



REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

TUESDAY, April 27, 2021, 7:00 PM

Notice of Zoom 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

Pursuant to Governor Newsom's March 17, 2020 Executive Order N-29-20 regarding COVID-19, members of the Aromas Water District Board of Directors, staff and public may participate in this meeting via Zoom. Instructions 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:** Motion to approve the Minutes of the March 23, 2021 Regular Board Meeting p.3-5
- VII. **REPORT OUT FROM MARCH 23, 2021 BOARD OF DIRECTORS' MEETING**
- VIII. **ORAL COMMUNICATION:** *Anyone wishing to address the Board on informational items, staff reports or matters not listed on the agenda may do so during Oral Communications. 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.*
- IX. **PRESENTATIONS & REPORTS**
 - A. DIRECTORS' REPORTS
 - B. ATTORNEY'S REPORT
 - C. MANAGER'S REPORT p.6-9
 - D. CORRESPONDENCE p.10-11
- X. **CONSENT CALENDAR:**
 - A. Consider adopting Resolution #2021-03, May as Water Awareness Month p.12-13
- XI. **ACTION ITEMS:**
 - A. Consider receiving a report regarding the possible annexation of one parcel located on Cole Road, possibly adopting Resolution #2021-04, initiating the annexation process, and providing direction to Staff. p.14-16
Staff will present a report on the possible annexation of 1375 Cole Road, for discussion and Board action.
 - B. Consider adopting the Proposed Capital Budget of \$431,240 for Fiscal Year 2021-2022 p.17-18
Staff will present a report on the Proposed Capital Budget of \$431,240 for discussion and Board action.
 - C. Financial Reports for the Month of March 2021 p.19-24
Including both Assessment Districts, the financial reports show a Total Revenue of \$96,416.54; Total expenditures were \$113,983.62 between March 17, 2021 and April 19, 2021. These financials and monthly expenditures will be presented for discussion and approval.
- XII. **FUTURE MEETINGS & AGENDA ITEMS** Next meeting – May 25, 2021
- XIII. **ADJOURNMENT**

Next Res. # 2021-05

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of the board. Such records shall be available at the District office located at 388 Blohm Avenue, Aromas, CA.



Zoom Meeting Instructions

In order to protect the health and safety of the public and Aromas Water District employees, the District office located at 388 Blohm Avenue, Aromas, CA 95004 has been closed to the public until further notice. In accordance with EO N-29-20, the public may participate in the District's Board meeting by teleconference or web conference via the instructions provided below.

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

www.aromaswaterdistrict.org.

This meeting is being held via Zoom and all attendees are 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/84472324384>

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: 84472324384

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 meeting remotely is 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
March 23, 2021**

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Leap on Tuesday, March 23, 2021 at 7:00 p.m. online via Zoom.
- II. ROLL CALL.** President Leap, Vice President Morris and Directors Holman and Smith were present. Also in attendance were General Manager Johnson, Counsel Bosso and Board Secretary Coombes. Director Dutra was absent.
- 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 February 23, 2021 Board Meeting were presented for review and approval. Director Holman moved for approval of the minutes seconded by Vice President Morris. Minutes were approved by roll-call vote by those Directors present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VIII. REPORTS/PRESENTATIONS

A. Director's Report(s). None.

- B. Attorney's Report.** Counsel Bosso reported that there was no new legislation affecting utilities other than being aware that as part of COVID-19 relief, SB 91 prohibits a landlord from interrupting or terminating a utility service furnished to a tenant with the intent to terminate the occupancy of the tenant.

Also mentioned was recent legislature to provide special districts with additional funding. Later GM Johnson explained that this was being disseminated via the counties and in Correspondence, a letter has been sent to each of the two counties in which Aromas Water District is located, requesting such funding.

C. Manager's Report

OPERATIONS

Production & Well Levels

GM Johnson reported total production in February 2021 was 4,818,444 gallons, with a daily average of 172,087 gallons per day. Approximately three quarters of this month's pumping came from San Juan Well, however, Carpentaria Well produced 1,143,000 gallons in February over 27 days of the month. The stacked graph demonstrates that the amount of water pumped for February 2021 was higher than February 2020.

There were 965 connected meters at the time of writing the report, however, during the last week the connection was installed for the Bravo property on Cole Road, thereby increasing the connection count to 966. All water testing continues to be both filed on time and represent satisfactory results.

Reporting on operational well levels, all are currently recharging; Carpentaria Well is down two feet; San Juan Well is up one foot. Observational well levels; Marshall Well is down three feet; and Aimee Meadows Well is down two feet.

MAINTENANCE

Incidents

On March 3, 2021 the Red Barn Suppression line tap was being installed, however, the tap failed and caused a line break. Corrective measures taken by the Operations staff ensured that there was positive pressure in the line at all times to prevent water flowing back into the line and potentially causing contamination. Even so, samples were taken just after the line repair and the following morning and both tests confirmed no bacterial contamination.

To complete the line tap, once the water was shut off, a length of the line was replaced with compression fittings and a T in the middle. However, currently the six inch backflow device is not yet working properly.

The residential (one inch) line was also installed at the same time to avoid future disturbance of the parking lot.

ADMINISTRATIVE

Staff & Board Recognition

CSR Bowman, WUSp Giron and GM Johnson continue to refine the effectiveness of the billing process during the time that the office is closed to the public. Last week, the focus was on the establishment of new customers going through the annexation process.

ASO Coombes assisted in the revamp of the GM Performance Evaluation Form, as well as completing the annual DRINC report and finalizing the majority of the annual CCR report.

WUSp Giron continues to review and refine Operational processes in assessing forms that were used, for a short time in the past, to see if they are viable for current use.

GM Johnson will be guiding a tour of the District's facilities with a Risk Management Inspector for SDRMA on March 24, 2021.

Conservation & Rainfall

Since the beginning of the new rainfall year on October 1, 2020, and up to March 23, 2021 there has been a total of 9.28" so far, with 1.8" falling in March.

Projects

Response to COVID-19 Virus

GM Johnson continues to monitor and implement appropriate actions based on the ever-changing situation.

Technology Upgrade - SCADA

GM Johnson has recently been working with XiO to get SCADA to control the VFD (Variable Frequency Device) at San Juan Well.

Orchard Hill Road Proposed Annexation

GM Johnson has recently been in contact with the residents at Orchard Hill and there seems to be nine residences who are definitely interested but, at this stage, there is uncertainty as to the contiguous location of the properties. GM Johnson discussed with them the necessity of contributing approximately \$500-\$700 each to develop a preliminary engineering study to provide costs, timing and financial options for this project to proceed.

Replacement of Aromas Road Fire Hydrant

GM Johnson reported that the damaged fire hydrant #3 has now been replaced. West Valley did the construction work overseen by the Operations staff.

Correspondence: GM Johnson draw attention to the updated Emergency Notification plan as there is now a new Deputy Director at the SWRCB (State Water Resources Control Board). There was a request from GM Johnson to B Sepulvado of California Fire to send certification of the backflow devices installed on both the six-inch line to the Red Barn fire suppression system as well as the one-inch residential connection as both were problematic.

IX. ACTION ITEMS

A. Consider receiving a report regarding the possible annexation of one parcel located on Cole Road, possibly adopting Resolution #2021-02, initiating the annexation process

GM Johnson presented the annexation of one parcel, for Mr. Center on the east side of Cole Road, for health and safety reasons as their well is producing increasingly limited quantities of water.

