

Minutes of the Regular Meeting of
The Board of Directors of the
Aromas Water District
April 23rd, 2013

I. CALL TO ORDER:

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Holman on Tuesday, April 23rd, 2013 at 7:00 p.m. at the District Office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Holman, Vice President Mahler, Directors Dutra, Norton and Leap were present. General Manager Vicki Morris, Counsel Bob Bosso, Engineer Mike Freitas and staff Maureen Cain and Gina Patten were also present.

III. PLEDGE OF ALLEGIANCE: President Holman 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 26, 2013 Regular Meeting were presented for acceptance and approval.

Director Mahler moved and Pres. Holman seconded that the minutes be approved and they were unanimously accepted as written.

The minutes of the April 16, 2013 Special Meeting were presented for acceptance and approval.

Pres. Holman moved and Director Leap seconded that the minutes be approved and they were unanimously accepted as written.

VII. ORAL COMMUNICATION: None

VIII. PRESENTATIONS

A. Director's Reports: Directors Dutra, Leap and Holman were present at the April 16th Special Meeting and tour of the Pajaro Valley Water Management Agency facilities and planned projects to meet the goals of the new Basin Management Plan. Director Dutra reported that the tour was valuable for his understanding of what the agency is planning and feels that their General Manager Mary Bannister presented an informative tour. Director Leap commented that he appreciates the PVWMA collaboration with UCSC. There was discussion about the CEQA process for the 2012 Basin Management Plan and a likely increase in the augmentation fee from the current \$162 to over \$300 per acre foot. GM Morris and Directors Holman and Leap went to the Special Districts Association of Monterey County meeting. Supervisors Parker and Calcagno and David Spaur, County Economic Director were speakers. Dir. Norton reported that the Open Forum on Oil and Gas Exploration in the local area, held April 22nd at the Grange, was well-attended. The San Benito County Board of Supervisors is likely to pass an ordinance to put regulations in place for petroleum extraction. Director Dutra reported that he visited the office during the month of April and Staff Gina Patten explained the features of our new billing program, UBMax.

B. Attorneys Report: None

C. Manager's Report:

Operations: Production in March was up to 7.4 million gallons. All sampling has met State Health Standards. Staff: The new UBMax billing program is now in use and will have many

benefits. Currently, it is posing some challenges as staff works through problems and learns to use it. Projects: GM Morris has submitted the USDA loan application for *Oakridge/Via del Sol*. Engineer Mike Freitas commented he wanted the project to go out to bid and wait to award it to determine a more accurate cost. USDA wants the project to go to a vote first. Bond assessment attorney Scott Ferguson of Jones Hall law firm will make a presentation at our May 28th meeting. Staff has completed work on the *Office Building* yard to develop a drought tolerant demonstration garden. The plants are getting established, the drip irrigation system is installed and all has been topped with mulch. *The Seely Area Annexation* CEQA Initial Study is in its public review stage and will be on the May 28 agenda. GM Morris gave some additional information about the San Benito County BOS preparation of the ordinance that will update regulations for *Oil and Gas Extraction* in the county. She commended Supervisor Anthony Botelho for his part in creating the ordinance which will be the subject of public hearings in May. Some highlights of the ordinance are: an increase in bonding requirement to \$15,000 per well; a set back of 500 feet from property boundaries; and water quality and quantity monitoring. GM Morris is taking steps to form a *Strategic Plan* for the District and met on April 17th with Directors Leap and Norton to outline some strategies for its formation. An ad hoc Budget Committee was formed with Pres. Holman and V. Pres. Mahler as volunteers to serve.

D. Correspondence: Pres. Holman inquired about a police report filed. Bronze hydrant caps were taken from Carpenteria Road around March 10th.

IX. ACTION ITEMS

A. Resolution 2013-07 to Proclaim May as Water Awareness Month. Shawn Novak, Water Conservation Program Manager from the Water Resources Association of San Benito County, read the proclamation and brought some water saving hose nozzles to be given to customers.

Director Norton made a motion to pass the resolution, and it was seconded by Director Leap. It passed with the following vote:

Ayes: Holman, Mahler, Dutra, Norton, Leap

Noes: None

Absent: None

B&C. Resolution 2013-05 for Assessment of Orchard Acres Assessment District and Resolution 2013-06 for Assessment of CFD 98-1 2013-14 Tax Roll: Approval of the Resolutions are necessary to place the annual assessments on the property taxes to pay for water line extensions to the two areas.

Director Dutra moved to pass the resolutions to levy the taxes for both assessments. Vice Pres. Mahler seconded. The resolutions passed with the following vote:

Ayes: Holman, Mahler, Dutra, Norton, Leap

Noes: None

Absent: None

D. Agreement with Jones Hall and the Aromas Water District for Services as Bond Counsel for the Oakridge/Via del Sol Proposed Assessment District: The proposed agreement for legal services with the law firm, Jones Hall, is necessary for the formation of the Assessment District to pay for improvements to serve the Oakridge and Via del Sol area. Compensation is contingent on formation of the district and will be 2% of the principal amount of the Bonds up to \$1,250,000 plus 1% of the principal amount in excess that amount, and a minimum of \$25,000 per series issued.

Director Norton made the motion to approve the agreement which was seconded by Pres. Holman. It was approved unanimously.

E. Request for Removal of Second Residence Charge on Meter Serving 344 Carpenteria (APN 011-110-031): Property owner, Marvin Schulman, has requested that we discontinue charging him for the second unit on his property which has been declared non-habitable by San Benito County Planning and Building Inspection. The renter was relocated. Discussion of the situation determined that a complication arises because the owners never purchased a second meter. The service as two residences on one meter was "grandfathered" in as defined by Ordinance #72 in 2007. The removal of the fee could in effect cause the owner to be required to purchase a new connection if the unit is renovated and inhabited. There is another similar case on property in Logan Knolls, not resolved yet. Staff will be reviewing the current ordinance with Counsel Bosso to propose changes.

Director Dutra moved to table the request and make a decision after we contact the owner to find out if he plans to improve the unit or tear it down. V. Pres. Mahler seconded. It passed unanimously.

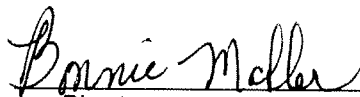
F. Presentation of Financial Reports for the Month of March 2013: Revenue for March was \$52,521. Total assets are \$6.5 million. Total liabilities are \$1.46 million. Expenses from March 20 to April 15, 2013 were \$72,840.79. Payments were reviewed by Pres. Holman.

Pres. Holman moved to accept the financials as presented and Director Norton seconded. The financials were accepted unanimously.

X. ADJOURNMENT

President Holman adjourned the meeting at 8:14 PM.
Report submitted by Laurie Goodman, Board Secretary

Date: May 28, 2013
Read and approved by:



Director

Attest: 

Laurie Goodman, Board Secretary