

Minutes of the Regular Meeting of the Aromas Water District Board of Directors April 25, 2023

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Morris on Tuesday, April 25, 2023, at 7:00 p.m. in a hybrid setting; attendees were present in the Board Room, one Director was at home and online via Zoom.
- II. ROLL CALL.** President Morris, and Directors Norton, Capron and Powers were present in the Board Room; also present was General Manager Johnson. Director Holman and Counsel Bosso attended via Zoom.
- III. PLEDGE OF ALLEGIANCE.** President Morris led the pledge of allegiance.
- IV. STATEMENTS OF DISQUALIFICATION.** There were no statements of disqualification.
- V. ADDITIONS AND DELETIONS.**
- VI. REPORT OUT FROM CLOSED SESSION.** The General Manager was given direction regarding negotiations for a new well site.
- VII. MINUTES.** The minutes of the March 28, 2023, Board Meeting were presented for review and approval. Director Norton moved for approval of the minutes; Director Powers seconded. Minutes were unanimously approved with Directors Morris, Norton, Capron and Powers present in the Board Room, and Director Holman via Zoom.
- VIII. ORAL COMMUNICATION.** There were comments from the public regarding the Well Project status and the availability of the conference room (which was on the agenda for tonight’s meeting).
- IX. PRESENTATIONS & REPORTS**

A. Attorney's Report. Counsel Bosso reported there wasn’t much to report on because the legislature is working on issues that don’t affect the District. Counsel Bosso added later that there is a great deal of resistance to the news regarding public agencies purchasing electric vehicles. He said there is a lot going on back and forth about this issue at this time.

B. Manager’s Report:

OPERATIONS & MAINTENANCE

Production & Well Levels

Total production in March 2023 was 4,606,770 gallons; 5.8% higher than February’s production, and 28% lower than March’s average production. The daily average production was 148,605 gallons.

The District has 972 total connected meters.

San Juan and Carpenteria wells were operated all but two days this month, and Pleasant Acres well was not used at all. All water testing reports were filed on time and showed satisfactory results.

Operational well levels: Carpenteria and San Juan wells were down three feet and two feet respectively. Observational wells: Marshall Well was up five feet and Aimee Meadows was down one foot.

INCIDENTS

None.

ADMINISTRATIVE

Staff & Board Recognition

CSR Bowman continues to work with a bill card issue that has arisen since the District’s billing software provider was purchased by another company.

MA Girõn has been working to rectify some issues related to payroll, CalPERS and QuickBooks; as well as working with GM Johnson on completing the State-required DRINC (now called eAR) and CCR reports within the specified timelines.

Chief Operator (CO) DeAlba and Operator Smith have been preparing for some installations along Cole Road. Any installations along Rocks Road will have to wait until the creek and localized runoff subsides. Two installations did occur on Carpenteria Road.

Conservation & Rainfall

The beginning of the new rainfall year was on October 1, 2022. Since then 37.40 inches of precipitation has been recorded by the rain gauge at Chittenden Pass, with 0.04 inches falling in April (to date).

PROJECTS

Orchard Hill Road proposed annexation progress

The group of residents has the information developed by the financial advisors. They are working through it at this time. The group will then provide information to the folks who may want to be a part of the project. The District stands ready to assist with a public meeting if needed.

Cole and Rocks Road Annexation

With the annexation complete, customers are now ready to be connected, although it has been a challenge with the rains that have been occurring. Connection installations have begun and will continue as conditions allow.

New Water Source

This matter was discussed in March Closed Session, and the General Manager was given direction.

Follow-up on the Kang Annexation effort

The Kang Annexation, approved by the District Board in November 2022, went to the PVWMA Board of Directors for approval on March 15, 2023. The PVWMA Board tabled the matter, due to concerns regarding new construction with no water source identified.

Staff attended the April 19th PVWMA Board meeting to comment on the annexation and the related policy. In the end, the Kang annexation was approved to move forward to San Benito LAFCo, so staff will begin the LAFCo application development process as soon as practicable. Also, the PVWMA policy for District annexations was approved and does provide a defensible way to move forward in the future

C. Correspondence:

GM Johnson went through the shorter, more focused monthly correspondence list and answered questions regarding specific items.

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X. ACTION ITEMS

A. Consider developing a policy to allow the use of the District Board Room for afterhours meetings by community groups, and providing direction to staff.

GM Johnson presented information about the use of the room in the past, and how use of the room was halted due to the COVID-19 pandemic. Discussion as well as public comment ensued, resulting in the Board establishing an Ad-Hoc Conference Room Use Policy Committee, composed of Director Norton, Director Capron and GM Johnson. The Committee was to develop a DRAFT Room Use Policy that would be brought back to the Board for discussion, review, and possible adoption. The motion to develop the policy via the Committee was made by Director Capron, and seconded by Director Norton. With Directors Morris, Norton, and Powers present in the Board Room, and Director Holman present via Zoom, the motion was carried unanimously.

B. Consider adopting the Proposed Expense Budget of \$2,086,900 for Fiscal Year 2023-2024.

GM Johnson presented the Proposed Expense Budget, including the payroll portion to the Board. The proposed Expense Budget had been worked through and recommended for approval by the Ad-Hoc Finance Committee. The expected water revenue is close to this year's revenue, with the 6% increase in the final year of the 2019 Rate Study. Staff and a consultant will be performing another Rate Study in Fiscal Year 2023-2024, which is included in the proposed Expense Budget. The motion to adopt the budget was made by Director Powers, and seconded by Director Capron. With Directors Morris, Norton, and Powers present in the Board Room, and Director Holman present via Zoom, the motion was carried unanimously.

C. Financial Reports for the Month of March 2023

Total Assets / Liabilities & Equity are \$16,171,067.77. In the P&L Report, Revenue for March was \$100,498.47. Total Expenditures were \$89,704.10 between March 22 and April 18, 2023.

On the graphical representation of the Profit and Loss statement, March's revenue was 5.2% higher than year-to-date budgeted revenue. March's Expenditures were 3.1% higher than year-to-date budgeted expenditures.

Vice President Holman moved to adopt the Financial Reports as presented; seconded by Director Capron. With Directors Morris, Norton, and Powers present in the Board Room, and Director Holman present via Zoom, the Financial Reports were unanimously adopted.

XI. FUTURE MEETINGS & AGENDA ITEMS.

The next meeting date will be Tuesday, May 23, 2023, at the District office. Future agenda items will be a continuation of the discussion of reopening the District Conference Room for groups in the evenings, the District Capital Budget Draft, and possibly a Closed Session related to continuing the discussion regarding well site options.

XII. ADJOURNMENT. President Morris adjourned this meeting at 8:50pm.

Read and approved by: V. Morris
President, Vicki Morris

Attest: [Signature]
Board Secretary, Robert Johnson

Date: 5.23.23

Date: 5/23/23