A motion was made by Director Holman to adopt Resolution 2021-02 to Annex APN 011-220-008 as presented, seconded by Vice President Morris. The Resolution 2102-02 was unanimously adopted by roll-call vote with those Directors present. Director Dutra was absent.

B. Financial Reports for the Month of February 2021

On the Balance Sheet, Total Assets / Liabilities & Equity are \$10,996,973.20, of which Total Current Assets are \$4,600,943.35, and Total Fixed Assets are \$6,255,090.85. In Liabilities, the Total Current Liabilities are \$213,213.01 and Long-Term Liabilities are \$4,245,714.89.

In the P&L Report, Water Revenue for February was \$79,692.30. Total Expenditures were \$62,877.52 between February 18 through March 16, 2021.

Director Smith moved to approve the Financial Reports as presented; seconded by Vice President Morris. The Financial Reports were unanimously approved by roll-call vote by those Directors present.

X. FUTURE MEETINGS & AGENDA ITEMS. The next meeting will be on Tuesday, April 27, 2021.

Topics for the next meeting will be either the Capital and/or Expense Budget. The first Ad-Hoc Capital Budget meeting with GM Johnson, Vice President Morris and Director Smith was arranged for March 31, 2021.

XI. ADJOURNMENT. President Leap adjourned to closed session, for the Performance Evaluation of the General Manager, at 8:08pm and the Board meeting concluded at 9:10pm until Tuesday, April 27, 2021. A report out of closed session will be given at the beginning of the next meeting of the Board of Directors.

Read and approved by: _____
President, Jim Leap

Attest: _____
Board Secretary, Louise Coombes

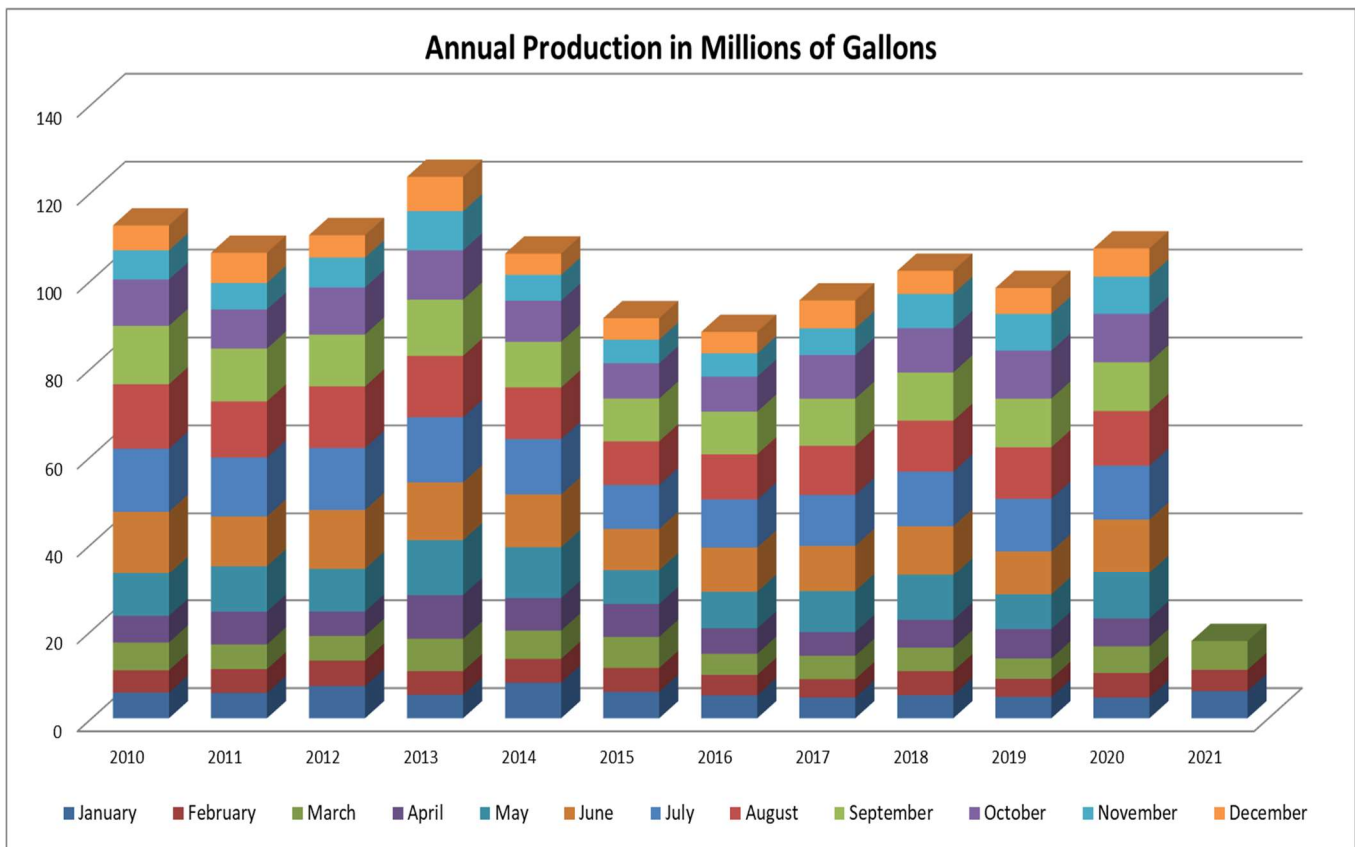
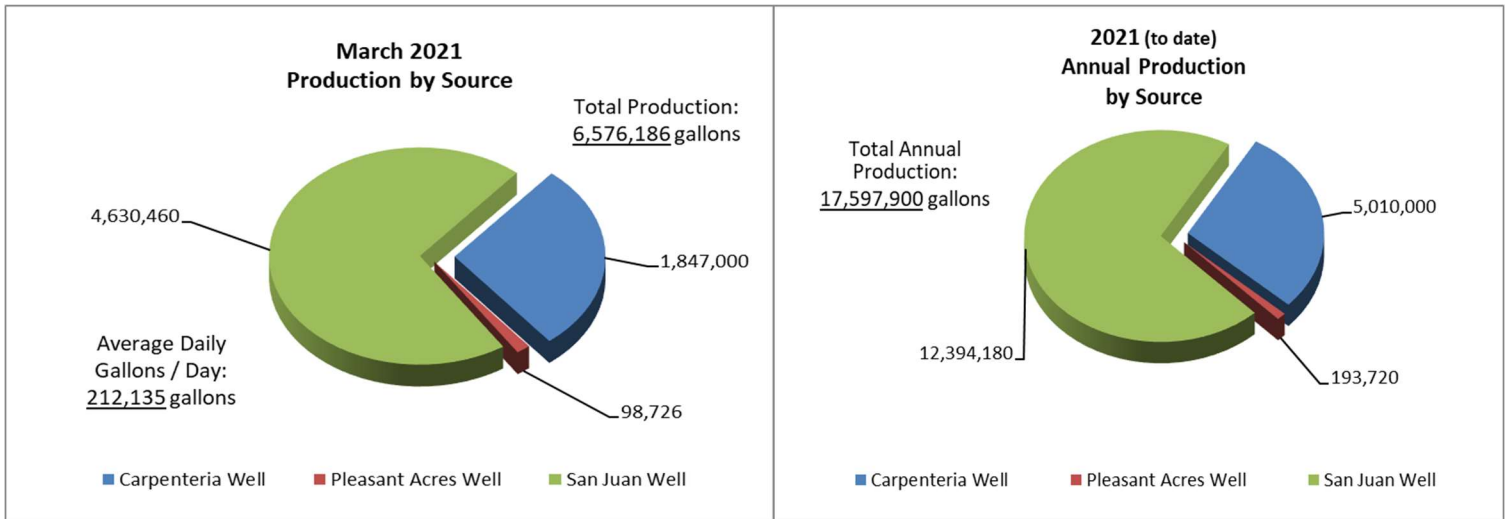
Date: _____

