



REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

TUESDAY, October 22, 2019
7:00 PM

President- Richard Smith Vice President-Wayne Holman Director- Marcus Dutra Director- Wayne Norton Director- James Leap General Manager- Robert Johnson Board Secretary-Louise Coombes
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- I. **CALL TO ORDER**
- II. **ROLL CALL OF DIRECTORS:** President Richard Smith, Vice President Wayne Holman, Directors, Marcus Dutra, Wayne Norton and James Leap.
- III. **PLEDGE OF ALLEGIANCE**
- IV. **STATEMENTS OF DISQUALIFICATION**
- V. **ADDITIONS AND DELETIONS**
- VI. **MINUTES:** Motion to approve the Minutes of the September 24, 2019 Regular Board Meeting p.3-6
- 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 & REPORTS**
 - A. DIRECTORS' REPORTS
 - B. ATTORNEY'S REPORT
 - C. MANAGER'S REPORT p.7-10
 - D. CORRESPONDENCE p.11-12
- IX. **ACTION ITEMS:**
 - A. **Consider receiving the updated Aromas Water District Organizational Chart and providing direction to staff.** p.13-14

Staff will present an updated District Organizational Chart for discussion and Board action.
 - B. **Consider receiving a report regarding the proposed rehabilitation strategy for the Carpenteria Well; and providing direction to staff.** p.15

Staff will present a report regarding the proposed rehabilitation strategy for the Carpenteria Well for discussion and Board action.
 - C. **Consider establishing an Ad-Hoc Personnel Committee to provide support while developing an updated 'Board of Directors' Policy Manual' and an updated 'Aromas Water District Employee Handbook'** p.16

Staff will present a report requesting establishment of an Ad-Hoc Personnel Committee for Board and Employee manual update support.
 - D. **Financial Reports for the Month of September 2019** p.17-22

Oakridge & Orchard Acres Assessment Districts are now included in the financial reports. Therefore, the reports show a Total Revenue of \$119,901.76; Total expenditures were \$126,854.27 between September 19, 2019 and October 15, 2019. These financials and monthly expenditures will be presented for discussion and approval.
- X. **FUTURE MEETINGS & AGENDA ITEMS** Next meeting ó Tuesday, November 26, 2019
- XI. **ADJOURNMENT**

Next Res. # 2019-09

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 September 24, 2019

- I. CALL TO ORDER.** The regular meeting of the Board of Directors of the Aromas Water District was called to order by Vice President Holman on Tuesday, September 24, 2019 at 7.00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.
- II. ROLL CALL.** Vice President Holman and Directors Dutra, Leap and Norton were present; President Smith was absent. Also in attendance were General Manager Robert Johnson, Counsel Bob Bosso and Board Secretary Louise Coombes.
- III. PLEDGE OF ALLEGIANCE.** Vice 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 to the Agenda.
- VI. MINUTES.** The minutes of the August 27, 2019 Board Meeting were presented for review and approval; there were no corrections or comments from the Board, however, Board Secretary Coombes made one slight correction. Director Leap moved for approval of the minutes and Director Norton seconded. Minutes were unanimously approved by those Directors present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VIII. REPORTS/PRESENTATIONS

- A. Director's Reports.** Director Leap reported that during the recent Financial Audit, he was asked to answer questions from the Auditors.
- B. Attorney's Report.** Counsel Bosso reported on the Wilde vs. City of Dunsmuir case where the city rejected the referendum to repeal a water rate master plan, which included upgrading aging water infrastructure, consistent with the requirements of a Proposition 218 vote. The District Court of Appeal appealed the case and the Supreme Court refused to take the case, so the Resolution adopted by the City of Dunsmuir stands as law for that jurisdiction.

Counsel Bosso also reported on the query that Director Norton posed at the last meeting regarding the City of Oroville. This case involved sewage as opposed to water; the plaintiff claimed the City's sewer system failed causing property damage, however, the plaintiff had not installed a recommended backflow prevention valve. The Supreme Court ruled that the City was not solely responsible in the culpability of this incident. This decision by the Supreme Court may limit the inverse condemnation law for the liability of Public Agencies.

C. Manager's Report

OPERATIONS

No new connections were established in August, so the total number of connections remains at 963. There have been a couple of recent inquiries regarding potential connection. All water testing continues to be both, filed on time and represent satisfactory results.

Production & Well Levels

GM Johnson reported total production, in August 2019 was similar to July at just under 12 million gallons, with a daily average of 377,564 gallons. Between the two months, the total accounts for approximately 40% of the entire year's production. This calendar year to date, total production is 61,900,834 gallons, with system wide production loss remaining below five percent. Carpenteria Well operated the entire month; Pleasant Acres Well was not used for seven days; San Juan Well was not utilized for three days of August.

Reporting Operational well levels; Carpenteria Well was down two feet and San Juan Well was down one foot. Observation well levels; Marshall Well is up one foot Aimee Meadows Well is up two feet.

MAINTENANCE

Incidents

None at the time the Manager's Report was written.

ADMINISTRATIVE

Staff & Board Recognition

GM Johnson mentioned that AC Giron, with assistance from ASO Coombes, completed the Financial Audit Field Work with the Auditors. As mentioned earlier, Director Leap was in attendance to answer questions from the Auditors.

CSR Bowman is very welcoming with the customers both on the phone and when they visit the office.

GM Johnson reported that CO DeAlba and Op Smith have been diligently working on a number of Operational tasks in preparation for the "Sanitary Survey", a system-wide inspection carried out by the State Water Resources Control Board who have hired a new engineer as the District's new contact. GM Johnson was happy to report that CO DeAlba keeps the system in great shape and very clean, so he has every confidence that the Survey will go well.

GM Johnson also reported that Phase II of the XiO installation is well under way to get Pine Tree tank working with Pleasant Acres Well. There are some integration issues with the older electronic infrastructure, so there are additional parts that will be needed to resolve such issues.

GM Johnson recounted that he has been working with PG&E for two projects; to move a pole at Marshall Yard and secondarily, installing a new power meter at the upper Oakridge booster to circumvent purchasing power via a customer. A PG&E engineer will be meeting with GM Johnson tomorrow to survey and discuss the two projects on-site.

Conservation & Rainfall

A surprise light rainfall in September increased the rain gauge measurement at Chittenden. Since the beginning of the rain year, October 1, 2018 to date, a total of 25.52" has been recorded.

Projects

Annexation Update for Eilert

Mr Eilert needs to complete a couple of tasks for the State Board of Equalization. Since the tax rate area for the surrounding properties are already well established, Mr Eilert's property will be its own tax rate area. His connection should take place within the next month to six weeks.

Annexation Update Cole Road

The Cole Road annexation continues to progress; LAFCo requested corrections to the application in mid September. One of the four parties had not previously supplied a request for connection; this has now been provided and the application has been accepted by LAFCo. GM Johnson will follow up to find out the timing for the application's appearance on the LAFCo agenda.

Relocation of T1 Line

GM Johnson continues discussion with AT&T to move this line originally used for telemetry at the Marshall well. Current charges for office internet are approximately \$60 for a current speed of 20Mbps and 1Mbps. AT&T offered new rates of 10Mbps and 10Mbs for \$550 per month arguing that the increase in price is justified because it would be a dedicated line. Vice President Holman described his own experience with Spectrum and suggested contacting them; GM Johnson indicated he will be investigating a number of options.

