
460 · San Juan Well	10,217.20	7,500.00	68,192.55	63,000.00	63,000.00
461 · Cole Tank	469.03	24.00	623.66	200.00	200.00
462 · Rea Tank	23.94	24.00	181.74	200.00	200.00
465 · Lwr Oakridge Boost	236.24	125.00	1,350.39	1,500.00	1,500.00
465.5 · Upper Oakridge Booster	150.00	175.00	600.00	700.00	700.00
466 · Pine Tree Tank	26.50	24.00	173.51	200.00	200.00
Total Power	12,534.29	9,170.00	88,564.24	81,325.00	81,325.00
Payroll					
Covid Sick Supp.	0.00		302.96		
Gross	44,843.78	35,415.00	390,576.54	424,969.00	424,969.00
Comp FICA	2,026.82	2,203.00	22,397.15	26,348.00	26,348.00
Comp MCARE	477.76	513.50	5,528.34	6,162.00	6,162.00
Comp SUI	23.05	186.00	1,215.90	2,188.00	2,188.00
Payroll Expenses	0.00		480.94		
Total Payroll	47,371.41	38,317.50	420,501.83	459,667.00	459,667.00
Employee / Labor Costs					
407 · Outside Services	75.97	500.00	5,690.58	6,000.00	6,000.00
408 · Uniform Allowance	0.00	370.00	1,752.12	4,000.00	4,000.00
409 · Workers Comp	408.38	1,064.00	5,484.46	12,691.00	12,691.00
410 · Health Ins	5,803.08	5,959.00	77,110.32	71,387.00	71,387.00
474 · Education	870.00	625.00	5,848.53	7,500.00	7,500.00
477 · Retirement	2,950.56	2,433.00	88,207.59	86,446.00	86,446.00
Total Employee / Labor Costs	10,107.99	10,951.00	184,093.60	188,024.00	188,024.00

Aromas Water District
Profit & Loss Budget Performance

June 2022

	Jun 22	Budget	Jul '21 - Jun 22	YTD Budget	Annual Budget
Office					
440 · Misc Exp	6,617.40	370.00	10,303.17	4,000.00	4,000.00
444 · Postage	324.56	370.00	4,647.93	4,000.00	4,000.00
445 · Office Supplies	351.17	370.00	3,874.73	4,000.00	4,000.00
446 · Office Eqpmt and Maint	323.51	9,490.00	7,326.35	15,000.00	15,000.00
Total Office	7,616.64	10,600.00	26,152.18	27,000.00	27,000.00
Communications					
455 · Phone, Off	490.98	350.00	5,723.24	4,200.00	4,200.00
456 · Telemetry	780.75	677.00	9,238.82	8,124.00	8,124.00
457 · Answ Serv/Cellular Phone	363.15	370.00	4,144.03	4,000.00	4,000.00
Total Communications	1,634.88	1,397.00	19,106.09	16,324.00	16,324.00
Administrative & General					
419 · Loan Fees	0.00		81,439.88		
4591 · Admin Fee (Bond Admin N...	950.24	0.00	5,015.76	5,200.00	5,200.00
4590 · Bond Interest Exp - Assess...	0.00	0.00	120,579.78	128,000.00	128,000.00
417 · Capital Loan Interest	0.00	0.00	25,283.11	26,000.00	26,000.00
467 · Depreciation Reserve	53,503.00	53,502.00	642,036.00	642,035.00	642,035.00
406 · Liability Ins	1,702.16	1,740.00	20,366.60	20,000.00	20,000.00
420 · Legal Fees	1,400.00	1,600.00	16,800.00	17,000.00	17,000.00
422 · Bank Charges	120.16	162.00	1,667.01	1,900.00	1,900.00
423 · Litigation Contingency	0.00	870.00	0.00	10,000.00	10,000.00
425 · Audit	0.00	1,102.00	8,825.00	13,125.00	13,125.00
471 · Bad Debts	0.00	60.00	0.00	500.00	500.00
473 · Memberships	0.00	30.00	22,123.80	20,000.00	20,000.00
Total Administrative & General	57,675.56	59,066.00	944,136.94	883,760.00	883,760.00
Total Expense	162,461.16	165,431.50	1,853,782.63	1,812,600.00	1,812,600.00
Net Ordinary Income	-9,807.49	6,833.50	-118,010.49	0.00	0.00
Net Income	-9,807.49	6,833.50	-118,010.49	0.00	0.00