Date: _____

General Manager's Report March 2021



PRODUCTION REPORT



Totals	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Million Gal	112.37	106.15	110.17	123.42	105.97	91.27	88.152	95.304	102.07	98.141	107.1	17.6
Acre Ft	344.8	325.7	338.05	378.7	325.16	280.05	270.49	292.43	313.18	301.13	328.8	54.0

OPERATIONS AND MAINTENANCE REPORT

OPERATIONS:

- There are 967 total meters installed (two new meters have been installed)
- San Juan well operated all but one day last month, while Carpenteria well was used 26 days, and Pleasant Acres well was utilized only one day, this month.
- Water Treatment Plant: finished water was free of both iron and manganese this month.
- Distribution testing for total Coliform; all samples 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 attached chart).

MAINTENANCE:

- Preventative maintenance and flushing were performed, as needed.
- Chlorine chemical pump maintenance and analyzer maintenance at all wells was performed. There have been chlorine pump issues at the San Juan well. A fix has been put in place.
- Additional maintenance tasks are being performed as time allows.

INCIDENTS:

- On April 12, 2021, it was noticed that water had been stolen from a fire hydrant near Rancho Larios over the weekend. CO DeAlba confronted the contractors using water in the area and after some discussion, they came into the office and settled what they owed.

ADMINISTRATIVE REPORT

STAFF & BOARD RECOGNITION:

- CSR Bowman, WUSp Girõn and GM Johnson are working through the various office processes to increase effectiveness. This is the opportune time to refine our processes since the office is still closed to the public for COVID-19 related issues.
- ASO Coombes is compiling the annual DRINC report, which portions are then used for the annual CCR that is due at the end of the fiscal year.
- WUSp Girõn continues to work through the Operations processes to see where we can find opportunities for increasing efficiency, which in the long run, will lead to increasing effectiveness.
- CO DeAlba and Operator Smith continue to work on replacing broken meters. Currently, we have a limited supply of ¾” meters, we have ordered more, though with the pandemic, it has been hard to keep production runs at full capacity.
- GM Johnson, CO DeAlba and Operator Smith went on a tour March 24, with a SDRMA representative, to evaluate our field and office protocols, documents and procedures. to schedule a tour of the District’s facilities. The inspector was impressed with the District and its facilities. There were a couple minor issues that staff is working on.
- Staff reviewed the Identity Theft Prevention Program (Red Flag Rule) to acknowledge that no changes were needed this year. As things begin to open up again, this program will be looked at again – to see if any changes need to be made.

CONSERVATION UPDATE:

March 2020 usage figures are showing an increase in water use, which is expected with the weather getting warmer and Spring arriving. Even with the large rain event that occurred at the end of January, it ended up being a dry winter.

October 1, 2020 marked the start of a new water year. As of the date of this report (April 20), the rain gauge at Chittenden Pass has recorded 9.82 inches of precipitation this water year, with 0.00 inches having fallen in April. The 2019-2020 water year ended with the rainfall at Chittenden at 16.72 inches.

PROJECTS:

1. Response to COVID-19 virus

Staff has been working to stay current on the ever-changing COVID-19 (coronavirus) situation. A variety of strategies to maintain high-quality water delivery to our customers and keep staff safe from exposure have been utilized over the past year. Recently, staff began discussing how to move forward once the opening-up process begins, including the changes to the front office discussed about a year ago.

2. Technology upgrade – SCADA (delayed due to COVID-19 pandemic)

Phase 4 of the XiO (SCADA) implementation continues to move forward. Currently, Oakridge Boosters, Carpenteria Well, Rea Tank, and Rea Booster components have been installed and tested. Cole Booster and San Juan Well remain to be completed. Staff is working with XiO to add additional functionality at the San Juan well.

3. Orchard Hill Road proposed annexation progress

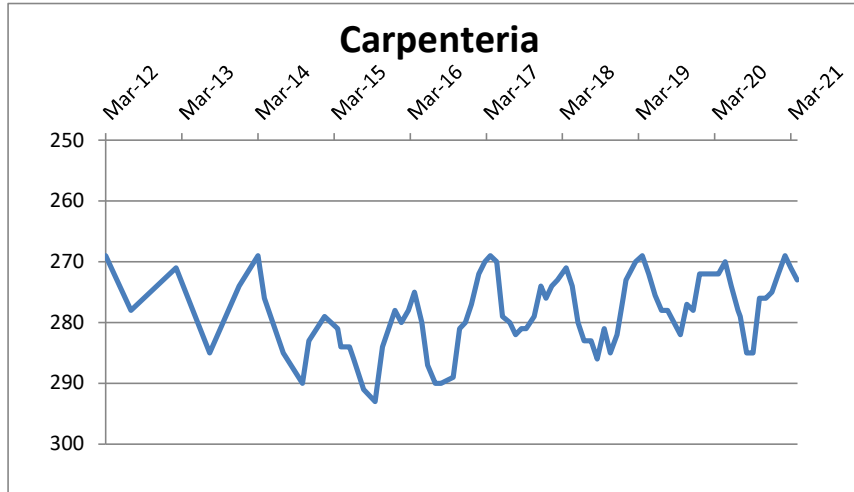
GM Johnson has been in contact with the Orchard Hill group representative. There has been challenges with the interim solution, so staff continues to work on that issue in addition to their normal duties. There seems to be a solid group of seven households that are interested in receiving Aromas Water, and other may be close to wanting to join also. Within the next few of months, some information will need to be developed to help the Orchard Hill folks make their decision.

4. Progress on the Cole Road Outreach Project

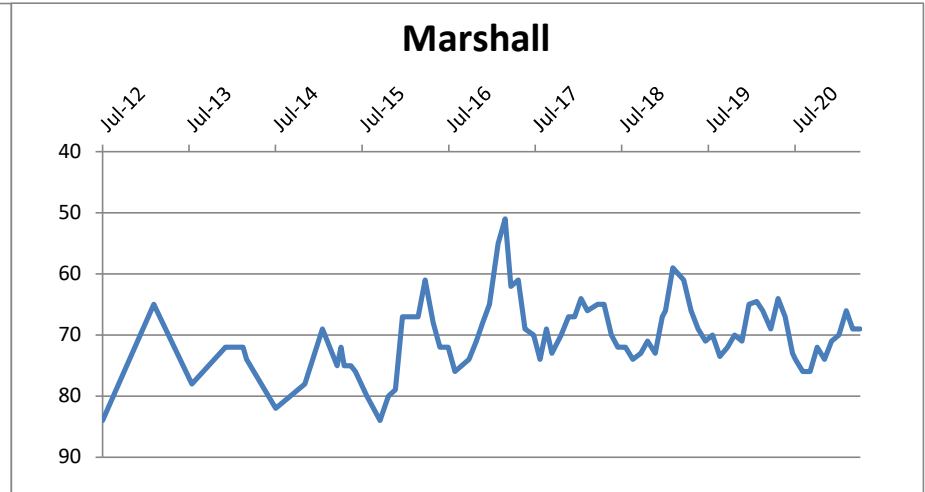
Staff has been working on acquiring the addresses along Cole Road that are not currently customers or annexed into the District boundary. Simultaneously, a water supply questionnaire is being developed, along with a letter to be sent out to the people along Cole Road who may want to annex into the District and become customers. The outreach material should be released in May.