- D. **Correspondence:** GM Johnson indicated that Certificates had arrived for those Board members in attendance at the last Board training session. Instructions were sent to Director Dutra to follow the online training webinar as he did not attend the training session.

Director Norton inquired about the water availability for a parcel split from Mr & Mrs Gomes on Chateau Drive; GM Johnson elaborated that San Benito RMA would only approve the parcel split if water was available, however, as the District is not a land use agency, GM Johnson responded to the RMA that the approval of the split should be made first, according to the parcel restriction regulations, then water may be available. Vice President Holman and Director Leap requested more details regarding the PVWMA boundary lines since the implementation of SGMA and therefore it could be a PUMA. Counsel Bosso pointed out that PVWMA gave approval for only 11 lots some years ago and this is annexed within the District sphere of influence; the number of lots needs confirming. If the lot split increases the number of lots beyond the approved, a new request will need to be submitted to PVWMA.

IX. ACTION ITEMS

- A. **Consider receiving a report on the Monterey County Special Districts Association's request for a "Certificate of Liability Coverage" to ensure meeting attendees are covered by insurance**

The District holds membership with the Special District's Association of Monterey County (SDAMC) which is affiliated with the CSDA and holds quarterly meetings. The SDAMC required liability insurance (to comply with CSDA requirements) at significant cost, previously defrayed by the Monterey Regional Fire Protection District who have covered this cost for a number of years, but this stops in 2020. To avoid having to purchase insurance in future, the CSDA agreed to accept letters of certification of liability insurance from each member as covered by their own entities' insurance; this was confirmed with ACWA JPIA for the District.

Director Norton moved to receive the report and authorize the General Manager or Board Vice President to sign the "Certificate of Liability Coverage". The motion was seconded by Director Leap. The report was unanimously received and authorization granted with Vice President Holman and Directors Norton, Leap and Dutra present. President Smith was absent.

- B. **Consider approving a Master Services Agreement (MSA) from Martin Feeney, Consulting Hydrogeologist, for water well and hydrogeologic consulting services**

GM Johnson presented a MSA for Professional Services to be provided on an as-needed basis by Martin Feeney, Consulting Hydrogeologist, and is simply a no-cost retainer for his services. His long-term and local specialized knowledge and expertise is needed for hydrogeology and well repair/rehabilitation in various areas, including reducing the iron bacteria in Carpenteria Well which GM Johnson anticipates will take place during November/December 2019 after the scope of work is presented to the Board for approval at the October meeting.

Director Norton inquired as to whether the activity required for Carpenteria Well had been included in the budget? GM Johnson explained that due to the unknown nature and extent of the work at the time of budget setting, it was not specifically included. Director Norton also inquired about the intellectual property rights and ownership of Mr Feeney's work. Counsel Bosso clarified that the District cannot sell Mr Feeney's work. Director Norton queried the necessity for a non-disclosure agreement (NDA) with Mr Feeney, however, Counsel Bosso pointed out that the Public Records Act means an NDA would not be effective.

Director Norton moved to approve the MSA with Martin Feeney, Consulting Hydrogeologist, for water well and hydrogeologic consulting services. The motion was seconded by Director Leap. The MSA was unanimously approved with Vice President Holman and Directors Norton, Leap and Dutra present. President Smith was absent.

C. Financial Reports for the Month of August 2019

On the **Balance Sheet**, *Total Assets / Liabilities & Equity* are \$11,548,491.31, of which *Total Current Assets* are \$4,583,736.32, and *Total Fixed Assets* are \$6,775,474.19. In *Liabilities*, the *Total Current Liabilities* are \$294,743.11 and *Long Term Liabilities* are \$4,529,545.10.

The total revenue for August was \$143,041.84. Total expenditures were \$61,159.78.11 between July 12 and August 18, 2019.

In the **P&L Report**, *Water Revenue* for May was \$127,250.30, again, just shy of the budgeted \$130,000.00.

Director Leap inquired about the ever increasing PVWMA augmentation fee; is the current agreement still valid considering the recent boundary changes when SGMA was implemented. GM Johnson expressed willingness to investigate this agreement; a request echoed by Director Norton, especially for long-term planning and budgeting. As the cost is pass-through, this could reduce cost for the Districts' customers.

Again, GM Johnson drew the Board's attention to Payroll variations due to the new bi-weekly pay schedule. The monthly expense will be less consistent on a monthly basis than before due to 26 pay periods during the year, however, as the fiscal year draws to an end, the budget will align.

Water analysis and treatment costs are higher than usual due to additional annual testing and increasing costs of chlorine. Power bills have been excessively complicated in the last couple of months due to recalculations on PG&E's part; 10 accounts were overcharged and then later adjusted. AC Girōn has been doing an admirable job of keeping up with these convolutions.

In the **Monthly Expenditures**, GM Johnson drew the Board's attention to the first two items on the Monthly Expenditure report payable to CalPERS. The \$700 was for the GASB 68 Actuarial Annual Report which has been a payable for the last five years. A new payable is \$300 for the Section 218 Agreement.

GM Johnson anticipates purchasing the new office computers in November 2019 with the expected cost to be in the region of \$10,000 as included in the budget under the expense 446-Office Equipment and Maintenance.

Director Dutra moved to accept the Financial Reports as presented; seconded by Director Leap. The Financial Reports were unanimously approved with Vice President Holman and Directors Norton, Leap and Dutra present. President Smith was absent.

X. FUTURE MEETINGS & AGENDA ITEMS

The next meeting will be on Tuesday, October 22, 2019 at 7:00pm at the District Office; 388 Blohm Ave.

Discussion ensued to set the date for the December meeting; consensus was for Wednesday December 18, 2019 at 7:00pm.