07/22/22

Aromas Water District
Monthly Expenditures
 June 22 through July 19, 2022

Date	Num	Name	Amount
UB Checking			
06/22/2022	18811	Advanced Infrastructure Technologies, LLC	-9,251.38
06/27/2022	NSF	Bill Adjustment Report	-552.15
06/27/2022	NSF	Bill Adjustment Report	-210.69
06/29/2022	18814	Advanced Infrastructure Technologies, LLC	-9,263.38
06/30/2022	Pd Online	Valero Fleet	-324.16
06/30/2022	18816	Peter Mu	-150.00
06/30/2022	EFT	Bank Service Fees	-121.32
07/01/2022	DD1824	Bowman (P), Naomi	0.00
07/01/2022	DD1825	Coombes (P), Louise P	0.00
07/01/2022	18812	DeAlba (P), David	-3,011.39
07/01/2022	DD1826	Giron (P), Ester	0.00
07/01/2022	DD1827	Johnson (P), Robert L	0.00
07/01/2022	18813	Smith (P), Shaun	-1,445.45
07/01/2022	EFT	QuickBooks Payroll Service	-6,294.94
07/01/2022	E-pay	Employment Development Dept	-720.08
07/01/2022	E-pay	United States Treasury (EFTPS)	-4,060.08
07/01/2022	ET	CalPERS	-2,521.83
07/01/2022	EFT	CalPERS	-810.68
07/06/2022	18815	USPO	-230.15
07/06/2022	18817	ACE Hardware Prunedale	-179.87
07/06/2022	18818	ACWA JPIA	-900.00
07/06/2022	18819	ADT Security Services, Inc.	-29.92
07/06/2022	18820	CALNET3	-724.75
07/06/2022	18821	CSSC	-143.12
07/06/2022	18822	David DeAlba	-81.90
07/06/2022	18823	Ferguson Waterworks	-2,727.60
07/06/2022	18824	Mid Valley Supply	-3,049.42
07/06/2022	18825	Monterey Bay Analytical Services Inc	-520.00
07/06/2022	18826	Monterey Bay Solutions, LLC	-225.00
07/06/2022	18827	Osuna Auto Electric	-103.07
07/06/2022	18828	R & B Company	-1,907.41
07/06/2022	18829	Rob Johnson	-50.00
07/06/2022	18830	San Benito County Planning, Public Works	-308.00
07/06/2022	18831	Shaun Smith	-20.48
07/06/2022	18832	Softline Data, Inc.	-610.00
07/06/2022	18833	Streamline	-100.00
07/06/2022	18834	United Way serving San Benito County	-32.00
07/06/2022	18835	XIO, INC.	-474.00
07/06/2022	Pd Online	First Bankcard	-2,115.76
07/06/2022	Pd Online	P G & E	-7,338.88
07/11/2022	NSF	Bill Adjustment Report	-361.67
07/11/2022	Pd Online	Verizon Wireless	-170.03
07/11/2022	Pd Online	P G & E	-23.82
07/12/2022	18836	ACE Hardware Prunedale	-41.56
07/12/2022	18837	ACWA JPIA, Emp. Ben. Prog.	-5,651.16
07/12/2022	18838	Armer Grading & Paving	-250.00
07/12/2022	18839	Ferguson Waterworks	-40.31
07/12/2022	18840	Ken H. Jewell	-350.00

07/22/22

Aromas Water District
Monthly Expenditures
 June 22 through July 19, 2022

Date	Num	Name	Amount
07/12/2022	18841	Luhdorff & Scalmanini Consulting Engineer	-632.10
07/12/2022	18842	MNS Engineers Inc.	-16,856.50
07/12/2022	18843	PVWMA	-20,466.66
07/12/2022	18844	R & B Company	-470.14
07/12/2022	18845	Recology San Benito County	-58.08
07/12/2022	18846	Robert E. Bosso	-1,400.00
07/13/2022	E-pay	Employment Development Dept	-781.49
07/13/2022	E-pay	United States Treasury (EFTPS)	-4,425.30
07/13/2022	E-pay	Employment Development Dept	-108.62
07/14/2022	EFT	QuickBooks Payroll Service	-7,292.31
07/14/2022	EFT	Intuit	-57.97
07/15/2022	DD1828	Bowman (P), Naomi	0.00
07/15/2022	DD1829	Coombes (P), Louise P	0.00
07/15/2022	18847	DeAlba (P), David	-3,112.02
07/15/2022	DD1830	Giron (P), Ester	0.00
07/15/2022	DD1831	Johnson (P), Robert L	0.00
07/15/2022	18848	Smith (P), Shaun	-1,432.25
07/15/2022	18849	Dutra (P), Marcus	-243.63
07/15/2022	18850	Holman (P), Wayne R	-243.63
07/15/2022	DD1832	Leap (P), James E	0.00
07/15/2022	DD1833	Morris (P), Vicki	0.00
07/15/2022	DD1834	Smith (P), Richard	0.00
07/15/2022	EFT	CalPERS	-2,637.06
07/15/2022	EFT	CalPERS	-870.77
07/15/2022	EFT	CalPERS	-55,348.00
07/19/2022	18851	ACWA JPIA	-7,083.54
07/19/2022	18852	Aromas Water District (Petty Cash)	-280.00
07/19/2022	18853	Old Firehouse Market	-1,706.16
07/19/2022	18854	Osuna Auto Electric	-147.91
07/19/2022	18855	Truist Governmental Finance	-162,391.87
07/19/2022	18856	USA BlueBook	-683.37
Total UB Checking			-356,226.79
TOTAL			-356,226.79