Robert Johnson
General Manager
April 20, 2021

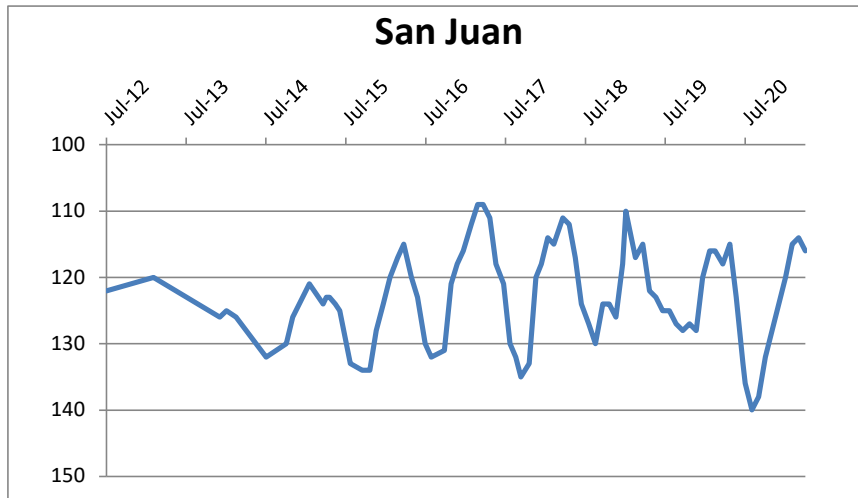
Well Water Level Monitoring Depth to Water Measurements Date: April 13, 2021



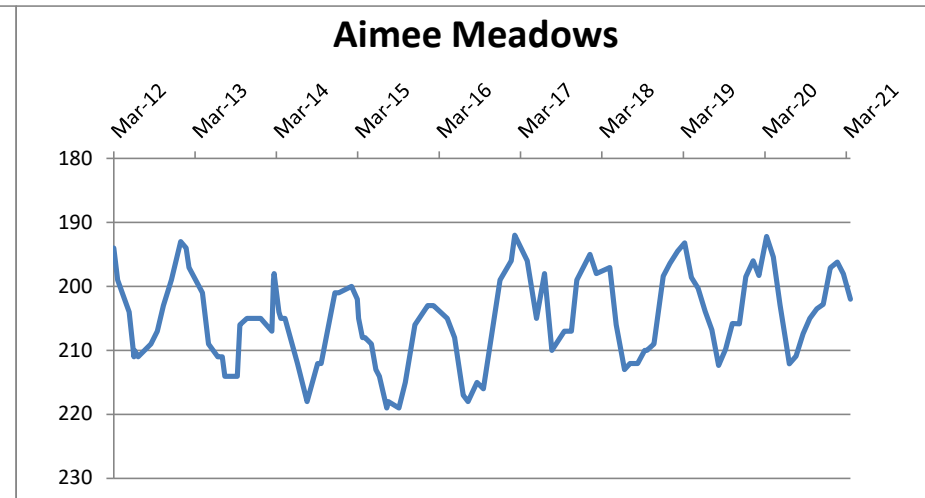
Carpenteria Well (production): Previous Read = 271 feet; Current Read = 273 feet



Marshall Well (monitoring): Previous Read = 69 feet; Current Read = 69 feet



San Juan Well (production): Previous Read = 114 feet; Current Read = 116 feet



Aimee Meadows (monitoring): Previous Read = 198 feet; Current Read = 202 feet

CORRESPONDENCE LIST: 3/18/2021 – 4/21/2021

DATE	TYPE	TO	FROM	SUBJECT
3/18/21	E	I Magana, Jr.	R Johnson, AWD	Placement of Meter Box and Water Meter
3/23/21	E	R Johnson, AWD	E Scholz, Cole Road	Water Hookup [on] Cole Road [& Response]
3/24/21	E	S Center, Cole Road	R Johnson, AWD	Thank you for the invite [to the AWD Board Mtg] [& Response]
3/24/21	E	R Johnson, AWD	B Lockwood, PV Water	PV Water SGMA Compliance – Representative Monitoring Wells
3/25/21	E	C Silva, NV5	R Johnson, AWD	Rocks Rd Br Repl – Utility Exhibit <Correction>
3/25/21	E M	M Mackey, AAA	L Coombes, AWD	Claim Ref: 1004-03-6501 [Fire Hydrant #3 Repair] [& Response]
3/25/21	E	R Johnson, AWD	DDW, SWRCB	PC Codes change to be implemented by DDW
3/29/21	E	R Johnson, AWD	C Silva, NV5	Rocks Rd Br Repl – Utility Exhibit <Correction>
3/29/21	E	R Johnson, AWD	C Holifield, CSDA	CSDA Advocacy Request: Join Coalition to Ask State for COVID Assistance for Special Districts
3/30/21	E	C Silva, NV5	R Johnson, AWD	Rocks Rd Br Repl – Utility Exhibit <Correction>
3/30/21	M	R Johnson, AWD	B Weidman, 581 Seely Ave	Documentation of phone conversation [Leak]
3/31/21	E	R Bennett, Orchard Hill	R Johnson, AWD	Next steps to moving forward with water main project for your area
3/31/21	E	AWD, (L Coombes)	A Bedal, TRC Companies	San Benito County Utility Mapping Request
3/31/21	M	AWD	L Gill, CEO, SDRMA	2021 COVID-19 Supplemental Paid Sick Leave
4/6/21	E	L Coombes, AWD	L Johnson, ACWA JPIA	Request for 2021-22 Estimated Payroll [& Completion Response]
4/7/21	E	R Bennett, Orchard Hill	R Johnson, AWD	Another person on Orchard Hill Road requesting water
4/7/21	E	SWRCB	R Johnson, AWD	Monthly Fe & Mn Field Test Results
4/7/21	E	SWRCB	R Johnson, AWD	Monthly Summary of Coliform Monitoring
4/7/21- 4/9/21	E	A Bedal, TRC Companies	L Coombes, AWD	San Benito County Utility Mapping Request [affecting Anzar Rd and Cole Rd & two Responses]
4/15/21	E	L Coombes, AWD	SAM.GOV Admin	Confirmation of Registration for System for Award Management
4/15/21	E	L Coombes, AWD	D Zarate, NBS	Delinquency Management Report [Oakridge] [& Response]
4/19/21	E	L Coombes, AWD	Memb Svcs, ACWA JPIA	2021-22 Liability Program Renewal Questionnaire

CORRESPONDENCE LIST: 3/18/2021 – 4/21/2021

4/19/21	E	L Taay & B Lockwood, PV Water	R Johnson, AWD	April 21, 2021 Board of Directors meeting, 6pm [Re: Two more annexations along Cole Road and advanced warning of more]
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RESOLUTION 2021-03

RESOLUTION DECLARING MAY 2021 WATER AWARENESS MONTH

WHEREAS, California's arid and semiarid climate, its ambitious and evolving economy, and its continually growing population have combined to challenging water quantity situations the norm; and

WHEREAS, the health, welfare and quality of life for our community depends on a reliable, high quality water supply; and

WHEREAS, the need to develop a diverse water supply portfolio that includes a balanced combination of conservation, water reuse and new supplies to ensure reliability is critical to our region's future; and