XI. ADJOURNMENT. Vice President Holman adjourned the meeting at 8:04pm until Tuesday, October 22, 2019.

Read and approved by: _____
Vice President, Wayne Holman

Attest: _____
Board Secretary, Louise Coombes

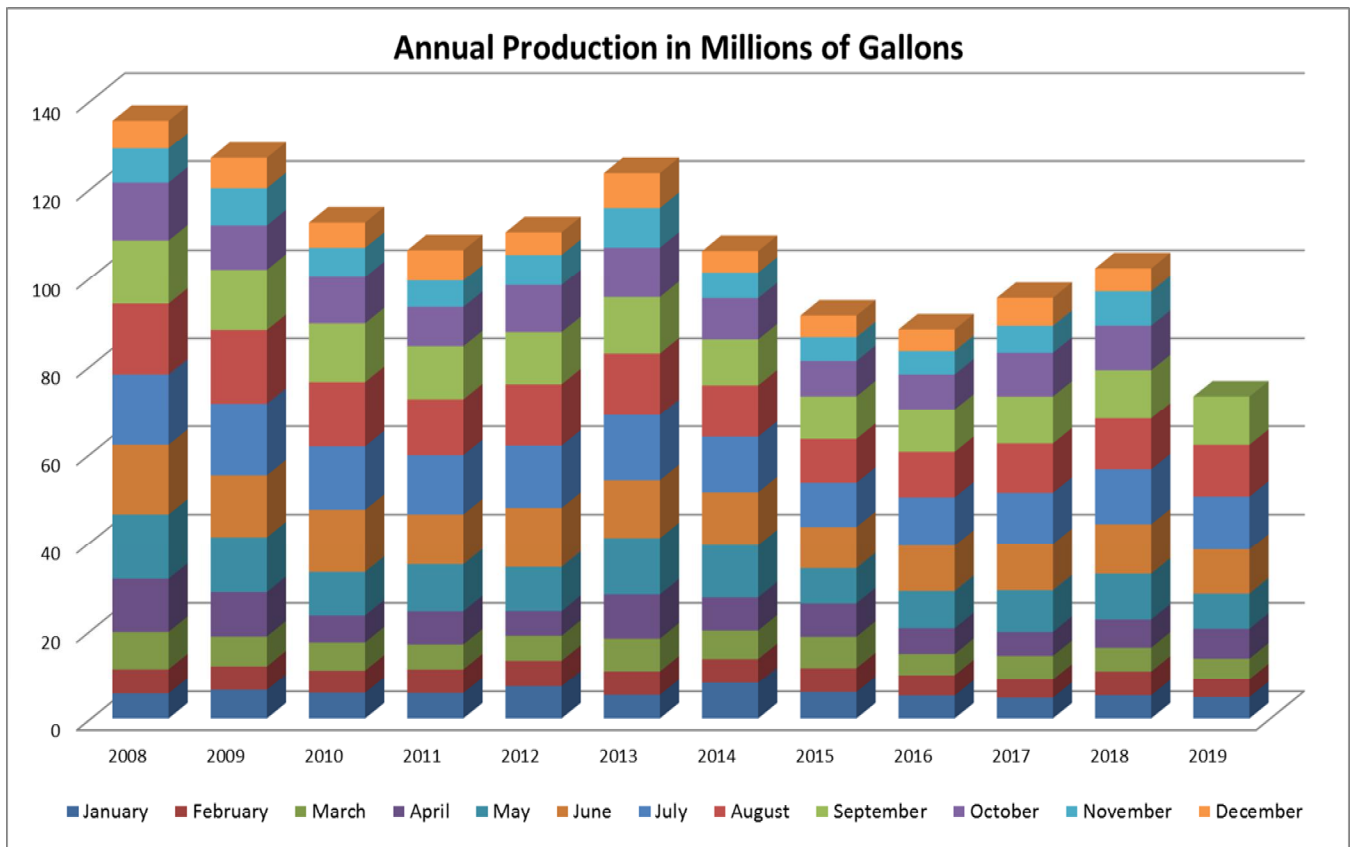
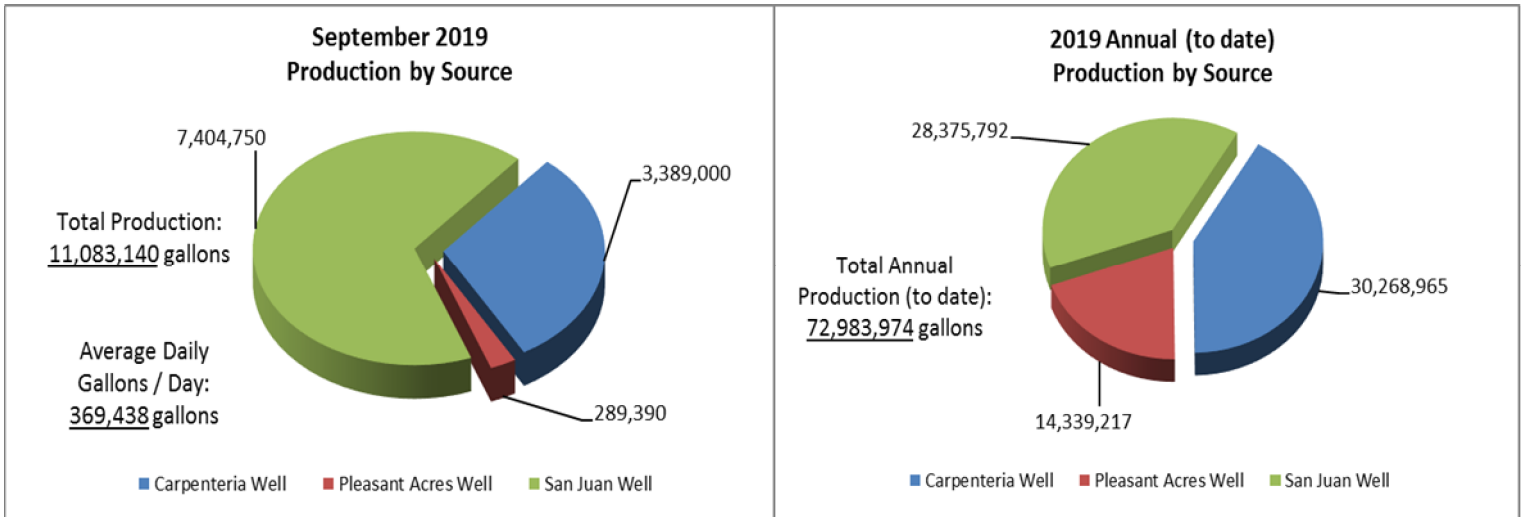
Date: _____

Date: _____

General Manager's Report September 2019



PRODUCTION REPORT



Totals	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Million Gal	135.38	126.9	112.37	106.15	110.17	123.42	105.97	91.27	88.152	95.304	102.07	72.983
Acre Ft	415.4	389.4	344.8	325.7	338.05	378.7	325.16	280.05	270.49	292.43	313.18	223.94

OPERATIONS AND MAINTENANCE REPORT

OPERATIONS:

- There are 963 total meters installed; with replacement meters being installed as time and supplies allow.
- Loss Production system wide is being maintained below 5%.
- Carpenteria and San Juan wells were operational the entire month, while Pleasant Acres well was utilized only 11 days.
- Water Treatment Plant; finished water was free of both iron and manganese this month.
- Distribution testing for total Coliform; all samples negative.
- All monthly DWR reports on Coliform, and Fe / Mn were filed on time.
- WTP filters are being backwashed when necessary.
- Monthly Generator in-house 15-minute testing under load.
- Monthly well-level monitoring (see attached chart).

MAINTENANCE:

- Preventative maintenance and flushing were performed, as needed
- Chlorine chemical pump maintenance and analyzer maintenance at all wells was performed
- Additional maintenance tasks are being performed as time allows

INCIDENTS:

- None to be reported at the time of this writing.

ADMINISTRATIVE REPORT

STAFF & BOARD RECOGNITION:

- CO DeAlba, Op Smith and our electrician completed the install of XiO equipment at the Pleasant Acres Well and Pine Tree Tank, completing Phase II of the XiO implementation.
- CO DeAlba and Op Smith worked diligently to prepare for the triennial Sanitary Survey (inspection by State Water Resources Control Board (SWRCB) staff) scheduled for mid-October.
- CO DeAlba and GM Johnson participated in the SWRCB Sanitary Survey with two SWRCB engineers. The survey was not completed, so we are working to schedule a time to complete the remainder of the survey.
- CO DeAlba is working with electrician to establish back-up power to Carr Booster and Oakridge Boosters in case of power loss or a Public Safety Power Shut-off by PG&E.

CONSERVATION UPDATE:

September 2019 usage figures are indicative of a reduction in water use as the summer season comes to a close and fall begins.

October 1, 2019 marked the start of a new water year. As of the date of this report, the rain gauge at Chittenden Pass has recorded zero inches of precipitation this water year.

PROJECTS:

1. Annexation Update: Cole Road Annexation

The Cole Road annexation Boundary Change Application (BCA) for the San Benito Local Area Formation Commission (SBC LAFCo) was approved. We are now waiting for a LAFCo Certificate of Filing (acceptance of application). Once a Certificate of Filing is released, the annexation can be put on an upcoming SBC LAFCo agenda.

