

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
November 27th, 2012

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by Vice President Dutra on Tuesday, November 27th, 2012 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, CA.

II. ROLL CALL:

Vice President Dutra, Directors, Mahler, Holman and Norton were present. Pres. Ernest Huggins was absent. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and staff Maureen Cain (acting as Board Secretary) and Gina Patten were also present. Supervisor Calcagno arrived and was introduced.

III. PLEDGE OF ALLEGIANCE: Vice-Pres. Dutra 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 October 23rd, 2012 Regular Meeting were presented for acceptance and approval.

Director Mahler moved and Vice-Pres. Dutra seconded that the minutes be approved. Approval was unanimous.

VII. ORAL COMMUNICATION: None

VIII. PRESENTATIONS

A. Director's Reports: none

B. Attorney's Report: None

C. Manager's Report:

Operations: Production in October was 10.69 million gallons. Loss Production is showing an extraordinarily low average for the last 6 months of 3.68%. All sampling has met all State Health Standards. Maintenance: Operators moved stand pipe and air relief 8 feet off Payne Rd. Ongoing adjustments of SCADA have been made for best PGE rates. Bearings were replaced on Rea Booster pump. Projects: Oakridge-Via del Sol, Seely Area Annexation and Caltrans Relocation Project are on agenda. Packets included an article from Western Water Magazine on Hydraulic Fracturing and Water Quality to keep the Board informed on issues because of the local seismic testing and possible oil or gas extraction.. Staff: Office staff is working on transition to new billing software. Board Election: GM Morris reported that Directors Wayne Holman and Wayne Norton won four-year seats in the November election. Director Norton has turned in his resignation from the two- year seat he had been appointed to. That leaves an opening for the two years remaining on his seat. Notice of this vacancy will be advertised and appointment will be made at the December meeting. Audit: Directors Holman and Mahler volunteered to be on the ad hoc Audit Committee to meet December 17th.

IX. ACTION ITEMS

A. Resolution 2012-16 Requesting Approval by Monterey County for Formation of Oakridge/Via del Sol Assessment District 2012-1: GM Morris outlined the option decided upon by the Board at the last meeting where the project was redefined so that 46 parcels would get water service and fire protection and 14 parcels would get fire protection only. The Board reviewed the map and resolution. She explained the process to form the assessment District wherein the County must approve boundary map and pass a resolution before

assessment district proceedings can be initiated. She, Counsel Bosso and Engineer Freitas addressed some written questions and known concerns. There were numerous statements made by residents for and against the proposal.

Director Holman moved to adopt the resolution and Director Norton seconded. The resolution passed with the following vote:

Ayes: Holman, Norton, Mahler, Dutra
Noes: None
Absent: Huggins

B. Award of Contract for the CalTrans San Juan Interchange Relocation Project: This project is necessary for the upcoming San Juan Interchange on Highway 101 and involves the relocation of three fire hydrants, lowering of pipelines at two culverts and relocating about 150 feet of main. Our Engineer's estimate for the project was \$120,000. Bids came in substantially lower with a high of \$118,514 and low of \$62,000 submitted by Monterey Peninsula Engineering. GM Morris spoke with MPE to see if they still want the job in consideration of their low bid. They are comfortable with their bid.

Vice President Dutra moved to award the bid to MPE and Director Holman seconded the motion. It passed unanimously with Pres. Huggins absent. GM Morris will issue the notice of award.

C. Proposed Annexation of 18 Parcels in Seely Avenue Area: There are eighteen parcels in the Seely Ave. area which are not annexed but within the original 1970 SOI in San Benito County. Most parcels are developed and close to our mains. GM Morris sent out questionnaires to each property owner in two mailings to get response to their interest in future service by AWD. Of fifteen responses received, only two were opposed. There would be no cost to property owners unless they purchase a connection.

Vice President Dutra moved to initiate the annexation proceedings, and Director Holman seconded. The proposal passed unanimously with President Huggins absent.

D. Financial Report: GM Morris presented the financials for the month of October 2012. Total assets are \$6.6 million. Revenue for October was \$80,156. Pres. Huggins reviewed the payments from October 17th to November 19th 2012 which totaled \$121,778.75 and included renovation work on the new office building. A budget revision will be done in January, but it is currently very close to actual.

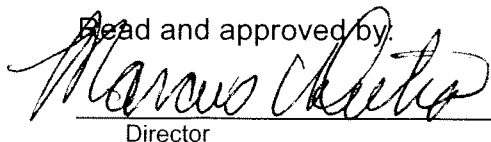
Director Holman moved to accept the financials and it was seconded by Director Norton. They were approved unanimously as presented with Pres. Huggins absent.

X. ADJOURNMENT

Vice-President Dutra adjourned the meeting at 8:50 PM.
Report submitted by Laurie Goodman, Board Secretary

Date: December 19, 2012

Read and approved by:



Director

Attest:



Laurie Goodman, Board Secretary