WHEREAS, municipal agencies and governments continue to seek cost-effective and efficient systems to obtain and deliver water to meet the needs of residents, agriculture and the economy; and,

WHEREAS, the state, county, cities and concerned citizens make strong efforts to foster wise decisions concerning water issues and water use; and,

WHEREAS, home water use, and wastewater production can be significantly reduced by finding and repairing leaks, replacing inefficient toilets, washing machines, water softeners, and adopting personal water conserving practices; and

WHEREAS, the fact that California will experience periodic droughts and water conservation is critical not only during drought periods, **but at all times**; and

WHEREAS, landscape irrigation makes up over half of home water use - a percentage that can be significantly reduced by adjusting and monitoring irrigation systems and adopting water efficient landscaping and gardening practices; and

WHEREAS, the Aromas Water District, along with local governments and water agencies are working to provide residents with cost-effective means to reduce water use and the degradation of our water supply from water softener salts; and

WHEREAS, during May 2021, the Aromas Water District is inviting everyone to find out ways to save water both at work and at home;

NOW, THEREFORE, the Aromas Water District does proclaim May 2021 as Water Awareness Month and urges all citizens, businesses, industries, institutions, and public agencies to review their water use and water systems for water use efficiency and to contact their water supplier for water saving ideas and assistance.

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 27th day of April 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVE:

ATTEST:

James Leap, Board President

Louise Coombes, Board Secretary

Staff Report



To: Board of Directors

Re: Item XI.A – Consider receiving a report regarding the possible annexation of one parcel located on Cole Road, possibly adopting Resolution #2021-04, initiating the annexation process, and providing direction to Staff

Date: April 20, 2021

Summary / Discussion

A request for water service has been received from Mr. Eric Scholz, who lives at 1375 Cole Road. His parcel is within the District’s Sphere of Influence, though it is not a part of the annexed area. The well on the property has not produced enough water for ordinary use, which has promulgated him to request a connection from the District.

A quote from the annexation request letter is as follows:

“... (my neighbor) told me to ask because of my poor water supply and my concern for my wife while I am out of town on business due to the fact, she has been diagnosed with cancer...”

Mr. Scholz has researched the drilling of a new well, which is extremely costly, and there are no guarantees that a new test hole will produce the water needed, given the groundwater conditions in the area.

Since Mr. Scholz’s parcel is not annexed into the District, this action would initiate the annexation process similar to the ones the District has recently completed for Mr. Eilert, Mr. Capron (et. al.), and more recently, Mr. Martinez and Mr. Center (both also on Cole Road). If the Board of Directors (BOD) approves of this request moving forward, then the process would involve going to the Pajaro Valley Water Management Agency (PVWMA) BOD, and the San Benito Local Area Foundation Commission (LAFCo) for specific actions and tasks to be completed. Final approval does rest with the LAFCo Board.

Staff Recommendation

Receive the report, adopt Resolution #2021-04, and direct staff to initiate and complete the annexation process with PVWMA and SBCo LAFCo, keeping the BOD apprised of the progress.

Submitted by:

Robert Johnson
General Manager



RESOLUTION 2021-04

RESOLUTION OF APPLICATION OF THE AROMAS WATER DISTRICT INITIATING PROCEEDINGS FOR THE SCHOLZ (APN: 011-220-022) ANNEXATION TO THE AROMAS WATER DISTRICT

WHEREAS, the Aromas Water District (DISTRICT) desires to initiate a proceeding for the adjustment of boundaries specified herein.

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

1. This proposal is made, and it is requested that proceedings be taken, pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, commencing with section 56000 of the California Government Code.
2. This proposal is an annexation to the DISTRICT
3. A map of the affected territory is set forth in Exhibit A, attached hereto and by reference incorporated herein.
4. It is desired that the proposal be subject to the following terms and conditions: DISTRICT water will be utilized for municipal uses only.
5. The reasons for the proposal are to: Health and Safety Issues related to the lack of available well water and the need to annex into the DISTRICT to receive DISTRICT water.
6. The proposal is consistent with the Sphere of Influence of the DISTRICT.
7. Consent is hereby given to the waiver of conducting authority proceedings.

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 27th day of APRIL 2021 by the following vote:

AYES:

NOES:

ABSENT:

APPROVE:

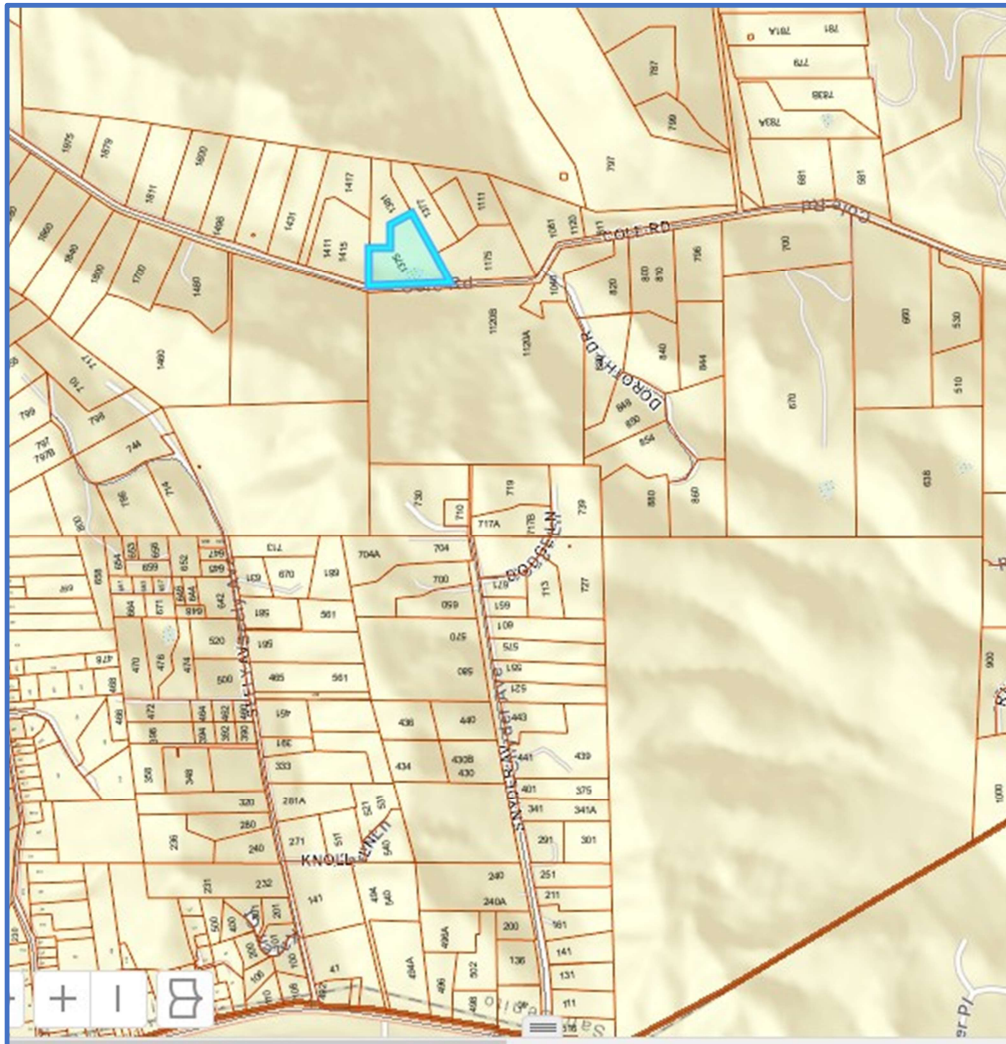
ATTEST:

James Leap, Board President

Board Secretary, Louise Coombes

EXHIBIT A

Location depiction of requesting parcel: APN: 011-220-022

<p>Description</p>	
<p>Click here to view an Assessor Map</p>	<p>APN: 0112200220</p>
<p>Book/Page: 01122</p>	<p>Recorded Map: 08-10-SM</p>
<p>Jurisdiction: San Benito County</p>	<p>Tax Year: 2020</p>
<p>TRA: 79018</p>	<p>Acres: 4.72</p>
<p>Acres (GIS): 4.7007</p>	<p>Sq Ft (GIS): 204760.4611</p>
<p>Use Code: RS01</p>	<p>Address: 1375 COLE RD</p>
<p>City/State/Zip: AROMAS CA 95004</p>	<p>Details</p> <p>APN 0112200220</p>

Staff Report



To: Board of Directors

Re: Item XI.B – Consider adopting the Proposed Capital Budget of \$431,240 for Fiscal Year 2021-2022

Date: April 20, 2021

Summary / Discussion

The Proposed Capital Budget is adopted annually by the Board of Directors as the financial guide for the District’s capital expenses; documenting the Capital Projects and Capital Purchases District staff proposes to complete this fiscal year.

The Proposed Capital Budget worksheet includes the proposed capital expenses for Fiscal Year (FY) 2021-22, and how those Capital Projects line up with the District’s Strategic Plan Categories and Goals. The worksheet also shows the capital budgets from the previous two years.

The Proposed Capital Projects Budget breaks out with the following proposed expenditures:

- Principal payments of the Capital Asset Loan (solar portion of this loan is paid off) - \$110,240
- Complete renovations to Operations Headquarters - \$5,000
- Purchase of Radio-read water meters - \$35,000
- Installation of transfer switches at Carr and Oakridge Booster Stations - \$10,000
- Purchase of a towable generator for back-up power to booster stations - \$80,000
- Design and implement the Ballantree Tanks Replacement Project - \$150,000 (Rate Study)
- Install alternative energy (solar power) at the District’s office facility - \$41,000

Planned Capital Expenditures that did not occur from last year’s Capital Budget were: 1) the installation of alternative energy (solar power) at the District office (this money was reappropriated for the Carpentaria Well Rehabilitation Project, and 2) the renovations to the Operations Headquarters (that is why they are repeated in this year’s budget). The items identified with Rate Study are called out in the Rate Study as projects to be completed within the five-year Rate Study horizon.

A towable generator was applied for and not received from the CalOES grant earlier this fiscal year. It is included in this Capital Budget because with PG&E’s use of its Public Safety Power Shutoffs (PSPS) management protocol occurring on a more regular basis, the towable generator became a need instead of a want, if you will, to facilitate the use of our booster pumps in the midst of a planned PSPS, or any other unplanned power outage.

Staff Recommendation

Adopt the Proposed Capital Budget of \$431,240 for Fiscal Year 2021-2022.

Submitted by:

Robert Johnson
General Manager

AWD Capital Budget
FY 2020 - 2021



AWD Capital Budget for FY 2021 - 2022

#	Strategic Plan Category / Goal	Estimated Cost (\$)
1	Finance	
2	Maintain a balanced annual Expense Budget	
3	Enhance Financial Health with additional funding opportunities	on-going
4	Execute and implement Rate Study - FY 2019 - 2024 (in FY 2018-19)	completed
5	Principal Payments: 2015 Refinance + Solar	110,240
6	Environmental and Resource Stewardship	
7	Maintain, enhance and increase understanding of District's water resources	
8	Encourage infill of existing infrastructure	
9	Research and evaluate opportunities for developing new water sources	
10	Maintain local independent jurisdictional control	
11		
12	Community and Communication	
13	Achieve District of Distinction by 2021	
14	Achieve Special District Administrator (GM) by 2021	
15	Develop a social media presence strategy	
16	Participate in appropriate community events	on-going
17	Investigate and secure new water source	
18	Facilities and Infrastructure	
19	Purchase RR meters annually (2018 - up to 10% of system)	35,000
20	Remodel Operations Headquarters (apartment)	5,000
21	Design and implement the District Facility Alternative Energy Project	41,000
22	Investigate security options for Marshall Shop area	completed
23	Add baserock to and around Carr Tank driveway	
24	Install transfer switches at Carr and Oakridge Booster Stations	10,000
25	Interim backup power solution - portable generator	
26	Incorporate AWD infrastructure into Rocks Road Bridge Project (SBC)	Unknown
27	Incorporate AWD infrastructure into Carr Avenue Bridge Project (SBC)	Unknown
28	Design and implement the School Road Tank Replacement Project	
29	Upgrade District Storage Shed	
30	Design and implement the Marshall Facility Improvement Project	
31	Security Fencing, new well, WTP, Maintenance Shop, Solar power - or other configuration	
32	Design and implement Ballantree Tank Replacement Project	150,000
33	Develop, design and implement Water Main Looping Program	
34	Design and implement Pleasant Acres Mainline Replacement Project	
35	XiO Tow Gen.	80,000
36	District Operations, Personnel and Management	
37	Maintain and improve delivered water quality to meet and exceed current standards	
38	Maintain and enhance District Customer Service	
39	Maintain and enhance District Technology	completed
40	Develop District Technology Utilization Plan	
41	Maintain and enhance District's preparedness for emergencies	
42	Maintain and enhance District employee training opportunities	on-going
43	Maintain and improve District policies for operations and office personnel	
44	Continue to utilize internships to facilitate learning opportunities	
45		
46	Board of Directors	
47	Maintain and enhance District Board of Directors culture	on-going
48	Provide clear guidance to management	
		\$431,240

Aromas Water District
 Balance Sheet Prev Year Comparison
 As of March 31, 2021

	Mar 31, 21	Mar 31, 20
ASSETS		
Current Assets		
Checking/Savings		
UB Checking	137,607.43	214,208.05
UB Bk Money Market xxxx7853	600,615.38	317,982.59
LAIF-State of Ca xx-05	835,347.29	828,330.63
Petty Cash	100.00	100.00
Assessment District Banks		
OAWA Union Bank Checking 7741	45,798.96	24,723.45
OAWA Union Bank 102 Reserve	35,557.11	35,740.95
Oakridge Union Checking 5587	359,355.49	349,445.34
Total Assessment District Banks	440,711.56	409,909.74
Total Checking/Savings	2,014,381.66	1,770,531.01
Other Current Assets		
ACWA Deposit	2,080.80	2,080.80
1292 · Accounts Rec - USDA Loan	2,095,834.27	2,176,644.30
1291 · Accounts Rec - Orchard Acres	311,692.98	323,112.17
Prepaid Insurance	9,904.54	11,185.97
128 · Inventory	49,921.56	49,460.11
1200.1 · Accounts Receivable--UBMax	100,523.77	100,282.02
1201.9 · Less Allowance for doubtful ...	-500.00	-500.00
Total Other Current Assets	2,569,457.92	2,662,265.37
Total Current Assets	4,583,839.58	4,432,796.38
Fixed Assets		
1900 · Water System	12,003,589.83	11,818,908.82
1915 · Office Building & Improvements	398,442.54	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	-6,724,700.75	-6,223,418.75
Total Fixed Assets	6,220,571.84	6,536,991.72
Other Assets		
Deferred Outflow of Resources	140,939.00	138,369.00
Total Other Assets	140,939.00	138,369.00
TOTAL ASSETS	10,945,350.42	11,108,157.10

