

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
September 25th, 2012

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Huggins on Tuesday, September 25th, 2012 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, CA.

II. ROLL CALL:

Pres. Huggins, Vice President Dutra, Directors, Mahler, Holman and Norton were present. General Manager Vicki Morris, Counsel Bob Bosso and staff Maureen Cain and Gina Patten were also present. All were welcomed to the first Board Meeting at our new office building.

III. PLEDGE OF ALLEGIANCE: Pres. Huggins 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 August 28, 2012 Regular Meeting were presented for acceptance and approval.

Director Holman moved and Director Mahler seconded that the minutes be approved. Approval was unanimous.

VII. ORAL COMMUNICATION: Becky Steinbruner, an Aptos resident spoke on behalf of Via del Sol residents in regards to the proposed Oakridge/Via del Sol Annexation. She was disappointed the project was not on the agenda, as she expected. GM Morris responded that it was not included because there was no action to be taken until the Monterey LAFCO had given AWD results of the vote taken from the protest hearing on August 27. VDS resident, Jim Lampson wants to be excluded from the project because of the expense. Robert Perry spoke of working hard for forty years to pay for his home and could not afford the cost of the water project. Oakridge resident Yaqoob Mohammed would prefer to truck in water than pay the expense of inclusion. The Board will consider the LAFCO Protest Hearing results and possibly redefine of the proposed assessment boundary.

VIII. PRESENTATIONS

A. Director's Reports: Director Norton reported he met with Director Holman and GM Morris as the Aquifer Risk Assessment ad hoc committee, later on agenda.

B. Attorney's Report: Counsel Bob Bosso attended the Region 5 ACWA Conference. Many agencies are now doing 5 year rate increases under Proposition 218.

C. Manager's Report:

Operations: Production for August was 14 million gallons. All wells continue to be exercised as a way to monitor and maintain system operations. All sampling has come back with good results. Operators are raising valve boxes after resurfacing of San Juan Road. Projects: The *New Office Building* at 388 Blohm is almost complete. Work will be over budget from some additional work. Staff is moving on September 28th to be completely out of 387 Blohm by October 1st. The LAFCO application for the *Oakridge/Via del Sol Annexation and Sphere of Influence* project has been approved and the protest hearing is closed. The resulting votes of the Protest Hearing were just released on September 20. There was opposition from 17% of the registered voters and 24% of the property owners. This did not meet the 25% threshold that would require an election. The AWD Board will review the options to accept or change the assessment boundaries. It was noted by GM Morris that Environmental Health does not approve trucking water as an acceptable means of providing water. Tomorrow, a community meeting for Via del Sol residents is being held by Supervisor Calcagno to educate and listen to concerns. Letters have been sent to property owners of the *Seely Area Annexation Proposal of 18 Parcels* to investigate the interest in

service by the District. Staff: Operators Warner and DeAlba attended a Monterey Bay Water Works Assoc. seminar in September to study air relief valves, water hammer, submersible pump operation and career advancement. GM Morris accepted a position on the board of directors of the Association.

IX. ACTION ITEMS

A. Customer Request for Variance on Charge for Two Residences on One Meter 18713

Caris Lane: Mr. Ken Brown purchased his property three months ago. It had historically been charged for two residences on one meter as required by our Ordinance 72 for units that are habitable and have five or more plumbing units. Mr. Brown states that the second unit is no longer being rented and has been red-tagged by the county. He would like the board to consider removing the second residence charge from his bills. Directors asked questions of Mr. Brown to assess what the county is requiring him to do and wanting to be consistent in the handling of this situation. Director Dutra moved to grant the variance and Pres. Huggins seconded. Director Mahler and Director Holman showed concern about hastily granting it without knowing how the structure could meet our ordinance's second unit criteria. The motion was withdrawn.

Director Holman motioned to table the action so that Mr. Brown can provide the Board with documentation from the County of Monterey showing what they are requiring him to do. Director Norton seconded. The motion passed unanimously.

B. Resolution 2012-15 to Proclaim Concerns Over Potential Oil and Gas Development in the Aromas Area:

The ad hoc committee for Aquifer Risk Assessment with Directors Norton and Holman met to discuss recommendations for addressing concerns over the recent exploration for oil and gas in San Benito County. Dir. Norton reported on the San Benito County Board of Supervisors meeting held today. There was no action taken by Supervisors. The committee wants the Board to make their concerns official by the proposed resolution. Some residents have sold mineral rights and Petroleum industry representatives are actively trying to do business in the Aromas area.

Director Holman moved to pass the resolution and Director Norton seconded the motion. It passed with the following votes:

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

C. Financial Report:

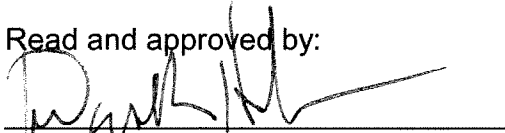
GM Morris presented the financials for the month of August 2012. Total assets are \$6.6 million. Revenue has increased as a result of higher water use and bulk sales. The in-house portion of our annual audit has been completed. An ad hoc audit committee will need to be formed to meet in November. Pres. Huggins reviewed the payments from August 21st to September 17th 2012 which totaled \$133,071.04 and included renovation work on the new office building.

Director Holman moved to accept the financials and it was seconded by Director Mahler. They were approved unanimously as presented.


- X. **ADJOURN TO CLOSED SESSION.** Board adjourned to closed session at 8:27 PM.
- XI. **RETURN TO OPEN SESSION:** The meeting returned to open session at 8:45 PM. Counsel Bosso reported that Board discussed evaluation and goals of General Manager.
- XII. **ADJOURNMENT**
President Huggins adjourned the meeting at 8:50 PM.
Report submitted by Laurie Goodman, Board Secretary

Date: October 23, 2012

Read and approved by:



Director

Attest: 

Laurie Goodman, Board Secretary