



## REGULAR MEETING OF THE BOARD OF DIRECTORS

President- James Leap  
Vice President- Richard Smith  
Director- Marcus Dutra  
Director- Wayne Holman  
Director- Wayne Norton  
General Manager- Vicki Morris  
Asst General Manager-Mark Dias

**AGENDA**  
**Tuesday, May 23, 2017**  
**7:00 PM**

Meeting held at  
District Office:  
388 Blohm Ave.,  
Aromas CA 95004

- I. **CALL TO ORDER:**
- II. **ROLL CALL OF DIRECTORS:** Pres. James Leap, V. Pres. Richard Smith, Wayne Holman, Marcus Dutra and Wayne Norton
- III. **PLEDGE OF ALLEGIANCE**
- IV. **STATEMENTS OF DISQUALIFICATION**
- V. **ADDITIONS AND DELETIONS**
- VI. **MINUTES:** Motion to approve the Minutes of the April 25, 2017 Board Meeting p.3-5
- VII. **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 minutes. The public may comment on listed Action and Public Hearing items at the time they are considered by the Board.*
- VIII. **PRESENTATIONS:**
  - A. **DIRECTORS REPORTS**
  - B. **ATTORNEY'S REPORT**
  - C. **MANAGER'S REPORT** p.6-12
  - D. **CORRESPONDENCE** p.13
- IX. **ACTION ITEMS:**
  - A. **Consider Approval of Contract with Fedak & Brown LLP for District Auditor:** Review, discuss and authorize approval of contract for auditing services for FY 2016-17 through FY 2018-19 in the amounts of \$11,000, \$11,125 and \$11,750 respectively. p.14-20
  - B. **Expense Budget for Fiscal Year 2017-18:** Review and consider adoption of Annual Expense Budget of \$1,048,290 as prepared by staff and reviewed by ad hoc Budget Committee. p.21-24
  - C. **Financial Reports for the Month of April 2017:** Revenue for April is \$72,643.56; expenditures between April 18 to May 17, 2017 total \$182,580.43. These financials and monthly expenditures will be presented for discussion and approval. p.25-30
  - D. **Adjourn to Closed Session** as permitted by Govt. Code Sec. 54956.9, the Board will adjourn to a closed or executive session to discuss personnel matters.
  - E. **Return to Open Session**- Statement of any action from Closed Session
- X. **FUTURE MEETINGS & AGENDA ITEMS:** Next meeting - Tuesday June 27, 2017
- XI. **ADJOURNMENT**

Next Res. # 2017-02

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.

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**Minutes of the Regular Meeting of  
the Board of Directors of the  
Aromas Water District  
April 25, 2017**

**I. CALL TO ORDER:**

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Leap on Tuesday, April 25, 2017 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.

**II. ROLL CALL:**

President Leap, Vice-President Smith, and Directors Holman, Dutra and Norton were all present. Also in attendance were General Counsel Bob Bosso; General Manager Vicki Morris and Asst. General Manager/Board Secretary Mark Dias.

**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 or deletions.

**VI. MINUTES:** The minutes of the March 28, 2017 Board Meetings were presented for review and approval. There were no comments or corrections. Director Holman moved for approval of the minutes and Vice President Smith seconded. Minutes were approved unanimously with all directors present.

**VII. ORAL COMMUNICATION:** There were no public comments.

**VIII. REPORTS/PRESENTATIONS**

**A. Director's Reports**

Director Norton reported he was at the site during the Seely booster incident and was impressed with how staff responded with minimal water loss. Director Dutra also visited the site twice with the General Manager to review the damage. President Leap reported he had attended the San Benito County Water Forum and thought it was a good event, better than previous years, with a broad range of information. He encouraged a bigger, day-long event.

**B. Attorney's Report**

Counsel Bosso reported that there had been no new developments regarding Proposition 218 cases.

**C. Manager's Report:** See detailed report in agenda packet. Items highlighted include:

Production:

GM Morris noted production was increasing but was still low due to the wet spring.

Operations:

GM Morris reported that the VFD at the San Juan well was repaired under budget and was running well. The repaired unit had a two year warranty at a third of the price of a new unit. The potential claim with PG&E was still in process awaiting documentation.

Regarding the Pleasant Acres well, the pump and motors were pulled and videoed. At least one hole was found in the casing. The well would be cleaned and re-videoed to look for additional damage if any. Martin Feeney was consulting on the process and was optimistic about being able to repair the damage seen so far. It would be a few weeks or more before the PA well could be put back on line.

Regarding the coupler failure at the Seeley Booster station and resulting building damage, the cause was believed to be from the original contractor drilling two bolts through and into the pipe instead of welding supports. The bolts disintegrated over time and then failed. Two new contractors were being used and were very responsive. The high pressure sheared all the motors off their mounts and so the pumps needed to be remounted. Thrust blocks and metal straps were added to prevent shifting of the pipes. The District's insurance should cover much of the damage, although the statute of limitation for hidden defects had passed so a claim could not likely be filed with the contractor. The Fire Department's timely response and assistance was tremendous and a thank you letter for the President's signature had been prepared. There were no injuries and the physical losses could have been much worse.

Regarding a new shop building the District was awaiting a quote. AGM Dias reported that the initial review of the septic repair proposal was positive although a higher level review by County staff was still needed. Director Smith requested a comparison in costs and features between the Marshall and Blohm Ave site.

ACWA JPIA had issued an unexpectedly large rate stabilization check for over \$9,000.

The District's request for the contractor to extend the warranty for the Oakridge tank roofline was still under consideration.

Well levels were higher than last year but starting to drop with spring pumping.

**D. Sustainable Groundwater Planning Report:**

AGM Dias gave a brief update that the PVWMA's alternative plan had been commented on by a number of fishery agencies and environmental organizations recommending the alternative should be denied by the State. It was unknown how the comment letters may impact the State's review process, however the District should be prepared to revisit the GSA formation issue if PVWMA's alternative was denied.

**E. Correspondence:** The monthly correspondence list was reviewed. In response to Board questions GM Morris provided additional background on three items.

**IX. ACTION ITEMS**

- A. Resolution 2017-01 to Proclaim May as Water Awareness Month.** The Board heard a presentation on water conservation activities and trends from Shawn Novack, Conservation Manager for the Water Resources Association of San Benito County. After discussion Director Holman moved for approval as submitted. Director Norton seconded. With a roll-call vote Resolution 2017-01 was approved unanimously with all directors present.
- B. Approval of Financial Reports for March:** Revenue and expenses for March reporting period were \$63,995.60 and \$82,365.45 respectively. Total assets are \$9.00 million. Total liabilities increased slightly to \$1.898 million making a net equity of \$7.10 million. The expenditures from March 22 to April 17, 2017 totaled \$82,365.45. At nine months into the fiscal year the District is slightly below budget in nearly every category. Water revenue in April is difficult to predict. President Leap had previously reviewed the expenditures. Director Norton moved to accept the financials as presented and Director Holman seconded. The financials were approved unanimously with all directors present.
- C. Adjourn to Closed Session-** As permitted by Govt. Code Sec. 54956.9, the Board held a closed session to discuss personnel matters.
- D. Return to Open Session-** Upon returning to open session Counsel Bosso stated there were no reportable statements or actions by the Board during closed session.

**X. FUTURE MEETINGS & AGENDA ITEMS:**

The next meeting would be the regularly scheduled meeting of May 23, 2017.