Aromas Water District
Balance Sheet Prev Year Comparison
 As of March 31, 2021

	Mar 31, 21	Mar 31, 20
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	41,398.52	23,241.35
Total Accounts Payable	41,398.52	23,241.35
Credit Cards		
First Bankcard - S Smith #0239	1,132.80	231.39
First Bankcard - E Giron #1086	163.48	0.00
First Bankcard -R.Johnson #9031	63.67	59.40
First Bankcard-L Coombes #3294	21.54	28.65
First Bankcard - D DeAlba #2486	1,022.30	1,050.98
Valero Fleet	743.84	62.16
Valero - Fuel	0.00	736.40
Total Credit Cards	3,147.63	2,168.98
Other Current Liabilities		
Current Portion UB OAWA	10,000.00	0.00
Current Portion USDA Oakridge	37,000.00	0.00
Current Portion City National	57,899.79	57,954.10
2100 · Payroll Liabilities	1,113.90	1,352.69
Deferred Inflows- Actuarial	10,090.00	0.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	2,500.00	2,000.00
Hydrant Meter Deposit	0.00	1,600.00
Total CUSTOMER DEPOSITS	2,500.00	3,600.00
Accrued Vacation Payable	27,815.70	17,907.50
Interest Payable	47,596.19	20,153.44
PVWMA Payable	5,247.24	-5,933.08
Total Other Current Liabilities	199,262.82	95,034.65
Total Current Liabilities	243,808.97	120,444.98
Long Term Liabilities		
2392 · Long-term Debt - USDA (Oakr...	2,432,999.90	2,544,240.00
2391 · Long-term Debt - Orchard Acres	370,000.00	390,000.00
GASB 68 Pension Liability	577,103.00	544,625.00
City National Bank	865,611.99	982,313.10
Total Long Term Liabilities	4,245,714.89	4,461,178.10
Total Liabilities	4,489,523.86	4,581,623.08
Equity		
Investment in Capital Assets	6,420,006.53	6,420,006.53
Unrestricted Net Assets	2,687,889.75	2,791,376.36
Allocation of Net Assets	-2,637,574.59	-2,637,574.59
Net Income	-14,495.13	-47,274.28
Total Equity	6,455,826.56	6,526,534.02
TOTAL LIABILITIES & EQUITY	10,945,350.42	11,108,157.10

Aromas Water District
Profit & Loss Budget Performance

March 2021

	Mar 21	Budget	Jul '20 - Mar 21	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	80,169.63	80,000.00	1,030,346.01	956,500.00	1,344,000.00
307 · Bulk Water	279.73	500.00	6,251.87	4,500.00	7,000.00
302 · Connection	14,640.00	14,640.00	14,640.00	14,640.00	27,880.00
301 · Taxes Rcvd - AWD					
3090 · Oakridge / OAWA Assessme...	0.00	0.00	100,677.55	112,100.00	194,200.00
301 · Taxes Rcvd - AWD - Other	0.00	0.00	45,681.46	42,000.00	66,000.00
Total 301 · Taxes Rcvd - AWD	0.00	0.00	146,359.01	154,100.00	260,200.00
304 · Other Office Income & Reimburse	995.81	40.00	3,423.76	360.00	500.00
306 · Interest	331.37	650.00	1,451.49	10,850.00	20,000.00
312 · Grant Revenue	0.00	0.00	1,000.00	1,000.00	2,000.00
Total Income	96,416.54	95,830.00	1,203,472.14	1,141,950.00	1,661,580.00
Gross Profit	96,416.54	95,830.00	1,203,472.14	1,141,950.00	1,661,580.00
Expense					
Operations					
403 · Fuel	1,430.03	1,208.00	10,716.61	10,872.00	14,500.00
404 · Truck Maint	0.00	614.00	5,738.42	5,156.00	7,000.00
431 · System Repair & Maint	4,903.25	6,100.00	53,584.89	51,400.00	70,000.00
463 · Water Analysis	1,999.00	400.00	6,622.00	4,600.00	6,000.00
464 · Water Treatment	954.49	1,200.00	13,976.32	13,800.00	20,000.00
468 · Tools	1,085.39	625.00	4,490.33	5,625.00	7,500.00
470 · Public Outreach / Annexation	44.15	300.00	626.56	2,700.00	3,500.00
Total Operations	10,416.31	10,447.00	95,755.13	94,153.00	128,500.00
Power					
449.75 · 388 Blohm, # C	33.12	33.00	289.74	297.00	400.00
449.5 · 388 Blohm, A & B Office	141.20	140.00	1,037.12	1,260.00	1,700.00
461.5 · RLS Tank Booster	10.19	12.50	86.73	112.50	150.00
447 · Leo Ln Booster	56.52	37.50	501.05	337.50	450.00
448 · Aimee Mdws Well	9.53	12.50	85.42	112.50	150.00
451 · Marshall Corp Yard	36.33	41.50	335.58	373.50	500.00
452 · Rea Booster @ Seely	60.00	41.50	429.46	373.50	500.00
454 · Carr Booster	389.85	350.00	4,713.86	3,865.00	5,500.00
458 · Pleasant Acres Well	115.23	400.00	898.36	9,600.00	13,000.00
459 · Seely Booster @ Carpenteria	23.82	41.50	230.52	373.50	500.00
460 · San Juan Well	3,884.97	3,000.00	45,410.44	36,500.00	51,000.00
461 · Cole Tank	13.85	16.00	122.54	144.00	200.00
462 · Rea Tank	14.17	16.00	121.44	144.00	200.00
465 - Lwr Oakridge Boost	91.15	100.00	997.49	1,175.00	1,500.00
465.5 - Upper Oakridge Booster	150.00	175.00	300.00	525.00	700.00
466 · Pine Tree Tank	14.18	16.00	120.24	144.00	200.00
Total Power	5,044.11	4,433.00	55,679.99	55,337.00	76,650.00
Payroll					
Gross	32,701.36	34,040.00	309,494.82	307,170.00	409,308.00
Comp FICA	2,021.26	2,111.00	18,050.19	19,041.00	25,377.00
Comp MCARE	476.36	494.00	4,580.90	4,452.00	5,935.00
Comp SUI	156.36	159.50	1,313.69	1,708.50	2,188.00
Total Payroll	35,355.34	36,804.50	333,439.60	332,371.50	442,808.00
Employee / Labor Costs					
407 · Outside Services	71.66	500.00	3,079.82	4,500.00	6,000.00
408 · Uniform Allowance	163.48	250.00	808.06	2,250.00	3,000.00
409 · Workers Comp	887.96	1,004.00	6,955.29	9,270.00	12,288.00
410 · Health Ins	6,081.46	6,099.00	59,833.92	53,990.00	72,287.00
474 · Education	0.00	625.00	291.66	5,625.00	7,500.00
477 · Retirement	7,177.44	7,188.00	66,576.65	64,128.00	85,693.00
Total Employee / Labor Costs	14,382.00	15,666.00	137,545.40	139,763.00	186,768.00

