

Minutes of the Regular Meeting of the Aromas Water District Board of Directors May 23, 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, May 23, 2023, at 7:00 p.m. in a hybrid setting; attendees were present in the Board Room, and online via Zoom.
- II. ROLL CALL.** President Morris, Vice-President Holman and Directors Norton, Capron and Powers were present in the Board Room along with General Manager Johnson. 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. MINUTES.** The minutes of the April 25, 2023, Board Meeting were presented for review and approval. Director Powers moved for approval of the minutes; Director Capron seconded. Minutes were unanimously approved with Directors Morris, Norton, Holman, Capron and Powers present.
- VII. ORAL COMMUNICATION.** There were no public comments.

VIII. PRESENTATIONS & REPORTS

- A. Attorney's Report.** Counsel Bosso reported there wasn't much to report on since the legislature is focusing on issues that don't affect the District.

B. Manager's Report:

OPERATIONS & MAINTENANCE

Production & Well Levels

Total production in April 2023 was 5,756,358 gallons; roughly 25% higher than March's production, and 25% lower than April's average production. The daily average production was 191,879 gallons.

The District has 972 total connected meters.

San Juan well was operated the entire month, while Carpenteria well was operated all but one day, and Pleasant Acres well was operated only one day. All water testing reports were filed on time and showed satisfactory results.

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

INCIDENTS

None.

ADMINISTRATIVE

Staff & Board Recognition

GM Johnson reported on the following staff activities: 1) CSR Bowman is working on a project to cull unnecessary information from the customers' office files, 2) MA Girõn completed and submitted the eAR (Electronic Annual Report) before the deadline, 3) MA Girõn and GM Johnson are working to complete the Consumer Confidence Report (CCR) within the specified deadline. 4) Chief Operator (CO) DeAlba and Operator Smith completed the installation at 1375 Cole Road, 5) GM Johnson worked on developing the Capital Budget, encroachment permits, and hiring the new Accounting Clerk.

Conservation & Rainfall

The beginning of the new rainfall year was on October 1, 2022. Since then 38.44 inches of precipitation has been recorded by the rain gauge at Chittenden Pass, with 1.04 inches falling in April.

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 eligible to be connected, if they choose. Actually a couple connection installations have begun and others will continue as conditions and time allows.

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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IX. ACTION ITEMS

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

GM Johnson and the Board continued the discussion regarding the use of the Conference Room afterhours. The DRAFT Conference Room Policy, developed by the Ad-Hoc Conference Room Use Policy Committee, composed of Director Norton, Director Capron and GM Johnson, was reviewed, discussed, and minor changes were agreed upon. The Conference Room Policy will begin June 5, 2023, and groups will sign up in a similar fashion as it has been done in the past. The motion to adopt and implement the policy was made by Director Capron and seconded by Director Holman. With Directors Morris, Norton, Capron, Holman and Powers present, the motion was carried unanimously.

B. Consider adopting the Proposed Capital Budget of \$475,970 for Fiscal Year 2023-2024.

GM Johnson presented the Proposed Capital Budget. The proposed Capital Budget had been worked through and recommended for approval by the Ad-Hoc Finance Committee. The Capital Budget does have an optional item, an Electric Vehicle (EV) to replace the General Manager’s vehicle, forecasted to be roughly \$50,000; however staff is not sure there will be an EV available this year.

A motion to adopt the Capital Budget was made by Director Powers, and seconded by Director Norton. With Directors Morris, Norton, Capron, Holman and Powers present, the motion was carried unanimously.

C. Financial Reports for the Month of April 2023

Total Assets / Liabilities & Equity are \$16,150,927.29. In the P&L Report, Revenue for April was \$103,686.70. Total Expenditures were \$148,202.84 between April 19 and May 16, 2023.

On the graphical representation of the Profit and Loss statement, April’s revenue was 1.9% lower than year-to-date budgeted revenue. April’s Expenditures were 2.8% higher than year-to-date budgeted expenditures.

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

X. FUTURE MEETINGS & AGENDA ITEMS.

The next meeting date will be Tuesday, June 27, 2023, at the District office. Future agenda items will be the annual tax levies for the assessment zones, and possibly a Closed Session related to continuing the discussion regarding well site options.

XI. ADJOURNMENT. President Morris adjourned this meeting at 8:00pm.

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

Date: 6.27.23

Attest: R. Johnson
Board Secretary, Robert Johnson

Date: 6/27/23