**XI. ADJOURNMENT - Pres. Leap adjourned the meeting at 8:42 PM until May 23, 2017.**

Read and approved by:

Attest:

\_\_\_\_\_  
Board President, Jim Leap

\_\_\_\_\_  
District Secretary, Mark Dias

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## Aromas Water District General Manager's Report April 2017

### PRODUCTION

Source	Production in Gallons	Average Daily Gal/Day	Days in Service
San Juan Well	2,630,420	119,565	22
Pleasant Acres Well	0	0	0
Carpenteria Well	2,776,000	106,769	26
<b>Total Production</b>	<b>5,406,420</b>	<b>180,214</b>	

### ANNUAL PRODUCTION IN MILLIONS/GALLONS:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	<b>2017</b>
January	5.84	5.99	5.68	6.49	5.83	5.77	7.33	5.34	8.11	5.99	5.195	<b>4.717</b>
February	6.12	5.46	5.55	5.38	5.09	5.43	5.81	5.40	5.42	5.48	4.687	<b>4.184</b>
March	5.10	7.99	8.40	6.72	6.34	5.61	5.62	7.37	6.43	7.06	4.797	<b>5.327</b>
April	5.34	10.58	11.95	9.97	6.07	7.46	5.55	9.93	7.42	7.49	5.801	<b>5.406</b>
May	11.56	14.57	14.58	12.42	9.77	10.58	9.94	12.74	11.81	7.93	8.332	
June	16.34	14.71	15.77	14.04	14.13	11.32	13.4	13.14	11.99	9.37	10.286	
July	18.07	16.91	16.02	16.31	14.35	13.41	14.1	14.82	12.59	10.01	10.915	
August	16.61	17.13	16.04	16.68	14.67	12.76	14.0	13.96	11.73	9.93	10.295	
September	14.78	14.27	14.34	13.71	13.28	12.02	11.8	12.79	10.39	9.74	9.701	
October	12.48	10.69	12.99	9.98	10.54	8.90	10.69	11.22	9.34	8.02	7.970	
November	8.41	8.06	7.71	8.36	6.62	6.01	6.83	8.91	5.88	5.37	5.299	
December	6.74	7.20	6.35	6.84	5.68	6.88	5.10	7.81	4.86	4.88	4.873	
Totals MG	127.42	133.6	135.38	126.9	112.37	106.15	110.17	123.42	105.97	91.27	88.152	<b>19.634</b>
Total AcFt	<b>391.1</b>	<b>410.0</b>	<b>415.4</b>	<b>389.4</b>	<b>344.8</b>	<b>325.7</b>	<b>338.05</b>	<b>378.7</b>	<b>325.16</b>	<b>280.05</b>	<b>270.49</b>	<b>60.245</b>

## OPERATIONS:

- There are 953 total meters, on 898 parcels
- Loss Production system wide has maintained below 6% for over eighteen+ months
- Carpenteria Well and San Juan Well are operational, Pleasant Acres has been off-line since 3/29/17, repair in process
- Water Treatment Plant- Removing Mn & Fe, results show Mn not detected in finished water
- Distribution testing for total Coliform- all samples Negative
- All Coliform, iron and manganese & monthly DWR reports were filed timely
- Backwashing WTP filters approximately every 5 +/- days, or 1.5 mg, all from San Juan Well
- Monthly Generator in house 15 minute testing under load.
- Monthly well-level monitoring (see attached chart)

## MAINTENANCE:

- Preventative maintenance as needed, minimal flushing as needed
- Graffiti removal whenever it occurs
- Chlorine chemical pump maintenance & analyzer maintenance at all wells
- Meter Replacement program is ongoing, nearly 40 manual read meters have recently been converted to radio reads.
- AWD continues to offer mulch to the community, located at our Carpenteria site, Cal-Fire began the annual Chipping Program at our Carpenteria site for 6 weeks; it has been highly successful, it ended on May 15<sup>th</sup>. CSDA is proposing to write an article in their newsletter to showcase the collaboration by CFD and AWD Special Districts.
- Warranty repair for Oakridge Tank by MPE's subcontractor Superior Tank is mostly complete, satisfactory solution to with agreement is still in process.
- VFD at San Juan Well failed during 2/17 storm event; the VFD was shipped out for repair; it was reinstalled on 4/7 and is back in service. The cost to repair and reinstall is \$5,631, this includes a two year warranty. Failure could be from power surges, waiting for requested documentation to determine if claim can be initiated.
- The Pleasant Acres Well was taken off line on 3/29 because the water recently contained large particle gravel pack sand; the concern was this could damage the pump, valves, etc. The pump and motor were removed from the well on 4/13/17 by Salinas Valley Pump. The well was videoed on 4/20, there is a hole in the 1/4" casing. The well casing was scrubbed and re-videoed on 4/28 to make certain there were no other holes. The pump and motor were sent out for inspection, the pumps are heavily pitted, needing replacement; the motor is fourteen years old and will be replaced. We can keep the old motor for an emergency backup. The hole will be repaired by placing a swage patch on the casing wall; this scheduled for early-mid June. This total repair will cost approximately \$40,000.
- The Seely Pumping Plant had a major event on 4/17. An 8" compression coupler failed, causing major flooding and equipment damage and loss. Pajaro Valley Electric contractors and West Valley Construction responded to restore power, SCADA and pipeline repairs. There was adequate water storage to maintain service to the areas affected, the plant was back in service by 8pm 4/19. At the time of this writing, most of the repairs are complete; we are waiting for carpenter work on ceiling and have been working with our insurance company for claim reimbursement.

**STAFF & BOARD RECOGNITION:**

- AGM Mark Dias represented the AWD at the May 7<sup>th</sup> Community Emergency Response Fair, it was a well attended event.
- Mark also had participated in the annual AHA sponsored Aromas Garden Tour on 5/13, showcasing the AWD drought tolerant garden; there were over 100 visitors.
- GM Morris and AGM Dias attended the ACWA JPIA Conference in Monterey on 5/10/17.

**SAFETY MEETINGS:** 4/26/17 Emergency Response recap to 4/17 event

**DROUGHT & CONSERVATION UPDATE:**

Governor Brown declared California in a Drought State of Emergency on Jan. 17<sup>th</sup> 2014; this drought declaration was rescinded on April 7, 2017 based on the above average rain and snowfall since October 2016.

The rains in water year (10/1/16-9/30/17) have been consistent and significant, recording **35.04** inches at Chittenden Pass through 04/17/2017.

**PROJECTS:**

**1. Shop Building.**

The potential construction of a 30ø x 50ø steel shop building at the Marshall site was under consideration in 2016 proved to greatly exceed our budget. Another option is to enlarge the footprint of the Blohm Avenue garage from existing 24ø x 16ø to a 32ø x 23ø new steel building. This would be adequate for secure parking of two trucks, storage mezzanine and work bench areas. AG Dias submitted a plot plan that depicted the septic reserve area to Monterey County Environmental Health; their response was promising. SSB prepared an estimate from their 4/18 site visit of approximately \$140,000 (see attached); **a comparison of the attributes of both the Marshall and Blohm site is also attached.**

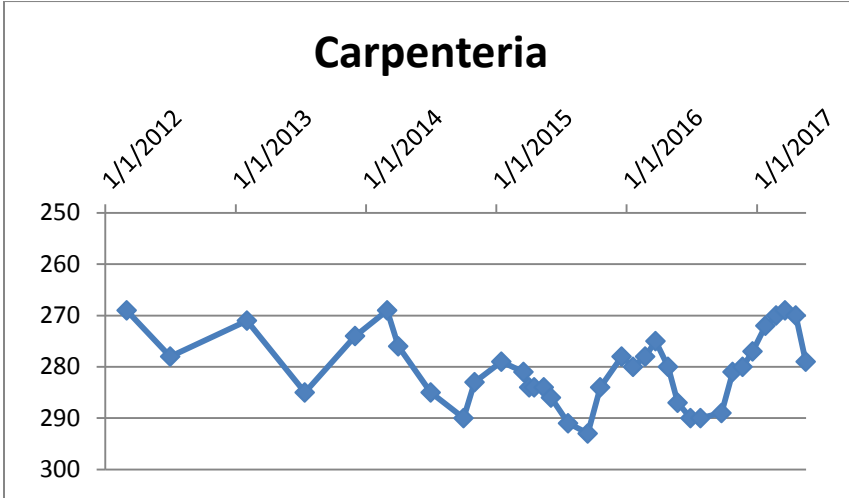
**2. Ad Hoc GSA committee**

Directors Leap and Smith continue to monitor developments around the need to form a GSA in the portion of our District that is located in the Pajaro Valley 3-02 PUMA, outside of PVWMAø GSA. The filing of the Alternative Plan request to DWR by PVWMA on 12/27/2016 may change the necessity of a GSA formation, the period is closed now for new comments, several pro & cons were received. AWD is awaiting DWR's response before any District action. AGM Dias continues discussions with PVWMA and DWR as necessary.

