

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
January 22nd, 2013

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Holman on Tuesday, January 22nd, 2013 at 7:02 p.m. at the District Office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Holman, Vice President Mahler, Directors Dutra, Norton and Leap were present. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and staff Maureen Cain were also present.

III. PLEDGE OF ALLEGIANCE: President 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 December 19, 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: Directors Norton and Leap attended the California Special District Assoc. Workshops on January 15. They reported it to be beneficial by completing Ethics and Brown Act Training and also attended the Monterey Special District's dinner. Dir. Leap went on a tour of the system with Operator DeAlba . He complemented Mr. DeAlba and found the tour to be very interesting and helpful. He attended a Grower's meeting of the San Benito County Farm Bureau and will report on what pertains to the District at a future meeting. He particularly noted new regulations on farming in close proximity to municipal water sources. Pres. Holman encouraged Board Members to drop by the District office, as recommended by the auditor. Dir. Norton will make a visit in February.

B. Attorney's Report: None

C. Manager's Report:

Operations: Production in December was 5.1 million gallons. All sampling has met all State Health Standards. Initial monitoring of the new Carpenteria Well is complete and there has been no increase in the iron or manganese. Maintenance: Operator DeAlba has been inspecting and maintaining all air relief valves and making repairs. Projects: *New Office Building* has gotten a bid in the amount of \$10,000 to repair and renovate the back unit. GM Morris will continue to look into options for the space and recently spoke with a representative from Union Bank. They might be open to removing the covenant in our loan that prevents us from renting the unit. *The Seely Area Annexation* is being worked on by Laurie Goodman, but may be delayed when it reaches the county because of their lack of staff to process it. In response to the possibility of *Hydraulic Fracturing*, proposed revisions to regulations are being considered by SB County for oil/gas extraction. Aromas Cares for the Environment (ACE) is actively working on this. Directors Norton and Leap are members. Currently, the San Benito Supervisors seem open to passing the ordinance which could help protect the aquifer. Staff: Maureen Cain has reached her fourth year anniversary at the District. Operators Warner, DeAlba and Morris have taken a defensive driving class. GM Morris took a class on the "Aging Workforce" and Ethics Training. Special District's Risk Management Assoc. has congratulated the District on 30 years of Workman's Compensation coverage and we will receive a longevity distribution credit in the amount of \$1046 this June.

IX. ACTION ITEMS

- A. Resolution 2013-01 to Recognize former Director Ernest Huggins for serving on the Board:** Mr. Huggins served on the Board for eight years. He was not present.

Director Dutra made a motion to pass the Resolution. It was seconded by Director Mahler and passed with the following vote:

Ayes: Holman, Mahler, Dutra, Norton and Leap

Noes: None

Abstain: None

- B. Highway 101/San Juan Rd Relocation Project Joint Use Agreement:** The Caltrans project has begun and our relocation of some hydrants and pipeline is almost complete. A revision of some of the existing easements was prepared by Caltrans, and this Joint Use Agreement will insure our prior rights to the easement for the pipeline installed in 1998 to serve Ballantree Estates and Marilyn Lane.

Director Dutra moved to pass the Agreement. It was seconded by Director Norton and passed unanimously.

- C. Resolution 2013-02 for the Redemption of Bonds in the Amount of \$5000 for CFD 98-1:** The original bond amount was \$990,000. As of June 2012 it was \$260,000. Final payment will be in 2018. The recent payoff by one of the property owners has allowed a bond call this March. This reduces the principle Balance.

Director Norton moved to redeem the bonds in the amount of \$5000 and Director Leap seconded. The Resolution passed with the following vote:

Ayes: Holman, Mahler, Dutra, Norton and Leap

Noes: None

Abstain: None

- D. Oakridge/Via del Sol Amendment #2 to Agreement for Funding Engineering and Project Costs with the County of Monterey:** Engineering and other costs involved in the proposed service to portions of the Oakridge and Via del Sol area have been funded thus far by reimbursements from the County of Monterey to be refunded to them when the assessment district is formed. Additional funding has been approved by the County to reimburse the District in the amount of \$58,000. This amendment will insure that costs are repaid to the County if and when the Assessment District is formed.

Vice President Mahler moved to approve Amendment #2 to the Agreement and Director Leap seconded. It passed unanimously.

- E. Revised 2012-13 Expense Budget:** GM Morris presented a revised budget to reflect an increase in water sales during the past six months. The total budget increased from \$853,000 to \$889,500. Most significant expenses were the increase in power due to increased production and an increase to depreciation.

Pres. Holman moved to revise the budget and it was seconded by Director Norton. It was revised by the following vote.

Ayes: Holman, Mahler, Dutra, Norton and Leap

Noes: None

Abstain: None

E. Presentation of Financial Reports for the Month of December 2012: Revenue for December was \$80,481.74. Total assets are \$6.6 million. Expenses from December 12, 2012 to January 15, 2013 were \$109,845.85 and were reviewed by Pres. Holman.

Vice Pres. Mahler moved to accept the financials as presented and Director Leap seconded. The financials were accepted unanimously.

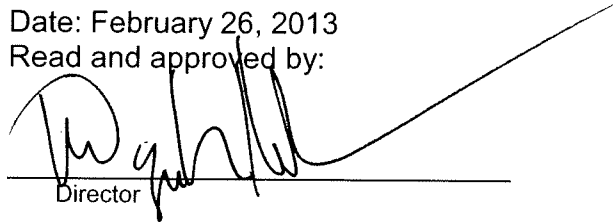
X. ADJOURNMENT

President Holman adjourned the meeting at 7:55 PM.


Report submitted by Laurie Goodman, Board Secretary

Date: February 26, 2013

Read and approved by:



Director

Attest: 
Laurie Goodman, Board Secretary