Aromas Water District
Profit & Loss Budget Performance

March 2021

	Mar 21	Budget	Jul '20 - Mar 21	YTD Budget	Annual Budget
Office					
440 · Misc Exp	714.38	330.00	2,618.58	2,970.00	4,000.00
444 · Postage	313.64	330.00	2,542.36	2,970.00	4,000.00
445 · Office Supplies	133.78	330.00	1,919.17	2,970.00	4,000.00
446 · Office Eqpmt and Maint	1,313.42	1,500.00	4,777.73	5,100.00	15,000.00
Total Office	2,475.22	2,490.00	11,857.84	14,010.00	27,000.00
Communications					
455 · Phone, Off	307.74	330.00	3,222.75	2,970.00	4,000.00
456 · Telemetry	677.96	530.00	6,088.76	5,790.00	6,500.00
457 · Answ Serv/Cellular Phone	361.37	300.00	3,491.28	2,700.00	3,600.00
Total Communications	1,347.07	1,160.00	12,802.79	11,460.00	14,100.00
Administrative & General					
4591 · Admin Fee (Bond Admin NBS)	916.74	950.00	2,749.82	2,850.00	5,200.00
4590 · Bond Interest Exp - Assess D...	61,169.99	64,000.00	123,334.98	128,000.00	128,000.00
417 · Capital Loan Interest	0.00	0.00	14,689.70	15,000.00	30,000.00
467 · Depreciation Reserve	41,504.00	47,732.00	373,536.00	398,448.00	541,654.00
405 · Election	400.00	0.00	400.00	0.00	0.00
406 · Liability Ins	1,616.16	1,665.00	15,610.54	14,985.00	20,000.00
420 · Legal Fees	1,300.00	1,300.00	11,700.00	11,700.00	16,000.00
422 · Bank Charges	166.17	158.00	1,172.25	1,422.00	1,900.00
423 · Litigation Contingency	0.00	800.00	0.00	7,200.00	10,000.00
425 · Audit	594.00	600.00	8,219.00	9,020.00	12,500.00
471 · Bad Debts	0.00	40.00	210.69	360.00	500.00
473 · Memberships	132.25	130.00	19,263.54	19,430.00	20,000.00
Total Administrative & General	107,799.31	117,375.00	570,886.52	608,415.00	785,754.00
Total Expense	176,819.36	188,375.50	1,217,967.27	1,255,509.50	1,661,580.00
Net Ordinary Income	-80,402.82	-92,545.50	-14,495.13	-113,559.50	0.00
Net Income	-80,402.82	-92,545.50	-14,495.13	-113,559.50	0.00

Aromas Water District
Monthly Expenditures
 March 17 through April 19, 2021

Date	Num	Name	Amount
UB Checking			
03/24/2021	E-pay	Employment Development Dept	-730.46
03/24/2021	E-pay	United States Treasury (EFTPS)	-4,025.50
03/25/2021	EFT	QuickBooks Payroll Service	-6,101.81
03/25/2021	EFT	Bank Service Fees	-139.76
03/26/2021	DD1635	Bowman (P), Naomi	0.00
03/26/2021	DD1636	Coombes (P), Louise P	0.00
03/26/2021	18183	DeAlba (P), David	-2,903.09
03/26/2021	DD1637	Giron (P), Ester	0.00
03/26/2021	DD1638	Johnson (P), Robert L	0.00
03/26/2021	18184	Smith (P), Shaun	-1,429.60
03/26/2021	EFT	CalPERS	-2,494.42
03/26/2021	EFT	CalPERS	-795.61
03/31/2021	18185	Peter Mu	-150.00
03/31/2021	18186	ACE Hardware Prunedale	-160.62
03/31/2021	18187	Armer Grading & Paving	-1,110.00
03/31/2021	18188	C & N Tractors	-55.02
03/31/2021	18189	CALNET3	-609.70
03/31/2021	18190	Iflow Energy Solutions Inc.	-7,565.16
03/31/2021	18191	Kamstrup Water Metering, LLC	-780.54
03/31/2021	18192	Monterey Bay Analytical Services Inc	-1,785.00
03/31/2021	18193	R & B Company	-93.61
03/31/2021	18194	Rob Johnson	-50.00
03/31/2021	18195	San Benito County Recorder	-400.00
03/31/2021	18196	Shaun Smith	-22.23
03/31/2021	18197	United Way serving San Benito County	-32.00
03/31/2021	18198	USA BlueBook	-76.55
03/31/2021	18199	XIO, INC.	-376.00
03/31/2021	NSF	Bill Adjustment Report	-177.08
03/31/2021	NSF	Bill Adjustment Report	-48.00
04/01/2021	Pd Online	P G & E	-4,834.11
04/01/2021	Pd Online	Valero Fleet	-584.45
04/01/2021	Pd Online	Verizon Wireless	-177.25
04/01/2021	Pd Online	First Bankcard	-2,495.96
04/05/2021	18200	USPO	-203.64
04/07/2021	E-pay	Employment Development Dept	-707.79
04/07/2021	E-pay	United States Treasury (EFTPS)	-3,934.76
04/07/2021	E-pay	Employment Development Dept	-1,086.89
04/07/2021	EFT	CalPERS	-4,236.27
04/08/2021	EFT	QuickBooks Payroll Service	-6,109.75
04/08/2021	18203	ACE Hardware Prunedale	-12.36
04/08/2021	18204	ACWA JPIA, Emp. Ben. Prog.	-5,929.54
04/08/2021	18205	Brigantino Irrigation	-263.32
04/08/2021	18206	CSSC	-133.13
04/08/2021	18207	Fedak & Brown LLP	-594.00
04/08/2021	18208	Grainger Inc	-388.44
04/08/2021	18209	Interstate All Battery Center	-181.20
04/08/2021	18210	Mid Valley Supply	-954.49
04/08/2021	18211	PVWMA	-13,178.22
04/08/2021	18212	Streamline	-100.00
04/08/2021	18213	USA BlueBook	-7,852.02
04/08/2021	18214	Water Educaton Foundation	-132.25

04/22/21

Aromas Water District
Monthly Expenditures
 March 17 through April 19, 2021

Date	Num	Name	Amount
04/08/2021	18215	West Valley Construction	-9,165.00
04/08/2021	18216	Wright Bros Industrial Supply	-32.46
04/09/2021	DD1640	Coombes (P), Louise P	0.00
04/09/2021	18201	DeAlba (P), David	-2,759.74
04/09/2021	DD1641	Giron (P), Ester	0.00
04/09/2021	DD1642	Johnson (P), Robert L	0.00
04/09/2021	18202	Smith (P), Shaun	-1,420.08
04/09/2021	DD1639	Bowman (P), Naomi	0.00
04/09/2021	EFT	CalPERS	-2,499.10
04/09/2021	EFT	CalPERS	-814.81
04/16/2021	Bill Adjust	Bill Adjustment Report	-21.50
04/16/2021	Bill Adjust	Bill Adjustment Report	-21.50
04/16/2021	Bill Adjust	Bill Adjustment Report	-21.50
04/19/2021	18217	ACWA JPIA, Emp. Ben. Prog.	-5,929.54
04/19/2021	18218	Armer Grading & Paving	-1,000.00
04/19/2021	18219	Aromas Water District (Petty Cash)	-246.20
04/19/2021	18220	Monterey Bay Analytical Services Inc	-332.00
04/19/2021	18221	R & B Company	-866.18
04/19/2021	18222	Recology San Benito County	-55.59
04/19/2021	18223	Robert E. Bosso	-1,300.00
04/19/2021	18224	Simone LaJeunesse	-225.88
04/19/2021	18225	Xerox Corp	-15.47
04/19/2021	18226	XIO, INC.	-1,055.47
Total UB Checking			-113,983.62
TOTAL			-113,983.62