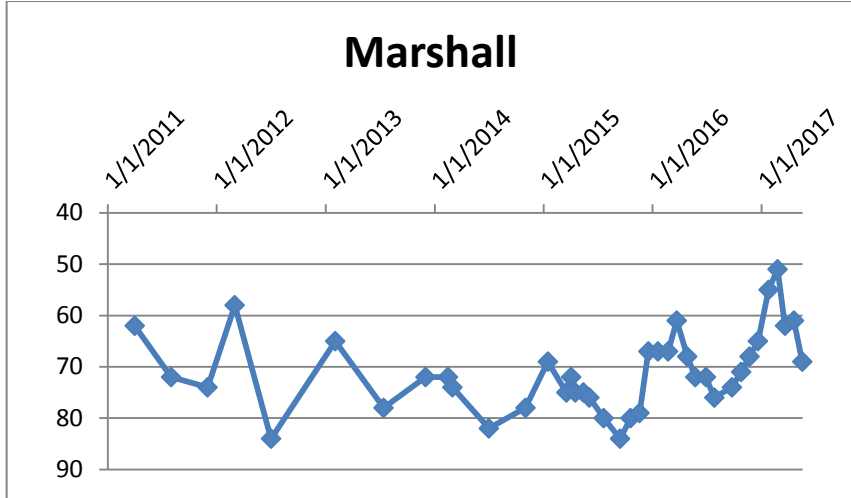
Vicki Morris  
General Manager  
May 17, 2017



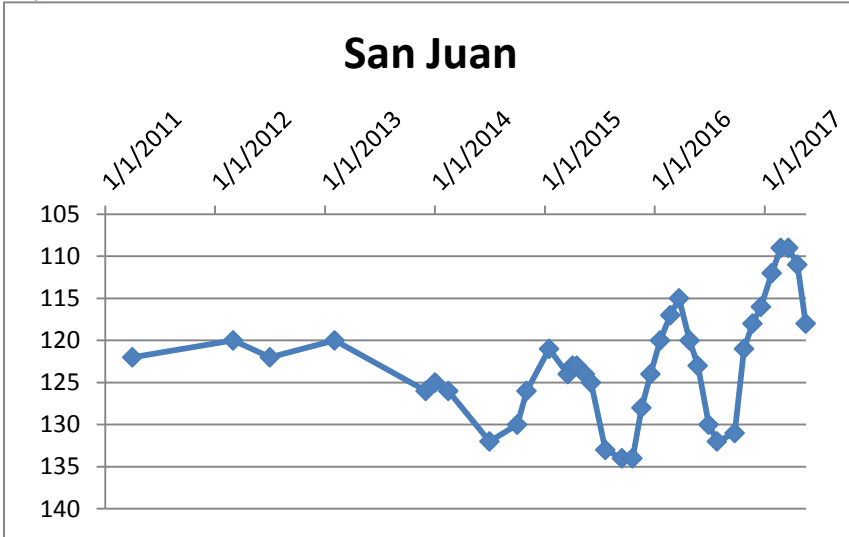
## Well Depth Charts - As Of May 16 2017



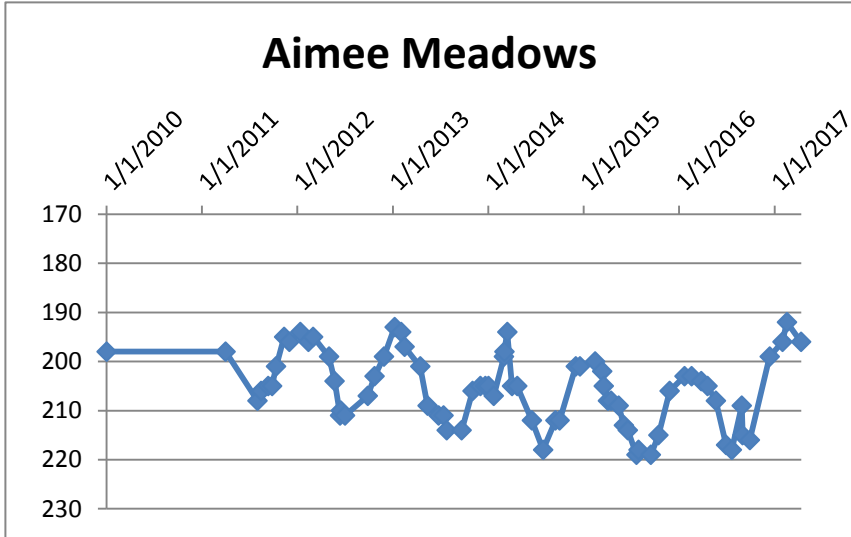
Carpenteria Well: Previous Read = 270 feet ; New Read = 279 feet



Marshall Well: Previous Read = 61 feet ; New Read = 69 feet



San Juan Well: Previous Read = 111 feet ; New Read = 118 feet



Aimee Meadows Well : Previous Reads - 2/16/2017 = 192 feet ; 4/11/2017 = 196 feet



design // build // general contractor

May 11, 2017

Ms. Vicki Morris  
Aromas Water District  
P.O. Box 388  
Aromas, CA 95004

RE: New Shop Building  
388 Blohm Avenue, Aromas, CA.

Dear Vicki,

Thank you for the opportunity to submit this budgetary proposal for the above referenced project as follows:

## SCOPE OF WORK

### **SITE WORK**

- Demo and dispose of existing wood building and concrete slab.
- Scarify, recompact and create subgrade for new 740sf building at an average 8" depth.
- Furnish, place and compact 6" of Class II baserock over 740sf.

### **CONCRETE**

Construct a 23' x 32' x 6" concrete building slab including #4 rebar at 12" centers.

### **METAL BUILDING**

Metal building 23' x 32' x 18' low eave height, single-slope pre-manufactured building with 26ga, factory finished (Kynar) roof and wall panels including:

- (1) Gravity ventilator
- 32' of factory finished fascia gutter with (1) downspout
- (2) 3' x 10' skylights
- (1) 3' x 7' hollow metal door
- (2) 12' x 12' roll-up sheet doors with chain hoist
- 3" of vinyl-faced roof insulation

### **MEZZANINE**

Construct a 10' wide x 32' long x 8' wood-framed mezzanine with plywood deck. This does not include railing or stairs.

**Aromas Water District**

May 11, 2017

Page Two

**ELECTRICAL**

- Furnish and install one 100amp meter/main.
- Furnish and install (4) 4' LED low bay light fixtures.
- Furnish and install (3) 32watt LED exterior wall packs for security lighting.
- Furnish and install (8) 120v convenience receptacles.

**TOTAL BUDGET: \$121,782.00****EXCLUSIONS**

1. Permits and Fees
2. Architectural Plans, Soils Report and Engineering
3. Builders Risk Insurance.
4. Hazardous materials abatement
5. Premium time
6. Retaining Wall
7. Floor Drains
8. Restrooms
9. Offices
10. Painting
11. Fire sprinklers
12. Phone, data and communication systems
13. Fire and security alarm systems
14. Anything not specifically mentioned

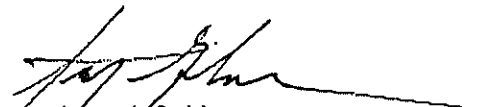
**Alternate**

Provide Architectural Plans (performed hourly), Soils Report, Foundation Engineering.

**Allowance: \$17,500**

This preliminary budget is subject to final engineered and approved drawings. If you have any questions, Vicki, please call our office.