2. PG&E – move terminus power pole at Marshall Yard

GM Johnson initiated communication with PG&E regarding the moving of a terminus power pole at the Marshall Yard. PG&E costs to move the pole and reconnect the power is estimated somewhere between \$15,000 and \$30,000. The price can be cut in half (\$15,000) if we increase the size of the power meter at the site. This may be a reality if it is determined that the Marshall well is feasible as an additional water source for the District.

3. PG&E – install new power meter at Upper Oakridge Booster Station

GM Johnson initiated communication with PG&E regarding the addition of an electrical meter for the Upper Oakridge booster site. The result from this effort will be independence from sharing an electrical meter with a District customer. The estimated cost is \$10,000 to PG&E, plus additional electrician costs to connect the electrical meter to the booster station.

4. Technology upgrade – office

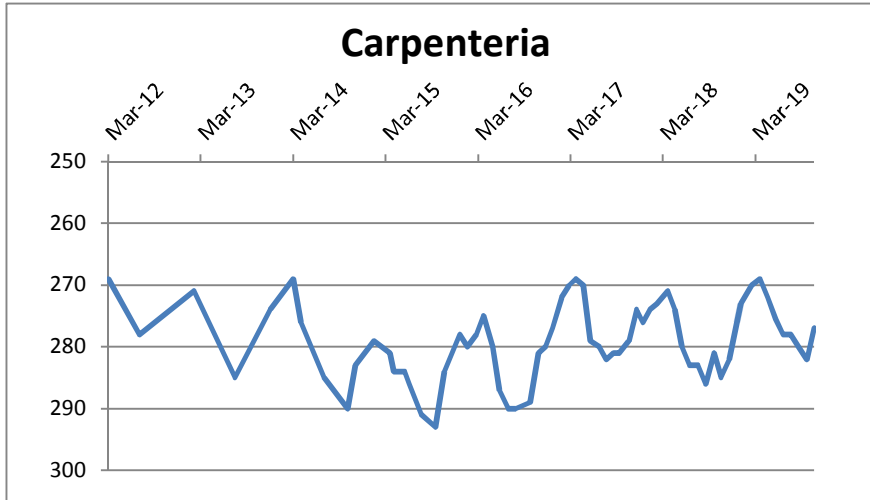
In the Fiscal Year 2019-2020 Budget, new office computers were budgeted. These computers were ordered October 16 and are expected to be installed by mid-to-late November.

5. Technology upgrade - SCADA

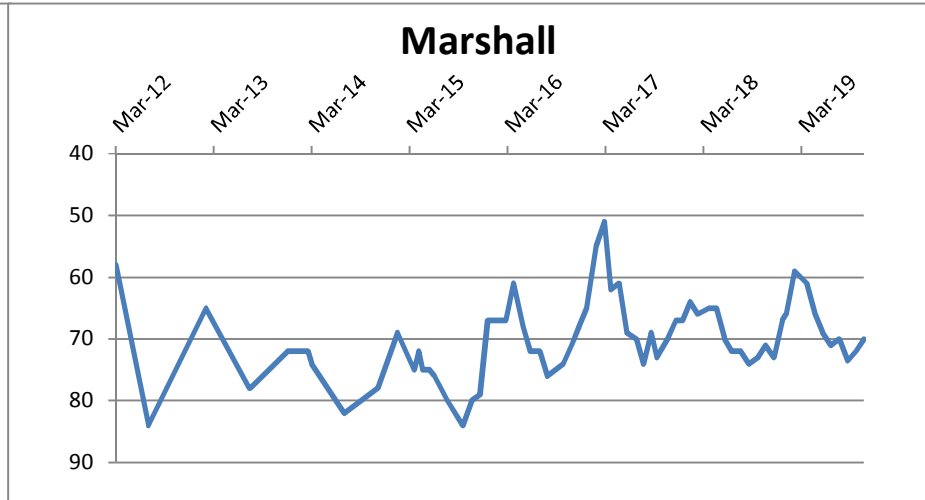
In the Fiscal Year 2019-2020 Budget, Phase 3 of the XiO (SCADA) implementation was budgeted. The configuration for this phase will include the outfitting of the Carr Booster Station and Carr Tank. Additional work is being done to maximize the effectiveness of additional installs that could occur with the budgeted funds.

Robert Johnson
General Manager
October 16, 2019

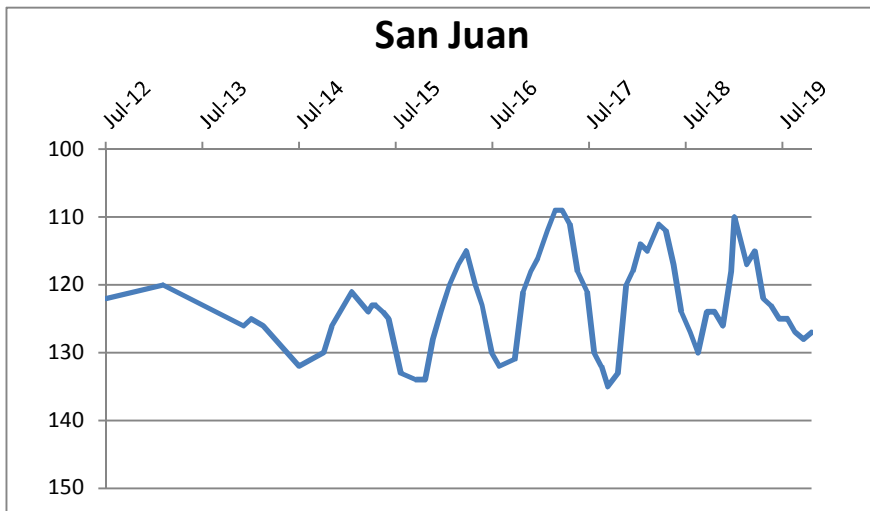
Well Water Level Monitoring
 Depth to Water Measurements
 Date: October 15, 2019



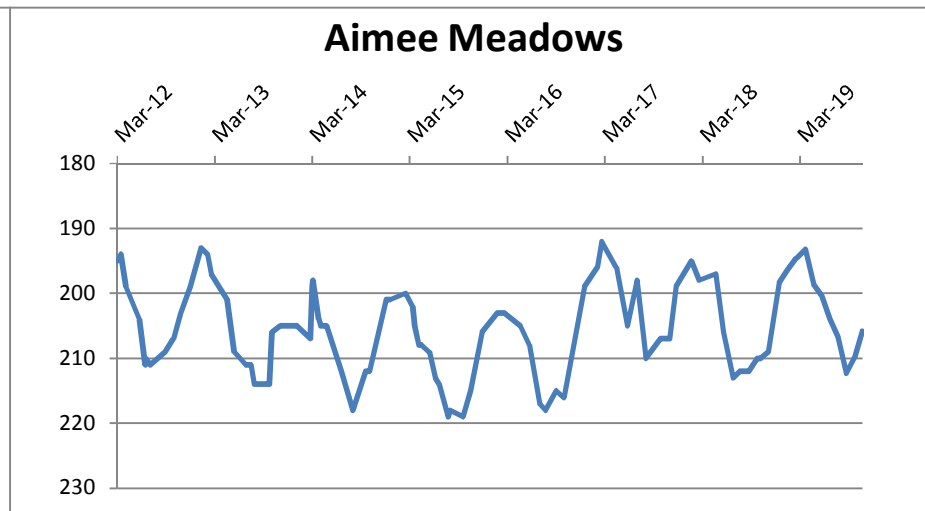
Carpenteria Well (production): Previous Read = 282 feet; Current Read = 277 feet



