

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
March 25, 2014

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Norton on Tuesday, March 25, 2014 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Norton, Vice President Leap, Directors Dutra, Holman and Mahler were in attendance. General Manager Vicki Morris, staff: Maureen Cain, Laurie Goodman, Gina Patten and Counsel Bob Bosso were also present.

III. PLEDGE OF ALLEGIANCE: President Norton 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 February 25, 2014 Regular Meeting were presented for acceptance and approval.

Director Holman moved to approve the minutes and V.P. Leap seconded. The minutes were unanimously approved.

VII. ORAL COMMUNICATION: None

VIII. PRESENTATIONS

A. Director's Reports:

- V.P. Leap shared that he and GM Morris attended the ACWA Region 5 Conference and they heard from local water districts about how they are dealing with the drought conditions.
- Director Holman shared that he and GM Morris attended a meeting of Dunbarton residents from the Oakridge project area. They are requesting changes to the engineered pipeline. Staff is researching options. Director Holman met with staff to discuss progress with Solar research.
- Director Mahler met with Pres. Norton and the consultants from Municipal Financial Services to review the draft Rate Study. The item will be further discussed later in the agenda.
- Director Dutra reviewed a staff update on progress with Solar research.
- Pres. Norton shared his appreciation to AWD Operator David DeAlba for taking him on a tour of the District operations and for acquiring mulch at Carpenteria site for customers. Pres. Norton thanked the staff for the effort in getting AWD the Transparency Award of which we are about to receive. Pres. Norton expressed his appreciation for the outreach AWD staff is promoting through NextDoor Aromas. Pres. Norton met with Director Mahler, GM Morris and consultants from Municipal Financial Services to review the draft Rate Study. Pres. Norton met with V.P. Leap and staff to discuss potential Conservation measures.

B. Attorney's Report:

- San Juan Capistrano rate case still pending.

C. Manager's Report: Detailed report in agenda packet.

Operations:

- Total production for the month of February 2014 was 5.42 million gallons and was more typical than in recent months.

Projects:

- San Benito LAFCO conducted a protest hearing on March 12, 2014 regarding the Seely Annexation. There was an insufficient number of protests. LAFCO will adopt the final at their meeting on March 27, 2014. AWD will notify all newly annexed parcel owners.
- AWD received a Joint Powers Insurance Authority (JPIA) rate stabilization report with a dividend to the District in the amount of \$5,775.
- Staff looked into working with "eCivis" for grant research and education assistance, but declined to get into contract at this time.

IX. ACTION ITEMS

A. Presentation of District Transparency Certificate of Excellence: Receive award from Cathrine Lemaire, the California Special District Association (CSDA) Member Services Director.

- On behalf of CSDA and the Special District Leadership Foundation (SDLF), Cathrine Lemaire presented Aromas Water District President Wayne Norton and General Manager Vicki Morris with the "District Transparency Certificate of Excellence" award.
- The award recognizes completion of transparency program requirements designed to promote transparency in AWD operations and governance to the public and other stakeholders.
- Ms. Lemaire commented that out of 2,300 special districts in the State of California, only 55 special districts have received this award.

B. Resolution 2014-4 to Accept the Identity Theft Prevention Program: Board to review updated program as required by the Federal Trade Commission "Identity Theft Red Flags Rule" regulation.

- Staff presented the updated "Identity Theft Prevention Program"

Director Mahler moved to pass the resolution. It was seconded by Director Dutra and passed by the following vote:

Ayes: Norton, Leap, Holman, Mahler, Dutra

Noes: None

Abstain: None

C. Conservation Update: Review recommended actions from the Ad Hoc Conservation Committee, including allocation budget of \$3,000 for outreach.

- Staff and members Norton and Leap of the Ad Hoc Conservation Committee presented the various efforts underway and efforts AWD could undertake toward conservation.
- Directors discussed that most of AWD's customers are conserving and that it would be good to focus on higher use areas. There was consensus that

providing customers with information is important. All agreed that information about conservation should be on AWD's website and on NextDoor Aromas.

- Directors discussed the proposal to send a letter to all customers and it was agreed that the letter would be revised then produced and distributed through local distribution points in Aromas, at the office and on the website, but not mailed out to all customers. A letter could go out to the higher users if desired.
- Directors decided not to allocate the proposed \$3,000 for Conservation Outreach at this time. Directors encouraged staff to continue the "on-going" efforts presented as they are not time intensive and need little hard costs.

D. Review Status of Water Rate and Capacity Charge Study: Report from Ad Hoc Water Rate Study Committee

- President Norton and Director Mahler met with GM Morris, Tom Pavletic and Marv Winer of Municipal Financial Services to discuss the current draft of the Water Rate and Capacity Charge Study.
- Consultants Pavletic and Winer are recommending changes to the current District tier structure, and capacity fees.
- Directors agreed to the proposed schedule:

April 23, 2014 Board Workshop	Authorization to proceed, review any changes, additional Ad Hoc committee meetings/conference calls if necessary
May 27, 2014 Public Hearing of Proposed New Ordinance	If recommended by Board, authorization of customer mailing of Proposition 218 notification, requiring 45 days before,
July 22, 2014 Public Hearing	Conduct Public Hearing to consider adoption of new rate structure to be effective on November 1, 2014. At conclusion of hearing, calculate protest votes and announce results.

E. Presentation of the Financial Reports for the Month of January 2014: Revenue for February is \$ 61,000.60. Expenditures between February 19, 2014 and March 18, 2014 are \$89,088.75. Payments were reviewed by Pres. Norton.

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

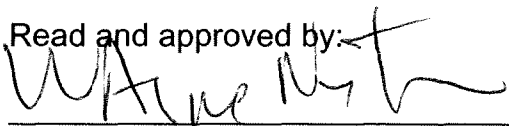
X. FUTURE MEETINGS & AGENDA ITEMS

XI. ADJOURNMENT - Pres. Norton adjourned the meeting at 8:20pm.

The next regularly scheduled meeting will be held on Wednesday, April 23, 2014

Date: April 23, 2014

Read and approved by:



Director

Attest:



Lisa Dobbins, Board Secretary