Sincerely,  
SSB Construction



Stephen W. Goldman

## Marshall vs. Blohm Ave Site Comparison for Shop Building

FACTOR	Marshall	Blohm	Better site
Building size	<ul style="list-style-type: none"> <li>• Larger shop -- at least twice the size of Blohm site-- is probable. 50'x30' envisioned (1,500 sq ft.).</li> <li>• Larger building could allow for expansion to 3 employees/trucks</li> <li>• Larger work bench area</li> <li>• Room for trailers, generators, vaxcavator</li> </ul>	<ul style="list-style-type: none"> <li>• Smaller building at just 700 sq. ft.</li> <li>• Tight fit for trucks, smaller work bench</li> <li>• Requires stairs/mezzanine to create adequate storage space</li> <li>• No room for larger equipment like trailers, generators, vaxcavator. These would need to be stored at Marshall site</li> </ul>	<b>Marshall</b>
Septic	<ul style="list-style-type: none"> <li>• Required for bathroom</li> <li>• Soil testing needed in winter, <b>outcome unknown</b></li> <li>• Setbacks from: building, well, property lines, drainage-way</li> <li>• Adds time to conduct studies, septic engineering, septic permit</li> <li>• <b>Adds significant cost (approx \$35,000)</b></li> </ul>	<ul style="list-style-type: none"> <li>• No plumbing needed in building; operators to use existing bathrooms</li> <li>• Significant cost savings</li> </ul>	<b>Blohm</b>
Fire access	<ul style="list-style-type: none"> <li>• Requires paving from gate to shop plus turn-around or loop</li> <li>• <b>Adds very significant costs</b></li> </ul>	<ul style="list-style-type: none"> <li>• Good access. No additional paving costs.</li> </ul>	<b>Blohm</b>
Fire standards	<ul style="list-style-type: none"> <li>• Fire wall needed if 5' from property line</li> <li>• No fire wall needed if 10" from property line, but this pushes building towards PG&amp;E easement and limits septic area</li> </ul>	<ul style="list-style-type: none"> <li>• Unlikely</li> <li>• Need to confirm w/ Fire if existing setbacks at alleyway are OK</li> <li>• Need to confirm no fire sprinklers</li> </ul>	Blohm
Security	<ul style="list-style-type: none"> <li>• Isolated site; zero visibility from public roads.</li> <li>• Improved fencing and security features advisable</li> </ul>	<ul style="list-style-type: none"> <li>• High visibility site with close neighbors</li> <li>• Existing ADT security account can be used</li> </ul>	<b>Blohm</b>
Foundation soil testing and engineering	<ul style="list-style-type: none"> <li>• Required w/ engineering/professional costs</li> <li>• Outcome unknown; results may require changes in location or increased foundation costs</li> <li>• Adds time and costs to project</li> </ul>	<ul style="list-style-type: none"> <li>• Possibly no testing needed since vast majority of footprint already paved.</li> <li>• Otherwise same as Marshall site but at smaller scale</li> </ul>	Blohm?
Other constraints	<ul style="list-style-type: none"> <li>• PG&amp;E easement for overhead lines through center of property which limits building location and constrains septic options</li> <li>• Two very large Eucalyptus on adj lot w/ branches overhanging site. Tree trimming required. Damage to building if trees fall.</li> <li>• Existing well creates 100' septic setback</li> <li>• Existing building sits on it's own small lot/parcel creating property line setbacks from shop and future septic system</li> </ul>	<ul style="list-style-type: none"> <li>• Protective bollards advisable along alleyway and front corner</li> <li>• Future septic repair area would require removal of garden, however this would be needed with or without shop.</li> </ul>	<b>Blohm</b>
Permit fees	<ul style="list-style-type: none"> <li>• Modestly higher for larger building with plumbing, bathroom</li> </ul>	<ul style="list-style-type: none"> <li>• Slightly lower</li> </ul>	Blohm
Other	<ul style="list-style-type: none"> <li>• Rural residential zoning (possible zoning conflicts?)</li> <li>• Possible loss of site as long-term option for future replacement well.</li> </ul>	<ul style="list-style-type: none"> <li>• Compatible w/ commercial zoning. Crew can arrive to work at headquarters. Overall lower overhead and operating costs. Allows usage of space taken up by a defunct/moldy garage.</li> </ul>	<b>Blohm</b>
<b>COST</b> \$200,000 budgeted	<ul style="list-style-type: none"> <li>• Approx \$80,000 to \$95,000 over budget <u>without</u> paving</li> <li>• Possibly \$150,000 over budget <u>with</u> paving</li> </ul>	<ul style="list-style-type: none"> <li>• <b>\$60,000 under budget</b> <u>with</u> soil tests, engineering and architectural</li> <li>• Allows for unanticipated costs for unknowns</li> <li>• Remaining budget can be used for other site improvements</li> </ul>	<b>Blohm</b>

## CORRESPONDENCE LIST: 04/20/2017 - 05/17/17

DATE:	TYPE	TO:	FROM:	SUBJECT:
4/20/17	M	Senator A. Cannella	V. Morris, AWD	Opposition to SB 496; contract indemnity for design professionals (engineers, architects)
4/24/17	E	SWRCB, Drinking Water Prgm	V. Morris, AWD	Submittal: monthly Total Coliform Report-Apr
4/25/17	M	Chief R. DiTullio, Aromas Fire	James Leap, AWD	Appreciation for Fire Dept response to Seely main break incident
4/28/17	M	M. Dias, AWD	SWRCB, Water Prgm	Passing of D1 Distribution Operator Exam
4/28/17	E	AWD, Dist. Counsel, Dist. Engineer, MPE Engineers	L. Marquez, Superior Tank	Oakridge Tank: possible 2 year extension of warranty for edge of tank.
4/28/17	M	V. Morris, AWD	Union Bank	Increase of transaction fees to standard prices
5/3/17	E	SWRCB, Drinking Water Program	V. Morris, AWD	Submittal: monthly Treatment Report- Apr
5/5/17	E	ACWA- JPIA	V. Morris, AWD	Submittal: Liability Prg Renewal Questionnaire
5/5/17	E	V. Morris, AWD	C. Mead, Soquel Creek	Court case requiring Cal SWRCB to reconsider MCL for Chromium VI
5/10/17	M	Staff at AWD	Departing customer at 20140 Rock Springs Ln	Thank you letter for great service
5/11/17	M	V. Morris, AWD	Internal Revenue Srvc	45-day review of AWD Form 941 requesting payroll penalty waiver due to Pinnacle closure
5/11/17	FAX	V. Morris, AWD	Salinas Steel Builders	Cost estimates for shop building @ 388 Blohm
5/11/17	E	V. Morris, AWD	NBS Gov	Receipt of costs and balance of CFD 98-1 Fund
5/12/17	E	AWD	Shaun Smith, student	Interest in potential operator internship
5/15/17	E	SWRCB, Drinking Water Prgm	V. Morris, AWD	Submittal: monthly Total Coliform Report-May
5/16/17	E	CSDA Member Services	V. Morris, AWD	Background and photos for pending CSDA article regarding chipping/mulch program
5/16/17	E	ACWA JPIA property insurance	V. Morris, AWD	Claim list and invoices for damages/costs from Seely pipe failure on April 17, 2017.
5/17/17	E	EdgePoint	L. Coombes, AWD	Response to Records Request for all outstanding checks or overpaid taxes >\$1,000.

# AROMAS WATER DISTRICT

## Staff Report

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**To:** Board of Directors  
**RE:** **Item IX A- Contract with Fedak & Brown LLP**  
**Date:** May 17, 2017

### **History:**

The Board of Directors is charged with the fiduciary responsibility to oversee and protect the assets of the District. The District has been under contract with Berger Lewis Accountancy and then subsequently Armanino for the legally required annual auditing of the financial records of the District since 2006. They are closing their Santa Cruz branch and no longer going to handle our agency. Mr. Rob Smiley has done an excellent presentation over these past ten years. We have contacted several firms for estimates on costs; and have met with and chosen this firm.

These annual Financial Statements are the relied upon source of information detailing the financial condition of the District. They are utilized by our creditors, bondholders, and our state and county regulators.

### **Current Proposal:**

Attached is the proposal for audit services from Fedak & Brown, LLP. This audit firm is based in Riverside, CA, however they have received excellent recommendations from several local Special Districts who use their services (Soquel Creek WD, Scotts Valley WD, San Lorenzo WD). This contract is for the financial audit of AWD financial statements for our fiscal years: 2016-2017, 2017-2018 & 2018-2019 in the amounts of \$11,000, \$11,125 and \$11,750 respectively, and optional years 2019-20 & 2020-21 for \$12,375 and \$13,000. There is additionally a maximum of \$500 per year for expenses like travel, postage & printing.

These include site visits, board meetings and the CalPERS actuarial computation for accrued liability.

### **Recommendation:**

Review, discuss and authorize approval of new contract with Fedak & Brown, LLP for the following three years: 2016-2017, 2017-2018 & 2018-2019 in the amounts of \$11,000, \$11,125 and \$11,750 respectively.

Vicki Morris ó General Manager  
Phone (831) 726-5071  
Fax (831) 726-3951  
Email- [aromaswd@aol.com](mailto:aromaswd@aol.com)

# **Cost Proposal for Financial Audit Services**

## **Aromas Water District**

**Prepared by:**

**Fedak & Brown LLP**

Certified Public Accountants  
Riverside, California & Cypress, California  
(951) 977-9888      (657) 214-2307



**Contact Person:**

Christopher J. Brown, CPA, CGMA, Partner  
[chris@fedakbrownllp.com](mailto:chris@fedakbrownllp.com)



Charles Z. Fedak, CPA, MBA  
Christopher J. Brown, CPA, CGMA  
Jonathan P. Abadesco, CPA

# Fedak & Brown LLP

Certified Public Accountants

Cypress Office:  
6081 Orange Avenue  
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(657) 214-2307  
FAX (714) 527-9154

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4204 Riverwalk Pkwy. Ste. 390  
Riverside, California 92505  
(951) 977-9888

March 10, 2017

Ms. Vicki Morris, General Manager  
Aromas Water District  
388 Blohm Avenue  
P.O. Box 388  
Aromas, California 95004

**Re: Request for Proposal for Financial Audit Services**

Dear Ms. Morris:

Based on our understanding of the Aromas Water District (District) requirements, our all-inclusive fee for audit services at our discounted rates for the fiscal year ending June 30, 2017 will be **\$11,000**. This fee is based on our understanding of the District's audit requirements.

Assuming there is no substantial change in the District's activities and operations, our all-inclusive fee for audit services for the fiscal years ending June 30, 2018 through 2019, and optional years 2020 and 2021 will be **\$11,125**, **\$11,750**, **\$12,375** and **\$13,000**, respectively.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the District.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the District.