Marshall Well (monitoring): Previous Read = 72 feet; Current Read = 70 feet



San Juan Well (production): Previous Read = 128 feet; Current Read = 127 feet



Aimee Meadows (monitoring): Previous Read = 210 feet; Current Read = 206 feet

CORRESPONDENCE LIST: 9/13/2019 - 10/16/2019

DATE	TYPE	TO	FROM	SUBJECT
9/19/19	E	S Capron, Cole Road	R Johnson, AWD	Comments on Cole Road Annexation
9/19/19	E	B Nicholson, SB LAFCo	R Johnson, AWD	Cole Road Annexation - Requested Additional Materials
9/20/19	M	B Nicholson, SB LAFCo	R Johnson, AWD	Cole Road Annexation - Requested Additional Materials
9/20/19	E	A Baker, AT&T	R Johnson, AWD	AT&T Dedicated Fiber Options - Data Only - 79 1/2 Marshall Lane
9/20/19	E	R Johnson, AWD	H Mavrogenes, COSB	Carr Road Bridge, Rocks Road Bridge Status & Response
9/20/19	E	R Johnson, AWD	Building & Renovations Service Center, PG&E	Application Acknowledgement 117903558 (Marshall) & 117903831 (Oak Ridge)
9/22/19	E	R Johnson, AWD	M Feeney	BART Test Kit
9/23/19	E	S Capron, Cole Road	R Johnson, AWD	Comments on Cole Road Annexation
9/24/19	E	R Johnson, AWD	N McCormick, CSDA	ENews: Did You Know This is Special Districts' Week?!
9/24/19	M	Spec Dist Assoc Monterey County	AWD Board	CSDA Certificate of Liability Coverage
9/25/19	E	AWD	ACWA Advisory	Updated Value of Water Toolkit Available to ACWA Members
9/25/19	E	R Johnson, AWD	M Jarvis, PG&E	Marshall Ln E/O Aromas 117903558
9/25/19	E	R Johnson, AWD	M Jarvis, PG&E	19240 Oak Ridge Dr, Aromas 117903831
9/27/19	E	R Johnson, AWD	C Lynch, CALFIRE	Aromas Tri County Fire Prevention Week Open House
9/30/19	E	C Lynch, CALFIRE	R Johnson, AWD	Aromas Tri County Fire Prevention Week Open House
9/30/19	E	AWD	AWWA	Public Affairs Advisory - book titled "Troubled Water: What's Wrong with What We Drink"
9/30/19	E	L Coombes, AWD	D Zarate, NBS	Request for Fund Balances [Oakridge]
9/30/19	E	L Austin	R Johnson, AWD	Annual Cost of Water for Town Square
10/1/19	E	R Johnson, AWD	O Figueroa, Kamstrup	Kamstrup
10/1/19	E	R Johnson, AWD	iFlow Accounting	Invoice 100978 from IFLOW
10/3/19	E	D Zarate, NBS	E Giron, AWD	Response to Request for Fund Balances
10/3/19	E	iFlow Accounting	R Johnson, AWD	Invoice 100978 from IFLOW
10/3/19	E	AWD	P Riso, MCWD	Spec Dist Assoc Dinner Meeting - Oct 15th

CORRESPONDENCE LIST: 9/13/2019 - 10/16/2019

DATE	TYPE	TO	FROM	SUBJECT
10/3/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 0
10/8/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 1 & Response
10/7/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 4
10/8/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 5
10/8/19	E	SWRCB	R Johnson, AWD	Monthly Summary of Coliform Monitoring
10/8/19	E	SWRCB	R Johnson, AWD	Monthly Fe & Mn Field Test Results
10/8/19	E	AWD	SWRCB	Options for Consideration for Water Systems in the Face of a PSPS Event
10/9/19	E	J Peairs, XiO	R Johnson, AWD	Phase III: Carr Booster Pumps and Carr Tank Sites
10/9/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 6
10/10/19	M	G Guggenberger, 2345 Salinas Road, SJB	R Johnson, AWD	Changes to Aromas Water District Account #995000
10/10/19	E	M Feeney	R Johnson, AWD	Carpenteria Well Investigation - Day 7
10/14/19	E	AWD	ACWA Outreach	ACWA Encourages Members to Provide Input on Water Loss Regulatory Efforts
10/16/19	M	M Dias, 119 Sea Foam Ave, Monterey	L Coombes, AWD	Correction to 2016-2017 CalPERS Contributions

Staff Report



To: Board of Directors

Re: Item IX.A ó Consider receiving the updated Aromas Water District Organizational Chart, and providing direction to staff

Date: October 16, 2019

Summary / Discussion

The Aromas Water District organizational chart needs updating due to the recent changes in personnel. The attached DRAFT Organizational Chart is for the Board of Directors to consider receiving, reviewing, and providing feedback or direction to staff.

Staff Recommendation

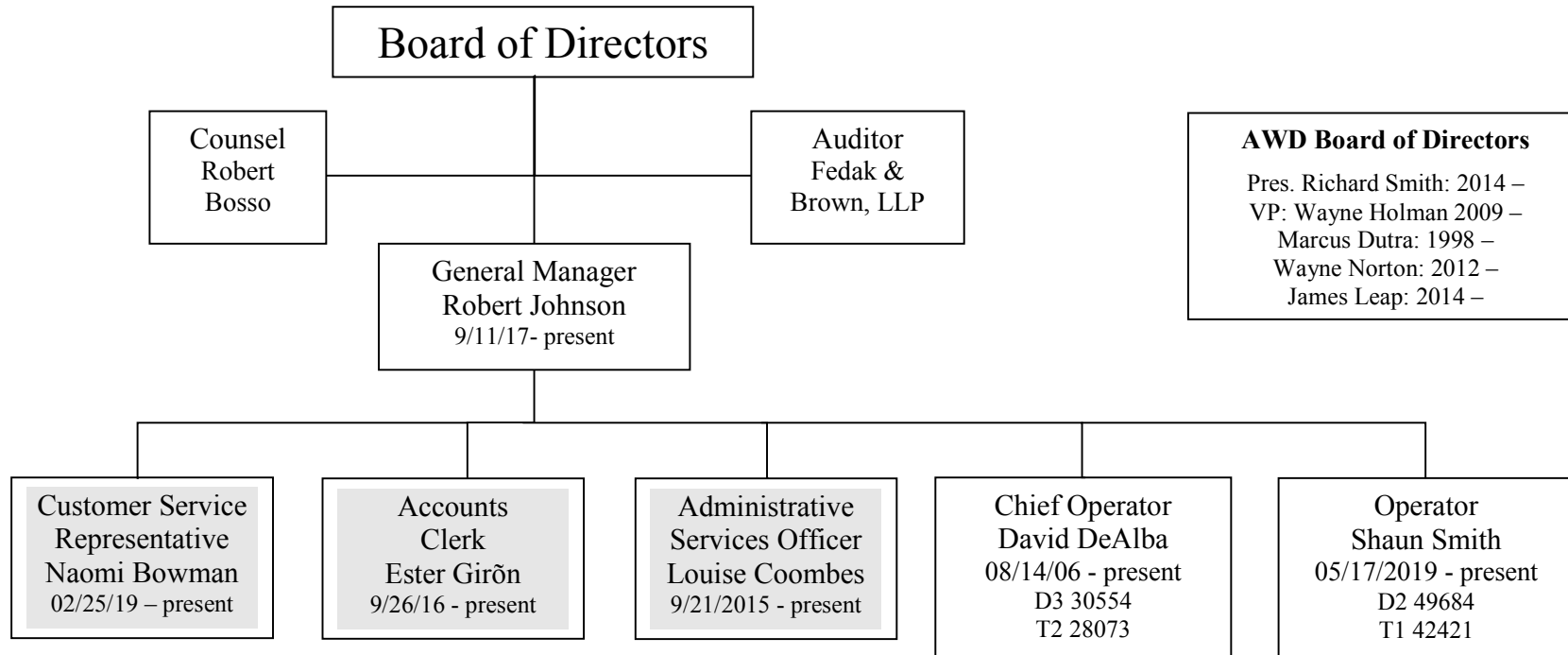
Receive and approve the updated Aromas Water District Organizational Chart.