\_\_\_\_\_  
Christopher J. Brown, CPA CGMA

April 26, 2017

Date



## Exhibit I – Proposed Hours and Our Fees

### Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2017 through 2019, and optional fiscal years 2020 and 2021, the audit of the District will require approximately 125 audit hours. These hours, by major area, are summarized as follows:

Breakout of Audit Hours					
Audit Steps	Partner	Manager	Supervisor	Staff	Total
Planning	2	2	2	2	8
Controls Testwork	2	6	8	20	36
Substantive Testwork	4	6	10	20	40
Reporting	12	6	15	8	41
	20	20	35	50	125

As shown above, we expect approximately 32% of engagement hours to come from the Partners and Managers assigned to the engagements.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the fiscal years ending June 30, 2017 through 2019, and optional years 2020 and 2021, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for a minimum of seven years and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 3 through 4 of this cost proposal.

We want the Board to understand that we will provide any assistance and answer any questions that the District's staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District's activities and issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts, we will provide you with accounting updates (GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

## Exhibit II – Schedule of Professional Fees

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### Aromas Water District

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<u>Engagement Years</u>	<u>Audit Service Fees</u>	<u>Out of Pocket Costs</u>	<u>Total Audit Fee</u>
Fiscal Year 2017	\$ 10,500	500	11,000
Fiscal Year 2018	10,625	500	11,125
Fiscal Year 2019	<u>11,250</u>	<u>500</u>	<u>11,750</u>
Total	\$ <u><u>32,375</u></u>	<u><u>1,500</u></u>	<u><u>33,875</u></u>
<u>Optional Years</u>			
Fiscal Year 2020	\$ <u>11,875</u>	<u>500</u>	<u>12,375</u>
Fiscal Year 2021	\$ <u>12,500</u>	<u>500</u>	<u>13,000</u>

## Exhibit III – Schedule of Fees by Hours, continued

<b>Aromas Water District Fiscal Year 2017</b>
---

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2017 Audit of: District's Annual Financial Report</b>			
Partner – Engagement & Technical	20	\$ 120	\$ 2,400
Manager	20	90	1,800
Supervisor	35	80	2,800
Staff	50	70	3,500
<b>Total Financial Statement Audit for 2017</b>	125		<b>10,500</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>			<b>500</b>
<b>Total Audit for 2017</b>			<b>\$ 11,000</b>

<b>Aromas Water District Fiscal Year 2018</b>
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	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2018 Audit of: District's Annual Financial Report</b>			
Partner – Engagement & Technical	20	\$ 121	\$ 2,420
Manager	20	91	1,820
Supervisor	35	81	2,835
Staff	50	71	3,550
<b>Total Financial Statement Audit for 2018</b>	125		<b>10,625</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>			<b>500</b>
<b>Total Audit for 2018</b>			<b>\$ 11,125</b>

<b>Aromas Water District Fiscal Year 2019</b>
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	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2019 Audit of: District's Annual Financial Report</b>			
Partner – Engagement & Technical	20	\$ 126	\$ 2,520
Manager	20	96	1,920
Supervisor	35	86	3,010
Staff	50	76	3,800
<b>Total Financial Statement Audit for 2019</b>	125		<b>11,250</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>			<b>500</b>
<b>Total Audit for 2019</b>			<b>\$ 11,750</b>

## Exhibit III – Schedule of Fees by Hours, continued

Aromas Water District Optional - Fiscal Year 2020				
Fiscal Year 2020 Audit of:	<u>Hours</u>		<u>Hourly</u> <u>Rates</u>	<u>Total</u>
<b>District's Annual Financial Report</b>				
Partner – Engagement & Technical	20	\$	131	\$ 2,620
Manager	20		101	2,020
Supervisor	35		91	3,185
Staff	50		81	4,050
<b>Total Financial Statement Audit for 2020</b>	<u>125</u>			<u>11,875</u>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>				<u>500</u>
<b>Total Audit for 2020</b>				<u>\$ 12,375</u>

Aromas Water District Optional - Fiscal Year 2021				
Fiscal Year 2021 Audit of:	<u>Hours</u>		<u>Hourly</u> <u>Rates</u>	<u>Total</u>
<b>District's Annual Financial Report</b>				
Partner – Engagement & Technical	20	\$	136	\$ 2,720
Manager	20		106	2,120
Supervisor	35		96	3,360
Staff	50		86	4,300
<b>Total Financial Statement Audit for 2021</b>	<u>125</u>			<u>12,500</u>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>				<u>500</u>
<b>Total Audit for 2021</b>				<u>\$ 13,000</u>

# AROMAS WATER DISTRICT

## Staff Report

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**TO:** Board of Directors  
**RE:** **Item IX B: 2017-2018 Expense Budget**  
**DATE:** May 17, 2017

### **History:**

The Proposed Expense Budget is adopted annually by the Board of Directors as the financial guide for District expenses. This includes all recurring annual income and expenses. The Capital Budget for new fixed assets and improvements will be presented in June 2017.

We remain committed to prudent and frugal expense management; new water rates took effect in November 2014; the fourth year of the five year increase will be implemented July 2017. Due to the drought and the >25% rate of water conservation and subsequent reduction in revenue, the building of the capital reserve has not been as vigorous as planned.

### **Current Proposal:**

#### **Expense Budget 2017-2018:**

This report shows actual revenue and expenses for the years, 2013, 2014, 2015, 2016, the adopted 2016-2017 Budget, the actual for the first 10 months of 2016-17 and the proposed 2017-2018 Expense Budget.

Total Revenue is an estimated, \$1,048,290; this includes the water revenue, one connection, property taxes and miscellaneous interest and grants. The water usage is anticipated to be approximately the same this year; the water rate increase of approximately 4.5% will go into effect on July 1, 2017.

Changes to the Expenses from the 2016-2017 Budget are line item estimated; expenses including a considerable increase in the depreciation reserve savings to \$240,000. The planned changes to personnel will reduce the payroll costs. The itemization of employee costs is also attached. Total expenditures, less the depreciation reserve, are \$58,000 less than 2016-17.

### **Recommendation:**

Board Directors Leap and Smith will report on the ad hoc Budget/Personnel committee meeting with GM Morris, AGM Dias and Ms. Coombes of May 19<sup>th</sup> and give their recommendation to the board members. Their comments and yours will be solicited to amend or adopt the proposed Expense Budget of \$1,048,290 for the fiscal year 2017-2018.

Vicki Morris – General Manager  
Phone (831) 726-5071  
Email- [aromaswd@aol.com](mailto:aromaswd@aol.com)

AROMAS WATER DISTRICT EXPENSE BUDGETS	2012-2013	2013 - 2014	2014 - 2015	2015- 2016	ADOPTED 2016-2017 BUDGET	THROUGH 4.30.2017	PROPOSED 2017- 2018 BUDGET
	Actual	Actual	Actual	Actual		ACTUAL	
<b>REVENUE</b>							
303 · Water Revenue	813,066	837,363	804,767	889,600	925,000	751,074	<b>960,000</b>
307 · Bulk Water	17,793	15,455	17,437	3,282	1,000	960	<b>1,000</b>
302 · Connection	-	43,372	576,626	12,790	12,790	-	<b>12,790</b>
301 · Taxes Rcvd	49,103	52,689	62,290	60,805	68,000	63,695	<b>66,000</b>
304 · Misc Income	13,470	4,483	6,995	4,233	2,500	1,200	<b>1,000</b>
306 · Interest	1,829	1,019	1,771	3,465	5,000	4,639	<b>6,000</b>
312 · Grant Revenue	0	4,311	2,014	675	2,000	1,000	<b>1,500</b>
<b>Total Revenue</b>	<b>895,261</b>	<b>958,692</b>	<b>1,471,900</b>	<b>974,850</b>	<b>1,016,290</b>	<b>822,568</b>	<b>\$ 1,048,290</b>
<b>EXPENSES</b>							
<b>Administrative &amp; General</b>							
467 - Depreciation/Reserve	320,517	353,845	360,462	423,928	150,000	125,000	<b>240,000</b>
405 · Election	5,213	-	550	0	-	400	<b>-</b>
406 · Liability Ins	17,416	12,044	17,109	18,070	19,000	5,383	<b>20,000</b>
417 · Interest Pymt	68,898	62,891	87,432	46,161	41,400	36,033	<b>38,400</b>
420 · Legal Fees	13,200	13,225	14,400	15,000	15,600	12,500	<b>16,000</b>
423 · Litigation Contgncy	0	0	0	0	10,000	-	<b>10,000</b>
422 · Bank Charges	2,395	1,250	1,127	1,594	1,500	789	<b>2,000</b>
425 · Audit	6,250	6,475	6,725	11,000	9,000	12,350	<b>11,500</b>
471 · Bad Debts	120	167	66	2	1,500	1,151	<b>400</b>
473 · Memberships	12,775	12,618	12,886	14,140	15,000	15,022	<b>15,000</b>
<b>Total Administrative &amp; General</b>	<b>446,784</b>	<b>462,515</b>	<b>500,757</b>	<b>529,894</b>	<b>263,000</b>	<b>208,629</b>	<b>353,300</b>
<b>Communications</b>							
455 · Phone, Off	3,894	3,290	3,455	3,334	3,700	3,157	<b>3,800</b>
456 · Telemetry	3,535	3,430	3,477	4,183	3,600	2,997	<b>3,600</b>
457 · Answ Serv/Cellular P	2,350	2,554	3,131	2,387	3,500	2,816	<b>3,600</b>
<b>Total Communications</b>	<b>9,779</b>	<b>9,274</b>	<b>10,063</b>	<b>9,905</b>	<b>10,800</b>	<b>8,970</b>	<b>11,000</b>
<b>Payroll</b>							
Gross	315,624	327,434	315,260	314,876	387,000	312,728	<b>350,000</b>
Comp FICA	19,682	20,578	19,465	19,479	24,000	19,564	<b>22,000</b>
Comp MCARE	4,603	4,813	4,552	4,556	5,600	4,575	<b>5,100</b>
Comp SUI & SDI	3,255	3,195	2,737	2,705	3,200	1,763	<b>4,500</b>
<b>Total Payroll</b>	<b>343,164</b>	<b>356,020</b>	<b>342,014</b>	<b>341,615</b>	<b>419,800</b>	<b>338,630</b>	<b>381,600</b>
<b>Employee Costs</b>							
407 · Outside Services	4,516	5,174	6,481	5,145	6,000	4,023	<b>6,000</b>
408 · Uniform Allowance	406	300	1,553	1,277	1,000	721	<b>1,000</b>
409 · Workers Comp	6,660	5,251	6,392	5,922	9,900	6,319	<b>8,500</b>
410 · Health Ins	47,599	50,610	52,948	58,837	73,000	60,034	<b>56,000</b>
474 · Education	2,650	3,615	4,677	4,958	6,000	3,323	<b>6,000</b>
477 · Retirement Contrib	48,347	50,260	43,150	55,731	62,700	51,713	<b>62,000</b>
<b>Total Employee Costs</b>	<b>110,178</b>	<b>115,210</b>	<b>115,201</b>	<b>131,870</b>	<b>158,600</b>	<b>126,134</b>	<b>139,500</b>

	2012-2013	2013 - 2014	2014-2015	2015 - 2016	ADOPTED 2016-2017 BUDGET	THROUGH 4.30.2017	PROPOSED 2017- 2018 BUDGET
Office	Actual	Actual	Actual	Actual		Actuals to 4/30	PROPOSED
411 · Office Rent	6,300	-	-	-			-
440 · Misc Exp	2,219	2,900	2,717	3,723	3,000	4,131	4,000
444 · Postage	4,148	4,755	4,255	4,310	4,500	2,719	4,000
445 · Office Supplies	3,384	4,811	4,703	4,839	4,500	3,143	4,000
446 · Office Eqpmt Maint	3,747	9,177	6,541	6,663	5,000	3,071	5,000
<b>Total Office</b>	19,798	21,643	18,216	19,534	17,000	13,064	17,000
<b>Operations</b>							
403 · Fuel	9,870	10,500	7,985	7,804	8,000	6,429	8,000
404 · Truck Maint	2,235	1,972	3,824	4,950	5,000	2,282	4,500
431 · System Repair & Mai	43,284	59,220	47,583	40,817	58,000	50,103	60,000
463 · Water Analysis	4,276	3,153	6,075	2,980	6,000	7,131	4,500
464 · Water Treatment	7,189	9,939	7,821	7,148	8,500	5,894	8,000
468 · Tools	1,276	2,488	3,895	7,449	5,000	4,267	5,000
470 · PR/Annex/Conserv	2,268	75	170	-190	5,000	1,795	5,000
<b>Total Operations</b>	70,398	87,347	77,353	70,958	95,500	77,900	95,000
<b>Power</b>							
449.75 388 Blohm #C	125	154	53	148	120	171	200
449.5-388 Blohm A & B	1,274	1,563	1,431	1,637	1,500	1,323	1,600
447 · Leo Ln Booster	116	242	227	309	375	323	400
448 · Aimee Mdws Well	117	121	116	124	130	96	120
449 · Old Office, Pwr	386	-	-	-	-	-	-
451 · Marshall Corp Yard	487	538	451	360	550	263	400
452 · Rea Booster @ Seely	859	363	724	598	515	454	500
454 · Carr Booster	4,573	5,693	4,350	4,423	4,500	3,670	4,600
458 · Pleasant Acres Well	1,742	1,648	1,986	1,655	4,000	4,171	6,000
459 · Seely Pump & Carpe	38,700	35,440	27,038	125	300	60	300
460 · San Juan Well	45,669	55,854	39,382	44,744	39,000	26,976	35,000
461.5 RLS Tank	220	124	116	124	150	96	120
461 · Cole Tank	138	145	145	146	150	118	150
462 · Rea Tank	141	147	147	161	150	120	150
465 · Lwr Oakridge Bstr	-	-	-	-	-		600
465.5 · Upr Oakridge Bstr	-	-	-	-	-		600
466 · Pine Tree Tank	139	146	156	134	150	118	150
<b>Total Power</b>	94,686	102,178	76,322	54,688	51,590	37,960	50,890
<b>TOTAL EXP</b>	1,094,787	1,154,187	1,139,926	1,158,464	1,016,290	811,287	1,048,290
<b>NET INCOME</b>	(199,526)	(195,495)	331,974	(183,614)	-	11,281	0
Add back in Depreciation	320,517	353,845	360,462	423,928	150,000	125,000	240,000
Net incl. Depreciation	120,991	158,350	692,436	240,314	150,000	136,281	240,000

JobTitle	Yrs w/ AWD	Hrs p/ yr	2016 -		Proposed	PROPOSED 2017-2018	FICA	MCare	SDI 1.0%	Health	CalPERS	Workers Comp
			2017 Hourly	Annual 2016-2017	Hourly 2017-18				SUI 6.2%			
							6.20%	1.45%	<7000		8.921%	
Gen Mgr -	25	thru 8/2017 + vacation		\$ 114,526	salary	\$ 33,000	2,046	479	504	5,325	2,944	515
Ex-Gen Mgr VM on-call		150			\$ 55.00	\$ 8,250	512	120	0	0	0	129
Assnt Gen Mgr -	1	2080+		\$ 77,000	salary	\$ 83,160	5,156	1,206	504	10,680	7,419	1297
												1.56 WC rate
Spec Projects		175		\$ 6,000	\$ -	\$ -	0	0	0	0	0	0
Administrative Assistant	2	1248	\$ 20.40	\$ 25,459	\$ 22.44	\$ 28,005	1,736	406	504	0	1,830	146
												0.52 W/C rate
Accounting-	1	1248	\$ 15.45	\$ 14,090	\$ 17.00	\$ 21,210	1,315	308	504	0	1,386	110
												0.52 WC rate
Cust Serv -new hire 7/25/17	0	1135			\$ 15.00	\$ 17,025	1,056	247	504	0	1,112	89
Chief Operator I	11	2080	\$ 34.84	\$ 72,467	\$ 37.63	\$ 78,265	4,852	1,135	504	28,800	6,982	3600
												4.6 WC rate
												0.52 WC rateDir
												0.52 WC rateDir
												0.52 WC rateDir
o/call & OT		220	\$ 34.84	\$ 7,665		\$ 8,278	513	120			738	381
												4.6 WC rate
Operator II	3	2080	\$ 24.20	\$ 50,336	\$ 25.65	\$ 53,356	3,308	774	504	10,680	3,486	2454
												4.6 WC rate
												0.52 WC rateDir
o/call & OT		220	\$ 24.20	\$ 5,324		\$ 5,643	350	82			369	260
												4.6 WC rate
yrs of serv	43											0.52 WC rateDir
Directors (5)	40	72	\$ 225.00	\$ 13,500	\$ 230.00	\$ 13,800	856	200	994	0	0	72
+CalPERS addl unfunded liab											35,624	0
Interns					\$ -						0	100
	83			\$ 386,368		\$ 349,992	21,700	5,075	4,522	55,485	61,889	9,152
							ee contrib	4.20%	1.45%	1.20%	20% co-py	7.00%