Submitted by:

Robert Johnson
General Manager

AROMAS WATER DISTRICT

ORGANIZATIONAL CHART



AWD Board of Directors
 Pres. Richard Smith: 2014 –
 VP: Wayne Holman 2009 –
 Marcus Dutra: 1998 –
 Wayne Norton: 2012 –
 James Leap: 2014 –

Shaded Frames =
 Part Time
 Employees

General Manager

(Rev. 10/2019)

Staff Report



To: Board of Directors

Re: Item IX.B ó Consider receiving a report regarding the proposed rehabilitation strategy for the Carpenteria Well; and providing direction to staff

Date: October 16, 2019

Summary / Discussion

In early 2017, the Carpenteria Well was treated with a chemical mixture to facilitate the removal of iron bacteria. Due to circumstances beyond staff's control, the entire volume of treatment solution was not able to be utilized in the well.

Over the last year, the Carpenteria Well has had some production challenges that have been discussed at various Board of Directors' meetings. In response to these production challenges, a rehabilitation strategy has been contemplated over the last few months. Initially, the District could not perform any type of cleaning or rehabilitating work since the summer months were coming when the well was needed most. Additionally, using the Carpenteria Well is beneficial to the District's bottom line with the offset in costs related to the solar power system.

Now that we are in the Fall season, staff can take Carpenteria Well off-line as need be to rectify issues that are being experienced. Staff is working with Martin Feeney, Consulting Hydrogeologist, to develop a plan for rehabilitating the well. Mr. Feeney has already provided the District with a "test kit" that utilizes a water sample to help determine the type of iron bacteria in the well, and whether it is present or absent. This information will help determine the method of rehabilitation developed.

Staff collected samples on October 3 and has been observing the samples on a daily basis until October 16. Based on the sample observation results, the presence of iron bacteria seems minimal, so chemical treatment of the well seems off the table currently. The process being considered would be to jet the well, and then pump from various zones in the perforated area to get a feel for how effectively water is entering the well. The benefit to this method is that there is not the introduction of chemicals into the well column. The discharge from the process being contemplated would only be water (with some sand). A local drilling contractor has built a tool that has been used locally for this purpose and use of that tool restored the well successfully.

This is a preliminary report, and Mr. Feeney is working on the particulars of the work to be performed. That information will either arrive before the Board meeting date and it can be evaluated; or if nothing arrives, the proposal and related costs will be presented at the November Board of Directors' meeting for discussion and Board action.

Staff Recommendation

Receive the report and provide direction to staff

Submitted by:

Robert Johnson
General Manager

Staff Report



To: Board of Directors

Re: Item IX.C ó Consider establishing an Ad-Hoc Personnel Committee to provide support while developing an updated "Board of Directors" Policy Manualö and an updated "Aromas Water District Employee Handbook"ö

Date: October 17, 2019

Summary / Discussion

Policies and procedures are critical to keeping an entity focused on its primary objectives. While an entity's Mission Statement provides a direction, there could be many differing ways that that direction is achieved. Policy manuals and employee handbooks provide a common set of procedures and principles that everyone in the organization can work from and within.

For example, the Employee Handbook states:

öThis manual is intended to provide you with a general understanding of the AROMAS WATER DISTRICT's human resource policies, benefits and rules. It is intended to familiarize you with important information about the AROMAS WATER DISTRICT as well as information regarding your privileges and responsibilities. Although it is not an employment contract or legal document, it is important that all employees read, understand, and follow the provisions of this Handbook.

This Handbook cannot anticipate every situation or answer every question about employment, nor can it provide information that answers every possible question. Additionally, circumstances will undoubtedly require that guidelines, practices, and benefits described in this Handbook change. Accordingly, the AROMAS WATER DISTRICT must reserve the right to modify, supplement, or rescind any provision of this Handbook from time to time, as it deems necessary. When changes are made, you will be provided with supplements, updates or a new handbook as soon as practicable.ö

There are some updates needed to both these manuals to better reflect the current working environment of the District. Staff is looking to implement these changes before the end of the current fiscal year, and with committee support, that goal is achievable.

Staff Recommendation

Establish an Ad-Hoc Committee to provide support while developing an updated Board Policy Manual and Employee Handbook

Submitted by:

Robert Johnson
General Manager

Aromas Water District
 Balance Sheet Prev Year Comparison
 As of September 30, 2019

	Sep 30, 19	Sep 30, 18
ASSETS		
Current Assets		
Checking/Savings		
UB Checking	218,161.73	214,970.64
UB Bk Money Market xxxx7853	299,216.96	117,656.36
LAIF-State of Ca xx-05	819,218.43	799,411.23
Petty Cash	100.00	100.00
Assessment District Banks		
OAWA Union Bank Checking 7741	21,335.49	21,153.01
OAWA Union Bank 101 Redemption	13.08	1.14
OAWA Union Bank 102 Reserve	35,629.27	35,582.64
Oakridge Union Checking 5587	314,898.63	299,617.88
Total Assessment District Banks	371,876.47	356,354.67
Total Checking/Savings	1,708,573.59	1,488,492.90
Accounts Receivable		
1200 · Accounts Rec - Spec Proj/Taxes	0.00	1,500.00
Total Accounts Receivable	0.00	1,500.00
Other Current Assets		
1292 · Accounts Rec - USDA Loan	2,171,395.00	2,272,916.60
1291 · Accounts Rec - Orchard Acres	335,320.03	335,320.03
Prepaid Insurance	26,642.99	10,885.07
128 · Inventory	49,460.11	26,885.37
1200.1 · Accounts Receivable--UBMax	147,811.56	160,975.66
1201.9 · Less Allowance for doubtful Acc	-500.00	-500.00
Total Other Current Assets	2,730,129.69	2,806,482.73
Total Current Assets	4,438,703.28	4,296,475.63
Fixed Assets		
1900 · Water System	11,797,525.29	11,731,233.29
1915 · Office Building & Improvements	398,261.43	387,260.80
1970 · Office Equipment & Fixtures	93,467.05	93,467.05
1980 · District Vehicles	117,577.39	117,577.39
1990 · Land and Easements	340,644.03	340,644.03
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	-6,010,166.00	-5,506,372.00
Total Fixed Assets	6,738,309.19	7,164,810.56
Other Assets		
Deferred Outflow of Resources	187,200.00	187,200.00
Deposits		
ACWA Deposit	2,080.80	2,080.80
Total Deposits	2,080.80	2,080.80
Total Other Assets	189,280.80	189,280.80
TOTAL ASSETS	11,366,293.27	11,650,566.99