Aromas Water District  
 Balance Sheet Prev Year Comparison  
 As of April 30, 2017

	Apr 30, 17	Apr 30, 16
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
UB Checking	37,230.06	65,615.65
Petty Cash	100.00	100.00
UB Bk Money Market xxxx7853	141,592.18	162,396.83
LAIF-State of Ca xx-05	782,670.33	777,386.11
Total Checking/Savings	961,592.57	1,005,498.59
Other Current Assets		
Prepaid Insurance	7,709.85	10,634.72
128 · Inventory	21,549.46	25,665.96
1200.1 · Accounts Receivable--UBMax	72,356.55	67,086.69
1201.9 · Less Allowance for doubtful Acc	-500.00	-500.00
Total Other Current Assets	101,115.86	102,887.37
Total Current Assets	1,062,708.43	1,108,385.96
Fixed Assets		
1900 · Water System	11,517,057.54	11,175,029.09
1910 · Construction in Progress	821.50	0.00
1915 · Office Building & Improvements	389,467.80	387,260.80
1970 · Office Equipment & Fixtures	93,652.04	93,467.05
1980 · District Vehicles	75,615.22	75,349.31
1990 · Land and Easements	330,195.78	330,195.78
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	-4,660,302.75	-4,211,374.75
Total Fixed Assets	7,747,507.13	7,850,927.28
Other Assets		
Deferred Outflow of Resources	87,849.00	21,836.00
LoanBrokerageFees	15,000.00	53,000.00
Accumulated Amortiz-loan fees	-1,625.00	-38,125.00
Deposits		
ACWA Deposit	2,080.80	2,080.80
Total Deposits	2,080.80	2,080.80
Total Other Assets	103,304.80	38,791.80
<b>TOTAL ASSETS</b>	<b>8,913,520.36</b>	<b>8,998,105.04</b>

Aromas Water District  
 Balance Sheet Prev Year Comparison  
 As of April 30, 2017

	Apr 30, 17	Apr 30, 16
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - Accounts Payable	3,110.05	85,243.20
Total Accounts Payable	3,110.05	85,243.20
Credit Cards		
First Bankcard - L Coombes #92	98.65	0.00
First Bankcard -- T. Zelmar #67	309.83	157.28
Valero - Fuel	339.90	397.59
First Bankcard -- D DeAlba #35	68.06	-56.44
First Bankcard -- V Morris #24	204.49	100.99
Total Credit Cards	1,020.93	599.42
Other Current Liabilities		
2100 - Payroll Liabilities	-9,807.02	0.00
City National Bank - Current	105,477.00	0.00
Deferred Inflows- Actuarial	48,026.00	71,476.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	4,000.00	4,000.00
Hydrant Meter Deposit	150.00	150.00
Total CUSTOMER DEPOSITS	4,150.00	4,150.00
Accrued Vacation Payable	17,011.82	17,274.27
Payroll Taxes Payable		
State Payroll Taxes Payable		
Payroll-SWHCA	125.85	0.00
Total State Payroll Taxes Payable	125.85	0.00
Total Payroll Taxes Payable	125.85	0.00
PVWMA Payable	7,412.53	7,587.26
Total Other Current Liabilities	172,396.18	100,487.53
Total Current Liabilities	176,527.16	186,330.15
Long Term Liabilities		
GASB 68 Pension Liability	436,183.00	436,144.00
City National Bank	1,212,273.51	1,423,227.52
Total Long Term Liabilities	1,648,456.51	1,859,371.52
Total Liabilities	1,824,983.67	2,045,701.67
Equity		
Investment in Capital Assets	6,396,001.53	6,346,397.53
Unrestricted Net Assets	3,285,112.44	558,909.25
Allocation of Net Assets	-2,588,320.07	0.00
Net Income	-4,257.21	47,096.59
Total Equity	7,088,536.69	6,952,403.37
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>8,913,520.36</b>	<b>8,998,105.04</b>

Aromas Water District  
Profit & Loss Budget Performance

April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	60,326.07	65,000.00	751,073.75	750,000.00	925,000.00
307 · Bulk Water	87.56	100.00	960.30	800.00	1,000.00
302 · Connection	0.00	0.00	0.00	0.00	12,790.00
301 · Taxes Rcvd	11,646.46	17,000.00	49,203.53	50,000.00	68,000.00
304 · Misc Income	0.00	205.00	1,200.00	2,080.00	2,500.00
306 · Interest	583.47	420.00	4,687.47	4,160.00	5,000.00
312 · Grant Revenue	0.00	0.00	1,000.00	1,000.00	2,000.00
Total Income	72,643.56	82,725.00	808,125.05	808,040.00	1,016,290.00
Gross Profit	72,643.56	82,725.00	808,125.05	808,040.00	1,016,290.00
Expense					
Operations					
403 · Fuel	546.74	670.00	6,429.28	6,660.00	8,000.00
404 · Truck Maint	15.00	500.00	2,281.88	4,250.00	5,000.00
431 · System Repair & Maint	3,534.45	5,000.00	50,102.79	48,000.00	58,000.00
463 · Water Analysis	256.00	400.00	7,131.00	5,200.00	6,000.00
464 · Water Treatment	0.00	700.00	5,893.66	7,000.00	8,500.00
468 · Tools	672.51	500.00	4,266.71	4,000.00	5,000.00
470 · Annexation/EIR/Planning	0.00	0.00	1,795.00	3,750.00	5,000.00
Total Operations	5,024.70	7,770.00	77,900.32	78,860.00	95,500.00
Power					
449.75 · 388 Blohm, # C	3.30	10.00	171.33	100.00	120.00
449.5 · 388 Blohm, A & B Office	129.68	125.00	1,323.09	1,250.00	1,500.00
461.5 · RLS Tank Booster	9.86	13.00	95.59	124.00	150.00
447 · Leo Ln Booster	32.23	15.00	322.80	145.00	175.00
448 · Aimee Mdws Well	10.51	11.00	96.01	108.00	130.00
451 · Marshall Corp Yard	27.70	60.00	263.11	430.00	550.00
452 · Rea Booster @ Seely	37.96	60.00	453.50	580.00	700.00
454 · Carr Booster	427.43	400.00	3,670.30	3,600.00	4,500.00
458 · Pleasant Acres Well	1,138.12	500.00	4,171.21	3,000.00	4,000.00
459 · Seely Booster @ Carpent...	21.03	25.00	60.40	250.00	300.00
460 · San Juan Well	2,055.91	3,500.00	26,976.34	32,000.00	39,000.00
461 · Cole Tank	13.10	13.00	117.72	124.00	150.00
462 · Rea Tank	13.08	13.00	120.02	124.00	150.00
466 · Pine Tree Tank	12.87	13.00	118.36	124.00	150.00
Total Power	3,932.78	4,758.00	37,959.78	41,959.00	51,575.00
Payroll					
Gross	30,485.55	33,000.00	312,670.06	321,000.00	387,000.00
Comp FICA	1,886.51	2,000.00	19,564.86	20,000.00	24,000.00
Comp MCARE	441.17	470.00	4,575.65	4,660.00	5,600.00
Comp SUI	96.50	270.00	1,763.49	2,660.00	3,200.00
Total Payroll	32,909.73	35,740.00	338,574.06	348,320.00	419,800.00
Employee Costs					
407 · Outside Services	179.25	500.00	4,023.30	5,000.00	6,000.00
408 · Uniform Allowance	172.97	85.00	721.35	850.00	1,000.00
409 · Workers Comp	604.00	900.00	6,319.35	8,100.00	9,915.00
410 · Health Ins	6,596.92	6,600.00	60,034.10	59,800.00	73,000.00
474 · Education	902.50	500.00	3,322.98	5,000.00	6,000.00
477 · Retirement	4,982.53	5,300.00	52,808.84	52,200.00	62,700.00
Total Employee Costs	13,438.17	13,885.00	127,229.92	130,950.00	158,615.00

Aromas Water District  
Profit & Loss Budget Performance  
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
<b>Office</b>					
440 · Misc Exp	290.11	250.00	4,119.62	2,500.00	3,000.00
444 · Postage	267.05	400.00	2,718.75	3,700.00	4,500.00
445 · Office Supplies	59.50	550.00	3,143.42	3,700.00	4,500.00
446 · Office Eqpmt and Maint	358.30	400.00	3,082.12	4,000.00	5,000.00
<b>Total Office</b>	<b>974.96</b>	<b>1,600.00</b>	<b>13,063.91</b>	<b>13,900.00</b>	<b>17,000.00</b>
<b>Communications</b>					
455 · Phone, Off	323.74	310.00	3,156.69	3,080.00	3,700.00
456 · Telemetry	298.36	305.00	2,997.21	2,990.00	3,600.00
457 · Answ Serv/Cellular Phone	276.97	300.00	2,815.96	2,900.00	3,500.00
<b>Total Communications</b>	<b>899.07</b>	<b>915.00</b>	<b>8,969.86</b>	<b>8,970.00</b>	<b>10,800.00</b>
<b>Administrative &amp; General</b>					
417 · Capital Loan Interest	20,369.91	20,700.00	36,032.77	41,400.00	41,400.00
467 · Depreciation	12,500.00	12,500.00	125,000.00	125,000.00	150,000.00
405 · Election	0.00	0.00	400.00	0.00	0.00
406 · Liability Ins	-8,491.62	1,590.00	5,383.33	15,830.00	19,000.00
420 · Legal Fees	1,250.00	1,300.00	12,500.00	13,000.00	15,600.00
422 · Bank Charges	170.18	125.00	844.85	1,250.00	1,500.00
423 · Litigation Contingency	0.00	0.00	0.00	0.00	10,000.00
425 · Audit	0.00	0.00	12,350.00	9,000.00	9,000.00
471 · Bad Debts	0.00	50.00	1,151.06	1,400.00	1,500.00
473 · Memberships	5,448.00	5,000.00	15,022.40	15,000.00	15,000.00
<b>Total Administrative &amp; General</b>	<b>31,246.47</b>	<b>41,265.00</b>	<b>208,684.41</b>	<b>221,880.00</b>	<b>263,000.00</b>
<b>Total Expense</b>	<b>88,425.88</b>	<b>105,933.00</b>	<b>812,382.26</b>	<b>844,839.00</b>	<b>1,016,290.00</b>
<b>Net Ordinary Income</b>	<b>-15,782.32</b>	<b>-23,208.00</b>	<b>-4,257.21</b>	<b>-36,799.00</b>	<b>0.00</b>
<b>Net Income</b>	<b>-15,782.32</b>	<b>-23,208.00</b>	<b>-4,257.21</b>	<b>-36,799.00</b>	<b>0.00</b>

Aromas Water District  
**Monthly Expenditures**  
 April 18 through May 17, 2017

Date	Num	Name	Amount
UB Checking			
04/21/2017	16153	A Tool Shed Rentals	-105.60
04/21/2017	16154	ACE Hardware Prunedale	-29.03
04/21/2017	16155	Armanino LLP	-950.00
04/21/2017	16156	First Bankcard	-5,075.84
04/21/2017	16157	Macias Gini & O'Connell LLP	-1,900.00
04/21/2017	16158	San Jose Water Company Metershop, SJWC	-60.00
04/21/2017	16159	Softline Data, Inc.	-145.00
04/21/2017	16160	Valero	-563.94
04/21/2017	16161	Viking Septic	-300.00
04/24/2017	16162	Old Firehouse Market	-155.00
04/24/2017	EFT	Union Bank of California	-110.60
04/26/2017	EFT	CalPERS	-2,691.32
04/26/2017	16163	A T & T U-verse	-60.00
04/26/2017	16164	Andrew Manville	-46.30
04/26/2017	16165	City National Bank	-73,491.07
04/26/2017	16166	CSSC	-79.00
04/26/2017	16167	Grainger Inc	-196.43
04/26/2017	16168	Mark Dias	-50.00
04/26/2017	16169	MBWWA	0.00
04/26/2017	16170	Monterey Bay Analytical Services Inc	-256.00
04/26/2017	16171	R & B Company	-323.88
04/26/2017	16172	State Water Resource Control Board, SWRCB	-5,448.00
04/26/2017	16173	Stephen Slovacek	-40.14
04/26/2017	16174	Tri-County Fire Protection	-117.00
04/26/2017	16175	Verizon Wireless	-147.97
04/26/2017	Online	P G & E	-1,150.99
04/26/2017	Online	P G & E	-27.70
04/26/2017	Online	P G & E	-129.68
04/26/2017	Online	P G & E	-9.86
04/26/2017	Online	P G & E	-21.03
04/26/2017	Online	P G & E	-3.30
04/26/2017	Online	P G & E	-45.31
04/26/2017	Online	P G & E	-2,496.44
04/26/2017	Online	P G & E	-37.96
04/26/2017	Online	P G & E	-10.51
04/27/2017	E-pay	Employment Development Dept	-1,268.60
04/30/2017	DD1046	Coombes (P), Louise P	0.00
04/30/2017	DD1048	Dias (P), Mark R	0.00
04/30/2017	DD1047	DeAlba (P), David	0.00
04/30/2017	DD1051	Zelmar (P), Trevor J	0.00
04/30/2017	DD1050	Morris (P), Vicki	0.00
04/30/2017	DD1049	Giron (P), Ester	0.00
04/30/2017	EFT	QuickBooks Payroll Service	-7,945.19
04/30/2017	E-pay	Employment Development Dept	-430.61
04/30/2017	E-pay	United States Treasury (EFTPS)	-3,514.90
04/30/2017	16180	David DeAlba	-26.22
04/30/2017	16186	Trevor J. Zelmar	-24.08
04/30/2017	16191	USPO	-252.05
04/30/2017	ACH	CalPERS	-981.87
04/30/2017	ACH	CalPERS	-2,177.45
04/30/2017	ACH	CalPERS	-2,235.82
04/30/2017	ACH	CalPERS	-2,003.99
04/30/2017	16197	Robert E. Bosso	-1,250.00
04/30/2017	EFT	Bank Service Fees	-20.70

Aromas Water District  
**Monthly Expenditures**  
 April 18 through May 17, 2017

Date	Num	Name	Amount
05/03/2017	16176	ACWA JPIA, Emp. Ben. Prog.	-6,596.92
05/03/2017	16177	CALNET3	-562.10
05/03/2017	16178	Central Electric	-35.83
05/03/2017	16179	D & G Sanitation	-80.63
05/03/2017	16181	HD Supply Waterworks, LTD.	-2,512.04
05/03/2017	16182	MBWWA	-70.00
05/03/2017	16183	Pajaro Valley Electric Inc	-663.10
05/03/2017	16184	R & B Company	-744.05
05/03/2017	16185	State Water Resources Control Board	-70.00
05/03/2017	16187	United Way serving San Benito County	-58.00
05/03/2017	16188	USA BlueBook	-135.19
05/03/2017	16189	USPO	-198.00
05/03/2017	16190	Xerox Corp	-19.06
05/03/2017	16192	ACWA JPIA	-3,899.00
05/04/2017	EFT	CalPERS	-2,691.32
05/08/2017	16194	ACE Hardware Prunedale	-19.36
05/08/2017	16195	Oppidea, LLC	-100.00
05/08/2017	16196	Recology San Benito County	-34.66
05/08/2017	16198	Sierra Chemical Co.	-607.47
05/08/2017	16199	USA BlueBook	-25.62
05/08/2017	16193	ACE Hardware Prunedale	-36.61
05/12/2017	16200	ATEC Systems, Inc.	-8,620.00
05/12/2017	16201	Old Firehouse Market	-176.68
05/12/2017	E-pay	Employment Development Dept	-592.62
05/12/2017	E-pay	United States Treasury (EFTPS)	-4,360.66
05/15/2017	EFT	QuickBooks Payroll Service	-9,691.81
05/16/2017	DD1055	Coombes (P), Louise P	0.00
05/16/2017	DD1056	DeAlba (P), David	0.00
05/16/2017	DD1057	Dias (P), Mark R	0.00
05/16/2017	DD1058	Giron (P), Ester	0.00
05/16/2017	DD1059	Morris (P), Vicki	0.00
05/16/2017	DD1060	Zelmar (P), Trevor J	0.00
05/16/2017	16202	Dutra (P), Marcus	-205.76
05/16/2017	16203	Holman (P), Wayne R	-202.76
05/16/2017	DD1052	Leap (P), James E	0.00
05/16/2017	DD1053	Norton (P), K W	0.00
05/16/2017	DD1054	Smith (P), Richard	0.00
05/17/2017	16204	Davis Auto Parts Store	-15.01
05/17/2017	16205	Ferguson Waterworks	-666.70
05/17/2017	16206	HD Supply Waterworks, LTD.	-2,512.04
05/17/2017	16207	Janne Henrikson	-81.91
05/17/2017	16208	Monterey Bay Analytical Services Inc	-154.00
05/17/2017	16209	Old Firehouse Market	-135.00
05/17/2017	16210	R & B Company	-790.14
05/17/2017	16211	West Valley Construction	-16,810.00
Total UB Checking			-182,580.43
TOTAL			-182,580.43