Aromas Water District
 Balance Sheet Prev Year Comparison
 As of September 30, 2019

	Sep 30, 19	Sep 30, 18
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - Accounts Payable	76,824.60	39,134.18
Total Accounts Payable	76,824.60	39,134.18
Credit Cards		
First Bankcard - S Smith #07	343.46	0.00
First Bankcard - E Giron #86	75.94	428.29
First Bankcard - R. Johnson #31	0.00	-316.51
ACE Hardware	0.00	39.85
First Bankcard - L Coombes #92	122.24	121.40
First Bankcard -- T. Zelmar #67	0.00	150.85
Valero - Fuel	635.58	-372.72
First Bankcard -- D DeAlba #35	1,895.47	402.36
Total Credit Cards	3,072.69	453.52
Other Current Liabilities		
Current Portion UB OAWA	10,000.00	0.00
Current Portion USDA Oakridge	34,000.00	0.00
Current Portion City National	115,073.16	0.00
2100 - Payroll Liabilities	194.90	-3,948.58
Deferred Inflows- Actuarial	7,709.00	7,709.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	2,850.00	4,000.00
Hydrant Meter Deposit	0.00	1,750.00
Total CUSTOMER DEPOSITS	2,850.00	5,750.00
Accrued Vacation Payable	17,907.50	19,106.97
Interest Payable	84,940.90	52,480.90
PVWMA Payable	6,037.37	10,445.22
Total Other Current Liabilities	278,712.83	91,543.51
Total Current Liabilities	358,610.12	131,131.21
Long Term Liabilities		
2392 - Long-term Debt - USDA (Oakrd...	2,459,480.00	2,629,000.00
2391 - Long-term Debt - Orchard Acres	380,000.00	400,000.00
GASB 68 Pension Liability	562,232.00	562,232.00
City National Bank	982,313.10	1,209,167.29
Total Long Term Liabilities	4,384,025.10	4,800,399.29
Total Liabilities	4,742,635.22	4,931,530.50
Equity		
Investment in Capital Assets	6,420,006.53	6,420,006.53
Unrestricted Net Assets	2,849,055.06	2,882,032.12
Allocation of Net Assets	-2,637,574.59	-2,637,574.59
Net Income	-7,828.95	54,572.43
Total Equity	6,623,658.05	6,719,036.49
TOTAL LIABILITIES & EQUITY	11,366,293.27	11,650,566.99

Aromas Water District
Profit & Loss Budget Performance

September 2019

	Sep 19	Budget	Jul - Sep 19	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	116,868.93	115,000.00	366,529.14	375,000.00	1,207,500.00
307 · Bulk Water	233.64	600.00	1,881.84	1,800.00	7,000.00
302 · Connection	0.00	0.00	13,300.00	13,400.00	41,820.00
301 · Taxes Rcvd - AWD					
3090 · Oakridge / OAWA Assess...	0.00	0.00	0.00	0.00	194,200.00
301 · Taxes Rcvd - AWD - Other	0.00	0.00	0.00	0.00	66,000.00
Total 301 · Taxes Rcvd - AWD	0.00	0.00	0.00	0.00	260,200.00
304 · Other Office Income & Reimbu...	159.30	40.00	159.30	120.00	500.00
306 · Interest	1,639.89	1,650.00	5,003.74	4,950.00	20,000.00
312 · Grant Revenue	1,000.00	1,000.00	1,000.00	1,000.00	2,000.00
Total Income	119,901.76	118,290.00	387,874.02	396,270.00	1,539,020.00
Gross Profit	119,901.76	118,290.00	387,874.02	396,270.00	1,539,020.00
Expense					
Operations					
403 · Fuel	1,122.95	1,200.00	3,330.46	3,600.00	14,500.00
404 · Truck Maint	0.00	500.00	364.53	1,500.00	6,000.00
431 · System Repair & Maint	4,266.87	5,500.00	11,999.65	16,500.00	65,000.00
463 · Water Analysis	154.00	500.00	2,230.00	1,500.00	6,000.00
464 · Water Treatment	845.71	1,200.00	5,708.54	3,800.00	13,000.00
468 · Tools	1,552.18	580.00	2,629.57	1,740.00	7,000.00
470 · Public Outreach / Annexation	0.00	200.00	587.51	600.00	2,500.00
Total Operations	7,941.71	9,680.00	26,850.26	29,240.00	114,000.00
Power					
449.75 · 388 Blohm, # C	30.13	33.00	70.14	99.00	400.00
449.5 · 388 Blohm, A & B Office	111.66	150.00	300.31	450.00	1,700.00
461.5 · RLS Tank Booster	9.86	12.50	26.62	37.50	150.00
447 · Leo Ln Booster	40.30	35.00	110.46	105.00	400.00
448 · Aimee Mdws Well	9.86	12.50	25.95	37.50	150.00
451 · Marshall Corp Yard	41.73	42.00	107.31	126.00	500.00
452 · Rea Booster @ Seely	43.61	37.50	101.10	112.50	450.00
454 · Carr Booster	576.70	416.00	1,594.65	1,252.00	5,000.00
458 · Pleasant Acres Well	1,408.49	1,083.00	6,881.21	3,253.00	13,000.00
459 · Seely Booster @ Carpenteria	19.71	42.00	3,611.74	126.00	500.00
460 · San Juan Well	5,945.12	4,100.00	13,180.23	12,500.00	49,000.00
461 · Cole Tank	12.83	16.00	37.97	52.00	200.00
462 · Rea Tank	13.14	16.00	34.58	52.00	200.00
465 · Lwr Oakridge Boost	128.03	83.00	299.76	251.00	1,000.00
465.5 · Upper Oakridge Booster	150.00	150.00	150.00	150.00	700.00
466 · Pine Tree Tank	12.93	16.00	31.01	52.00	200.00
Total Power	8,554.10	6,244.50	26,563.04	18,655.50	73,550.00
Payroll					
Gross	30,997.10	33,852.00	92,710.37	101,565.00	406,233.00
Comp FICA	1,921.80	2,098.00	5,748.03	6,294.00	25,186.00
Comp MCARE	449.46	490.00	1,344.30	1,470.00	5,890.00
Comp SUI	62.44	195.00	194.90	580.00	2,335.00
Total Payroll	33,430.80	36,635.00	99,997.60	109,909.00	439,644.00
Employee / Labor Costs					
407 · Outside Services	323.81	500.00	1,449.13	1,500.00	6,000.00
408 · Uniform Allowance	240.77	100.00	933.10	850.00	3,000.00
409 · Workers Comp	247.19	1,025.00	2,315.59	3,075.00	12,306.00
410 · Health Ins	5,956.34	5,900.00	18,927.43	17,700.00	70,842.00
474 · Education	160.00	625.00	1,052.02	1,875.00	7,500.00
477 · Retirement	6,430.88	6,174.00	19,351.03	18,522.00	74,090.00
Total Employee / Labor Costs	13,358.99	14,324.00	44,028.30	43,522.00	173,738.00

Aromas Water District
Profit & Loss Budget Performance

September 2019

	Sep 19	Budget	Jul - Sep 19	YTD Budget	Annual Budget
Office					
440 · Misc Exp	196.96	330.00	756.70	990.00	4,000.00
444 · Postage	195.90	280.00	795.53	840.00	4,000.00
445 · Office Supplies	198.18	330.00	801.34	990.00	4,000.00
446 · Office Eqpmt and Maint	582.92	1,795.00	1,111.17	4,735.00	20,000.00
Total Office	1,173.96	2,735.00	3,464.74	7,555.00	32,000.00
Communications					
455 · Phone, Off	352.55	330.00	1,061.05	990.00	4,000.00
456 · Telemetry	488.18	550.00	1,464.54	1,650.00	6,600.00
457 · Answ Serv/Cellular Phone	251.31	300.00	729.46	900.00	3,600.00
Total Communications	1,092.04	1,180.00	3,255.05	3,540.00	14,200.00
Administrative & General					
4591 · Admin Fee (Bond Admin N...	901.88	900.00	901.88	900.00	5,000.00
4590 · Bond Interest Exp - Assess...	64,135.19	64,340.00	64,135.19	64,340.00	128,000.00
417 · Capital Loan Interest	0.00	0.00	0.00	0.00	35,000.00
467 · Depreciation Reserve	37,165.00	37,165.00	111,495.00	111,495.00	445,988.00
406 · Liability Ins	1,593.67	1,650.00	4,780.93	4,950.00	20,000.00
420 · Legal Fees	1,300.00	1,300.00	3,900.00	3,900.00	16,000.00
422 · Bank Charges	155.80	158.00	493.92	474.00	1,900.00
423 · Litigation Contingency	0.00	0.00	0.00	0.00	10,000.00
425 · Audit	3,619.00	1,000.00	4,869.00	3,000.00	12,500.00
471 · Bad Debts	0.00	0.00	0.00	0.00	500.00
473 · Memberships	0.00	0.00	968.06	1,150.00	17,000.00
Total Administrative & General	108,870.54	106,513.00	191,543.98	190,209.00	691,888.00
Total Expense	174,422.14	177,311.50	395,702.97	402,630.50	1,539,020.00
Net Ordinary Income	-54,520.38	-59,021.50	-7,828.95	-6,360.50	0.00
Net Income	-54,520.38	-59,021.50	-7,828.95	-6,360.50	0.00

10/18/19

Aromas Water District
Monthly Expenditures
 September 19 through October 15, 2019

Date	Num	Name	Amount
UB Checking			
09/25/2019	E-pay	Employment Development Dept	-641.14
09/25/2019	E-pay	United States Treasury (EFTPS)	-3,647.22
09/25/2019	17406	Compuchecks.com	0.00
09/26/2019	EFT	QuickBooks Payroll Service	-5,815.01
09/27/2019	DD1420	Bowman (P), Naomi	0.00
09/27/2019	DD1421	Coombes (P), Louise P	0.00
09/27/2019	17404	DeAlba (P), David	-2,714.97
09/27/2019	DD1422	Giron (P), Ester	0.00
09/27/2019	DD1423	Johnson (P), Robert L	0.00
09/27/2019	17405	Smith (P), Shaun	-1,345.60
09/27/2019	DD1424	Morris (P), Vicki	0.00
09/27/2019	EFT	CalPERS	-833.86
09/27/2019	EFT	CalPERS	-2,228.61
09/30/2019	17407	Ben Bingaman	-385.29
09/30/2019	17408	Clearwater Landcape Services	-800.00
09/30/2019	17409	Dan Scrodin	-150.00
09/30/2019	17410	A T & T U-verse	-60.00
09/30/2019	17411	A.L. Lease Co.	-25.13
09/30/2019	17412	ACE Hardware Prunedale	-65.46
09/30/2019	17413	ACWA JPIA, Emp. Ben. Prog.	-5,956.34
09/30/2019	17414	Aromas Water District (Petty Cash)	-101.30
09/30/2019	17415	CALNET3	-591.73
09/30/2019	17416	ConnectXtreme	-120.00
09/30/2019	17417	CSSC	-93.58
09/30/2019	17418	Fastenal Company	-255.40
09/30/2019	17419	Fedak & Brown LLP	-3,619.00
09/30/2019	17420	First Bankcard	-2,733.57
09/30/2019	17421	Grainger Inc	-467.86
09/30/2019	17422	Mid Valley Supply	-845.71
09/30/2019	17423	Monterey Bay Analytical Services Inc	-154.00
09/30/2019	17424	Rob Johnson	-50.00
09/30/2019	17425	Robert E. Bosso	-1,300.00
09/30/2019	17426	S & S Supplies & Solutions	-95.00
09/30/2019	17427	Shaun Smith	-20.30
09/30/2019	17428	Streamline	-100.00
09/30/2019	17429	United Way serving San Benito County	-32.00
09/30/2019	17430	USA BlueBook	-467.88
09/30/2019	17431	Valero	-1,052.23
09/30/2019	17432	Verizon Wireless	-107.73
09/30/2019	EFT	Bank Service Fees	-169.80
09/30/2019	NSF	Bill Adjustment Report	-464.50
10/02/2019	EFT	CalPERS	-3,889.97
10/02/2019	17433	USPO	-110.00
10/02/2019	17434	USPO	-194.60
10/03/2019	Paid Online	P G & E	-18,545.96
10/07/2019	E-pay	Employment Development Dept	-638.57
10/07/2019	E-pay	United States Treasury (EFTPS)	-3,690.44
10/07/2019	E-pay	Employment Development Dept	-194.90
10/07/2019	EFT	CalPERS	-1,885.19
10/08/2019	EFT	QuickBooks Payroll Service	-5,792.54
10/09/2019	DD1426	Coombes (P), Louise P	0.00

10/18/19

Aromas Water District
Monthly Expenditures
September 19 through October 15, 2019

Date	Num	Name	Amount
10/09/2019	17435	DeAlba (P), David	-2,626.86
10/09/2019	DD1427	Giron (P), Ester	0.00
10/09/2019	DD1428	Johnson (P), Robert L	0.00
10/09/2019	17436	Smith (P), Shaun	-1,378.88
10/09/2019	DD1425	Bowman (P), Naomi	0.00
10/09/2019	17437	Dutra (P), Marcus	-219.24
10/09/2019	17438	Holman (P), Wayne R	-219.24
10/09/2019	DD1429	Leap (P), James E	0.00
10/09/2019	DD1430	Norton (P), K W	0.00
10/09/2019	EFT	CalPERS	-895.41
10/09/2019	17439	Mark Dias	-153.92
10/09/2019	17440	ACWA JPIA	-13,829.00
10/09/2019	17441	ACWA JPIA, Emp. Ben. Prog.	-5,956.34
10/09/2019	17442	Aromas Water District (Petty Cash)	-70.00
10/09/2019	17443	Brigantino Irrigation	-1,187.77
10/09/2019	17444	Core & Main (Formerly HD Supply)	-701.76
10/09/2019	17445	Mid Valley Supply	-845.71
10/09/2019	17446	Monterey County Tax Collector	-28.46
10/09/2019	17447	PVWMA	-24,959.88
10/09/2019	17448	Recology San Benito County	-53.21
10/09/2019	17449	Streamline	-100.00
10/09/2019	17450	USA BlueBook	-198.67
10/09/2019	17451	Xerox Corp	-22.75
10/09/2019	17452	XIO, INC.	-954.78
Total UB Checking			-126,854.27
TOTAL			<u>-126,854.27</u>